

MEETING
STATE OF CALIFORNIA
AIR RESOURCES BOARD

JOE SERNA, JR. BUILDING
CALIFORNIA ENVIRONMENTAL PROTECTION AGENCY
BYRON SHER AUDITORIUM, SECOND FLOOR
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APPEARANCES

BOARD MEMBERS

Ms. Barbara Riordan, Acting Chairperson

Dr. John R. Balmes

Ms. Sandra Berg

Ms. Doreene D'Adamo

Ms. Lydia Kennard

Mr. Ronald O. Loveridge

Mr. Ron Roberts

Dr. Daniel Sperling

Dr. John Telles

Mr. Ken Yeager

STAFF

Mr. James Goldstene, Executive Officer

Mr. Tom Cackette, Chief Deputy Executive Officer

Ms. Ellen Peter, Chief Counsel

Mr. Michael Scheible, Deputy Executive Officer

Ms. Lynn Terry, Deputy Executive Officer

Mr. Robert Duvall, Climate Change Planning Section, Office
of Climate Change

Ms. Lezlie Kimura, Local Government Strategies Section,
Planning and Technical Support Division

Mr. Rob Oglesby, Legislative Director, Office of
Legislative Affairs

APPEARANCES CONTINUED

STAFF

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

Ms. Monica Vejar, Board Clerk

ALSO PRESENT

Ms. Janet Abshire, American Lung Association

Ms. Autumn Berstein, Climate Plan

Mr. Stuart Cohen, Transform

Mr. William Davis, SCCA

Mr. Greg Devereaux, City of Ontario

Dr. Ralph DiLibero, LACMA

Mr. John Dunlap, CERT

Ms. Amanda Eaken, NRDC, RTAC

Mr. Kit Enger, Sand Car Manufacturers

Ms. Parisa Fatehi, Public Advocated

Mr. Randal Friedman, US Navy

Mr. Greg Gallegos, SANDAG

Ms. Julia Gardiner, Nature Conservancy

Mr. Steve Heminger, MTC

Ms. Bonnie Holmes-Gen, American Lung Association

Mr. Tom Jordon, San Joaquin Valley APCD

Mr. Tom Julia, Composite Panel Association

Ms. Carol Livingston, Greenbert Traurig/Garmin

Mr. Bill Magavern, Sierra Club California

APPEARANCES CONTINUED

ALSO PRESENT

Mr. Mike McKeever, RTAC

Ms. Sabrina Means, California Transit Association

Mr. Clayton Miller, CIAQC

Mr. Pete Montgomery, CBIA

Ms. Linda Parks, County of Ventura

Ms. Betty Plowman, California Dump Truck Owners
Association

Ms. Marisa Rimland, Public Health Institute

Dr. Jonathan Samet, Director, University of Southern
California Institute for Global Health

Mr. Mike Shuemake, CVTR, Great Dane Trailers

Ms. Julie Snyder, Housing California

Mr. Edward Thompson, American Farmland Trust

Mr. Barry Wallerstein, SCAQMD

Ms. Donna Wilson, CERT

Ms. Kate Wright, Local Government Commission

INDEX

	PAGE
Item 09-9-5	
Acting Chairperson Riordan	3
Motion	4
Vote	4
Item 09-9-6	
Acting Chairperson Riordan	4
Executive Officer Goldstene	5
Staff Presentation	6
Board Q&A	27
Betty Plowman	44
Item 09-9-2	
Acting Chairperson Riordan	49
Executive Officer Goldstene	50
Staff Presentation	50
Board Q&A	64
Mr. McKeever	82
Ms. Parks	85
Mr. Devereaux	87
Mr. Gallegos	89
Mr. Heminger	92
Ms. Eaken	95
Mr. Wallerstein	98
Mr. Cohen	101
Dr. DiLibero	104
Ms. Abshire	106
Ms. Fatehi	109
Mr. Thompson	111
Ms. Bernstein	115
Ms. Means	119
Mr. Montgomery	120
Ms. Wright	122
Mr. Jordon	124
Ms. Holmes-Gen	125
Ms. Rimland	128
Mr. Davis	130
Ms. Gardiner	132
Mr. Magavern	134
Mr. Friedman	136
Board Member Q&A	139
Agenda Item 09-9-1	
Acting Chairperson Riordan	156
Executive Officer Goldstene	156
Staff Presentation	156

INDEX CONTINUED

	PAGE
Agenda Item 9-9-3	
Acting Chairperson Riordan	166
Executive Officer Goldstene	166
Staff Presentation	167
Agenda Item 09-9-4	
Acting Chairperson Riordan	182
Executive Officer Goldstene	183
Staff Presentation	184
Board Q&A	201
Board Member comments on matters of interest	203
Public Comment	
Mr. Dunlap	210
Mr. Davis	213
Mr. Miller	215
Mr. Enger	217
Ms. Wilson	219
Mr. Julia	222
Mr. Shuemake	225
Ms. Livingston	227
Adjournment	233
Reporter's Certificate	234

1 PROCEEDINGS

2 ACTING CHAIRPERSON RIORDAN: Good morning, and
3 this is the 19th of November. And it's our Air Resources
4 Board meeting.

5 You'll note there is a change in the Chair. My
6 name is Barbara Riordan. Unfortunately, our Chairman,
7 Mary Nichols, had a death in her immediate family, and she
8 was not able to be here today due to the funeral.

9 And so I'm going to take over for a brief moment
10 here and ask that we all rise and salute the flag.

11 (Thereupon the Pledge of Allegiance was
12 Recited in unison.)

13 ACTING CHAIRPERSON RIORDAN: Madam Clerk, would
14 you please call the roll?

15 BOARD CLERK VEJAR: Dr. Balmes?

16 BOARD MEMBER BALMES: Here.

17 BOARD CLERK VEJAR: Ms. Berg?

18 BOARD MEMBER BERG: Here.

19 BOARD CLERK VEJAR: Ms. D'Adamo?

20 BOARD MEMBER D'ADAMO: Here.

21 BOARD CLERK VEJAR: Ms. Kennard?

22 Mayor Loveridge?

23 BOARD MEMBER LOVERIDGE: Here.

24 BOARD CLERK VEJAR: Ms. Riordan?

25 ACTING CHAIRPERSON RIORDAN: Here.

1 BOARD CLERK VEJAR: Supervisor Roberts?

2 BOARD MEMBER ROBERTS: Here.

3 BOARD CLERK VEJAR: Professor Sperling?

4 BOARD MEMBER SPERLING: Here.

5 BOARD CLERK VEJAR: Dr. Telles?

6 BOARD MEMBER TELLES: Present.

7 BOARD CLERK VEJAR: Supervisor Yeager?

8 BOARD MEMBER YEAGER: Here.

9 BOARD CLERK VEJAR: Chairman Nichols?

10 Madam Chair, we have a quorum.

11 ACTING CHAIRPERSON RIORDAN: Thank you very much.

12 There are a few announcements that I'd like to
13 make.

14 One is, for safety reasons, you need to note the
15 emergency commits to the rear of the room. In the event
16 of a fire alarm, we are required to vacate the room
17 immediately, go downstairs, and out of the building. An
18 all-clear signal will be given, and we can return and
19 resume our hearing.

20 And next I'd like to share with you there is an
21 item of procedural interest for our Board. We normally
22 had not used a consent calendar, though we all serve on
23 Boards and on Commissions that do use consent calendars
24 regularly. But this is going to be the first time this
25 Board has probably used it, at least in my tenure.

1 And the first item on our agenda is a consent
2 item. And it works this way. Anyone who wishes to speak
3 to the item can request that or any Board member can
4 request it, and it becomes a part of the regular hearing.
5 If it is, and we believe, a consent item and plenty of
6 opportunity to review it by staff and the public has seen
7 it on our agenda, then we will move forward with it with a
8 vote. We will not have a staff presentation unless we
9 need to as a result of a request by the public or Board
10 member. Any item such as this can indeed be heard by any
11 of us.

12 So I would ask first if there are any Board
13 members that would like to pull the consent calendar item?

14 Seeing none, let me ask the clerk if anybody has
15 signed up to speak to the item.

16 BOARD CLERK VEJAR: No, they have not.

17 ACTING CHAIRPERSON RIORDAN: Then we may move
18 forward.

19 And I forgot to announce the number of this item.
20 This is Agenda Item 09-9-5. It's the proposed repeal of
21 the 2007 amendments to California's emission warrantee
22 information reporting and recall regulations and the
23 emission test procedures and the re-adoption of the prior
24 regulations and emission test procedures.

25 Let me move now to ask for, I believe, Madam

1 Counsel, a vote on the consent item.

2 BOARD MEMBER LOVERIDGE: Move approval.

3 CHIEF COUNSEL PETER: Madam Chair, we need a
4 motion and a second.

5 BOARD MEMBER LOVERIDGE: Move approval.

6 BOARD MEMBER ROBERTS: Second.

7 ACTING CHAIRPERSON RIORDAN: Moved and seconded.

8 Any further discussion?

9 Seeing or hearing none, all those in favor
10 signify by saying aye.

11 (Ayes)

12 ACTING CHAIRPERSON RIORDAN: Opposed, no.

13 The motion carries. Thank you very much.

14 Our next item is Agenda Item 09-9-6.

15 This month, we will open with a presentation on
16 the health consequences of exposure to diesel particulate
17 matter. Two major peer-reviewed reports to our Board have
18 concluded diesel PM causes an increase in the likelihood
19 of cancer and contributes to premature deaths as a
20 component of PM2.5.

21 The 1998 cancer finding is the basis for our
22 Diesel Risk Reduction Program. And last year's report on
23 the relationship between PM2.5 and premature death
24 provides further justification. Some have questioned the
25 validity of this report, because a staff person who

1 compiled the data misrepresented his professional
2 credentials.

3 Chief Counsel Ellen Peter will address this after
4 the staff presentation.

5 Mr. Goldstene, would you like to introduce this
6 item, please?

7 EXECUTIVE OFFICER GOLDSTENE: Thank you. And
8 good morning, Board.

9 Because of its adverse effect on human health,
10 diesel PM has been a major focus of air pollution control
11 efforts in California for the last decade. The evidence
12 for adverse health impacts comes from a large body of
13 peer-reviewed research using a variety of approaches.

14 Today, staff will review the scientific evidence
15 for the health impacts from exposure to diesel PM.
16 Professor Jonathan Samet will also join us today to give
17 part of the presentation. He's the founding director of
18 the new USC Institute for Global Health and Chairman of
19 the Department of Preventative Medicine at USC's Keck
20 School of Medicine, as well as the Chair of U.S. EPA's
21 Clean Air Scientific Advisory Committee.

22 Dr. Linda Smith from our Health and Exposure
23 Assessment Branch will open as well as close the
24 presentation with Professor Samet covering key elements in
25 between. Dr. Smith.

1 challenges remain to meet California's clean air goals.

2 --o0o--

3 HEALTH AND EXPOSURE ASSESSMENT BRANCH CHIEF

4 SMITH: We have known for nearly 20 years that exposure to
5 diesel PM may lead to adverse health effects. In 1989,
6 ARB and the Office of Environmental Health Hazard
7 Assessment, OEHHA, began evaluating the toxic effects of
8 diesel PM.

9 In 1998, the Scientific Review Panel endorsed the
10 ARB's and OEHHA's report and risk assessment on diesel PM.
11 And it was then listed as a toxic air contaminant. The
12 staff report concluded that diesel PM may cause an
13 increase in the likelihood of cancer.

14 Staff also calculated the cancer risk associated
15 with air pollution and showed that diesel PM is
16 responsible for about 70 percent of the total ambient air
17 toxics cancer risk. The body of scientific literature on
18 the health effects of diesel PM formed the basis of ARB's
19 Diesel Risk Reduction Plan, and support from the
20 literature continues to grow.

21 --o0o--

22 HEALTH AND EXPOSURE ASSESSMENT BRANCH CHIEF

23 SMITH: But there is another important aspect regarding
24 the toxic effects of diesel PM. It is a component of
25 ambient PM_{2.5} and PM_{2.5} is associated with non-cancer

1 this is my first appearance in Sacramento.

2 If I can have my first slide, please.

3 --o0o--

4 DR. SAMET: And on to the next.

5 --o0o--

6 DR. SAMET: So let me just begin with a reminder
7 that we have long worried about the health effects of air
8 pollution. And it was the last century and even earlier
9 that brought these dramatic episodes of killer air
10 pollution episodes, the London Fog of 1952, ten to 20,000
11 extra deaths. In the United States, Pennsylvania, some of
12 us are old enough to remember the east coast brownouts of
13 the '60s with hundreds of extra deaths. And these events
14 were a strong impetus for our government and for others to
15 begin to address air quality issues.

16 --o0o--

17 DR. SAMET: It was with some surprise I think 15
18 to 20 years ago in spite of this progress that
19 epidemiological studies began to show clear links between
20 levels of particles and other air pollutants and premature
21 mortality.

22 With my colleagues at Johns Hopkins roughly 15
23 years ago, we began to do epidemiological studies, time
24 series studies of air pollution and premature mortality on
25 a national scale on a project called NMMAPS, National

1 science assessment.

2 --o0o--

3 DR. SAMET: For those of you who know the EPA
4 process for developing documents, this corresponds in part
5 to the prior criteria document, but it is a more
6 integrative document.

7 --o0o--

8 DR. SAMET: The document has a system for
9 classifying evidence as to the strength of the evidence
10 for judging causation. This is a process that the agency
11 has worked hard on in its updating of its review process
12 to try to make very clear what the evidence is it's
13 considering and what its structure is for doing so and
14 then putting into a common language what the strength of
15 evidence is.

16 So at the top is causal, likely to be causal,
17 suggestive of causal relationship, inadequate, and then
18 not likely to be a causal relationship as you go down in
19 terms of strength of evidence.

20 What the agency is doing is it is taking those
21 health effects for which the evidence reaches the causal
22 or the likely to be causal and moving those on into its
23 risk assessment process.

24 For health effects for which the evidence might
25 not reach that level of certainty, but for which there is

1 public health importance or other considerations of risk
2 assessment, may have advance well. But what I'm going to
3 show you is the classification now of the evidence for PM.

4 --o0o--

5 DR. SAMET: I want to say that a key part of
6 these determinations is not only the epidemiological
7 information, but what we know about how particles damage
8 health.

9 And this is only one of many examples of
10 ischemia, laying out the different processes by which
11 particles once inhaled may affect the heart and the lungs.
12 And, of course, in the last decade, we have an expanding
13 body of evidence linking particle exposures to
14 cardiovascular effects as well as the long studied
15 pulmonary effects.

16 And, again, the boxes down there just list some
17 of the mechanisms. So we think that inflammation is
18 important. We think the oxidative potential of the
19 particles is important. We know that the small particles
20 can actually move across the lungs, translocate, and move
21 into the circulation and reach different organs in the
22 body.

23 --o0o--

24 DR. SAMET: So I'm going to take you first to the
25 short-term effects. And this table that you can't read is

1 symmetric reasons we think is relevant to people, relevant
2 to susceptible people with asthma, but not yet well
3 studied. And the last is the ultra fine particles.

4 --o0o--

5 DR. SAMET: Again, a lot of discussion about the
6 ultra fine very, very fine particles. And here still
7 limited evidence and the evidence judged as suggestive.

8 I think this is my last slide. I've taken you on
9 a whirlwind tour of documents that are massive. We had
10 hoped that as EPA moved from the criteria documents, which
11 you can barely carry, to the integrated science assessment
12 that we see something a little bit briefer. But in part,
13 there's so much research going on that the agency simply
14 in capturing it ends up with very large documents.

15 I will say if you want to get a quick view,
16 there's a chapter two, the integrative chapter, that does
17 a very nice job in this document of pulling things
18 together. I would anticipate that the agency will have
19 the revised document posted relatively soon. I think
20 actually the KSAC comments are being posted today. Our
21 comments are being posted today on the ISA, the risk
22 assessment, and the visibility document as well. So those
23 are just getting posted.

24 So thank you very much.

25 ACTING CHAIRPERSON RIORDAN: Thank you.

1 report on the scientific literature supporting an
2 association between PM2.5 and premature death and staff's
3 update to the methodology used for quantifying the numbers
4 of deaths that can be linked to PM2.5 exposure.

5 --o0o--

6 HEALTH AND EXPOSURE ASSESSMENT BRANCH CHIEF

7 SMITH: We began the two-year process of updating the
8 relationship between PM2.5 and premature death with a
9 public workshop followed by a review of the scientific
10 literature.

11 Staff considered the results from an effort
12 conducted by the U.S. EPA which convened a panel of 12
13 experts to review the PM2.5 mortality literature and give
14 their estimates of the magnitude of the effect, including
15 the uncertainty of the estimates. As will be discussed in
16 a later slide, ARB staff incorporated the panel's findings
17 into its estimate. The report was prepared in
18 consultation with our advisors, peer reviewers, and other
19 experts and released for public comment. Staff then
20 addressed and incorporated comments and suggestions into a
21 final report released in October of last year.

22 --o0o--

23 HEALTH AND EXPOSURE ASSESSMENT BRANCH CHIEF

24 SMITH: In the PM2.5 mortality report, staff considered a
25 total of 78 peer-reviewed publications. Staff did not

1 include secondary literature, such as books or opinion
2 pieces. All relevant peer-reviewed studies were included
3 in the report that were published through August of 2008.
4 Some of the studies gave estimates higher than staff's
5 recommendation; others gave lower estimates. Each was
6 included and evaluated for the report.

7 --o0o--

8 HEALTH AND EXPOSURE ASSESSMENT BRANCH CHIEF

9 SMITH: In drafting the report, staff worked with the
10 well-known epidemiologists and air pollution scientists
11 listed on this slide who served as advisors and peer
12 reviews throughout the project.

13 After considering the full range of studies, the
14 methodologies and results presented in the report were
15 endorsed by these advisors and reviewers.

16 The PM2.5 mortality staff report went through
17 formal, independent, peer review organized by the
18 University of California Office of the President and did
19 not rely upon the health research or original work of ARB
20 staff.

21 However, concerns did arise earlier this year
22 about the credentials and honesty of the report's
23 coordinator. Therefore, in late April, we asked all of
24 the advisors and external reviews to re-review the report.
25 Nine of the ten responded and confirmed their original

1 diseases.

2 --o0o--

3 HEALTH AND EXPOSURE ASSESSMENT BRANCH CHIEF

4 SMITH: In addition to premature death, a number of other
5 health impacts associated with exposure to PM2.5 have all
6 been well documented. This slides lists the additional
7 health end points which ARB typically quantifies and uses
8 in its regulations.

9 --o0o--

10 HEALTH AND EXPOSURE ASSESSMENT BRANCH CHIEF

11 SMITH: But many more health effects associated with
12 exposure to PM2.5 have also been reported, which are shown
13 on this slide.

14 We did not quantify these health impacts because
15 we feel the epidemiologic studies are not consistent
16 enough to warrant a quantitative analysis. Never the
17 less, these studies add to the weight of evidence of the
18 adverse health impacts associated with PM2.5.

19 --o0o--

20 HEALTH AND EXPOSURE ASSESSMENT BRANCH CHIEF

21 SMITH: While scores of studies have shown an increase in
22 adverse health effects from increased 2.5 exposure, the
23 opposite has also been observed. That is, a decrease of
24 adverse health effects from a lower exposure.

25 Studies of reductions of specific sources of

1 are expected to decrease as regulatory actions by the
2 Board result in a reduction in ambient levels of diesel
3 PM.

4 --o0o--

5 HEALTH AND EXPOSURE ASSESSMENT BRANCH CHIEF

6 SMITH: In fact, emission reductions have already been
7 realized as a result of the Board's aggressive diesel PM
8 control programs. These programs and the resulting
9 improvements in air quality are the focus of the next few
10 slides.

11 --o0o--

12 HEALTH AND EXPOSURE ASSESSMENT BRANCH CHIEF

13 SMITH: For more than a decade, the Board has consistently
14 reduced diesel PM emissions. From listing diesel exhaust
15 as a carcinogen, to implementing the Goods Movement Plan,
16 to adopting the truck and bus rule, the Board has led the
17 nation with health-based strategies to reduce diesel PM
18 emissions and exposure. Actions include emission limits
19 on new engines and improvements on fuels.

20 --o0o--

21 HEALTH AND EXPOSURE ASSESSMENT BRANCH CHIEF

22 SMITH: And also include cleaning up existing engines as
23 shown in the slide and the next.

24 --o0o--

25 HEALTH AND EXPOSURE ASSESSMENT BRANCH CHIEF

1 SMITH: Staff will continue to seek opportunities to
2 reduce exposure to diesel PM in the future as well.

3 --o0o--

4 HEALTH AND EXPOSURE ASSESSMENT BRANCH CHIEF

5 SMITH: This graph shows the population-weighted annual
6 average PM2.5 concentration for the entire state from 1987
7 to 2007. There is about a five percent improvement in air
8 quality per year due primarily to the Board's motor
9 vehicle and diesel engine control programs, as well as the
10 continued implementation of stringent local district rules
11 on combustion sources. This improvement has occurred even
12 with large increases in both the number of vehicle miles
13 traveled and the population over the last 20 years.

14 --o0o--

15 HEALTH AND EXPOSURE ASSESSMENT BRANCH CHIEF

16 SMITH: As much as the Board has accomplished, there
17 continues to be a need to reduce PM further.

18 The best available science indicates that at the
19 current levels of PM2.5 in California, we continue to
20 experience thousands of premature deaths annually.

21 As part of the Diesel Risk Reduction Plan and the
22 Goods Movement Emission Reduction Plan, ARB committed to
23 reducing diesel PM emission and cancer risks by 85 percent
24 by the year 2020.

25 The Board also continues to reduce PM2.5 levels

1 in order to meet current State Implementation Plan
2 attainment deadlines in the South Coast and the San
3 Joaquin Valley and in anticipation of increasingly tighter
4 federal PM2.5 standards.

5 --o0o--

6 HEALTH AND EXPOSURE ASSESSMENT BRANCH CHIEF

7 SMITH: Although the link between PM2.5 and adverse health
8 outcomes is well established, research is needed to
9 address several important issues.

10 The U.S. EPA established five PM centers,
11 including the Southern California Particle Center and the
12 San Joaquin Valley Aerosol Health Effects Research Center,
13 to investigate the health effects of PM, including ultra
14 fine PM, biological plausibility, toxicity of components
15 of PM, and pollution mixtures. These centers each receive
16 \$8 million over five years.

17 ARB is funding two major California-specific
18 studies, including the California Teachers Cohort, which
19 is investigating the link between PM2.5 and premature
20 death among 130,000 female teachers.

21 The ARB has also funded an ongoing analysis of
22 the California residents enrolled in the American Cancer
23 Society Cohort.

24 As this ongoing research continues, we are
25 committed to updating ARB's estimate of PM-related deaths

1 when new data becomes available.

2 --o0o--

3 HEALTH AND EXPOSURE ASSESSMENT BRANCH CHIEF

4 SMITH: Lastly, there has been a dramatic reduction in
5 PM2.5 over the last 20 years. Our progress in reducing
6 particles is shown on this series of maps of PM2.5
7 concentration for the years 1987, 1999, and 2007.

8 As shown in the key on the right, the darker the
9 color, the higher the PM2.5 concentration. Throughout
10 California, we can see significant reduction in PM2.5
11 exposures, especially in major air basins. In fact, the
12 rate of PM2.5 reductions in California are among the most
13 striking in the nation.

14 And as the ARB continues its PM control program
15 to help meet California's clean air goals, we expect to
16 see a sustained downward trend in ambient PM2.5
17 concentrations, with associated improvements in public
18 health.

19 This concludes my presentation. Thank you for
20 your attention. And we would be happy to answer any of
21 your questions.

22 ACTING CHAIRPERSON RIORDAN: Mr. Goldstene, do
23 you want to continue on?

24 EXECUTIVE OFFICER GOLDSTENE: Do you want to go
25 to questions first and then --

1 ACTING CHAIRPERSON RIORDAN: Well, what do you
2 recommend? I was just going to go on to our counsel.

3 CHIEF COUNSEL PETER: I think it maybe makes
4 sense to have the questions about the scientific at this
5 point.

6 ACTING CHAIRPERSON RIORDAN: All right.

7 Then let know ask Board members if there are any
8 questions that they might have for the Board presentation
9 at this time and our expert witness.

10 Supervisor Roberts.

11 BOARD MEMBER ROBERTS: Just quickly, noting in
12 this report that the two most significant categories
13 combined -- two-thirds, in fact, are off-road
14 non-agriculture and private trucks. I'm wondering if
15 there are any studies currently underway that are looking
16 at the tremendous impact that should be there from the
17 idling of such a high percentage -- significant percentage
18 of this fleet for economic reasons here over the past 12
19 months. And I'm wondering how that might compare to what
20 our predictive model would suggest the health benefits
21 should be.

22 EXECUTIVE OFFICER GOLDSTENE: I'll ask Tom to
23 comment on that. We're going to be holding a workshop on
24 that shortly, and I'll let Tom explain.

25 CHIEF DEPUTY EXECUTIVE OFFICER CACKETTE: When

1 you mean idling, you mean not non-active as opposed to
2 idling at the side of the road?

3 ACTING CHAIRPERSON RIORDAN: They're not idling
4 and running.

5 BOARD MEMBER ROBERTS: Idling. Excuse me. Not
6 idling. Idle, completely shut down.

7 CHIEF DEPUTY EXECUTIVE OFFICER CACKETTE: At the
8 Board's request, we're going to be returning on
9 December -- either 9 or 10, but the December Board meeting
10 to give you a sense of what the economic turndown has done
11 to the activity of on-road diesel trucks. And we're going
12 to try to give you some sense of what might happen in the
13 future, at least the future growth and activity, and then
14 kind of compare that to our targets which are driven at
15 least in part by the need to meet the PM2.5 ambient
16 standard in 2014.

17 So from that, I think we'll be able to give you
18 some sense of if our goal was X, what percent of that goal
19 has been met by economic downturn and how that might
20 change in the future, at least bound it, and what
21 percentage of reduction that you had anticipated from the
22 original rules is still needed by the rules themselves.
23 So give you some sense.

24 This is not real precise, because we're not
25 economic forecasters. And those who do that even for a

1 profession admit it's a bit of a guess at times.

2 BOARD MEMBER ROBERTS: You were anticipating my
3 second question. The first is really the validity of the
4 micrograms per cubic meter and the reduction we've seen
5 and whether it's within the predicted limits of what we
6 would expect.

7 It just seems in the real laboratory out there
8 you've got an opportunity right now to study some things
9 that down side that should be highly beneficial according
10 to everything we're predicting. And that's what I'd like
11 to know, if our predictions would be confirmed by what
12 we're seeing.

13 CHIEF DEPUTY EXECUTIVE OFFICER CACKETTE: We'll
14 do that. And I think it is very clear that at the
15 simplest level emissions have been going down and the
16 ambient concentrations have been going down as well. But
17 we'll try to link those a little more for you in the
18 presentation in December.

19 BOARD MEMBER ROBERTS: Okay. Thank you.

20 ACTING CHAIRPERSON RIORDAN: Questions?
21 Supervisor Yeager.

22 BOARD MEMBER YEAGER: Yes, thank you.

23 Maybe some of this information is on one of the
24 charts that I can't seem to read along with Ms. Riordan.

25 But do we have studies on the association with

1 health impacts based on age with small children at a
2 certain level or seniors at another level? And I'm
3 wondering how that might come into play with some of our
4 policies and some of these studies.

5 DR. SAMET: Just to comment, if you look at this
6 ISA and the other ISAs, in each one you'll find a chapter
7 on public health impact that addresses. The agency, EPA,
8 has been variable in using the term susceptible and
9 vulnerability. Susceptibility to potentially refer to
10 groups of people like those who are older, those who have
11 asthma, other conditions that might increase their risk.
12 Vulnerable, those who by the nature of where they are,
13 where they live, might have greater exposures than the
14 rest of the population.

15 There clearly are a number of susceptible groups
16 to particulate matter, and this has been looked at in many
17 of the studies, those who are older in general and
18 particularly those who have chronic respiratory and
19 cardiovascular disease, which is a substantial proportion
20 of older persons.

21 There's again newer evidence suggesting perhaps
22 people with diabetes may be at greater risk. So buried in
23 this document you will find discussions of those issues.
24 And if you add up the sort of total group of potentially
25 susceptible individuals to particulate matter, it becomes

1 a quite substantial proportion of the population as you
2 add one group to another to another.

3 BOARD MEMBER YEAGER: I would sort of be
4 interested in getting that information whenever you could.
5 When you think of land use planning and where we put our
6 schools and daycare centers and senior centers, I think we
7 really need to understand the impact it could have on
8 people who are close to those areas.

9 DR. SAMET: Certainly.

10 ACTING CHAIRPERSON RIORDAN: To my right, Dr. --
11 go ahead.

12 BOARD MEMBER BALMES: I would just like to thank
13 Dr. Samet for making the presentation.

14 I suggested to staff that we have Dr. Samet come
15 and do a very brief whirlwind tour of the voluminous data
16 with regard to fine PM and health effects, in particular,
17 mortality. Because I think there's been an effort in some
18 quarters to say that somehow CARB cooked the books with
19 regard to the PM2.5 mortality relationship. And while I
20 regret the misrepresentation of the author of the report
21 that was to be used for informal risk assessment, I don't
22 think the science changed at all one iota by that report.
23 So I was just really appreciative of Dr. Samet taking the
24 time to come up here and present to the Board his take on
25 the science.

1 ACTING CHAIRPERSON RIORDAN: Thank you. I think
2 we'd all echo our appreciation for your coming, and we
3 thank you for that.

4 Dr. Telles -- oh, no. I'm not cutting it off. I
5 wanted him to know we all appreciate the fact he was here.

6 Now, Dr. Telles.

7 BOARD MEMBER TELLES: I just had a question. I
8 also agree that the PM2.5 data overwhelmingly supports
9 that there is mortality associated with this.

10 And I would refer my fellow Board members to read
11 the American Heart Association scientific statement of a
12 few years ago. It's kind of written in a way that a
13 layperson can understand it. And it's referenced with
14 about 150 references. And I read quite a few of those.
15 And it's very well outlined. And maybe if staff could
16 supply us with the ISA report you were referring to.

17 And I just have kind of a technical question. In
18 the New England Journal article about a year ago when it
19 estimated the decreased longevity related to PM2.5, which
20 was I believe based on the cancer study comparing 20 years
21 of data -- and you mentioned there's emerging data on
22 PM2.5 -- different types of particles and all that. Was
23 there enough information there to tease out in the
24 longevity data that there is a difference in regions
25 between like a metropolitan Baltimore area versus a

1 metropolitan Los Angeles area? Is there a difference in
2 region based upon the known difference in the
3 concentrations of different types of stuff and different
4 kinds of components in the particles?

5 DR. SAMET: So one other tangential comment. I'm
6 aware there is a Committee of the AHA that's updating that
7 statement, the 2004 statement that was published in
8 circulation. So there should be something coming along
9 relatively soon I suspect to update that statement.

10 The New England Journal paper did not address
11 regional variation in gains in mortality with reductions
12 of PM. It's probably sort of a too data-demanding
13 question. You need an awful lot of information.

14 At Hopkins, I was principle investigator for one
15 of the particulate matter research centers. And our focus
16 sort of I think addressed in part your question. What we
17 were doing was going to places in the country where an
18 analyses of Medicare data we saw higher risks per unit of
19 particle and places where we saw lower risk. So we did
20 observe some variation across country. This was in the
21 short term.

22 And then what we are doing -- this is now work in
23 progress. We collected particles in each of those
24 locations. That particle collection is finishing up. And
25 then what we're doing is looking very carefully at those

1 particles, other air pollutants. And then we are testing
2 the particles in different biological assays. In fact, we
3 have a mouse heart failure model in which we're looking at
4 the characteristics of particles and a mouse asthma model
5 and some other characterizations. So it's an important
6 set of questions.

7 Again, the report that I mentioned that Bart and
8 I were involved in, we really saw this as a key next
9 agenda step in the particulate matter research agenda and
10 one relevant to what you're doing now but still
11 incomplete.

12 And so the quick answer to your question about
13 the longevity paper did not address regional variation.

14 ACTING CHAIRPERSON RIORDAN: Dr. Balmes.

15 BOARD MEMBER BALMES: If I might just chime in.
16 Are we talking about the Pope paper of New England Journal
17 earlier this year?

18 DR. SAMET: Right.

19 BOARD MEMBER BALMES: So there is a map of the
20 U.S. I use it in teaching. I have a slide right here.
21 And fine particulate air pollution and life expectancy in
22 the U.S. and there are California cities where there was
23 an improvement in longevity that you can -- you can't
24 really speak about California as a whole.

25 DR. SAMET: And you can't speak to whether the

1 gains really vary across the country, which is the point I
2 want to make.

3 BOARD MEMBER BALMES: Exactly. But they do show
4 that individual city data improved in California.

5 BOARD MEMBER TELLES: Interesting comment. In
6 that article, if you go to the map and hit each city, it
7 will bring up the longevity data. And there was four
8 metropolitan areas in California. There was Los Angeles,
9 San Jose, San Francisco -- and where else?

10 BOARD MEMBER BALMES: San Diego.

11 BOARD MEMBER TELLES: San Diego, and the central
12 valley, which wasn't involved in the study because at that
13 time that wasn't data collected. But it was interesting
14 to note that if you hit -- I know this isn't statistical
15 or scientific or anything. But there was quite a bit of
16 difference in the exposure risk from the different cities
17 in California if you just compare the two. And the
18 longevity of the different cities in California was quite
19 different to the point of about two years. If you live in
20 San Francisco, you live a lot longer than if you live in
21 San Jose.

22 BOARD MEMBER BALMES: That's why I live there.

23 BOARD MEMBER TELLES: Why that is I don't know.

24 If you look at the relationship to PM in those
25 four metropolitan areas, it doesn't tell you why people in

1 San Francisco live longer than they do in San Jose. And I
2 suspect in Fresno they even live less long. But anyway,
3 it was interesting.

4 ACTING CHAIRPERSON RIORDAN: Interesting.

5 Ms. D'Adamo.

6 BOARD MEMBER D'ADAMO: Just getting back to the
7 subject that Supervisor Roberts raised about the workshop
8 and some of the information that staff will be seeking to
9 obtain. Just a question as to whether or not you're going
10 to attempt to evaluate what types of trucks have been
11 idled, you know, older trucks, trucks owned by small
12 business, businesses, independent operators.

13 DEPUTY EXECUTIVE OFFICER TERRY: We're not able
14 to do that just now. And we're going to continue to try.

15 The bottom line is we're relying on information
16 with respect to fuel consumption. The traditional
17 counting of vehicles in from a vehicle miles traveled
18 analysis in order to really look at what's going on to
19 that level, you need to understand the various economic
20 sectors and the specifics of what's happening there. So
21 we certainly tried to see if we could find data, but we're
22 not there yet.

23 BOARD MEMBER D'ADAMO: I think eventually we're
24 going to have to move in that direction. I have received
25 some calls and talked to staff about this as well, the

1 impact of the upcoming drayage rule and, you know, how it
2 impacts certain truck owners more so than others. And
3 maybe if we got some additional information on the true
4 impacts collecting data, it would help us to do a better
5 job pinpointing incentive dollars.

6 DEPUTY EXECUTIVE OFFICER TERRY: I should say, we
7 do have some information, because we were able to look at
8 the port specifically. So we have an estimate of the
9 reduced truck activity statewide in the range of 10 to 15
10 percent. But we also have specific analysis of ports and
11 drayage trucks, which is more in the 20 percent realm.
12 But in terms of looking at economic sectors on a statewide
13 basis, we don't have that kind of data.

14 ACTING CHAIRPERSON RIORDAN: Other questions?

15 BOARD MEMBER TELLES: I don't have a question,
16 but I'm going to make a statement in regards to this
17 issue, but not directly related to this issue in the time
18 in the meeting where Board members can make comments of
19 matters of interest for an upcoming meeting. But I'm not
20 going to make it right now. I just want to advise the
21 Chair of that potential statement

22 ACTING CHAIRPERSON RIORDAN: And I thank you, Dr.
23 Telles.

24 We are not quite finished with staff's
25 presentation, so Ms. Peters.

1 CHIEF COUNSEL PETER: Yes, Madam Chair, members
2 of the Board.

3 As you know, the Air Resources Board and its
4 staff have made science and in particular health-based
5 science the guiding light for its programs. And the
6 Research Division and Dr. Samet, as you just heard,
7 presented an update on the health assessment studies which
8 provide the scientific foundation for ARB's diesel
9 regulations, including the truck rule.

10 Part of the presentation a moment ago focused on
11 ARB's November 2008 diesel PM report in a follow-up review
12 by the academic peer reviewers who initially evaluated the
13 validity of that report. And the second review was
14 sparked by an egregious error: The lead ARB staffer
15 falsely claimed he had a Ph.D., and this Ph.D. credential
16 was listed in the November report when it was presented to
17 the Board.

18 Subsequently, it was determined he did not have a
19 Ph.D. and disciplinary action was taken. This misconduct
20 is a matter of public record.

21 Board Chairman Mary Nichols asked me to review
22 the situation, asked me to give this report to the Board.
23 And it's important for the Board and the public to know
24 what's the effect of this misconduct on the legal validity
25 of the truck rule and what steps ARB management has taken

1 to assure this type of misconduct does not recur.

2 And on a broader scale, the important question is
3 what steps we'll take, both the staff and the management,
4 to guarantee that the Board is presented prior to any vote
5 any information that either undercuts the accuracy of the
6 data or questions the credibility of staff preparing
7 reports for the Board.

8 And in short, both the Board and the public need
9 to be able to rely on a transparent, open process in the
10 formulation of the underlying studies and in the adoption
11 of the regulations. And I'd like to address each of these
12 points in turn.

13 In connection with the legal validity of the
14 truck rule, a question was raised whether the
15 administrative record was adequate in terms of the
16 underlying scientific research. Specifically, since one
17 of the studies listed for a basis of the 2008 rule was
18 this November 2008 diesel PM study, does the lead
19 staffer's misconduct related to the Ph.D. vitiate the
20 required legal background basis for the rule? And the
21 answer is no.

22 As outlined in the presentation today, there is a
23 strong line of supporting health assessment data showing
24 the negative health impacts of diesel PM. Moreover, the
25 peer reviewers of the November 2008 report were

1 specifically asked to consider whether the staffer's
2 misconduct affected the validity of the underlying study.
3 And they concluded earlier this year it did not.

4 A comment regarding the staffer's credentials was
5 submitted in connection with the December 2008 truck rule
6 and the legally required Final Statement of Reasons, or
7 FSOR, responded to this comment as well as to all the
8 other comments that were filed on this regulation. This
9 FSOR is presently over at the Office of Administrative Law
10 for its review. And the FSOR sets out in detail all the
11 background scientific studies which meets the legal
12 requirements for this background scientific data. Once
13 the FSOR is approved by the Office of Administrative Law,
14 it will then be made public.

15 Now, although the false credentials are an enigma
16 to ARB's principles and although disciplinary action was
17 taken against the employee who falsified his credentials,
18 this error does not undercut the legal validity of the
19 truck rule because there is a separate scientific
20 justification for the rule.

21 And in addition, Executive Officer Goldstene is
22 going to discuss in a second one point. But he has
23 directed that all of the academic credentials of the staff
24 be confirmed and verified.

25 And, finally, I'd like to outline how we'll

1 assure the Board that the comments relating to data
2 accuracy and staff credentials will be presented to the
3 Board before votes in the future.

4 By necessity, the ARB staff summarizes and
5 evaluates information for the Board. We get thousands of
6 comments sometimes on some of the regulations. And that's
7 their job is to summarize and evaluate.

8 However, on the truck rule, it was an error not
9 to bring to the Board's attention the comment that an ARB
10 staff member may not have his claimed Ph.D. degree.

11 Now, the comments for all of the regulations are
12 filed with the Board clerk and then provided by that staff
13 to the program staff responsible for a particular
14 regulation. Since the administrative staff for the
15 regulations are in my chain of command, for future Board
16 items, we commit that any comment concerning data
17 inaccuracy or ARB staff integrity will be highlighted for
18 the Board members' consideration before the vote.

19 And I cannot discuss any specific matters related
20 to the personnel action in this public setting, but I'm
21 happy to answer any other questions.

22 But first Mr. Goldstene would like to make a few
23 additional remarks.

24 EXECUTIVE OFFICER GOLDSTENE: Thank you, Ellen.

25 Just a follow. In order to make sure this never

1 happens again, we are going to be working with an outside
2 company to check the credentials of all current and future
3 professional employees here at ARB. This outside
4 verification system, we've just tested it with the legal
5 office, and we'll be using that for others and enter into
6 a contract with this firm that does this for us. I think
7 they have access to 3500 universities around the world.
8 So we should be able to do this.

9 So thank you, Ellen.

10 The other thing I'd like to say is obviously
11 we're all upset about what happened. We're going to make
12 sure it doesn't happen again. We can't recall a time ever
13 in the 40-year history of the Board that something like
14 this has happened. So we'll certainly make sure it
15 doesn't happen again.

16 ACTING CHAIRPERSON RIORDAN: And I would like to
17 say to the Board and to the staff, I do think it is
18 unique, as you stated, Mr. Goldstene. I don't recall it
19 being an issue during my tenure, which unfortunately is a
20 long tenure.

21 But I do think this is most unique and has caused
22 a great deal of difficulty for a lot of people. And what
23 really matters is how we go forward. And I think with the
24 assurance of staff that your policy is going to be
25 followed that you indicated just now, I think we can avoid

1 a lot of heartache and time spent on something that really
2 it takes away from the mission of the Board.

3 Let me just say that we do have one speaker, and
4 I don't want her to think that I've forgotten her. So if
5 we could just --

6 BOARD MEMBER TELLES: Can I comment?

7 ACTING CHAIRPERSON RIORDAN: Certainly, Dr.
8 Telles.

9 BOARD MEMBER TELLES: I think it's not only
10 important how we go forward, but also important how we go
11 backwards and re-look at this.

12 In my world as a physician, if a hospital granted
13 privileges to somebody to do a surgery that wasn't trained
14 or didn't have the proper credentials, the hospital is
15 just as liable as the physician if there was any mishap.

16 You know, it's kind of amazing that there wasn't
17 a certification process going on here that would check
18 credentials. This is a standard procedure done in every
19 hospital in the United States, and I would think it would
20 be done in an institution like this.

21 And despite the comments made today that there
22 was a known fact there was a falsification of credentials
23 related to the methodology report, no one here has yet
24 made the comment that the staff and Board members knew of
25 this falsification of credentials prior to the vote.

1 And this is what I'll be addressing in my
2 upcoming comments. And that's all I'll say right now. I
3 think that I would have expected at this point that staff
4 would have at least made that comment in the public
5 record. I'll make that comment.

6 ACTING CHAIRPERSON RIORDAN: Thank you.

7 Let me move on to our one speaker, and that's
8 Betty Plowman. If you'd come forward, please, and give us
9 your name and who you represent.

10 And so everybody knows, not just this speaker, we
11 do allow for three minutes for comment. The timer is
12 there at the podium and as well as I watch a timer up
13 here.

14 So welcome. And if you would proceed.

15 MS. PLOWMAN: Thank you.

16 My name is Betty Plowman. I'm employed by the
17 California Dump Truck Owners Association. Prior to that,
18 I did drive and own my own dump truck business. I was an
19 owner-operator, plus later on I had employee drivers.

20 And I would like to make a note now that should I
21 have a premature death any time before 78.8 months, it is
22 most likely attributed to my former two-pack a day smoking
23 habit.

24 I would like to address and thank all of you, and
25 I'm fully aware of the integrity that you have. I know we

1 have different scopes from each of you; politicians,
2 doctors, professors, business people. Each one I think
3 has always had integrity. And I do want you to know that
4 is not what I question.

5 But, however, I do feel that the
6 misrepresentation by Hien Tran, despite what has been said
7 this morning, has caused more feelings among the public on
8 exactly how valuable his report was. Because if I can
9 give an example, when I began attending the CARB meetings
10 in April of 2006, the first figures I was given according
11 to premature death -- and it's well documented in the
12 programs -- was the number of 2,000 deaths prematurely.
13 This is April of '06. Those were the figures we were
14 given. Within the last two years, that figure has gone to
15 3,500. And in the letter sent by Chairman Nichols just
16 last week to Roger Nello who had wanted to have something
17 stopped on these rules, that figure is now to 4500.

18 Now, this comes at a time when someone questioned
19 the fact many of our trucks are idle -- not idling, but
20 they're not working anymore. And if anything, those
21 figures should have probably decreased from the amount of
22 diesel consumption and the fact that most of us are now
23 unemployed.

24 So I once again question figures that are being
25 thrown out there that definitely scare the bejeebers out

1 of the general public when they see a truck going by and
2 think it's instantly going to kill them.

3 This is another thing. The figures have not
4 remained consistent in the effects of what this PM2.5
5 actually causes.

6 I wish I had had time to go over the staff
7 report. I realize it wasn't made public until today. But
8 because of the Hien Tran issue, despite what's said, the
9 integrity of this entire process is in question.

10 Thank you.

11 ACTING CHAIRPERSON RIORDAN: Thank you very much
12 for your comments.

13 Staff, would you like to just respond?

14 EXECUTIVE OFFICER GOLDSTENE: Yeah, we can
15 comment on the numbers.

16 HEALTH AND EXPOSURE ASSESSMENT BRANCH CHIEF
17 SMITH: Originally, the 2,000 number was with older
18 scientific data. Later when it went up to 3500, it was
19 because we had an increased understanding of how dangerous
20 actually the PM2.5 was and the risk factor went up from 6
21 percent to 10 percent.

22 The more recent number was actually specifically
23 for I believe trucks. I remember seeing that calculation
24 coming across my desk. But the more important issue was
25 it was both primary diesel and the secondary PM that

1 results from diesel exhaust. Whereas, the other numbers
2 were just the primary diesel and didn't include the
3 secondary.

4 I also want to point out there is uncertainty in
5 those numbers, and we always present a range in addition
6 to this central estimate. It's range not only that
7 central estimate, but it's broader than that and it could
8 be a little bit lower or higher.

9 ACTING CHAIRPERSON RIORDAN: Maybe what I can do
10 is take a Chairman's prerogative and ask staff to meet
11 with Ms. Plowman, because I think it's a little difficult
12 to discuss figures back and forth.

13 And are you going to be here, Betty, until maybe
14 we take a break around maybe almost 11:00?

15 MS. PLOWMAN: Absolutely.

16 ACTING CHAIRPERSON RIORDAN: Great. And maybe
17 you can set up a time when you can meet conveniently and
18 show her the progression and the studies that follow
19 along. I would appreciate that.

20 Board members, are there any further comments?
21 If not, then this is not a regulatory item and so there's
22 no need to officially close the record. And we'll move
23 on.

24 But we again thank our expert witness. Very
25 helpful to all of us, I'm sure.

1 Yes, Mayor Loveridge.

2 BOARD MEMBER LOVERIDGE: Madam Chair, I'm just
3 asking about the order of the next item. I know we have a
4 number of distinguished guests in the first row. It seems
5 to me that is a particularly important item and I was
6 wondering about if we could take up 9-9-2 rather than
7 9-9-1.

8 ACTING CHAIRPERSON RIORDAN: Well, we could,
9 except, Mayor Loveridge, let me just tell you, 9-9-1 is
10 about the shortest agenda item you're going to hear.
11 And --

12 BOARD MEMBER LOVERIDGE: I understand that. You
13 mention an 11:00 break and I thought maybe it might be
14 useful to take up the item where there is the most people
15 here probably, most interest, and I think most importance
16 or our agenda today.

17 ACTING CHAIRPERSON RIORDAN: If I were to tell
18 you we've budgeted just ten minutes for this item, would
19 that make you feel more comfortable?

20 BOARD MEMBER LOVERIDGE: It seems to me it
21 doesn't matter when that item is.

22 ACTING CHAIRPERSON RIORDAN: Well, that's
23 probably true. And I'll defer to the Board. If the Board
24 has no problem, we could take 9-9-2 before 1, if that's
25 all right, if the staff is here. Okay.

1 Item 9-9-2 will provide the Board with a report
2 on recommendations made by the Regional Targeted Advisory
3 Committee to assist the ARB with the implementation of SB
4 375.

5 When the Board adopted AB 32 Scoping Plan last
6 year, SB 375 was identified as the mechanism for bringing
7 about the changes in land use and transportation planning
8 needed to bring California's climate goals in 2020 and
9 beyond. These changes are in addition to what can be
10 accomplished with cleaner vehicles and transportation
11 fuels.

12 Before we begin the staff presentation, I want to
13 recognize the efforts of each and every member of the
14 Committee. Several members are here today sitting in the
15 front row. You were acknowledged earlier by Mayor
16 Loveridge. I'll acknowledge you now and say how grateful
17 we are for the efforts that you have made. In particular,
18 I would like to thank the RTAC Chairman Mike McKeever for
19 his continued dedication for this effort.

20 Mr. Goldstene, would you like to introduce this
21 item?

22 EXECUTIVE OFFICER GOLDSTENE: Thank you, Madam
23 Chair.

24 Senate Bill 375 signed by the Governor in 2008
25 directs ARB to set regional targets for the purpose of

1 reducing greenhouse gas emissions from passenger vehicles
2 for 2020 and 2035.

3 In accordance with SB 375, the Board appointed
4 the Regional Targets Advisory Committee in January to
5 provide recommendations for use in ARB's target-setting
6 process. The Committee completed its work this past
7 September. We believe their recommendations provide a
8 solid framework for ARB to build on as we move forward in
9 developing targets. In its presentation, staff will
10 describe how it is incorporating the Committee's
11 recommendation on a target setting approach, how to
12 express targets, how to best measure land use and
13 transportation policy impacts, and on economic and fiscal
14 considerations and ARB's target-setting process.

15 Lezlie Kimura from our Air Quality and
16 Transportation Planning Branch will begin the staff
17 presentation. Ms. Kimura.

18 (Thereupon an overhead presentation was
19 presented as follows.)

20 MS. KIMURA: Thank you, Mr. Goldstene.

21 Good morning, Madam Chair and members of the
22 Board.

23 It is my pleasure to report to you on the final
24 recommendations of the Regional Targets Advisory
25 Committee, or RTAC, as they relate to Senate Bill 375

1 affected by SB 375. In total, they represent a
2 significant portion of the entire state, approximately 98
3 percent of the state's population, and have the
4 opportunity to affect nearly 97 percent of the state's
5 passenger vehicle greenhouse gas emissions.

6 --o0o--

7 MS. KIMURA: With that context, the
8 target-setting process set out in SB 375 has a number of
9 moving parts, beginning with the RTAC making
10 recommendations to ARB. It also requires that ARB engage
11 in an information exchange with the affected MPOs and air
12 districts and allows MPOs to suggest a target for their
13 region prior to ARB setting targets.

14 All this data and information will come together
15 to help ARB issue draft targets by the end of June next
16 year and set final targets by the end of next September.

17 ARB is to update these targets every eight years
18 with the possibility of updating them every four years if
19 needed.

20 --o0o--

21 MS. KIMURA: Once targets are set, MPOs are
22 required to prepare a sustainable community strategy as
23 part of their regional transportation plan, or RTP. This
24 represents a fundamental change to California's
25 traditional transportation planning process, by adding new

1 content to RTPs, which MPOs prepare every four to five
2 years. Previously, RTPs were required to contain three
3 elements: The policy, action, and financial elements. SB
4 375 adds a new element with the sustainable community
5 strategy.

6 --o0o--

7 MS. KIMURA: For the sustainable communities
8 strategy, MPOs are required to set an integrated
9 development pattern and transportation network for the
10 region, identifying things such as the general location of
11 different land use types, residential densities, and areas
12 to house the region's population, among other things.

13 The statute recognizes that current
14 transportation planning processes are complex, but
15 emphasizes that development of the sustainable community
16 strategy should occur through a very transparent, public
17 process, with the information and tools necessary to
18 provide the public with a clear understanding of the
19 issues and policy choices before them.

20 To do this, the bill suggests that inputs and
21 outputs of MPO modeling analyses should be made available
22 and understandable to the public and that visual
23 representations of SCS and APS plans should be used to
24 help clearly communicate proposed land use and
25 transportation strategies.

1 environmental analyses under the three categories listed
2 here: Projects consistent with an accepted SCS or APS;
3 transit priority projects; and sustainable communities
4 projects.

5 --o0o--

6 MS. KIMURA: The Regional Targets Advisory
7 Committee covered a lot of ground in their discussions
8 this past years. Over the next few slides, I will
9 highlight a few of the RTAC recommendations that staff
10 view as especially valuable as we move forward on
11 developing targets for your consideration next year. The
12 RTAC recommended a target metric, a statewide starting
13 point, the tools and information that should be used for
14 setting targets, as well as a recommendation on the nature
15 of state and local interaction during the process.

16 --o0o--

17 MS. KIMURA: The target metric, or how targets
18 should be expressed, is something that RTAC came to early
19 agreement on. They recommended that targets be expressed
20 as a percent per capita emission reduction from 2005
21 levels.

22 Their recommendation is based on four main
23 considerations. The first was a desire to recommend a
24 metric that is easily understandable to individuals and
25 helps communicate the need for change at a very personal

1 preliminary target would be subject to a reasonably tough
2 test, which the Committee did not define.

3 --o0o--

4 MS. KIMURA: The topic of what tools and
5 information should be used for target setting was a big
6 issue for the Committee. After much discussion, they
7 acknowledged the importance of using both modeling tools
8 as well as policies and practices tools for target
9 setting. While modeling tools are complex, they have the
10 benefit of being able to quantify how different policies
11 interact with each other.

12 Furthermore, MPOs in the state have a long
13 history of using these models for their RTPs. It makes
14 sense that investments in these tools should continue to
15 be leveraged.

16 A policies and practices tool is a simpler,
17 easier to understand tool. It would provide stakeholders
18 with a discrete list of land use and transportation policy
19 choices for reducing emissions, as well as the likely
20 range of impacts of each.

21 While less able to quantify how policies work
22 together, the benefits of a policies and practices tool is
23 its ability to serve as a decision-making tool for local
24 and regional planning efforts.

25 --o0o--

1 finalizing an interagency agreement with a team of
2 University of California experts. The purpose of this
3 agreement is to provide expert consultation to ARB in
4 reviewing analysis tools, like the policies and practices
5 tool, to ensure that they appropriately reflect what the
6 data and research support.

7 --o0o--

8 MS. KIMURA: There are several milestones to be
9 met over the next nine months. As RTAC recommended, we
10 plan to work in an interactive fashion with MPOs to
11 develop a technical basis for setting targets. As we move
12 forward, staff's challenge will be to process and
13 incorporate information from these efforts into an initial
14 statewide target, and then to propose targets for each
15 region by June of next year.

16 Through the summer of 2010, staff will solicit
17 comments on the proposed targets and develop a final staff
18 proposal for Board consideration by September 2010.

19 This concludes the staff presentation. Thank
20 you.

21 ACTING CHAIRPERSON RIORDAN: Thank you very much.

22 Before I turn to our list of witnesses, let me
23 ask the Board members if there are any questions of the
24 staff at this time.

25 Dr. Sperling.

1 BOARD MEMBER SPERLING: Just one quick comment
2 before we get started on this.

3 Chairman Nichols asked me to be the liaison
4 between the Board and the RTAC, so I attended many of the
5 meetings and participated in a lot of the discussions.
6 And I just want to say how impressed I was with the whole
7 RTAC, the group, the meetings it held. It really created
8 a discussion. It brought a lot of people into it. It was
9 very engaging. It was very thoughtful and in the end I
10 think came up with a very good product. I'll have some
11 thoughts later about where it goes next. But I think it
12 is something the whole group should be proud of. And I
13 think it's also though a first step. And we all know
14 there's a lot -- it's a long path in front of us. But
15 it's very promising that this much progress was made.

16 ACTING CHAIRPERSON RIORDAN: Very good.

17 Supervisor Roberts and then Mayor Loveridge.

18 BOARD MEMBER ROBERTS: Thank you.

19 Just help me and review how we got here. And I
20 know the legislation. We had kind of tentatively adopted
21 some larger targets and I thought -- no?

22 EXECUTIVE OFFICER GOLDSTENE: Supervisor Roberts.

23 BOARD MEMBER ROBERTS: "Adopted" may be too
24 strong a word.

25 EXECUTIVE OFFICER GOLDSTENE: In the Scoping

1 Plan, we put a number in which we indicated very clearly
2 was a bogie of five.

3 BOARD MEMBER ROBERTS: No, I understand that. We
4 looked at a whole lot of different categories. And for
5 this particular category, I think we came up with five
6 million metric tons or something like that.

7 EXECUTIVE OFFICER GOLDSTENE: Right. For
8 purposes of the Scoping Plan.

9 BOARD MEMBER ROBERTS: For purposes of the
10 Scoping Plan. But wouldn't that be a starting point for
11 analysis at least?

12 EXECUTIVE OFFICER GOLDSTENE: Well, it can be.
13 And we can get into more detail about that certainly.

14 BOARD MEMBER ROBERTS: I just was thinking, okay,
15 we were going to look at that and see what that meant with
16 respect to the areas that are involved in that number.
17 Okay. Specifically, the local land use and planning --

18 EXECUTIVE OFFICER GOLDSTENE: That's the
19 challenge is figuring out the methodology --

20 BOARD MEMBER ROBERTS: Okay. So just in my own
21 simple way of thinking about this, wouldn't you take
22 that -- and now we're talking per capita. Wouldn't the
23 first cycle through be, okay, here's what your regional
24 target is based on your per capita?

25 DEPUTY EXECUTIVE OFFICER TERRY: Sure. And I do

1 think -- we did want to have the RTAC members speak to you
2 first before we get into the general testimony, but we're
3 happy to kick this off.

4 Certainly, the Scoping Plan is a starting point.
5 And the way staff derived the placeholder that we put in
6 the Scoping Plan was based on studies, based on a per
7 capita assumption of a reduction of about four percent.
8 So that is I think intellectually the starting point.

9 But I think you'll hear good comments from the
10 RTAC members about the emphasis of a back and forth on the
11 technical work between ARB staff, the MPOs, and then our
12 academic support over the next few months. So it's the
13 combination of all of those activities that I think will
14 lead us to re-evaluate that number. And so we're very
15 open to where we end up in this process. So we're not
16 starting with the premise that that number is the ultimate
17 goal.

18 BOARD MEMBER ROBERTS: Okay. But we haven't had
19 any testimony there's anything wrong with that number yet.

20 DEPUTY EXECUTIVE OFFICER TERRY: With the number?

21 BOARD MEMBER ROBERTS: I don't know what that
22 number means in terms of how -- for instance, in our
23 region, we would have three million plus people, and we'd
24 have per capita our share of that number I would guess.

25 DEPUTY EXECUTIVE OFFICER TERRY: One thing we

1 need to be clear about is a per capita reduction. And I
2 think you'll hear some comments on this.

3 What we're talking about is looking at a baseline
4 of where each region is today and then looking at in the
5 2020 time frame and then 2035 as well what would be an
6 ambitious and achievable target in terms of a percentage
7 reduction in greenhouse gases on a per capita basis from
8 where we stand today.

9 BOARD MEMBER ROBERTS: So -- okay. I'm a little
10 concerned about that, because it seems to me we kind of
11 bracket things on a big picture and now we're throwing
12 that out.

13 I get a little concerned when I hear such great
14 planning phrases as "well beyond business as usual," which
15 makes me wonder what "business as usual" is. But I'm sure
16 you guys know and specifically can guide us down that
17 path.

18 And I have more concern that we lose sight of
19 what we're really trying to do, and that's reduce
20 greenhouse gases. And it seems to me that to the extent
21 it's quantifiable and we can relate that to a pathway --
22 and I'm a little concerned we're getting off of that and
23 we're starting to go down a path that we're going to see
24 what you're doing today and we have to inflict something
25 on you to make sure that you get to some level, even if

1 it's well beyond anything we ever imagined was going to
2 come out of local areas relative to the bigger picture.

3 ACTING CHAIRPERSON RIORDAN: Mayor Loveridge.

4 BOARD MEMBER LOVERIDGE: I think we ought to
5 wait. I mean, there is 22 people that are going to speak
6 to us. And it's just interesting. I've rarely seen this
7 before where all 22 are listed as being in favor of what
8 is being introduced to us today. And it's clear this is
9 not a final product; this is an ongoing work in progress.

10 I did want to make just a follow up. Mr.
11 Sperling's comment, just some overview, just quick
12 thoughts is that -- one is to thank the members for the
13 really exceptional commitment of time. But this really in
14 many ways is an historic proposal. For the first time I
15 have any memory of where the State is attempting to get
16 involved in what's happening in different regions. And
17 normally the market social political forces triumph. And
18 this is an effort to shape the urban form in ways I have
19 no past memory of.

20 So I think this really is an historic proposal
21 that is before us. As you'll hear, it's complex and
22 difficult. What happened is you have people that sat
23 around the table and began to -- and added value of the
24 conversation. I think it emphasizes the importance of
25 people coming to the table and kind of added value as they

1 talk about finding solutions.

2 I attended a meeting yesterday which was standing
3 room only people wanting to find out what SB 375 is
4 represented. There is enormous interest across the state.
5 What we're doing here is important.

6 And one other thing I just wanted to applaud is
7 that -- I'm never sure why we don't do more of it. But it
8 seems to me as the State moves forward, we need to look to
9 the University of California for its support and research.
10 And I compliment the staff on tying this good work with
11 good work at the university.

12 ACTING CHAIRPERSON RIORDAN: Very good. Thank
13 you.

14 Ms. D'Adamo.

15 BOARD MEMBER D'ADAMO: Well, I think what helps
16 me to put it into perspective here is the time line on the
17 back page. So I want to make sure I understand it
18 correctly. There will be the ongoing work between now and
19 June 30th at which time those models will be further
20 developed and I guess overlaid on each of the regions.
21 So what would come out in June would be draft targets that
22 would be based on this scientific model.

23 DEPUTY EXECUTIVE OFFICER TERRY: That's correct.
24 And that is actually a statutory requirement that we have
25 draft targets in the June time frame. But between January

1 and June, we will have an extensive public process. We'll
2 put out proposed targets in June and then an additional
3 couple of very intense months I believe to discuss those
4 draft targets. And then staff will put forward their
5 final staff proposal for this September Board meeting.

6 BOARD MEMBER D'ADAMO: Now, when we discussed
7 this in the context of the Scoping Plan, I was one out
8 there that was really pushing to go much further, not
9 based on anything very specific. I just knew we wanted to
10 go further.

11 So I do really appreciate what the RTAC has done
12 to just dive in here and put together a framework that it
13 will be based on sound science. So when it comes back,
14 for those of us that want to go further or whatever
15 persuasion you come from on this issue, at least we would
16 have some specific modeling that will help us to better
17 make the informed decisions.

18 The question that I have has to do with best
19 management practices. I want to make sure I understand
20 what that means. And just taking a hypothetical.
21 Building a project that is adjacent to a transit system or
22 putting in a bike lane, would those be examples of best
23 management practice, an item that could be on this list?

24 AIR QUALITY AND TRANSPORTATION PLANNING BRANCH
25 CHIEF KARPEROS: Those are two good examples. One of the

1 things that we've been looking at as we look at the
2 spectrum of best management practices in the
3 presentation -- we refer to it as policies and
4 practices -- is that it truly is a spectrum. There are
5 policies and practices at a very aggregate level that
6 would say you increase the mix of the development down to
7 a much more specific sort of policy, a bike lane, per se.
8 And one of the things as we're trying to do in this
9 policies and practices tool, working with UCs to identify
10 the appropriate and supporting empirical data is how can
11 we structure this to reflect the spectrum from the very
12 aggregate level down to the very specific so it can be
13 most useful to the local decision maker and the local
14 planner as they look at that as a tool and how to bring it
15 into the decision making and their local outreach.

16 BOARD MEMBER D'ADAMO: And then my next question
17 is whether or not -- I imagine there would be differences.
18 A bike lane in one community could get you a lot further
19 in terms of reductions than other communities.

20 So would the modeling eventually become so
21 sophisticated that this policies and practices -- I guess
22 that's another term for best management -- that you could
23 overlay the modeling in order to hone in and get some very
24 specific detail.

25 MR. ITO: The challenge that the -- I'm Douglas

1 Ito with the planning group.

2 One of the challenges that the RTAC had in
3 discussing the policies and practices was addressing the
4 need for local government officials to be able to have a
5 tangible way of describing specific actions that they want
6 to move forward to with.

7 In addition on the other hand, what the empirical
8 data say about much more generalized aggregate forms of
9 these policies, such as increasing density or increasing
10 the accessibility of transit.

11 And so what we're working on in terms of the
12 framework is to be able to reflect something that's useful
13 at a local very specific action level and is useful for
14 the academic community and other experts and practitioners
15 to be able to feed in what the scientific data say about
16 the impact of these policies on reducing greenhouse gases.

17 And when that data comes in -- and there's also
18 some work in this field -- the empirical side, the
19 scientific data, can be used to improve the modeling tools
20 that the regions are using that integrate these policies
21 into their plans. And that will be reflective of what
22 strategies they're doing, put it into their models, and
23 then what reductions in greenhouse gases can come out of
24 their processes.

25 BOARD MEMBER D'ADAMO: Okay. And then I would

1 just add that anything that can be done on co-benefits I
2 think would be very useful, especially to local planners,
3 who in some instances think they're doing the right thing.
4 But if they have the information before, it makes it
5 easier.

6 Thanks.

7 ACTING CHAIRPERSON RIORDAN: Dr. Sperling and
8 then Dr. Telles.

9 BOARD MEMBER SPERLING: So let me try to give you
10 the big picture, to respond to the initial Supervisor
11 Roberts's concern: How did we get to where we are?

12 I think it's important to point out that SB 375
13 is truly historic in the sense that we mock our government
14 in California sometimes as being dysfunctional. But here
15 we have a case of the Legislature passing this law, the
16 Governor signing it, with the intent of doing something
17 about our cities. That's what it really reflects is a
18 concern that the future of our cities in California, the
19 livability, the health is of concern.

20 And so this was an attempt to deal -- it's
21 explicitly addressing the greenhouse gases, but it was
22 actually premised in a much broader concern about land use
23 and the nature of the cities themselves.

24 And so it was really historic, and it's important
25 because for the first time now we do have a legal

1 framework for actually doing something about an
2 overarching framework dealing with the vehicle use,
3 especially as well as supporting some of the land use
4 planning efforts going on.

5 In the transportation profession, there's been
6 transportation demand management for decades that has been
7 largely unsuccessful largely because it's not been rooted
8 in any kind of legal framework. So it's historic in that
9 perspective.

10 The other point is about this five million tons.
11 So, you know, this is partly my memory of our discussion
12 at that time, but having been deeply developed with it as
13 were many of the RTAC members. There was a lot of
14 discussion about what exactly is the right number. And in
15 the end, we used that -- as Mr. Goldstene said, we used it
16 as a placeholder, the five million, because there was a
17 lot of the concern, a lot of evidence that the number
18 should be much higher, but we never felt confident we had
19 the sound scientific basis to do that. And we kind of
20 left it fairly open we would use that as a placeholder and
21 would be re-visiting it through this process here. And
22 that is what will be happening in the next six months on
23 that.

24 I also want to say that this is important,
25 because what we're really doing is putting in place a

1 process. We're putting in place a process that a
2 long-term durable framework going into the future about
3 how we're going to oversee the vehicle use and land use
4 into the future.

5 And the law, quite frankly, is quite weak. And I
6 think everyone on the RTAC and anyone that's thought about
7 it would acknowledge that. But we all look at it as the
8 first step. And so part of the issue about resources is,
9 you know, we do need to come up with resources that
10 support the efforts of local governments to do some of
11 these things that are going to be identified. So that's
12 got to be a major part of this process as we go forward.

13 And the other part is dealing with the data and
14 models. You know, a lot more effort is going to have to
15 be done to be able to come up with better data and models
16 that can actually be used effectively for compliance
17 purposes and planning purposes.

18 And I think, you know, we're engaging a lot of
19 faculty, a lot of researchers in the U.C. system
20 especially, and I'm encouraged we are moving in that
21 direction. It will take time, though. So that's kind of
22 the big picture before we get into the gory details here.

23 ACTING CHAIRPERSON RIORDAN: All right.

24 Dr. Telles.

25 BOARD MEMBER TELLES: When this first came up

1 almost a year ago, I made mention that there's one region
2 in California that already has policies and procedures in
3 place that is somewhat addressing this issue indirectly by
4 addressing emissions for air pollutants. And that's the
5 San Joaquin Valley, which has its indirect source rule in
6 effect as approved by the Board at the San Joaquin Valley
7 Air Pollution Control District. And at that time I also
8 asked when this was looked at would you look at that
9 particular rule and just kind of use it maybe as how
10 beneficial that would be for the RTAC and coming up with
11 some guidelines. And was that done? Did RTAC look at the
12 indirect source rule in San Joaquin County at all? Since
13 it's already been in place now for three or four years and
14 it's functional and effective at reducing emissions, it's
15 been proved in the San Joaquin Valley, I was just
16 wondering if you looked at the first historical effort to
17 address this issue.

18 DEPUTY EXECUTIVE OFFICER TERRY: There was
19 discussion. And perhaps some of the RTAC members who had
20 opinions would like to comment on that for your benefit.

21 ACTING CHAIRPERSON RIORDAN: We'll have that
22 done.

23 Supervisor Yeager.

24 BOARD MEMBER YEAGER: Yes, thank you.

25 I also appreciate all the work that the RTAC

1 members did.

2 As I was reading it, I had a number of questions
3 that would come up in my mind, only to be relieved that
4 they were addressed later on. So I think you really were
5 trying to capture all of the angles. Because you all come
6 from different sectors in the state and in business, I
7 think you were aware of the various issues. So you must
8 have had some wonderful discussions.

9 I think my main concern is -- and maybe staff can
10 address this as we go forward with this between now and
11 June -- of making sure we're looking at as many of the
12 sort of competing goals that we have out there. I mean,
13 certainly now we've put this overlay of greenhouse gas
14 emission reduction targets on land use because of 375.
15 And it's fine for us to sort of focus on that and say,
16 okay, that's the goal. But for someone like myself who
17 comes from local government and serves on a lot of
18 regional boards, I understand that there's many other
19 priorities that we're supposed to be looking at. And I
20 don't know how that's all going to fit in.

21 And maybe to mention a couple of them, certainly
22 when you think of the housing assessment needs we have, we
23 want to make sure that we promote affordable housing and
24 in-fill housing. But so how do we try to achieve those
25 goals knowing that for some developers and for some cities

1 there may now be additional requirements put on them and
2 so therefore aren't as aggressive as they might want to
3 be. And how do we fold into this everything that's
4 happening with redevelopment throughout the state. As the
5 state continues to take dollars away from redevelopment,
6 it's those dollars that actually go towards affordable
7 housing more than any other dollars. So we need to
8 understand that.

9 And the state also continues to raid transit
10 funds. So all of a sudden now if you don't have money for
11 housing or transportation, you now want to make sure you
12 have these greenhouse gas reductions.

13 So all of it is happening at the same time. And
14 local jurisdictions then are sort of responsible for
15 carrying these things out. Also finding that they don't
16 have any extra planners on their staff to do any of this
17 work.

18 Just one more thing. In this economy, a third of
19 all the jobs we've lost have been in the housing
20 construction. So if we're ever going to come back with a
21 strong economy, it's going to be in housing. So we in a
22 way want to make it easier, not harder.

23 So I just hope this all becomes part of our
24 discussion and just not look at one thing. And depending
25 on what kind of staff reports we get in the future, if you

1 could tie these various things in. And certainly I think
2 that's going to help the regional planning bodies a lot,
3 but also local government that I think is finding it's
4 being asked to do more and more with fewer resources.

5 ACTING CHAIRPERSON RIORDAN: Mr. Goldstene and
6 then Supervisor Roberts.

7 EXECUTIVE OFFICER GOLDSTENE: I think following
8 on what Mr. Loveridge and Dr. Sperling were talking about
9 earlier, why 375 is historic is for the points and the
10 questions that you're raising, Supervisor Yeager, which is
11 it's attempting to align housing and transportation and
12 greenhouse gas reductions and even co-benefits from other
13 pollutants together to try to align all that up at the
14 same time.

15 Those are all excellent questions. And they all
16 have -- we agree and I know the RTAC agrees that all has
17 to be looked at simultaneously.

18 ACTING CHAIRPERSON RIORDAN: Supervisor Roberts.

19 BOARD MEMBER ROBERTS: To some extent, I think
20 Professor Sperling maybe made the point I was trying to
21 make, but he was making it from a different perspective.
22 And I'm making it from a point that I'm frightened by
23 this. For this Board to get involved as a principle in
24 land use planning, we have no experience. We have very
25 little knowledge. The staff has very little knowledge,

1 with all due respect.

2 To discard what's being done and has been done at
3 the local level is a supreme arrogance that I'm seeing.
4 And to be doing this at the same time -- you didn't reduce
5 transportation. Sacramento cut out all the transportation
6 dollars, all the public transportation, at the time
7 they're telling us that public transportation is the key
8 to the future.

9 The state is dysfunctional. And it's
10 schizophrenic. And what I'm concerned about -- we've been
11 successful, because we have understood air quality issues
12 and we focused on air quality issues. And I'm afraid now
13 that we're getting way off. That's why I asked at the
14 beginning is this about greenhouse gas. And Professor
15 Sperling answered, no, it's about land use planning in
16 addition and it's about all these other things. Those
17 things have always been incidental.

18 We've never been in a position to try to rule on
19 the local land use planning. And now we're doing that and
20 we're saying, well, we'll set some rules based on it's got
21 to go beyond business as usual in spite of the fact that
22 business as usual in some areas may produce the savings we
23 need as far as the greenhouse gases are concerned. It
24 seems to me it ought to be principally driven by the
25 greenhouse gas issue.

1 And I'm afraid that from what I'm seeing and from
2 the comments I'm hearing we're all of a sudden assuming
3 that there is some qualifications on this Board and
4 specifically in this organization that has -- and
5 University of California and I'll include them -- has
6 created some type of super planning agency with an ability
7 to go in and create cities and communities in a way that
8 the local governments can't do themselves. And I think
9 that that is a wrong, and I think it's taking us in a
10 direction that this Board hasn't been informed on. And in
11 that sense, it's historic. It doesn't mean it's right.
12 It doesn't mean it's proper. It's definitely is historic.

13 BOARD MEMBER SPERLING: Let me --

14 ACTING CHAIRPERSON RIORDAN: Wait. We cannot
15 debate this. This is obviously a range of divergent views
16 that is replicated in the state of California.

17 So, staff, you have my blessing to try to figure
18 it all out.

19 But here's what I do know. I do know the clock
20 and I do know the time. I want to move to these people
21 who have been so patient and waiting to testify.

22 I also need to be aware of my court reporter over
23 here.

24 And so here's my take on this. I'd like to ask
25 Mike McKeever to come forward first, give him the

1 opportunity to testify. I know it would be the biggest
2 challenge of his life to meet our three-minute rule. But
3 that's what we have to do.

4 Then I'm going to take a ten-minute break. And
5 I'm going to begin with Linda Parks, Greg Devereaux, and
6 Gary Gallegos to follow. And let's move this along,
7 because we've got a much bigger picture here and we can't
8 solve all of this today.

9 So Mr. McKeever.

10 MR. MC KEEVER: Thank you much, Madam Chair,
11 members of the Board.

12 Your discussion sounds like an RTAC meeting,
13 literally. Very broad set of issues that you -- the bill,
14 the law, and you gave us to deal with. Very broad set of
15 people that you appointed to the RTAC. And I don't
16 pretend to just assume that we handled all of those issues
17 exactly to all of your satisfaction. But I will tell you
18 that all of the issues that you -- good questions that
19 you've raised so far, we have spent a good deal of time
20 on. Clearly from the philosophical issues of what's this
21 law all about to the very details under the hood, how do
22 the models work, and how do some fairly arcane federal
23 regulations work and effectiveness.

24 So I think the report hopefully you will see as
25 good news.

1 I'm just going to make a couple comments on the
2 process and then make one substantive comment at the end
3 relating to Supervisor Roberts' issue.

4 I do think that this is not a classic regulatory
5 kind of a bill, and it really relies on the good will and
6 the broad political support and the broad base across the
7 state in order for it to succeed.

8 And I think the very best piece of news out of
9 your RTAC process is that the political coalition that did
10 exist that resulted in the bill becoming a law in the
11 first place I think it's fair to say has now been
12 broadened in the sense -- not going backwards and
13 re-debating whether the law should have been passed, but
14 taking the assumption that the bill is now a law and it is
15 in all of our interests to figure out how to implement it
16 as constructively and effectively as possible.

17 And so you had 21 people, very diverse range of
18 people inside the government, outside the government, in
19 the business of building houses and commercial properties,
20 to advocates on the affordable housing and social equity
21 and the environmental side. And I'm very proud to say
22 that the report that you have in front of you does
23 represent the unanimous opinion of those 21 people. And
24 hopefully that has some relevance to how we go forward.

25 As Dr. Sperling said, and I know others believe

1 too, there is a lot of heavy lifting in the future. There
2 is a lot of detailed work to be done.

3 And just to the point of the absolute metric tons
4 versus the per capita, one of the things that you will get
5 out of the very next phase of this process, which is the
6 scenario modeling and the planning that's going on right
7 now, is some much better per capita information and
8 absolute tonnage information that you had when you adopted
9 the Scoping Plan. I'm not a scientist myself. But it
10 will be at least an order of magnitude better than what
11 you had in front of you and what you needed to take action
12 on that Scoping Plan. So your ability to get to the
13 specific targets is going to be much enhanced I think as
14 this moves forward. Thank you.

15 ACTING CHAIRPERSON RIORDAN: Thank you. And
16 thank you very much for your effort.

17 As I mentioned early on, Chairman Nichols wanted
18 to recognize you. And obviously if you had a discussion
19 like we've had a discussion, you must have had some long
20 meetings.

21 At this moment, it's 11:00. We'll reconvene at
22 ten after 11:00. That will give us a bit of a break.

23 (Thereupon a recess was taken.)

24 ACTING CHAIRPERSON RIORDAN: As most of you know,
25 we do have speakers in the back. And as I ask my

1 colleagues to join us from back there, in the interest of
2 time, I'm going to move forward. And I said I would start
3 with Linda Parks.

4 MS. PARKS: First, I just wanted to give my
5 appreciation to the CARB for the excellent selection of
6 the RTAC. I really do appreciate the diverse group that
7 you put together representing different sectors,
8 geographically, and then also getting kind of policy folks
9 and the science wonks on there, too. And it proved to be
10 a lot of interesting, spirited, and passionate debate.
11 And it was said at the beginning we probably wouldn't
12 reach consensus, and I think it's amazing that we did, to
13 tell you the truth. And I'm really happy that we did and
14 to the point it was unanimous consensus at that.

15 I also wanted to talk about the short time frame
16 we are on, and it's a short time frame that you are on.
17 So it's understandable. You have until June 2010 to come
18 up with draft targets. And I think because of that very
19 tight time schedule, we really need action. And if
20 there's anything I would like to leave my three minutes of
21 coming to Sacramento for, it would be pushing for CARB to
22 do some action both in terms of the fact that I was hoping
23 this was going to be an actionable item that you would be
24 adopting the RTAC recommendations today, hopefully maybe
25 you can do that at our next meeting. A lot of action

1 needs to occur.

2 For example, there is a recommendation in the
3 report, as mentioned by your excellent staff, that talked
4 about having to work on getting those policy and practices
5 tool working out with UCLA. And I would really encourage
6 movement on that, because you're going to have to have
7 that information prior to coming up with your target. And
8 that's again trying to look at the best management
9 practices and assigning some greenhouse gas emission
10 reductions to those individual type of practices. And I
11 think that's essential, and I encourage action on that.

12 I also want to encourage action with the target
13 setting that will allow for sustainable community strategy
14 plans to be adopted. If we are in a situation where many
15 of the MPOs are going to be doing APS's, the alternative
16 planning strategy, we're not going to have the action we
17 need to reduce greenhouse gas emissions in the state of
18 California. It will become an advisory -- APS is really
19 an advisory look at planning. And it isn't the actual
20 actions that you would get if we adopt the SCS's.

21 So, to me, I think it's important we do what we
22 can, have those targets be achievable at least initially.
23 Really work to make sure everyone is on board. You could
24 ratchet it up in the future. But I think it's really
25 important to make sure we can have action. Because I

1 think it was just two days ago it was shown that the
2 greenhouse gas emissions caused by carbon emissions are a
3 lot higher than, for example, you and the panel ever
4 thought is the worst-case scenario. Encourage that
5 action.

6 Thank you very much

7 ACTING CHAIRPERSON RIORDAN: Thank you very much.

8 And thank you for serving on this Committee for us.

9 Greg.

10 MR. DEVEREAUX: Madam Chair, members of the
11 Board, I'm Greg Devereaux, city manager of Ontario, RTAC
12 member representing the League of California Cities.

13 Through many conversations, it's become clear the
14 scope of change, which is contemplated in SB 375, has
15 created concern, uncertainty, and even fear in some of
16 those with whom we work at the local level.

17 In part, the uncertainty stems from unknown costs
18 potentially occurring as we struggle to work our way out
19 of the current economic downturn. This is coupled with
20 the dramatic reduction of transit and redevelopment
21 resources available to implement some of the most
22 effective approaches to vehicle miles traveled and
23 greenhouse gas reductions.

24 And finally, a concern that some involved in the
25 decision-making process don't fully appreciate or

1 understand the market realities in different parts of the
2 state.

3 Densities that work in some markets are not
4 economically viable in others. It's great to encourage
5 transit oriented development. But in some areas, we can
6 only have transit ready development, because transit won't
7 be there for a decade or two. The fear is that these
8 factors will not be adequately considered when determining
9 what is ambitiously achievable.

10 Many cities were growing smarter and becoming
11 more sustainable before AB 32 and SB 375. After an
12 intensive four-year process, the city of Ontario will
13 adopt a general plan update that seeks to create a
14 complete community, which is consistent with the regional
15 blueprint and helps to meet the region's need for housing
16 and employment by intensifying development in strategic
17 areas, more than doubling our population and tripling the
18 jobs provided within in the city, becoming a regional jobs
19 center; a plan design to use resources wisely and
20 sustainably, be pedestrian friendly, and be linked
21 externally and internally with transportation options; a
22 place where families can live, work, and play; in short, a
23 place where families can meet their needs and desires of
24 their lives without getting in their cars.

25 But in growth opportunity areas such as ours, it

1 must be acknowledged that greenhouse gases will rise
2 locally in order to reduce them regionally. The RTAC
3 realized early on that SB 375 isn't about simply reducing
4 greenhouse gases. It is about how do we provide the
5 housing and jobs needed to house and provide employment
6 for a growing population while reducing greenhouse gases.

7 Thank you very much.

8 ACTING CHAIRPERSON RIORDAN: Thank you very much.
9 Point well taken. Thank you.

10 Gary Gallegos, followed by Steve Heminger and
11 Amanda Eaken.

12 MR. GALLEGOS: Thank you, Madam Chair and members
13 of the Board.

14 My name is Gary Gallegos. I'm the Executive
15 Director for the San Diego Association of Governments,
16 also known as SANDAG.

17 And let me start by thanking you for the
18 opportunity to serve in this task that 20 of us had to
19 bring you some recommendations. And I'd like to focus my
20 points and maybe help a little bit in the discussion you
21 were having on the need for -- I think we recognize -- I
22 think you recognize in trying to figure out how you set an
23 ambitious and achievable target is how do we make this
24 work and the need for there being a lot of collaboration,
25 a lot of interaction, because in this new world where

1 we're starting really a new relationship, I think with ARB
2 and the COGs is to really have a bottoms-up process so we
3 can truly tell you what we think we can accomplish.

4 The idea that's in this report that comes from
5 the bottoms up approach gives us an opportunity to have
6 some interaction back and forth and see how far we can
7 stretch and see what we can do, so at the end of the day
8 not only your staff, but you as a Board, are more informed
9 as to we, the mice that are in the treadmill, think how
10 fast we can run and try to figure out how fast, how
11 ambitious we can make the goal, and still make it
12 achievable.

13 And I think that connection is really important,
14 because as you learn more about us -- what I would share
15 with you today is that we're a collection of our cities
16 and our Board of Supervisors. And so at the end of the
17 day, you know, the COGs also have to go back to cities and
18 back to our Board of Supervisors. So if these are going
19 to be successful, we have to have buy-in at city councils.
20 We have to have buy-in at the Boards of Supervisors,
21 because that's where a lot of the land use decisions that
22 are going to affect us really need to be implemented.

23 So that's why this report sort of brings the
24 emphasis that we need a lot of collaboration and we need a
25 lot of buy-in from the bottoms up. And I wanted to

1 emphasize that. Because hopefully that will help you in
2 your debate as you try to figure out what and how you set
3 the most ambitious but yet achievable goal.

4 And last but not least in the minute I have left,
5 almost by bad luck, San Diego happens to be the first
6 major area responsible for doing an RTP. So I want to
7 stress the importance of you staying on time. If you
8 adopt your goals in June, we got to have an RTP adopted
9 about a year later, in June/July of 2011. That's not a
10 lot of time.

11 These RTPs are not easy. There is a tremendous
12 amount of work. There's a tremendous amount of outreach
13 that it takes to make these work in our communities.

14 So I want to stress the importance of staying on
15 a timeline, because you have to finish your work in order
16 for us to do our work. And if we don't get this done on
17 time, there is consequences. We've got federal dollars
18 and State dollars that if we don't have a RTP are in
19 jeopardy. So I want to emphasize the importance of as
20 hard as this is staying on time.

21 And, again, I'll thank you for this opportunity
22 to serve.

23 ACTING CHAIRPERSON RIORDAN: Thank you. Your
24 point is well taken. You can't be on time if we're not on
25 time.

1 Steve.

2 MR. HEMINGER: Good morning, Madam Chair and
3 Chairman.

4 Steve Heminger. I'm Executive Director of the
5 Metropolitan Transportation Commission, which is the MPO
6 for the San Francisco Bay Area.

7 I'd first of all like to thank both your staff
8 and our Chairman Mike McKeever for dealing with a fairly
9 unruly bunch.

10 I would also like to urge you to adopt all of our
11 recommendations, except for the one that says we should
12 continue to meet. I would like you to ignore that
13 recommendation.

14 What I'd like to do in my three minutes is return
15 to some of the themes that Supervisor Yeager advanced.
16 And since he's a member of my Commission, I'm glad we're
17 listening to each other in trying to sort our way through
18 this very significant new statute.

19 I'd like to talk about two challenges and two
20 opportunities.

21 Challenge number one is that what SB 375 does
22 essentially is graft a climate imperative onto an
23 infrastructure plan. And that's an odd match to start
24 with. But it's especially challenging given the fact that
25 those infrastructure plans are incredibly resource

1 constrained. And they are all in the major metropolitan
2 areas in California in maintenance mode. I think the four
3 metropolitan areas, the biggest ones, they're spending 50
4 percent or more of their money just to operate and
5 maintain the system we've already built.

6 In the Bay Area, we're spending 80 percent of all
7 of our funds on those purposes. And I don't think we
8 should stop. I don't think you want us to stop doing
9 that. But that clearly constrains your ability to move
10 folks around in terms of new capacity when you've got 80
11 percent of it going just to take care of what you've
12 already built.

13 The bill also incorporates the housing needs
14 process that has been dealt with separately heretofore
15 into the middle of this. And clearly housing and how we
16 grow has a lot to do with greenhouse gas emissions. But
17 even in a boom time, we build houses pretty slowly in
18 California. In a bust, like we're in, we don't build them
19 at all.

20 So, again, in terms of making a change in
21 behavior in making incremental improvement over a vast
22 array of transportation and housing infrastructure, we can
23 only go as fast as we're building the stuff. And for both
24 transportation and housing, my view is over the next
25 several years we'll be doing both of them fairly slowly as

1 we recover out of this horrible economy.

2 Given that, what can we do in the near term?

3 Because there is in the statute a 2020 interim milestone.

4 And I would suggest two opportunities.

5 The first one is road pricing. And whether you
6 call this congestion pricing or variable pricing or hot
7 lanes, whatever you call it, a lot of people don't like
8 it, because it involves basically the notion of raising
9 the cost of driving, especially during peak hours. But
10 study after study, experiment after experiment, we have
11 some have these lanes in place here in California
12 demonstrate that they work.

13 We need your help. And we need your political
14 help to get authority to do those things from the
15 Legislature and to put them into place near term in our
16 regions around the state.

17 We also need your help in keeping our public
18 transit money so that the public instead of having to pay
19 those higher fees has an option to get around.

20 The second one I would mention, you all are the
21 car experts. You're worldwide recognized for your
22 leadership in that area. Our plans spend money typically
23 on infrastructure, roads, bridges, transit systems. We
24 can all also spend money on EV infrastructure as an
25 example and other strategies that will accelerate the

1 conversion to a greener fleet. And we would like your
2 assistance and would welcome your partnership in pursuing
3 some of those strategies in our infrastructure plans as
4 well.

5 Thank you very much.

6 ACTING CHAIRPERSON RIORDAN: Thank you very much.
7 And we appreciate your emphasis as well.

8 Let me call on Amanda and Barry Wallerstein and
9 Stuart Cohen.

10 (Thereupon an overhead presentation was
11 presented as follows.)

12 MS. EAKEN: Good morning, Madam Chair and members
13 of the Board.

14 My name is Amanda Eaken. I work with the Natural
15 Resources Defense Council. And it was my pleasure to
16 serve on RTAC.

17 And I want to spend a few moments talking today
18 about ambitious achievable targets, because the Committee
19 didn't spend as much time as we would have liked on the
20 subject. And I think it's a question you all will have to
21 wrestle with.

22 --o0o--

23 MS. EAKEN: I think we want to argue that
24 business as usual land use planning is neither ambitious
25 nor achievable. And, in fact, the type of planning that's

1 going to help us attain ambitious targets is not only
2 achievable at the local level, it may be highly desirable
3 in terms of market demand. And it may be the only kind of
4 planning that's actually economically feasible given our
5 state's economic crisis.

6 I want to point out that there's some substantial
7 seismic shifts going on in the population that mean we're
8 going to see a very strong shifting demand for a different
9 kind of housing product. In 1960s, we had about half of
10 all households consisting of couples who had at least one
11 child. Year 2000 is about a third. And in the time line
12 of most RTPs, it's going to be basically a quarter of
13 families that meet that typical nuclear household
14 demographic. What this means is that we're going to see a
15 very different demand for housing.

16 Next slide.

17 --o0o--

18 MS. EAKEN: The Urban Land Institute and
19 PricewaterhouseCoopers in their emerging trends in real
20 estate report 2010 came out basically suggesting we're
21 going to see more demand for in-fill, transit-oriented
22 developments, smaller units, closer to work. And people
23 will continue to see greater convenience. And this is
24 investment advice for those investing in real estate --
25 shorter communities and people are continuing to be

1 sensitive about rising energy prices.

2 Next slide.

3 --o0o--

4 MS. EAKEN: What does this mean? It means
5 according to a Professor from the University of Utah, if
6 we stopped now building large lots single-family sprawl,
7 we would still have too much in the year 2030.

8 In short, we don't need any more large lot
9 single-family sprawl. We're going to see a lot more
10 market demand for smaller units, attached units, in-fill
11 housing, close to transit, near jobs, near walkable
12 communities.

13 Next slide.

14 --o0o--

15 MS. EAKEN: I'd also like to point out that
16 building in areas with existing infrastructure just has to
17 be cheaper than building sprawl. We're taking advantage
18 of existing infrastructure. We're not building new roads,
19 not building new sewer or water to service this new
20 demand.

21 So it may turn out to be that the kind of
22 planning that helps us achieve targets and meet this
23 market demand also save local governments in a
24 conservative scenario \$54 billion by 2020, slightly more
25 aggressive smart growth scenario, 80 billion by 2020.

1 had the pleasure of being the CAPCOA representative on the
2 RTAC.

3 And let me underscore it really was a pleasure
4 and that your staff did truly an excellent job of
5 supporting the Committee. And the fact that we came to
6 consensus I think speaks volumes about your staff's work
7 and also our Chair, Mike McKeever.

8 When I approached the subject matter of this
9 Committee, of course, I was interested because AB 32 and
10 climate change. As I listened to the discussion over the
11 many months, I naturally would put it in the framework of
12 what I do year in and year out of air quality management
13 plans. And so for decades, nearly 30 years of my career
14 has been spent putting together air quality management
15 plans. And we always take the regional transportation
16 plan and in essence incorporate it by reference and we
17 take credit for the local emission reductions that might
18 occur due to measures to improve mobility. But never has
19 there been what I would view an air pollution target. SB
20 375 now establishes through this Board a greenhouse gas
21 target that is to be worked towards to be achieved as part
22 of the regional transportation plan. And so, to me,
23 there's a lot of parallels.

24 But as was evidenced by your Board's initial
25 discussion, there are a tremendous number of issues,

1 including technical issues about the models, consistency
2 of models, region to region, consistency of assumptions,
3 an understanding of the best management practices. What
4 is the list? What is the amount of greenhouse gas
5 reduction per measure for collection of measures and so
6 on?

7 And so after listening to the Board's initial
8 discussion, I decided to change my comments a little bit
9 this morning. And I would like to make a single
10 recommendation to the Board. And that is that you
11 contemplate scheduling sometime in the not too distant
12 future a special study session of this Board on the topic
13 of SB 375 so that the questions that were being raised by
14 the Board members really can be vetted with experts to
15 provide input to the Board so that when it gets to the
16 final decision in September and you go to establish the
17 targets, you'll be able to do it without having just
18 three-minute sound bites from witnesses, but a much fuller
19 understanding by the Board members as you approach that
20 critical decision.

21 I also think in these first few months it is
22 absolutely important that we work with your staff, and the
23 air districts are committed to this, on public outreach
24 for understanding about SB 375 and that we get those best
25 management practices defined so folks know what to do as

1 they start moving forward.

2 Thank you for the opportunity to address you this
3 morning.

4 ACTING CHAIRPERSON RIORDAN: Thank you. And
5 thank you for the suggestion.

6 Stuart Cohen.

7 BOARD MEMBER SPERLING: I note there is a
8 recommendation the RTAC not meet anymore but that we have
9 more meetings.

10 (Laughter)

11 (Thereupon an overhead presentation was
12 presented as follows.)

13 MR. COHEN: My name is Stuart Cohen. I'm with a
14 nonprofit called Transform based in Oakland. And thank
15 you for listening to us today.

16 I just wanted to quickly address the issue of the
17 economics of SB 375 and the cost to both the public and
18 private sector of transportation.

19 We are releasing a report today called "Windfall
20 For All" that looks at some of the potential economic
21 savings of implementing SB 375 if we do it correctly, and
22 it's a big "if". And so I wanted to share a few of those
23 with you today. There's first a map up on your screen is
24 just --

25

--o0o--

1 MR. COHEN: This is pretty similar across the
2 state, although less steep in other regions where the
3 transit access is not quite as good.

4 --o0o--

5 MR. COHEN: And when you look at what the CO2
6 reduction potential is, if everybody had this good transit
7 access, which is also collocated typically with more
8 compact walkable communities, you'll see the range in the
9 CO2 reductions would be about 27 to 42 percent, very much
10 in keeping with a lot of the empirical literature.

11 --o0o--

12 MR. COHEN: But our report also has nine great
13 case studies that I hope you will focus on. My favorite
14 is from U.C. San Diego where in 2001 they started both
15 building garages to accommodate a very fast growing
16 student and faculty population and as well as implementing
17 transportation demand management.

18 And after six years of this, they did an analysis
19 and realized that they could actually provide these
20 alternatives at a much, much lower cost. And they've now
21 scrapped the plans for their next ten garages, which would
22 have been over \$27 million each.

23 Their solo driving to campus has gone from 66
24 percent to 46 percent in eight years. They're on track to
25 meet a climate goal of 38 percent. And if they do that,

1 they'll be saving over \$5 million a year for the campus.

2 So in a lot of places, these issues line up. We
3 need to find those savings.

4 And we have a lot of recommendations in the
5 report that may help, including indirect source review.

6 ACTING CHAIRPERSON RIORDAN: Thank you very much.

7 Dr. DiLibero, followed by Dr. Janet Abshire.

8 DR. DILIBERO: Madam Chair and Board members, I'm
9 Dr. Ralph DiLibero. I'm the former president of the Los
10 Angeles County Medical Association, LACMA. And I'm
11 presently the Chair of LACMA's Clean Air Committee.

12 LACMA has a long-time interest in promoting clean
13 air and healthy lifestyles. Back in the 1920s, few people
14 were interested in air quality, but a LACMA physician
15 then, Dr. John Barrow, changed all of that. He discovered
16 and then reported that air pollution was more responsible
17 than illness for the death of one of his patients and
18 responsible for chronic illnesses in many more of his
19 patients.

20 In 1943, LACMA created an Air Pollution Committee
21 to monitor the ill effects of air pollution as the
22 official advisor to the Los Angeles County Air Pollution
23 Control Department. LACMA physicians were the first to
24 officially declare that smog endangered the public health.

25 In 1950, the fact that cigarette smoke is fatal

1 was first introduced by a LACMA physician, Dr. Albert
2 Fields.

3 In 1956, LACMA issued a report outlining specific
4 air pollution effects and successfully lobbied for
5 automobile emission standards in the state of California.

6 Residents from homes close to the freeways were
7 shown to be proportionately more in danger which raised
8 the specter of environmental social injustice.

9 There are a plethora of other dates and mileposts
10 I can recite. Solid evidence-based medical knowledge now
11 proves toxic air effects of air pollution.

12 LACMA continues to fight for a healthier patient
13 lifespan to the point where, due to the influence of
14 LACMA, specific questions are now asked of pulmonologists
15 regarding air pollution for recertification of their
16 Pulmonary Medicine Board status.

17 On a personal note, I can hardly believe I once
18 lived in south bay of Los Angeles and drove to Hollywood
19 every day. I now live in Sacramento. I walk to work
20 every day. And it's amazing. You get to meet your
21 neighbors, arrive at work, you know, in a much better
22 mood. You lose some weight. And you really breathe
23 better also. You know, just bicycling -- just bicycling
24 comfortably at five-and-a-half miles per hour is the
25 equivalent to scrubbing a floor. What would you rather

1 do?

2 In a state where 19,000 premature deaths every
3 year are linked to air pollution, much of that from
4 transportation-related pollution, we would all breath
5 easier if we had more options to walk, bike, or take
6 public transportation.

7 The California Medical Association, CMA, at their
8 October 18, 2009, House of Delegates adopted Resolution
9 713-09, sponsored by LACMA and the American Lung
10 Association, which resolved that the CMA support efforts
11 to reduce emissions.

12 I now on behalf of LACMA and the CMA urge the
13 Board to set high targets to push for local action, to
14 develop ambitious regional targets for local governments
15 to reduce greenhouse gas emissions, and support land use
16 and transportation strategies to meet those targets.

17 Thank you very much.

18 ACTING CHAIRPERSON RIORDAN: Thank you very much.

19 Dr. Janet Abshire and followed by Parisa Fatehi.

20 DR. ABSHIRE: Thank you for hearing me today. I
21 was invited to speak by the American Lung Association.

22 I'm Dr. Janet Abshire. And I've been on the
23 front lines in occupational medicine and environmental
24 medicine for about 14 years seeing patients. I also have
25 a background in nutrition science as my pre-med, very

1 prevention focused.

2 And I'm honored to speak today, because I really
3 feel like I'm morally obligated as a medical professional
4 to stand up and help try to change policy at this point in
5 time. And I think that in 1962 we had a similar time when
6 physicians stood up and wanted to make sure -- and this
7 was during to Cuban missal crisis -- because there was
8 such a high stakes of human impact.

9 And similar today, I think I would like to just
10 clarify compliments of a U.C. San Francisco University of
11 California San Francisco conference this last weekend on
12 Sunday, we had a nice review of climate change. And so
13 some of this evidence is from that conference. We studied
14 how ozone -- looking at ozone alone, which is highly toxic
15 and it gets worsening death rates as the temperature
16 increases. So as climate change goes up, it's even more
17 toxic.

18 But looking beyond just the epidemiological data
19 and looking at the actual tissue damage, I just want to
20 emphasize that, like the doctors back in the Cuban missal
21 crisis, there is no medical solution. There is no
22 advanced medical technique, or in the future we're not
23 going to be able to come up with some treatments that are
24 going to be able to fix the lungs, because there is
25 oxidative damage at the tissue level. There's lipid

1 peroxidation which destroys the film membranes. There's
2 also neurological impacts that cause the bronchide to
3 spasm and there's free radical damage that causes
4 mutations.

5 So I just would like to emphasize that, you know,
6 the human impact is really high. The stakes are really
7 high. And whatever we have to do, we have to do it. And
8 I don't see how we can actually reduce global emissions
9 without creating an infrastructure that also includes bike
10 paths and walking paths and smaller concentration of
11 businesses so that people can not commute so far.

12 And so I always tell my patients to exercise,
13 whether they're healing from a back injury or just general
14 health. I tell them get out and get more exercise. And
15 they always come up with the same excuse. It's like,
16 well, you know, I can't seem to find the time. I don't
17 feel safe jogging in my neighborhood. I live too far to
18 bike or walk to the store or walk. This needs to change.
19 And I want to emphasize that.

20 I have a letter here -- a statement from the
21 American Lung Association, and it was signed and supported
22 by not only the American Lung Association, but the
23 California Academy of Family Physicians, California
24 Medical Association, the California Thoracic Society,
25 multiple local medical societies, the Community Action to

1 Fight Asthma, public health law and policy, Public Health
2 Institute, and the Physicians for Social Responsibility,
3 both the San Francisco and Sacramento Chapter, the
4 San Francisco Sonoma County Asthma Association, and the
5 White Memorial Pediatric Medical Group.

6 ACTING CHAIRPERSON RIORDAN: Thank you. We'll
7 make that part of the record if you'll give that to the
8 clerk. And thank you for your taking your time to be
9 here.

10 MS. FATEHI: Good morning. My name is Parisa
11 Fatehi. I was with Public Advocates. We are a nonprofit
12 law firm and advocacy organization that challenges the
13 systemic causes of discrimination and poverty. We have a
14 particular focus on equitable land use, housing, and
15 transit policies.

16 So we agree with RTAC's statement in their report
17 that inequitable land use practices and inadequate public
18 transit access as well as economic and racial segregation
19 can result in exclusion limitation on employment
20 opportunities, sprawl, and excess VMT. In other words,
21 you can't effectively reduce VMT without also ensuring
22 equity for low-income communities through housing
23 affordability, reliable and accessible public transit, and
24 protection from displacement, among other things. We
25 commend the RTAC for its foresight in prioritizing social

1 equity and environmental justice.

2 I'd like to highlight three of their important
3 recommendations.

4 1: The Board should incorporate social equity
5 factors, like I just mentioned, in the 2010 GHG target
6 setting.

7 2. In order to do so, the Board needs to secure
8 more data collection and modeling on factors like the
9 jobs/housing fit to quantify how practices that do promote
10 social equity help reduce VMT.

11 3. Once quantified, we need to make sure that
12 the practices that promote both social equity and VMT
13 reduction are the practices that MPOs include in their
14 sustainable community strategies.

15 Public Advocates looked forward to working with
16 the Board and MPOs in the coming months and years as you
17 set ambitious achievable targets and as the MPOs take on
18 the design and implementation of their SCS's.

19 Thank you.

20 ACTING CHAIRPERSON RIORDAN: Thank you very much.
21 Thank you for being here.

22 Edward Thompson, followed by Julie Snyder, and
23 Autumn Bernstein.

24 MR. THOMPSON: Good morning, Madam Chair and
25 members of the Board.

1 I'm Ed Thompson, California Director for American
2 Farmland Trust, which is a nonprofit organization
3 dedicated to conserving the resources on which our food
4 system depends.

5 And I'd like to highlight for you -- if I can get
6 this mike to actually stand up here -- I'd like to
7 highlight for you the RTAC recommendation on the
8 co-benefits of what has been recommended, particularly
9 those related to the conservation of farmland.

10 We're losing 40 to 50,000 acres of farmland in
11 California every year. It's about 65 to 75 square miles.
12 And most of that is being lost to urban sprawl.

13 We're gratified -- we're encouraged that some of
14 the same solutions to the land use and transportation
15 patterns that are going to save the climate are also ones
16 that will save California agriculture and the farmland on
17 which it depends. Inevitably, the kind of solutions we're
18 talking about here today will require that urban
19 development patterns become more efficient in using land,
20 using less of it per capita. And that, as it turns out,
21 is the principle strategy for conserving farmland in the
22 state where almost every city is located in the midst of
23 the prime farmland and is expanding out onto that land.

24 In the San Joaquin Valley, for example, which
25 supplies over half of California's agriculture production,

1 we're paving over an acre of land for every eight new
2 residences. Think of two four-person football playing on
3 the grid in the Roseville, and you begin to get an idea
4 how inefficient spread out that is.

5 By contrast, southern California is about twice
6 as dense overall. And the Bay Area and here in the
7 Sacramento region, it's almost three times as dense. So
8 we can and must do better there.

9 Modeling that was done for the recent blueprint
10 planning process in the San Joaquin show there is a clear
11 correlation between more efficient urban growth, reduction
12 of greenhouse gases, and conservation of farmland. The
13 models that were done there show that a fairly aggressive
14 smart growth strategy would result in the savings of 20
15 percent greenhouse gases and over 50 percent in farmland
16 conservation.

17 So we urge you as you consider the RTAC
18 recommendations and go forward with this that you pay
19 attention to this very important co-benefit of the
20 strategy so we're not only saving ourselves from a climate
21 disaster but also saving the land that feeds us.

22 Thanks very much.

23 ACTING CHAIRPERSON RIORDAN: Thank you very much.

24 Julie Snyder, followed by Autumn Bernstein, and
25 followed by Sabrina Means.

1 MS. SNYDER: Madam Chair, members, thank you for
2 the opportunity to testify today.

3 My name is Julie Snyder. I'm the Policy Director
4 for Housing California.

5 Housing California is the statewide advocacy and
6 education arm of the nonprofit development and homeless
7 shelter and provider communities in California. Our
8 members build and own high-quality apartments, shelters,
9 and single-family homes that are permanently affordable to
10 lower income Californians.

11 We've been at the table and will continue to be
12 at the table, because we anticipate that this Board's
13 directives around SB 375 will impact both land prices and
14 the availability of residentially-zoned sites. And that,
15 in turn, will impact obviously the opportunities for our
16 developers to build the homes that our growing population
17 needs.

18 In this context, we, like everybody else who's
19 come up, would urge you to fully implement the RTAC's
20 recommendations. We believe they very carefully balance
21 the greenhouse reduction goals with the social equity
22 consideration of the impacts on lower income Californians
23 and California's housing markets.

24 And I'd like to draw your attention to three
25 recommendations, in particular. One of them has been

1 mentioned by my predecessor, Parisa. First, that the ARB
2 "take all steps necessary" to ensure that either the State
3 or metropolitan planning organizations update data
4 collection and modeling in order to quantify the
5 greenhouse gas emission impacts of housing affordability,
6 gentrification, and the jobs/housing fit.

7 As defined in the report, the job/housing fit is
8 the extent to which the rents and the mortgages in a
9 community are actually affordable to the people who work
10 there. It's a deeper level of analysis than jobs/housing
11 balance, a phrase that many of us have gotten used to
12 using in a number of local governments and regional
13 governments are measuring. The jobs/housing balance
14 measures the aggregate numbers of jobs and the aggregate
15 number of homes. It doesn't attempt to compare how the
16 wages paid by those jobs match with the rents and
17 mortgages in the homes.

18 In theory, I think most people believe -- and the
19 RTAC talked extensively about the fact -- a stronger
20 jobs/housing fit in a community should enable the
21 residents in that community to reduce their commute times
22 and distances, but the link needs to be tested and
23 quantified. Additional research also necessary to
24 quantify the links between overall housing affordability,
25 not just that affordable to workers, and the link between

1 gentrification and potential increased greenhouse gas
2 emissions.

3 All of this data should, according to the RTAC,
4 be used both in the MPO modeling and also in future target
5 setting by this body.

6 The second recommendation that we strongly
7 support is for the State to create an ongoing source of
8 investment to achieve home affordability, especially for
9 lower income Californians. We've all heard the phrase
10 "drive to qualify." People drive until they can find a
11 home they can afford to buy and rent -- and/or rent.
12 Increased supplies of homes in the right locations can
13 reduce this driving.

14 Lastly, I'd like to highlight the public
15 participation recommendations. We're strongly supportive
16 of that. Lower income communities are the least likely to
17 have any professional representation, and therefore they
18 need additional outreach.

19 Thank you for your time.

20 ACTING CHAIRPERSON RIORDAN: Thank you very much.

21 Autumn Bernstein.

22 Let's fix that.

23 MS. BERNSTEIN: That was going to be my first
24 recommendation, maybe you organize our testimony by height
25 in the future. That could help with the microphone

1 issues.

2 ACTING CHAIRPERSON RIORDAN: That would be
3 interesting.

4 Just let me offer, Sabrina Means and Pete
5 Montgomery, you're going to be the next two speakers.

6 MS. BERNSTEIN: Thank you, Madam Chair.

7 My name is Autumn Bernstein. I'm the Director of
8 Climate Plan, which is a statewide organization of 25
9 nonprofit organizations focused on successful
10 implementation of SB 375.

11 I want to talk about why the RTAC matters and
12 what you as the ARB can do to help support implementation
13 of its recommendations.

14 To start with why the RTAC is important, the
15 report is very good. As I think you've heard from folks
16 that were on the RTAC and members of the public, I think
17 there is a lot of things that are quite good. Many
18 members of the public participated, and I'd like to think
19 that we make the report better.

20 And I'm going to highlight a few things, but I
21 also wanted just to note the process itself was also very
22 important. As you've heard today, there was a tremendous
23 cross section of folks that were involved in that process.
24 I think we've all come out of it with a deeper
25 understanding of each other's perspectives and what it's

1 going to take. We're all in this together, and we all
2 have to have the skin in the game if it's going to work.

3 In terms of specific things that you can do to
4 help support the RTAC's recommendations, I think first and
5 foremost is to continued that spirit of openness and
6 collaboration, which really I think came out of the RTAC
7 report. And that needs to continue through the
8 target-setting process, creating forums for continued
9 dialogue, amongst you as Board members, with your staff,
10 as RTAC members, and members of the public, as well as air
11 quality districts, local transportation providers. All of
12 these folks are going to be really key. And we're not
13 going to achieve the mandates of this important law unless
14 we all have an opportunity to be at the table and to find
15 those solutions together.

16 Secondly, supporting local governments, and that
17 means both the policies and practice tool that's been
18 discussed I think would be really critical. In my
19 conversations with local elected officials and planners,
20 they really need that kind of guidance to help them
21 understand they're doing climate action planning right
22 now. They're doing general plan updates right now. Those
23 aren't waiting for 2011. They're happening. They need
24 that guidance going forward in terms of how they can start
25 putting the plans in place to help meet these goals, as

1 well as funding that's been mentioned by other folks. We
2 need funding for the local governments and the regional
3 agencies to help them make this happen.

4 I want to emphasize some of the members of my
5 coalition spoke to social equities, jobs/housing fit, land
6 conservation. These are all really critical co-benefits,
7 not just because they're important goals unto themselves,
8 but we know from polling that the public really supports
9 implementation of these sorts of laws, particularly
10 because of the ways they're going to make their lives
11 better and improve their children's health, spend less
12 time in commutes, make sure they have access to fresh
13 local food. For all those reasons, it is so important
14 that we continue to have the co-benefits incorporated into
15 these conversations.

16 And, lastly, just remembering why we're here.
17 Setting high targets coupled with the resource to support
18 them really will help us achieve the goals that we as
19 Californians have identified.

20 I want to close with some polling from the
21 National Association of Realtors. They did a study in
22 2007 about public opinions with the built environment, and
23 they found that 71 percent of people are very concerned
24 about the impacts of development on climate change.
25 Eight-three percent support building communities where

1 people can walk more and drive less. And 81 percent want
2 to re-develop older areas rather than building now.

3 So I think we have a real opportunity here to
4 implement this bill in a way that helps us meet our
5 climate goals as well as doing so many things for our
6 communities that we all want to see happen.

7 ACTING CHAIRPERSON RIORDAN: Thank you.

8 Pete Montgomery, followed by Kate Wright,
9 followed by Tom Jordon.

10 MS. MEANS: I think I like the comment about
11 organizing by height.

12 My name is Sabrina. I'm with the California
13 Transit Association. I want to thank the RTAC members for
14 their work and for including emphasizing the need for a
15 secure source of transit funding in the state as a guiding
16 principle in developing the recommendations.

17 The RTAC's report addresses the disconnect
18 between the State's SB 375 goals which will have the
19 effect of encouraging more people to drive less and to
20 take transit more and the fact that the State has made
21 severe cuts to transit funding over the last several
22 years.

23 We encourage the ARB Board to support the RTAC's
24 recommendation of seeking a long-term and secure source of
25 State funding in transit in order to make SB 375 goals a

1 reality.

2 We also support transparency in this process and
3 maximizing and quantifying the health and environmental
4 and economical co-benefits that will be achieved.

5 Our transit agencies look forward to helping the
6 State to achieve greenhouse gas emissions reductions
7 through SB 375, but we need your help in finding solutions
8 for providing resources for transit.

9 Our agencies are in a state of fiscal emergency
10 and cannot continue to provide adequate alternatives to
11 driving if our funding continues to be removed.

12 Thank you very much again to the RTAC and to the
13 Board for allowing us to provide these comments.

14 ACTING CHAIRPERSON RIORDAN: Thank you. And
15 thank you for being here today.

16 Pete Montgomery.

17 MR. MONTGOMERY: Good morning. I'm representing
18 the California Building Industry Association and the RTAC
19 members Steven Doyle of Bridgefield Homes of San Diego.

20 First of all, on behalf of CBA, we want to thank
21 the staff, Mr. McKeever for leading such a positive
22 dialogue, and a recognition of the key issues associated
23 with implementing SB 375.

24 And I think one of the reasons why on behalf
25 again of CBIA and Mr. Doyle we stand here in support of

1 the report is that the issues which Supervisor Roberts
2 raised and Supervisor Yeager raised were discussed in
3 detail. I had privilege of attending every RTAC meeting.
4 Would agree with Mr. Heminger we probably don't need to do
5 any more, but those issues were on the table from the
6 beginning.

7 The very first meeting was in this room. And the
8 discussion almost the entire meeting was is this a GHG
9 bill or a VMT bill based on 375. And CBIA as part of the
10 coalition of the fragile around SB 375, the understanding
11 was -- and I guess the resolution begrudgingly from
12 some -- was it's a GHG bill. And that was a critical
13 moment for the trade association to move forward.

14 And the other thing I wanted to highlight some
15 key issues in particular for the home building industry
16 that were flushed out in the discussions which are in the
17 report and which I think will provide context for staff
18 and the Board moving forward.

19 One is a recognition of not only the state of the
20 economy, but the housing market in general. We're in an
21 unprecedented depression in the housing market; 34,000
22 units projected to be built in 2009. That's 175,000 units
23 less than just three years ago. So that had to be
24 recognized that it would be a significant factor in
25 achieving reductions from the land use sector.

1 Secondly, a greater understanding of the time
2 frames and difficulties associated with land use changes.
3 We can't make decisions today and expect changes to happen
4 tomorrow. These things take time. There's environmental
5 review. There's permitting. There's investment. And
6 then there's difficulties with in-fill development that
7 needed to be recognized. That's in the report and that's
8 important to understand when setting targets.

9 And, finally, the most critical, focus on
10 bottom-up approach and flexibility for regions. It's
11 critical that San Diego get it right. San Diego's first
12 and needs to set the example for the rest of the state.

13 Again, thanks to staff and the other RTAC members
14 for working with us. We represented the private sector
15 all by ourselves out of 21 folks. And again thanks very
16 much.

17 ACTING CHAIRPERSON RIORDAN: Thank you very much.
18 Appreciate your being here today and your viewpoints.

19 Kate Wright, followed by Tom Jordon, followed by
20 Bonnie Holmes-Gen.

21 MS. WRIGHT: Hi. I'm Kate Wright with the Local
22 Government Commission. Thank you for the opportunity to
23 comment today. And thank you to the RTAC for all their
24 hard work putting this report together.

25 Both the Board and the RTAC have recognized that

1 local governments will play a really essential role in
2 achieving reductions and greenhouse gas emissions.

3 SB 375 poses a new set of challenges for local
4 governments, and local governments will need a sustainable
5 source of funding to be able to play the critical role
6 that we will need them to play in implementing SB 375. At
7 a time when local governments should be increasing their
8 planning efforts, many have had to cut back planning
9 staff. Planning resources will be critical to the success
10 of SB 375.

11 The biggest barriers to successful SB 375
12 implementation are cuts to public transit and a lack of
13 funding for planning and zoning code changes. The Local
14 Government Commission would like to support the RTAC's
15 recommendations to provide incentives for exceeding
16 targets, to restore transit funding and to encourage the
17 EAAC and the Strategic Growth council to provide funding
18 for city and county planning efforts.

19 Lastly, while we are supportive of adopting
20 policies based on best management practices, we want to be
21 sure that we are getting quantifiable reductions. A lot
22 of general plans have great smart growth language already,
23 but we are not seeing development patterns that reflect
24 these policies because of outdated zoning codes.

25 So we ask that you provide support for local

1 governments to make real changes in their communities.

2 Thank you.

3 ACTING CHAIRPERSON RIORDAN: Thank you very much.

4 Tom Jordon.

5 MR. JORDON: Good afternoon, Madam Chair, members

6 of the Board.

7 Tom Jordon with the San Joaquin Valley Air

8 District.

9 It can be fairly anticlimactic being late in the
10 testimony, but I did want to share that I attended the
11 majority of the RTAC meetings and shared our experiences
12 with the ISOR program in the valley.

13 And to I guess follow onto Dr. Sperling's
14 comments earlier, this really is the first step. And I
15 think the RTAC did a great job of balancing the needs of
16 various regions. We've made a lot of comments about how
17 this would apply in the valley dealing with jobs/housing
18 balance in the north valley, and they took that into
19 consideration. But I do believe that resources are the
20 big issue going forward.

21 In the valley, we have eight MPOs, 59 cities, and
22 eight counties. Some of those are relatively small in
23 scale compared to what would be in the major metropolitan
24 areas and fairly resource constrained.

25 In the interim, there's going to need to be a lot

1 of help to develop modeling tools to accurately represent
2 what's going on. The best management practices can fill
3 that void as those tools are developed. And then on a
4 planning front, this really is a cascading effect. And as
5 you develop models, set targets, do transportation plans,
6 and then you do need the land use plan changes, zoning
7 code changes. And this is happening at a time when our
8 planning departments have really been decimated. Most of
9 our planning departments in the state have become
10 fee-based programs. And with very little permit activity
11 going on, we're going with departments from 35, 40 people
12 to department with five, seven, eight people. So those
13 resources are crucial if we're going to be successful.

14 Thank you very much.

15 ACTING CHAIRPERSON RIORDAN: Thank you very much.
16 And your point is well taken. That certainly is happening
17 in the county where I live in regards to planning
18 departments.

19 Bonnie Holmes-Gen, followed by Marisa Rimland and
20 William Davis.

21 MS. HOLMES-GEN: Thank you, Madam Chair, members
22 of the Board.

23 Bonnie Holmes-Gen with the American Lung
24 Association of California. And on behalf of the American
25 Lung Association, I wanted to express our appreciation for

1 the work of the Regional Targets Advisory Committee. And
2 we do support their recommendations and we believe this
3 report offers an important starting point for the ARB to
4 move forward in establishing regional targets for
5 greenhouse gas reduction and promoting healthier
6 communities. And we do believe these targets must be high
7 targets that challenge each region for a more sustainable
8 and healthier land use planning.

9 The American Lung Association and the public
10 health community broadly is deeply concerned by the global
11 warming air quality and the chronic health impacts of our
12 sprawling auto-dependant development. And we believe that
13 this SB 375 implementation process and the process of
14 developing the regional targets and the sustainable
15 community strategies provides real opportunities for
16 improving public health in California and for changing
17 land use transportation patterns and reducing driving.

18 And we know that this has to occur in a
19 partnership between the State and local governments. And
20 we believe that is what's intended and what you're
21 embarking on right now. We have to have that partnership.

22 And we want to point out to you we appreciate the
23 RTAC report recognizes the value of the many public health
24 benefits that can be achieved by smarter growth. And I
25 want to call your attention to the section in the report

1 that starts on page 42 that talks about the many
2 co-benefits of sustainable community strategies. And this
3 includes the public health and other benefits, including
4 the benefits of reducing chronic health risks such as
5 obesity, diabetes, lung and heart disease, cancer,
6 depression, other health -- there are many other health
7 benefits of sustainable land use planning.

8 And there are specific recommendations for
9 addressing the co-benefits in the target-setting process.
10 And we would strongly enforce those recommendations,
11 making the advancement of co-benefits a key goal in ARB's
12 process for setting regional targets. And the MPO should
13 quantify to the extent possible the range of co-benefits
14 associated with the achievement of greenhouse gas targets
15 and also the importance of promoting the development of
16 planning models that can accurately estimate the global
17 warming and public health and other co-benefits of the
18 land use scenarios and the development of these targets.
19 So we think these are very important recommendations, and
20 we hope that you follow those.

21 So I'm still on green; right?

22 In closing, the American Lung Association and the
23 public health community, we are looking forward to working
24 with you on this process of developing ambitious regional
25 greenhouse gas reduction targets that will fight global

1 warming and achieve public health benefits.

2 We support the target setting process in the RTAC
3 report. I think that provides a very important public and
4 transparent process for public engagement. And we
5 strongly urge the ARB to make the advancement of public
6 health and other co-benefits a key goal of the
7 target-setting process.

8 ACTING CHAIRPERSON RIORDAN: Thank you, Bonnie.

9 Marisa Rimland, William Davis, and Julia
10 Gardiner.

11 MS. RIMLAND: Good afternoon, Madam Chair and
12 members of the Board.

13 My name is Marisa Rimland. I'm here representing
14 Public Health Institute, one of the largest public health
15 organizations in the country who focuses much of its work
16 in California.

17 PHI would like to express its strong belief in
18 the inherent connection in climate change, public health,
19 and planning. There is a direct evidence-based
20 relationship between how our communities are designed and
21 the amount of air pollution emitted. This pollution not
22 only contributes to climate change, but also negatively
23 impacts California's health.

24 As members of the Health Network, we signed onto
25 the America Lung Association's November 13th letter sent

1 to you supporting the RTAC report's recommendation and
2 would like to reiterate some of those points made in that
3 letter, which was put into the record today.

4 First, we would like to express appreciation to
5 RTAC for the report and their inclusion of public health
6 co-benefits into the language as well as their listing of
7 public health groups as stakeholders.

8 We urge the Board to move forward in the adoption
9 of ambitious regional targets to reflect the many public
10 health benefits of smart growth.

11 We would also like to express appreciation for
12 the recommendations in the RTAC report, which emphasize
13 the importance of incorporating public health benefits in
14 the process of developing those regional targets. We
15 can't emphasize enough the importance of making the
16 development of healthy communities a key goal in CARB's
17 process for setting regional targets and the need for the
18 target-setting process to delineate exactly what can be
19 accomplished in achieving healthier more active
20 communities as well to demonstrate specific pathways to
21 achieve those goals.

22 It is also important to develop ambitious targets
23 that will encourage each region to adopt new and
24 innovative approaches to planning.

25 We urge you to adopt the RTAC recommendations

1 regarding co-benefits, which include quantifying those
2 benefits and promoting the use of models to accurately
3 estimate both the benefits for climate change mitigation
4 as well as the related co-benefits of various land use
5 scenarios in the development of the targets and the
6 sustainable community strategies.

7 Finally, we believe that the goals will be
8 furthered by requiring interim measures of progress and
9 periodic reviews to ensure that targets are set at the
10 appropriate levels.

11 Thank you for your time and the opportunity to
12 speak today.

13 ACTING CHAIRPERSON RIORDAN: Thank you. And
14 thank you for being here and representing the organization
15 that you do.

16 William Davis, Julia Gardiner, Bill Magavern, and
17 the final speaker will be Randal Friedman.

18 MR. DAVIS: Madam Chair, please convey to
19 Chairperson Nichols our condolences for the loss in her
20 family. It's always a hard thing to go through.

21 My name is Bill Davis. I'm with the Southern
22 California Contractors Association. And I'm also a member
23 of the California Transportation Commission's Regional
24 Transportation Plan Guideline Subcommittee as are some
25 other folks that have been speaking with you today that

1 were also part of RTAC.

2 And we're a consumer of RTAC's work, as well as
3 you, and that's the part that I came to talk to you about.
4 There are a lot of moving parts in this process.

5 As far as I can tell, you've been asked to solve
6 every problem in the state of California this morning with
7 the exception of world peace and perpetual motion. There
8 are some limits to your abilities, and I know that you
9 don't have any funding yourself to hand out to various
10 people. And we all recognize that.

11 But this is an important process, and it's
12 important for the history of our state. It's important
13 for the future of our state. And to Dr. Sperling's
14 assertion that this bill is a weak bill, it's a political
15 bill. This bill set up a series of guidelines and
16 suggestions, but the control of land, Supervisor Roberts,
17 remains at the local governmental level. And the control
18 of the transportation system still remains within the
19 process that's been set up over the past several years
20 involving regional transportation planning agencies,
21 Caltrans, and the federal government, who is getting ready
22 in their new highway program to come across with very
23 similar requirements to the ones that you're looking at
24 right now under SB 375. So you're ahead of the game
25 again, but maybe in a good way this time.

1 At least California has a little experience in
2 dealing with these issues that other states are not going
3 to have. In fact, I get calls from other states quite
4 often saying what the hell is going on out there. And I
5 respond that, you know, it's California. We're at the
6 bleeding edge of regulations. And they go, well, thank
7 goodness, and just keep it there. And that's not going to
8 be happening.

9 We've got called just the other day -- and this
10 will gladden the heart of the NRDC -- from the Soviet --
11 the Russian Federation of Home Builders who are eager to
12 come and start doing in-fill construction here in
13 California. And we're also getting calls from Tokyo.

14 This is serious business. We do participate in
15 these things, because if you're not part of the solution,
16 you're definitely part of the problem.

17 And we want the agency to follow construction's
18 old maxim, which is measure twice, cut once.

19 Thank you.

20 ACTING CHAIRPERSON RIORDAN: Thank you.

21 Julia Gardiner.

22 MS. GARDINER: Good afternoon. I'm Julia
23 Gardiner with the Nature Conservancy.

24 I'd like to start by thanking the RTAC Committee
25 members and ARB staff for your hard work throughout this

1 intense complex process.

2 The Nature Conservancy is happy to support the
3 recommendations made by RTAC, especially the
4 recommendation to set the most ambitious greenhouse gas
5 emissions reductions targets possible for the MPOs. And
6 I'd like to highlight today there is a synergy between
7 greenhouse gas emissions reductions from land use and
8 transportation planning and open space protections and
9 associated co benefits.

10 Strong targets will alleviate the conversion
11 pressure on natural lands, reducing the biological
12 greenhouse gas emissions that are the result from
13 conversion of these lands, and allowing open spaces to
14 continue to provide the broad suite of climate and other
15 public benefits that are essential to our quality of life,
16 including carbon sequestration and climate regulation, air
17 and water quality benefits, fish and wildlife habitat,
18 recreation and more.

19 The Nature Conservancy thanks the RTAC and ARB
20 staff for supporting these goals by recommending the
21 consideration and quantification of co-benefits throughout
22 the target setting and SB 375 implementation process,
23 including in the development of the sustainable
24 communities strategies.

25 And we will continue to offer our support to ARB

1 staff to develop methodologies and tools to help local
2 governments quantify the greenhouse gas reductions from
3 land use planning that fosters open space protection and
4 associated co-benefits. Thank you.

5 ACTING CHAIRPERSON RIORDAN: Thank you very much.

6 Bill Magavern, followed by Randal Friedman.

7 MR. MAGAVERN: Good afternoon, Board members.

8 I'm Bill Magavern, Director of Sierra Club
9 California.

10 We appreciate the time and priority you're giving
11 to this topic, because it is absolutely essential to
12 meeting our greenhouse gas reduction mandate. In fact,
13 increasing vehicle miles traveled threatened to overwhelm
14 the greenhouse gas savings from cleaner fuels and
15 vehicles, as you know.

16 Fundamentally, what we need to do is to shift the
17 funding at all levels of government from roads to transit.
18 And, of course, much of that is out of your control.

19 One comment by Supervisor Roberts that we
20 completely agree with is that to zero out State operating
21 assistance to transit completely undermines the ability to
22 meet the greenhouse gas reduction mandates in both SB 375
23 and AB 32.

24 Something that is within your control is we
25 recommend, as others have, that you use AB 32 allowance

1 revenues to fund public transit and local government land
2 use planning, among other goods that can be funded. And
3 we've made this recommendation to the EAAC.

4 We support the use of pricing as a tool. We
5 agree with the MTC on the value of congestion pricing,
6 although we haven't come to complete agreement with them
7 on the particular legislation that they're sponsoring.
8 We're still working on that.

9 We also think that user fees, cash-out parking,
10 and reduced transit fares would all help very much to
11 achieve our goals.

12 We also strongly support the tool of the indirect
13 source review, which as Dr. Telles pointed out has been
14 used now for several years in the San Joaquin Valley.

15 The targets need to be ambitious. I remember
16 that last December when the Scoping Plan was adopted,
17 there was a lot of testimony and substantial sentiment on
18 the Board for going higher than the five million metric
19 tons, and that was adopted just as a placeholder at the
20 time.

21 Business as usual is completely unsustainable.
22 That's why it's important that we not have targets that
23 would allow local governments to essentially say that what
24 they're doing now is going to be enough to get there.
25 That really won't do it.

1 And, finally, we agree with Board Member D'Adamo
2 and many others who have said that we need to fully
3 account for and value the many co-benefits.

4 Thank you.

5 ACTING CHAIRPERSON RIORDAN: Thank you. Thank
6 you very much.

7 And finally, Randal Friedman.

8 MR. FRIEDMAN: Thank you, Madam Chair and Board
9 members.

10 Randal Friedman on behalf of the U.S. Navy.

11 The military in California is one of the largest
12 employers in the state and represents hundreds of
13 thousands of households, a majority of which are in
14 southern California.

15 We're very much concerned about the impact we
16 have on the state. We recognize the issues of travel.

17 And, you know, the person who testified about
18 drive to qualify, well, frankly, our sailors have been
19 driving to qualify for further and further away. In San
20 Diego, it's not uncommon to find them out in Temecula.

21 So where I'm going with this is we had a naval
22 base station in San Diego, presently home to 50 ships and
23 growing to 70 ships, an old golf course we decided would
24 be the perfect place to put housing for sailors. It's a
25 quarter-mile from a lightrail station. Sailors could walk

1 to their ships.

2 We proposed four 18-story buildings, beautiful
3 architecture. Everything was fine until the Coastal
4 Commission staff opposed it, because they felt 18-story
5 buildings didn't belong in the coastal zone.

6 Well, the Coastal Commission itself saw the
7 benefits to this, and I'm proud to say it's built and 92
8 percent occupied now. And the sailors can take lightrail.
9 They can walk to the ships.

10 So why do I bring this up? A couple of things.

11 First, I don't think you can ever underestimate
12 the challenge ahead with building in-fill. Everyone talks
13 about in-fill. It's a wonderful thing. But when you
14 actually try to put it on the ground, it's an incredible
15 challenge balancing things like coastal views and housing.
16 And I think that's something you need to be very much
17 aware of and have some clear policies about the need --
18 the absolute need to build where people work, where
19 transit is.

20 The second thing is I want to make sure that as
21 you proceed among this that you recognize that the
22 military in California is a major employer. We have
23 housing needs. We want to partner with California to make
24 sure our future growth needs and transit needs are fully
25 incorporated into the plans that you do.

1 Finally, I just want to again use this as I think
2 a very positive example of what you can do with
3 under-utilized land, in this case an old golf course, and
4 put up housing. The amount of VMT reduction we've
5 experienced is just tremendous. Sailors no longer have to
6 go 20, 30, 40 miles out, but can live on base in beautiful
7 housing and walk to work. Thank you.

8 ACTING CHAIRPERSON RIORDAN: Thank you very much.
9 Appreciate your input.

10 Board members, let me make a suggestion about how
11 to move forward with this particular item.

12 It is not a regulatory item, and so therefore
13 there's no motion. But there's obviously tremendous
14 interest and tremendous varying viewpoints.

15 And my thought would be this. If I worked kind
16 of through the Board, gave you an opportunity to ask first
17 any question you might have of staff, and then if you
18 could just simply give some of your comments or thoughts
19 based on staff work and all of the public testimony that
20 we've had, and then we'll just move forward.

21 We won't have a debate, because I don't believe
22 in the world that we could ever solve our problems before
23 lunchtime. And so I think this is the easiest and best
24 way. And staff can then sort of synthesize what we're
25 saying and, you know, take it into context in terms of

1 what your next steps are. It's very clear what your
2 recommendations have been, where you're going with timing.

3 So let me start -- I'll start to the right and
4 I'll move through to the left.

5 Dr. Sperling, I'm going to start with you.

6 BOARD MEMBER SPERLING: Thank you for reaching
7 out to the right wing fringe here.

8 ACTING CHAIRPERSON RIORDAN: Yes, I thought about
9 that.

10 BOARD MEMBER SPERLING: So in the spirit of
11 bringing us all together, I'm going to say that I agree
12 with Supervisor -- my esteemed colleague, Supervisor
13 Roberts, with a little twist.

14 Number one is that I would make the argument,
15 which I think was in many ways made by many of the
16 speakers here today, that the strategies to reduce
17 greenhouse gases from passenger transportation through
18 land use and VMT and so on are the same strategies that
19 you would use to achieve this whole long list of other
20 goals that we've been talking about, including investing
21 in public transportation, housing, reducing road costs,
22 public health. And so SB 375 in many ways is aligned with
23 all of those goals, is not something different.

24 And I would suggest that, indeed, because SB 375
25 has some support and where it's going -- or greenhouse gas

1 reduction does and climate policy that, in fact, this
2 could very well be the mechanism to attract funding for
3 local public transportation and these other activities
4 that local government supports and operates. So, I mean,
5 that's one way of thinking about it.

6 The other point is I fully agree ARB should not
7 be in the land use regulation business. And, in fact, the
8 law itself states we should not be. And we're not,
9 because the beauty of this law in the processes that we
10 are just working with the MPOs to set the targets, that
11 local governments are the ones that are going to be making
12 the decisions about what they're going to do with land use
13 and public transportation and everything else. And they
14 have complete flexibility in that.

15 ACTING CHAIRPERSON RIORDAN: Thank you,
16 Dr. Sperling.

17 Dr. Balmes.

18 BOARD MEMBER BALMES: Well, first I want to again
19 thank the Committee for I think a job well done. And I
20 agree it's a first step. You're just wading into the
21 waters, and it's only going to get deeper. But I think it
22 is a good first effort.

23 And I think there's some nice text in the report
24 about trying to achieve co-benefits in the area of health,
25 for example, which is near and dear to my heart. But in

1 the actual recommendations, there's not too much
2 specificity with regard to trying to achieve those
3 co-benefits.

4 So several of the speakers today mentioned this,
5 and I'm fully in agreement, that we should try to specify
6 in our plans. And I know it gets back to the comment
7 about trying to achieve perpetual motion. We're loading a
8 lot onto this planning process. But I think if we are, in
9 fact, trying to achieve more sustainable communities as
10 well as reduce greenhouse gases, then improving public
11 health through the process should be specifically
12 addressed.

13 ACTING CHAIRPERSON RIORDAN: Thank you, Dr.
14 Balmes.

15 Ms. Berg.

16 BOARD MEMBER BERG: I've been a little bit quiet
17 on this issue today, because it is tremendously
18 overwhelming.

19 I also thank the Committee for their arduous
20 work. The diversity of the Committee and the fact that
21 you were able to come to consensus is extremely
22 impressive. And my hat's off to you for that.

23 Through all the testimony, one of the things that
24 became mindful for me was unintended consequences. And so
25 we have a lot of communities that have sprung up that have

1 provided lower cost housing that have developed
2 communities with economics around it that are supported by
3 the people that live there, that if we bring these people
4 back, such as the excellent example that was given to us
5 by the Navy, I'm sure that the people in Temecula or the
6 governments or the businesses are missing those military
7 families. We're going need to think about how we are
8 going to handle the shift in economics on communities that
9 might suffer as a result of this.

10 So that would be another thing that I would just
11 be mindful about as we're bringing -- I have employees
12 that drive 40, 50 miles in order to afford a home. We're
13 in east L.A. And some of them drive to Apple Valley every
14 day in order to afford a home and a place where they want
15 to raise their children. We're going to move these people
16 back closer to where they work, then we're going to not
17 only have to have that affordable housing, but also then
18 these communities that have sprung up and have housing,
19 what are we going to do with them?

20 So that would be my comment.

21 ACTING CHAIRPERSON RIORDAN: Thank you, Ms. Berg.

22 Dr. Telles.

23 BOARD MEMBER TELLES: I would like to commend the
24 RTAC Committee for getting 100 percent consensus with such
25 a diverse group of environmentalists and county government

1 people and industry and everything. I think it's
2 incredible.

3 I would like to bring this into a little bit
4 bigger perspective and that if the federal government and
5 the Kyoto doesn't come up with some kind of agreement
6 about reducing greenhouse gases, what we do here in
7 California really doesn't make much difference. It won't
8 have any impact on the global greenhouse gas emissions.
9 And I think we need to keep that into perspective as we go
10 forward.

11 Having said that, I think there's so many
12 co-health benefits with this. It's just unbelievable.
13 One of the problems we have as a cardiologist is just
14 encouraging people to be physically active.

15 And as noted in testimony here about four or five
16 months or maybe six months ago when staff presented the
17 importance of the built environment on increasing activity
18 and reducing a lot of the risk factors for cardiovascular
19 disease, moving ahead with this is so important for the
20 co-health benefits. Even if the greenhouse gas emissions
21 reductions are not going to make any difference in the
22 world perspective, it's going to make a huge difference
23 from a health perspective in California.

24 ACTING CHAIRPERSON RIORDAN: Thank you, Dr.
25 Telles, for that perspective.

1 Ms. D'Adamo.

2 BOARD MEMBER D'ADAMO: Well, I've been on the
3 Board for a number of years, and I can't even count the
4 number of times that in a regulatory item or an update it
5 would come back around to land use and the need to address
6 improvements in land use planning in order to provide for
7 future emission reductions.

8 And so here we are. We're not a land use
9 planning body, nor should we be. But the Legislature has
10 spoken and I think given tremendous guidance and just
11 enough incentives to bring the group together far beyond
12 the RTAC Committee, which I also want to compliment the
13 group.

14 But we're seeing folks talking about very
15 creative ideas as a group for the whole state of
16 California. And so I just think it's a very exciting
17 time. I look forward to more information.

18 The one thing I do look back on over the years
19 where we have talked about trying to get some benefits --
20 attain some benefits with more sustainable planning is
21 that we just didn't have the science. And so I'm really
22 looking forward to the information that we receive from
23 the model and just want to encourage staff. I know you're
24 going to do this anyway, but to just make it as adaptive
25 as possible.

1 A number of Board members and witnesses are
2 talking about the tremendous co-benefits. I suspect we
3 don't have all the information we need yet on co-benefits,
4 but we will as this process develops.

5 And then same thing with the model becoming as
6 adaptive as possible for the best management practices. I
7 know I come from -- we all come from different regions of
8 the state. But what I see when I talk to planners in the
9 San Joaquin Valley is that their heart is in the right
10 place, but they just don't have the information. So I
11 think information is going to be the real tool here that
12 gets us moving forward.

13 ACTING CHAIRPERSON RIORDAN: Thank you.

14 Mayor Loveridge.

15 I'm going to work this way. I'm sorry. I'm
16 going to the far, far left.

17 BOARD MEMBER LOVERIDGE: Well, let me be quite
18 quick.

19 One, I think what we have as the report is
20 outstanding. It's outstanding in substance and process
21 and outcome. So I salute the report that's here.

22 Second, I mean, we can spend a lot of time
23 talking about it, but the words that caught me in this was
24 start bottoms-up, flexibility, partnership, co-benefits, a
25 lot of really great powerful concepts that are in this

1 report.

2 Third, I think we need to recognize this is the
3 start of a process. And it's a long process. And change
4 is not easy. I heard one saying: Work hard, catch hell,
5 and make progress. And this is going to be something that
6 takes place over time.

7 I also would emphasize that at least as a
8 political science remark that when asked the question what
9 is the law of the land, the law of the land is five votes.
10 And that this legislation depending upon how we
11 participate in it and how it's developed can also change.

12 And so I think one example for us is what happens
13 when you get good folks around the table looking for
14 common solutions. I would encourage us to see that as our
15 approach.

16 ACTING CHAIRPERSON RIORDAN: Thank you.

17 Supervisor Roberts.

18 BOARD MEMBER ROBERTS: I think I guess the law of
19 the land on this Board is six votes.

20 BOARD MEMBER LOVERIDGE: That's the Supreme
21 Court.

22 BOARD MEMBER ROBERTS: Oh, well, we're far more
23 important than them.

24 (Laughter)

25 BOARD MEMBER ROBERTS: Let me just make a couple

1 of observations and why I have some of the concerns I
2 have. And I have mentioned this in the past. So at the
3 risk of being overly redundant, San Diego, as all
4 counties, have their own unique requirements. We're
5 different.

6 And to the speaker from Ontario I though really
7 got it right. We need to recognize these things. We have
8 some very unique things.

9 Randy spoke about the military. We have a
10 disproportionate number of military bases. The federal
11 government owns about 40 percent of San Diego County.
12 That's off limits to us, believe it or not. At the Board
13 of Supervisors, we like to think we're important, too, but
14 there are things we do not have control over.

15 We have a disproportionate number of Indian
16 reservations. Most of those have casinos. Most of those
17 are built in the rural areas a long way from anything.

18 All of our groups come in and say don't do
19 sprawl. The biggest and most significant sprawl we've
20 seen in the history of the county has occurred on Indian
21 reservations now, and it's generating traffic significant,
22 and it's not public transit. We don't control it. Those
23 are their own nations.

24 And, finally, we have something called a border
25 that most of you don't have to deal with. And it involves

1 the shipping of a lot of goods and a lot of trucks, and it
2 creates a lot of greenhouse gas, not surprisingly. And we
3 have very little control over that.

4 So there are unique things that are planning
5 issues that we have to deal with. Believe it or not, we
6 have been dealing with these things. And we are in the
7 process of updating our general plan. Maybe we're unique
8 in we haven't fired our planning staff and we are doing
9 those things.

10 I get a little concerned when I hear the term
11 "business as usual." One of the things we are working on
12 is a major expansion of our trolley system. It's about a
13 billion dollar to add the next line. We're working as
14 partners with a whole series of groups. We have
15 communities fighting us. We have environmental groups
16 fighting us, because you'll always find no matter how good
17 you think you're doing, somebody is out there that doesn't
18 like what you're doing. I don't know if that's business
19 as usual and I don't know when it comes to look at that is
20 that business as usual when we get that done? Do we get
21 credit for it? Is that -- well, you were thinking about
22 this for ten years. We have been working on it for ten
23 years. I don't know if that's business as usual.

24 We've been doing other things in our urban areas.
25 We know downtown is successful, but downtown is not a

1 model for what has to come. And that's to lift the
2 densities in the areas that surround downtown. It won't
3 be high-rise buildings. It will be three and four and
4 maybe five-story buildings. And we know that in each of
5 those communities it's a fight.

6 So we've established a reward program for
7 communities who work positively with developers to build
8 higher-density grounding. We actually can get grants to
9 do something they want to do in their own neighborhood.
10 If they want to put in street trees or parks or what have
11 you, they get money to do that. Is that business as usual
12 when it comes before this Board? I don't know.

13 We're doing a lot of things, and I'm very
14 concerned that somehow we're not going to get credit for
15 those because we are doing them. The State has a habit of
16 penalizing you when you're doing good. You've got to do
17 more. It doesn't make any difference that you're doing
18 things that aren't being done elsewhere. You're going to
19 have to do more. Maybe you get the gist of why I'm
20 concerned.

21 To the gentleman who spoke about the UC program,
22 this is a great program. I know about this program
23 because we're partners in this. It's with the
24 metropolitan transit system. We just opened a new super
25 shuttle serving that university. Is that business as

1 usual? I don't know.

2 You know, it's hard to do these things when you
3 have a State that is telling you to do more at the same
4 time as they're taking away the money that you have to do
5 these things, and taking it away completely.

6 So if I sound a little irritated, it's with
7 reasons. I don't trust the State. Okay. And I don't
8 trust the State to do land planning for us. And I don't
9 trust the State to evaluate the competency of our land
10 plans.

11 This Board has been successful, and there's been
12 a lot of collateral benefits from it. And I can site a
13 lot of those because I've been here long enough, because
14 we have remained focused on something.

15 It was reducing the pollution in the air. And,
16 yes, when we did that, guess what? It reduced the
17 pollution in the water and there was a whole series of
18 other things that happened as a result that we knew were
19 out there. But we didn't focus on those things. We
20 focused on single purpose. Let's get the pollutants out
21 of the air. And we got the benefits from that.

22 What I'm concerned about here is everybody is
23 reading some world saving other thing in besides the
24 greenhouse gases, which I thought was world saving enough
25 if we can achieve that.

1 I hope we can get focus back on that. And I hope
2 we can see, yes, there will be collateral benefits. And
3 yes, we want to do these things. We need to be clear of
4 what the goals are and why the goals are there.

5 And I'll tell you, we can take care of a lot of
6 the other stuff and you can applaud yourself for helping
7 us with our plans and all of those things.

8 But, you know, I'm deathly afraid this thing can
9 turn out -- we can have a revolt on our hands at the local
10 government level if this thing is not handled properly.

11 ACTING CHAIRPERSON RIORDAN: Ms. Kennard.

12 BOARD MEMBER KENNARD: Well, interestingly
13 enough, I think I'm the only credentialed planner on this
14 panel. And I have graduate and undergraduate degrees in
15 urban planning. And I sat on the Los Angeles City
16 Planning Commission for several years. So I've been very
17 interested in local land use planning for virtually all my
18 career.

19 And I actually absolutely agree with Supervisor
20 Roberts that the State should not be intricately involved
21 in local land use decisions.

22 And, in fact, I read AB 375 as just that,
23 allowing the State to help facilitate but not to dictate
24 and govern local land use policy, because it's absolutely
25 impossible to do.

1 Years ago, many of you will probably remember the
2 jobs/housing balance and how policy was trying to trick
3 the system of how developers make market decisions about
4 siting housing and transportation. And it really didn't
5 particularly work.

6 But I do believe that this is a first attempt at
7 trying to open a level of communication and commitment
8 along broad sectors to try to be able to match local land
9 use policy with broader environmental policy.

10 And the success that RTAC with the assistance of
11 CARB staff has been able to achieve in terms of
12 cooperation is really just stunning. And I applaud you
13 all. And I wish you all good luck.

14 I think that the difficulty will be how do you
15 determine the success of your implementation. And more
16 importantly, how do you measure your ultimate success.

17 And so I just leave that with you, because I
18 think those are the two real big dilemmas that you face.

19 But I wish you all good luck. And I think what
20 you've done so far is really amazing. Thank you.

21 ACTING CHAIRPERSON RIORDAN: Supervisor Yeager.

22 BOARD MEMBER YEAGER: Yes, I'm much in agreement
23 with many of the things that are in the report. I think
24 it gives us the roadmap that we need to sort of go
25 forward. And again thank you for helping us get there.

1 It is a little bit of a concern to me that there
2 are so few people here initially to participate in this
3 discussion. And I worry what might come June when the
4 statewide targets are released.

5 And I think part of the challenge for this Board
6 and for staff is trying to figure out how we're going to
7 get this information out, not only to the public, but to
8 all the interested parties, the cities, the planners
9 between now and June. I agree with Ms. D'Adamo on saying,
10 well, how are we going to get this information out?

11 Again, as I had said in my earlier remarks with
12 association of governments, with air districts,
13 transportation governments, a lot of people are involved
14 in all of this. And it would be wonderful just to have
15 everybody in the same auditorium along with city planners
16 and county planners, seeing what their reactions are or
17 what questions they have.

18 And if you haven't set up any of those throughout
19 the state, I'm happy to volunteer Santa Clara County as
20 the first one to go forward and have everybody that's
21 involved and discuss these things.

22 It's like with all the stuff we're doing which is
23 groundbreaking and so exciting -- and when I think of
24 local carbon fuel standards, it's so important to get it
25 right. And part of that just means more meetings than

1 anybody wants to go to.

2 But we can't surprise people. We don't want an
3 unnecessary backlash to what's being proposed. And again,
4 I think the sooner we can say we want input and this is
5 how it's all going to fit together and have people ask
6 questions -- and particularly all those local elected
7 officials who may not have a public that's going to be so
8 excited about some of these things.

9 You know, those of us from local government and
10 certainly as Supervisor Roberts was saying, you want to go
11 one foot more than what is already out there, you do get a
12 negative reaction. And people run on whether they're
13 going to support high density or not. And most people win
14 elections by saying, "No, I'm a NIMBY."

15 So a lot of it's happening. And I think we will
16 serve ourselves well if we stayed in front of it and again
17 try to engage people early on.

18 ACTING CHAIRPERSON RIORDAN: To the staff, my
19 only thought is that we do as much public outreach as we
20 can possibly do between now and June to as many of the
21 stakeholders as possible. And we need to include
22 ourselves. There was a recommendation maybe we should
23 have a workshop. And I think that might be very helpful.

24 Now, having said that and having the knowledge of
25 the vastness of this effort, I again want on behalf of the

1 Board to say thank you to our great Committee that
2 probably had more meetings than they care to have. But we
3 may draw on you again, because you are really great
4 resources.

5 And to the staff, thank you for an excellent
6 report.

7 And with that, let me simply say we need to
8 adjourn to a closed session as was noticed in the agenda.
9 And at that closed session, we're also, Board members,
10 going to have our lunch. So we can accomplish two things
11 at one time. And so if you will go to the back and get
12 our lunch and we're ready to go.

13 BOARD MEMBER SPERLING: What time will we be
14 back?

15 ACTING CHAIRPERSON RIORDAN: What time will we be
16 back? Let's try to be back at 1:30. That's 45 minutes.

17 (Thereupon a lunch recess was taken.)

18 ACTING CHAIRPERSON RIORDAN: Ladies and
19 gentlemen, I do need to apologize to the audience for our
20 delay. It just couldn't be helped. And so we'll try to
21 be very efficient with our time from now on.

22 As Board members are gathering, I'd like to say
23 to the staff thank you for your patience, because we did
24 take an item before you. And I then will make it my
25 responsibility to listen doubly hard.

1 and then describe our plans to promote the site to
2 increase this traffic.

3 I would also like to mention that at the Board
4 meeting next month you will hear staff's recommendation
5 for the redesigned Zero Emission Vehicle Program. This
6 website complements those efforts as well as the efforts
7 of all of ARB's programs to reduce emissions from
8 light-duty passenger vehicles.

9 --o0o--

10 MS. CHILADAKIS: The Drive Clean website was
11 originally launched in 2002 as a resource for consumers to
12 find the cleanest cars on the market. At that time, there
13 were a handful of clean cars and hybrids, making the site
14 relatively easy to manage and use.

15 However, over the years, the number of clean cars
16 and advanced technology vehicles has grown, calling for
17 the website to hold more data and offer users more
18 features and functionalities.

19 And then in 2007, the Board approved the new
20 environmental performance label and directed staff to put
21 the website on the label. As you probably recall, the
22 label ranks each car's greenhouse gas and smog emissions
23 with a global warming score and a smog score from one to
24 ten, with ten being cleanest. Driveclean.ca.gov is listed
25 on every environmental performance label, which is on all

1 new cars beginning with cars manufactured after January
2 1st, 2009. This makes the website a critical online
3 component to educate and promote clean vehicles to new car
4 buyers.

5 So taking our direction from the Board and
6 realizing the opportunity we had with the website, we set
7 out to enhance Drive Clean to meet the following goals:

8 --o0o--

9 MS. CHILADAKIS: To display environmental
10 performance label scores for all cars certified in
11 California;

12 To help influence consumers to buy clean cars,
13 cars with higher scores;

14 To educate consumers about current and future
15 clean vehicle technologies and alternative fuels;

16 And to show consumers that clean technology and
17 alternative fuel vehicles are available in a variety of
18 makes and models that will fit their lifestyle.

19 So keeping these goals in mind and thinking about
20 how consumers shop for cars online, we launched Phase I of
21 the Drive Clean website in 2007.

22 --o0o--

23 MS. CHILADAKIS: Phase I focused on getting all
24 of the vehicle's certification data into the Drive Clean
25 database and on the general functionalities we wanted to

1 technologies and fuels.

2 So here you can scroll to look at the different
3 fuels.

4 You can also do a quick compare and compare up to
5 three vehicles side by side.

6 You can also learn about the new environmental
7 performance label.

8 Scrolling down, we provide what's called popular
9 searches. And these are lists of the cleanest cars,
10 hybrid SUVs, and cars with incentives.

11 If you hit "view all," you can get a list of all
12 the cars that meet the criteria for each list. For
13 example, for cleanest cars, it is cars with a global
14 warming score of seven or higher and a smog score of eight
15 or higher.

16 You can also find clean vehicles based solely on
17 their global warming score or smog score.

18 So now I'm going to show you a search. I'm going
19 to look up the 2010 Toyota Prius. And you can see when
20 you get the results, you get an image of the vehicle, some
21 information about the transmission and engine, the
22 technology type, the global warming score, the smog score,
23 check mark, because this car probably has an incentive,
24 and the base MSRP.

25 You click on the image, you get more information

1 about that vehicle. You get a calculated annual fuel
2 costs and greenhouse gas and smog emissions, the emission
3 certification standards, the engine family, and then some
4 information about the warrantee that is for extended for
5 PZEVs and AT PZEVs and information for incentives.

6 Now if I go back to the home page --

7 BOARD MEMBER LOVERIDGE: What is the smog
8 emission?

9 MS. CHILADAKIS: Sorry. Thank you.

10 The smog emissions? The annual smog emission is
11 calculated based on the smog score and the grams per mile
12 and a default annual miles of maybe 12,000 miles per year
13 a driver might drive.

14 BOARD MEMBER LOVERIDGE: It's hard to tell what
15 that means.

16 MS. CHILADAKIS: If you look at the website, you
17 can go to a glossary of terms and it describes exactly
18 where those numbers are calculated.

19 --o0o--

20 MS. CHILADAKIS: So these are the results if you
21 want to look at all the sedans in 2010. So it ranks them
22 by global warming score. And you can sort by smog score,
23 different technologies types.

24 You can search by different features and then
25 compare up to three cars. If you want to look at the

1 can type in the city.

2 --o0o--

3 MS. CHILADAKIS: And then, finally, you can also
4 tailor the results. If you want to put in where you live,
5 the amount of miles you drive, or how much you pay
6 individually for fuel, you can tailor the results of the
7 website with this driving habits and fuel costs.

8 And finally, you can look at how --

9 --o0o--

10 MS. CHILADAKIS: -- the environmental performance
11 labels scores were derived and more information about the
12 scores.

13 --o0o--

14 MS. CHILADAKIS: Here's information about the
15 smog score.

16 --o0o--

17 MS. CHILADAKIS: So there are a number of tools,
18 hopefully you can see, that are available to search for
19 clean cars that will meet different people's needs and
20 help them hopefully buy the cleaner option and see there
21 are a lot of vehicles that will meet their needs.

22 --o0o--

23 MS. CHILADAKIS: Moving on to the traffic the
24 site is getting. Currently, we're getting about 5,000
25 hits per month.

1 Each visit averages about six pages and people
2 spend a little over three minutes on the site.

3 On average, 18 percent of the visitors are direct
4 traffic, 33 percent from Google searches, and 14 percent
5 from ARB's website.

6 --o0o--

7 MS. CHILADAKIS: So now I'll provide an overview
8 of how we plan to promote the site.

9 In January 2010, we are conducting paid
10 advertising using Google keyword search. This way, when
11 Californians use different keywords on Google, such as
12 "new cars" and "clean cars," the Drive Clean website will
13 show up in the results at the top.

14 We are also getting some free website advertising
15 on the Clear Channel and CVS station websites. We plan to
16 use social marketing such as Facebook and Twitter.

17 ARB will work on promoting the site through a
18 number of media outlets as well as internal partners, such
19 as Cool California, and then other partners such as
20 CAPCOA, Car and Driver, car buying websites and OEMs, as
21 well as State agencies such as DMV, BAR, and CEC.

22 --o0o--

23 MS. CHILADAKIS: So in closing, Drive Clean is a
24 resource for car buyers to find the cleanest cars on the
25 market. Consumers will find there are a variety of makes

1 and models that fit their lifestyle. And with the new
2 environmental performance labels, it will be easy to
3 determine the cleanest cars available.

4 I want to thank the certification staff for
5 working with us to get the data into our site and our
6 contractors for all the work they did to help us achieve
7 this site this time.

8 So that concludes my presentation. We're open to
9 take questions.

10 ACTING CHAIRPERSON RIORDAN: Thank you very much.
11 I think it's very workable site.

12 And let me turn to the Board members. Any
13 questions or comments on this?

14 BOARD MEMBER SPERLING: Well, we looked up John's
15 diesel Jetta, and it did moderately well. So he's happy.

16 BOARD MEMBER BALMES: Tom told me I could buy
17 that car.

18 ACTING CHAIRPERSON RIORDAN: Any other questions
19 or comments?

20 Again, thank you very much. And let's hope
21 people use it.

22 I hope there's -- don't I recall a public sort of
23 announcement that this is available and it will be sent
24 out?

25 And I had also asked the staff if maybe we could

1 have -- if we really want to have this used, maybe some
2 showrooms of automobile dealers would be willing to have
3 something of an information card. And I said, of course,
4 if there are any automobile dealers left, but certainly
5 some in the area. And maybe you'd like to start in a
6 particular area and see if it's something people would
7 pick up on and use. I think they would if they knew about
8 it. But we need to get them to know about it.

9 We're going to move on to Agenda Item 09-9-3.
10 This is on our air quality legislation for the year.

11 And the Chairman Nichols had asked Rob Oglesby,
12 our Legislative Director, to give us an overview for this
13 legislative year. And other than understanding we're
14 still in debt, what else do we know, Mr. Oglesby?

15 EXECUTIVE OFFICER GOLDSTENE: I just want to say
16 thank you, Madam Chair.

17 Perhaps the most significant of this year's bills
18 which have direct impact on the Board's activities and
19 workload turned out to be the package of energy measures
20 that prompted the Governor to delegate additional energy
21 responsibilities to ARB.

22 In addition to that major impact on our program,
23 there are a number of other bills that address a wide
24 array of air quality issues ranging from climate change
25 and all economic impacts, goods movement, as well as

1 hearings. As you can see by this slide, we have been
2 busy. So far, there have been 15 special hearings related
3 to air quality and climate change, and there are two more
4 scheduled before the end of the year.

5 In spite of the level of activity, this was not a
6 banner year for air quality and climate legislation.

7 On the positive side, it is important to
8 recognize the continued support for strong action to clean
9 the air and curb global warming.

10 ARB's budget remains intact, and our air quality
11 and climate change duties continue to grow.

12 As I reported last March, the economy was and
13 remains the dominant concern in the Legislature. Angst
14 over perceived costs and risks associated with air quality
15 and climate change programs has driven some to seek
16 re-evaluation or delay of some of ARB's most significant
17 regulations.

18 --o0o--

19 LEGISLATIVE DIRECTOR OGLESBY: This past July,
20 you revised the off-road equipment regulations to
21 implement Assembly Member Nestande's AB 2 that was
22 approved in the second special session. That bill, as you
23 will recall, effectively delayed the off-road rule for
24 two years due to the slow down in the construction
25 industry.

1 has been completed, and the ARB held its first public
2 workshop on October 30. You will hear more about this
3 from the next item on your agenda, AB 32 implementation
4 update.

5 --o0o--

6 LEGISLATIVE DIRECTOR OGLESBY: Another
7 significant energy-related issue addressed by the
8 Legislature this year is the passage of the legislation
9 that frees emission reduction credits for power plants in
10 the South Coast Air District.

11 In 2007, the district revised its rule to permit
12 the transfer of offsets from a special account to power
13 plants. A group of environmental community groups
14 successfully sued the district, alleging violations of
15 CEQA.

16 The court-imposed moratorium on the use of
17 credits, blocked the construction or modification of power
18 plants, and also stopped some essential public service
19 projects, such as sewage treatments plants and fire
20 stations, installed permits for new and expanding small
21 businesses in the districts.

22 The South Coast district sought a legislative
23 solution. A number of bills were introduced to provide
24 relief from the court decision. Ultimately, SB 827 by
25 Senator Wright and AB 1318 by Assembly Member Manuel Perez

1 Sonoma County Regional Climate Protection Authority. The
2 Authority will coordinate greenhouse gas emission
3 reduction activities within Sonoma County and assist local
4 government entities in meeting their greenhouse gas
5 emission reduction goals.

6 SB 104 by Senator Oropeza adds nitrogen
7 trifluoride, or NF3, to the statutory list of greenhouse
8 gases subject to control under AB 32. NF3 has a very high
9 global warming potential and its use is on the rise in the
10 semiconductor and electronics industries.

11 Under the broad authority granted by AB 32, you
12 approved regulations that control the use of this high
13 global warming gas this last February.

14 Senator Liu authored a bill that will help
15 support efforts to reduce greenhouse gas emissions
16 associated with land use decisions. SB 391 requires
17 Caltrans to prepare and issue statewide transportation
18 plans that assess and report on the effectiveness of the
19 transportation and land use measures for reducing
20 greenhouse gases.

21 --o0o--

22 LEGISLATIVE DIRECTOR OGLESBY: Two climate
23 related bills that reached the Governor were vetoed.

24 AB 1404 by Assembly Member De Leon attempted to
25 restrict carbon emission offsets. This bill would have

1 approve such an increase.

2 --o0o--

3 LEGISLATIVE DIRECTOR OGLESBY: I want to now
4 briefly mention a few miscellaneous bills that may be of
5 interest starting with a bill that affects how ARB
6 conducts its rulemaking.

7 AB 185 by Assembly Member Mendoza compels the
8 release of all technical, theoretical, and empirical
9 information used in the staff report supporting ARB
10 proposed regulations. The information must be released
11 prior to the 45-day pre-hearing comment period.

12 And, finally, I want to mention a bill that
13 compliments the AB 375 land use program.

14 --o0o--

15 LEGISLATIVE DIRECTOR OGLESBY: Senator
16 Lowenthal's SB 728 strengthens the enforcement provision
17 of the parking cash-out program by explicitly allowing
18 local governments and districts to enforce the program.
19 Previously, it was unclear if local jurisdictions had
20 enforcement authority. At this point, the city of Santa
21 Monica is the only municipality that employs and enforces
22 a parking cash-out program. This bill provides certainty
23 to the enforcement authority of local governments and
24 districts.

25 The Governor vetoed another parking cash-out

1 bill, AB 1186 by Assembly Member Blumenfield, that would
2 have required landlords to isolate parking costs in tenant
3 leases. The Governor preferred to take a wait and see
4 approach that relies on the bill he signed, SB 728, to
5 empower local jurisdictions to develop and enforce this
6 strategy.

7 --o0o--

8 LEGISLATIVE DIRECTOR OGLESBY: All of the air
9 quality and climate change bills along with a veto and
10 signing messages and a listing of the special hearings are
11 presented in our annual legislative report. You should
12 have this report before you, and copies are available here
13 for members of the public. The report can also be
14 accessed on our website.

15 --o0o--

16 LEGISLATIVE DIRECTOR OGLESBY: This concludes my
17 presentation.

18 Thank you for your attention. And on behalf of
19 the entire Legislative office, I want to thank the Chair,
20 Mr. Goldstene, the Executive Office, and Program staff for
21 their valuable and steadfast support.

22 ACTING CHAIRPERSON RIORDAN: Thank you, Mr.
23 Oglesby.

24 EXECUTIVE OFFICER GOLDSTENE: Thanks, Rob.

25 ACTING CHAIRPERSON RIORDAN: Mr. Goldstene.

1 EXECUTIVE OFFICER GOLDSTONE: I just wanted to
2 thank Rob and his staff. They often work long, long
3 hours. And even though we are on furlough, the
4 Legislature is not. And often they are in the office on
5 Friday as well. And the growing number of special
6 hearings has kept his team and all of us quite busy
7 throughout the year. The normal legislative cycle has
8 gone away.

9 ACTING CHAIRPERSON RIORDAN: Very good.

10 Questions?

11 Supervisor Yeager.

12 BOARD MEMBER YEAGER: Just a comment and a thank
13 you.

14 He was very helpful during my confirmation
15 hearings of which were scheduled and unscheduled and
16 scheduled again and scheduled again and kept me informed
17 of everything that was happening and walked me through the
18 whole process. Thank you very much.

19 ACTING CHAIRPERSON RIORDAN: Yes, Dr. Telles.

20 BOARD MEMBER TELLES: Rob, I have a question on
21 something you didn't mention. Was there a piece of
22 legislation that had to do with fee rebates for utility
23 companies? If you generate your own electricity through
24 solar power that the customer would be paid? I heard
25 murmurs there was something like that that was going

1 through the Legislature.

2 LEGISLATIVE DIRECTOR OGLESBY: There may have
3 been some bills related to the connection and the
4 structure of that. And I believe there were. But I'll
5 have to do a little digging. It wasn't a bill I was
6 particularly involved with.

7 BOARD MEMBER TELLES: It never got signed?

8 BOARD MEMBER LOVERIDGE: The feed-in tariff was
9 passed and signed. I think the feed-in tariff one -- I
10 forget what number it was.

11 BOARD MEMBER TELLES: It wasn't passed?

12 BOARD MEMBER LOVERIDGE: It was passed and
13 signed.

14 LEGISLATIVE DIRECTOR OGLESBY: The feed-in
15 tariff, which is what I was alluding to, because it
16 changes the structure for how you deal with people that
17 generate their own Electricity and feed it into the grid.
18 I don't recall the bill number off the top of my head, but
19 I can get you information on that.

20 ACTING CHAIRPERSON RIORDAN: Other questions?
21 Comments?

22 Then thank you very much.

23 And we'll have our next agenda item, which is
24 09-9-4. This is an update on the implementation of AB 32
25 Scoping Plan that the Board approved almost one year ago

1 in December of 2008. They've accomplished a tremendous
2 amount of work over the past year. We have only one more
3 year to develop and improve the rest of the greenhouse gas
4 reduction regulations identified in the Scoping Plan. We
5 need to maintain our momentum and re-double our efforts to
6 reach the Governor's 33 percent renewable energy standard
7 and the cap and trade regulations.

8 There's some notes here from the Chairman. I
9 think I'll go directly to Mr. Goldstene, because I don't
10 want to lose a quorum here.

11 EXECUTIVE OFFICER GOLDSTENE: Thank you, Madam
12 Chair.

13 This item is another in the series of updates to
14 the Board on our progress in implementing the Climate
15 Change Scoping Plan.

16 It's been more than three years since Governor
17 Schwarzenegger signed AB 32 and the Air Board embarked on
18 this nationally and internationally recognized effort to
19 reduce greenhouse gas emissions.

20 This has been a huge challenge. As you
21 mentioned, we still have a lot of work before us and very
22 little time to complete all of this by the end of next
23 year.

24 This has been and remains a collaborative
25 statewide effort among the other State agencies. Without

1 the ongoing support of our sister agencies, we would not
2 be where we are today. Stakeholders and other
3 jurisdictions have also been very important to the
4 development of the Scoping Plan and the subsequent
5 development of specific emissions reductions measures,
6 like the low carbon fuel standards.

7 Today, staff will provide an update on our
8 implementation activities since our last update for you in
9 June. These activities include measures that have been
10 approved, evaluations underway, and measures under
11 development including energy efficiency, and federal
12 regulatory activity, and legislation in Congress.

13 Robert Duvall from our Office of Climate Change
14 will present this item. Robert.

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

17 MR. DUVALL: Thank you, Mr. Goldstene.

18 Madam Chair, Board members, it's an honor to be
19 here today to present our Climate Change Scoping Plan and
20 implementation update as we approach the one-year
21 anniversary of its approval.

22 --o0o--

23 MR. DUVALL: Today, I will update you on a number
24 of topics, including a review of approved measures, a
25 preview of significant upcoming actions, a brief look at

1 federal activity. And, finally, with an eye toward
2 Copenhagen, we'll also cover international activities.

3 --o0o--

4 MR. DUVALL: As you know, we have been very busy.
5 The Board has approved a dozen of the 30 ARB regulations
6 identified in the Scoping Plan, including all nine
7 discrete early actions.

8 In addition to measures approved by ARB, other
9 agencies have approved four other measures, including
10 energy efficiency and the existing 20 percent renewable
11 portfolio standard.

12 Together, the measures that have already been
13 approved will reduce our emissions by about 70 million
14 metric tons in 2020, which is over 40 percent of the way
15 toward our goal of reducing emissions back to 1990 levels.

16 This summer marked the first year of mandatory
17 reporting data submission with a 97 percent compliance
18 rate. And just this week, ARB posted the data on our
19 website for easy public access.

20 As staff begins developing and implementing the
21 Scoping Plan measures, we are refining our understanding
22 of the measures and the estimated benefits. In some
23 cases, we have found that the approach we originally
24 envisioned may not be the best way forward.

25 For example, the Scoping Plan included a measure

1 to require low friction engine oils in passenger cars.
2 After further investigation by staff, we found that
3 existing industry oil standards will lead to efficiency
4 improvements. Instead of pursuing a separate regulation,
5 we propose to incorporate these benefits into the Pavley
6 two rulemaking next year.

7 --o0o--

8 MR. DUVALL: You can keep track of our progress
9 by following our regularly updated implementation timeline
10 which is available at the link on the screen. We have
11 also placed copies of the timeline on the tables outside
12 of the auditorium behind me.

13 This five-page document has become very popular.
14 It has been downloaded on average 5,000 times a month
15 since being published early this year.

16 Here, you can see the first three rows of the
17 timeline showing links, contacts, statistics, and other
18 information to help the public follow our progress.

19 --o0o--

20 MR. DUVALL: I'd like to spend a little time
21 focusing on the low carbon fuel standard, or LCFS, that
22 was approved in April. The LCFS is the most significant
23 Scoping Plan measure that the Board has considered this
24 year. ARB's approach in the LCFS has generated interest
25 from many jurisdictions. We have participated in federal

1 Over the next few years, you will see more
2 instances of incorporating greenhouse gas considerations
3 into criteria pollutant programs and of incorporating
4 criteria pollutant considerations into greenhouse gas
5 programs.

6 --o0o--

7 MR. DUVALL: Also, next month, we will be
8 bringing the proposed high global warming potential
9 refrigerant management program for Board consideration.
10 This will be the first statewide greenhouse gas rule to
11 reduce refrigerant emissions from commercial and
12 industrial refrigeration systems.

13 As proposed, this rule will apply to facilities,
14 such as cold storage warehouses, food preparation and
15 processing facilities, and supermarkets. We have been
16 actively engaging stakeholders, including commercial and
17 professional organizations, through an extensive outreach
18 process. This measure will result in a reduction of eight
19 million metric tons, primarily through reducing leaks and
20 following best management practices.

21 This measure is the fifth largest source of
22 emission reductions identified in the Scoping Plan and on
23 average is expected to provide a cost savings to
24 California businesses.

25 --o0o--

1 MR. DUVALL: Now I would like to take a few
2 minutes to discuss the energy sector. As you know, ARB
3 recently started work on a renewable electricity standard.
4 With this in mind, we wanted to provide some background,
5 starting with energy efficiency.

6 Commercial and residential building energy
7 efficiency is still one of the least expensive ways to cut
8 emissions, and ARB is continuing to be actively involved
9 with California's two energy agencies who are leading
10 these efforts.

11 The Public Utilities Commission, or PUC, recently
12 authorized the investor-owned utilities to commit \$3.1
13 billion of public goods charge funds to increase energy
14 efficiency in existing buildings. These new funds reflect
15 a shift from efficiency programs of the past 30 years
16 which focused primarily on lighting toward deeper cuts in
17 both home and commercial buildings.

18 The California Energy Commission, or CEC, is also
19 currently working on the next round of standards to make
20 new buildings even more efficient. And both agencies are
21 committed to pursuing zero net energy new homes by 2020
22 and zero net energy commercial buildings by 2030. And,
23 yes, the CEC adopted the nation's first energy efficiency
24 standards for televisions.

25 Finally, a note that recent legislation AB 758

1 requires the CEC to develop a program aimed at existing
2 residential and commercial buildings. These are all
3 positive steps towards our Scoping Plan goals.

4 --o0o--

5 MR. DUVALL: In addition to building efficiency,
6 expiring coal contracts that won't be renewed because of
7 previous legislation and the California Solar Initiative
8 or million solar roofs will further reduce electricity
9 sector emissions.

10 While these measures pre-date the Scoping Plan,
11 they provide important emission reductions and are
12 essential components of our overall approach. The PUC is
13 also making progress on a feed-in tariff for smaller
14 combined heat and power for CHP facilities. And ARB has
15 been working with stakeholders to get input on how to best
16 develop policies that facilitate additional CHP capacity.

17 CHP is another form of efficiency, because the
18 heat generated by electricity production is used in
19 industrial applications, unlike power plants in which the
20 heat is wasted. The Scoping Plan anticipates almost seven
21 million metric tons of emission reductions from CHP in
22 2020.

23 --o0o--

24 MR. DUVALL: Because how we use energy is so
25 important, we have put together a series of slides showing

1 how energy efficiency together with other measures can
2 dramatically reduce emissions from the electricity sector.

3 Here you can see an example of business as usual
4 emissions for the electricity sector from 2008 to 2020.
5 It is important to note that these figures are just
6 illustrations to help show the integrated nature and the
7 relative scale of the many emission reduction measures
8 identified in the Scoping Plan. Therefore, numeric values
9 have been omitted to better focus on the relationship of
10 these measures.

11 Energy efficiency is the keystone of emission
12 reductions from the electricity sector. By reducing
13 electricity consumption, we reduce our need for more
14 expensive measures and ultimately achieve our overall
15 energy sector goals at a lower cost.

16 The Scoping Plan sets significant emission
17 reduction goals for the energy sector. Here you can see
18 that efficiency alone can keep electricity sector
19 emissions relatively flat through 2020. The Scoping Plan
20 identified over 15 million metric tons of emission
21 reductions from efficiency in the electricity sector in
22 2020. Commercial and residential buildings account for
23 most of our electricity use.

24 The Scoping Plan goals for building and appliance
25 energy efficiency are very aggressive and will require the

1 reductions identified in the Scoping Plan.

2 Developing the renewable electricity standard
3 over the next seven months will be a challenge, but we are
4 committed to working with the PUC, the CEC, and Cal ISO in
5 bringing the proposal before the Board in July of next
6 year. We have already released a concept outline and held
7 one workshop so far, with a second workshop planned for
8 mid December.

9 --o0o--

10 MR. DUVAL: And, finally, here you can see what
11 it all looks like together and why renewables are such an
12 essential part to this integrated approach to the
13 electricity sector. Combined with efficiency and other
14 measures, renewable electricity will help California
15 reduce its electricity sector emissions by over 50 million
16 metric tons in 2020 as identified in the Scoping Plan.
17 Efficiency in the other measures are very important,
18 because they lower the baseline or starting point for
19 reaching 33 percent renewables.

20 --o0o--

21 MR. DUVAL: California's climate change program
22 effects all sectors and requires that we work closely with
23 many other State agencies.

24 Now I want to talk a little bit about our
25 activity with other agencies. Although at ARB we focus on

1 mitigation, adapting to the unavoidable impacts of climate
2 change is critical to the state. The California Natural
3 Resources Agency recently released the 2009 California
4 Climate Adaptation Strategy discussion draft. In
5 response, the Climate Action Team is re-aligning in order
6 to integrate the State's mitigation and adaptation
7 activities.

8 In the water sector, the recent water legislation
9 signed by the Governor mandates a 20 percent reduction in
10 urban per capita water use which is equivalent of our
11 Scoping Plan water use efficiency measure. The
12 legislation also promotes water recycling, which will help
13 achieve another Scoping Plan measure.

14 The Waste Board is taking the lead role in
15 developing a regulation for mandatory commercial
16 recycling. We are partnering with the Waste Board on this
17 regulation under ARB's AB 32 authority. We plan to bring
18 it to you for your consideration late next year and work
19 with the Waste Board on implementation and enforcement.

20 ARB staff continues to participate on the Green
21 Collar Jobs Council to help create a well-trained
22 workforce capable of filling the jobs necessary to promote
23 renewable energy development, climate change strategies,
24 vehicle fuel technology, and green buildings.

25 We are also working with the CEC and other State

1 agencies to form a Blue Ribbon Committee to develop
2 technologies and policies related to carbon capture and
3 sequestration.

4 --o0o--

5 MR. DUVALL: Now I want to spend a moment on
6 federal activities. There are really two fronts ARB is
7 engaged in: The actions of the U.S. EPA and those of
8 Congress.

9 Under the Obama Administration, U.S. EPA has
10 become active in the area of greenhouse gases.

11 In June, California received our long-awaited
12 light-duty vehicle waiver, which allowed us to harmonize
13 with the new national standards.

14 And in September, EPA finalized their own GHG
15 emissions reporting rule. We are working with EPA to
16 harmonize their reporting requirements with our existing
17 rule.

18 In addition, EPA is moving forward on a proposed
19 rule dealing with permitting of stationary greenhouse gas
20 sources. This is being called the tailoring rule, because
21 EPA is tailoring existing Clean Air Act requirements in
22 order to address the differences in permitting GHG
23 emissions. ARB is closely following this due to its
24 potential implications for California sources.

25 Congress has been equally busy. In June, the

1 Indonesia regarding the need for leadership in forest and
2 climate policy.

3 In the state of California and the Jiangsu
4 Province of China signed a framework agreement to
5 collaborate on energy efficiency, low carbon energy, and
6 better infrastructure and planning.

7 California and other states will also provide
8 leadership in the upcoming discussions in Copenhagen. ARB
9 will be represented by Chairman Nichols, Board Member
10 Sperling, and senior staff.

11 Through agreements and partnerships like the ones
12 signed at the Governor's summit, we intend to help move
13 parties toward agreement on important policy goals, like
14 energy efficiency, low carbon fuels, renewable energy, and
15 for efforts.

16 --o0o--

17 MR. DUVALL: In summary, you can see that much
18 has been accomplished in 2009. But in looking forward, it
19 is apparent that both the Board and the staff will be
20 quite busy in the next year. Our actions and leadership
21 continue to have a positive impact in the region, the
22 nation, and the world.

23 ACTING CHAIRPERSON RIORDAN: Thank you.

24 MR. DUVALL: This completes the presentation. At
25 this time, we'll take any questions you have.

1 ACTING CHAIRPERSON RIORDAN: Thank you for that
2 very good report.

3 Mayor Loveridge.

4 BOARD MEMBER LOVERIDGE: Quick question. Thirty
5 words or less, just let's take hypothetically that the
6 Senate would agree with the House's climate bill. What
7 difference would it make for the state of California and
8 AB 32?

9 EXECUTIVE OFFICER GOLDSTENE: I'll answer that.

10 We're watching and participating in the process
11 in Washington very closely. Brian Turner, our Assistant
12 Executive Officer, is there. I was in Washington last
13 week with other states who are developing climate programs
14 and the other two regional programs. We're part of
15 Western Climate Initiative, but there's also a Midwestern
16 Governor's Accord and RGGI. And the three regions have
17 been working together in anticipation of just that event,
18 and the issues of timing are very much on our mind.

19 While we're waiting, we've been talking about
20 linking together once our programs are up and running to
21 get as much of a climate impact as we can. As Dr. Telles
22 mentioned this morning, if we do this by ourselves, it's
23 not significant enough. We have to be working in as big
24 an arena as we can. And this is specifically about cap
25 and trade programs for the most part.

1 With regard to other parts of our program dealing
2 with the so-called complimentary measures, low carbon fuel
3 standard, and the other measures, we would continue to
4 operate those.

5 But if there is federal legislation, it is
6 likely -- although not certain -- but it's very likely
7 that a cap and trade program would be preempted sometime
8 in the future at the state level.

9 And so part of the discussion we've been having
10 is how would we transition from a program that we have up
11 and running to a national program and making sure that all
12 the carbon currencies were able to work together and that
13 businesses weren't double charged, et cetera. So it's a
14 transition is the big issue. And, of course, it's very
15 complicated, and we're trying to work it all out in
16 anticipation of some success at the national level.

17 BOARD MEMBER LOVERIDGE: Thank you.

18 ACTING CHAIRPERSON RIORDAN: Thank you.

19 Board members, I hate to do this, but there is an
20 issue of how we retain a quorum. We do have some people
21 who wish to speak under public comment. So if you don't
22 mind, I'd like to move forward. I know staff is available
23 to answer any of your questions. They are most happy to
24 do that. And if I could do that, I would be grateful.

25 So having said that -- this item had no

1 witnesses, by the way. No one from the audience wished to
2 speak on this.

3 We do have two items left: Opportunity for Board
4 members to comment on matters of interest and the public
5 comment. So let me deal with number one first.

6 BOARD MEMBER TELLES: Thank you, Chairman.

7 Earlier, we heard a report about the importance
8 of controlling PM2.5 and the importance of that in regards
9 to health. And I had mentioned that I would make a
10 statement in regards to our dealing with that.

11 And I'm going to request, because of ethical and
12 legal implications related to the December 12th, 2008,
13 vote on the truck rule that the truck rule be set aside
14 until we go through a process of re-looking at the report
15 of methodology for estimating premature death associated
16 with long-term exposure to fine airborne particulate
17 matter in California.

18 And I wish to read now into the public record a
19 letter that I wrote to Ellen Peter, Chief Counsel, which
20 pretty much outlines the reason why I strongly feel about
21 this.

22 I'm going to read this letter.

23 This letter is dated November 16th, 2009.

24 "My review of events and circumstances
25 preceding the December 12th, 2008, vote on the

1 truck rule has revealed documented facts and
2 pertinent information not brought to the
3 attention of the Board prior to the vote on the
4 truck rule.

5 "Key CARB personnel knew that the project
6 coordinator and lead author, the individual, on
7 the report 'Methodology for Estimating Premature
8 Death Associated with Long-Term Exposure to Fine
9 Airborne Particulate Matter in California' had
10 misrepresented his credentials by falsely
11 claiming that he had a Ph.D. in statistics from
12 the University of California At Davis. Key CARB
13 personnel failed to inform the full Board and the
14 public of this information.

15 "In CARB's own internal documents, this
16 information was deemed to be pertinent. CARB, in
17 a communication sent to the individual stated,
18 'Your dishonesty regarding your education has
19 called into question the validity of the report,
20 'Methodology for Estimating Premature Death
21 Associated with Long-Term Exposure to Fine
22 Airborne Particulate Matter in California,' in
23 which you were the project coordinator and lead
24 author. This report, in turn, supports other
25 controversial and critical regulations adopted by

1 Air Resources Board.'

2 And there's an exhibit that explains that.

3 "The methodology report was pertinent to the
4 truck rule, because it supports Appendix D,
5 Health Impacts from On-Road Diesel Vehicles, and
6 Appendix E, Health Risk Assessment Methodology,
7 which make the fundamental argument for the
8 reason for rulemaking.

9 "This information is material to the vote,
10 because had I, as a Board member, been informed
11 of this information, I would have and perhaps
12 other Board members would have moved to suspend
13 the vote. I believe that it is the ethical if
14 not legal obligation for staff and Board members
15 to inform the whole Board of all pertinent
16 information prior to a vote on state regulations
17 so that a Board member may make an informed
18 decision when casting a vote."

19 The following is a brief outline of information
20 that came to my attention on key CARB personnel prior to
21 the vote.

22 In a letter dated July 7th, 2008, sent to
23 Governor Schwarzenegger, Dr. Stanley Young of the National
24 Institute of Statistical Science stated that none of the
25 authors of the draft "Methodology for Estimating Premature

1 Death Associated with Long-Term Exposure to Fine Airborne
2 Particulate Matter in California" are professional
3 statisticians.

4 The duty for drafting a response to this inquiry
5 was given to the project coordinator and lead author of
6 the report, the very person who later confesses that he
7 misrepresented his credentials.

8 In this draft, the lead author falsely claims he
9 had a Ph.D. from the University of California at Davis.
10 This drafted letter date November 4th, 2008, was signed by
11 the Secretary of California EPA and was sent to Dr. Young.

12 To date, Dr. Young has not received a letter from
13 the Secretary of the California EPA correcting this false
14 claim.

15 On December 3rd and December 4th, 2008, a
16 professor from UCLA communicated with three CARB Board
17 members alleging the individual did not have a Ph.D. in
18 statistics from California of University Davis. At least
19 one Board member called senior staff at CARB, and an
20 investigation was initiated.

21 On December 8th, 2008, the Chief of the Research
22 Division asked the individual if he had a Ph.D. in
23 statistics from U.C. Davis. The individual on the evening
24 of December 10th, 2008, confessed to the Chief of the
25 Research Division that he did not have such a credential.

1 The following day, ARB had convened to deliberate
2 on the truck rule. At that time, this Chief informed the
3 Executive Officer, the Chief Deputy Executive Officer, the
4 Deputy Executive Officer, the Chief of the Heavy-Duty
5 Diesel End Use Strategies, and the Chief of the Mobile
6 Source Control Division, the Chief of the Health and
7 Exposure Assessment Branch, and at least one Board member
8 of the individual's confession. This information was not,
9 however, relayed to the full Board.

10 It was not until nine months later that at the
11 public meeting of CARB in Diamond Bar on September 24th,
12 2009, after public testimony raised this issue that staff
13 informed the Board for the first time that the project
14 coordinator and lead author of a supporting document of
15 the truck rule had falsified his credentials. At that
16 time, staff made no mention of the fact they possessed
17 this information prior to the vote on the truck rule.

18 Last week, November 11th, 2009, I learned that
19 the Chair of CARB was also aware of this information prior
20 to the vote. Thus, neither the staff nor the Board Chair
21 informed the full Board of this discovery prior to the
22 vote. The public, of course, was also not informed.

23 In a recent personal communication to me from a
24 Board member who knew at the time of the vote that this
25 information was withheld, the Board member stated, "I also

1 realize it was wrong not to have informed you and other
2 Board members about this situation before we acted on the
3 truck rule and at least given you the chance to decide for
4 yourself whether a delay was needed."

5 As a Board member of the California Air Resource
6 Board, I realize the State of California has vested in me
7 the responsibility to review and vote on regulations that
8 may have a significant impact on the economy and the
9 health of the people of California. To execute my duties,
10 it is imperative that I be informed of all pertinent
11 matters relating to regulations upon which I will be
12 voting.

13 Based on the foregoing facts documenting that key
14 CARB personnel withheld pertinent information from the
15 Board and the public, I believe that the legitimacy of the
16 vote may be in question. The scientific validity of the
17 report is not the issue, but rather at issue is the
18 fundamental violation of procedure. Failure to reveal
19 this information to the Board prior to the vote not only
20 cast doubt on the legitimacy of the truck rule, but the
21 legitimacy of CARB itself.

22 And then addressed to counsel, "As legal counsel
23 for the Board, in view of your wisdom, experience, and
24 knowledge, I seek your opinion in this matter. Not taking
25 action seems unacceptable in light of what appears to be a

1 violation of procedure with both ethical and perhaps legal
2 implications. How we handle this challenge will reflect
3 on our future credibility of CARB. I believe that CARB
4 needs to seize the initiative and take steps to protect
5 and preserve the integrity of CARB, its Board members, and
6 decision taking process."

7 ACTING CHAIRPERSON RIORDAN: Thank you, Dr.
8 Telles. I'll just ask that be placed on the agenda, an
9 item.

10 BOARD MEMBER TELLES: I would like to put into
11 the public record the exhibits which are related to this
12 statement I just read.

13 ACTING CHAIRPERSON RIORDAN: That will be fine.

14 EXECUTIVE OFFICER GOLDSTENE: Chairman Riordan,
15 Chairman Nichols and I will work with Dr. Telles on
16 figuring out how best to deal with this.

17 ACTING CHAIRPERSON RIORDAN: All right. Thank
18 you very much.

19 BOARD MEMBER ROBERTS: Could I just thank Dr.
20 Telles for doing that.

21 ACTING CHAIRPERSON RIORDAN: The next item is the
22 public session under public comment. And Mr. John Dunlap,
23 followed by Mr. William Davis, Clayton Miller, and Kit
24 Enger, and then we'll go on from there. Those are the
25 first four speakers.

1 MR. DUNLAP: Thank you, Madam Chair.

2 It's a pleasure to be with you today. I know
3 it's been a long day, and we'll try not to lengthen your
4 day by too much.

5 I'm here representing a new coalition called
6 Californians for Enforcement Reform and Transparency, or
7 CERT. And our aim is to strengthen, not weaken, the
8 Board's enforcement program through specific improvements
9 that will help industry achieve full compliance and help
10 CARB more efficiently and effectively meet its overriding
11 objectives to protect public health and the environment
12 and of course reduce air pollution.

13 Today, as the Chair mentioned, you'll hear from
14 several representatives of the organizations that belong
15 to CERT. You'll also hear in their comments it is
16 becoming increasingly challenging and apparent that as
17 more time passes without any meaningful action, compliance
18 challenges continue to emerge.

19 You might recall in July earlier this year we
20 came as a group and asked the Board to consider making
21 some changes, improvements we believe, in transparency and
22 consistency with the program.

23 As we work through this process, we believe it
24 will preserve and strengthen CARB's integrity and
25 credibility and will also provide some consistent

1 assurance to the business community that the Board is
2 about not just reaching out to people and educating them
3 as to the often complex regulatory requirements, but are
4 willing to enforce the programs in a consistent
5 transparent fashion.

6 You have as a hand-out about a document that was
7 provided to the Board's general counsel about a month ago
8 which outlines several specific recommendations. These
9 recommendations echo the sentiments provided at the July
10 23rd Board meeting.

11 As I mentioned, the Chairwoman strongly
12 supported -- and I'm quoting her remarks -- "regularizing
13 and formalizing CARB's penalty structures and procedures."

14 As follow up to that, the Board staff had had an
15 October 12th enforcement workshop which we fully
16 participated in. And what we really wanted to point out
17 is we've been working through this process and been very
18 transparent on our own part, provided a lot of information
19 to your staff. It's been very slow in getting some
20 feedback relative to the process. I know firsthand how
21 busy the Board is and staff, so we understand. We don't
22 expect other things to be completely dropped, et cetera.
23 But we do have a coalition of 17 or 18 trade groups who
24 spent a lot of time at pulling information together.
25 We've retained experts to provide some feedback on what

1 the federal program is, how they moved along these lines.

2 We really want to raise your awareness and
3 encourage your -- direct your staff to move as swiftly as
4 possible in this regard. A formal penalty policy is what
5 we seek based on U.S. EPA's well-established policy. We
6 believe will maximize CARB's limited resources by
7 distinguishing between serious violations and those that
8 are mere paperwork-type violations.

9 So, Madam Chair, I'll conclude by saying that if
10 we do this together, having other people at the table --
11 we know it shouldn't just an industry group -- that we
12 believe we can strengthen the credibility. And adding the
13 Board's involvement and direction to your staff will
14 provide the leadership to move this along quickly.

15 ACTING CHAIRPERSON RIORDAN: Let me ask a
16 question, Mr. Dunlap. Are all of the eight speakers
17 associated --

18 MR. DUNLAP: There will be -- I think we have
19 four others besides me. And they'll have specific points
20 to make. It should not be redundant. And they'll have
21 their own perspective. This is not kind of
22 one-size-fits-all.

23 ACTING CHAIRPERSON RIORDAN: All right.

24 William Davis.

25 MR. DAVIS: I'm Bill Davis with the Southern

1 California Contractors Association.

2 Before I start, I want to thank Dr. Telles for a
3 demonstration of public courage. Really, really
4 appreciate it. And will not go unnoticed.

5 I had my usually inordinate and littering acute
6 approach to things on this issue and feel almost shamed to
7 do it based on what we saw earlier. Public agencies and
8 organizations such as ours have enormous credibility
9 requirements. And if we lose it, all that we do that's
10 good goes with that. So I hope you guys take this
11 seriously.

12 The piece that I had written was about the fact
13 that there was a fellow named Roy Bean in west Texas who
14 came known as the law west of the Pacos, but very few
15 people know he came to the Pacos from San Diego by way of
16 San Gabriel. He kept getting run out of town.

17 He founded his own town in Langtry, Texas named
18 after his favorite singer, Lily Langtry. And he was
19 appointed justice of the peace. Judge Roy Bean was judge,
20 jury, and hangman in Langtry, Texas.

21 And 127 years later, we find our industry facing
22 something very similar with ARB's Enforcement Division.
23 Judge Roy Bean employed bounty hunters to help find
24 malefactors. And there is a wide-spread perception in our
25 industry and almost all the others that ARB's Enforcement

1 Division also functions as a bounty hunter.

2 Judge Roy Bean kept the fine money that he had
3 extracted from the people who appeared before him. And
4 you guys do, too. There's just a lot of similarities.

5 And so we're asking for some changes. That's
6 what CERT is all about. That's why we have a lot of folks
7 in this industry that are very concerned about the Air
8 Resource's enforcement practices and procedures. We
9 believe, as CERT has suggested, that this Board should
10 adopt the EPA mobile source penalty matrix, which is fair,
11 tough, and not inexpensive, but it's comprehensible. The
12 current question is not.

13 And we also believe that there should be -- in
14 those few cases where there is a legitimate dispute should
15 be an impartial third body, an administrative hearing
16 board to hear these matters, rather than having the EPA or
17 ARB be the judge and jury and hangman.

18 There are one or two other areas for improvement
19 and enforcement. And that has to do with the fact that
20 much of it -- you have a very limited staff --

21 ACTING CHAIRPERSON RIORDAN: Mr. Davis.

22 MR. DAVIS: Thank you. If I might just
23 continue --

24 ACTING CHAIRPERSON RIORDAN: Well, let me tell
25 you, you've got a number of speakers here on --

1 MR. DAVIS: Yes. That's fine.

2 ACTING CHAIRPERSON RIORDAN: I think we need to
3 move on.

4 MR. DAVIS: Thanks for your attention.

5 Dr. Telles, thank you.

6 ACTING CHAIRPERSON RIORDAN: Mr. Miller, followed
7 by Mr. Enger, and followed by Donna Wilson.

8 MR. MILLER: Good afternoon.

9 Clayton Miller with the Construction Industry Air
10 Quality Coalition.

11 The construction industry is quickly moving
12 into -- not too far away from its first offered equipment
13 fleet average compliance date early next year.

14 Also, portable engines are going to experience
15 the first outright ban of use beginning next year, and
16 also the truck rule. These are all things the
17 construction industry needs to comply with.

18 And over the last several years, CIAQC has spent
19 a good deal of time and effort to educate our members
20 about what the requirements are. And we'd like to think
21 we've done a great job of that, but there's still many
22 others out there in the industry that I think don't know
23 what is going to be expected of them and also would like
24 to recognize that your staff has done a good job on taking
25 these classes or workshops up and down the state and

1 reached out to the industry.

2 But I think that more needs to be done in light
3 of there being over 300,000 licensed contractors in
4 California, recognizing that not all of them have
5 equipment, but a lot of them do. So there's a great need
6 out there.

7 And this leads really to the first recommendation
8 that CIAQC supports the CERT recommendations mentioned
9 earlier and provided to staff and also the EPA policy that
10 is being examined with that we think is a good approach.

11 We'd also like to see additional resources made
12 available for continued outreach next year and moving
13 forward for about what the requirements are.

14 And I guess also would like to say that we think
15 it would be helpful if the outreach wasn't performed by
16 the same group that is responsible for enforcement. Maybe
17 this is something the Ombudsman's office could perform.
18 It's a little tough for people to voluntarily come forward
19 and say, "I need to learn more. But if you're going to be
20 the person that's going to do this potential enforcement
21 action, I'm going to be a little worried and remain in the
22 dark." So that's one of our recommendation.

23 And I appreciate the opportunity at this hour to
24 come up and say a few things. Thank you.

25 ACTING CHAIRPERSON RIORDAN: Staff, not a bad

1 idea about Ombudsman's office. When it was first created,
2 it was an outreach to the industry. So that could well be
3 worked in.

4 Mr. Enger, Wilson, Livingston.

5 MR. ENGER: Good afternoon, Madam Chair and Board
6 members.

7 My name is Kit Enger. I'm president of Turnkey
8 Engine Supply, Oceanside, California. I also represent
9 the sand car builders or dune buggy builders of southern
10 California.

11 So that we together can address the systemic
12 enforcement problems, we need first to appreciate how our
13 small California businesses were and continue to be
14 treated by CARB enforcement staff.

15 As the leader of California Sand Car
16 Manufacturers, I proactively approached CARB in 2006 as
17 soon as I found out that brand-new emission standards were
18 in the pipeline for our recreational vehicles.

19 Our industry made substantial investments and
20 worked closely with the certification staff to make sure
21 the vehicles were certified.

22 Despite our efforts to cooperate, CARB
23 enforcement slapped our industry with a \$600,000 penalty
24 without any explanation of how the penalty was calculated
25 or any acknowledgement of our efforts to comply. Our

1 industry had no idea that CARB was relying on illegal
2 underground regulations that had not been approved by the
3 Office of Administrative Law. Additional information on
4 our OAL petition and on this illegal underground
5 regulation is posted on our certreform.org website.

6 Our small businesses in the sand car industry
7 have been devastated by CARB's \$600,000 penalty. It has
8 contributed to five of our 38 members going out of
9 business, and one of them a suicide, permanently out of
10 business.

11 During the settlement negotiations, a CARB
12 enforcement officer stated to me two times, "If you guys
13 don't get on with this settlement, it doesn't matter to us
14 if you go out of business, change your name, move to
15 another state, or die, we will find you and attach your
16 assets."

17 CARB didn't even care about addressing the air
18 quality issues or my offer to recall all those cars and
19 fix them, bring them up to date. They just wanted the
20 money.

21 Our members have been required to send the
22 substantial penalty and settlement checks to Kerry Albert.
23 He was the lead CARB investigator in our enforcement case.
24 And I wonder, wouldn't it be like a standard accounting
25 procedure to simply send our checks to a CARB fund or an

1 escrow account?

2 We hardly agree with Mr. Jim Ridden's recent
3 commitment to informally investigate the use of collected
4 penalty funds. However, Mr. Ridden has offered to hire a
5 retired police officer to conduct the investigation. And
6 our group -- and we expect the public -- looks at this as
7 a potential coverup or some kind of whitewash.

8 ACTING CHAIRPERSON RIORDAN: You're going to have
9 to conclude.

10 MR. ENGER: I just want to make one more
11 statement. We respectfully request for CARB to rescind
12 our settlement as it was fraudulently obtained and
13 returned to our members the ill-gotten \$600,000 penalty.

14 ACTING CHAIRPERSON RIORDAN: Mr. Enger, I think
15 that's -- you can make part of the record your statement,
16 your written statement is what I'm trying to say.

17 Donna Wilson.

18 MS. WILSON: Good afternoon. My name is Donna
19 Wilson. I'm here today speaking on behalf of the CERT
20 coalition and several of its member organizations.

21 As the preceding speakers' testimony reflects,
22 businesses large and small throughout the state and across
23 a wide range of industries are seeking to work hand in
24 hand with CARB. Why is that? Because they want to
25 improve a situation that most people, if not all people,

1 agree is problem ridden. They want to improve the
2 situation involving compliance and enforcement issues and
3 programs so that everyone benefits. And I don't anyone
4 can seriously dispute or disagree with that goal.

5 And in particular, CERT urges the Board to direct
6 the Executive Office and its staff to expeditiously
7 develop a transparent penalty policy which would be based
8 on EPA's well-established policy that you heard several
9 speakers discuss or refer to that would accomplish the
10 following four goals:

11 First, such a policy would target the actual bad
12 actors, the ones whose products are injuring the public,
13 injuring the environment, and that should be taken out of
14 circulation or avoided being put in circulation in the
15 first place.

16 Second, we need a policy that basically creates a
17 situation where the punishment actually fits the offense.
18 Because right now, in the view of many, if not all, the
19 CERT members, that's not the situation. First, the policy
20 should distinguish between major violations which actually
21 have an impact on the environment and minor administrative
22 or paperwork violations that have no impact on the
23 environment and don't involve any type of avoided
24 compliance issues.

25 In addition with dealing with a punishment fits

1 the offense approach, we need to distinguish between
2 different grades of culpability looking at whether a party
3 undertook reasonably prudent precautions or whether in the
4 case of the sand car manufacturers they proactively
5 approached CARB in order get into compliance. Those are
6 the things that should and need to be taken into
7 consideration.

8 Third, what we need is a transparent policy that
9 provides an administrative hearing process as opposed to a
10 process that requires businesses to go through an
11 expensive and labor-intensive and resource-intensive
12 litigation approach. And that's something that would save
13 your resources and our resources.

14 And, finally, what we would like to see is a
15 program or a goal of increasing industry compliance by
16 promoting adequate lead time and enhancing regulatory
17 clarity. And you can't achieve that goal if an
18 organization or agency is relying on underground
19 regulations. It just can't be done. All the businesses
20 here, none of them want a free pass. They want to comply.
21 And that's what we're asking for is clarity. Thank you

22 ACTING CHAIRPERSON RIORDAN: Thank you.

23 Tom Julia and Mike Shuemake.

24 MR. JULIA: Thank you, Ms. Riordan, members of
25 the Board.

1 My name is Tom Julia, president of the Composite
2 Panel Association, a North American trade association
3 representing about 95 percent of the production in the
4 U.S., Canada, and Mexico of composite panel products.

5 We are regulated under the recent ARB regulation
6 on formaldehyde and composite wood products. And we're
7 about one year into the implementation on coming back to
8 you, to this Board, to give industry's response to that.

9 I'm particularly interested in the comments I
10 just heard under CERT, because we're one of those
11 industries that is about to face the enforcement part of
12 the regulation as a finished product testing begins to
13 materialize. And we do have some significant interests
14 and concerns about that as well.

15 I'm here to deliver two messages.

16 One: Your rule is working. It is and was
17 designed as the toughest production standard in the world.
18 It has become the de facto national regulation. I can
19 report today that 100 percent of composite panel
20 manufacturers in the U.S. and Canada and even in Mexico
21 are fully compliant with ARB's regulations. That's a
22 significant achievement in just this year as you move
23 toward Phase 2.

24 I think, however, we have to look at what's
25 happening off-shore, how quickly off-shore manufacturers

1 are becoming compliant with the CARB regulation. And this
2 remains an ongoing concern of the North American industry.
3 We commend staff for their continued diligence on trying
4 to ensure that the piece of your regulation that makes it
5 the toughest production standard in the world continue.

6 You have put in place something called
7 third-party certification and testing. It is unique to
8 this regulation. It basically requires a third party to
9 ascertain that indeed whether you're making it here in
10 California or anywhere else in the country or the world it
11 is meeting the ARB's rule. This is working. This is
12 working indeed so well that the U.S. EPA is taking a look
13 at this approach to regulation in what I believe it will
14 launch next year as a national rulemaking that we hope
15 will implement the CARB rule nationwide.

16 I also want to report to you what I consider
17 great success that in the mid September national
18 legislation was introduced in the U.S. Senate the
19 Formaldehyde Standards and Composite Wood Products Act
20 introduced as bipartisan legislation already with 15
21 co-sponsors. It's going to Senator Boxer's Committee.
22 The California delegation, we believe, will be largely
23 supportive of it. We hope universally supportive of it.
24 It will intend to extend to the nation, the 49 other
25 states, where the ARB's rule cannot be enforced the

1 California regulation.

2 We as an industry group among the most directly
3 impacted stakeholders here are supporting it, along with
4 the Sierra Club, along with the United Steelworkers, along
5 with many other environmental health care industry groups.
6 We believe it's the right thing to do.

7 We believe it's important that your staff
8 continue to work hand in hand with the staff of the U.S.
9 EPA to ensure that what happens at the federal level is
10 indeed mimicking what happens here in California and that
11 these do not get out of sync.

12 I would finally just say on the issue that
13 members of the CERT group just raised here, we do have
14 interests and concerns as well about how this regulation
15 will be enforced in California. Most particularly the
16 concept of strict liability. Thank you.

17 ACTING CHAIRPERSON RIORDAN: Well, I'll tell you
18 it's nice to hear some positive testimony. And I had
19 coupled you with CERT, because I didn't realize you were
20 separate. But that was a nice way to end the day. But I
21 need to go on to -- and let me say, I hope the staff is
22 working with the federal people. And I see affirmative.
23 So we will try to continue our effort there.

24 Mike Shuemaker.

25 MR. SHUEMAKE: I wish he had gone last instead of

1 me, but if you wanted to end on a positive note.

2 ACTING CHAIRPERSON RIORDAN: I do. Can you turn
3 it around and make it a positive?

4 MR. SHUEMAKE: I'm trying to figure that out
5 right now.

6 Madam Chair, thank you for letting me speak this
7 afternoon.

8 I'm not here to talk about the TRU issue. So
9 rest easy now. But I'm here to talk about the heavy-duty
10 greenhouse gas measure that does effect the trailer
11 industry, and it's set to go into effect starting January
12 1.

13 You guys voted on it last December 12th in
14 conjunction with the private fleet rule. And it effects
15 trailers by requiring that all model year 2011 -- and
16 because the trailer industry is so goofy, we start
17 building 2011 trailers January 1st, 2010. We want to get
18 a head start on it.

19 The problem is that the rule doesn't actually get
20 approved by the OAL I believe until -- they have until
21 December 9th to actually formalize the rule. We've been
22 taking orders for 2011 trailers now for about the last two
23 or three months. We're out into mid first-quarter
24 production.

25 There's actually one manufacturer -- a California

1 manufacturer of trailers that is going to be manufacturing
2 a 2010 model trailer and a 2011 model trailer basically
3 just to circumvent this rule.

4 So I'm asking for you guys to maybe think about
5 tweaking the rule just a little bit and making it go into
6 effect with trailers sold in California January 1, 2011.
7 And then there's some fleet averaging that has to being
8 take please. But you know, just if you can tweak it some,
9 it could certainly take out -- right now, Great Dane
10 trailer manufacturers who I sell for will be trying to
11 produce trailers on January 1st that are 2011, not really
12 knowing what the final rules says. What do we have to put
13 on as far as skirts? What do we have to put on as far as
14 tires?

15 It would just give the industry a lot more
16 flexibility and ease into the rule along with the people
17 that are actually having to buy the trailers.

18 Anyway, if you could help, we'd appreciate it.

19 ACTING CHAIRPERSON RIORDAN: I appreciate your
20 being here and your comments.

21 MR. SHUEMAKE: Trying to make it positive.

22 ACTING CHAIRPERSON RIORDAN: Thank you. You did.

23 What I'd like to do, because I didn't know where
24 CERT began and ended, and so I just let the testimony run.
25 Let's deal with the last speaker first and then CERT

1 thereafter.

2 MS. LIVINGSTON: Excuse me. You read my name but
3 passed it by. Carol Livingston.

4 ACTING CHAIRPERSON RIORDAN: Forgive me.

5 MS. LIVINGSTON: Excuse me for interrupting. I
6 just didn't want to get passed over.

7 ACTING CHAIRPERSON RIORDAN: No. And you might
8 have. And I appreciate. Please begin, and then I'll
9 conclude.

10 MS. LIVINGSTON: Thank you.

11 An announcement of CARB's testing data for the
12 electromagnetic interference due to automotive reflective
13 glazing was posted today on the website. This testing was
14 done after the fact, after the Board adopted its standard
15 for glazing in the cool car regulations.

16 The staff summary indicates there are no effects
17 from reflective glazing and thus the cool car regulation
18 and monitoring, ankle bracelets, cell phones, and an urban
19 environment and that the effect on GPS navigation units
20 was observed but they were completely eliminated by
21 placing the device or external antenna in the window.

22 Staff summary is not supported by its own data.
23 Garmin has worked with staff since June when it discovered
24 these regulations basically after the fact to give it our
25 testing data and to work with it, trying to let staff know

1 what we know and what we have further found out about the
2 effective reflective glazing.

3 I want to read a few excerpts from a letter that
4 I will leave for the Board. But we told staff that we had
5 concerns that their tests were not illustrative of the
6 effects of glazing in urban canyons, nor in the rural
7 areas, that their test routes they choose had the best
8 conditions possible. It was urban enough to have
9 increased power from cell towers, but that no more than
10 1/18 of the route had high-rise buildings. So staff made
11 conclusions about the GPS systems working with reflective
12 glazing without having any high-rise buildings on the dry
13 route.

14 Further, assumptions on the ankle bracelets were
15 faulty. In summery, on the ankle bracelets, the results
16 slide clearly showed a percentage of the trip where the
17 satellite signal was attenuated was not usable by the GPS
18 and increased by a factor of two to three times in
19 vehicles with reflective glazing.

20 On GPS -- and Garmin has done testing for
21 ten years, because it's worked in Europe. It's worked in
22 Asia. Its device are out in the world. We know GPS
23 devices do not work with metal reflective glazing and the
24 deletion window doesn't really solve the problem.

25 Less than ten percent of the route driven during

1 the test -- during staff's test was in an urban canyon.
2 And we can assume that the vast majority of the location
3 areas occurred in the mile stretch.

4 And we posit that if it had been correctly
5 summarized, 47 percent of the GPS as opposition in the
6 deletion 47 percent error when the GPS is not right in the
7 center of the deletion window and 27 percent when it is.

8 I will turn in the letter, but I would like the
9 Board to know what the industry's experience is on the
10 testing. And I appreciate very much the time.

11 And I, too, appreciate Dr. Telles' brave
12 statement today.

13 ACTING CHAIRPERSON RIORDAN: Thank you. And if
14 you would turn in your letter. And then I'll ask staff to
15 deal with issues that are raised. And whatever your
16 response is, please let the Board know what that response
17 is, because there's probably going to be an analysis.

18 Let me ask -- let's go back to Great Dane
19 trailers. And let me ask the staff what you might
20 suggest. Could somebody meet with this individual?

21 EXECUTIVE OFFICER GOLDSTENE: We'll meet with him
22 and find out exactly what's happening in his business

23 ACTING CHAIRPERSON RIORDAN: All right. Good.

24 Second issue before us is the issues that are
25 raised by CERT, not that I want you to discuss all these

1 issues. But I think there must be something that we can
2 do to facilitate a dialogue. And then at some point in
3 time, obviously the Board is going to have to know where
4 the dialogue is leading.

5 CHIEF COUNSEL PETER: I absolutely agree.

6 Let me tell you one thing that was left out of
7 the comments from the CERT is yesterday we had an hour and
8 I think 17 minute meeting with them on conference call
9 including with their expert witness, former U.S. EPA. So
10 that piece of information wasn't presented.

11 What we have done is as we laid out at the
12 September Board meeting, we had a process going forward.
13 So we had the workshop that Mr. Dunlap referred to. We've
14 been meeting with a variety of people, people with CERT.
15 And as I said, we've met with them several times,
16 including yesterday.

17 We have met with a number of other industry
18 groups who have approached us either as trade groups or as
19 individuals. We have talked with U.S. EPA staff on
20 various occasions working through these issues.

21 And I brought in a couple of people from the
22 attorney general's office that do enforcement cases to
23 kind of evaluate some of these ideas.

24 And some of them are great. We are working
25 through them and evaluating all of them. People keep

1 coming in and saying I have something more I want to
2 suggest. So we're walking through that process, including
3 next month there's a group from southern California coming
4 up. So we're trying not to cut off the dialogue. We're
5 analyzing it as we're going along.

6 My plan was to basically have a report kind of
7 summarizing the ideas and kind of looking at where we're
8 going to go forward. At the January Board meeting was my
9 tentative thinking, just because of the comments that are
10 coming in.

11 In terms of the penalty policy, that's got some
12 pluses. It's got some minuses. And, in fact, U.S. EPA
13 said we are not exactly sure it would work for you. It's
14 not an easy question.

15 And also we are looking at a whole bunch of
16 different industries. So each of these -- if you look at
17 fuels, that's a particular thing, et cetera. So we're
18 working on it.

19 ACTING CHAIRPERSON RIORDAN: And I think a
20 progress report in January would be perfect.

21 CHIEF COUNSEL PETER: We'll do that for sure.
22 We'll put that on the agenda.

23 ACTING CHAIRPERSON RIORDAN: Yes, Dr. Telles.

24 BOARD MEMBER TELLES: The testimony by Kit Enger
25 mentioned he's concerned about underground illegal

1 reports. Does staff have any idea what he's talking
2 about?

3 CHIEF COUNSEL PETER: Yes, we do. He had
4 filed -- there's two allegations of underground
5 regulations. And these are basically a legal claim where
6 the regulation isn't valid, that the agency's doing this.
7 It's not just -- it's a typical across State government
8 kind of a claim. State agencies can't be doing something
9 without going through the regulatory process.

10 They filed a petition with the Office of
11 Administrative Law, which has not been acted on. They
12 have not asked for response from us.

13 We reviewed it. We disagree.

14 And, you know, he obviously feels very strongly
15 about this. But this was entered into in a settlement.
16 So being a litigator, I've seen buyer's remorse.

17 So there is a process that's in place with the
18 Office of Administrative Law. They're going to act on it.

19 We reviewed it and we don't believe that that
20 claim actually vitiates the settlement.

21 ACTING CHAIRPERSON RIORDAN: They would be a
22 third-party reviewer, the Office of Administrative Law?

23 CHIEF COUNSEL PETER: Right. They did file a
24 petition. They have a right under the Government Code to
25 do that. They did that. And as far as I know, there

1 hasn't been any reaction from that office, and that office
2 has not asked us for a written submission, which we would
3 if they did.

4 ACTING CHAIRPERSON RIORDAN: Very good. All
5 right.

6 Board members -- yes.

7 BOARD MEMBER D'ADAMO: I would just like to say I
8 appreciate the witnesses taking advantage of the public
9 comment period.

10 We did recently receive an update from the
11 Enforcement Division, and what we're hearing today from
12 some of you is not consistent with I think the policy.
13 And I know staff will be looking into it, but I just did
14 want to thank the witnesses.

15 ACTING CHAIRPERSON RIORDAN: With that, Board
16 members, I'm going to adjourn the meeting and say happy
17 Thanksgiving to everybody.

18 (Thereupon the California Air Resources Board
19 adjourned at 4:11 p.m.)

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1 CERTIFICATE OF REPORTER

2 I, TIFFANY C. KRAFT, a Certified Shorthand
3 Reporter of the State of California, and Registered
4 Professional Reporter, do hereby certify:

5 That I am a disinterested person herein; that the
6 foregoing hearing was reported in shorthand by me,
7 Tiffany C. Kraft, a Certified Shorthand Reporter of the
8 State of California, and thereafter transcribed into
9 typewriting.

10 I further certify that I am not of counsel or
11 attorney for any of the parties to said hearing nor in any
12 way interested in the outcome of said hearing.

13 IN WITNESS WHEREOF, I have hereunto set my hand
14 this 4th day of December, 2009.

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22 TIFFANY C. KRAFT, CSR, RPR

23 Certified Shorthand Reporter

24 License No. 12277

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