

BOARD MEETING  
STATE OF CALIFORNIA  
AIR RESOURCES BOARD

SAN JOAQUIN VALLEY UNIFIED  
AIR POLLUTION CONTROL DISTRICT  
1990 EAST GETTYSBURG AVENUE  
FRESNO, CALIFORNIA

THURSDAY, MAY 22, 2008

8:36 A.M.

TIFFANY C. KRAFT, OCR, RIPER  
CERTIFIED SHORTHAND REPORTER  
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APPEARANCES

BOARD MEMBERS

Ms. Mary D. Nichols, Chairperson

Dr. John R. Balmes

Ms. Sandra Berg

Ms. Dorene D'Adamo

Mr. Jerry Hill

Mr. Ronald O. Loveridge

Dr. Daniel Sperling

STAFF

Mr. James Goldstene, Executive Office

Mr. Tom Cackette, Chief Deputy Executive Officer

Mr. Bob Jenne, Counsel

Mr. Michael Scheible, Deputy Executive Officer

Ms. Lynn Terry, Deputy Executive Officer

Ms. Kathleen Quetin, Ombudsman

Ms. Lori Andreoni, Board Secretary

Mr. Alvaro Alvarado, Ph.D., Air Pollution Specialist,  
Health and Ecosystems Section, RD

Ms. Karen Magliano, Chief, Air Quality Data Branch

Mr. Ajay Mangat, Goods Movement Strategies Section,  
Planning & Technical Support Division

Ms. Linda Smith, Ph.D., Chief, Health and Exposure  
Assessment Branch, Research Division

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APPEARANCES CONTINUED

STAFF

Mr. Hien Tran, Ph.D., Manager, Health and Ecosystems  
Assessment Section, RD

Ms. Patricia Velasco, Air Quality Data Branch, Planning  
and Technical Support Division

Mr. Jeff Weir, Air Pollution Specialist, Air Quality and  
Transportation Planning Branch, PTSD

ALSO PRESENT

Mr. Arley Baker, Community & Legislative Affairs, Port of  
Los Angeles

Ms. Nidia Bautista, Coalition for Clean Air

Ms. Liza Bolanos, Central Valley Air Quality Co.

Ms. Ingrid Carmean

Mr. Tim Carmichael, Coalition for Clean Air

Mr. Manuel Cunha, Nisei Farmers League

Ms. Nichole Davis, ISSRC

Mr. John Diggs, Kern County, via satellite

Ms. Laura Fultz, Coalition for Clean Air

Ms. Catherine Garoupa, Madera Coalition for Community  
Justice

Ms. Jamie Holt, San Joaquin Valley Air Pollution Control  
District

Ms. Bonnie Homles-Gen, Americal Lung Association

Mr. Roger Isom, California Cotton Growers Association

Ms. Sarah Jackson, Earth Justice

Mr. Robert Kanter, Environmental Affairs & Planning, Port  
of Long Beach

APPEARANCES CONTINUED

ALSO PRESENT

Ms. Melissa Kelly-Ortega, Merced/Mariposa County Asthma Coalition

Mr. Chung Liu, South Coast Air Quality Management District

Mr. Mark Loutzenhiser, Sacramento Air Quality Management District

Ms. Linda Mackay, Tri County Watchdog, via satellite

Mr. Grant Melocik, McNeil Enterprises

Mr. Brent Newell, CRPE

Mr. Jim Quan

Ms. Mary-Michael Rawling, Merced/Mariposa County Asthma Coalition

Mr. Seyed Sadredin, Director, San Joaquin Valley Air Pollution Control District

Mr. Matthew Schrap, CA Trucking Association, via satellite

Ms. Daniela Simunovic, CRPE

Ms. Kim Thompson, Fresno-Madera Medical Society

Mr. Arthur Unger, Sierra Club, via satellite

Mr. Alvin Valeriano, ISSRC & CVAQ

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1 PROCEEDINGS

2 CHAIRPERSON NICHOLS: Good morning, ladies and  
3 gentlemen. We're going to get started. We're making sure  
4 we have everyone in place. We're in a for the Air  
5 Resources Board I guess somewhat unfamiliar location.  
6 We're thankful to the San Joaquin Valley Air Pollution  
7 Control District for having allowed us the use their  
8 facilities, and particularly for the fact that we are able  
9 to accommodate people in Modesto and Bakersfield. And  
10 that's a great help I think for the community and for us  
11 as well, because we can broaden the numbers of people that  
12 can be involved in the meeting. So we want to thank you  
13 for the use of the facilities and for providing us with so  
14 much help and assistance in getting the meeting organized.

15 I just want to say a couple of words before we  
16 get started here. We're going to be starting with a  
17 briefing on an initiative that has been begun here, the  
18 Healthy Air Living Initiative. Usually we do a health  
19 research update at this point just to keep everybody  
20 focused on what's new. But I think this is a very good  
21 way of helping to ground us in the air issues here. And I  
22 do want to congratulate whoever does the meeting  
23 scheduling months in advance for having carefully arranged  
24 to have a discussion about particulate matter here in the  
25 valley at a time of high winds and wind-blown dust. It

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1 was probably the press people I guess, because it really  
2 has helped to focus a lot of attention on what we're doing  
3 here. But it's very appropriate as well.

4 So I'd like to call the meeting to order. And we  
5 normally begin with the Pledge of Allegiance to the Flag.  
6 And there is a flag here. So let's all please rise and  
7 we'll say the flag salute.

8 (Thereupon the Pledge of Allegiance was  
9 Recited in unison.)

10 CHAIRPERSON NICHOLS: Thank you.

11 The clerk will please call the roll.

12 SECRETARY ANDREONI: Dr. Balmes?

13 BOARD MEMBER BALMES: Here.

14 SECRETARY ANDREONI: Ms. Berg?

15 BOARD MEMBER BERG: Here.

16 SECRETARY ANDREONI: Ms. D'Adamo?

17 BOARD MEMBER D'ADAMO: Here.

18 SECRETARY ANDREONI: Supervisor Hill?

19 BOARD MEMBER HILL: Here.

20 SECRETARY ANDREONI: Ms. Kennard?

21 Mayor Loveridge?

22 Ms. Riordan?

23 Supervisor Roberts?

24 Professor Sperling?

25 BOARD MEMBER SPERLING: Here.

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1 SECRETARY ANDREONI: Dr. Telles?

2 And Chairman Nichols?

3 CHAIRPERSON NICHOLS: Here.

4 SECRETARY ANDREONI: Madam Chair, we have a  
5 quorum.

6 CHAIRPERSON NICHOLS: Very good. Thank you.

7 I think I should make a couple of logistical  
8 announcements. Anyone who wishes to testify on any item  
9 is asked to please sign up with the attendant to let us  
10 know that you're planning to speak. You don't have to  
11 give your name, but we appreciate it if you do.

12 We also want to make sure that anybody who's  
13 planning to testify knows that the Board imposes a  
14 three-minute limit on all oral testimony. But if you have  
15 anything in writing, you can submit that in addition, and  
16 we're happy to read it and to include it into the record  
17 or the meeting. But if you do choose to speak and you  
18 have written testimony, we would appreciate it if you  
19 would just summarize the main points and not try to read  
20 it since we can listen faster than we can -- we can read  
21 faster than we can listen, I should say.

22 We also have translation services available in  
23 Spanish for anyone who needs it. Again, we'd appreciate  
24 it if you would see the clerk of the Board and let them  
25 know if you want translation services.

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1           Is the translator here right now?

2           SECRETARY ANDREONI: They're not here right now.

3 But I think --

4           CHAIRPERSON NICHOLS: All right. Well, in that  
5 case if there's anybody who wishes -- could somebody just  
6 translate what I just said into Spanish and make the  
7 announcement?

8           We have someone who will do that?

9           Yes, we do. Thank you.

10          (Thereupon the announcement was translated into  
11 Spanish.)

12          CHAIRPERSON NICHOLS: Finally, for safety  
13 reasons, I want to just note that the exits for this room  
14 are over on the side here and in the rear of the room. In  
15 the event of a fire alarm, we're required to evacuate this  
16 room immediately. And we will only return when there's an  
17 "all clear" signal letting us know.

18          I think that covers the basic points. And so I'd  
19 like to go immediately now to our first agenda item, which  
20 is the Healthy Air Living Initiative.

21          Mr. Sadredin.

22          MR. SADREDIN: Madam Chairman, members of the  
23 Board. Good morning. Welcome to Fresno. I'd like to  
24 thank you for being here and thank you for this  
25 opportunity this morning to talk about a very exciting new

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1 initiative that all of us in the valley are really excited  
2 about. And by "all," I mean everyone in the business  
3 community and the environmental community and the  
4 government, public and private sector. We think this  
5 measure will produce much more reductions well beyond the  
6 SIP obligations that your Board and our Board have already  
7 obligated to.

8           Madam Chairman, members of the Board, the  
9 ultimate goal of the Healthy Air Living Initiative is to  
10 create a culture where air quality is a top priority in  
11 the day-to-day decision-making process by businesses,  
12 individuals and municipalities. And with that, I'd like  
13 to introduce Jamie Holt, our chief communication officer,  
14 to give you some additional details about the programs and  
15 some of the strategies that we are pursuing to implement  
16 this program.

17           CHAIRPERSON NICHOLS: Thank you.

18           Ms. Holt, welcome.

19           MS. HOLT: Thank you. I too want to say welcome  
20 to the Central Valley. I appreciate the fact that you  
21 guys have traveled here and that you're allowing me to  
22 present this exciting program to you today.

23           As you all are very aware, air quality is a huge  
24 challenge here in the valley, and we firmly feel that the  
25 Healthy Air Living Program is a necessary complement to

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1 the regulatory and legislative actions being taken both  
2 throughout the valley and throughout the state to help  
3 alleviate our air quality problems. We also feel that our  
4 timing is right. The fact that gasoline is hitting \$4 a  
5 gallon actually makes it even more of a message and an  
6 initiative that folks are both willing and able to hear.  
7 With that, I have a short PowerPoint. This has been about  
8 an hour and a half to two hour presentation. I've cut it  
9 down to ten slides. So I'm going to go kind of quick  
10 today.

11 --o0o--

12 MS. HOLT: The goals of healthy air living are  
13 fairly simple:

14 Number one is to reduce vehicle -- well, number  
15 one is, as Seyed mentioned, to make air quality a priority  
16 in all decisions on a daily basis, whether you're a  
17 business, an individual, a city, a county, a faith  
18 organization, a nonprofit organization. We really want to  
19 make air quality one of those things that you think about  
20 when you go about your day.

21 The second priority, the second goal is to reduce  
22 vehicle miles traveled. We really feel that by getting  
23 people to drive less and drive differently, we can have a  
24 positive impact on air quality.

25 We also feel that businesses are ready and

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1 willing to have a discussion about shifting their  
2 emissions, shifting them from those peak ozone days, those  
3 peak PM days, those peak smog episodes, and also shifting  
4 them during the time of day so that perhaps they're  
5 occurring late in the evenings and over the night during  
6 the summertime and then during the afternoon during the  
7 wintertime. It allows businesses some flexibility.

8           And one of the exciting things that we found when  
9 we've gone to talk to businesses -- and we've had hundreds  
10 of meetings during the first couple of months of  
11 development of this program -- that we found that  
12 businesses are seeing win-win strategies emerging. And  
13 I'm going to discuss that in a little more detail as we  
14 move forward.

15           But we had one company in particular, Ruiz Foods,  
16 that's based here in Fresno, who transports produce and  
17 processed goods around the valley. They found that by  
18 critically looking at how they ship their product, they  
19 were able to not only alleviate and reduce emissions, but  
20 also help their economics and their bottom line. That's  
21 really at the end of the day where we think that this  
22 program has the most traction.

23           We of course are also looking at things like  
24 clean energy. Green contracting - can we encourage cities  
25 and municipalities to put into place not only green

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1 procurement programs but green contracting programs that  
2 help incentivize those vendors and those contractees who  
3 take into account air quality? Fuel efficiencies.  
4 Energy -- renewable energy such as solar, which the  
5 potential is just huge here in the valley. Those are all  
6 parts of goals of the Healthy Air Living Program.

7 --o0o--

8 MS. HOLT: We are doing many things internally.  
9 And I'll mention those very briefly down the road. But I  
10 mainly want to highlight the focused areas for external  
11 activities. This is a very multifaceted program, and  
12 we've already completed an enormous amount of work. I  
13 mentioned the numerous meetings in every sector of the  
14 community. We've held three summits. Over 500 people  
15 attended summits here in the valley. And that's where we  
16 really found that there was an enormous amount of  
17 innovation already being undertaken by our local business  
18 community. We've worked with the media already and we've  
19 got some really strong partnerships, not only with cities  
20 and counties, but also with folks such as Toyota to help  
21 incentivize the program and really bring in that corporate  
22 element.

23 I'm going to focus on some key areas. The  
24 program is multifaceted. But because this is time  
25 sensitive, and I know you all have a big day ahead of you,

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1 I'm not going to go into detail on every one of them.

2 --o0o--

3 MS. HOLT: I mentioned the media. If you guys  
4 picked up the Fresno Bee today, you know that we already  
5 have a great relationship with our local media partners.  
6 We're sitting down with editorial boards, station  
7 managers, columnists. Opinion pieces are being written.  
8 We're writing a commentary. We really see that media  
9 valley-wide -- and this includes new media. We're  
10 actually doing some things with social networking sites  
11 on-line to reach those folks who are maybe more interested  
12 in reading a blog or checking their face book page than  
13 picking up a local paper. We're really working with the  
14 media to make sure that folks understand that air quality  
15 is everyone's responsibility here in the valley.

16 Key to this partnership is showcasing some of  
17 those best practices and the strong partnerships.

18 --o0o--

19 MS. HOLT: Advertising and outreach. In addition  
20 to the three-media coverage and the public relations  
21 support that we're generating internally, we're also  
22 looking at doing advertising. One of the challenges here  
23 in the valley is that we actually are in three media  
24 markets. We're in the Bakersfield market down in the  
25 southern region, we're in the Fresno market here in the

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1 central region, and we're a part of the Sacramento market  
2 in the northern region. It makes our advertising strategy  
3 be both very complex and one that is very targeted. We're  
4 going to use a variety of different media: Radio, TV,  
5 billboard, print web-based partnerships to get our message  
6 out.

7           The message has been driven by extensive focus  
8 group research that we've done in the valley. We don't do  
9 any messaging without actually talking to the public and  
10 saying, "What resonates with you? What will you remember?  
11 What is part of this matrix that will allow you to help  
12 make some of these changes at your work site, within your  
13 community, within your city?"

14           We also work in four languages, primarily English  
15 and Spanish, here in the valley, but we also do outreach  
16 in Hmong and Punjabi.

17           I'm not going to go through all our outreach  
18 initiatives. Needless to say, we're trying to get  
19 creative, we're trying to think outside the box, and we're  
20 trying to be innovative. In the same way when you look at  
21 great health initiatives that have gotten traction,  
22 whether it's people wearing their seat belts, whether it's  
23 the stop-smoking initiative, whether it's the  
24 wearing-sunscreen initiative, they have had both  
25 regulatory, legislative, and then these outreach programs

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1 that have been innovative. And we're really trying to tap  
2 into that innovation to complement those other things  
3 being done by your Board and by our Board.

4 --o0o--

5 MS. HOLT: We're very excited that we are  
6 focusing on tools and strategies. This is not an  
7 education program. In the past, we had the Spare-The-Air  
8 program, which was all about educating people that  
9 "tomorrow is going to be a poor air quality day. We want  
10 you to change your behavior tomorrow." We had a very  
11 small window to educate the public. Spare-The-Air was  
12 very valuable in that it put air quality in the forefront  
13 of people's minds here in the valley. But we really think  
14 that that episodic strategy and that education strategy  
15 needs to change.

16 We want people to make these changes every day,  
17 even when air quality is perhaps good. We want these  
18 people to -- we want the community and the public to  
19 understand that we are giving them tools -- tangible tools  
20 and strategies that they can use within their workplace  
21 and within their home to make these changes. And you can  
22 see there the variety of items that are in the tool kit.

23 One of the things we're most excited about is  
24 that we are giving a variety of resource books on both  
25 trip reduction measures that folks can take within their

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1 workplace that talks about carpooling, bicycling, van  
2 pooling, and a telecommuting resource book that talks  
3 about the potential, the legalities, the policy decisions,  
4 the workers' comp issues that go along with telecommuting  
5 in the State of California.

6           We're also developing a website, Healthier  
7 Living, that is tool based. If you're a small business  
8 owner and you want to know how you can institute a  
9 telecommuting policy or how you can do an energy audit  
10 within your workplace, you can go to this website and  
11 we'll give you those tools or we'll link you to those  
12 resources.

13                                 --o0o--

14           MS. HOLT: Partnerships are key. We really feel  
15 that in order for the program to grow and to get traction,  
16 we really need to involve every sector of the community.  
17 And we have met with everyone, as I mentioned, from the  
18 business communities, cities, nonprofit organizations.  
19 Our inspectors are permit engineers. And anyone who's  
20 doing field work or meeting with the public here at the  
21 Valley Air District is bringing up the Healthy Air Living  
22 Program any time they have an interaction. Furthermore,  
23 any mail piece that's sent out of the district includes  
24 information on the Healthy Air Living Program.

25                                 --o0o--

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1 MS. HOLT: Within those partnerships, as I  
2 mentioned, the key is to promote those win-win strategies.  
3 Again, it's not just an education program. It's going to  
4 someone and saying, "If you ride your bike to work three  
5 days a week, you have the potential of saving \$30 a week  
6 on gasoline. If you switch from an older vehicle and let  
7 us put you in touch with some of the programs that exist  
8 that maybe might even help you trade in that older  
9 vehicle, you have the potential of saving" a certain  
10 amount of money. If you have a business and we work with  
11 you to do an energy audit or we work with you to shift  
12 your emissions, there are win-win potentials that really  
13 will drive businesses, individuals, and communities to get  
14 involved in this program.

15 Key - saving money. That's the biggest motivator  
16 when you're getting someone to change their behavior.

17 Improving employee morale, improving customer  
18 service, and of course just being a good valley neighbor  
19 are also key to this initiative.

20 I mentioned that we're doing some things  
21 internally here at the district. We believe that we need  
22 to walk the walk if we're talking the talk. We are  
23 fortunate in that we have about 42 percent of our  
24 employees who participate in alternative transportation  
25 right now. Healthy Air Living Week, which we've

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1 designated as being July 7th through the 13th, our goal is  
2 to have 100 percent of district employees participating in  
3 some type of an alternative transportation.

4           We are also doing a variety of things internally,  
5 including piloting a telecommuting program. The goal  
6 there - reduce trucks. Less people on the road, less  
7 people contributing to air quality.

8           I mentioned Healthy Air Living Week July 7th  
9 through 13th. We're working collaboratively with cities  
10 and counties throughout the valley. And we're hoping that  
11 every city and county will proclaim July 7th through 13th  
12 as Healthy Air Living Week.

13           And I would like to ask that perhaps your Board  
14 proclaim July 7th through 13th as Healthy Air Living Week.  
15 It just helps us get the word out and really lets the  
16 community know that we're serious and that we've gone out  
17 of our way to build these partnerships with the governing  
18 bodies throughout the valley and the state.

19           One of the very exciting parts of this program is  
20 pledge commitments. And we have a variety of pledge  
21 cards, that if you don't have them yet, they will be  
22 passed out to you. Within the pledge cards, and there are  
23 three of them, are a variety of different things that  
24 folks need to pledge to.

25           The first pledge card I'm going to talk about is

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1 the personal pledge card. It has a variety of things,  
2 some of which are fairly easy to do, some of which are  
3 going to take a little more work by the public. If an  
4 individual pledges to do seven things on this card, sends  
5 it back in to us, they'll be eligible to enter our hybrid  
6 vehicle competition. We've got a partnership with Toyota  
7 and we're going to be giving away a hybrid vehicle this  
8 summer.

9           In addition to that, we have business and faith  
10 community pledge cards. The business pledge cards  
11 actually have things such as shift or eliminate the  
12 operation of equipment to minimize air pollution on peak  
13 afternoon -- during peak afternoon hours; plan scheduled  
14 shutdowns to occur during Healthy Air Living Week, and  
15 exploring and adopt measures to avoid diesel idling.  
16 Really, we're hoping that during Healthy Air Living Week,  
17 and then with the traction that is developed during this  
18 week, that the concept of clean air days here in the  
19 valley, those days when businesses voluntarily decide to  
20 shift or stop operations, for a variety of reasons, will  
21 take traction.

22           The business pledge cards also, if a business  
23 pledges to do ten things, allows every employee within  
24 that business to then be eligible to enter our contest to  
25 win the Prius. We feel that would be great. Local

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1 district might be thinking about and talking about in  
2 terms of developing some of these incentives to actually  
3 realize in a more substantive, in a larger way some of  
4 these -- and more measurable way these goals.

5 MR. SADREDIN: Good morning. Seyed Sadredin  
6 again, the executive director for the air district.

7 That's a great question. In fact, as we were  
8 rolling out this program, one of the concerns that the  
9 business community had in coming forward, identifying  
10 their best practices and volunteering to do these things,  
11 they were worried that the next day we're going to make  
12 these best practices a regulation that they have to comply  
13 with. And that was giving them a bit of the cold feet.

14 But what we've been able to promote through this  
15 program, first of all, there are a lot of win-win  
16 opportunities, not only the bottom line versus air  
17 quality, but also criteria pollutant versus the greenhouse  
18 gas measures and reducing VMT helps in many ways, for  
19 instance.

20 We are hoping that ultimately this culture  
21 changing program will catch on in a major way where most  
22 businesses will enter and do these things. And once this  
23 program moves forward, we will have measurement practices  
24 put in place to actually track how many people actually  
25 abide by the pledges and commitments that they made.

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1           And some of these measures that we're talking  
2 about, for instance, are already in our plan as  
3 regulations to come later on anyway. For instance, green  
4 contracting, which is one that we are pursuing here, was  
5 part of our ozone plan that your Board then our Board  
6 approved where green contracting will be a regulation that  
7 will come down the pipe later on requiring the businesses  
8 to do that, and we will track it through that measure.

9           Also, employer trip reduction. That's a  
10 regulation that is also in our plan to be adopted later  
11 on to require employers of a certain size to actually  
12 implement these alternative transportation modes.

13           So if I understood your question, are we going to  
14 move somewhat away from voluntary to mandatory measures?  
15 That's definitely a part of the equation for some of these  
16 measures that are already in our plan. But our hope is  
17 that this program will actually take us well beyond our  
18 SIP commitments, to the point that even if we had  
19 regulations, we will get more people, more businesses  
20 beyond what our regulations require to do these things,  
21 and make it easier for those regulations later on to also  
22 be implemented.

23           I don't know if that answers your question.

24           BOARD MEMBER SPERLING: Yes. I would just, you  
25 know, comment that this could be an opportunity to think

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1 more creatively about some of the -- and it's not -- you  
2 know, you use the word "mandatory". I don't necessarily  
3 think that's the correct word to use, because there's lots  
4 of things that can be -- I think as more incentives that  
5 can be used, and some of them can be non-monetary  
6 incentives.

7           So there's lots of creative things that can be  
8 done. And with an outreach program like this, it  
9 hopefully gets the creative juices going about how you can  
10 actually get measurable reductions.

11           MR. SADREDIN: Absolutely. And we welcome any  
12 thoughts and ideas you or your staff might have as we  
13 promote this program and advance it. We're hoping that  
14 this is just the first year and it will get bigger and  
15 bigger as time goes on.

16           CHAIRPERSON NICHOLS: Thanks.  
17           Supervisor Hill.

18           BOARD MEMBER HILL: Thank you, Madam Chair.

19           It's an excellent program. I'm excited about it  
20 and I'm going to bring some of these ideas back to the Bay  
21 Area that we could possibly use.

22           The question that you mentioned that it's -- that  
23 saving money is the motivator. I guess I'm a little  
24 surprised that that is as much of the motivator here in  
25 the valley as cleaning the air should be or would be based

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1 on the condition of the air and how you're using perhaps  
2 the environmental motivation as much or more than the  
3 monetary motivation.

4           MR. SADREDIN: I think given the valley politics  
5 and the real-life situation that we're dealing with,  
6 obviously everyone is aware of the air quality problems,  
7 the public, the businesses. They understand that air  
8 quality is a major issue that we have to deal with. But  
9 we thought as a culture changing program that we can also  
10 point out that there are a lot of best practices that will  
11 not only save -- not only will help with air pollution but  
12 also save you money. And we've seen many examples of  
13 that. And fortunately with \$4 a gallon, that's a great  
14 health lesson in this regard. And we've identified many,  
15 many opportunities where you can do things differently.

16           Unfortunately, as you know, in our personal life,  
17 in our business professional lives, we get used to doing  
18 things the way we've done them for years. And, you know,  
19 we don't even bother thinking -- even when, you know,  
20 diesel is \$4 a gallon, people have done things for many  
21 years the way they have done it and they don't feel  
22 obligated to look at it in any way. So this program we're  
23 hoping will serve as a catalyst to get businesses to look  
24 at those situations more carefully, with our help, with  
25 other experts that we're going to bring into this process.

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1           But, make no mistake, air quality and health is  
2 the number one driver behind this program, that therefore  
3 the name "Healthy Air Living," that's really the concept  
4 that we're trying to push. But we think that will help,  
5 that will help -- you know, if you can identify win-win  
6 strategies, that just helps everybody.

7           BOARD MEMBER HILL: And I would hope that that  
8 would be kind of a driver and the motivator and maybe more  
9 of the incentive than the monetary. But I guess it's  
10 whatever works is the best thing.

11           Thank you.

12           CHAIRPERSON NICHOLS: Yes, Ms. D'Adamo.

13           BOARD MEMBER D'ADAMO: In follow-up to Professor  
14 Sperling's point regarding maybe looking for opportunities  
15 by way of incentive -- not necessarily regulation or  
16 voluntary but on the incentive side, as you probably note  
17 later today, we're going to be receiving an update from  
18 staff regarding AB 32 implementation focusing on some of  
19 the strategies that we may want to be taking a look at  
20 relative to land use, transportation and VMT. I think  
21 it's no secret, these are the areas where this region  
22 could benefit the most, because we lag so far behind on  
23 density, high density, and also transportation stems. So  
24 anything the district can do to help us be creative,  
25 especially when we look at some incentive opportunities as

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1 we move forward on AB 32. And maybe if you could comment  
2 on any interrelationship you see between those  
3 opportunities and the indirect source rule that the  
4 district adopted.

5 MR. SADREDIN: We believe in the reg source  
6 review, for instance, provides a great model as we  
7 approach the AB 32 greenhouse gas strategies in a way that  
8 we could not only encourage better design and development,  
9 but also create funding to promote and incentivize other  
10 activities. As you know, the way our indirect source  
11 review works, it requires developers to incorporate design  
12 features in their building to minimize traffic, have  
13 energy-efficient housing and a whole list of other  
14 measures to reduce emissions. And we think that's a good  
15 model; and if ARB in a regulatory fashion pursued that  
16 option, we would be in support of that.

17 One other means that we think you could be  
18 helpful to us, and I think that's part of the scoping plan  
19 that your staff and your Board is looking at, is to set  
20 regional targets for various areas in the valley and  
21 various areas in the state to then later on be implemented  
22 through some sort of a local target and local goals. And  
23 those measures will also help reduce VMT.

24 But what we are hoping that you would do in that  
25 regard is to look at the job housing balance, especially

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1 in areas such as the Valley and Bay Area and Sacramento  
2 where, you know, some areas in the Bay Area, for instance,  
3 might have a no-growth de facto type policy but shift  
4 affordable housing to the valley and people will have to  
5 drive from the valley long distances to job centers. So  
6 we're hoping that you would look at ISR as a model but  
7 also in setting the regional target you would give some  
8 deference to that job housing balance.

9 CHAIRPERSON NICHOLS: Any other comments?

10 Thank you for the presentation, and thank you for  
11 the work you're doing in this regard. I think some of the  
12 questions that my colleagues and I have and the comments  
13 that we have, which are all intended to I think  
14 enthusiastically support your efforts here, are along the  
15 lines of this complicated balance and how we communicate  
16 with the public effectively, how do we actually motivate  
17 people to make changes which we all know are needed. And  
18 the district, like the Air Resources Board, is a  
19 regulatory agency. And so we have this awesome power to  
20 actually mandate things on people that cost money and  
21 force things to happen. At the same time, we also  
22 recognize that we are limited in those tools, not just by  
23 continuing to maintain public support, but also by the  
24 fact that sometimes it's not the most effective way to  
25 actually get things done, which is what motivates us all

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1 to look for other alternatives in the way of incentives  
2 and education and so forth, partnerships, et cetera.

3           And I think the more that you can do to document  
4 the effectiveness of the programs that you're working on,  
5 the more helpful it will be to all of us in making the  
6 case. Because I think there's oftentimes a lot of  
7 skepticism, we certainly encounter it from legislators,  
8 from advocates and so forth, that when you are out in any  
9 sense in a nonregulatory mode, that somehow that's  
10 conflicting with or undermining the force of your  
11 regulatory activities as well. And we really have to be  
12 doing both and finding ways to get these two things to  
13 work together as well as possible.

14           So we want to encourage you in your efforts and  
15 commend you for this, and also ask you to assist us in  
16 finding ways to better measure the effectiveness of this  
17 kind of work.

18           One of the tools that I'm excited about, which I  
19 know Dr. Sperling has done some work on, is the personal  
20 calculator that people can use. A number of people are  
21 trying these for carbon now, where you can go on to a  
22 website and plug in your address and what kind of car you  
23 drive and how long you commute, and all of that, and try  
24 to figure out what your own personal carbon footprint is.  
25 And if we could somehow combine that with the air quality

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1 issues as well, I think that might be one way that you  
2 could get from just signing a pledge to actually allowing  
3 people to track how they're doing on their pledge. So  
4 just a thought maybe that might help move it forward.

5           Anyway, thank you very much.

6           I neglected to introduce our Executive Officer,  
7 who was supposed to introduce you. I jumped right into  
8 the presentation. I apologize, Mr. Goldstene. But if you  
9 would like to add anything, I would appreciate it.

10           EXECUTIVE OFFICER GOLDSTENE: No, thank you.

11           Good morning.

12           CHAIRPERSON NICHOLS: Good morning.

13           All right. Our next item is to take action on a  
14 research proposal. This is a fairly quick item but an  
15 important one.

16           And so I'm not sure who's going to introduce  
17 this.

18           EXECUTIVE OFFICER GOLDSTENE: I'll introduce  
19 this.

20           CHAIRPERSON NICHOLS: You'll start it? Okay,  
21 great.

22           EXECUTIVE OFFICER GOLDSTENE: As you know, ARB  
23 funds research projects that support the Board's programs  
24 and regulations. In recent years, many Board actions have  
25 involved particulate matter. In 2002, the Board adopted

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1 impacts. It will evaluate the role of blood platelets in  
2 promoting adverse heart and lung-related effects, such as  
3 heart attack and stroke, following exposure to particulate  
4 matter air pollution.

5 --o0o--

6 HEALTH AND EXPOSURE ASSESSMENT BRANCH CHIEF

7 SMITH: The study we're presenting today proposes to  
8 investigate for the first time the mechanistic pathway  
9 highlighted here with the green arrows.

10 Several hypothesized pathways, as illustrated on  
11 this slide, have been the basis for previous research into  
12 how inhaled PM might influence heart or lung function.  
13 The primary hypothesis investigated to date is that  
14 oxidative stress and inflammation directly lead to acute  
15 and chronic adverse heart and lung-related effects.  
16 However, none of the published studies fully supports this  
17 pathway as an explanation of how PM inhalation alters  
18 heart and lung function.

19 But they do form the basis for the pathway  
20 proposed in the proposed research which better links steps  
21 in the mechanistic chain.

22 --o0o--

23 HEALTH AND EXPOSURE ASSESSMENT BRANCH CHIEF

24 SMITH: The results of this research will contribute to  
25 identifying subpopulations of increase at increased risk

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1 federal level, I'm quite familiar with the fact that much  
2 of our information is based on epidemiology. And, in  
3 fact, what we're going to be talking about in a little bit  
4 is results of a lot of studies, but many of them further  
5 making a connection that's based on essentially comparing  
6 measured air quality with certain effects, but without  
7 really being able to explain why and how the effects  
8 happen. It's this issue of how do we actually get inside  
9 the body, in effect, and discover what is going on here,  
10 so that we can get beyond just the, yes, there's an  
11 association between these two things. That's very  
12 important. It's very indicative of something important  
13 that we need to do something about. But it doesn't really  
14 tell us necessarily which chemicals or how those chemicals  
15 are reacting in the human body.

16           So if I'm correct -- I just want to know if this  
17 is correct in addition to what you've just said -- this is  
18 a building block for helping us to actually get beyond the  
19 point where, as in the old days with smoking, we just knew  
20 that, you know, people were dying but we couldn't  
21 necessarily explain for years why it was happening. And  
22 that was part of what made it so difficult to actually get  
23 to the real serious anti-smoking regulations and programs  
24 that we have today.

25           HEALTH AND EXPOSURE ASSESSMENT BRANCH CHIEF

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1 SMITH: Yes, that's correct.

2 CHAIRPERSON NICHOLS: So it can help us speed up  
3 the development of a more effective program targeting.

4 I'm looking at Dr. Balmes to help me out here.

5 BOARD MEMBER BALMES: Well, I think you're right  
6 on target, Chairman Nichols.

7 When EPA -- federal EPA proposed in 1997 PM2.5  
8 standard, it was based on epidemiology. And it was  
9 attacked because there was not enough toxicologic evidence  
10 to show the mechanism by which these associations, as you  
11 correctly pointed out, occurred. We've made progress  
12 since then. But we still don't understand why levels of  
13 fine particulate in our air in California now still seem  
14 to be causing these effects.

15 It's plausible that low levels of fine  
16 particulate can cause these effects because we also know  
17 that secondhand smoke, not active smoking but secondhand  
18 smoke, which is also at relatively low concentrations, can  
19 cause these same cardiac effects that we see in the air  
20 pollution epidemiology. So this is really based on work  
21 that's been done with tobacco smoke on platelet  
22 activation. And platelets are the constituents of the  
23 blood -- the cells and the -- actually cellular  
24 constituents that promote clotting. And that's why a lot  
25 of us, including me, take aspirin to prevent clotting in

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1 our coronary arteries.

2           So I'm very excited about this research. I think  
3 it's right on target. It's, as Linda pointed out, making  
4 use of the U.S. EPA funding. They're actually going to  
5 expose mice to real world particulate in a trailer -- I  
6 don't know if it was actually in a -- I think, yes, in a  
7 trailer, and they're going to use a concentrator of that  
8 fine particulate that can size fraction the particulate.  
9 And, you know, I think it's right on target, and I support  
10 the research.

11           CHAIRPERSON NICHOLS: Perhaps you would like to  
12 make the resolution.

13           BOARD MEMBER BALMES: Yes. So I move that we  
14 fund this proposal.

15           CHAIRPERSON NICHOLS: Is there a second?

16           BOARD MEMBER HILL: Second the motion.

17           CHAIRPERSON NICHOLS: All right. We're required  
18 to do a roll call vote here because of the remote location  
19 provisions here. Apparently under those rules, we are  
20 required to call the roll.

21           So if the clerk would please poll the Board  
22 members on this.

23           SECRETARY ANDREONI: Dr. Balmes?

24           BOARD MEMBER BALMES: Yes.

25           SECRETARY ANDREONI: Ms. Berg?

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1 BOARD MEMBER BERG: Aye.

2 SECRETARY ANDREONI: Ms. D'Adamo?

3 BOARD MEMBER D'ADAMO: Aye.

4 SECRETARY ANDREONI: Supervisor Hill?

5 BOARD MEMBER HILL: Aye.

6 SECRETARY ANDREONI: Professor Sperling?

7 BOARD MEMBER SPERLING: I'm going to recuse  
8 myself because it's a research at UC Davis, even though I  
9 don't know the person.

10 SECRETARY ANDREONI: Chairman Nichols?

11 CHAIRPERSON NICHOLS: Aye.

12 SECRETARY ANDREONI: The vote tally is five.

13 CHAIRPERSON NICHOLS: And is the -- could we have  
14 a ruling from our attorney here as to whether this is  
15 valid.

16 STAFF COUNSEL JENNE: Yes, that's correct, as  
17 long as it's a majority of the quorum that you have here,  
18 then that is sufficient to pass the resolution.

19 CHAIRPERSON NICHOLS: Thank you.

20 It is approved. Thank you.

21 All right. We'll move on to the next item then.

22 EXECUTIVE OFFICER GOLDSTENE: Okay. Do you want  
23 me to introduce it?

24 CHAIRPERSON NICHOLS: If you would, please.

25 EXECUTIVE OFFICER GOLDSTENE: Today we're

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1 releasing a draft report which provides updated estimates  
2 of premature deaths associated with PM2.5 exposures. In  
3 this draft report, staff has reviewed the latest  
4 literature, developed a new relationship between long-term  
5 exposures to PM2.5 and premature death, and estimated the  
6 impacts in California. Staff's estimates of premature  
7 deaths associated with PM exposure play an important role  
8 in assessing the benefits of our plans and regulations.  
9 They also help us illustrate the cost effectiveness of the  
10 proposed regulations.

11 Dr. Alvaro Alvarado from our Health and Exposure  
12 Assessment Branch will make this morning's presentation.

13 Doctor.

14 CHAIRPERSON NICHOLS: Thank you.

15 (Thereupon an overhead presentation was  
16 presented as follows.)

17 AIR POLLUTION SPECIALIST ALVARADO: Thank you,  
18 Mr. Goldstene. Good morning, Chairman Nichols and members  
19 of the Board. Today we are releasing a report updating  
20 ARB's methodology for estimating premature death  
21 associated with exposure to PM2.5.

22 --o0o--

23 AIR POLLUTION SPECIALIST ALVARADO: First, we'll  
24 discuss the background on why ARB conducts health impacts  
25 analyses.

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1           Then we'll discuss the reasons for updating the  
2 methodology and how it affects our health impact  
3 estimates.

4           Next we'll show new estimates of deaths in the  
5 draft report and discuss our schedule for the next steps.

6                               --o0o--

7           AIR POLLUTION SPECIALIST ALVARADO: The ARB  
8 estimates health impacts associated with exposure to PM2.5  
9 and ozone, including premature death.

10           As part of ARB's diesel PM Risk Reduction Plan,  
11 ARB has adopted several airborne toxic control measures.  
12 To help justify the adoption of these regulations, we've  
13 estimated benefits that would result from implementing  
14 these regulations.

15           Since California's PM standard was last reviewed  
16 in 2002, new publications have emerged suggesting it would  
17 be appropriate for us to update the methodology. The  
18 draft report we're releasing today results from the  
19 Board's request for this update, and may be useful for the  
20 next round of PM standard review at both the state and  
21 federal levels.

22                               --o0o--

23           AIR POLLUTION SPECIALIST ALVARADO: This chart  
24 shows the key steps in updating ARB's methodology.

25           We began with a public workshop, followed by a

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1 California are among the most striking in the nation.

2 --o0o--

3 AIR POLLUTION SPECIALIST ALVARADO: As we saw on  
4 the previous slide, PM2.5 concentrations have steadily  
5 declined. Since 1999, the annual average PM2.5  
6 concentration has decreased by 30 percent. This reduction  
7 translates into 14,000 premature deaths avoided by the  
8 cleaner air.

9 --o0o--

10 AIR POLLUTION SPECIALIST ALVARADO: In addition  
11 to the new PM2.5 premature death relationship, staff  
12 updated the statewide concentration of PM2.5. The  
13 previous estimate of impacts was based on 1999 to 2000  
14 monitoring data. The new estimate is now based on an  
15 average of 2004 to 2006 monitoring data.

16 Up to now, ARB only estimated health impacts  
17 associated with PM2.5 exposures greater than the annual  
18 state standard of 12 micrograms per meter cubed. Our  
19 draft report assesses impacts at several levels lower than  
20 that.

21 --o0o--

22 AIR POLLUTION SPECIALIST ALVARADO: The data now  
23 available strongly suggest that premature death may occur  
24 from exposure to PM2.5 at levels lower than the state  
25 standard of 12 micrograms per meter cubed. Our scientific

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1 population lives.

2 --o0o--

3 AIR POLLUTION SPECIALIST ALVARADO: In our draft  
4 report, staff also updated the process for estimating  
5 diesel PM concentrations. The methodology makes use of  
6 the relationship between NOx and diesel PM.

7 Using the new methodology, we estimate that  
8 annually 3,900 premature deaths can be associated with  
9 diesel PM emissions in the year 2000. In contrast, the  
10 previous estimate was 2,200 deaths.

11 --o0o--

12 AIR POLLUTION SPECIALIST ALVARADO: In summary,  
13 the proposed revisions discussed today would bring our  
14 estimate of increased risk to 10 percent per unit of  
15 exposure, with the lowest level of health effects down to  
16 a range of 7 to 2.5 micrograms per meter cubed. We also  
17 updated the air quality data used in the calculations to  
18 more recent years, 2004 through 2006.

19 Based on the proposed changes, the annual  
20 estimate of premature death due to PM2.5 ranged from  
21 14,000 to 24,000. This range is equivalent to about 6 to  
22 10 percent of the total number of deaths reported in  
23 California per year.

24 In addition, staff has proposed a revised  
25 methodology for estimating diesel PM concentrations and

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1 happy to answer any questions.

2 CHAIRPERSON NICHOLS: Well, I would like to start  
3 out with a comment that would help put this in context  
4 before I go to the questions, if I may. And that is to  
5 say that this report I think is a good example of the  
6 importance of communicating scientific information to the  
7 public and communicating it in a way that indicates how  
8 you can use science in a public and transparent way to  
9 make decisions.

10 The fact is that this same kind of review is  
11 going on at U.S. EPA at this point. And that they have  
12 not been able to produce something similar for the country  
13 as a whole doesn't mean that California's air quality is  
14 getting worse than the rest of the country or that the  
15 relative impacts of PM2.5 exposure in California are worse  
16 than the exposures of people in Kansas or Boston or  
17 Atlanta. The fact that we're focusing on California here,  
18 because that's our responsibility and our jurisdiction, I  
19 think is an example of what we can do here given the  
20 resources that we have to bring this kind of information  
21 forward and to make it available to decision makers and  
22 put it into the processes, as you've indicated. And it's  
23 a contrast to some of the allegations that we've seen and  
24 heard in recent years about science being either  
25 suppressed or ignored by agencies at the federal level.

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1           So I'm proud of the fact that we are engaging in  
2 this process and doing this in the right way. But I do  
3 think it's important that, particularly for the public and  
4 the press who are trying to make sense out of this kind of  
5 information, to indicate that the headlines in terms of  
6 increased risk or numbers of premature deaths and so forth  
7 is not something that indicates that there's some new  
8 threat happening in California versus anywhere else or  
9 versus the threat that was here yesterday. It's just that  
10 we have a better -- we think we have a better way now of  
11 quantifying it and more accurately explaining what's  
12 really going on. So I'm not trying to minimize it. I'm  
13 just trying to sort of help frame the discussion. I just  
14 want to make sure that that's correct.

15           You're nodding your head, so --

16           AIR POLLUTION SPECIALIST ALVARADO: That's  
17 correct.

18           CHAIRPERSON NICHOLS: Thank you.

19           All right. Having said that now, I think there  
20 may be some questions about either how this was put  
21 together or what it really means from Board members. And  
22 I'll start in either direction.

23           I'll start with you?

24           BOARD MEMBER BALMES: Okay. So first of all, I  
25 want to thank the staff for I think a very good effort, as

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1 Chairman Nichols pointed out, to go over complicated  
2 literature, try to select the appropriate studies for  
3 making a new health impact assessment of mortality related  
4 to ambient fine particulate in California. And I do agree  
5 that the document lays out the methodology used clearly.

6           That said, it will be attacked. Not because it's  
7 a bad document, but because there is uncertainty in these  
8 estimates, which are I think very carefully pointed out in  
9 the document. And on slide 17 there was a little asterisk  
10 about the uncertainty interval around the estimated  
11 premature annual deaths per year. And it's a pretty wide  
12 confidence interval, which is appropriate. But scientific  
13 uncertainty has been used by many who don't want to see  
14 stricter air quality standards. So it's important to  
15 acknowledge that there is some scientific uncertainty  
16 here. And in fact, the empirical data -- in other words,  
17 effects of PM2.5 on the annual death rate where empirical  
18 data exists only go down to about seven micrograms per  
19 meter cubed. And below that's an extrapolation. It's  
20 totally appropriate for the staff to extrapolate down  
21 there. But we have to recognize that empirical data don't  
22 exist for those low levels at this point.

23           So, again, I commend the staff. It's a good  
24 document. It's going to be up for public scrutiny. I  
25 guaranty there will be views that are counter to what the

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1 staff has put in here. But I think it's a good document  
2 and it provides a basis for us to consider regulations in  
3 the future.

4 CHAIRPERSON NICHOLS: Thank you.

5 Any other questions from the Board members?

6 Yes, Ms. D'Adamo.

7 BOARD MEMBER D'ADAMO: I just have a question  
8 regarding background levels on slide 16. And if I  
9 understood Dr. Balmes correctly here, the level between --  
10 the levels between 7 and 2.5 are not based upon actual  
11 data; it's based upon extrapolation?

12 AIR POLLUTION SPECIALIST ALVARADO: That's  
13 correct, yes.

14 BOARD MEMBER D'ADAMO: Do you expect to receive  
15 the data between now and the time that the report goes  
16 final?

17 AIR POLLUTION SPECIALIST ALVARADO: I don't think  
18 there'll be any studies available -- long-term  
19 epidemiological studies that will be made available  
20 between now and then when it's final.

21 BOARD MEMBER D'ADAMO: Okay. And I would just  
22 say I really -- oh.

23 HEALTH AND ECOSYSTEMS ASSESSMENT SECTION MANAGER  
24 TRAN: Good morning. This is Hien Tran from the Research  
25 Division.

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1           Actually California has several studies ongoing  
2 that we have addressed this threshold question,  
3 specifically the study carried out by Dr. Jarrett at  
4 U.S.C., will be looking at the American Cancer Society  
5 cohort, Living in California, to address whether the PM2.5  
6 effect may occur at lower levels in California.

7           In addition, HEI also funded a study in New York  
8 City, also headed by Jarrett and Daniel Kusky.

9           And we also have -- the U.S. EPA has a study  
10 looking at PM constituents and health effects.

11           These studies, with results expected within two  
12 or three years, will help us resolve this question below  
13 seven micrograms.

14           BOARD MEMBER D'ADAMO: And when do we expect to  
15 go final on the report?

16           HEALTH AND ECOSYSTEMS ASSESSMENT SECTION MANAGER  
17 TRAN: We expect within two or -- file report, we will  
18 have this methodology out on a tentative schedule of  
19 August. And then as new results come in, staff will  
20 update you with the new information.

21           BOARD MEMBER D'ADAMO: And I'm not sure if I'm  
22 understanding exactly what the report's going to be used  
23 for. But in a briefing that I had with staff, when I  
24 asked these questions, I was told that at that level that  
25 it won't necessarily be tied to regulation at background

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1 levels, but that the data will be used just in terms of an  
2 estimation of premature deaths. And the concern that I  
3 have is I just want to make certain that as we get close  
4 to background levels, that as much solid information as  
5 possible. Because when we get close to background levels,  
6 I think that we're subject to attack as we adopt  
7 regulations.

8 HEALTH AND ECOSYSTEMS ASSESSMENT SECTION MANAGER

9 TRAN: You are correct in that this question will become  
10 more important as the PM levels are reduced further. We  
11 see from 1999-2000 the average statewide level was 18 1/2  
12 micrograms. They're now at around 14 micrograms and  
13 nearing the state standard of 12. So at the rate of  
14 reduction of an average of 5 percent per year, we  
15 anticipate that by the time the study results come out, it  
16 will help elucidate this question of whether we need to  
17 lower the standard.

18 CHAIRPERSON NICHOLS: Well, and hopefully also,  
19 as the result of other studies, we may have better  
20 information about exactly which kinds of particles we're  
21 most worried about too. That's always the hope anyway,  
22 that we'll get beyond just the size of the particle and is  
23 it something a little more specific.

24 Thank you. Thank you for that.

25 We are getting quite a bit of feedback from the

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1 sound system. I know we were asked -- and I should have  
2 made the announcement sooner -- to turn off, not just to  
3 silence but actually power down all electronic  
4 telecommunications equipment. So if you could please do  
5 that. It affects it I think not just here at the stand  
6 but in the audience as well, from all sides. So we  
7 appreciate your help in that.

8 All right. We have no witnesses who filed  
9 comments or indicated that they wanted to testify. But I  
10 think we do need a motion to release the document. Is  
11 that correct, or is it just going?

12 We don't. We don't need to take any formal  
13 action.

14 Okay, fine. It's just informational then.

15 And it's a draft. It says "draft" right on it.

16 Thank you. Thank you very much.

17 It does definitely help provide some of the  
18 background for our next item however, which is the  
19 consideration of the San Joaquin Valley 2008 PM2.5 State  
20 Implementation Plan, as well as an update on the valley's  
21 ozone progress.

22 Mr. Goldstene.

23 EXECUTIVE OFFICER GOLDSTENE: Thank you, Chairman  
24 Nichols.

25 The San Joaquin Valley faces a difficult PM2.5

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1 air pollution challenge. However, like all of California,  
2 PM2.5 levels are steadily declining as a result of our  
3 existing control programs, as Dr. Alvarado pointed out.  
4 This plan builds upon these efforts to further reduce fine  
5 particulate matter. As a result of significant emission  
6 reductions from both adopted measures and new commitments,  
7 the plan demonstrates that the valley will meet the  
8 standard by 2014.

9 In addition, at our November Board meeting, the  
10 Board requested a status report on the valley ozone SIP.  
11 Staff will provide this update as part of the  
12 presentation.

13 I'll now ask Dr. Patricia Velasco to present this  
14 item.

15 (Thereupon an overhead presentation was  
16 presented as follows.)

17 DR. VELASCO: Thank you, Mr. Goldstene. And  
18 good morning Chairman Nichols and members of the Board.

19 This morning I will present ARB staff's analysis  
20 of the San Joaquin Valley's 2008 PM2.5 plan.

21 --o0o--

22 DR. VELASCO: The plan you will consider today  
23 shows how the San Joaquin Valley will comply with the  
24 national ambient air quality standards adopted by the U.S.  
25 EPA in 1997. The 1997 standards consist of a daily and

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1 annual standard. Attainment plans for these standards  
2 were due to U.S. EPA in April. The San Joaquin Valley Air  
3 Pollution Control District adopted its PM2.5 plan on April  
4 30th and has submitted it to ARB for consideration. ARB  
5 staff has reviewed the District's plan and recommends that  
6 the Board approve it as a State Implementation Plan to be  
7 submitted to U.S. EPA.

8 --o0o--

9 DR. VELASCO: Like the rest of California, the  
10 Valley is making good progress in reducing PM2.5 levels.  
11 However, given the health effects of particulate pollution  
12 the Board just discussed, there is a long way to go to  
13 meet our public health goals. This plan is one important  
14 step in that process.

15 Let's begin by looking at where the Valley stands  
16 with respect to the PM2.5 standards addressed in this  
17 plan. The entire Valley is at or near compliance with the  
18 24-hour PM2.5 standard. Therefore, the SIP focuses on the  
19 problem of meeting the annual standard valley-wide. The  
20 annual standard is already met in the northern portion of  
21 the Valley. So this plan is needed to bring the remainder  
22 of the Valley into compliance.

23 This plan demonstrates the annual standard will  
24 be attained valley-wide by the 2014 deadline.

25 --o0o--

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1 DR. VELASCO: The PM2.5 attainment demonstration  
2 includes a number of elements:

3 First, a comprehensive assessment of the air  
4 quality levels in the valley and analysis of the nature of  
5 the PM2.5 problem. PM2.5 is a complex mixture of many  
6 different species generated from a wide array of sources.  
7 PM2.5 can be either emitted directly into the air in forms  
8 such as soot, smoke, and the tiniest specs of dust, or it  
9 can be formed in the atmosphere from reactions of  
10 precursor gases. Understanding the nature of the PM2.5  
11 problem is key to designing an effective control strategy  
12 and bringing clean air to the Valley.

13 Second, the attainment demonstration guides the  
14 selection of the most effective pollutants to control and  
15 the magnitude of emission reductions needed from each of  
16 the pollutants.

17 Third, the attainment demonstration also  
18 identifies the earliest practicable date by when the  
19 entire region will reach attainment.

20 --o0o--

21 DR. VELASCO: Based on the severity of the PM2.5  
22 problem in the Valley and the availability and feasibility  
23 of control measures, the attainment demonstration  
24 identifies 2014 as the earliest practicable attainment  
25 date.

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1 U.S. EPA's modeling guidance requires the use of  
2 air quality modeling to relate current PM2.5 levels to  
3 emissions of PM2.5 and PM2.5 precursors and meteorology in  
4 a region, and to stimulate future air quality based on  
5 changes in emissions. Model predictions combined with  
6 observed concentration of PM2.5 and its individual  
7 components provide the foundation for the  
8 U.S. EPA-recommended attainment demonstration. Modeling  
9 procedures for this plan followed U.S. EPA guidelines.

10 The Valley's particular pollution problem is well  
11 studied as a result of the California Regional Particulate  
12 Matter Study, or CRPAQS. This study provides the  
13 scientific foundation for the PM2.5 SIP by identifying the  
14 pollutants most important to formation of PM2.5 pollution.  
15 The results indicate that the key pollutants to reduce are  
16 nitrogen oxides, or NOx, sulfur oxides, or SOx, and  
17 directly emitted PM2.5 particles. The plan addresses  
18 these three pollutants as required by the PM2.5  
19 implementation rule.

20 --o0o--

21 DR. VELASCO: The California regional particulate  
22 matter study was designed to:

23 First, develop an improved understanding of  
24 particulate matter in central California; and

25 Second, provide decision makers with the tools

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1 to run such an extensive field study, of course we only  
2 have like a normal monitoring network that does collect  
3 PM2.5 quantities at certain number of stations.

4 CHAIRPERSON NICHOLS: How many actual stations  
5 that are used for compliance purposes are there?

6 DR. VELASCO: Twelve.

7 CHAIRPERSON NICHOLS: Twelve?

8 DR. VELASCO: Yes.

9 BOARD MEMBER BERG: But then where does the  
10 hundreds come in?

11 DR. VELASCO: During the field study when the  
12 California -- when CRPAQS was being conducted there was a  
13 very extensive field study that was conducted from 1999 --  
14 from the end of 1999 through the beginning of 2001. And  
15 that required the deployment of lots of different  
16 monitoring stations.

17 Should I continue now?

18 CHAIRPERSON NICHOLS: Yes, please.

19 --o0o--

20 DR. VELASCO: Okay. Trends in annual PM2.5  
21 designed values show that considerable progress has  
22 occurred in the San Joaquin Valley over the last five  
23 years. Monitoring began in 1999.

24 This is the compliance monitoring.

25 In 2001, all monitoring sites in the Valley had

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1 annual design values, which reflect the three-year  
2 averages over the standard of 15 micrograms per cubic  
3 meter. The Visalia site at 24.7 had the highest design  
4 value. By 2006, design values decreased throughout the  
5 Valley, and only those sites in the southern and central  
6 portions of the Valley still have design values greater  
7 than 15. Bakersfield is the current high site, with a  
8 design value of 18.9.

9 --o0o--

10 DR. VELASCO: On an annual basis, PM2.5 in the  
11 Valley mostly consists of ammonium nitrate, organic  
12 carbon, and ammonium sulfate. Ammonium nitrate is formed  
13 from chemical reactions of NOx emitted from motor vehicles  
14 and stationary combustion sources with ammonia. Burning  
15 activities, such as residential wood combustion, cooking,  
16 and direct tailpipe emissions from mobile sources are  
17 major sources of organic carbon. Ammonium sulfate is also  
18 formed in the atmosphere from the chemical reactions of  
19 SOx emitted from combustion sources and ammonia. To a  
20 lesser extent, elemental carbon resulting from mobile and  
21 stationary combustion sources, and geological material  
22 from roads and other dust-producing activities also  
23 contribute to PM2.5.

24 --o0o--

25 DR. VELASCO: In the Valley, the levels and

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1 nature of PM2.5 concentrations typically differ by season.  
2 The figure on this slide shows the variation in the  
3 monthly average PM2.5 concentrations throughout the year  
4 in Bakersfield and Fresno. Higher PM2.5 concentrations  
5 occur during the winter, between late November and  
6 February, during extended periods of stagnant weather with  
7 cold, damp, foggy conditions, which are conducive to the  
8 formation of secondary ammonium nitrate particles. The  
9 higher winter PM2.5 is dominated by ammonium nitrate and  
10 directly emitted particles, such as wood smoke and other  
11 combustion sources. These elevated winter concentrations  
12 drive the annual average PM2.5 levels.

13 --o0o--

14 DR. VELASCO: Modeling analyses have shown that  
15 direct PM2.5, NOx, and SOx emission reductions are key to  
16 demonstrating attainment in the Valley. Furthermore,  
17 annual PM2.5 concentrations are more sensitive to  
18 reductions in directly emitted PM2.5 as compared to NOx,  
19 with directly emitted PM2.5 reductions approximately nine  
20 times more effective than NOx reductions in the attainment  
21 year. Emissions of VOCs are also being reduced in the  
22 region as part of the ozone attainment strategy and are  
23 included in the modeling, but are not key for PM2.5  
24 attainment.

25 --o0o--

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1 DR. VELASCO: U.S. EPA requires a  
2 weight-of-evidences analysis to supplement the  
3 SIP-required photochemical modeling. The  
4 weight-of-evidences approach looks at the entirety of the  
5 information at hand to provide a more comprehensive  
6 scientific basis for the attainment strategy. Because all  
7 methods have strengths and weaknesses, examining an air  
8 quality problem in a variety of ways offsets the  
9 limitations and uncertainty that are inherent in  
10 photochemical modeling.

11 ARB staff evaluated air quality and emission  
12 trends; observational model results, including those of  
13 source receptor models; and evaluated diagnosis indicator  
14 species results. Along with the results from the  
15 photochemical modeling, District staff conducted a  
16 rollback modeling analysis to estimate the impacts of  
17 future emission reductions on resulting air quality.

18 The weight-of-evidences analyses provide a  
19 consistent assessment that the entire San Joaquin Valley  
20 will attain the annual PM2.5 standard by 2014. However,  
21 attainment is expected to phase in started in the northern  
22 portion of the Valley and spreading south, with more and  
23 more areas reaching attainment as we move towards 2014.

24 --o0o--

25 DR. VELASCO: The PM2.5 plan consists of adopted

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1 measures that provide increasing benefits each year, along  
2 with new emission reduction commitments from both ARB and  
3 the District. Overall, between 2005 and 2014, NOx  
4 emissions will decrease by almost 300 tons per day, direct  
5 PM2.5 emissions by over 20, and SOx by almost 3.  
6 Two-thirds of the NOx and SOx reduction and one-half of  
7 PM2.5 reductions come from already adopted measures. A  
8 significant portion of the new emission reduction  
9 commitments come from the ARB's State Strategy that was  
10 adopted in September 2007. The District's new controls  
11 will provide one-third of the PM2.5 reductions and the  
12 remainder of the NOx reductions needed to reach attainment  
13 in the Valley.

14 --o0o--

15 DR. VELASCO: The state strategy will provide 76  
16 tons per day of NOx reduction and five tons per day of  
17 PM2.5 by 2014. The core of the new NOx and PM reduction  
18 measures is the clean-up of the legacy diesel fleet.  
19 These are aggressive, groundbreaking rules.

20 The private truck fleet rule is the single  
21 largest new measure in the Valley. ARB staff is currently  
22 holding public workshops and the rule will be considered  
23 by the Board in October.

24 The off-road equipment of construction rule was  
25 adopted by the Board in 2007. The strategy also includes

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1 measures to reduce emissions from passenger vehicles  
2 through improvements in the smog check program and  
3 expanded vehicle retirement.

4 --o0o--

5 DR. VELASCO: The PM2.5 plan contains the  
6 District's commitment to develop and implement a suit of  
7 control measures for NOx, direct PM2.5, and SOx.

8 The District's proposed control measures meet the  
9 federal reasonably available control measure, or RACM,  
10 requirements, which include requirements for reasonably  
11 available control technologies, or RACT. All proposed  
12 measures are to be developed by 2010, with implementation  
13 no later than 2012.

14 The PM2.5 plan includes the six NOx control rules  
15 previously adopted in the 2007 ozone plan. The District  
16 has accelerated adoption and implementation of one of the  
17 control measures. In addition, the District has added a  
18 new NOx control measure based on equipment attrition. The  
19 District has also made progress on two of the feasibility  
20 measures from the ozone plan so that these are now control  
21 measures in the PM2.5 plan.

22 --o0o--

23 DR. VELASCO: Recognizing the importance of  
24 directly emitted PM2.5, additional measures to address  
25 this component have also been included. As noted

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1 nonattainment areas to make steady progress towards  
2 attainment. To reach attainment in the Valley, 307 tons  
3 per day of emission reductions are needed between 2005 and  
4 2014. As shown on this slide's graph, the plan  
5 demonstrates continuous progress in achieving the needed  
6 emission reductions in NOx and direct PM2.5 through the  
7 milestone years of 2009 and 2012.

8 --o0o--

9 DR. VELASCO: As part of the reasonable further  
10 progress analysis, the federal PM2.5 rule requires SIPs to  
11 demonstrate that emissions will be at a level consistent  
12 with generally linear progress in reducing emissions  
13 between the base year and the attainment year. The blue  
14 diamonds on this slide represent the downward trend in NOx  
15 emission reductions achieved in the RFP milestone years.  
16 The pink boxes represent the linear calculation that must  
17 be included in the plan for comparative purposes. As this  
18 slide illustrates, the plan is achieving generally linear  
19 progress in NOx emission reductions as specified in the  
20 rule.

21 --o0o--

22 DR. VELASCO: The ARB staff's review indicates  
23 that the plan meets the requirements of the Clean Air Act  
24 and U.S. EPA's PM2.5 Implementation Rule. As seen in the  
25 previous slide, the San Joaquin Valley's plan will result

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1 This PM2.5 plan is the result of a two-year effort to  
2 update the emission inventories for each mobile,  
3 stationary, and area source category; conduct air quality  
4 modeling and data analysis; and to develop new control  
5 strategies. The 2011 SIP update will provide an important  
6 opportunity to once again assess air quality progress,  
7 update emission inventories, and check on the progress in  
8 achieving emission reductions.

9 In addition, a new SIP for the recently revised  
10 PM2.5 standard will be done in 2012. This plan is just  
11 the first of many PM2.5 SIPs. Air quality standards must  
12 be reviewed every five years to take into account new  
13 health information. The result is that standards are  
14 revised and new SIPs are developed.

15 --o0o--

16 DR. VELASCO: In conclusion, the Valley's PM2.5  
17 plan meets Clean Air Act as well as the PM2.5  
18 Implementation Rule requirements. PM2.5 particles and the  
19 pollutants that form PM2.5 will continue to decrease  
20 beyond the demonstrated attainment date. Current air  
21 quality data show the northern valley already meets the  
22 annual PM2.5 standard and the plan demonstrates the entire  
23 valley will reach attainment by 2014.

24 --o0o--

25 DR. VELASCO: Therefore, ARB staff recommends

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1 that the Board approve the San Joaquin Valley 2008 PM2.5  
2 plan as a revision to the California SIP for submittal to  
3 U.S. EPA.

4 --o0o--

5 DR. VELASCO: Now, I will take a few minutes to  
6 update the Board on the status of the Valley's ozone plan  
7 implementation. When the Board approved the ozone plan  
8 last November, staff was directed to provide an update  
9 this spring.

10 This slide shows the status of the District's  
11 rulemaking commitments in its ozone plan. The emission  
12 reductions from these new rules will provide benefits by  
13 2014. The total reduction by these rules achieved more  
14 reductions than anticipated for both NOx and ROG.

15 --o0o--

16 DR. VELASCO: Through the 2007 ozone plan, the  
17 District committed to develop and adopt a suite of  
18 emission control regulations which would reduce  
19 ozone-forming emissions. The District rule adoption  
20 calendar would have those commitments fulfilled by 2010,  
21 and the District is well on the way to that goal. This  
22 slide shows the SIP commitments that have been fulfilled,  
23 and the emission reduction from those rulemakings. When  
24 the District begins the detailed rulemaking process, they  
25 often identify additional control opportunities that

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1           In addition to the workshop process, ARB staff  
2 regularly attends and provides updates on significant  
3 board actions and staff activities to the Valley's  
4 Governing Board and advisory committees.

5           Finally, ARB staff has been working with the  
6 Valley District, the South Coast AQMD, and U.S. EPA to  
7 bring a national advanced technology forum to the Valley.  
8 This forum will showcase emerging technologies and the  
9 scientists, engineers, and businesses that are trying to  
10 bring those technologies to market. Appropriately, this  
11 conference will be held at the University of California at  
12 Merced during the Valley's Healthy Air Living Week.

13           This concludes my presentation. And staff will  
14 be glad to answer any questions.

15           CHAIRPERSON NICHOLS: Thank you very much for the  
16 presentation.

17           We have a number of witnesses who've signed up to  
18 speak to us. And I think it would probably be useful to  
19 hear from them first before we engage in more discussion.  
20 I know a number of folks have been very actively involved  
21 at every level of this plan preparation and are anxious to  
22 make sure that the Board understands what their concerns  
23 are as well.

24           I have to say that although two of them indicate  
25 that they're neutral, all of the rest of them are here in

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1 opposition to the plan. So I want to note that, and I  
2 want to make sure that we understand what your opinions  
3 are and what your suggestions to us are before we get much  
4 further down the road.

5 So without further ado, we'll just ask staff to  
6 stay available to answer questions as we go forward.

7 I'm going to call on Kim Thompson and then Grant  
8 Melocik and then Brent Newell, and ask you to come up and  
9 speak from the podium. And we will be limiting public  
10 comments to three minutes, although I don't know how we're  
11 going to be doing the timing.

12 There is a timer here. Okay.

13 So you'll be notified when your time is up.

14 So we will start with Kim Thompson.

15 Welcome.

16 MS. THOMPSON: Thank you. Good morning.

17 My name is Kim Thompson. I'm the Director of Air  
18 Quality at the Fresno-Madera Medical Society. Our society  
19 is composed of about 1500 physicians in the Fresno and  
20 Madera area, and we're connected to other medical  
21 societies in Bakersfield, Modesto, throughout the Valley.  
22 We're a part of the California Medical Association.

23 As you know, physicians of Fresno-Madera are  
24 deeply concerned about the poor air quality in the region.  
25 And I'm here today to request your consideration to ensure

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1 the most health protective measures possible for PM2.5  
2 pollution in the San Joaquin Valley.

3           The adverse health effects and premature death  
4 resulting from particulate matter pollution cannot be  
5 understated, and is underscored by your staff in research  
6 that was reported this morning.

7           We would further like to add that in these  
8 considerations of the staggering health consequence of  
9 particulate matter pollution, that we have some local  
10 considerations of specific challenges to the San Joaquin  
11 Valley in terms of our health care infrastructure to care  
12 for patients with pollution related illness.

13           You may know that all eight counties of the San  
14 Joaquin Valley are designated medically underserved areas  
15 and populations. Actually the entire county of Madera is  
16 a medically underserved area. What does this mean? Well,  
17 primarily it means that we have fewer health professionals  
18 to population than we do in other regions of the state.  
19 For example, if we look at Kern and Merced counties, in  
20 terms of nursing staff, they have 55 percent and 41  
21 percent of nurses compared to the state average.

22           This is particularly acute with physicians. We  
23 have half the number of specialists practicing as is  
24 practicing in southern California. We have a third of the  
25 number that is practicing in the Bay Area. Difficulty to

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1 recruit and sustain physicians in this area is in part due  
2 to our air pollution.

3           Additionally, we are challenged in the Valley  
4 with a higher percentage of MediCal enrollees per  
5 population than the state as a whole and most other  
6 regions of the state. And, conversely, the reimbursements  
7 for MediCal patients to MediCal providers are lower than  
8 other regions of the state.

9           In short, this is to say that we here in the  
10 Valley are struggling to care for those who are struggling  
11 to breathe. And with the anticipated medical cuts that  
12 are coming down the line in July, those most impacted will  
13 have even less access to care.

14           So in this critical situation we must ask  
15 ourselves, "What does preventative care look like?" And  
16 those at the Fresno-Madera Medical Society believes that  
17 it starts with a strong PM2.5 plan.

18           We understand that ways to strengthen the plan  
19 include additional NOx reductions as well as VOC  
20 reductions. We understand that a large part of the  
21 reductions needed for attainment is anticipated to come  
22 from CARB's Heavy-Duty Diesel Truck Rule. And so we want  
23 to underscore the need for more control measures and  
24 contingency measures, so that overall our pollution  
25 becomes -- so that the targeted reductions become a

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1 reality.

2 CHAIRPERSON NICHOLS: Thank you.

3 MS. THOMPSON: Thank you for your time.

4 CHAIRPERSON NICHOLS: I appreciate very much your  
5 sticking to the limit. I know that buzzer when it goes  
6 off is a little disconcerting.

7 We're going to hear next from Grant Melocik, and  
8 then we're going to change the order and hear next from  
9 Sarah Jackson. Apparently there's been some reshuffling  
10 here.

11 MR. MELOCIK: My name is Grant Melocik and I'm  
12 here as a citizen of the Valley and a citizen of Fresno.  
13 And I also am opposed to the measure.

14 I think, once again, based on the information I  
15 have been able to read about, the Air Quality Board has  
16 failed again to aggressively pursue the available measures  
17 that could help us reach an attainment goal quicker.

18 I'd like to talk about some of the things that we  
19 touched on already today. Three thousand nine hundred  
20 deaths -- 3,900. If terrorists killed 3,900 people, this  
21 country would be in an uproar. And yet we continue to  
22 look at partial measures and glide past that.

23 More importantly, how many tens of thousands of  
24 people have severe impairment as a result of these  
25 pollutants?

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1           We hear a lot about expense. Every particular  
2 group that has their ox gored with these programs, or  
3 individuals, scream about expense. But as we all know,  
4 this is a cost transfer. We're transferring their costs,  
5 the costs of cleaning up their diesel engines, the costs  
6 of not using their fireplace -- we're transferring that  
7 cost to medical costs, and as the previous person  
8 mentioned, in an area where medical care is difficult to  
9 attain. So we're not saving any money with this. We're  
10 just shifting it from one group to another.

11           We've talked about jobs. When I first came to  
12 the Valley I came as a vice president of engineering.  
13 Yes, we had trouble getting medical people. But we have  
14 trouble getting the technology people as well, because  
15 they do the research, they see what the air quality is.  
16 And it's one reason we do not, like the rest of  
17 California, have the high income, high capability jobs,  
18 because we're pandering -- let's be blunt -- to a lower  
19 level of job classification with our lack of being more  
20 aggressive in cleaning up the Valley.

21           Technology. We talk about best available  
22 technology. We hear it today that the particulate  
23 emissions are nine times worse with a contribution -- the  
24 actual particulate is nine times worse than NOx. Well, a  
25 lot of the NOx emissions we know are being improved year

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1 by year because of federal standards on vehicles. But  
2 what is the difficulty and the technology to be more  
3 aggressive about stopping open-field burning, stopping  
4 fireplace burning. Action.

5           The initial discussion was about the voluntary  
6 plans. All I can give you is my perception. And, that  
7 is, that the people who care, both in business and  
8 individuals, have either made improvements or are making  
9 improvements. We have to have dedicated, enforceable  
10 rules in order to take what I think are a large number of  
11 people who are never going to change unless the changes  
12 are pushed on them in order to make the improvements.

13           Again, I'm disappointed. And I think I'm wasting  
14 my breath, because the Board, I fear, will vote the way it  
15 always does, with those who are really concerned voting  
16 against this and those who are representing other  
17 interests voting for it.

18           Thank you.

19           CHAIRPERSON NICHOLS: Thank you, Melocik.

20           Sarah Jackson.

21           MS. BOLANOS: And I apologize for the confusion.

22 Liza Bolanos. I'll be taking Brent Newell's spot, and  
23 we're switching. It wasn't Sarah Jackson. Sorry about  
24 that.

25           CHAIRPERSON NICHOLS: You're Liza.

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1 MS. BOLANOS: Liza.

2 CHAIRPERSON NICHOLS: All right. Thank you.

3 MS. BOLANOS: Good morning. Liza Bolanos,  
4 Central Valley Air Quality Coalition. Thank you, Madam  
5 Chair and Board members, for making the trip down to  
6 Fresno. It's always great to not have to travel to  
7 Sacramento and have you in our backyard. So we appreciate  
8 that.

9 Thank you also for the opportunity to speak.

10 Today you will hear from the membership of the  
11 Central Valley Air Quality Coalition. We are a  
12 partnership of over 86 local and statewide public health,  
13 environmental, and environmental justice organizations,  
14 united in our efforts to clean the air for San Joaquin  
15 Valley residence and all Californians.

16 Similarly to last year during the ozone plan,  
17 International Sustainable Systems Research Center has done  
18 a thorough analysis of this plan and has raised some  
19 serious concerns of which we are supportive of -- I'm  
20 sorry -- concerns and recommendations of which we are  
21 supportive.

22 Some of those are -- in this plan there's a heavy  
23 reliance on the diesel truck rule, a rule which has not  
24 yet been adopted and is currently being challenged by EPA  
25 in South Coast's ozone plan. This plan overlooks and

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1 ignores opportunities for additional VOC and NOx emission  
2 reductions on stationary sources within the air district's  
3 jurisdiction. The contingency plan in this plan is  
4 inadequate and does not meet the requirements.

5 International Sustainable System Research Center  
6 has also raised questions of whether this plan will meet  
7 reasonable further progress milestones and attainment by  
8 2014. And this is important because of the articles that  
9 we saw today, because this is about humans, this is about  
10 lives, this is about families. We're concerned about the  
11 children, the grandparents, the families that will be  
12 impacted by this estimated 3,000 deaths each year.

13 You will hear from Coalition members in detail  
14 about each one of these issues. And we just ask that at  
15 the end of today that we have a strong plan that not only  
16 the community but advocates and all of the residents of  
17 this Valley can be supportive of, because this is about  
18 our health, about our lives.

19 Thank you.

20 CHAIRPERSON NICHOLS: Thank you.

21 Can we just clarify this issue that Ms. Bolanos  
22 raised about EPA challenging the ARB's heavy-duty truck  
23 rule in the South Coast plan. I think I understand this  
24 in the context of SIP world. But just to be clear how  
25 this affects our ability and timing in adopting the

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1 heavy-duty truck rule, because I think it's important.

2           DEPUTY EXECUTIVE OFFICER TERRY: Well, I presume  
3 that comment refers to correspondence that we've had with  
4 EPA with respect to conformity budgets, and what  
5 reductions could be assumed in conformity budgets for that  
6 program.

7           CHAIRPERSON NICHOLS: Conformity budgets, are  
8 those things that are used to decide whether  
9 transportation plans conform with air quality plans and  
10 whether federal transportation money can come into a  
11 particular --

12           DEPUTY EXECUTIVE OFFICER TERRY: Right. And  
13 because California's the only state that is actually  
14 adopting new rulemaking commitments as part of their SIPs,  
15 they really don't have a paradigm for dealing with that in  
16 their system. And so, therefore, they prefer in their  
17 conformity budget programs to just look at measures that  
18 are already adopted.

19           So once our rule hopefully becomes adopted, that  
20 issue will go away with respect to the conformity budgets.

21           CHAIRPERSON NICHOLS: But they're not challenging  
22 the rule --

23           DEPUTY EXECUTIVE OFFICER TERRY: They're not  
24 challenging the rule.

25           CHAIRPERSON NICHOLS: -- saying it's too tough or

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1 that we can't do it or anything?

2 DEPUTY EXECUTIVE OFFICER TERRY: Right.

3 CHAIRPERSON NICHOLS: All right. Thank you.

4 BOARD MEMBER HILL: Madam Chair, isn't there a  
5 new interpretation of what they had been doing in the  
6 past? I mean that --

7 DEPUTY EXECUTIVE OFFICER TERRY: This is a new  
8 interpretation, yes.

9 CHAIRPERSON NICHOLS: I think we talked about  
10 this last time.

11 DEPUTY EXECUTIVE OFFICER TERRY: The April Board  
12 meeting.

13 CHAIRPERSON NICHOLS: Right. When we were  
14 talking about conformity, right. I just wanted to make  
15 sure that we're on the same track.

16 BOARD MEMBER HILL: The same issue.

17 CHAIRPERSON NICHOLS: Yeah, same issue.

18 All right. I think this group has organized  
19 itself. So rather than me trying to figure out who's  
20 going next, why don't you tell me who's going next.

21 I have Brent Newell.

22 EXECUTIVE OFFICER GOLDSTENE: We're showing Mr.  
23 Newell as the next speaker.

24 CHAIRPERSON NICHOLS: Okay.

25 MR. NEWELL: Can someone else go so we don't hold

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1 up the meeting?

2 CHAIRPERSON NICHOLS: Sure, if that's all right,  
3 if that doesn't disrupt your flow.

4 Okay. Thank you.

5 Then we'll go to Daniela Simunovic, while we're  
6 figuring out how to load up some visual aids here.

7 MS. SIMUNOVIC: Good morning, Chair Nichols and  
8 members of the Board, and welcome to Fresno.

9 This hearing really -- well, my name is Daniela  
10 Simunovic and I work with the Center on Race, Poverty, and  
11 the Environment, which is an environmental justice  
12 organization with over 18 years of work here in the  
13 Valley, working with grass-roots communities on the ground  
14 and through the legal system to try to protect those folks  
15 who are most vulnerable to pollution here in the Valley.

16 We try to seek environmental justice for those folks  
17 who often have to live with a lot of environmental  
18 injustice.

19 Today's hearing really couldn't have come at a  
20 more appropriate time. This week in the south valley  
21 where our office is in Delano, the skies have been brown  
22 the entire week because of the amount of PM that is in the  
23 air - PM10 and PM2.5 and PM we don't know, with all of the  
24 pesticides and other things in our air. So it's actually  
25 been a very good visual reminder. Yesterday I was so

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1 astounded by the lack of visibility, I was taking pictures  
2 in my car of the road.

3           Additionally to the air, this morning valley  
4 residents woke up to the astounding alarm that more than  
5 3,000 of us are at risk of dying prematurely because of  
6 the air we're breathing because of PM. And that is, I  
7 want to the point out, actually more than double the  
8 amount that we as the environmental community and public  
9 health community had been advocating. And it's very  
10 alarming and astounding, and I think it helps put in  
11 perspective the concerns that us and our coalition members  
12 as part of CVAQC are raising today. And we do have  
13 serious concerns that each member will be raising in more  
14 depth, going into what Liza outlined for you today.

15           One of those concerns is that while we recognize  
16 that ARB does have a significant role to play in achieving  
17 reductions that will get us into attainment -- and, by all  
18 means, we are committed to holding you accountable to  
19 those -- we're not just picking on the Air District.

20           But if you can go to the pie chart that I have  
21 there. And I don't know if it's on screen. But --

22           CHAIRPERSON NICHOLS: We can supply it, but it's  
23 disappeared now.

24           MS. SIMUNOVIC: It disappeared.

25           Okay. Well, so throughout the development of the

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1 PM2.5 SIP at the air district level we consistently heard  
2 that the Air District was only responsible for 20 percent  
3 of PM sources of attaining reduction and that ARB had a  
4 whole responsibility of 80 percent. So when you look at  
5 it -- when we looked further into those statements, yes,  
6 if you're talking about solely NOx reductions, yes, that  
7 picture is right. But if we look at the whole picture, if  
8 we get out of the tunnel and see the landscape surrounding  
9 us, like this pie chart shows, we can see that that's not  
10 really a whole picture. When we start to incorporate  
11 other sources, it actually comes out to be a little bit  
12 more even playing field.

13           We find that CARB has more of -- 43 percent --  
14 continues to have a 43 percent of jurisdiction of the  
15 sources of PM2.5, but that the Air District has a 42  
16 percent jurisdiction over some of these sources. And we  
17 find that that's significant. This chart was put together  
18 by ISSRC, who put this together based on data from CARB  
19 and the Air District.

20           So this brings us to our next point, which is a  
21 point that we've continually raised both throughout this  
22 process and that we raised during the ozone process, which  
23 is that volatile organic compounds, or ROGs, have been  
24 left out of this plan and are a significant source that  
25 have been -- opportunity that has been missed. We can't

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1 lose track that the same science used to say that VOCs  
2 aren't as important actually does -- shows that by going  
3 after reducing -- getting reductions of VOCs, that we do  
4 get some reductions and it does advance us towards getting  
5 reductions of PM2.5. And we feel that that is often  
6 misled -- left out of the conversation.

7           And actually at the Governing Board -- at the Air  
8 District's Governing Board hearing Jim Sweet, who's on  
9 staff developing their plan, told us that VOCs are more  
10 effective than SOx in achieving micrograms of PM  
11 reductions. So we think that that's important,  
12 particularly for the --

13           CHAIRPERSON NICHOLS: Your time has expired.

14           MS. SIMUNOVIC: I know.

15           CHAIRPERSON NICHOLS: You want to just wrap up.

16           MS. SIMUNOVIC: Wrap up, yeah.

17           And that's important -- of special importance for  
18 the south valley where we have a higher concentration of  
19 sources of VOCs.

20           Again, our concern is that -- based on our  
21 concerns, we ask that your Board take action today that  
22 moves us forward towards protecting the health of Valley  
23 residents. We ask that you amend this plan to include  
24 control measures that we've suggested and to help protect  
25 us.

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1           On a personal note, my sister -- I have a sister  
2 who I love very much, and a niece and a brother-in-law who  
3 for personal reasons are leaving the Valley for continuing  
4 education. But I find myself relieved that these people  
5 that I love so dearly are leaving the Valley, because I  
6 know that my niece will have better lungs because of it.

7           So we just ask you that -- we've brought the --  
8 take the technical analysis that we've worked with with  
9 ISSRC I'm developing and presenting to you are serious,  
10 and that in the background that what motivates us is our  
11 health.

12           So thank you.

13           BOARD MEMBER LOVERIDGE: Madam Chair?

14           CHAIRPERSON NICHOLS: Yes, Mr. Loveridge.

15           BOARD MEMBER LOVERIDGE: The pie chart perhaps  
16 should be circulated around.

17           CHAIRPERSON NICHOLS: I think it will be helpful,  
18 because we really couldn't read the numbers or the  
19 headings all that well.

20           Could we get the paper and just circulate it to  
21 the Board.

22           I don't think you need to make photocopies. I  
23 think we'll just pass it along and then include it in the  
24 record.

25           Yes.

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1           BOARD MEMBER SPERLING:  Could I ask one --  
2  there's one thing that would help me a lot in  
3  understanding a lot of these concerns.  It's probably Dr.  
4  Balmes that can answer this.  It's kind of a very mini,  
5  mini tutorial.  And, that is, I'm struggling with the idea  
6  that, you know, the PM2.5 levels vary dramatically.  You  
7  know, there's a question about the -- seasonally I see  
8  they varied I think like fivefold on a monthly basis; on a  
9  daily basis, probably much more so.  You know, there's a  
10 question about the monitors.

11           And then we come to the control measures.  And so  
12 the issue for me is this exposure.  And if you have a --  
13 you know, there was this analogy to secondhand smoke.  So  
14 the question I have is:  If you have an exposure for a  
15 short amount of time, you know, how serious is that, you  
16 know, versus a persistent long-term exposure?  Because the  
17 answer to that is going to affect, you know, the --

18           CHAIRPERSON NICHOLS:  -- the control strategy.

19           BOARD MEMBER SPERLING:  -- the control strategy.

20           BOARD MEMBER BALMES:  Well, if I might.

21           BOARD MEMBER SPERLING:  Is there a simple answer?

22           BOARD MEMBER BALMES:  So short-term exposures do  
23 cause effects, both lung and cardiac.  So a short-term  
24 exposure to a relatively high level of fine particles can  
25 cause an asthma attack, for example, in children or

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1 adults - that's been documented - an asthma attack severe  
2 enough to cause that person to go to an emergency  
3 department for care.

4           Another short-term effect is for people with  
5 heart disease. They might actually have arrhythmia or a  
6 chest pain or even a heart attack related to short-term  
7 exposure. And again we have good analogy with secondhand  
8 smoke data where both epidemiologic data showing that  
9 smoking bans in public places change the rate of cardiac  
10 events and in chamber studies like I do, we exposed people  
11 for 30 minutes -- healthy people for 30 minutes to  
12 secondhand smoke levels like you might find in a casino  
13 and got acute effects on blood pressure and on vascular  
14 function with that kind of exposure.

15           Then long-term exposures, there's concern about  
16 growth of lungs in kids, that a children's health study in  
17 southern California has clearly documented that.

18           And then there's the mortality issue, which is  
19 somewhere in between an acute and chronic effect.

20           So the effects are real and the exposures -- it's  
21 the exposure response relationship that drives at the need  
22 for regulation. And at the level we're talking about,  
23 trying to meet the 1997 federal standard of 15 micrograms  
24 per meter cubed on an annual basis, there are in fact  
25 health effects clearly demonstrated at that level, both

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1 acute and chronic.

2 CHAIRPERSON NICHOLS: And it's a lot more  
3 difficult -- I guess that's sort of obvious -- to meet  
4 that low level year-long standard than to meet a daily  
5 standard. And some of the measures -- like I'm curious  
6 about things like banning fireplace burning. That's going  
7 to do very little for the long term, but it will help you  
8 with those short-term --

9 BOARD MEMBER BALMES: Yes. You know, like New  
10 Years and Christmas Day are traditionally some of the  
11 highest levels of PM in the Valley, both because of the  
12 meteorologic conditions that were referred to by staff and  
13 the fact that a lot of people like to burn wood in a  
14 fireplace on those days.

15 BOARD MEMBER SPERLING: But it would also affect  
16 things like converting the diesel irrigation pumps, which  
17 are not used very much, to electricity, you know. I guess  
18 it depends when they're used.

19 CHAIRPERSON NICHOLS: Right.

20 BOARD MEMBER SPERLING: Okay. Everything  
21 is difficult.

22 CHAIRPERSON NICHOLS: It's not clear yet --

23 BOARD MEMBER SPERLING: Everything is --

24 CHAIRPERSON NICHOLS: -- and harder.

25 All right. Mr. Newell. Thank you.

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1           MR. NEWELL: Good morning, Madam Chair, members  
2 of the Board. I'm Brent Newell, attorney with the Center  
3 on Race, Poverty, and the Environment.

4           I'm glad you brought up the truck rule issue  
5 earlier, because I would like to talk about why that is  
6 problematic in regulation to this plan.

7           First of all, the Board should take the  
8 opportunity today to amend the truck rule commitment first  
9 adopted in the 2007 state strategy for the California SIP  
10 back in September 2007. The problem with the truck rule  
11 is that it delivers or promises to deliver a significant  
12 amount of NOx reductions, on which this plan relies.  
13 Thus, the truck rule is much like the cornerstone of the  
14 plan in being able to deliver the reductions necessary to  
15 demonstrate attainment. The problem with the truck rule  
16 is that it doesn't commit to a specific tonnage reduction.  
17 It commits to nothing really. It says it will achieve  
18 more or less than the number that has been presented to  
19 you in your Board packet.

20           The state strategy assumes that this is okay  
21 because the state strategy also says, you know, "We're  
22 going to achieve the total number of reductions. We  
23 promise to achieve all the reductions that we need anyway.  
24 So it's okay if this truck rule is not specific in what  
25 it's supposed to achieve."

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1           The problem is is that the Clean Air Act says  
2 that the rules that are necessary to attain the standard  
3 must be enforceable rules. So the truck rule as promised  
4 in the state strategy is not an enforceable control  
5 measure because it doesn't commit to achieve anything.

6           EPA has confirmed that this truck rule commitment  
7 is problematic. I've submitted three documents to the  
8 Board along with my hearing card:

9           The first is a May 6th, 2008, letter from EPA to  
10 Mr. Goldstene.

11           The second, which I'd like to put up on the  
12 viewer now, is a May 15, 2008, federal register notice  
13 which was just published.

14           And the third is something from 1997.

15           Now, first, Ms. Terry described that the truck  
16 rule dialog between EPA and ARB as being, you know, an  
17 exchange of letters. Just a few days ago EPA disapproved  
18 the SIP-based motor vehicle emission budgets for the South  
19 Coast Air Basin because specifically those control  
20 measures that were in the 2007 state strategy were not  
21 specific or enforceable. EPA is saying right now, it took  
22 final action and published it in the Federal Register,  
23 that truck rule is not sufficient to meet Clean Air Act  
24 standards. You each have a copy and it's on the viewer  
25 there.

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1 I'd like to show you another document here. This  
2 is from 1997. And it is a statement of EPA's position  
3 that rebuts staff's claims that it's okay -- if you have  
4 an aggregate tonnage commitment, it's okay that the truck  
5 rule is not specific. Well, in 1997 when EPA approved the  
6 1994 ozone plan, California tried to say, "Look, it's  
7 okay. We can move around our individual commitments as  
8 long as we meet our overall tonnages." EPA said, "No,  
9 that's not okay. If you want to move around your  
10 individual commitments, you have to come to us and seek  
11 approval under Section 110(o).

12 So it's very clear through EPA prior rulemakings,  
13 in fact one just a few days ago, that this truck rule  
14 needs to be amended to provide a specific tonnage  
15 commitment, or else this entire plan is based on an  
16 unenforceable promise, an illusory contract.

17 And I'll take any questions.

18 CHAIRPERSON NICHOLS: We'll also review the  
19 written materials that you've submitted.

20 Are there any other questions at this point?

21 Thanks. But I know they'll be available.

22 MR. NEWELL: Thank you.

23 CHAIRPERSON NICHOLS: Thank you.

24 Okay. Tim Carmichael and then Sarah Jackson.

25 MR. CARMICHAEL: Good morning, members of the

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1 Board. Tim Carmichael with the Coalition for Clean Air.

2 It's good to be in Fresno.

3 I want to focus on one piece of our concerns,  
4 which has been highlighted in our comments and in various  
5 conversations with Board members.

6 I think it's clear from just the people that have  
7 testified already that the environmental community doesn't  
8 think that the plan before you is adequate. We think that  
9 the main measure, as Brent just elaborated on or  
10 identified, is not sufficiently defined to be enforceable.  
11 And so we got a problem with the pillar of the plan.

12 But we've also got a concern that whether we're  
13 right about that or not, whether the Board adopts the  
14 truck rule as proposed or something weaker, the  
15 contingency measures that have been proposed aren't  
16 sufficient and can be strengthened without a lot of effort  
17 from our perspective. Frankly, we get -- as a community I  
18 think we get a bad rap for being unreasonable. I think  
19 we're being exceptionally reasonable in our advocacy on  
20 this plan and on the specific request to the ARB to  
21 strengthen that portion of this plan. It is common sense  
22 that if you really want whatever your plan is, whether  
23 it's a business plan or an air quality plan or a military  
24 strategy plan, you're going to have contingencies, and  
25 you're going to plan for those. And you absolutely want

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1 those contingencies to work.

2           And we feel that what has been developed by the  
3 District, there are definitely some good components. But  
4 it doesn't go far enough soon enough. And that is I think  
5 the most reasonable request that we're making to this  
6 Board today as part of improving this plan immediately, is  
7 to strengthen the contingency measures. We actually think  
8 they should just be measures in the plan, because we are  
9 pretty confident. But we are not very confident that the  
10 overall plan will attain the reductions by 2014 without  
11 them. But call them contingency measures if that's what  
12 the Board's comfortable with. But let's accelerate the  
13 implementation dates and let's make sure that we really do  
14 have as many contingency measures in there that we can to  
15 back up the truck rule and to ensure that we get to  
16 attainment in 2014.

17           Thanks very much.

18           CHAIRPERSON NICHOLS: Thank you.

19           I'm going to ask staff to clarify or explain  
20 exactly what a contingency measure is from the Clean Air  
21 Act's perspective. I will turn to our guru of SIPs.

22           Lynn Terry, can you do this?

23           DEPUTY EXECUTIVE OFFICER TERRY: Sure, I'll give  
24 it a first cut. And then if our -- Bob Jenne in our Legal  
25 staff wants to add anything.

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1           There are two contingency provisions in the Clean  
2 Air Act with respect to SIPs. One is contingency for the  
3 rate of progress requirements and then the second is for  
4 attainment itself.

5           So we're required under the EPA PM2.5  
6 Implementation Rule to demonstrate we have contingency for  
7 rate of progress in milestone years; in this case would be  
8 2009 and 2012. And we have done -- the District has  
9 calculated that. We've reviewed it. And those  
10 contingency tons are from adopted measures. And that is  
11 also a key requirement for contingency measures, is they  
12 must be already adopted and no further action on the part  
13 of the state or locals would be needed to trigger them  
14 should the progress or attainment not be met.

15           So fortunately in California because we have a  
16 strong program, and each year emissions are decreasing, we  
17 do have tons from adopted measures that are calculated for  
18 2009 and 2012 for progress. And then again in 2014  
19 because of our strong program and fleet turnover and the  
20 adopted rules, each year thereafter we have substantial  
21 new reductions in NOx and diesel particulates that will  
22 provide contingency for attainment. And those tons are  
23 calculated as well.

24           CHAIRPERSON NICHOLS: So, again, just to put a  
25 point on this, if there's a rule that's submitted as a

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1 contingency rule, it has to already be adopted and be  
2 ready to go. So then what causes the switch to be  
3 triggered if it -- I mean the rule could just be going  
4 into effect anyway and you just call it a contingency rule  
5 versus a regular rule? And what is actually the  
6 difference?

7           DEPUTY EXECUTIVE OFFICER TERRY: Well, I guess  
8 the difference, it depends on the circumstance. If you  
9 have adopted rules on the books already, then obviously  
10 the reductions will be happening and there's no need for a  
11 trigger. Now, if -- for example, it's possible to have an  
12 adopted rule that has a set of requirements that are in  
13 place on an ongoing basis, and then it could also have a  
14 trigger imbedded in the rule that says, for example, in  
15 2014 if the District were not to attain, then  
16 automatically this additional provision of an adopted rule  
17 could come into place without further action.

18           CHAIRPERSON NICHOLS: It could be a rule that  
19 wouldn't actually take effect unless air quality levels  
20 reached a certain number?

21           DEPUTY EXECUTIVE OFFICER TERRY: That's right.

22           BOARD MEMBER SPERLING: Could you give us some  
23 specific examples which ones of these are contingent  
24 measures and --

25           DEPUTY EXECUTIVE OFFICER TERRY: Do you want to

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1 take that one?

2 BOARD MEMBER HILL: And, also, this reliance on  
3 the on-road diesel rule, how do we get there without that  
4 through the contingency plans that are already adopted --  
5 the measures that are adopted?

6 DEPUTY EXECUTIVE OFFICER TERRY: Which one do you  
7 want to do first?

8 (Laughter.)

9 BOARD MEMBER HILL: I was just going to add that  
10 in. Sorry.

11 DEPUTY EXECUTIVE OFFICER TERRY: We'll do Dr.  
12 Sperling's first.

13 And I'll ask Karen Magliano, staff who worked on  
14 the plan document, to talk a little bit about the  
15 measures.

16 AIR QUALITY DATA BRANCH CHIEF MAGLIANO: Sure.  
17 I'm Karen Magliano and I'm Chief of the Air Quality Data  
18 Branch at the Air Resources Board.

19 For contingency measures in the RFP years of 2009  
20 and 2012, as Lynn mentioned, we held back specific  
21 tonnage. So not specific rules per se but a certain  
22 amount of tons of already adopted measures that could  
23 serve as contingency. And then when we look at the  
24 attainment year, again as Lynn mentioned, there are  
25 ongoing reductions from our overall control program that

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1 continue to provide contingency reductions 2015, 2016,  
2 2017 and beyond.

3 CHAIRPERSON NICHOLS: Well, it's really a margin  
4 of safety than it is a contin -- I mean as I would think  
5 of it, right?

6 AIR QUALITY DATA BRANCH CHIEF MAGLIANO: The  
7 District also identified additional emission reductions  
8 that they could get from incentive programs and fee  
9 programs, that are not included as part of the attainment  
10 demonstration, but also serve as additional contingency  
11 reductions.

12 BOARD MEMBER SPERLING: So why are there these  
13 criticisms that this contingency cushion is so small? Is  
14 it smaller than unusual or is it not real or --

15 DEPUTY EXECUTIVE OFFICER TERRY: Well, no. I  
16 mean the measures are in place and the rules will be  
17 implemented, and so they're very real. There is no  
18 absolute requirement in terms of how much contingency must  
19 be provided. So we've provided a lot of tons that are  
20 resulting from our ongoing program on the progress side.

21 And we're in a different -- we have such a strong  
22 program and we have a very sharp -- a decline in emissions  
23 going forward. So since the adopted measures are  
24 providing very substantial reductions each year, you know,  
25 we would argue there's not a need for contingency from a

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1 progress standpoint.

2           But it is very true that the truck rule is a  
3 large piece of that very last increment. So we're going  
4 to get on the order of 300 tons per day of NOx reductions  
5 between now and 2014. The truck rule is about 70 of those  
6 tons in that last increment. And again because of the  
7 timing of the new diesel engines not being available with  
8 full NOx control until 2010 and 2012 time frames, the  
9 reality is we're going to have to rely on that measure  
10 sort of as the last increment. And that all of the other  
11 adopted measures are going to get us very close, so that  
12 at the end of the day in that last couple of years the  
13 truck rule is what's going to deliver the last increment.

14           CHAIRPERSON NICHOLS: Right. And now to jump in,  
15 because I -- I think this is really important. The truck  
16 rule is a rule that we haven't yet adopted, right? It's a  
17 proposal. And so the distinction between the world of  
18 SIPs and the Clean Air Act and the world of our authority  
19 under the Clean Air Act to adopt motor vehicle regulations  
20 is that if we were to put a binding commitment in the SIP  
21 to get a certain number of tons from the truck rule, which  
22 is what Mr. Newell would have us do, we would be in a  
23 position of prejudging the outcome of a rulemaking that we  
24 haven't yet done. And arguably -- not only do I think  
25 that's not really very good policy even though, you know,

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1 we can come as close as we can to making a commitment that  
2 we're going to get those tons. But to say we are going to  
3 get them from this particular rule by this particular time  
4 would completely eliminate the whole rulemaking process  
5 that we have to go through on the truck rule.

6           It would mean we were not listening to the  
7 public, we weren't going through the whole Administrative  
8 Procedure Act that state law requires of us. It puts us  
9 in a position where we're either violating our own state  
10 law and administrative procedures or we're at least coming  
11 close to being in trouble with the Clean Air Act.

12           And that's where we're being put into this  
13 difficult position, because understandably the community  
14 wants a guarantee, they want a commitment that they can  
15 hold us to and sue us if we don't do it on time. I  
16 completely understand why they'd want that in their  
17 position. I would want it too. But at the same time we  
18 at the Air Board have this obligation to go through a  
19 deliberative process and come up with a rule.

20           So I think it's a good thing to have this  
21 discussion now.

22           BOARD MEMBER D'ADAMO: If I could just interject  
23 here.

24           From a policy perspective -- I think this is sort  
25 of a quandary in the world of SIPs, right, in the plan

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1 here. But from a policy perspective, we are -- well,  
2 first of all, we're obligated under the SIP. Perhaps if  
3 we don't reach the tonnage reduction on the truck rule, we  
4 have to go someplace else. So we are obligated on an  
5 overall assignment for tonnage reduction. Then from a  
6 policy perspective, I think we need to meet as stringent  
7 of a rule as possible. And I would just suggest to the  
8 advocates that are here today, we're going to need help on  
9 that rule. They'll be putting pressure so that we adopt  
10 as stringent of a rule as possible. Because if we don't  
11 meet the tonnage reduction under the on-road rule, we're  
12 going to have to find it someplace else.

13 CHAIRPERSON NICHOLS: That's very true.

14 BOARD MEMBER LOVERIDGE: Tim's been listening to  
15 this discussion. Are you more happy at the end of the  
16 discussion or do you still have --

17 (Laughter.)

18 MR. CARMICHAEL: Well, I noticed that I had 28  
19 seconds left on the clock. And I was wondering if I might  
20 use a fraction of those just to add a couple quick points.

21 Chairman Nichols' point the way she framed it  
22 sounds very reasonable. But I also want to remind the  
23 Board that the Clean Air Act actually envisions SIPs  
24 including only all adopted measures. So the fact that EPA  
25 over the years has let states like California slide and,

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1 quote-unquote, submit and approve committal SIPs as  
2 opposed to what the Clean Air Act calls for is a plan that  
3 includes only adopted measures. It is important context  
4 when you're thinking about the challenge that Chairman  
5 Nichols identified for the Board this year.

6 Two other quick points. I don't want the Board  
7 to get hung up on this language of contingency measures.  
8 What we're talking about is a real contingency. We don't  
9 want to rely so heavily -- we don't want the Valley to  
10 have to rely so heavily on one measure to achieve so many  
11 tons in 2014. So given that, we're advocating for trying  
12 to get more reductions from other measures sooner so we're  
13 less dependent, if you will, on that one measure.

14 And, finally, I assure you, Board Member D'Adamo,  
15 that many advocates will be with the Board this year  
16 pushing at every turn for the strongest truck rule  
17 possible. I can guaranty that.

18 CHAIRPERSON NICHOLS: Thank you.

19 DR. BALMES.

20 BOARD MEMBER BALMES: Well, you know, maybe I'm  
21 just a simple city doctor here lost in the country. But  
22 can somebody actually list the contingency measures that  
23 are there, so I have some sense of, you know, what our  
24 commitment is already and whether we should have more.  
25 Because throwing around contingency measures doesn't help

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1 me. I need sort of specifics.

2 BOARD MEMBER BERG: And, Madam Chair, I mean to  
3 your point, Dr. Balmes, it's my understanding that we have  
4 a cushion, if you will, which I think is a much better  
5 terminology, of about 1 percent on the PM and about 3  
6 percent on the NOx. That is kind of the cushion we're  
7 working on --

8 CHAIRPERSON NICHOLS: In terms of --

9 BOARD MEMBER BERG: -- that they are calling a  
10 contingency. But what I'm hearing from Mr. Carmichael is  
11 we would like additional true contingencies, that if we  
12 can't get X, we can then count on Y, so that it tightens  
13 up. That's what I'm hearing.

14 I just want to make sure that we're talking  
15 apples to apples.

16 CHAIRPERSON NICHOLS: I think the staff has  
17 reviewed some of the suggestions that were coming from  
18 community groups at earlier hearings, and has looked at  
19 what other measures might be included on that list that  
20 are things that are already basically in front of the  
21 District. I mean they're not measures that we would be  
22 inventing here but are measures that have already been at  
23 least discussed and maybe even in the works. And we could  
24 do that now. Or, again, we could probably just let the  
25 witnesses speak and then kind of bring it back to that.

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1 Thank you very much.

2 Okay. Sarah Jackson and then Catherine Garoupa.

3 MS. JACKSON: Good morning. My name is Sarah  
4 Jackson. And it's actually kind of fortuitous. I was  
5 going to speak about contingency measures too.

6 CHAIRPERSON NICHOLS: Perfect timing.

7 MS. JACKSON: I'll try not to add anything that's  
8 already been said.

9 And actually before we start, I did want to  
10 address, Chair Nichols, the concerns you had about kind of  
11 the pull between the policy and the reality based on the  
12 truck rule. And I think that I'd like to throw out this  
13 third option, which is that the Board could commit to a  
14 certain number of tons, and the plan in the future can be  
15 amended in case ultimately the truck rule doesn't come  
16 through. Which we really hope it will come through and  
17 we're going to be there to fight. But I think that the  
18 concern that if it doesn't, you'll be held to a number  
19 that isn't possible could be alleviated through amendments  
20 that find the same number of reductions elsewhere. That's  
21 just a third option for you.

22 And I was going to speak about contingency  
23 measures because I think we do feel a strong concern that  
24 this plan might not be getting us where we need to be.  
25 I've given you a chart, I think. Did it go around?

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1           But I don't like to dwell on the past too much.  
2 But this chart kind of gives us some background as to why  
3 we as advocates are so concerned about what we feel is a  
4 lack of real contingency measures in this plan. And that  
5 is that there is a long history of things not working out  
6 in the Valley and air not getting clean as quickly as it  
7 should. And Dr. John Telles, who couldn't be with us  
8 today, expressed very serious concerns over the lack of  
9 what he felt were good backstop measures to protect the  
10 people of the Valley in the case of a failure to make the  
11 RFP milestones or the failure to ultimately make  
12 attainment in 2014. And I think that that was one of the  
13 things that led him to vote no on this plan.

14           And I think that we have and will present a  
15 number of options for strengthening this plan. We feel  
16 they're all very reasonable options and that they should  
17 be made, as Tim Carmichael said, parts of this plan that  
18 will help us have a real cushion in case things don't work  
19 out.

20           But because we feel that this plan does lack  
21 actual backstop measures and doesn't have that safety net  
22 that we all really want for the Valley, we hope that we  
23 can get real contingency measures put into this plan that  
24 will help protect from the shortfalls that we're all, all  
25 of us, working so hard to avoid.

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1           One example of a contingency measure that I think  
2 that we'd all like to see is something that the South  
3 Coast has also proposed and, that is, potentially having  
4 restricted construction activities during bad air days.  
5 And this is of course only if it is ultimately needed  
6 because failures have occurred and progress from the  
7 reasonable measures that we hope will be in the plan and  
8 that if the progress that the plan achieves just doesn't  
9 get us where we need to go.

10           So we encourage you to take a look at the  
11 potential and the opportunity that contingency measures  
12 provide to give the Valley and the people who live here  
13 and breathe here the protection they need.

14           Thank you very much.

15           CHAIRPERSON NICHOLS: Thank you.

16           BOARD MEMBER D'ADAMO: I have a question --

17           CHAIRPERSON NICHOLS: Yes.

18           BOARD MEMBER D'ADAMO: -- of Sarah.

19           CHAIRPERSON NICHOLS: Sarah, question.

20           MS. JACKSON: Yes, I'm sorry.

21           BOARD MEMBER D'ADAMO: I was just hoping we'd get  
22 a list so -- maybe there are other --

23           MS. JACKSON: A list of --

24           BOARD MEMBER D'ADAMO: -- a list of contingency  
25 measures that you recommend.

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1 MS. JACKSON: Okay. I think we can put that  
2 together. I'm not sure I have it on me right now.

3 DEPUTY EXECUTIVE OFFICER TERRY: I also have a  
4 question. Because we do have the comments provided by  
5 basically ISSRC report which walks through boilers,  
6 dryers, glass furnaces, et cetera. And so my question --  
7 if that list hasn't changed, we do have that list.

8 CHAIRPERSON NICHOLS: Do you support that list,  
9 the ISSR --

10 MS. JACKSON: Well, I think that -- that list is  
11 the list that we believe are measures that should be in  
12 the plan as committal measures. And that's sort of where  
13 we stand based on our fear that RFP isn't where it should  
14 be and that attainment may not be where it should be. I  
15 think that if all of those issues were to be resolved, if  
16 we felt that attainment is demonstrated and we're not  
17 going to be worrying about getting there with the rules  
18 that are already in there right now, that having answered  
19 all those questions, those would be great contingency  
20 measures.

21 BOARD MEMBER D'ADAMO: Could we get a copy of  
22 that report? I don't think we have it.

23 MS. JACKSON: It was submitted yesterday, I  
24 believe.

25 DEPUTY EXECUTIVE OFFICER TERRY: If the comments

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1 are not in your package -- I'm not sure that they were  
2 formerly submitted, but we have them, so we'll have them  
3 so you can get them.

4 CHAIRPERSON NICHOLS: Well, they are signed up to  
5 testify later. So maybe they can provide it when they  
6 come to testify.

7 It's a little frustrating for our staff, and I  
8 really would appreciate if people would not keep coming  
9 forward and trying to readjust their place in the queue.  
10 But, you know, we do have now one person who's saying that  
11 he has to leave. And so I'm going to ask Ms. Garoupa if  
12 she is willing to have Jim Quan go ahead of her. Are you.

13 All right. Jim Quan.

14 But please try to keep this down. It's just too  
15 confusing.

16 BOARD MEMBER HILL: Madam Chair?

17 CHAIRPERSON NICHOLS: Yes.

18 BOARD MEMBER HILL: At the end when we have our  
19 discussions, perhaps Ms. Terry could put together those  
20 contingency items and then we could discuss them and see  
21 how --

22 CHAIRPERSON NICHOLS: Yes. I think it's clear  
23 the Board wants to have a list to look at here.

24 BOARD MEMBER HILL: That would be great. Thank  
25 you.

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1           CHAIRPERSON NICHOLS: Thank you.

2           MR. QUAN: I apologize for cutting in line.

3           But I want to welcome the Board to Fresno.

4           I'm really here to talk about not so much policy  
5 but some potential solutions. A lot of times the  
6 discussion of policy is all consuming and it puts blinders  
7 on the folks that are developing that policy.

8           So my company is in the energy development  
9 business, and we've been developing projects since 1984.  
10 We permit and operate emission sources that operate 24/7.  
11 We have Ford compliance consulting group and we study and  
12 research how to provide lower emissions resources so that  
13 they can continue to operate and meet new rules and new  
14 reductions in the future.

15           We have a group of engines -- I can't see the --  
16 oh, there.

17           We have a group of engines that produce very low  
18 levels of emissions. They're available now. They run on  
19 natural gas and propane. There's a wide range of horse  
20 power available. They're cost competitive with Tier 3  
21 engines.

22           The emissions reductions are dramatic based on  
23 the existing Rule 4702. And their emissions capabilities  
24 on a per engine basis, we're talking about more than three  
25 tons of NOx annually, more than three tons of PM10

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1 annually on a per engine basis.

2 I think that just some key things I'd like to  
3 say. It would be nice if we could feel verify engines.  
4 It would enable us to bring more solutions to the table  
5 quicker. That if incentives were tied to actual emissions  
6 reductions, the greater the reduction, the greater the  
7 incentive.

8 The RCs help to privately fund these types of  
9 projects and continues with the momentum in sort of real  
10 world emission reductions.

11 Third party ownership of these engine resources  
12 would help people who are facing new rules and  
13 regulations, to manage them through a third party, where a  
14 third party would come in and own and operate the engines,  
15 manage all the permit conditions. It's something like a  
16 brake horsepower per hour agreement, where the farm or  
17 ranch would pay for the engine on a take or pay -- say  
18 they need a thousand horsepower a year. We would come in  
19 and supply the engines.

20 A pilot program. It would be nice to put  
21 something in place that could actually verify these actual  
22 emissions, place three or four of these engines and keep  
23 track of them for a year and verify that they do in fact  
24 provide these kinds of reductions.

25 And last but not least, that it would be nice to

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1 be able to create some sort of regulatory bridge that  
2 everybody who's faced these rules has a chance to cross,  
3 to get everybody moving in the right direction.

4 Thank you very much for your time.

5 CHAIRPERSON NICHOLS: Okay. Thank you.

6 Now Catherine Garoupa, followed by Ed Bruno.

7 MS. GAROUPA: Good morning. Catherine Garoupa  
8 with the Madera Coalition for Community Justice.

9 For those of you unfamiliar with the Valley  
10 geography, Madera county is located just to our north.  
11 And development there has clustered along our major  
12 transportation corridors, which is typical. But this  
13 raises serious concerns about our population's continual  
14 exposure to concentrated emissions of particulate matter  
15 that occur in a near-highway environment.

16 Even if the current plan brings our region into  
17 attainment, pricing questions remain about those  
18 populations situated near freeways, a concern shared by  
19 our representative, Dr. Telles. Your staff's report  
20 earlier heightens these concerns as we better understand  
21 the severity of these impacts.

22 I personally can speak to the health impacts  
23 because I grew up within eyesight of Highway 99, one of  
24 the thousands of needless additional cases of chronic  
25 bronchitis that occur each year.

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1           Then there are environmental justice communities  
2 like Fairmead, an unincorporated area caught between the  
3 burgeoning cities of Madera and Chowchilla, which is  
4 situated directly next to Highway 99 and the Highway 152  
5 interchange, which is currently being expanded. Not to  
6 mention numerous other sources nearby such as the railroad  
7 that runs parallel to the freeway.

8           There's growing evidence of elevated levels of  
9 ultrafine particles, black carbon, oxides of nitrogen, and  
10 carbon monoxide near freeways. Taken as a whole, health  
11 studies show elevated risk for development of asthma and  
12 reduced lung function in children who live near major  
13 highways. And CARB's staff report earlier again found  
14 that Californians exposed to high levels of fine  
15 particulates had their lives cut short on average by  
16 ten years, which is incredibly shocking.

17           Furthermore, there is a lack of adequate monitors  
18 in the Valley, and Madera is a perfect example. Our  
19 monitor lies on the border with Fresno County, very far  
20 from where our population actually lives and breathes.  
21 Without accurate data on the types and levels of emissions  
22 that residents are breathing, there is considerable  
23 concern over the PM2.5 SIP as it currently is and it's  
24 contingency measures.

25           This plan must be as strong and health protective

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1 as possible to ensure that communities bearing the brunt  
2 of deadly soot emissions will also reach attainment of  
3 health standards by 2014 in addition to the region.

4           We are encouraged by improvements in air quality.  
5 And yet since 2002, of 174 tons of pollution per day  
6 removed from the Valley air basin, 111 of those tons is  
7 due to lawsuits and legislation. This fact does not boost  
8 confidence in this cleanup plan and its back-up measures.

9           I urge you on behalf of thousands of Madera  
10 County residents and hundreds of thousands of Valley  
11 residents living near freeways, who couldn't be here today  
12 for various reasons, to strengthen the plan by adding  
13 concrete commitments and control measures that will get us  
14 to clean air faster.

15           Thank you.

16           BOARD MEMBER D'ADAMO: Thank you.

17           Next we'll call Ed Bruno.

18           Ed Bruno.

19           Okay. Laura Fultz.

20           MS. FULTZ: Good morning, Board and staff. My  
21 name's Laura Fultz. I represent as a breather here in the  
22 Valley and I work for Coalition for Clean Air, a statewide  
23 organization advocating for clean air all throughout  
24 California and today specifically here in the San Joaquin  
25 Valley.

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1           Considering the severity of the air pollution  
2 crisis in this valley, we strongly believe the region  
3 deserves an aggressive cleanup plan.

4           We're not alone. Of course you've heard over and  
5 over again three out of the eleven voting Air District  
6 members voted against this plan, and specifically are  
7 newly appointed doctor. And I for one trust these three  
8 to help protect us in this Valley.

9           And just this -- the actual quote that Dr. Telles  
10 gave is: "Is there a possibility this plan may fail?"  
11 And then if -- and he was told yes. And so he said, "We  
12 need more contingency measures in case that happens."

13           So, additionally, firm emission reductions are  
14 needed in this plan. This will assist community and  
15 industry to plan for the future, to prepare for those  
16 reductions, with change in behavior with our wood burning,  
17 and also shift to cleaner technologies in our industry.  
18 And they need to prepare just like us community members.  
19 And we need to highlight and affirm and copy those clean  
20 businesses and individuals.

21           Thank you.

22           BOARD MEMBER D'ADAMO: All right. Thank you.

23           Ingrid Carmean. And after Ingrid we have Melissa  
24 Kelly-Ortega.

25           MS. CARMEAN: Hi. My name's Ingrid Carmean. I'm

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1 the owner-operator of a pest control company.

2           Less pesticides means less VOCs, which contribute  
3 to PM2.5s. This is why I use a method of pest control  
4 called Integrated Pest Management, a long-term  
5 preventative approach to managing pests that can combine  
6 four methods of control:

7           Biological. Glibly, one creature eating another.

8           Cultural. Like sanitation, cleaning up a  
9 chocolate, or throwing out their trash.

10           Physical. Stepping on the bugs, using snap  
11 traps, or sealing up cracks that the bugs can enter your  
12 house through.

13           And chemical. IPM involves a decision-making  
14 process based on pest identification and population  
15 monitoring, action thresholds, and knowledge of pest  
16 biology. Pesticides are used judiciously and only as the  
17 last resort.

18           There are many advantages of IPM, from having  
19 more tools to leaving an environment which is less toxic  
20 for the occupants. But what we are concerned with here is  
21 using less pesticides, which means less VOCs and less  
22 PM2.5s.

23           When I control ants, I usually use baits in bait  
24 stations. When baits are in bait stations, the amount of  
25 pesticide that actually is released into the environment

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1 is only the amount that the ant can consume, which is a  
2 big contrast to somebody else who's just spraying the  
3 perimeter of the house, the eaves of the house, around the  
4 windows, and up and down the walkways.

5           And so this is one example of how I perform my  
6 work to improve the air pollution problems in the Valley.

7           Also, when I purchased a small truck a couple of  
8 years ago, I purposely purchased the truck that produced  
9 the lowest amount of pollutants. I'm doing what I can to  
10 make this Valley a better place to live and I hope you  
11 will too.

12           Thank you.

13           CHAIRPERSON NICHOLS: Thank you.

14           Melissa Kelly-Ortega, followed by Mary-Michael  
15 Rawling.

16           MS. KELLY-ORTEGA: Good morning, Madam Chair and  
17 members of the Board. My name is Melissa Kelly-Ortega.  
18 I'm the program associate with the Merced/Mariposa County  
19 Asthma Coalition; and a mother of three children, two of  
20 which, my daughters, have asthma.

21           Both of my daughters have their asthma under  
22 control now. But there are many asthmatics who cannot  
23 control their asthma, and breathing polluted air, as you  
24 know, not only exacerbates asthma attacks but actually  
25 kills. So any delay in PM2.5 attainment means another

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1 death. We see many people suffering due to asthma in our  
2 personal and professional lives. I've told stories about  
3 young people dying from asthma.

4           This morning I learned that Ms. Lupe Ordunez, my  
5 daughter's preschool teacher, who struggled a lot this  
6 last winter, has for the past three days awakened at 4  
7 a.m. unable to breathe. She does not have insurance. She  
8 cannot afford the \$120 every month to purchase her Advair,  
9 which is her controller medication. We've made a few  
10 calls, and she will be taking tomorrow off to see if she  
11 will be able to get into a program that will help pay for  
12 that cost.

13           We're working very hard to find solutions and to  
14 educate people on how to control their asthma.

15           We all agree it is a fundamental human and moral  
16 right to breathe clean air. I want to keep the pressure  
17 on the heavy-duty diesel truck rule and keeping it as  
18 stringent as possible, because we do need a very strong  
19 diesel rule to meet the PM2.5 attainment in the Valley.

20           Family and friends of those with respiratory  
21 illnesses are asking you to make some changes in this SIP.  
22 Either send the plan back to the District with the  
23 specific guidelines that will make it more substantial or  
24 amend it yourselves. You will be saving lives, and that  
25 is an awesome and amazing responsibility. And we thank

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1 you because we think you will be doing that.

2           Many of us were here on December 18th asking the  
3 District to do more with this plan. We were here on April  
4 30th, and throughout the process, while there were some  
5 minimal changes, it's still disappointing that we're not  
6 seeing more commitments in the District's own backyard. I  
7 wish we had as many decision makers, local and state  
8 legislators, as we saw in Sacramento not long ago when the  
9 topic was on money. If we had as many passionate and  
10 political -- if we had as much passion and political will  
11 when it comes to rulemaking and regulations, my youngest  
12 daughter may not have had her first full blown asthma  
13 attack on Christmas morning - the Christmas fireplaces.

14           While we are not all air quality scientists, we  
15 know firsthand the effects of breathing polluted air.  
16 Many of us are parents, friends, and family members of  
17 those who have asthma. We're here to remind you that  
18 people are dying. You know that all too well. We're here  
19 to show our commitment to breathing clean air; to thank  
20 CARB and the District for the steps that have been taken  
21 that will actually clean the air; but, more importantly,  
22 to let you know that we will continue to expect much more  
23 from all agencies that protect public health.

24           Thank you very much.

25           CHAIRPERSON NICHOLS: Thank you.

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1 Ms. Rawling, followed by Bonnie Holmes-Gen.

2 MS. RAWLING: Good morning, Madam Chair and Board  
3 members. My name is Mary-Michael Rawling. I'm the  
4 Program Manager of the Merced/Mariposa County Asthma  
5 Coalition, also the wife of an asthmatic. So I have a  
6 professional and personal stake in this, as so many people  
7 in the room here today.

8 Welcome to a windy San Joaquin Valley this  
9 morning, where you can see firsthand the tremendous  
10 challenge we face when it comes to cleaning up particulate  
11 matter. Despite a haze that's blanketing us this morning,  
12 I saw at least a couple of tractors plowing fields and one  
13 burning site just in the one hour coming down from Merced.  
14 We certainly have a lot of work to do and we need a plan  
15 robust enough to do it.

16 There's nothing I can really tell you this  
17 morning about the urgency of our health crisis in the  
18 valley that you didn't already hear today from your own  
19 staff's research project and others that have testified  
20 this morning.

21 I hope you all know as well that May has World  
22 Asthma Day. It's Asthma Awareness Month. Billboards and  
23 newspapers throughout Sacramento have been running this ad  
24 today -- or throughout the month to remind people about  
25 how prevalent asthma is in the State of California.

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1           Also, asthma coalitions throughout the state have  
2 been busy putting together report cards of asthma in their  
3 communities. These are the people that are on the ground  
4 that see the daily suffering; the asthma attacks; the  
5 chronic coughs; and, unfortunately, the deaths, including  
6 moms leaving children behind, as we saw in Merced County,  
7 and at least two of them last year. These reports span  
8 California from San Diego to Sonoma and everywhere in  
9 between, including in the San Joaquin Valley. And they  
10 say the same thing - that strong air quality measures need  
11 to be put in place and adhered to in order to prevent  
12 asthma morbidity and mortality.

13           They also say that certain communities suffer  
14 disproportionately. For example, some counties in the  
15 Valley suffer one in six, like the state average, they  
16 suffer one in four children, they suffer one in three  
17 children that have asthma.

18           So I encourage you today to take a step back and  
19 reevaluate the plan that's in front of you and ask if it's  
20 the best we can do to meet an already outdated standard.  
21 We're going to have to go and push much further in the  
22 future. And we need to take a good strong step in the  
23 plan before you today.

24           Thank you very much for taking the time to listen  
25 to our requests.

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1           CHAIRPERSON NICHOLS: Thank you.

2           Bonnie Holmes-Gen, followed by Nichole Davis.

3           MS. HOLMES-GEN: Good morning, Chairman Nichols  
4 and Board members. I'm Bonnie Holmes-Gen with the  
5 American Lung Association of California. I'm pleased to  
6 join you.

7           And we want to certainly indicate that we  
8 appreciate the amount of work that the Board and the San  
9 Joaquin Valley staff have put into developing the plan and  
10 the public outreach and involvement. But we do want to  
11 express that the Lung Association is concerned about the  
12 serious public health problems of particulate matter and  
13 the fact that we can possibly do more to strengthen this  
14 plan.

15           We are concerned that -- we think the Board needs  
16 to take a very cautious approach here, given the serious  
17 pollution problems and the asthma problems especially in  
18 the Valley. We've talked about the high rate of asthma  
19 among children in the Valley. And not only do one in five  
20 children have asthma, but one in three families have a  
21 member with a respiratory ailment, and we're extremely  
22 concerned about the implications of this.

23           And I think the importance of the Board taking a  
24 cautious us here is especially important in light of the  
25 information that's been presented today about the

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1 premature deaths that are occurring well below the state's  
2 even more health protective standard of 12 micrograms per  
3 cubic meter. So while this plan that we're talking about  
4 today is to reached the federal standard of 15 micrograms,  
5 we already have a state standard that's more health  
6 protective. And our researchers today are saying that  
7 even at the state's more protective standard, we're still  
8 having a major concern about premature deaths from  
9 particulate pollution.

10           So we believe that -- there have been some  
11 additional measures that have been presented to the Board  
12 from some of the Valley groups, and you've been talking  
13 about those today, some of the contingency measures and  
14 measures to strengthen the plan. And we think these  
15 measures deserve some careful consideration for inclusion  
16 in the plan or at least as contingency measures.

17           And, you know, I know that all of you are  
18 concerned about acting in the best interests of air  
19 quality and public health here. And we believe that in  
20 this case that means taking more time here to review some  
21 additional tons that we can get to provide a more adequate  
22 margin of safety and to look at where we can strengthen  
23 especially the contingency component of the plan. I mean  
24 it's clear that there are measures that are currently  
25 under the San Joaquin Valley's jurisdiction that could be

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1 strengthened. And your staff report indicates that there  
2 are measures in the plan that could be strengthened to  
3 achieve additional emission reductions if they are  
4 strengthened to meet the standards that have been adopted  
5 in some air districts around the state, namely the South  
6 Coast Air District.

7           So I think that there are some specific examples.  
8 I know other colleagues are going to be presenting some of  
9 those specific examples of measures that could be adopted.  
10 And we think that would be a reasonable approach in light  
11 of the public health crisis in the Valley.

12           Thank you for your attention.

13           CHAIRPERSON NICHOLS: Thank you.

14           Nichole Davis. And then we're going to go to  
15 some people who are at the location in Bakersfield.

16           Nichole Davis.

17           MS. DAVIS: Hi. My name's Nichole Davis. I am  
18 with ISSRC. ISSRC was hired on behalf of the public to  
19 conducted an independent technical analysis of this plan  
20 as well as identify any opportunities that may exist to  
21 strengthen the plan.

22           We are happy to come here today reporting that we  
23 have received help from ARB staff on the technical  
24 analysis of the plan. And the data we will present today  
25 has been verified as accurate by the ARB staff.

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1           We have concluded that there are three areas of  
2 the plan that could be improved:

3           First, the maintenance of reasonable further  
4 progress, or RFP.

5           Second, the demonstration of attainment of the  
6 standard.

7           And, third, the inclusion of additional  
8 contingency measures.

9           I will focus on the reasonable further progress,  
10 as I believe that it's one of the most compelling reasons  
11 for including additional measures in the 2009 to 2012 time  
12 frame.

13           RFP is required to show progress is being made  
14 throughout the entire period of the plan, to both realize  
15 improved public health early on as well as identify  
16 situations where plan reductions are not being achieved  
17 and contingency measures need to be kicked in to ensure we  
18 stay on track towards attainment. The EPA rule states  
19 that you can calculate general linear progress by ensuring  
20 the plan meets milestones. These milestones are at 2009  
21 and 2012.

22           I had a graph to show.

23           Oh, great.

24           The green triangles are the milestones, as  
25 defined by EPA. The blue line is the current plan that

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1 you're looking at today. The red X's are the base-line  
2 case. And this represents what happened if no plan was  
3 adopted.

4           You can see the new plan looks very similar to  
5 the base-line case, until it drops steeply in 2013 where  
6 90 percent, or approximately, of the new reductions are  
7 achieved.

8           The main takeaway point of this graph shows that  
9 RFP milestones are failing to be met in 2009 and 2012 -  
10 specifically by 47 tons per day in 2009 and 60 tons per  
11 day in 2012. To put this into context, 60 tons per day is  
12 equivalent to more than 20 percent of the overall  
13 reductions needed in NOx from 2005 to 2014. It's also  
14 equivalent to approximately two years of linear progress  
15 of the plan.

16           CHAIRPERSON NICHOLS: Your time is up.

17           Is that okay? I mean can you finish your point  
18 here? You have a graph.

19           MS. DAVIS: Well, I guess I'm finished enough.  
20 Although to say that we think we have identified  
21 additional opportunities that could be included as control  
22 measures, mostly from the stationary source sector, that  
23 would address these specific milestones in 2009 and 2012.

24           Okay. Thank you.

25           BOARD MEMBER LOVERIDGE: Madam Chair, could I ask

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1 what ISSRC is?

2 MS. DAVIS: It's called International Sustainable  
3 Systems Research. Jim Lintz is the founder. We're  
4 located in Diamond Bar.

5 CHAIRPERSON NICHOLS: Thank you.

6 This may be a good time -- I don't want to, you  
7 know, get into back and forth on too much of this  
8 stuff. But on the issue of reasonable further progress  
9 and what the line is supposed to look like for reasonable  
10 further progress, it might be a good opportunity to at  
11 least again have some basic explanation here of what the  
12 requirement is for demonstrating reasonable further  
13 progress in a plan, especially a PM2.5 plan, because this  
14 is an area where EPA gives very specific technical  
15 guidance as to what we're supposed to show.

16 Any normal human being would think they  
17 understood the term "reasonable further progress." But,  
18 no, we have to have an actual definition.

19 So, again, let's turn to Lynn Terry for an expert  
20 explanation here.

21 DEPUTY EXECUTIVE OFFICER TERRY: I love to try to  
22 explain what EPA is requiring.

23 (Laughter.)

24 DEPUTY EXECUTIVE OFFICER TERRY: Such a pleasure.

25 CHAIRPERSON NICHOLS: Well, they're not here to

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1 explain it for themselves.

2 DEPUTY EXECUTIVE OFFICER TERRY: That's right.

3 CHAIRPERSON NICHOLS: So you have to do it for  
4 them.

5 DEPUTY EXECUTIVE OFFICER TERRY: EPA adopted an  
6 implementation rule that lays out a calculation process  
7 that must be done as part of the demonstration of  
8 reasonable further progress. And that is the line that  
9 Nichole indicated as RFP requirement.

10 In terms of the calculation, we did sit down, our  
11 technical staff, with ISSRC. And so we are in agreement  
12 about how to calculate that line that's required to be  
13 included in the plan for comparative purposes. Now,  
14 that's step one.

15 Step two is then to look at the progress that  
16 will be achieved between the start year of the plan and  
17 then the ultimate attainment year. And as long as the  
18 progress is consistent with a generally linear progress,  
19 then that meets the federal requirement. It is not  
20 required to exactly match that sort of benchmark line that  
21 is calculated. That is required to be there for  
22 comparative purposes. And so in our staff's presentation,  
23 we had the RFP line indicated both the benchmark, sort of  
24 the dots, the regression analysis approach. And we could  
25 certainly pull that slide up to look at the two of them

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1 side by side and see how that process works.

2 But it's essentially a two-step process. Here's  
3 the line you must, you know, be generally consistent with.

4 CHAIRPERSON NICHOLS: I guess the concern here,  
5 and this gets back really to Dr. Sperling's question, has  
6 to do with the impact of shorter term, you know, one-year  
7 excursions, if you will, above the line as opposed to, you  
8 know, sort of trying to maintain steady progress from  
9 point A to point B, from where we are now to the point of  
10 attainment, and how worried one should be about any  
11 individual year in which, you know, the two lines are not  
12 exactly matching up with each other. And, again, I guess  
13 we don't really have a health-based answer to that,  
14 because we're concerned about both, right?

15 DEPUTY EXECUTIVE OFFICER TERRY: Could I just add  
16 one --

17 CHAIRPERSON NICHOLS: Just identifying the  
18 problem here.

19 DEPUTY EXECUTIVE OFFICER TERRY: Yeah. And one  
20 clarification is that on the progress issue, the progress  
21 under the Clean Air Act for the milestone years prior to  
22 attainment is defined in terms of emission reductions.  
23 When you get to attainment, it's defined by the actual  
24 measured air quality. So I think that's something that's  
25 important -- an important distinction to make.

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1           So that calculated line is the rate of emission  
2 reductions. And certainly it's very true with variability  
3 and meteorology that even with the same emission level you  
4 could have different ambient levels.

5           But the interesting thing about 2.5, it is the  
6 pollutant we are seeing the most consistent downward trend  
7 in measured levels. And that is very positive. And the  
8 secondary formation of ammonium nitrate in our strong NOx  
9 control program we believe is really paying off statewide  
10 very uniformly, unlike any other pollutant. So that's a  
11 piece of information that we talked about in the staff  
12 report as well.

13           CHAIRPERSON NICHOLS: Thank you.

14           All right. We're now going to turn to people who  
15 have signed up to testify from the Bakersfield location.  
16 This is a new thing for me. So I hope it will work.

17           But the names that I have from Bakersfield are  
18 Linda Mackay, Arthur Unger, and John Digges. I hope I'm  
19 pronouncing your names correctly. And if you'll just come  
20 forward. And I guess the timer will work there also.

21           MS. MACKAY: Good morning.

22           Should I begin?

23           CHAIRPERSON NICHOLS: Yes, please do.

24           MS. MACKAY: Okay. Good morning. My name is  
25 Linda Mackay and I live in the very south end of the San

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1 Joaquin Valley in an air district in Lebec. It's along  
2 Interstate 5, part of the grapevine communities. I sit on  
3 the mountain communities' town council and I'm part of a  
4 local environmental organization called the Tri-County  
5 Watchdogs.

6 Our mountain communities often feel ignored by  
7 the San Joaquin Valley Air District because we're not in  
8 the Valley. But we're being impacted by the pollution of  
9 the Valley, and we are part of the District.

10 If I come across angry today, you'll have to  
11 forgive me. It's because I'm just an ordinary person  
12 who's on the ground, living on the front lines, and I've  
13 had to teach myself about air pollution. And the more I  
14 learn, the more frustrated I get about who has the  
15 authority to protect me and my family from the pollution  
16 we breathe.

17 I'm frustrated because I pointed out at the Air  
18 District hearing on this plan that I didn't see how the  
19 District could come up with a good plan when they don't  
20 have an accurate picture of PM2.5 within the entire  
21 District, because they don't have PM2.5 monitors south of  
22 Bakersfield. Again, we don't count.

23 District Board Member Judy Case made a comment,  
24 assuming I was wrong, in mentioning she knew there was a  
25 monitor in Arvin. District staff didn't correct her and

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1 explained that the monitor that the District has in Arvin  
2 is measuring Arvin's infamous ozone. But the District is  
3 not measuring PM2.5 in Arvin or anywhere else south of  
4 Bakersfield.

5           The mountain communities have asked for a  
6 monitor, but the District doesn't see the justification.  
7 They talk a lot about models and projections though.

8           You, CARB, placed a mobile air monitor for one  
9 year, from 2006 to 2007, in Lebec. We do thank you for  
10 that. That monitor definitely showed the ozone for that  
11 time period was worse than downtown L.A. or parts of San  
12 Fernando Valley. But your agency said for PM2.5 we didn't  
13 have a problem because that gave -- what gave us high  
14 numbers were the wildfires in our region. Well, after  
15 teaching myself how to interpret and convert the data we  
16 got from the monitor into something understandable, I know  
17 there were at least two time periods during that year when  
18 the PM2.5 measured unhealthy and there weren't wildfires.  
19 But that was ignored.

20           I'm not a scientist, but I know that the high PM  
21 numbers associated with wildfires should be thrown out,  
22 not used to say we don't have a problem. One year is not  
23 enough time to give an accurate picture of what is really  
24 happening in our region.

25           This plan we're discussing today is too dependent

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1 on your agency's upcoming diesel rule to cut PM2.5. There  
2 again, that frustrates me because I'm familiar again  
3 firsthand with the regulation your agency came up with at  
4 the first of the year, the five-minute idling law, that I  
5 know isn't being enforced. We have a major truck stop in  
6 Lebec that has many, many diesel trucks idling every night  
7 for hours, because there is no electric plug-ins at the  
8 truck stop.

9           But you don't have the people to enforce the  
10 idling law. And the CHP has flat out told me they're not  
11 going to enforce it.

12           But I wonder if CARB is counting the reductions  
13 from this new idling law. That's a good question for me.  
14 Does it make everything look better on paper, is that what  
15 it's all about? This PM2.5 plan does not have the  
16 District controlling VOCs enough, and the District's staff  
17 mutter something about not having to have reductions in  
18 VOCs in this plan because they sort of regulate VOCs in  
19 the ozone SIP. And even though ammonia contributes to --

20           CHAIRPERSON NICHOLS: Excuse me. I'm sorry. I  
21 need to interrupt you. Because you can't see the monitor  
22 that I can see. And your time is expired. So if you  
23 could just please summarize the remainder of your  
24 testimony, I'd appreciate it.

25           MS. MACKAY: Okay. I think the Air District is

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1 hesitant to clean up -- clamp down on industry and the Big  
2 Ag to make sure that they are doing everything they can to  
3 reduce fine particulate matter, because industry and Big  
4 Ag are pressuring the District not to hurt them  
5 financially. Well, lung and heart disease and premature  
6 deaths hurt all of us financially. And of course in the  
7 bigger picture, bigger ways that are more tragic that  
8 can't be measured.

9           There's more that the Air District can do within  
10 this plan to protect me and my family and my community.  
11 Please require them to do it. Let's not shovel papers and  
12 pretend we're doing something. Let's actually do  
13 something.

14           Thank you.

15           CHAIRPERSON NICHOLS: Thank you very much.

16           BOARD MEMBER D'ADAMO: Madam Chair?

17           CHAIRPERSON NICHOLS: Yes.

18           BOARD MEMBER D'ADAMO: I would just like to thank  
19 the witness for the testimony. And also ask if staff  
20 could follow up on the enforcement issue regarding that  
21 truck stop.

22           CHAIRPERSON NICHOLS: Yes. We'd like to hear  
23 back on that particular issue as to what's going on.

24           CHIEF DEPUTY EXECUTIVE OFFICER CACKETTE: I'll  
25 give you just a real quick summary.

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1           We are out enforcing at the truck stops now.  
2 Obviously we don't have resources to be at all of them.  
3 But we are entering into an agreement with the San Joaquin  
4 Valley District for them to help us expand and do more.  
5 And so I think Lebec will be on the list here pretty soon.

6           CHAIRPERSON NICHOLS: Yes, thank you for bringing  
7 that one to your attention. I really appreciate it. And  
8 we will also think about and talk about the other points  
9 you made as well.

10           Okay. Arthur Unger and then John Digges.

11           And, again, as soon as you begin speaking the  
12 three minute clock will start ticking.

13           MR. UNGER: Author Unger, Sierra Club. I have  
14 additional attainment measures.

15           Firstly, the young lady who gave the first  
16 presentation, and you, the members of the Board, you come  
17 in here and you hear about density. You hear about solar.  
18 Usually I attend meetings of the Bakersfield City Council,  
19 the Kern County Board of Supervisors, and the Air  
20 District. But they don't seem to know those words, at  
21 least the people on the Board doesn't. The staff may.

22           So as the lobbyists, I think you're the biggest  
23 additional attainment measure I can think of. Come and  
24 meet these people who okay developments with dark roofs on  
25 every house, with air conditioners on the roof, never a

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1 trace of required photovoltaic panels.

2           The truck drivers are a big part of this problem.  
3 They bought more trucks late in 2006 than they usually  
4 did. And now they wonder why they -- you know, they cry  
5 that they need subsidies to replace their trucks to get  
6 their trucks to comply.

7           Push lawn mowers seem to go out of existence in  
8 Bakersfield. Lawns ought to go out of existence if you  
9 really want to save water and, thus, save pumping costs  
10 and save the emissions that come from our diesel pumps.

11           The Semi-Tropic Water District down in the  
12 southern Kern County has solar panels to run their pumps.  
13 But that doesn't seem to be growing.

14           We don't need to burn anymore, I think. We could  
15 put our cut down orchards in the trucks that are built  
16 after 12-31-06. And I think we would make less  
17 pollutants, and then hope staff can study this, less  
18 pollutants than if we burn in the fields.

19           And crop residues is another thing we burn. But  
20 with organic farming you leave those residues on the field  
21 or low tillage of farming where you incorporate those  
22 residues into the field rather than having to remove them  
23 and burn them. We wonder how much pollution we could  
24 save -- one last point -- how much pollution we could save  
25 if we made less tractor passes so that we wouldn't have to

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1 pick up all the wastes from the fields.

2 Thank you.

3 CHAIRPERSON NICHOLS: Thank you, Mr. Unger.

4 John Digges.

5 MR. DIGGES: Good morning, Madam Chairperson and  
6 members of the Council. I'm John Digges. I'm a  
7 pediatrician and a member of the Advisory Council of the  
8 Kern County Chapter of the American Lung Association and  
9 currently the President of the Kern County Medical  
10 Society.

11 We paid a lot of attention to the costs of  
12 reaching attainment of clean air standards. But as a  
13 physician, I wonder about the costs of nonattainment,  
14 particularly in terms of health care.

15 There was a study done in 2006 by Jane Hawe and  
16 Associates, which you're certainly familiar with, which  
17 came up with an estimate of about \$3.2 billion per year.  
18 And they were looking at exacerbations of pulmonary and  
19 cardiac conditions and circulatory conditions and  
20 premature deaths. So that's a lot of money.

21 But as a pediatrician, it concerns me that it may  
22 be even worse. What if some of the people whose cardiac  
23 and pulmonary conditions are adversely affected by  
24 pollution happen to be pregnant? What if that causes the  
25 circulation of oxygen to their developing fetuses and

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1 their brains to be damaged? What if even in pregnant  
2 women who are not having pulmonary or cardiac conditions  
3 but are breathing either 2.5 or even ultrafine particles,  
4 which can act as neurotoxins directly into the blood and  
5 brain tissue, what if those neurotoxins are causing brain  
6 tissue to become injured and to develop less than it  
7 otherwise would have? We may be raising entire  
8 generations of children whose brains will not be able to  
9 perform as well as they might have had we recognized this  
10 and acted sooner.

11           So my concern is that if it -- obviously more  
12 research is needed. But if it turns out that particulate  
13 matter is indeed a significant neurotoxin for a developing  
14 brain, and not just for fetuses but also for developing  
15 brain in infants and toddlers, then we may actually dwarf  
16 the \$3.2 billion cost in terms of the costs that society  
17 would incur.

18           Thank you.

19           CHAIRPERSON NICHOLS: Thank you. Thanks for  
20 taking the time to come and testify also.

21           I believe that concludes the witnesses in the  
22 Bakersfield location. And if there are no others, we're  
23 going to resume hearing from people who are here in  
24 Fresno.

25           Then we'll move back here. And our next witness

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1 is Alvin Valeriano, followed by Nancy Ellis.

2 MR. VALERIANO: Thank you very much for this  
3 opportunity to participate in a democratic process that  
4 we're having right now.

5 I have only three minutes and I have a lot to  
6 cover, so please stay with me.

7 The first document is this. It lists the  
8 requirements of the federal Clean Air Act vis-a-vis the  
9 PM2.5 1997 standard. The ones that are underlined are  
10 those that we believe where this plan falls terribly  
11 short, terribly bad in terms of meeting these  
12 requirements.

13 In a nutshell, the way I've seen the plan made is  
14 that these requirements are being treated like  
15 suggestions. It's kind of like in the Philippines where  
16 some people consider a traffic light a suggestion --

17 (Laughter.)

18 MR. VALERIANO: -- you know, rather than a  
19 requirement to stop. But that's an issue that will be  
20 dealt with in a more detailed manner I think in another  
21 body.

22 Now, the second one is this. And Nichole Davis,  
23 my colleague -- I'm with ISSRC also -- presented this. As  
24 you can tell, there are three lines here. The top line,  
25 which is the straightest, is the base-line inventory.

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1 That is, without doing this plan, that will happen.

2           The second line below that is what this plan will  
3 do. As you can see, up to 2014 the two lines are  
4 practically similar. This is being interpreted now by ARB  
5 staff following the example of the District as reasonable  
6 further progress.

7           The line below that, which has the big gap, is  
8 what the federal implementation rule says how RFP should  
9 be demonstrated. ARB staff does not dispute how this line  
10 should be constructed. But they are saying that they are  
11 interpreting progress in a different way than what the  
12 implementation rule requires. To me, this is a very  
13 strong evidence that there are very serious grounds as far  
14 as the approvability of this plan.

15           I have 59 seconds, so please put on the next  
16 slide.

17           Okay. The next question is: Do we actually  
18 attain the standard by December 5, 2015? My conclusion is  
19 no. Line 1, 2014 the carrying capacity is 291.2. That's  
20 what will take us to a little bit below the standard.  
21 That number's 14.7 there. Look back in 2013, there's a  
22 big shortfall of 93 tons per day. In 2012 there's a big  
23 shortfall of 124 tons per day. Folks, 124 tons per day is  
24 twice what you will get out of the truck rule.

25           Are we supposed to believe that the three-year

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1 average of '12, '13, and '14 will be 15 and below? The  
2 shortfalls are too huge to believe the assertion of the  
3 modelers.

4 Thank you very much. I made it on time.

5 CHAIRPERSON NICHOLS: Very good. Good work.

6 Thank you.

7 Nancy Ellis, followed by Roger Isom. And then we  
8 will have two more witnesses before we're done.

9 Nancy Ellis, are you here?

10 Then we'll hear from Roger Isom.

11 CHAIRPERSON NICHOLS: You didn't actually bring a  
12 statement with you --

13 MR. ISOM: Well, there's really not a card for  
14 what position we're in.

15 (Laughter.)

16 MR. ISOM: For the record, my name is Roger Isom.  
17 I'm with the California Cotton Ginners and Growers  
18 Associations.

19 We support the plan to the sense that we don't  
20 support doing anything above and beyond the plan the way  
21 it's currently written. We don't like the plan. We  
22 understand why we have to go forward with the plan. And  
23 we have concerns with how it is. But we've had assurances  
24 from the District that they'll work with us on those  
25 concerns.

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1           Our primary concern is with the inclusion of  
2 fugitive dust. Chairman Nichols, you recalled in 1997  
3 when you were at EPA. And I recall a House Ag Committee  
4 hearing that I was called to testify at with Administrator  
5 Browner. And at that hearing the whole issue was on  
6 fugitive dust and PM2.5. And Administrator Browner made  
7 the comment that EPA was not going to regulate fugitive  
8 dust because with PM2.5 fugitive dust is not a concern.

9           I further that with the PM study that Dr. Velasco  
10 mentioned, the California Regional Particulate Matter  
11 Quality Study here in the valley that studied PM10 and  
12 PM2.5. And it was obvious from those results that PM2.5  
13 was from combustion and secondary particulate, ammonium  
14 nitrate, ammonium sulfate. And in fact ARB made comments  
15 during the workshop process that the fugitive dust portion  
16 of this was about a microgram. So we're talking very  
17 little impact, yet a big portion of this plan includes  
18 fugitive dust.

19           The reason we're okay with it at this point is  
20 the District has committed to working with us to do  
21 research. Yesterday I actually met with the ARB research  
22 staff on a particular proposal we're looking at measuring  
23 PM2.5 from cotton gins. And so that's something we hope  
24 will further that information and to make a decision down  
25 the road.

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1 I do want to take the time though to address a  
2 couple of issues that have been mentioned, and those are  
3 these additional measures. You've heard from some  
4 salesmen, you've heard some of the activists with regards  
5 to irrigation pump engines. And I think that Dr. Sperling  
6 made a comment earlier, with PM2.5 it really is seasonal.  
7 So we could do all we want with irrigation pump engines,  
8 but they operate during the summer. Our PM2.5 problem is  
9 during the winter. So what are we going to do to get  
10 that -- we're not going to do anything under this part.

11 That's not to say that we're not going to be  
12 doing it, because under the ozone plan and Rule 472 -- or  
13 4702, we are replacing all of our engines. And, in fact,  
14 January 1st of '09 here in the valley all natural gas  
15 engines, propane engines, and gasoline-fired pump engines  
16 will have to be replaced or have controls put on them. In  
17 January 1st, 2010, all diesel pump engines will have to be  
18 replaced. So we are going down that road.

19 Above and beyond that, and not even counted in  
20 the emission reductions right now, is the ag ice program  
21 to convert diesel pump engines to electric. Over a  
22 thousand have already been installed under that program.  
23 There's over 2,000 applications that are still going  
24 through the process. So a lot has been done to move down  
25 that road.

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1           There are physical constraints, substations that  
2 can't meet the load or demand. We're more than two miles  
3 from poles and lines. So there are some engines that can  
4 not be replaced. But we are doing that.

5           My last comment is with the truck rule that keeps  
6 being brought up. We met with ARB staff last week and  
7 found out that, you know, everybody wants to speed it up,  
8 do it earlier. They're put there because the engines  
9 won't be developed until 2010. We just found out that  
10 there are some manufacturers including Cummins that aren't  
11 even going to meet that mandate, they're not going to be  
12 available till 2012. So it's hard to move it up when  
13 we're not even going to be able to meet the deadlines that  
14 are put forth already.

15           So thank you.

16           CHAIRPERSON NICHOLS: Thank you.

17           BOARD MEMBER D'ADAMO: I have a comment and a  
18 question.

19           Just don't want it to be misconstrued on the  
20 issue of fugitive dust that agriculture did not  
21 participate in it in any way. It may be -- and I know  
22 this is really a PM10 control strategy with the  
23 conservation management plans. Could you just mention  
24 that for those that are on the Board that are familiar.

25           MR. ISOM: Sure, absolutely. The District did

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1 put forth a PM10 control strategy. It does conservation  
2 management practices. I think the good news is on that  
3 that we actually got more reductions than what the  
4 District was hoping for. And despite what everybody is  
5 seeing today or yesterday, those measures have been very  
6 effective. And we continue to do research, in fact have a  
7 current ongoing research project with the District and EPA  
8 right now studying multiple practices and conservation  
9 tillage on the west side. So we're still going on with  
10 that.

11 CHAIRPERSON NICHOLS: Good. Thank you for adding  
12 that.

13 Manuel Cunha, followed by Nidia Bautista. And  
14 that concludes my list of witnesses.

15 Oh, one more card coming up. This is it though.

16 MR. CUNHA: Good morning, Madam Chair. Manuel  
17 Cunha, President, Nisei Farmers League.

18 Yes, Dede, thank you very much for bringing up  
19 the conservation management practices, because that was  
20 just discussed here a second ago by another person from  
21 Bakersfield about doing more. And we are doing a lot with  
22 our conservation practices and even going beyond of what  
23 is happening.

24 But first I want to acknowledge that, yes, I  
25 support the plan, but I don't like it at all. Only

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1 because, as you know, that agriculture in the San Joaquin  
2 Valley and across the state is losing its farmland to  
3 development. We know that. And we know what happened in  
4 2000 to 2005 when we probably lost in a total number of  
5 close to 500,000 acres went out of production and went  
6 into houses and buildings and those type of things for  
7 people. So that's a great concern.

8           But I do want to acknowledge the most important  
9 thing that has to be brought forward with this is the  
10 incentives to help our business community, including even  
11 if it's the truck rule. But in agriculture, as we all  
12 know, you hear it continuously, we cannot pass the cost  
13 on. But we also cannot compete against foreign countries  
14 that don't have any standards or anything. And when we're  
15 trying to survive as an industry -- and I think we all in  
16 this room agree that we need to feed the country and we  
17 need to be self-supporting of our own food and not allow  
18 other countries to feed us as a country. Other countries  
19 rely on this country to feed others so they're not held  
20 hostage to food. So we must be very careful how we deal  
21 with our agriculture industry in this country.

22           But I do want to say that incentives are  
23 important. And I want to acknowledge Congressman Dennis  
24 Cardoza for his efforts working with the agriculture  
25 community, but definitely with the U.S.D.A. Air Quality

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1 Task Force that's appointed by the Congress to deal with  
2 air quality across the U.S. -- his efforts in working with  
3 those folks were able to secure this year in the farm  
4 bill, and we hope today the Senate will approve to overrun  
5 our President, who's made some boobos in trying to veto  
6 it. He's not doing too good on that issue. So the Senate  
7 today will win that and we will override. But in that is  
8 150 million for the first time that we have it that it's  
9 identified for air quality for farm machinery,  
10 agricultural practices, stationary engines and those  
11 things to help our farmers, as well as the incentives  
12 farmer do pay under the equip program. Farmers kick in  
13 50 percent of the cost. So it's not a hundred percent of  
14 asking, just like Carl Moyer is not a hundred percent  
15 give. Our business community does contribute.

16           So agriculture is there to continually move  
17 forward in working with you as an ARB staff. I want to  
18 acknowledge real fast John DaMassa and Karen Magliano with  
19 your staff have done the greatest PM10 study in the world  
20 and ozone study.

21           And, by the way, I want to make a correction.  
22 This was always the contention. Twenty-seven million five  
23 hundred for the PM ended up being 32,200,000. And we  
24 approved those extra few millions because the staffs  
25 needed that information to make a complete report and the

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1 ozone study. So without that information we wouldn't even  
2 be able today to make the recommendations that your staff  
3 is making has been done on solid science versus a bunch of  
4 hearsay.

5           And thank you very much. And I did make the time  
6 limit. Thank you.

7           CHAIRPERSON NICHOLS: You did. You get an extra  
8 star for that.

9           All right. We've had two more cards come up  
10 since I said that we were about to close the record. But  
11 this is it, folks. I'm giving you one more minute and  
12 then no more cards are coming forward.

13           So we'll hear from Nidia, followed by Carolena  
14 Simunovic and Evan Ship.

15           Thank you.

16           MS. BAUTISTA: Good morning, Madam Chair, members  
17 of the Board. Nidia Bautista with the Coalition for Clean  
18 Air.

19           I just want to highlight a couple of things that  
20 some folks have shared, and just to reiterate some of the  
21 conversations that we have had both with ARB staff and  
22 District staff and some of the Board members ahead of this  
23 hearing.

24           You know, we want to be clear that there are some  
25 points of this plan that we are, you know, pleased with.

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1 And rest assured, that where the District is pushing hard  
2 and ARB's pushing hard, we're going to be right there with  
3 you, including with the truck rule. So I just want to  
4 make sure that that's out there.

5           However, let's be clear. You know, we're all  
6 playing catch-up here, right? I mean based on the new  
7 study that came out with the new findings and the fact  
8 that there is a new federal PM2.5 measurement that's  
9 coming out soon, and then also the fact that, you know,  
10 even based on lower limits where a lot of people are  
11 impacted by this. So that's very clear. And I think that  
12 we all recognize that we are playing catch-up. And the  
13 sooner we all get on the same page and move forward, I  
14 think the better.

15           And clearly we feel that, you know, there is some  
16 progress being made there.

17           With that said, you know, our concerns with the  
18 plan again on the contingency measures, we strongly feel  
19 that it's going to help ARB and the District with existing  
20 control measures in its current plan if those contingency  
21 measures are outlined at the beginning of the plan, but  
22 they are specific, that they're clear, and that they're  
23 measurable. And this is also not just going to help --  
24 it's going to help the agencies because the industry and  
25 the community is going to be very aware of what's at

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1 stake, not just in terms of the health impacts but also in  
2 terms of what industries would then have to -- and what  
3 residents will have to do were we to fall short.

4           And it's really important that we mention that  
5 it's not just about the attainment, because our concern is  
6 that we're not waiting till 2014, 2015 to then realize  
7 that we've fallen short and then look back and think we  
8 should have done this and should have done that and try to  
9 scramble to come up with some rules to reduce -- to get to  
10 the emission reductions. But rather that we're doing  
11 those during the milestone days, the 2009-2012 dates.

12           And in terms of measures, our comment letter did  
13 speak specifically to some of those measures. And that  
14 included things like the IC engines. Again, and we  
15 recognize that some of this may not be easy. You know,  
16 we're really clear about that. But it's also not easy to  
17 look at the data from this morning and know that a lot of  
18 people are being impacted. So we're all going to have to  
19 do our share. And I think with the current plan, you  
20 know, residents are being asked to curtail some of the use  
21 of their chimneys and stuff to burn wood.

22           So we're all going to have to do something here,  
23 and it's not going to be easy.

24           So IC engines was definitely another control  
25 where we can get additional reduction. The boilers were

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1 another area where we felt like there might be additional  
2 reduction. And the dryers were another area.

3           Now, last year with the ozone plans we talked  
4 about the ag equipment rule, in which we know that ARB's  
5 going to be looking at next year. And so there there's  
6 possibly another opportunity to get some more reductions.  
7 And we just want to say that when we outline some of these  
8 measures, we also -- we're clear with ARB and with the  
9 District that we're open to other measures taking this  
10 place. Because ultimately what we want to get to is to  
11 cleaner air. And so the outcome really is about the  
12 reductions in a timely fashion, again making sure that  
13 they're clear, that they're specific, and that they're  
14 measurable commitments done at the beginning of the plan.

15           Thank you very much.

16           CHAIRPERSON NICHOLS: Thank you.

17           Ms. Simunovic and Mr. Ship.

18           MS. SIMUNOVIC: Hello. My name is Carolena  
19 Simunovic with the Fresno Metro Ministry.

20           Thank you for that extra minute, because  
21 basically I just wanted to tell you thank you. Thank you  
22 for being here today, for coming to the Valley, holding  
23 your meeting here in Fresno, for engaging with groups in  
24 conversations before the meeting today in a little bit  
25 more detail, and for being here to vet and think about and

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1 discuss the merits of this plan and hopefully ways that it  
2 can be improved.

3 I think you've heard probably enough testimony  
4 and have had the discussions that will help you through  
5 this. You probably also reviewed what took place at the  
6 Board meeting for the San Joaquin Valley Air Pollution  
7 Control District and have had a chance to speak to those  
8 who had comments or objections about the plan.

9 So thank you. Thank you for being here, as  
10 Daniela mentioned earlier.

11 I will be leaving to pursue my medical education  
12 to become an MD. My commitment is strong to the Valley.  
13 I'm hoping to do some research there in particulate matter  
14 and the effects on health so that I can come back and be  
15 an informed and active physician and participant in this  
16 role. Thank you.

17 I guess my last comment is that we have the  
18 opportunity today to make my job and your job easier in  
19 the years to come. So with keeping in mind those 3,000  
20 plus people that are affected by particulate matter  
21 pollution and die early as a result of it here in the San  
22 Joaquin Valley, I urge you to work to strengthen this plan  
23 today in your deliberations.

24 Thank you very much.

25 CHAIRPERSON NICHOLS: Thank you.

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1           Before you leave, if I may, are you going to  
2 medical school within the state or are you leaving  
3 California too?

4           MS. SIMUNOVIC: I'm leaving California. I'm  
5 going to the University of Washington.

6           CHAIRPERSON NICHOLS: Oh. Well, congratulations.

7           MS. SIMUNOVIC: They have a program there that is  
8 special for rural issues and even they have a particulate  
9 matter center or had I think there and interested in  
10 looking at that.

11           CHAIRPERSON NICHOLS: Well, you're one of the  
12 first people that I met when I came back to the Air  
13 Resources Board almost a year ago. So I kind of think of  
14 you as one of the milestones of my own time.

15           MS. SIMUNOVIC: Oh, well, thank you. Well, you  
16 won't be rid of me. And I'm hoping to watch all of your  
17 meetings on webcast. I'll be an air junkie.

18           CHAIRPERSON NICHOLS: You could be a little too  
19 busy studying.

20           That's all right. We appreciate all that you've  
21 contributed.

22           MS. SIMUNOVIC: Well, thank you very, very much.  
23 Thank you.

24           CHAIRPERSON NICHOLS: Okay. Finally, Evan Ship.

25           MR. SHIP: Hello. I'm Evan Ship. I'm going to

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1 try and make this very brief since I know we all want to  
2 get to lunch. I've got about 30 years of experience  
3 developing SIPs in the State of California for local  
4 agencies.

5 I want to thank the ARB staff, the technical  
6 staff, especially Karen Magliano, John Demossa, Vernon  
7 Hughes, for their world-renowned expertise in developing  
8 the technical aspects of this plan.

9 I've commented extensively on many of the  
10 technical issues, written comments that I've now pushed to  
11 the ARB list serve. There's still -- a lot of those have  
12 been resolved by the staff report. So I'm very happy that  
13 I've seen the documentation that is in there. There's  
14 just still a few of those issues remaining.

15 One is that I'm very interested in getting  
16 alternate look at the design value. And the design value  
17 is the concentration of which you start with to do the  
18 reduction for the plan. And there are different ways of  
19 doing that. And I've looked at some of the data and it  
20 looks like it would be good if we looked at some alternate  
21 methods that EPA has assigned, for instance, looking at  
22 five years worth of data. That's also in my comments.

23 Also, there are some missing data that affects  
24 the base line that I'm interested in having addressed.  
25 I've looked at data -- very recent data for 2007 and also

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1 2005, 2006, and it looks to me like during meteorology  
2 that has a high potential for PM formation, but there's a  
3 lot of missing data. And if you look at the real-time  
4 data, you see it's there with high levels. But you don't  
5 see it there with this reference method data. And this  
6 reference method data is the data that the plan is based  
7 on.

8 I've taken an extensive look now at 2007 data,  
9 and that reference data is now available. And I think  
10 that should really be looked at in the plan. It wasn't  
11 available when the plan was recently put out.

12 And those are basically the issues that I would  
13 like addressed. Thank you.

14 CHAIRPERSON NICHOLS: Thank you.

15 It's my hope that we can turn to discussion and  
16 Board action and get that done before we take a break for  
17 lunch.

18 We are going to be holding a closed session over  
19 lunch. And I will have a statement formally to read when  
20 we adjourn for that. But the staff is getting that typed  
21 up now. We're going to have an opportunity to meet our  
22 new chief counsel, who's actually sitting here in the  
23 audience today for the first time. And we should probably  
24 identify her even before we go.

25 Ellen, would you stand up.

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1           Ellen Peter, who's consented to come to the Air  
2 Resources Board from a nice job at the Department of  
3 Justice, where she's been defending us and representing us  
4 for a few years now. She comes from a community activist  
5 background as well. And we're going to be formally  
6 meeting her over lunch and having a briefing on some of  
7 our litigation matters.

8           So thank you very much for being here.

9           We're now I think going to close the public  
10 testimony portion of the record and move on to a  
11 discussion of the plan and what options we have for  
12 responding to the concerns that we've heard. And I think  
13 it's probably fair to say on behalf of all of us that we  
14 recognize that tremendous progress has occurred here and  
15 that the District has really stepped up in many ways. I  
16 saw that list of, you know, all of the history of time and  
17 the failures to do this, that, and the other thing. But  
18 at the same time, if you match that up against the actual  
19 progress in reducing emissions, cleaning up the air, doing  
20 the job of getting the rules adopted, et cetera, I think  
21 you have to say in fairness that the District has been  
22 doing a good job.

23           However, that doesn't mean that any of us can't  
24 do better. And we certainly are concerned, not only based  
25 on the new information about health, but just on the fact

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1 that under any way you look at it this plan cuts it close.  
2 We're not talking about a large cushion here of safety in  
3 terms of being able to demonstrate attainment of the  
4 standards, not to mention the need to go further. So I  
5 think that's where we want to focus our discussion.

6 In case anybody thinks that we've been channeling  
7 Dr. Telles in some of the questions, I do want to say  
8 that, you know, we knew before we got here but certainly  
9 after the meeting was scheduled that John Telles, who  
10 represents the San Joaquin Valley Board on our Board, was  
11 not going to be able to be here because of graduation of a  
12 family member. He did send a note by e-mail, which a  
13 number of us received. And I think it would be a good  
14 thing to just read it into the record so it would be  
15 officially part of the record. And this is it.

16 It says, "Dear fellow Air Board members:  
17 Unfortunately I will not be at the Fresno meeting to  
18 welcome you to my home town. I'm on the East Coast  
19 attending a college graduation of a family member.

20 "You may know that I voted against the San  
21 Joaquin Valley PM2.5 plan. I voted against this plan for  
22 two reasons:

23 First of all, I thought the contingencies were  
24 not adequate because for primary PM2.5 the contingency  
25 amounted to only 1 percent of the total 2.5 and the NOx

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1 was only 3 percent of the total NOx inventory. In my  
2 opinion, these contingencies are inadequate.

3 "Second of all, I'm concerned about the modeling  
4 used in the plan. The plan is based on data from existing  
5 PM2.5 monitors. In the whole San Joaquin Valley there are  
6 less than twelve of these monitors. It seems to me that  
7 this is not an adequate sampling to assure that if we do  
8 reach attainment that all residents of the valley will  
9 actually be breathing healthy air.

10 "I regret that I am unable to join you for the  
11 meeting. I look forward to seeing you all in June."

12 Now, obviously Dr. Telles was one of the three  
13 members who did not vote for the plan. The majority of  
14 the Board did vote for the plan, which is why we're here  
15 today. And I don't think there's any -- I don't think  
16 there's any sentiment not to approve the plan as the basis  
17 for moving forward because it's a step ahead of where we  
18 are now. I mean to just not do anything would be to in  
19 effect to take a step backward. But I think we certainly  
20 can talk about what we could do in terms of strengthening.

21 And I'm going to turn to you first.

22 BOARD MEMBER LOVERIDGE: This is a process  
23 question.

24 CHAIRPERSON NICHOLS: Yes.

25 BOARD MEMBER LOVERIDGE: The decision choices

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1 before us today are -- and I apologize, I wasn't here at  
2 the beginning -- one is to approve the plan as submitted;  
3 second, to approve with the following changes; or, three,  
4 to send it back to the District and say, "We want you to  
5 meet certain additional standards and requirements." Are  
6 those the three choices that we have?

7           CHAIRPERSON NICHOLS: Technically, I think the  
8 official action would only be to approve or disapprove,  
9 because we haven't noticed any specific changes to the  
10 plan. And there's a process that we would have to go  
11 through as the Air Board, which was put in place by law to  
12 protect districts from the arbitrary ARB coming in and  
13 meddling with their plans.

14           BOARD MEMBER LOVERIDGE: So we have a choice  
15 either to approve or not approve today?

16           CHAIRPERSON NICHOLS: Right. But what we could  
17 do, which is perhaps essentially the middle ground, would  
18 be to approve but in our resolution direct certain  
19 measures to be taken; basically put everybody on notice  
20 that if they don't take place by a time certain, the ARB  
21 would step in and take it. So we start the clock, so to  
22 speak, on an ARB official action. But because back in the  
23 old days when the ARB used to run roughshod over local  
24 districts, back when I was on the Board before, we used to  
25 take over district powers and adopt rules for them that

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1 were stronger than the rules that they had adopted  
2 themselves. And districts didn't take kindly to that.  
3 And so they got the law amended, so that the ARB has to go  
4 through a formal process to actually take over the power  
5 of the district and adopt a stronger rule.

6 We couldn't do that today because we haven't gone  
7 through the proper process. And, you know, frankly, I'm  
8 not saying that's how we would want to proceed. We'd  
9 rather obviously have the District take action themselves.

10 So if I have explained that accurately -- I got a  
11 nod from our lawyers over there -- is there anything else  
12 you want to add in terms of how we would proceed here,  
13 what the options are?

14 Okay. So the process, basically the choices  
15 are -- we always act through a resolution. We'd have to  
16 actually look at the resolution. And if we wanted to add  
17 language to it specifically saying, "District, we want you  
18 to do X," then that's how we would do it, would be through  
19 our Board resolution.

20 So I think Supervisor Hill asked the question  
21 earlier, and probably others did too, "Okay, what are  
22 measures that we could say to the District 'We want you to  
23 put these in the plan and we want to see that as soon as  
24 possible'?"

25 DEPUTY EXECUTIVE OFFICER TERRY: Well, we have

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1 two slides that we would show. And I'm going to have  
2 Karen explain them to you.

3 CHAIRPERSON NICHOLS: Okay. Thank you.

4 AIR QUALITY DATA BRANCH CHIEF MAGLIANO: This  
5 hopefully will help frame the Board's discussion on what  
6 potential actions you could take.

7 On the first slide that we have here shows the  
8 trend in our base line emission inventory going out  
9 through 2020. And as you can see and as we've mentioned  
10 before, there's a significant downward decreasing  
11 emissions as we go through 2020 just from the aggressive  
12 actions that the Board has already taken. So certainly  
13 those already adopted measures serve as contingencies to  
14 the extent that they're not included in our RFP  
15 calculations. And it's also important to note that we  
16 have shown this line going out through 2020. So even  
17 beyond the 2014, 15 attainment deadline of the Valley  
18 there will continue to be significant additional emission  
19 reductions that would serve as additional contingencies  
20 into those ongoing years.

21 And then the next slide walks through some of the  
22 potential measures that we have looked at.

23 And I apologize. I'm trying to read this with my  
24 glasses.

25 DEPUTY EXECUTIVE OFFICER TERRY: Yeah, I can see

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1 them. I can't see them close up.

2 CHAIRPERSON NICHOLS: Can the audience see this  
3 from...

4 DEPUTY EXECUTIVE OFFICER TERRY: What we've done  
5 is -- and this was also in the staff report as well. In  
6 the staff report there's two bins essentially, all of the  
7 measures the District will be adopting that are included  
8 in the attainment demonstration. Then there's an  
9 additional group of measures that are not in the  
10 attainment demonstration and therefore could serve as  
11 contingencies. So based on the Board's discussion, we put  
12 this slide together to identify some opportunities for  
13 additional contingencies.

14 So there are essentially three boiler rules in  
15 the District plan. Two of them are in the attainment  
16 demonstration but one is not. And they have scheduled  
17 adoption of that additional measure by the end of this  
18 year. So that could serve as a contingency measure to be  
19 submitted as a rule, a federally enforceable rule once  
20 approved by EPA that could strengthen the SIP.

21 The second one is an IC engine rule. Again, this  
22 rule is not in the attainment demonstration. It could be  
23 submitted. Once adopted it would meet the full legal  
24 definition of a contingency measure. And that is  
25 scheduled for adoption by the end of 2010.

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1 Gas furnaces. This is actually in the attainment  
2 demonstration. But it's on here because there has been a  
3 lot of concern about that rule. And it is in the  
4 rulemaking process, just so the Board knows. And the tons  
5 that are being discussed in the rulemaking process are  
6 even greater than were estimated. So we think that one is  
7 on track for adoption.

8 The other one that we've heard comment on are  
9 dryers. And the District does have a rule in place for  
10 large dryers. But they have committed in their plan to go  
11 out and look and see how many small dryers might be in  
12 operation in the Valley that are not subject to the  
13 existing rule. And if they're significant, then to look  
14 at the potential for control.

15 CHAIRPERSON NICHOLS: You don't mean dryers like  
16 laundry --

17 DEPUTY EXECUTIVE OFFICER TERRY: Oh, I'm sorry.  
18 I should say -- not your clothes dryer.

19 CHAIRPERSON NICHOLS: Or hair dryer.

20 DEPUTY EXECUTIVE OFFICER TERRY: Or hair dryer.

21 CHAIRPERSON NICHOLS: No, no, no. We're talking  
22 about something else.

23 DEPUTY EXECUTIVE OFFICER TERRY: We're talking  
24 about food processing and those kinds of dehydrator  
25 dryers.

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1           Sorry. We get stuck in the jargon.

2           The next category is biomass boilers. And this  
3 was also brought up by ISSRC as potential. And so we  
4 checked with our technical staff. And Chris Gallenstein  
5 is our expert here on all of these stationary source  
6 measures.

7           The comments we received were suggesting SCR  
8 retrofits. We've done the research. They have not yet  
9 been demonstrated. But the good news is there is a pilot  
10 study underway. So this is something that our technical  
11 staff will be watching closely. And so that could be  
12 something folded in down the road.

13           And then, lastly -- and this is very  
14 significant -- is adding a potential contingency provision  
15 in the existing wood burning rule commitment. In the  
16 attainment demonstration the District has taken credit for  
17 a small additional benefit from an enhanced wood burning  
18 rule. But if you recall the slide that talks about the  
19 much higher levels in the winter season, the four months  
20 between November and February, when you look at the  
21 monitoring, the relative amount of wood smoke in the air  
22 compared to ammonium nitrate, which is NOx driven, is very  
23 significant. And so ratcheting down that wood smoke rule  
24 would actually very significantly affect the annual  
25 average.

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1           And so we are recommending that a very strong  
2 contingency measure would be to have a much tighter  
3 trigger on curtailing the number of days.

4           And so, for example, if -- currently those days  
5 are triggered at a level of 65 micrograms in the  
6 atmosphere. If it were ratcheted down to 20 micrograms,  
7 that would basically double the number of curtailment  
8 days. And that could potentially reduce the atmospheric  
9 levels by a microgram, which is very significant.

10           So those are potential considerations for the  
11 Board.

12           CHAIRPERSON NICHOLS: I have a concern about this  
13 wood burning rule, twofold I guess. One is this issue  
14 about intermittent versus permanent type controls. I  
15 don't know how the rule works, if it's just a ban on using  
16 your fireplace. I guess it's the equivalent for an  
17 individual person of an intermittent ban, say, the kind of  
18 measure that I think some of the community groups proposed  
19 for banning people from doing agricultural operations on  
20 certain days. And although we do ban burning on days when  
21 the atmosphere doesn't call for it, I don't think this  
22 Board has shown any inclination to going in the direction  
23 of banning either farming or construction work because  
24 those are basically economically vital activities that are  
25 hard to readjust or they're scheduled for on an interim

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1 kind of basis. It just seems like the disruption factor  
2 is very high. It may be that at some point we have to  
3 look at those things. But we've tried to look at things  
4 that are more permanent, technological, enforceable, et  
5 cetera, because we think there's more reductions to be  
6 gained.

7           So my question about the fireplace rule is --  
8 although for most people using their fireplace is a luxury  
9 and nothing you do just because, you know, it's a pleasant  
10 evening at home or you have guests over, there are people  
11 who burn wood for heating purposes, and they do it in the  
12 wintertime, not in the summertime. So what are we doing  
13 about that situation? Is there a solution for -- I mean  
14 is there a low smoke furnace that those people can get?

15           DEPUTY EXECUTIVE OFFICER TERRY: Well, actually  
16 the existing programs do take into account and provide  
17 exemptions for people who rely on it for heating. So  
18 we're really talking about recreational fireplace use.

19           AIR QUALITY DATA BRANCH CHIEF MAGLIANO: As with  
20 Sacramento just adopted a program to have a mandatory  
21 curtailment of wood burning.

22           BOARD MEMBER BALMES: And I will say, because I  
23 participated in a study in Fresno that ARB initially  
24 funded, and now it's NIH, that the Fresno Children's  
25 Environment study phases, I do note what Ms. Terry said to

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1 be correct, that the PM2.5 levels in the winter months  
2 there's a big component from residential wood burning. So  
3 it's --

4 CHAIRPERSON NICHOLS: It's important. Well, I  
5 mean I don't use my fireplace much any more because I find  
6 the smoke in the house is enough.

7 (Laughter.)

8 BOARD MEMBER HILL: I didn't think you were home  
9 enough.

10 CHAIRPERSON NICHOLS: Well, there's that too on  
11 those rare occasions.

12 BOARD MEMBER BALMES: My wife has asthma and she  
13 won't let us use the fireplace.

14 BOARD MEMBER HILL: I would love to move the  
15 resolution.

16 MR. VALERIANO: Excuse me. I know the public  
17 process is over. But can we challenge what they just  
18 said? Because it's so horridly wrong.

19 CHAIRPERSON NICHOLS: What?

20 MR. VALERIANO: The interpretation of what  
21 contingency measures are. As far as the federal law is  
22 concerned, these are measures -- you go through RACM  
23 first. You determine which ones are reasonable and which  
24 ones are not. The ones that are reasonable should be part  
25 of the plan. Those that are not should be contingency

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1 measures. We are contending that our additional  
2 reductions are so reasonable. Why? The South Coast is  
3 doing it already or will do it. Why are we now putting  
4 these reasonable measures as contingency measures?  
5 There's a big legal argument to be made here.

6 CHAIRPERSON NICHOLS: I understand you're making  
7 a legal argument. And I guess it's incumbent on us, we  
8 just have to take -- in effect, we take action, that we  
9 say that we are supporting the view that what's in the  
10 plan is reasonable but that we want to see additional  
11 measures for contingency purposes. That doesn't mean  
12 they're not going to be done. Because, as we understand  
13 it, if they're adopted rules, they will in fact be adopted  
14 and they will be enforcing them. So this is a kind of a  
15 distinction without a difference as far as I'm concerned.  
16 But we'll let your comment stand.

17 I think we interrupted -- Supervisor Hill was  
18 about to make a motion.

19 BOARD MEMBER HILL: Well, I was planning to make  
20 a motion to adopt the resolution, including the  
21 contingency measures that were outlined in the  
22 presentation as contingencies that we can go forward with  
23 that are not in the already adopted plan.

24 CHIEF COUNSEL JENNE: I wanted to make this a  
25 procedural move about how the Board could do this. And I

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1 was told I have to stand up here because the microphone  
2 doesn't work back there.

3           So, Lynn, have we given the resolution to the  
4 Board members yet? Do they have it?

5           DEPUTY EXECUTIVE OFFICER TERRY: Yes.

6           CHAIRPERSON NICHOLS: We were given a draft this  
7 morning.

8           CHIEF COUNSEL JENNE: The resolution you have in  
9 front of you simply adopts the plan as is with no  
10 additional changes to the plan. And we would propose to  
11 have it -- if the Board wishes to do the suggestions that  
12 Lynn just provided, we have an attachment to the  
13 resolution that we prepared that you could take a look at,  
14 and we'd also distribute it to the members of the public.  
15 And it would essentially -- it has language indicating  
16 what additional measures you would direct the District to  
17 do. And as part of that, the resolution you have in front  
18 of you would have a couple of additional provisions in it  
19 which we could then do after the Board meeting.

20           One provision would simply say the Board directs  
21 the District to do the actions described in Attachment A,  
22 which you're getting right now.

23           And the second provision would clarify that while  
24 the contingency measures in the 2008 plan in front of you,  
25 we believe they're adequate to meet the legal requirements

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1 of the Clean Air Act and the rule, but that it's  
2 appropriate to include in the California SIP these  
3 additional District rules that Lynn identified that will  
4 further strengthen the SIP and will serve as additional  
5 contingency provisions for PM2.5 attainment.

6 Now, as a legal matter these would not meet the  
7 definition of contingency measures in the Clean Air Act  
8 because those measures have to be already adopted, and  
9 these rules are not adopted yet. But once they are  
10 adopted, as a practical matter they would serve as  
11 additional contingencies to make sure there are emission  
12 reductions --

13 CHAIRPERSON NICHOLS: So the difference there is  
14 that -- let me just see if I can explain this. That the  
15 District is going to do its thing, but they wouldn't  
16 necessarily submit these things to us on a fixed time  
17 frame, and we wouldn't necessarily be submitting them to  
18 EPA and putting them into this enforceable SIP. So the  
19 difference here is that we're taking a strengthening  
20 action by putting these things actually into the SIP.  
21 That's the key element here.

22 BOARD MEMBER D'ADAMO: I have a question and  
23 maybe a suggestion.

24 CHAIRPERSON NICHOLS: Okay.

25 BOARD MEMBER D'ADAMO: I think one way to go just

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1 a slight step further would be to have a report back to  
2 the Board on the progress, since these measures wouldn't  
3 necessarily come before us.

4 CHAIRPERSON NICHOLS: I think that's a good  
5 addition to the resolution.

6 CHIEF COUNSEL JENNE: What Attachment A does say  
7 before you is that you're directing the District to adopt  
8 these additional rules. And then after they've adopted  
9 them, they would submit them to us for transmittal to U.S.  
10 EPA, and the rules themselves would be part of the SIP.  
11 But we wouldn't be amending the plan that's in front of  
12 you today because, as Chairman Nichols pointed out, that's  
13 not something we notice. So you'd be approving the plan  
14 as is and then directing the districts to take these  
15 additional actions that would further strengthen the SIP;  
16 and once they've done that, to submit the rules to us for  
17 transmittal to U.S. EPA.

18 BOARD MEMBER D'ADAMO: I'm just assuming though,  
19 you know, there might be an interim step, maybe if  
20 staff --

21 DEPUTY EXECUTIVE OFFICER TERRY: We'd be happy to  
22 come back to the Board and report generally on SIP  
23 progress in the Valley at the Board's pleasure.

24 CHAIRPERSON NICHOLS: Well, I think we should.

25 BOARD MEMBER D'ADAMO: I do so too.

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1           CHAIRPERSON NICHOLS: And it sounds like  
2 December -- I know December's a big month for us because  
3 of the scoping plan. But it seems to me we could at least  
4 get a progress report.

5           Mayor Loveridge.

6           BOARD MEMBER LOVERIDGE: Would it be  
7 inappropriate to ask or as a matter courtesy for District  
8 comment on this --

9           CHAIRPERSON NICHOLS: You anticipated what I was  
10 just about to do. That's a good thing.

11           Yes, please. We should ask the executive officer  
12 to speak here.

13           MR. SADREDIN: Thank you for this opportunity.

14           I think the recommendation that is before you  
15 makes perfect sense. Most of what we're talking about  
16 here is the semantics in terms of what is contingency,  
17 what is creditable towards contingency.

18           Just one thing for you to consider. Not that I'm  
19 suggesting any changes. I think what you're about to act  
20 on makes perfect sense. And the whole contingency concept  
21 of what's put in place for areas that don't need as much  
22 reduction such as we do and also South Coast does, as you  
23 know we just adopted plans -- the ozone plans that we  
24 adopted which have the same NOx measures and are both in  
25 South Coast and in San Joaquin Valley. And we found that

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1 even if money were no object, we've already thrown in the  
2 kitchen sink, but technology does not yet exist. So it is  
3 difficult in areas such as ours and South Coast when  
4 you've done everything that you can think of to say, well,  
5 there is this reserve list that we could, you know, rely  
6 on if we need them. We need everything. And most of  
7 these measures were things that the District was planning  
8 on doing anyway, and now with this commitment it makes it  
9 enforceable that we have to do.

10 CHAIRPERSON NICHOLS: Thank you. I appreciate  
11 that very much. And I think it's a good response to --  
12 you know, it really is impressive that we've seen the  
13 level of involvement here on the part of community  
14 organizations even in South Coast where I'm from. I don't  
15 think we'd have as many people who would be taking the  
16 time, you know, to come here and who've participated  
17 throughout. And, frankly, the level of technical  
18 sophistication that they bring and the level of comments  
19 that they've made have been very high. And I think  
20 they've had an influence on all of us and all of our  
21 thinking. So it's a good thing that we've expanded the  
22 universe of people who are really actively working on and  
23 focusing on clean air here in the Valley. I think it's  
24 going to make a big difference in the future.

25 And I've seen time and time again that every time

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1 we think we've done everything that was possible, we  
2 discover that there are new ideas and new technologies out  
3 there. And I hope that that's going to continue to be the  
4 case here as well.

5 So are you satisfied with that as a resolution?

6 BOARD MEMBER HILL: My question, I guess -- on  
7 the attachment I noticed that you have the wood smoke --  
8 the residential wood smoke rule on the bottom. The other  
9 items that were listed there, are they listed here, that  
10 were on the contingency?

11 DEPUTY EXECUTIVE OFFICER TERRY: Yes, I know  
12 it's -- we use the terminology of their measures, S-CON2  
13 and S-CON.

14 BOARD MEMBER HILL: The rule commitments that you  
15 have there?

16 Okay. That's covering all of the items, the  
17 dryer, et cetera, et cetera?

18 DEPUTY EXECUTIVE OFFICER TERRY: Right. Now,  
19 those are study measures. So --

20 BOARD MEMBER HILL: The dryers are study  
21 measures?

22 DEPUTY EXECUTIVE OFFICER TERRY: The dryers.

23 BOARD MEMBER HILL: Right. But they will study  
24 them, that's part of this --

25 EXECUTIVE OFFICER GOLDSTENE: And the biomass --

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1 AIR QUALITY DATA BRANCH CHIEF MAGLIANO: And the  
2 biomass boilers are also a feasibility study measure.

3 BOARD MEMBER HILL: All right. Very good.

4 Yes, that would be the rest of the motion.

5 CHAIRPERSON NICHOLS: All right. That's the  
6 motion.

7 Do we have a second?

8 BOARD MEMBER D'ADAMO: Second.

9 CHAIRPERSON NICHOLS: A second from Ms. D'Adamo.  
10 All right. I guess we need to do a roll call  
11 vote here as well.

12 SECRETARY ANDREONI: Dr. Balmes?

13 BOARD MEMBER BALMES: Aye.

14 SECRETARY ANDREONI: Ms. Berg?

15 BOARD MEMBER BERG: Aye.

16 SECRETARY ANDREONI: Ms. D'Adamo?

17 BOARD MEMBER D'ADAMO: Aye.

18 SECRETARY ANDREONI: Supervisor Hill?

19 BOARD MEMBER HILL: Aye.

20 SECRETARY ANDREONI: Mayor Loveridge?

21 BOARD MEMBER LOVERIDGE: Aye.

22 SECRETARY ANDREONI: Professor Sperling?

23 BOARD MEMBER SPERLING: Aye.

24 SECRETARY ANDREONI: Chairman Nichols?

25 CHAIRPERSON NICHOLS: Aye.

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1           SECRETARY ANDREONI: Ayes pass. Motion passes  
2 seven to zero.

3           CHAIRPERSON NICHOLS: Unanimously. It was  
4 unanimous.

5           All right. Thank you everybody very much.

6           We are going to take a break at this time. And  
7 we're going to go into closed session to discuss items  
8 that were listed on the Board agenda. And at the  
9 conclusion of the closed session we'll reconvene back here  
10 in open session. And we'll reconvene at 1:30.

11           (Thereupon a lunch recess was taken.)

12           CHAIRPERSON NICHOLS: We do have a quorum. One  
13 of our Board members is in the back room, but she can  
14 listen back there. Two of them.

15           And I think we should get started, because we  
16 have people who are hoping to catch earlier flights to  
17 various places they have to get to around the state.

18           So I just need to reconvene us and to report that  
19 the Board met in closed session to discuss the litigation  
20 that was listed on today's agenda. No action was taken by  
21 the Board.

22           So we will now turn the program back over to the  
23 Executive Officer.

24           EXECUTIVE OFFICER GOLDSTONE: Thank you, Chairman  
25 Nichols.

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1           When Governor Schwarzenegger signed the current  
2 state budget, he charged ARB with expediting allocation of  
3 the first \$250 million in funds while ensuring  
4 accountability for those funds.

5           Staff and local agencies have moved quickly to  
6 submit and evaluate project proposals consistent with the  
7 program guidelines.

8           Staff's recommendations on which projects should  
9 be funded and at what levels are consistent with the  
10 program guidelines and funding priorities adopted by the  
11 Board.

12           Consistent with those priorities you'll see an  
13 emphasis on truck retrofits and replacements that can be  
14 quickly implemented to reduce health risks in heavily  
15 impacted communities in each trade corridor. You will  
16 also see a proposal for a locomotive project with  
17 multi-corridor benefits.

18           I'd like to introduce Ajay Mangat of the Planning  
19 and Technical Support Division to begin the staff  
20 presentation.

21           CHAIRPERSON NICHOLS: Thank you.

22           (Thereupon an overhead presentation was  
23 presented as follows.)

24           MR. MANGAT: Thank you, Mr. Goldstene.

25           Good afternoon, Chairman Nichols, members of the

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1 agencies offer incentives directly to the equipment owners  
2 to achieve early or extra emission reductions.

3 --o0o--

4 MR. MANGAT: The four priority trade corridors  
5 are the Los Angeles-Inland Empire, Central Valley, Bay  
6 Area, and San Diego-Border region. The program is  
7 designed to have local agencies in each corridor  
8 administer incentives to reduce emissions both within  
9 their own corridor and across the state's freight  
10 transportation network.

11 --o0o--

12 MR. MANGAT: This slide lists the types of diesel  
13 sources eligible for the program. The guidelines group  
14 the sources into funding categories and detail the  
15 equipment upgrades, like replacements or retrofits, that  
16 are eligible for funding in this cycle.

17 Each piece of equipment to be upgraded must  
18 compete for funding against others that are in the same  
19 category and in the same trade corridor. Likewise, if two  
20 or more local agencies submit proposals in the same  
21 category and corridor, they must also compete for funding.

22 --o0o--

23 MR. MANGAT: This slide shows how ARB is spending  
24 the \$250 million appropriation in the fiscal year  
25 2007-2008 budget. In February, the Board awarded \$25

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1 million to local air districts for early grant projects  
2 that could largely be completed over this summer. ARB  
3 will use less than \$3.4 million for program staffing and  
4 support in this fiscal year. This figure equals 1.4  
5 percent of the total funds, which is well below the 5  
6 percent authorized by statute. Subtracting the early  
7 grants and ARB administrative expenses, the Board has over  
8 \$221 million to award to local agencies in this round of  
9 funding.

10 --o0o--

11 MR. MANGAT: In February, the Board adopted the  
12 funding priorities shown here to guide the development and  
13 selection of projects. These priorities respond to the  
14 statutory direction to achieve the earliest possible  
15 health risk reduction in communities heavily impacted by  
16 goods movement. The focus on trucks for this round also  
17 considers the timing needs under ARB's adopted drayage  
18 truck rule and the upcoming statewide truck regulation.

19 In March, we announced the availability of \$221  
20 million in bond funding and gave local agencies just over  
21 three weeks to submit their applications.

22 --o0o--

23 MR. MANGAT: By the April 4th deadline, six local  
24 air districts and three seaports had submitted proposals  
25 for 19 projects. The requests for bond funding totaled

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1 over \$700 million. Some agencies requested funding equal  
2 to or greater than all of the money available in this  
3 funding cycle.

4 --o0o--

5 MR. MANGAT: ARB staff evaluated the applications  
6 against each of the requirements in the guidelines.

7 We also worked with all of the local agencies on  
8 any needed clarifications. We particularly appreciate the  
9 quick turnaround by every agency in response to our  
10 requests for information or updates. The complete  
11 applications, including any subsequent clarifications, are  
12 posted on the program website.

13 The final applications demonstrate the ability of  
14 each local agency to administer projects that can meet the  
15 program objectives.

16 Since the guidelines require a competitive  
17 process where multiple agencies in the same corridor  
18 submitted proposals within the same funding category, we  
19 ranked and scored any competing proposals. We then used  
20 the results of the competitive process, together with the  
21 Board's funding targets and priorities, to develop  
22 preliminary funding recommendations.

23 --o0o--

24 MR. MANGAT: These recommendations were the  
25 primary focus of discussion at five public workshops

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1 earlier this month.

2 --o0o--

3 MR. MANGAT: Our proposal today relies on the  
4 Board's funding priorities to ensure that Proposition 1B  
5 dollars go to the projects that can quickly reduce diesel  
6 pollution and associated health risks in the communities  
7 near ports, rail yards, inland distribution centers, and  
8 roads with high truck traffic. These projects would  
9 benefit Californians of all ages who live and work in  
10 trade corridors and beyond.

11 In this section of the presentation, I'm going to  
12 summarize the projects recommended for funding as a whole,  
13 and then describe the staff proposal for each corridor  
14 more specifically.

15 --o0o--

16 MR. MANGAT: Local agencies in each corridor  
17 submitted credible proposals that exceeded the corridor's  
18 target funding level. Each of the applicants also  
19 demonstrated the capability to implement the program at  
20 some funding level. As a result, we believe that the  
21 starting point should be to divide the \$221 million among  
22 the four trade corridors according to the Board's overall  
23 funding targets for each region, shown here as a target  
24 percentage.

25 The primary focus of the staff proposal then

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1 becomes which projects in the corridor should be funded  
2 and at what levels.

3 --o0o--

4 MR. MANGAT: Staff recommends that the Board fund  
5 15 projects to upgrade or replace over 8200 pieces of  
6 diesel equipment. Each of the nine local agencies that  
7 submitted applications would receive funding for one or  
8 more of their proposals.

9 Drayage trucks serving ports and intermodal rail  
10 yards top the proposed funding list at over \$109 million,  
11 largely focused on replacing trucks at the ports of Los  
12 Angeles and Long Beach.

13 The next largest share of funding, \$89 million,  
14 would go to upgrade other trucks throughout all four  
15 corridors, and potentially support electrification of  
16 truck stops and distribution centers in the Los Angeles-  
17 Inland Empire region. The priority within this category  
18 is for filter retrofit projects to immediately reduce the  
19 diesel PM health risk from existing trucks.

20 We've heard widespread support for targeting  
21 nearly \$200 million to cleaner trucks in this funding  
22 cycle. This represents both an opportunity and a  
23 challenge to upgrade more trucks more quickly than ever  
24 before.

25 A much smaller number of locomotive, shore power,

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1 and harbor craft projects would also be funded in this  
2 cycle in response to local priorities.

3 --o0o--

4 MR. MANGAT: Over their life, the proposed  
5 projects would reduce nearly 27,000 tons of NOx that  
6 contributes to high level of fine particles and ozone,  
7 especially here in the valley and in the South Coast. The  
8 projects would also reduce over 1800 tons of diesel PM to  
9 cut the health risk in communities near freight  
10 facilities.

11 You'll notice differences in the reductions by  
12 corridor that are due to both the total bond dollars  
13 invested and the mix of projects in each corridor.

14 --o0o--

15 MR. MANGAT: The recommended projects are  
16 responsive to the Board's established priorities and would  
17 quickly cut the diesel PM health risk in every corridor.

18 94 percent of the funding would go to trucks that  
19 may travel in multiple corridors and to locomotives that  
20 operate across northern California.

21 The proposed mix of projects would leverage over  
22 \$340 million in non-state funding. Of these match funds,  
23 the seaports and air districts have committed to provide  
24 \$154 million, with equipment owners responsible for the  
25 remaining dollars. That's more than 1.5 match dollars for

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1 every state dollar invested.

2 --o0o--

3 MR. MANGAT: The guidelines allow both ARB and  
4 local agencies to establish a backup list of projects that  
5 could be funded if any of the primary projects cannot be  
6 accomplished or additional funding becomes available.

7 As a part of the resolution on this item, the  
8 Board would approve a backup list for this round based on  
9 any unfunded elements of the \$732 million worth of  
10 projects submitted by local agencies.

11 In the unlikely event that a local agency  
12 declines to execute a grant agreement for any of the  
13 primary projects approved by the Board today, we are  
14 proposing that the Board delegate to the Executive Officer  
15 the authority to shift any unused funding to other  
16 projects. This shift would ensure that all available  
17 dollars can be used for cleaner equipment. The Executive  
18 Officer would follow the prioritization approach shown  
19 here to determine which backup projects to fund.

20 The resolution would also provide the Executive  
21 Officer with the flexibility to respond if a local air  
22 district requested that ARB roll some of the early grant  
23 funding into the awards being approved today. All of the  
24 air districts are gearing up to implement the early  
25 grants, but there is a possibility that an air district

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1 may run into unexpected obstacles that could delay project  
2 completion beyond the deadlines for the early grants.

3           This approach would maintain the same amount of  
4 funding for each corridor and source category, but provide  
5 an option to administer the funds under the standard grant  
6 timeline rather than the accelerated schedule for early  
7 grants.

8           We're now going to take a more specific look at  
9 the breakdown of projects proposed for funding in each  
10 trade corridor.

11                                 --o0o--

12           MR. MANGAT: With the largest ports in the U.S.,  
13 the Los Angeles-Inland Empire Trade Corridor is the hub  
14 for imports and exports. Most of this cargo must be  
15 transported by trucks within the corridor and to adjacent  
16 corridors.

17           There is a widespread support for cleaning up the  
18 diesel drayage trucks that travel between the ports,  
19 intermodal rail yards, and inland distribution centers.  
20 ARB staff is proposing that \$100 million from this cycle  
21 of Prop 1B funding be directed to accelerate the  
22 replacement or retrofit of over 2400 drayage trucks in  
23 advance of ARB's rule.

24                                 --o0o--

25           MR. MANGAT: This slide shows all of the project

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1 categories that local agencies requested bond funding for  
2 in this corridor, followed by staff's funding proposal in  
3 the yellow column, and the administering local agency.

4           We received local agency applications from the  
5 South Coast Air Quality Management District for all  
6 project categories, plus a joint application from the Port  
7 of Los Angeles and the Port of Long Beach to administer an  
8 incentive program for trucks serving both ports.

9           Staff evaluated and scored the applications to  
10 administer incentives for drayage trucks. We propose  
11 partial funding for each, with the ports administering the  
12 port truck incentives and the District doing the same for  
13 trucks serving just the rail yards. We believe the ports'  
14 proposal offers the best opportunity to clean up this  
15 truck fleet because they are committing to \$144 million in  
16 port match funding. Together, the bond plus port  
17 subsidies can cover 80 to 90 percent of the cost of a  
18 brand new truck, with the ports targeting a replacement  
19 fleet of half diesel and half liquefied natural gas  
20 trucks.

21           The ports' match comes from a mix of existing  
22 operating funds and monies to be raised from new truck  
23 tariffs. The ports have back-stopped their proposal with  
24 additional port operating funds to ensure that the truck  
25 cleanup can proceed quickly, regardless of the ports'

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1 major contributors to the Valley's air pollution problems.  
2 Targeting bond funding to replace these diesel sources  
3 will provide new NOx reductions to help the San Joaquin  
4 Valley meet its PM2.5 attainment deadline and accelerate  
5 ozone attainment. Truck retrofits focus on reducing the  
6 diesel PM health risk for Valley residents living near  
7 freeways and distribution centers.

8 --o0o--

9 MR. MANGAT: The San Joaquin Valley Air Pollution  
10 Control District submitted an application for truck  
11 projects, while the Sacramento Metropolitan Air Quality  
12 Management District submitted applications for truck and  
13 locomotive projects.

14 The locomotive project would upgrade line-haul  
15 locomotives that travel in the Central Valley between  
16 Sacramento and Fresno, with additional travel into the Bay  
17 Area and back. We are recommending full funding of \$10.3  
18 million for this project to achieve reductions throughout  
19 the Valley and into the upwind Bay Area. Locomotive  
20 replacement offers the opportunity to secure  
21 cost-effective NOx reductions that are not required by  
22 regulation. The Sacramento District would administer this  
23 project in consultation with the San Joaquin District.

24 Both the San Joaquin District and the Sacramento  
25 District have demonstrated their ability to run successful

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1 truck programs. We recommend partial funding for both  
2 proposals to cover this large geographic area. The San  
3 Joaquin District would administer 90 percent of the  
4 funding, or over \$40 million, and the Sacramento District  
5 would administer over \$4.4 million.

6 We are recommending full funding for truck  
7 retrofit elements and partial funding for truck  
8 replacements. Both agencies would solicit applications  
9 from trucks operating in the Central Valley and use the  
10 same competitive ranking process to award funds to truck  
11 owners.

12 --o0o--

13 MR. MANGAT: As the Board heard last month, the  
14 West Oakland community is severely impacted by diesel PM  
15 from freight operations at the Port of Oakland, two major  
16 are rail yards, and four surrounding freeways. The  
17 projects proposed for funding would reduce this health  
18 risk in West Oakland and other Bay Area communities.

19 --o0o--

20 MR. MANGAT: The Bay Area Air Quality Management  
21 District was the only agency to apply for funding in this  
22 corridor.

23 We are recommending the bulk of the funding, over  
24 \$17 million, for other trucks operating throughout the Bay  
25 Area. These trucks were also the greatest contributor to

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1 the health risk in the West Oakland study.

2 Staff recommends full funding for the District's  
3 proposals to clean up drayage trucks serving Bay Area  
4 ports and intermodal rail yards, plus locomotives and  
5 harbor craft.

6 The District will be providing \$5.9 million in  
7 match funding for the drayage truck project. The  
8 District's application identified another \$5 million in  
9 potential subsidies from the Port of Oakland. These  
10 additional match funds would come from possible new  
11 tariffs or container fees. The Oakland Board of Port  
12 Commissioners has directed staff to evaluate various  
13 mechanisms to raise funds to match state air quality and  
14 infrastructure monies. However, the Port has not yet made  
15 a commitment to quickly adopt fee requirements or to  
16 provide this \$5 million.

17 Truckers serving this port will need both Prop 1B  
18 monies and additional port subsidies to fund the upgrade  
19 to cleaner technology. Substantial new port fees are  
20 absolutely critical for success. ARB staff is working  
21 with the Port and the District to support the Port's  
22 development and adoption of this missing element.

23 --o0o--

24 MR. MANGAT: Goods movement in the San  
25 Diego-Border corridor includes maritime operations at the

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1 Port of San Diego and 3500 truck crossings per day through  
2 the land ports of entry at Otay Mesa and Calexico. In  
3 addition to serving the residents of San Diego and  
4 Imperial County, trucks transport agricultural and mineral  
5 exports from this region through the Port of San Diego or  
6 the ports of Los Angeles and Long Beach.

7 --o0o--

8 MR. MANGAT: Three agencies applied for funding  
9 in this region. The San Diego Air Pollution Control  
10 District requested funding for port trucks and other  
11 trucks. The Imperial County Air Pollution Control  
12 District proposed other truck projects. And the Port of  
13 San Diego requested funding for infrastructure to provide  
14 shore-based electrical power at one cargo ship berth.

15 In this corridor, we recommend full funding of  
16 the \$2.3 million for trucks serving ports and rail yards  
17 to be administered by the San Diego District with  
18 co-funding from the Port of San Diego. These older trucks  
19 have a significant impact on the environmental justice  
20 areas near the Port.

21 Next, we propose \$2.5 million for shore-based  
22 electrical power at the Port. This is the most  
23 cost-effective proposal in the corridor.

24 The San Diego District has the top scoring  
25 proposal for other trucks, so at least a portion of the

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1 fiscal year 2007-2008 funding under the program, as well  
2 as the provisions for backup projects that I discussed  
3 earlier.

4 Thank you.

5 CHAIRPERSON NICHOLS: Thank you.

6 I really want to commend the staff as well as our  
7 local agency partners for a stellar job in turning around  
8 within three months \$250 million worth of applications  
9 with really strong projects and backup projects. I think  
10 it indicates both the need for this funding and also the  
11 competence that ought to give people a real sense of  
12 assurance that we can get substantial emissions reductions  
13 out of this program.

14 So I want to congratulate everybody who was  
15 concerned. It certainly looks like a very well thought  
16 through list of proposals and projects. I think they're  
17 just really quite an impressive bunch of projects.

18 We do have six witnesses who've signed up. If  
19 there are no immediate questions from the Board, let's  
20 just go to the public testimony, beginning with Chung Liu  
21 from the South Coast, followed by Arley Baker from the  
22 Port of L.A.

23 Mr. LIU: Good afternoon, Chair Nichols, members  
24 of the Board. My name's Chung Liu. I'm the Deputy  
25 Executive Officer for the South Coast Air Quality

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1 Management District, responsible for science and  
2 technology advancement.

3           On behalf of my agency, I would like to express  
4 our support to your staff's proposal for the allocation of  
5 \$122 million, exactly 55 percent of the money that the ARB  
6 Board really want to come into the Los Angeles and Inland  
7 Empire Trade Corridors.

8           The South Coast AQMD also support your staff's  
9 proposed funding distribution among the different project  
10 categories, including an allocation of \$98 million to the  
11 Port of Los Angeles and Port of Long Beach for replacement  
12 of these trucks. And the identification of South Coast  
13 AQMD as a backup to activate projects should the port be  
14 unable to fulfill their requirements, which we think they  
15 have a very high potential to really get it done. But I  
16 really still appreciate that the Board recognize as the  
17 backup here.

18           South Coast AQMD would also like to make a  
19 request to be included as a joint administrator for the  
20 implementation of the drayage truck projects with the  
21 ports of Los Angeles and Long Beach. The reason for this  
22 request is that we believe -- we have many years of  
23 experience in administering the Carl Moyer program and  
24 other incentive programs. Our streamlined contracting  
25 process and our enforcement staffing will be able to

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1 smoothly expedite the implementation of these projects in  
2 full cooperation of the ports.

3           In conclusion, the South Coast AQMD appreciates  
4 your staff's proposed funding allocation to our region and  
5 support the recommended proposal with the inclusion of  
6 South Coast AQMD as a joint administrator for the drayage  
7 truck projects at the Port of Los Angeles and Port of Long  
8 Beach.

9           Thank you very much for the opportunity to speak  
10 to you.

11           CHAIRPERSON NICHOLS: Thank you.

12           Any comments from the staff?

13           EXECUTIVE OFFICER GOLDSTENE: Well, we'd like to  
14 comment for the request about the partnership. I'll ask  
15 Cynthia Marvin to respond to that.

16           ASSISTANT DIVISION CHIEF MARVIN: We're very  
17 pleased to note that the ports in the South Coast have  
18 been working together on this overall effort to clean up  
19 the port trucks down there.

20           The ports chose to submit a joint application,  
21 just the two ports. We are proposing that the legal  
22 agreement be between ARB and those two ports. However, as  
23 part of that proposal the port asked for the ability to  
24 use consultants and contractors. And we understand that  
25 they are in discussions with the South Coast. And to the

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1 extent that the ports in the South Coast reach joint  
2 agreement about a three-way implementation, that would  
3 work fine under the proposal. South Coast would not  
4 legally be part of the grant agreement, but they certainly  
5 would be a key participant in implementation.

6 CHAIRPERSON NICHOLS: Well, that could have some  
7 real advantages in the contracting world. So I can see  
8 why that would be desirable. Let's hope it will work out.

9 Thank you.

10 MR. LIU: Thank you.

11 CHAIRPERSON NICHOLS: All right, Mr. Baker --  
12 well, why don't we have both the Port of Long Beach and  
13 the Port of L.A. come together since we've got this  
14 great --

15 (Laughter.)

16 CHAIRPERSON NICHOLS: -- collaboration going on  
17 here. That would be unprecedented.

18 They're definitely following each other.

19 MR. KANTER: Well, I'm afraid, Madam Chairman,  
20 that it's still going to be unprecedented. Arley Baker  
21 had to leave early, unfortunately. So --

22 CHAIRPERSON NICHOLS: So you're representing both  
23 ports.

24 MR. KANTER: I'm representing both ports here.

25 And really I want to thank you.

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1           I'm Bob Kanter and I'm Managing Director for  
2 Environmental Affairs and Planning in the Port of Long  
3 Beach. And, first of all, I just want to thank you for  
4 giving me the opportunity to address the Board.

5           And really I want to echo your comments, Chairman  
6 Nichols, about the staff. And I can't say enough good  
7 things about how hard we saw and worked with your staff.  
8 And they're to be commended. A big challenge, and they  
9 rose to the challenge and did a great job. And certainly  
10 it was evident through the whole application process, the  
11 development of the guidelines and the like. And, you  
12 know, they've just done a yeoman's job.

13           I thought it was also great to note that they had  
14 an outstanding outreach effort. That was very important,  
15 to make sure that all of us that were involved in the  
16 application process were aware of the requirements and  
17 could work with the staff. In particular, Cynthia Marvin  
18 and Doug Ito and Judy Friedman were just great. I mean  
19 when we had questions, there were clarifications, and they  
20 were right there. It was really a collaborative effort,  
21 and we do appreciate that.

22           You know, I today would like to support the  
23 staff's recommendation on behalf of the ports of L.A. and  
24 Long Beach for the 2007-2008 fiscal year funding  
25 recommendations that you've heard just recently. We

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1 intend to make this in collaboration with your staff a  
2 successful program. We think we have all of the key  
3 elements in place or being put in place that will make  
4 this a monumental program that will significantly reduce  
5 emissions in our area and into Los Angeles and into the  
6 Inland Empire Trade Corridor, which, as you know, is a  
7 major challenge. And we think this is going to be good.  
8 Our truck program alone just from the ports of L.A. and  
9 Long Beach will reduce emissions from trucks by about 80  
10 percent by 2012. And it's very aggressive. I think it's  
11 unprecedented anywhere in the world. And we know it's  
12 ambitious, but we think we can accomplish that with your  
13 help.

14           We note that there will be future awards coming  
15 up. And, you know, our program involves nearly 17,000  
16 trucks. So we'll be back asking for some additional  
17 funds. Again, we do have some revenue generating in place  
18 as well as port funds dedicated to this.

19           Given the great need, also our application we  
20 identify in our Clean Air Action Plan other areas where we  
21 will be coming back under future funding proposals,  
22 including cold ironing or a shore-side electrification for  
23 putrescibles. We felt that the trucks were our greatest  
24 priority right now. But later on, cold ironing, with some  
25 rail projects and some cargo-handling equipment projects.

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1 So we look forward to the opportunities.

2 So, again, we thank you for this opportunity.

3 And together I think we can really make some inroads into  
4 reducing the emissions from goods movement down to the --

5 CHAIRPERSON NICHOLS: Thank you, Mr. Kanter.

6 MR. KANTER: Thank you.

7 CHAIRPERSON NICHOLS: This was a great beginning.

8 All right. We have in Bakersfield a person who  
9 signed up to testify - Matthew Schrap.

10 Is Mr. Schrap there in Bakersfield?

11 MR. SCHRAP: Yes, I am right here. Thank you  
12 very much, Madam Chair. My name is Matthew Schrap. I'm  
13 with the California Trucking Association.

14 CHAIRPERSON NICHOLS: The magic of television.

15 (Laughter.)

16 MR. SCHRAP: Technology, it's wonderful, it's  
17 wonderful.

18 And thank you, Madam Chair and Board members, for  
19 the opportunity to testify today on the record. My  
20 remarks will be very brief.

21 Well, let me begin by saying that as the bond  
22 allocations become an economic reality, the California  
23 Trucking Association continues to stand ready to assist in  
24 outreach efforts throughout each of the trade corridors.

25 I do not sit here before you via videoconference

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1 in Bakersfield to challenge nor endorse staff  
2 recommendations for funding. I would agree that they have  
3 done a monumental job in coming to this point. But our  
4 statewide association looks to work with each of the local  
5 entities to ensure that the most appropriate and effective  
6 projects are funded.

7           However, we do have one concern with the  
8 guidelines for the first round of funding, despite the  
9 fact that they cannot be changed for this round. As 1B  
10 staff is well aware, lately serious concerns have arisen  
11 surrounding the Class A only eligibility requirements.  
12 CTA feels that if a vehicle is not designated Class A but  
13 is equipped with the same engine that Class A trucks are  
14 equipped with, then that vehicle should be considered  
15 eligible for 1B funds in the next round.

16           These engines have the same pollution footprint,  
17 so to speak, and should be treated the same.

18           And with that, I will conclude my brief remarks  
19 with the understanding that CTA looks forward to a  
20 continued dialogue with 1B staff as well as future  
21 coordinated outreach efforts with local entities.

22           And thank you very much for your time.

23           CHAIRPERSON NICHOLS: Well, thank you, Mr.  
24 Schrap. We understand that the Trucking Association is a  
25 key player in this issue, and we welcome your support and

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1 help in making this a successful venture.

2 MR. SCHRAP: We're happy to be here through all  
3 of these interests.

4 Thank you.

5 CHAIRPERSON NICHOLS: I would like to ask staff  
6 to respond to this issue. I had not heard this one  
7 before.

8 ASSISTANT DIVISION CHIEF MARVIN: There was an  
9 issue that was raised in our last round of workshops,  
10 questions really about implementation of the truck  
11 proposal.

12 What the guidelines say is that trucks that would  
13 be eligible for the program, whether they are port drayage  
14 trucks or trucks serving other markets, that we would be  
15 restricting eligibility in this first round to the  
16 heaviest of the heavy trucks. There are, as you know,  
17 many more trucks out there than we have funding for. So  
18 when we looked at how to get the most out of these  
19 dollars, we thought it was appropriate to at least  
20 initially focus on the trucks that pull the greatest  
21 loads, typically have the greatest emissions.  
22 The other difference that was important from an emissions  
23 perspective is that typically the engines that are  
24 certified to the next lower level don't have to go through  
25 as rigorous an emissions testing process. They have to

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1 show much less durability than the bigger engines. So all  
2 I'm trying to say, there is that -- there's an advantage  
3 to investing the state dollars in engines that have been  
4 certified to meet lower emission levels for a longer time  
5 period. So we will reexamine this issue over the summer  
6 as we get prepared to bring you the updates for the next  
7 round of funding.

8 CHAIRPERSON NICHOLS: Thank you. That  
9 explanation helps.

10 Okay. We now come back to this room in Fresno.  
11 And we have Mark Loutzenhiser. I'm sorry if I'm  
12 butchering your name.

13 MR. LOUTZENHISER: Thank you, Madam Chair. And  
14 actually you had that correct. My name is Mark  
15 Loutzenhiser. I'm with the Sacramento Air Quality  
16 Management District.

17 On behalf of Larry Green, our Air Pollution  
18 Control Officer, I'd like to pass on our thanks to ARB  
19 staff and to this Board for all of the efforts on this  
20 program. Unfortunately, Larry Green had to be at our  
21 board meeting this morning, and so was unable to attend  
22 here himself.

23 In short, I just really want to say, again,  
24 thanks to the support from ARB staff. When we have had  
25 questions, they have been available to us. We do support

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1 the proposal as it is before you. We are prepared from a  
2 staffing perspective and actually from a project  
3 perspective to fully allocate this funding that is  
4 available to us, and I'm sure that most of the other air  
5 districts and ports are in a very similar position as  
6 well.

7           From our early grant program, we had over almost  
8 nine to ten times as many proposals as we did on the early  
9 grant proposal money, and are prepared in terms of the  
10 current allocation for the trucks. Now, although it will  
11 have to depend on the RFP process itself we have already  
12 identified. And prior to applying to the grant program  
13 for the locomotive line haul project we did already  
14 identify ten locomotives that will be part of an  
15 application process for that. So barring other people  
16 that submit through that process and going through the RFP  
17 itself, we anticipate a very early turnaround on the full  
18 allocation of that money as well.

19           As we pass on our support and thanks.

20           CHAIRPERSON NICHOLS: Thank you very much.

21           MR. LOUTZENHISER: Thank you.

22           CHAIRPERSON NICHOLS: Bonnie Holmes-Gen and then  
23 Colby Morrow.

24           MS. HOLMES-GEN: Good afternoon, Madam Chair and  
25 Board members.

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1           And on behalf of the American Lung Association of  
2 California, we're pleased to support these proposed  
3 expenditures. And we're very pleased to see this program  
4 rolling out very quickly. That's a key priority for us,  
5 to start getting these pollution reductions, get the  
6 funding now, get the public health benefits and especially  
7 to get the reductions in the impacted communities living  
8 near freight corridors.

9           And we also submitted a joint letter with a  
10 number of our colleagues, including the Natural Resource  
11 Defense Council and Coalition for Clean Air and others.  
12 So I think that you have that.

13           And we think you're on target with the funding  
14 priorities. And we believe the focus on the truck  
15 retrofits makes sense and we're pleased with that.

16           We also wanted to note that we think that the ARB  
17 should follow very closely the local rollout of these  
18 funds to make sure there's a good process for local  
19 outreach and involvement, that there's a key focus on  
20 outreach and technical assistance to smaller businesses  
21 that are most in need of the funds, and just to make sure  
22 there's a careful monitoring to ensure all the funds are  
23 effectively spent.

24           We're pleased to see that you had the backup  
25 funding proposals, that's a terrific addition to this, to

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1 make sure that if a fund is not fully subscribed that you  
2 can quickly switch gears and get this money out.

3           And also I wanted to make sure that you're  
4 following closely the development of these local matching  
5 funds. You have a lot of sources that are identified.  
6 But as you've mentioned, there's some fees that still have  
7 to be imposed, for example, in the Port of Oakland. And  
8 so we're just concerned that you do follow that very  
9 closely and help push that to happen quickly so we have  
10 those funds ready to go.

11           Thank you. And thank you to staff for all the  
12 hard work on this. And we look forward to working with  
13 you on the next phase.

14           CHAIRPERSON NICHOLS: Great. Thanks very much.  
15           Ms. Morrow.

16           MS. MORROW: Good morning, Chair Nichols, Board  
17 members. My name is Colby Morrow and I'm with Southern  
18 California Gas Company.

19           And I didn't come today to testify with regard to  
20 this program, although I have followed it and attended  
21 many of the meetings and I really appreciate the funding  
22 program. But it really occurred to me listening this  
23 morning to the truck rule and given that the money right  
24 now is going to be distributed based on most cost  
25 effective, which the majority of this money will go

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1 towards diesel trucks, diesel replacement trucks. And  
2 trucks purchased with this money given the new truck rule  
3 will have to be replaced -- under the schedule currently  
4 in the proposed truck rule, these brand new trucks are  
5 going to have to be replaced again. And so I just really  
6 think that we're at this time in air quality that the  
7 Board could really, you know, give some serious  
8 consideration to a policy direction that would really  
9 encourage additional natural gas vehicles.

10           And the main reason being is natural gas engines  
11 meet the 2010 standards today. And we heard this morning  
12 that, well, there's no technology until 2010, and Cummins  
13 engines isn't even going to roll it out until 2012. Well,  
14 there's natural gas engines -- heavy-duty natural gas  
15 engines that can meet it today.

16           So I just am here on behalf of the natural gas  
17 industry, and really encourage the Board and staff to  
18 really consider looking at, you know, a new policy  
19 direction with regards to natural gas.

20           And I also would like to point out that given  
21 today's fuel prices for diesel, natural gas gallon  
22 equivalent is over two dollars -- two dollars per gallon  
23 less than diesel.

24           Thank you very much.

25           CHAIRPERSON NICHOLS: Thank you.

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1           Do you want to comment at all on the policy issue  
2 that's been vetted there?

3           ASSISTANT DIVISION CHIEF MARVIN: Well, we just  
4 note very briefly that the way this program is set up, if  
5 a truck owner wants to replace an old diesel truck with a  
6 new natural gas truck that already meets the 2010  
7 standards, that owner has a competitive advantage because  
8 that project will get additional emission reductions. So  
9 we would expect that proposal to rise to the top of that  
10 pile.

11           We would also expect over the summer that as we  
12 look at the specifications we'd bring to you for the next  
13 round of funding, that the latest proposal in the  
14 statewide truck rule will certainly factor in there, what  
15 can we do to be creating or incentivizing the production  
16 of the 2010 engines sooner with this bond money? So that  
17 would be first and foremost.

18           CHAIRPERSON NICHOLS: So there is nothing in this  
19 proposal or nothing in the allocations that are being  
20 approved today that would discourage a truck owner from  
21 applying to use a natural gas versus a diesel?

22           ASSISTANT DIVISION CHIEF MARVIN: Absolutely not.

23           CHAIRPERSON NICHOLS: And, in fact, I guess your  
24 argument is it would be the opposite, although people may  
25 not necessarily realize that unless they are following

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1 what's going on with the truck rule. And maybe some  
2 people should be making sure that that outreach is done,  
3 such as the gas vehicle proponents, for example.

4 Okay. Well, good. That's good to know.

5 BOARD MEMBER BERG: Chairman Nichols?

6 CHAIRPERSON NICHOLS: Yes.

7 BOARD MEMBER BERG: Just in following up on that,  
8 are we going to encourage the older trucks though to be  
9 replaced? Because at least then they have -- we're taking  
10 the older vehicles off the road and they have until 2020.  
11 And putting as many retrofits as we can until really the  
12 replacement of 2010 trucks would make the most sense. Do  
13 we have a game plan that we're working with the air  
14 districts so that we're just not exchanging out 2004  
15 models for a 2007 for example?

16 ASSISTANT DIVISION CHIEF MARVIN: The way the  
17 program is set up with the guidelines you adopted in  
18 February, the guidelines identify what projects are  
19 eligible. And we expect that the types of trucks that are  
20 going to come into the program, the ones that will be  
21 funded first, are the very oldest trucks that need to be  
22 replaced because they're high emissions. And the trucks  
23 that will be the most competitive will also be the trucks  
24 that are applying for retrofit funding.

25 So what we're hoping to see is that the oldest

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1 trucks are replaced, the more middle age trucks get  
2 retrofits to immediately reduce PM until they're ready to  
3 invest in that newer technology.

4 BOARD MEMBER BERG: And I think in our agreements  
5 with the truck owners that there should be disclosure that  
6 even with a replacement truck purchased today, that they  
7 will be required to replace that truck in 2020 or of some  
8 future time that that rule is adopted. I think that's a  
9 prudent disclosure.

10 CHAIRPERSON NICHOLS: Good idea.

11 ASSISTANT DIVISION CHIEF MARVIN: Okay. We will  
12 certainly incorporate that in the materials we make  
13 available to the local agencies.

14 CHAIRPERSON NICHOLS: Mayor Loveridge.

15 BOARD MEMBER LOVERIDGE: This is just a personal  
16 comment. But I mean this is a big deal, this is big  
17 bucks. And often there's sort of perfunctory thanking of  
18 staff. We know staff has done this. And it seemed to me  
19 what we heard today was a character above that, that I  
20 just wanted to sort of offer my kudos to those who were  
21 involved in this from the CARB organization. I mean I  
22 think the language was really one of real high applause.

23 Just for observation.

24 CHAIRPERSON NICHOLS: Thank you. I think we've  
25 got an endorsement for that.

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1 Yes.

2 BOARD MEMBER BALMES: Well, just following up on  
3 something that Ms. Holmes-Gen said. And then it really  
4 came up at the hearing back in February. I think the  
5 staff and the districts have done an outstanding job in  
6 its initial allocation of funds. But we heard testimony  
7 about community input. And, you know, I think that the  
8 monies have been appropriately allocated for this initial  
9 round. But I do think we need to bring the communities  
10 into the process as much as possible. I especially  
11 thought that after we heard about the Oakland -- West  
12 Oakland health impact assessment.

13 So we had asked staff to think about how that  
14 might be done. And I just would like to make sure that we  
15 stay on target there.

16 CHAIRPERSON NICHOLS: Good point.

17 I think the districts are probably in the best  
18 position to make sure that they are getting the local  
19 level input wherever they are.

20 BOARD MEMBER BALMES: I guess I was hoping that  
21 maybe in the information that the Districts get about  
22 applying for the funds that there's outreach included or  
23 some way of involving the community in some of the  
24 decisions that are made down the road.

25 CHAIRPERSON NICHOLS: Well, and I think the issue

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1 about how they publicize these programs really ties in to  
2 that.

3 Did you want to add anything, Ms. Marvin?

4 ASSISTANT DIVISION CHIEF MARVIN: I just wanted  
5 to note that in the guidelines you adopted in February  
6 there were provisions there. But the timelines really  
7 truncated it very severely. It is our intention and their  
8 intention to have a much more thorough effort in community  
9 involvement in this next round.

10 BOARD MEMBER BALMES: Thank you.

11 CHAIRPERSON NICHOLS: One thing that strikes  
12 me -- again, I'm pretty excited about actually seeing some  
13 of these new trucks out there on the road and the  
14 retrofits going on. And I hope that we could find a way  
15 to work with the districts -- and I think this is  
16 consistent with Bonnie Holmes-Gen's comment too -- to  
17 actually highlight some of these projects as they're going  
18 forward and, you know, have photographs have -- you know,  
19 invite people in, have a party or a press conference or  
20 both to celebrate this. Because we're really getting some  
21 major emissions reductions, and they're going to be  
22 happening in the next few months in, you know, the worst  
23 air pollution season, at least for us in the South Coast,  
24 which is usually in the September, October time frame. So  
25 it would be great to pay some attention to that.

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1 BOARD MEMBER BALMES: I really endorse that. I  
2 think that the public put a lot of money into this and  
3 they should see the results. And it can often seem  
4 arcane. It won't get the media attention that it should  
5 unless we push it.

6 CHAIRPERSON NICHOLS: Your bond dollars at work.

7 BOARD MEMBER BALMES: Yes, exactly.

8 (Laughter.)

9 CHAIRPERSON NICHOLS: Okay. Thanks, everybody.

10 BOARD MEMBER LOVERIDGE: So moved.

11 CHAIRPERSON NICHOLS: We need a motion, which  
12 it's been moved by Mayor Loveridge --

13 BOARD MEMBER BALMES: Second.

14 CHAIRPERSON NICHOLS: -- seconded by Dr. Balmes.  
15 We do still need a roll call vote, however.

16 SECRETARY ANDREONI: Dr. Balmes?

17 BOARD MEMBER BALMES: Aye.

18 SECRETARY ANDREONI: Ms. Berg?

19 BOARD MEMBER BERG: Aye.

20 SECRETARY ANDREONI: Ms. D'Adamo?

21 BOARD MEMBER D'ADAMO: Aye.

22 SECRETARY ANDREONI: Supervisor Hill?

23 BOARD MEMBER HILL: Aye.

24 SECRETARY ANDREONI: Mayor Loveridge?

25 BOARD MEMBER LOVERIDGE: Aye.

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1 SECRETARY ANDREONI: Professor Sperling?

2 BOARD MEMBER SPERLING: Aye.

3 SECRETARY ANDREONI: Chairman Nichols?

4 CHAIRPERSON NICHOLS: Aye.

5 SECRETARY ANDREONI: Yes votes win. Motion

6 passes seven to zero.

7 CHAIRPERSON NICHOLS: Thank you.

8 All right. We move on now to the topic that is  
9 near and dear to many of us, which has to do with land use  
10 and transportation and AB 32.

11 EXECUTIVE OFFICER GOLDSTENE: We've been  
12 providing the Board with updates on AB 32 implementation.  
13 And this month's update will focus on land use,  
14 transportation, and vehicle travel.

15 The land use policy is considered the most  
16 important long-term strategy to reduce vehicle travel in  
17 the state. And of course it's the domain of local  
18 governments since California law gives them most of the  
19 decision-making authority in this area.

20 Last month, the Board hosted the Eighth Annual  
21 Haagen-Smit Symposium, where we focused on land use and  
22 transportation strategies to reduce vehicle travel. We  
23 brought together major policy makers and stakeholders from  
24 throughout the state and we've had some very lively and  
25 effective discussions.

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1           Staff is going to summarize how land use and  
2 transportation strategies influence travel behavior, then  
3 share an action framework for moving forward under the AB  
4 32 rubric.

5           I'd like to introduce Jeff Weir from the Planning  
6 and Technical Support Division to begin the staff's  
7 presentation.

8           Jeff.

9           (Thereupon an overhead presentation was  
10 presented as follows.)

11           AIR POLLUTION SPECIALIST WEIR: Thank you, Mr.  
12 Goldstene. Good afternoon, Chairman Nichols, members of  
13 the Board.

14           In February, staff gave you an update on the  
15 vehicle and fuel technology aspect of  
16 transportation-related greenhouse gas emissions. Today,  
17 staff will provide an update on the vehicle travel side to  
18 transportation and climate change.

19           Regional and local governments have the bulk of  
20 authority to plan, approve, and permit how and where land  
21 is developed, how the transportation system is built, and  
22 how localities operate on a day-to-day basis. Therefore,  
23 regional and local governments will play a large role in  
24 reducing future greenhouse gas emissions, mostly from  
25 vehicle travel reduction resulting from land use decisions

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1 and transportation strategies.

2           After providing some background on transportation  
3 emissions and the drivers of vehicle travel, I'll conclude  
4 with the main product from last month's Haagen-Smit  
5 Symposium - an action framework to reduce greenhouse gas  
6 emissions from land use and transportation.

7                               --o0o--

8           AIR POLLUTION SPECIALIST WEIR: Transportation  
9 sources are the largest emitters of greenhouse gases in  
10 the state - 39 percent of the projected 2020 inventory.  
11 Cars and trucks will emit the vast majority of  
12 transportation emissions - 210 million metric tons of CO2  
13 equivalent in 2020. That's 36 percent of the total.  
14 Other transportation sources, mostly trains, planes, and  
15 ships, are just 3 percent of the pie.

16                               --o0o--

17           AIR POLLUTION SPECIALIST WEIR: Land use and  
18 transportation strategies mainly impact passenger vehicle  
19 travel. So splitting up passenger vehicles and trucks,  
20 you see that passenger vehicles are the biggest emitters,  
21 about 160 million metric tons in 2020.

22           That represents about 27 percent of the state's  
23 total greenhouse gas emissions, making passenger vehicles  
24 alone the largest sector of the pie shown in the last  
25 slide.

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1 we still must reduce emissions further if the passenger  
2 vehicle sector is going to get down to 1990 levels by  
3 2020. We must reduce emissions from the third component  
4 of transportation: Vehicle use.

5           So how do we begin to slow the growth in vehicle  
6 travel?

7   --o0o--

8           AIR POLLUTION SPECIALIST WEIR: There's a  
9 widespread agreement supported by a large body of research  
10 on the broad integrated actions needed to reduce per  
11 capita vehicle travel.

12           This slide illustrates four main drivers of VMT  
13 reduction, starting at the top and going  
14 counter-clockwise.

15           First, land use patterns must help bring more  
16 people closer to more destinations in transit.

17           Next, when smart land use patterns provide a  
18 better market for alternate modes, transit, car pool, bike  
19 and walk infrastructure become more cost effective.

20           Third, sending more market-based price signals  
21 that reflect the cost of driving can make the  
22 transportation system more efficient.

23           And, fourth, the value of conserving. The other  
24 three of the VMT reduction drivers provide people with  
25 more transportation and land use choices that result in

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1 behavior change. More transportation choices allow people  
2 more options to choose to conserve their driving.

3 --o0o--

4 AIR POLLUTION SPECIALIST WEIR: But for  
5 significant long-term reductions in per capita vehicle  
6 travel, land use is the key. This chart shows the results  
7 of data compiled through research sponsored by the Air  
8 Resources Board in the mid-90s and supported by dozens of  
9 studies since. These studies have shown that urban infill  
10 and related measures can reduce VMT by 30 percent or more  
11 compared to auto-oriented suburban neighborhoods. And  
12 maybe even more important, since there are only so many  
13 infill opportunities, more dense suburban smart growth  
14 developments can reduce VMT by 10 percent or more.

15 I'll mention that the reason for these impacts  
16 isn't just land use strategies in a vacuum. It's the  
17 combination of the strategies illustrated on the last  
18 slide that begin with land use patterns that support more  
19 transportation choices.

20 --o0o--

21 AIR POLLUTION SPECIALIST WEIR: And these actions  
22 can have immediate results.

23 Land use decisions, like building higher density  
24 transit-oriented developments, have positive impacts right  
25 away. But it takes a lot of them to accumulate into a

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1 significant impact. That's why land use is considered a  
2 long-term strategies that must begin now.

3 Land use strategies mostly impact new growth.  
4 Population is projected to increase 13 percent between  
5 2010 and 2020. But population will grow almost 40 percent  
6 by 2040.

7 The impact of land use strategies may not be  
8 overwhelmingly significant by 2020. But if we begin now,  
9 the accumulation of benefits over the next 30 to 40 years  
10 can result in a very significant change over business as  
11 usual.

12 And California's crying out for the benefits that  
13 smart land use and transportation decisions can bring. We  
14 now have \$4 a gallon gas with a transportation system that  
15 is fairly dysfunctional for anything but cars. We need to  
16 begin to provide more alternatives to increasingly  
17 expensive car travel. The co-benefits of doing that are  
18 substantial: Better access to not only transportation  
19 options, but jobs, services, and affordable housing; less  
20 land used and more open space; more physical activity that  
21 leads to improved health; and better water and air quality  
22 due to sustainable planning and less vehicle travel.

23 --o0o--

24 AIR POLLUTION SPECIALIST WEIR: And here's an  
25 example of starting now and growing smart over the next

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1 four decades:

2           This is a summary of the Sacramento Area Council  
3 of Government's 2050 blueprint vision results compared to  
4 the business-as-usual scenario. Significant increase in  
5 access to jobs, half the land used, reduced congestion.  
6 And a 25 percent reduction in per capita household vehicle  
7 travel due to increasing low-carbon travel. More  
8 accessibility but less vehicle use made possible by  
9 sustainable land use patterns and a more functional  
10 transportation system for all modes of travel.

11           A key question for major regions in the state  
12 that are beginning to map out sustainable visions for the  
13 future is: How do we ensure that these plans become a  
14 reality?

15                                 --o0o--

16           AIR POLLUTION SPECIALIST WEIR: The Air Resources  
17 Board just hosted a land use, transportation, and climate  
18 change symposium for major policy makers and stakeholders  
19 in April to discuss questions like that. Chairman Nichols  
20 and all the participants made sure that the Haagen-Smit  
21 Symposium resulted in an action framework for the land use  
22 and transportation portion of the AB 32 scoping plan.  
23 Staff has consolidated the two action documents that were  
24 forged during the symposium. That framework for action is  
25 in your Board packets.

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1 (CEQA) to mitigate greenhouse gas emissions by  
2 establishing significance thresholds statewide and  
3 improving the CEQA process to support good projects and  
4 mitigate high emitting developments.

5           Align existing funding sources and help secure  
6 new funds to support the enabling infrastructure.

7           Promote large scale project demonstrations that  
8 provide prototypes for future low carbon developments.

9           Remove barriers to mixed-use developments and  
10 projects in California's existing zoning and eliminate the  
11 incentives for sprawl.

12           Pursue proven emission reduction strategies, such  
13 as indirect source rules to mitigate high carbon footprint  
14 development and pricing measures to more accurately  
15 reflect the cost of driving.

16           Develop local government quantification tools,  
17 improve VMT estimation methods, and develop more refined  
18 land use and transportation models.

19           Promote low-impact development and reduce  
20 greenhouse gas emissions across all levels of government  
21 through the state's building, operation, and coordination  
22 efforts.

23           And secure public support for the actions  
24 necessary to reduce greenhouse gas emissions, and  
25 encourage individual actions that reduce greenhouse gases.

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1           That's the Haagen-Smit Framework for Action.

2                               --o0o--

3           AIR POLLUTION SPECIALIST WEIR: But before the  
4 scoping plan is adopted and implementation steps begin,  
5 there are many things that are being done and can continue  
6 to be done to reduce emissions from vehicle use. Actions  
7 can begin now.

8           Regions can continue to work with local agencies  
9 to plan for a vision of a low carbon future. The San  
10 Joaquin Valley is one of the regions in the state that is  
11 participating in the ongoing blueprint process, with  
12 funding help from the Legislature and assistance by the  
13 Department of Transportation.

14           Cities and counties throughout the state are  
15 voluntarily incorporating climate change into their  
16 general plans and adopting climate action plans. Thirty  
17 California cities have already adopted climate action  
18 plans. We encourage more cities and counties to act now  
19 and move to adopt plans and take actions that will reduce  
20 greenhouse gas emissions.

21           The Legislature has required the Office of  
22 Planning and Research to develop CEQA guidelines for the  
23 mitigation of greenhouse gases. And the Haagen-Smit  
24 action framework recommended that significant thresholds  
25 be established.

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1           Before these guidance actions take place, local  
2 agencies can work now to make certain that projects  
3 mitigate greenhouse gas emissions. One way is to ensure  
4 that projects and plans are incorporating greenhouse gas  
5 emissions in their environmental review and by working to  
6 show that certain mitigations are feasible.

7           In conclusion, land use and transportation issues  
8 are part of a complicated system with many players and  
9 many impacts. The draft scoping plan will not attempt to  
10 deal with every issue and solve every problem related to  
11 land use and transportation. That would be naive and,  
12 frankly, inappropriate due to the nature of land use  
13 jurisdiction in California. The draft scoping plan will  
14 look to provide concrete fundamental steps that need to be  
15 taken to provide a solid foundation for the ongoing land  
16 use and transportation actions necessary to help meet our  
17 climate change goals.

18           That concludes the presentation. Thank you.

19           CHAIRPERSON NICHOLS: Thank you very much. I  
20 think that's a really good summary of what was  
21 accomplished at Haagen-Smit. It may look like a simple  
22 little list of measures. But I think all of you who've  
23 been involved in land use and transportation issues know  
24 how complicated this all really is. And I think we  
25 achieved a very high degree of consensus around some

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1 statements that are not just mush, you know, that really  
2 do have some direction to them, that people are asking the  
3 ARB to use the authority in AB 32 at least to set some  
4 targets and to do some things through CEQA and otherwise  
5 to try to push us in the right direction here.

6           So this is an opportunity to ask questions and  
7 weigh in, because something is going to be in the scoping  
8 plan that comes before us soon on this topic.

9           We'll start with you.

10           BOARD MEMBER D'ADAMO: Well, I'll just start off  
11 by saying I'm very anxious.

12           (Laughter.)

13           BOARD MEMBER D'ADAMO: I'm looking for -- and I  
14 feel like at this stage anyway I'm trying to start to hone  
15 in on areas where we may actually have the jurisdiction.  
16 And I'd like to find out what staff's opinion is to take  
17 this two-sheet document and help us to highlight which  
18 ones would fall into that concrete action plan that we'll  
19 be adopting. I suspect that there are a number of areas  
20 that are completely outside our jurisdiction, a number  
21 that would fall more under the category of incentive-based  
22 measures that we could provide for through an auction cap  
23 and trade sort of incentive programs; and then another  
24 category which would be in the area of regulatory actions  
25 that we could take.

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1           The one that I have a particular concern -- or  
2 interest in is indirect source rules, because I know that  
3 this local district here has already adopted an indirect  
4 source rule that has been challenged and upheld and  
5 appears to be quite successful. So curious about measures  
6 of that nature that we could actually include in the  
7 scoping plan.

8           CHIEF COUNSEL JENNE: I wish we had an answer for  
9 you today, but we don't. We are in the process in the  
10 Legal Office of working with the land use experts in the  
11 Attorney General's Office and trying to figure out exactly  
12 what the scope of our authority is under AB 32. It's  
13 clear that we don't have the authority under AB 32 to  
14 simply go in and take over the entire land use process at  
15 the local government level and tell them what kind of  
16 zoning they have to have and permit and don't permit.

17           We think we do have some authority, but we're  
18 not -- in a month from now we can tell you a lot more  
19 because we're trying to work that out now. And so when  
20 the draft scoping plan comes out, we'll hopefully have a  
21 much better idea of what we can recommend that we think we  
22 do have the authority to do and what we don't have the  
23 authority to do.

24           CHAIRPERSON NICHOLS: But certainly as a result  
25 of the process with the Land-Use Subcommittee and the

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1 Climate Action Team, we have I think a consensus at the  
2 state level that ARB has some responsibility under the  
3 first item here for establishing targets which would be  
4 applicable at the regional level. And just to cite one  
5 other that's been on my mind a lot lately, the CEQA issue,  
6 while we do not have the authority to update either the  
7 statute or the guidelines because that's at the Resources  
8 Agency with advice from the Office of Planning and  
9 Research, we have now gotten direction from the Governor's  
10 Office that we are to work with OPR to help them to  
11 establish the thresholds of significance basically to give  
12 them the technical advice as to how to do that and to move  
13 that process forward so that the local governments and the  
14 development community can have more certainty than they do  
15 today about how that would be applied.

16 BOARD MEMBER D'ADAMO: Getting back to the first  
17 item on the list - targets. What sort of thinking does  
18 staff have or do you have regarding situations where a  
19 local government is not quite there yet? I suspect it's  
20 going to be easier in situations -- for example, the Bay  
21 Area that came to us at the last hearing with a very  
22 thoughtful plan. Certain regions of the state are  
23 probably going to be more willing than others to  
24 collaborate with state agencies and regional governments.

25 CHAIRPERSON NICHOLS: I don't have an answer to

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1 that question. I don't think the staff does at this point  
2 either. I think if we can get to the point in June in the  
3 draft plan of simply putting out the information that says  
4 we're going to go down this path, that that will unleash a  
5 lot of suggestions from the public as to how we ought to  
6 go about doing this; and that then we'll go through a kind  
7 of a thoughtful process of deciding what mix of carrots  
8 and sticks and over what time frame we would like to  
9 proceed. And if we need additional legislation in that  
10 area or we think we do, that would certainly be another  
11 possible thing to talk about as well.

12 EXECUTIVE OFFICER GOLDSTENE: One of the  
13 challenges in this area that we have found as we've been  
14 working here is that the League of Cities and the, you  
15 know, State Association of Counties represent a wide range  
16 of individual politicians at the local level who all have  
17 different opinions about how to move forward.

18 And certainly, no matter -- whatever our legal  
19 authority turns out to be, we in any case will be  
20 providing strong leadership in the area to get local  
21 politicians to think differently, more forward thinking  
22 about the land use planning decisions that they make.

23 BOARD MEMBER SPERLING: I've got an answer.

24 CHAIRPERSON NICHOLS: One of the active  
25 participants in the Haagen-Smit Symposium wearing his

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1 academic hat, and having done quite a bit of work on this  
2 issue with his colleagues. Dr. Sperling has put forth at  
3 least one model for how this could work.

4 BOARD MEMBER SPERLING: And I'll sketch it out a  
5 little more broadly.

6 CHAIRPERSON NICHOLS: Okay.

7 BOARD MEMBER SPERLING: But it is the idea, you  
8 know, this first one about establishing performance-based  
9 targets. You know, clearly we can't -- it's not our  
10 prerogative to intervene with cities and counties in terms  
11 of their land use authority. But clearly we can set  
12 targets for them, you know, working with others. But we  
13 can set targets. And I think, you know, out of the -- Mr.  
14 Weir was a little gentle about -- cautious about reporting  
15 back what we discussed at the Haagen-Smit Symposium. But  
16 my sense is there was a strong commitment to the idea of  
17 hard targets. And it could be hard targets -- so the  
18 debate was more hard targets imposed on the regions that  
19 where those targets and responsibilities are somehow  
20 passed down to the cities and counties, or hard targets on  
21 the cities and counties but put in a regional context in  
22 some way.

23 And, you know, I personally can't imagine -- if  
24 we believe that vehicle travel is relevant at all in the  
25 greenhouse gas in AB 32 discussions and if we believe that

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1 cities should be engaged in some way, you know, more  
2 broadly including some of the energy use in buildings and  
3 other issues, there would have to be hard targets. I'll  
4 use that expression for now. But leaving the discretion  
5 to the cities and counties to decide exactly what to do,  
6 and to make it as incentive based and reward based as  
7 possible. In other words, emphasis on, you know, the  
8 carrots and not the sticks. So that if there are cities  
9 that just, you know, can't get their act together, don't  
10 want to get their act together, you know, there would be  
11 minimal repercussions. But if they are willing and able  
12 to engage, there'd be substantial rewards for doing that.

13           And I think, you know, many cities and, as I  
14 think about it, most cities will understand it's in their  
15 interest to do so, because it's -- as it was listed here,  
16 there's all these what, you know, we might call  
17 co-benefits that -- you know, reducing the greenhouse gas  
18 as a CO2 is, you know, just one of the benefits. And  
19 whenever you start reducing congestion, then you don't  
20 have to build as many freeways and roads. You have more  
21 livable communities. You know, there's all kinds of good  
22 stuff that comes out of it. And, you know, this is a new  
23 paradigm, it's a new world. But it is a new world.

24           That's my long speech on the --

25           CHAIRPERSON NICHOLS: Well, and it's helpful

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1 actually. I mean I think what's happening at the moment  
2 is that there are many different individuals and  
3 organizations that are sort of trying to put forward the  
4 approach that they think would be the most effective in  
5 getting climate issues put front and center in the  
6 planning process. And as a result of it, especially  
7 whenever we introduce people or groups that don't do land  
8 use as their kind of major activity, there's quite a steep  
9 learning curve to figure out just where to intervene in a  
10 process that's so complicated and has so many different  
11 players involved.

12 I attended a meeting a few weeks ago of -- but it  
13 was an invitation to people in the transportation and land  
14 use world that brought mostly transportation agencies, but  
15 also a bunch of states and environmentalists and others,  
16 together to talk about what could be done in federal  
17 transportation legislation which is going to be out next  
18 year, reauthorization of the Highway Act to include some  
19 of these same concepts as part of the way that federal  
20 transportation dollars, which are certainly the biggest  
21 pot of carrots that exist, I guess, in the land use area,  
22 would be the transportation funds, to how those could  
23 perhaps be more targeted to incentivize things.

24 And I don't know whether it makes you happy or  
25 chagrined to know that California is like at the cutting

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1 edge of all of this stuff. I mean we're considered to be  
2 the leaders nationally in having our act together in  
3 linking environmental and transportation planning  
4 together.

5           But I do think that this blueprint idea is one  
6 that has emerged as one of the few things that people can  
7 agree at least with the right set of players and  
8 commitments can be an effective tool for getting people on  
9 to the same page. So there's a shortage of really great  
10 success stories out there. But this is one that seems to  
11 be emerging as one that people can rally around. And the  
12 SACOG examples has been widely touted and it certainly --  
13 you know, it's still a work in progress. But the fact is  
14 that at least after ten years of hard work they came up  
15 with a plan that people are actually willing to live with.  
16 It seems to work.

17           BOARD MEMBER LOVERIDGE: Or you ought to get the  
18 city-county reaction part of it -- identify been making  
19 comments. The heartland of local government has been land  
20 use authority.

21           BOARD MEMBER HILL: We're waiting.

22           CHAIRPERSON NICHOLS: Well, we're expecting  
23 either an explosion or an endorsement. I don't know.

24           BOARD MEMBER HILL: In the Bay Area we have, you  
25 know, kind of come together to develop a blueprint as well

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1 as a joint policy Committee that I sit on with the  
2 Association of Bay Area Governments as part of an ACDC,  
3 the air district, and an MTC. And, in fact, I -- in our  
4 last meeting I shared this with them, which was last  
5 Friday, and I actually didn't send it to them until today  
6 because I knew we were having -- but I forwarded it to  
7 them because of the discussion that they're having in  
8 developing the blueprint as we move forward. So I think  
9 we'll see some issues there.

10 But, you know, the state is doing this already in  
11 the housing elements that are required for all areas. And  
12 some have the Bay -- well, actually the San Mateo County  
13 Peninsula in our housing element we had special  
14 legislation last year that allowed us to regionalize that  
15 so that each city could partner and arrange so cities --  
16 you know, we have cities of Hillsborough and Atherton,  
17 Portola Valley and Woodside, which are not going to have  
18 affordable housing in any regards. And so we've been able  
19 to share those responsibilities. And I think that could  
20 develop in this where there's a performance measurement  
21 and just as there's a housing requirement that would go to  
22 certain areas.

23 I see some future in here, but without taking  
24 away that land use authority --

25 CHAIRPERSON NICHOLS: We all have to pledge

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1 allegiance to local land use authority.

2 Yes.

3 BOARD MEMBER BALMES: So one cautionary note from  
4 the health side is -- first of all, I want to say it's  
5 really great to see CARB having to deal with land use  
6 issues. I'm no expert, but I've been saying for years in  
7 terms of dealing with air pollution health effects that we  
8 have to do this. So it's great that AB 32 is motivating  
9 us and empowering us to --

10 BOARD MEMBER LOVERIDGE: You need to be careful.  
11 If CARB is going to be seen as the new land use planner  
12 for the state of California --

13 BOARD MEMBER BALMES: No, no. I don't want to  
14 infringe on local authority.

15 BOARD MEMBER LOVERIDGE: Okay. You be careful.

16 BOARD MEMBER BALMES: I'm thinking -- thinking  
17 about regional targets sounds like a good idea.

18 But a cautionary note on the health side is that  
19 as you do work with landfill -- infill -- excuse me --  
20 urban infill and you get people more densely packed in,  
21 you also expose them to high density traffic emissions,  
22 traffic corridors. I know eventually we're going to  
23 have -- we'll have alternatives. But right now when you  
24 put people together you get them exposed to more truck and  
25 bus emissions. And that's been something that San

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1 Francisco's had to deal with. So it's just a cautionary  
2 note we have to think through that part of it too.

3 CHAIRPERSON NICHOLS: No, it's a big issue in  
4 terms of local design and planning. You know -- I think  
5 the community groups that were here earlier for the PM2.5  
6 SIP have left for this part of the discussion. But, you  
7 know, years ago when the issues about environmental  
8 justice really started to rise up to the top and EPA was  
9 identifying areas where there were the greatest risks to  
10 people, they did some work in New York that showed that  
11 they went in because there was a request from the  
12 community in the Bronx that was exposed to an incinerator  
13 and was potentially the target of, you know, some other  
14 undesirable land uses. And so they did some surveying of  
15 where they had the greatest concentrations per exposure of  
16 people. And they found out that the worst area in New  
17 York was right around Times Square. You know, the  
18 combination of all the people who were there on a daily  
19 basis working and going through the area and all the  
20 traffic that was there was resulting in these incredibly  
21 high risk factors. And that was not news that anybody  
22 really wanted to hear, but it definitely pointed out the  
23 fact that the biggest toxic exposure was coming from the  
24 vehicles.

25 BOARD MEMBER BALMES: I think even CARB's own

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1 recommendation about how close residential housing's  
2 supposed to be to roadways is sort of a contradiction.

3 CHAIRPERSON NICHOLS: Yeah. We don't really want  
4 to see cities where there are these big empty zones, you  
5 know, alongside the transportation corridors that people  
6 can't go into. You're right. It's an important issue.

7 Now, Mayor Loveridge is going to tell us how this  
8 is really going to work.

9 BOARD MEMBER LOVERIDGE: Let me just begin by --  
10 and I support the Haagen-Smit Framework for Action that's  
11 here. It is also -- I mean it's just that -- one obvious  
12 point, that this is -- my own experience of at least  
13 thinking about and studying state politics, I think this  
14 is the most complex multi-variable kind of effort that I  
15 can recall. And, you know, in one case people say, "Let's  
16 look at best practices in other states." There are no  
17 other best practices in other states. We are out there in  
18 terms of our country and maybe the world about what we're  
19 attempting to do. Very complex, very difficult. And I  
20 think people are just becoming aware of that AB 32 is  
21 coming. And so I think there's going to be increased  
22 discussion.

23 My only just a quick comment is you've got to  
24 be -- if you read the established performance-based  
25 target, which is very similar to the kind of framework

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1 you're offered to do, there's nothing about ARB becoming a  
2 new state planner for cities and counties. I think that  
3 that language, we need -- what's here in that first  
4 paragraph I think cities and counties can look at and say,  
5 "Yes, I understand and respect that." If we talk about --  
6 which it does actually affect land use planning and so  
7 forth. But if you begin with land use planning, you're  
8 going to -- I mean it's what cities have the most  
9 suspicion of, that the state is trying to tell them what  
10 to do. And I think how it's approached, the language is  
11 used is important.

12           Just to cover quick comments. I agree with the  
13 comment that Jerry made about housing. That is, the  
14 regions have seen housing in numbers. The difficulty I  
15 have with this so far is measuring greenhouse gases. I  
16 remember listening to the Attorney General, who's saying  
17 that when he was signing up these -- that 800 mayors have  
18 signed the Mayors' Climate Protection Agreement. Jerry  
19 said he wanted to sign it. He didn't have the foggiest  
20 idea how he was going to do it or what it meant, but he  
21 wanted to sign it. As Attorney General, he's been asking  
22 us to pay attention to global warming and climate change.  
23 Yet you ask him what we should do and he says, "Well, I  
24 don't really know, but you should do something." And a  
25 lot of that uncertainty has to do, it seems to me, with

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1 the measurements. And so measurements of greenhouse gases  
2 we're trying to do as a city. And it is a very complex  
3 and a fairly expensive thing to do. And the simple thing  
4 like an interchange going through our city is 300,000 cars  
5 a day go through an interchange in our city. You kind of  
6 say, "Well, is that" -- I mean there's a lot of gas --  
7 greenhouse gases going through our city by these 300,000  
8 cars that come through. But not many of them are with the  
9 City of Riverside.

10 But the measurement of greenhouse gases and what  
11 they are, I've not really seen that in any way that I'm  
12 particularly comfortable with.

13 I do think one thing that cities are on the verge  
14 of, and I guess the state is, is this built environment of  
15 particular lead standards and how we can -- it seems to me  
16 we're very close to getting agreement in almost all  
17 cities, but we need to have -- cities are doing it for  
18 their own public buildings, but I think increasingly  
19 you're going to see it for private construction and so  
20 forth. And I think it's like push, cities and counties  
21 can be very sympathetic to lead or green standards that  
22 reduce energy use in buildings.

23 CHAIRPERSON NICHOLS: Yes. And people were  
24 talking at Haagen-Smit a lot about not just focusing  
25 everything on the new construction but also looking at

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1 what we can do to incentivize retrofits for an existing  
2 building stock, because that's not going anywhere and it's  
3 going to be there for a long-long time to come.

4 BOARD MEMBER LOVERIDGE: But I guess my final  
5 comment is I think we need to be skilled in advancing this  
6 agenda. Because if not, then you'd create all sorts of  
7 backlash. And you can begin to see it with the  
8 Republicans' request to delay all this a year.

9 But this is a good document. But I wouldn't talk  
10 about being a companion of land use authority that's going  
11 to come from the state and impose it on cities and  
12 counties.

13 EXECUTIVE OFFICER GOLDSTENE: You raised some  
14 important points.

15 Relative to measurement, we're working very  
16 closely with the California Climate Action Registry to  
17 develop two protocols that we brought to the Board for  
18 consideration of adoption. Later this fall we hope to  
19 bring a municipal level measurement protocol to the Board  
20 for adoption. And then later next year a community-wide  
21 protocol which will deal with the harder issues about how  
22 to, you know, measure the movement of a trash truck  
23 through multiple jurisdictions and other types of complex  
24 issues.

25 And so, yeah, that's a very important point, is

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1 being able to document and track that. And we have talked  
2 to cities and counties, and that also costs money. We'll  
3 provide the framework for them for free. But there will  
4 be staff work required to actually put in the data that  
5 will be used to make the measurements.

6 But we do need to establish those baselines, and  
7 there has to be consistency throughout so we can make sure  
8 that we're in the end being able to track the tons we need  
9 to get under AB 32.

10 CHAIRPERSON NICHOLS: So this is just the  
11 beginning here. But I think we do need to be mindful  
12 that -- you know, the fact is that the Haagen-Smit  
13 Symposium, although it did attract some representation  
14 from the building community and certainly from local  
15 government, but the representation that was there was  
16 really from the most progressive wing of that group. We  
17 were not hearing from the people who questioned whether  
18 greenhouse gases matter or whether there's anything they  
19 should be doing about it.

20 The other thing I would just say is that from a  
21 political perspective -- and the thing that I've educated  
22 on recently is that, you know, even among people who do  
23 believe that something should be done and who are most  
24 enthusiastic about doing something about global warming,  
25 there's still a huge amount of confusion about what

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1 actually can be done that's useful and effective. And,  
2 you know, the one thing that we do know for sure is that  
3 energy efficiency is good. So, you know, when in doubt,  
4 think about ways to do things in a more energy efficient  
5 way. And so I think that does help at least with an  
6 initial screen on some of the projects that might come  
7 before us.

8           BOARD MEMBER SPERLING: You know, I mean I think  
9 what you say is exactly right, both with respect to  
10 Haagen-Smit and more generally and, that is, that most --  
11 hardly anyone's thought about it hardly at all. So  
12 there's a huge -- I mean it's a huge political challenge.  
13 But it's a huge communication challenge, I mean because  
14 none of us know the answer and it's going to take a lot of  
15 discussion and interaction. But if we don't -- I mean I  
16 think the challenge is to get some proposals out there,  
17 you know, at least for discussion purposes. And, as Mayor  
18 Loveridge says, I -- you know, the performance-based  
19 targets has to be the way to go. Because once you get in  
20 the business of trying to be prescriptive, you know,  
21 you're going to go down in flames.

22           (Laughter.)

23           BOARD MEMBER SPERLING: And I like the idea of --  
24 you know, this energy use idea with buildings and  
25 energies, because, you know, something cities -- you know,

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1 what you want to do is focus on what can cities and  
2 counties really do. And if we bring together the VMT and  
3 the building energy use and kind of put it under one  
4 umbrella and let them be -- give them the flexibility, you  
5 know, if you want to do it all through, you know, somehow  
6 getting, you know, platinum buildings and other kinds of  
7 incentives for energy -- building energy use and, you  
8 know, let there be sprawl and so on, you know, maybe at  
9 least -- you know, at least for a while. Because I think  
10 there has to be flexibility or it's not going to work  
11 and -- and the more flexibility. You know, that's my  
12 belief here. This is as a generality but even personal.

13 EXECUTIVE OFFICER GOLDSTENE: The protocols I  
14 mentioned will help drive that kind of thinking, because  
15 they will ask the users of the protocols to think about  
16 the whole range of emissions sources within their  
17 jurisdiction. And so one of the outcomes also is a best  
18 practices for cities and counties on how to move forward  
19 in reducing greenhouse gases. So it all comes together  
20 through this protocol.

21 BOARD MEMBER LOVERIDGE: I just would add that  
22 the city -- League of Cities now is, through their --  
23 instead of local government, has been called the  
24 California Climate Action Network, which I think is the  
25 best kind of policy effort of the League that I have any

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1 memory of. So it's -- and it's an effort for cities to be  
2 helpful. But it's based on an incentive check-off list.  
3 What we don't know is what makes a difference in terms of  
4 greenhouse gases. And that's why the measurement piece  
5 needs to emerge.

6 CHAIRPERSON NICHOLS: I hope they're throwing  
7 water use into that too in terms of urban issues where  
8 there can be some control -- Yes.

9 BOARD MEMBER BERG: I think it will be helpful to  
10 remember that we're in a period of disruption. If you  
11 look at any great change, we're really in that cycle of  
12 disruption. And so when it feels overwhelming to me, I  
13 always remember, you know, while we're in this very  
14 disruptive change, the cycle, that's when all the  
15 innovative people join in. At some point we've got to get  
16 over the curve where we get the momentum, get pushed  
17 downhill to eventually pick up the naysayers. And so  
18 usually during this period is when you have the most  
19 innovation and we've got us pushing uphill until we get to  
20 that plateau.

21 BOARD MEMBER LOVERIDGE: Politics. Much of what  
22 we do, we want to be comprehensive, we end up being  
23 piecemeal and incremental. And difficulties of the big  
24 picture is -- one example is the Governor talking about  
25 health, as many others have.

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1           BOARD MEMBER BERG: I think we had one speaker  
2 on --

3           CHAIRPERSON NICHOLS: Yes, we do. We have one  
4 person signed up. Bonnie Holmes-Gen for the American Lung  
5 Association.

6           MS. HOLMES-GEN: So there is somebody left after  
7 the morning discussion here.

8           Madam Chair, members. Bonnie Holmes-Gen. And I  
9 appreciate that you're having a short meeting today, so  
10 that I can get up here three times and talk to you.

11           And I really appreciate the thoughtful discussion  
12 that you've had on this topic of land use. And I really  
13 wanted to talk to you about this, because I think it's so  
14 incredibly important for what you're doing to comply with  
15 AB 32 and to reach the 2050 greenhouse gas reduction  
16 targets.

17           And I was really pleased that I was able to  
18 participate in the Haagen-Smit Symposium. And it was  
19 really a tremendous gathering of expertise and really  
20 terrific discussion.

21           And I'm really impressed now more than ever how  
22 critical land use measures and VMT reduction is to meeting  
23 our air quality and greenhouse gas reduction goals. And  
24 as has been commented, we've known for years how important  
25 it is in the air quality arena. And now we have this

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1 added impetus of, you know, the critical crisis of our  
2 planet in global warming.

3           And, you know, the information that we kind of  
4 skipped over very quickly. But, you know, just in terms  
5 of the greenhouse gas arena, that the vehicle miles  
6 traveled increases have the ability to completely wipe out  
7 all the progress that we're making in reducing greenhouse  
8 gas emissions through the low carbon fuel standard and  
9 through the Pavley regulations. And that's a pretty  
10 important fact I think for all of us to sit here and think  
11 about, and why we have to make progress on land use change  
12 and reducing vehicle miles.

13           And I would assert that vehicle trip reduction is  
14 important both for the 2020 and for the 2050 goals, but  
15 it's absolutely critical for 2050. And we have to keep  
16 that in mind.

17           Turning around decades of reliance on  
18 unsustainable land use practices and the sprawl is the  
19 law mentality, which we talked about in depth at the  
20 symposium, is an extremely difficult challenge. It is  
21 daunting. But, you know, we have to take it on now.

22           And I am convinced and we are convinced that your  
23 Board -- you have a critical role in this. And you must  
24 place a very high priority on land use change if we are  
25 going to make real progress. And we're asking you,

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1 calling on you to make very specific -- to give very  
2 specific direction to local governments in the scoping  
3 plan.

4           Now, I know that there's a lot of concerns that  
5 have been expressed. I'm not suggesting that ARB can take  
6 over local land use authorities. I'm not trying to  
7 suggest that at all. But by setting the targets that  
8 Chairman Nichols and Board Member Sperling and others have  
9 talked about, by setting strong, enforceable regional and  
10 local targets, you are setting in motion the process for  
11 change here. And, you know, there was a lot of discussion  
12 at the symposium about the Bottle Bill example, the AB 939  
13 program --

14           I knew that -- just a couple more thoughts here.  
15           -- the AB 939 program and how successful that has  
16 been in reducing waste at the local government level. And  
17 that is a model that we can use, the idea of setting  
18 strong targets for every jurisdiction, a tangible,  
19 quantifiable goal, and backing it up with consequences for  
20 not achieving the targets. And there's still room for the  
21 kind of flexibility that you're talking about in how we  
22 achieve the goals.

23           Now, there obviously needs to be a lot of work  
24 on, you know, what are these consequences for not  
25 achieving the targets. I don't have the answer for you

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1 today. But that's something that we need to work on and  
2 grapple with. One part of the answer is using better --  
3 more effective use of our existing state resources. And,  
4 you know, we need to channel our state resources, our  
5 transportation and housing and other resources, into  
6 incentivizing the kind of smart growth development that we  
7 desperately need, and using those resources -- tagging  
8 those specifically for local governments that are doing  
9 the kind of planning that we need to see to reach our air  
10 quality and greenhouse gas reduction goals.

11           And it's so important also for the California  
12 state budget to reflect these priorities. And that's, you  
13 know, such a critical and very urgent priority right now.  
14 As, you know, the Governor's budget currently -- or the  
15 proposal in the May revise is to take over a billion  
16 dollars from transit operations and put it into the  
17 General Fund. You know, we need to stop this. This is  
18 short sighted. It's inconsistent with AB 32. It's  
19 working completely contrary to what we need to be doing  
20 here.

21           Just another quick comment. Blueprints are very  
22 important. I appreciate all the discussion of blueprints.  
23 And, you know, SACOG has been a leader and we're, you  
24 know, really pleased about that. But the blueprints, as  
25 I've learned -- and I'm not an expert on this --

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1 blueprints focus on densities. And obviously we have to  
2 have higher densities to support the kind of  
3 transportation alternatives we need. But we also of  
4 course need to focus beyond densities on design of  
5 development to promote the kind of pedestrian-friendly,  
6 transit-friendly, bike-friendly communities that we want.  
7 So, you know, blueprints are important. It's not all of  
8 the answer. It's a key step forward.

9 Indirect sources rules and other mechanisms are  
10 also very important to help local governments to be able  
11 to mitigate and to raise funds for future mitigation.

12 And I also just wanted to stress two final  
13 concluding points.

14 CHAIRPERSON NICHOLS: You're now on the third  
15 iteration of your two minutes.

16 MS. HOLMES-GEN: Oh, I know.

17 I mean lest this all seemed hopeless -- and I  
18 don't know if I have this exactly correct. I'll get you  
19 the exact statistic. But I've heard this many times,  
20 something to the effect of about half of the buildings  
21 that will be here in 2050 have not been built yet today.  
22 So I mean there is an ability to make a difference.  
23 There's a turnover of urban uses. And we have the  
24 ability, even though we are so built out, to make a  
25 difference.

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1           And, finally, there are so many resources out  
2 there. It's amazing, as to local government and local  
3 government commission, so many groups have -- and I know  
4 ARB's working on your protocols. All of these resources  
5 are being developed, many are already out there, to help  
6 local governments measure their greenhouse gas emissions.  
7 I understand there's some free tools available now to help  
8 local governments to do that. There's a ton of resources  
9 on strategies, especially land use strategies and CEQA  
10 requirements that can be used by local governments.

11           And, you know, part of what I hope ARB will be  
12 doing will be to provide -- you know, be a clearinghouse  
13 and help to get that information out there and to provide  
14 or at least help to set up the ability at the state level  
15 to provide the kind of technical assistance that's needed  
16 at the local level.

17           So there's a lot more to say. But I hope I'm  
18 just expressing how important this is. We want to work  
19 with you on it. I, you know, urge you to make this a key  
20 priority in the scoping plan.

21           CHAIRPERSON NICHOLS: Thank you.

22           Without further ado, I think this item is  
23 concluded. We will -- unless you have any final remarks  
24 about what's going on.

25           EXECUTIVE OFFICER GOLDSTENE: No.

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1           CHAIRPERSON NICHOLS: Stay tuned, you know. This  
2 is going to be coming back before you at least as part of  
3 the June scoping plan.

4           EXECUTIVE OFFICER GOLDSTENE: I was just going to  
5 say, at our next Board meeting we'll be presenting a draft  
6 of the scoping plan. And we're going to -- also next week  
7 on the 28th we're having a workshop on AB 32.

8           BOARD MEMBER SPERLING: Do we act on the draft  
9 scoping plan, or it's just a review?

10          CHAIRPERSON NICHOLS: No, we actually approve it.

11          BOARD MEMBER SPERLING: We approve it?

12          CHAIRPERSON NICHOLS: We approve it.

13          EXECUTIVE OFFICER GOLDSTENE: Not in June. It  
14 will be extended for review.

15          CHAIRPERSON NICHOLS: We're going to act in the  
16 sense that we're going to agree to send it out.

17          EXECUTIVE OFFICER GOLDSTENE: Right. Yes, yes,  
18 yes, yes.

19          CHAIRPERSON NICHOLS: It will be a formal  
20 proceeding before the Board.

21          EXECUTIVE OFFICER GOLDSTENE: Right, right.

22          CHAIRPERSON NICHOLS: It doesn't go into effect.  
23 But I think the Board really needs to give it its blessing  
24 at that point.

25           I believe our formal business is concluded. We

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1 do have time -- if there is anybody who wishes do make a  
2 comment, any member of the public who has not spoken or  
3 who has a comment on an item that was not on today's  
4 agenda is entitled to come forward and address the Board.  
5 Nobody indicated that they were planning to do so.

6           So we have only one other item before us, which  
7 was not part of the agenda but which I'm placing on the  
8 agenda at the last minute.

9           BOARD MEMBER LOVERIDGE: Madam Chair?

10          CHAIRPERSON NICHOLS: Yes.

11          BOARD MEMBER LOVERIDGE: Just one quick Board  
12 comment, just a kind of request.

13          CHAIRPERSON NICHOLS: Board comment. Yes.

14          BOARD MEMBER LOVERIDGE: This is -- and we talked  
15 a little bit about it at lunch. But it's the coverage of  
16 the CARB Board meetings, is that they are live on web.  
17 But there's no record of them, there's no library of them.  
18 And if you want to go see them, you can't do that. And  
19 one of the things that our city council, many of them, you  
20 have a webcast, but there's a library of these and you can  
21 pick out -- if I want to go to the Agenda Item 13, you can  
22 see that item. You don't have to listen to 1 through 12.  
23 And it seems to me that that would be helpful as a record  
24 of what this Board does if at least there was some  
25 retention and ability to get a specific time, a specific

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1 agenda item from the --

2           CHAIRPERSON NICHOLS: You're right. This came up  
3 at the last Board meeting when we were addressed by a  
4 representative of the firm that was videotaping us about  
5 that issue. And he's I guess back today. And the  
6 question was asked. And I saw a memo about some of the  
7 concerns that had been raised in the past that indicated  
8 that the staff was willing to take another look at this.  
9 And I hope they are going to take another look at it and  
10 come back to us with a recommendation as to whether we  
11 should revise our policy on this issue. I don't see why  
12 we can't do that at our next Board meeting and make a  
13 decision on this one way or the other. It's not just a  
14 matter of this particular individual, but really a  
15 question of how we go about taking advantage of modern  
16 technology to make the public more aware of what we're  
17 doing.

18           But thank you for that reminder, Mayor Loveridge.

19           Yes.

20           BOARD MEMBER D'ADAMO: Well, I have a comment as  
21 well along those lines. I think that we have talked about  
22 this at a previous Board hearing. It's been kind some  
23 time though. And that is the ability of people to testify  
24 from remote locations similar to what the local district  
25 provides for here. And I believe that there were some

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1 concerns about -- it wasn't just a technology issue.  
2 There were some concerns expressed by -- I think this was  
3 by Katherine Witherspoon, and it may have had to do with  
4 notice. I'm not certain. But staff was going to follow  
5 up on that.

6 EXECUTIVE OFFICER GOLDSTENE: I think we're  
7 almost ready to do that as long as we have the  
8 technological capability to do it. And we just have to  
9 make sure that the agenda notices clearly show where the  
10 remote sites are, and those sites have to remain open  
11 during the entire time of the meeting.

12 CHAIRPERSON NICHOLS: Yes. And I'm hoping that  
13 by the time of the June meeting that we'll in fact be in a  
14 position to do that.

15 STAFF COUNSEL JENNE: It's perfectly okay legally  
16 to have these teleconference locations. It's provided for  
17 in the Open Meetings Act. We just have to do the proper  
18 noticing and let people know that they can testify from  
19 the remote locations. And there's procedures we have to  
20 follow, but there isn't any legal problem.

21 CHAIRPERSON NICHOLS: It's also possible for  
22 Board members to be in remote locations as opposed to in  
23 one place. And while that is also legally possible, it's  
24 really undesirable. It's really not a good idea.

25 But in the interests of, you know, having a full

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1 attendance at a meeting, if someone, you know, can be with  
2 us but they just can't get to where the location is, you  
3 know, for some good reason, I think it could be a  
4 solution. I wouldn't want to do it on a regular basis.  
5 But, anyway.

6           Okay. One last item before the Board. And that  
7 is that one of our staff members here today is celebrating  
8 I think it is -- I forget which anniversary of her 39th  
9 birthday it is.

10           (Laughter.)

11           CHAIRPERSON NICHOLS: My assistant, who at these  
12 meetings is always the person managing the visual aids and  
13 getting all those slides loaded, Cornetta Thompson, we  
14 just want to wish you a happy birthday.

15           (Applause.)

16           CHAIRPERSON NICHOLS: That's it. We're  
17 adjourned.

18           (Thereupon the California Air Resources Board  
19 adjourned at 3:26 p.m.)

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