

MEETING
STATE OF CALIFORNIA
AIR RESOURCES BOARD

JOE SERNA, JR. BUILDING
CALIFORNIA ENVIRONMENTAL PROTECTION AGENCY
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APPEARANCES

BOARD MEMBERS

Ms. Mary Nichols, Chairperson

Dr. John R. Balmes

Ms. Sandra Berg

Ms. Doreene D'Adamo

Mr. Ron Roberts

Dr. Daniel Sperling

Mr. Ken Yeager

STAFF

Mr. James Goldstene, Executive Officer

Mr. Tom Cackette, Chief Deputy Executive Officer

Ms. Ellen Peter, Chief Counsel

Mr. Bob Fletcher, Deputy Executive Officer

Ms. Lynn Terry, Deputy Executive Officer

Ms. Mary Alice Morency, Board Clerk

Mr. Scott Bacon, Air Pollution Specialist, Vapor Recovery Certification Section, Monitoring and Lab Division

Mr. Bart Croes, Chief, RD

Ms. Terry Roberts, Local Government Strategies Section, Planning and Technical Support Division

Mr. Kirk Rosenkranz, Air Pollution Specialist, Control Strategies Section, Stationary Source Division

Dr. Susan Wilhelm, Climate Action and Research Planning Section, Research Division

APPEARANCES CONTINUED

ALSO PRESENT

Mr. Matthew Adams, San Diego Building Industry

Mr. Will Barrett, American Lung Association

Mr. Steven Clark, SSA Stevedoring Services of America

Honorable Glen Becerra, SCAG

Ms. Autumn Bernstein, Climate Plan

Dr. Rasto Brezny, MECA

Mr. Luis Cabrales, Coalition for Clean Air

Mr. Stuart Cohen, TransForm

Mr. Jack Dale, SANDAG Board Vice Chair

Mr. Steve Devencenzi, San Luis Obispo Council of Governments

Ms. Amanda Eaken, NRDC

Ms. Pamela Epstein, Sierra Club San Diego

Mr. Randal Friedman, US Navy

Mr. Gary Gallegos, SANDAG Executive Director

Mr. Vince Harris, Stanislaus Council of Governments

Mr. Craig Kappe, Metropolitan Stevedore Company

Mr. Steve Heminger, Metropolitan Transportation Commission

Ms. Bonnie Holmes-Gen, ALA

Mr. Henry Hogo, South Coast AQMD

Mr. Hasan Ikhrata, SCAG

Ms. Theresa Livingston, Sierra Pacific Industries

Ms. Elyse Lowe, Move San Diego

APPEARANCES CONTINUED

ALSO PRESENT

Mr. Richard Lyon, California Building Industry

Mr. Larry McCallon, President, Southern California
Association of Governments

Mr. Mike McKeever, SACOG

Ms. Amy Mmagu, CalChamber

Mr. Steve Padilla, Sustainable San Diego

Mr. Bob Phipps, Bettendorf Trucking

Mr. Bruce Reznik, Planning and Conservation League

Mr. Gary Rynearson, Green Diamond Resources

Ms. Carmen Sandoval, San Diego Regional Chamber of
Commerce

Mr. Craig Scott, Automobile Club of Southern California

Mr. Jerome Stocks, SANDAG Board Chairman

Mr. Tom Szwajkos, Yusen Terminals, Inc.

Ms. Amanda Wallner, Sierra Club

Mr. Darcy Wheelles, California Railroads

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PROCEEDINGS

1
2 CHAIRPERSON NICHOLS: Good morning. We will
3 begin the September 22nd, 2011, public meeting of the Air
4 Resources Board. We will start, as usual, with the Pledge
5 of Allegiance.

6 (Thereupon the Pledge of Allegiance was
7 Recited in unison.)

8 CHAIRPERSON NICHOLS: Will the clerk please call
9 the roll?

10 BOARD CLERK MORENCY: Dr. Balmes?

11 BOARD MEMBER BALMES: Here.

12 BOARD CLERK MORENCY: Ms. Berg?

13 BOARD MEMBER BERG: Here.

14 BOARD CLERK MORENCY: Ms. D'Adamo?

15 BOARD MEMBER D'ADAMO: Here.

16 BOARD CLERK MORENCY: Ms. Kennard?

17 Mayor Loveridge?

18 Mrs. Riordan?

19 BOARD MEMBER RIORDAN: Here.

20 BOARD CLERK MORENCY: Supervisor Roberts?

21 BOARD MEMBER ROBERTS: Here.

22 BOARD CLERK MORENCY: Professor Sperling?

23 BOARD MEMBER SPERLING: Here.

24 BOARD CLERK MORENCY: Supervisor Yeager?

25 BOARD MEMBER YEAGER: Here.

1 BOARD CLERK MORENCY: Chairman Nichols?

2 CHAIRPERSON NICHOLS: Here.

3 BOARD CLERK MORENCY: Madam Chairman, we have a
4 quorum.

5 CHAIRPERSON NICHOLS: Thank you very much.

6 A couple of announcements before we begin. I see
7 we have a few people here who are not regulars at these
8 meetings, so I need to make sure that everyone knows that
9 if you wish to testify and you did not sign up online that
10 you need to fill out a request to speak card, which is
11 available outside the auditorium, and give it to the
12 Clerk. If you did sign up online, you don't have to fill
13 out another card, but you do have to check in to put your
14 name on the speakers' list.

15 We will be inPosing our usual three-minute time
16 limit for speakers, and we ask you to summarize any
17 written testimony that you have.

18 I'm also supposed to tell you that if the fire
19 alarm goes off -- and we did have a fire alarm recently,
20 actually -- then we are all required to evacuate the
21 building, go down the stairs, and out to the park across
22 the street until we get the all-clear signal.

23 I think that's it for our announcements.

24 Before we begin our business this morning, we
25 have a presentation. And so I will ask the gentleman at

1 the podium to go ahead and start. Thank you.

2 MR. MC CALLON: Thank you, Madam Chairwoman. I'm
3 Larry McCallon, Past President of the Southern California
4 Association of Governments.

5 Exactly one year ago today, during the SB 375
6 Sustainable Community Strategy target setting discussion,
7 I stood before you as the President of SCAG and said that
8 we in Southern California were committed to the goals of
9 SB 375 and that the success of SB 375 required the
10 commitment of all who are involved.

11 I said that SCAG and our local jurisdictions
12 could not do it alone and that regardless of what the
13 final targets turned out to be, however, SCAG would do its
14 best to achieve them. But we needed the support from and
15 partnership with ARB to successfully achieve the targets
16 and make the goal of SB 375 a reality.

17 ARB did become a true partner with us by
18 accepting the conditions that were needed to allow us to
19 successfully meet the targets. And through the leadership
20 of yourself, ARB provided 420,000 to SCAG to support our
21 Campus Blueprint Program, allowing us to provide grants to
22 our local jurisdictions who voluntarily wanted to look at
23 options to achieve the goals of SB 375.

24 Throughout the SB 375 process, Chairwoman Mary
25 Nichols' leadership has exemplified the collaborative

1 partnership that the people of California expect from
2 government agencies as we all work together to solve
3 California's problems.

4 As a result, I awarded at SCAG's Annual General
5 Assembly in May this year the President's Award for Public
6 Agency Partner of the Year to ARB's own Mary Nichols.

7 (Applause)

8 CHAIRPERSON NICHOLS: I'll come down.

9 MR. MC CALLON: Unfortunately, due to the
10 Governor's restriction on travel at the time, you could
11 not join us on that day. But we are here today to
12 personally deliver this award and thank you, Mary, and ARB
13 for your partnership. Thank you very much.

14 (Applause)

15 CHAIRPERSON NICHOLS: Thank you so much. That's
16 a nice way to start the day.

17 I'd like to ask our counsel to affirm that
18 receiving that lovely piece of glass doesn't disqualify me
19 from being involved in any SCAG-related issues that come
20 before the Air Resources Board.

21 CHIEF COUNSEL PETER: That's correct.

22 CHAIRPERSON NICHOLS: Thank you.

23 We have a couple of items here. To start with,
24 one quick one on the consent calendar. So I just need to
25 make sure that the Board is familiar with it and that

1 everyone has agreed that we could just take it on as a
2 consent item without having to have discussion.

3 This is the approval of the proposed State
4 Implementation Plan revision for the federal lead standard
5 infrastructure requirements. And there's no one who had
6 asked to speak on this item, and it appears to be very
7 straight-forward.

8 So are there any Board members who want this item
9 to be removed from the consent calendar. Seeing none, I
10 would --

11 BOARD MEMBER RIORDAN: I would move the
12 Resolution, Madam Chair.

13 CHAIRPERSON NICHOLS: Do I have a second?

14 BOARD MEMBER D'ADAMO: Second.

15 BOARD MEMBER BERG: Second.

16 CHAIRPERSON NICHOLS: All in favor, please say
17 Aye.

18 (Ayes)

19 CHAIRPERSON NICHOLS: Great. Thank you.

20 We now will turn to our proposed 2011 Research
21 Plan. It's little late in 2011 to be approving the 2011
22 Research Plan.

23 But we're considering a list of research concepts
24 which later will be developed into full proposals. Each
25 project is later brought back to the Board for funding

1 approval.

2 Today is the first step in that process and the
3 opportunity for the Board to see all the concepts proposed
4 for funding this year.

5 Is this correct that it is the 2011 Research
6 Plan?

7 RESEARCH DIVISION CHIEF CROES: Yes. For this
8 fiscal year, yes.

9 CHAIRPERSON NICHOLS: Oh, for the fiscal year
10 that began this July. Okay. All right.

11 Well, with that, Mr. Goldstene, would you please
12 present this item?

13 EXECUTIVE OFFICER GOLDSTENE: Thank you, Chairman
14 Nichols.

15 Today, staff will present for Board consideration
16 ARB's 2011-12 Research Plan. The annual plan was
17 developed with input from academic researchers, the
18 public, and other agencies.

19 The proposed research projects build on past
20 studies and are focused on ARB program needs.

21 Twenty-three new research projects are being
22 recommended for funding this year. The proposed research
23 projects in this year's plan support ARB priorities in
24 four key areas: Air quality and clean energy; sustainable
25 communities; behavior change and technology; and

1 foundational science.

2 I'd now like to introduce Dr. Susan Wilhelm of
3 the Research Division who will provide an overview of this
4 year's proposed research studies. Susan.

5 (Thereupon an overhead presentation was
6 presented as follows.)

7 DR. WILHELM: Good morning, Chairman Nichols and
8 members of the Board.

9 --o0o--

10 DR. WILHELM: Today, we'll be asking the Board to
11 approve the proposed 2011 Research Plan which identifies
12 23 research projects that address gaps to support the
13 Board's decision making.

14 If the plan is approved today, staff will work
15 with our research partners over the next few months to
16 develop projects into full proposals and secure co-funding
17 or other leveraging where possible.

18 We will then take proposals to the Research
19 Screening Committee for review before returning to the
20 Board to request approval and funding for each research
21 project.

22 --o0o--

23 DR. WILHELM: I'll begin by presenting the 2011
24 planning process, followed by the proposed research
25 portfolio and staff recommendations.

1 --o0o--

2 DR. WILHELM: ARB has taken advantage of several
3 opportunities to enhance its Research Planning process.

4 We held a joint meeting between the Board and the
5 RSC last February to initiate a strategic planning
6 discussion aimed at anticipating long-term research needs.
7 The proposed plan reflects ongoing strategic planning
8 dialogue with ARB divisions, Executive Office, and the
9 Office of the Chair.

10 Staff considered responses to public solicitation
11 for research ideas and prepared 30 research gap analyses
12 to identify crucial research areas for ARB. Internally
13 generated research concepts were created to link the
14 research agenda with ARB's most critical program needs.

15 We sought feedback from public and private
16 agencies that fund similar research to avoid duplication
17 and identify partners for moving forward together.

18 --o0o--

19 DR. WILHELM: The Research Planning process
20 recognizes the Board's evolving mission and includes new
21 research areas, such as integration of air quality and
22 climate programs, to support California's transition to
23 clean energy systems.

24 The plan also recognizes that applied research is
25 needed to support wholistic strategies that work with the

1 A field study of the new California homes
2 co-funded by the Energy Commission and ARB found high
3 levels of formaldehyde in all the homes. ARB's air toxic
4 control measure that limits formaldehyde emissions from
5 composite wood products will help reduce formaldehyde
6 levels in new construction.

7 In addition, based largely on the results of this
8 study, the Energy Commission adopted a requirement for
9 mechanical ventilation in future new California homes, to
10 assure sufficient outdoor air exchange.

11 --o0o--

12 DR. WILHELM: Since Californians spend more than
13 90 percent of their time indoors or in vehicles, research
14 projects proposed as part of the 2011 plan will measure
15 indoor exposures to pollutants and the effectiveness of
16 high efficiency filtration systems and related mitigation
17 approaches as a means of reducing exposures in high
18 exposure environments.

19 High efficiency filtration has shown potential to
20 significantly reduce Californian's exposures to both
21 indoor and outdoor pollutants.

22 Regarding our health-based research program, this
23 year's focus is on children and exposures with an emphasis
24 on mitigation, particularly for asthma.

25 The three proposed projects will investigate the

1 total exposure of children with asthma and the benefits of
2 filtration for reducing exposure and symptoms, identify
3 the most effective, low-energy combinations of high
4 efficiency filtration and ventilation systems for homes,
5 and identify the best effective filtration and ventilation
6 approaches in cars and school buses.

7 --o0o--

8 DR. WILHELM: ARB's research program has a
9 longstanding commitment to support planning and
10 implementation to meet air quality standards.

11 --o0o--

12 DR. WILHELM: ARB funded research has directly
13 supported the process of developing state implementation
14 plans by improving the models that search as the technical
15 basis for ozone and PM2.5 attainment strategies.

16 Our research has identified air pollution that's
17 being transported from Asia and contributes to
18 California's air pollution problems.

19 To support control programs, the research funded
20 by ARB has mapped shipping off the west coast.

21 --o0o--

22 DR. WILHELM: Proposed research will help ARB
23 meet anticipated and increasingly stringent federal air
24 pollution standards.

25 The first three projects will help us understand

1 the extent to which long-range transport of pollution into
2 California contributes to exceedances of air quality
3 standards, delineate dairy feed management products,
4 practices to reduce emissions, and evaluate real-world
5 durability of two heavy-duty diesel control technologies,
6 namely selective catalytic reduction and diesel
7 particulate filters.

8 The fourth project heavily leverages CalNEX data
9 to improve modeling and identification of secondary
10 organic aerosols that contribute to PM2.5.

11 --o0o--

12 DR. WILHELM: ARB's climate program is focused on
13 meeting the 2020 target of reducing greenhouse gases to
14 1990 levels and recognition of the need for an 80 percent
15 reduction by 2050.

16 Since climate change is a global issue, we rely
17 on a world-wide body of research for fundamental climate
18 science. Our research effort is designed to support ARB's
19 programs to reduce greenhouse gas emissions.

20 --o0o--

21 DR. WILHELM: ARB's research program has already
22 made several crucial contributions to help us meet climate
23 change targets.

24 For example, our research has helped California
25 lead the way in controlling high global warming potential

1 gases, which account for approximately 15 percent of the
2 state's carbon footprint.

3 ARB has also partnered with the California Energy
4 Commission to improve our understanding of emissions from
5 fertilizer application to agriculture soils.

6 A recent study shows that reduced emissions from
7 diesel engines have reduced black carbon by 50 percent
8 over the past 20 years.

9 --o0o--

10 DR. WILHELM: Projects proposed in the 2011
11 Research Plan continue to look at ways to get substantial
12 reductions of non-CO2 greenhouse gases.

13 This research includes: An evaluation of the
14 fate of appliance and building waste foam disposal in
15 landfills to determine whether high global warming
16 potential gasses are emitted, biologically attenuated, or
17 combusted; identification of best practices to reduce
18 emissions from fertilizer application to agricultural
19 soils; continued collaboration with the California Energy
20 Commission to measure and track greenhouse gases, in
21 particulate, methane and nitrous oxide; investigation of
22 the impacts of black carbon reductions in California that
23 have been realized as a co-benefit of diesel controls.

24 --o0o--

25 DR. WILHELM: Among the three emerging research

1 areas identified by the 2011 plan is behavior change and
2 technology.

3 Current research indicates the potential to
4 substantially reduce greenhouse gas emissions,
5 particularly in the buildings and transportation sector,
6 through technology adoption and use patterns.

7 This nexus of transportation technologies and
8 behavior is an important topic as the advanced clean cars
9 regulations are implemented.

10 --o0o--

11 DR. WILHELM: Proposed projects will leverage
12 ongoing work at the California Energy Commission,
13 Caltrans, and several U.C. campuses to: Develop a model
14 to improve our understanding of households with low
15 transportation footprints; investigate how people interact
16 with transportation technologies, such as real time fuel
17 economy displays; to determine potential for fuel
18 reduction benefits; and update our knowledge of consumer
19 attitudes to low-emission vehicles.

20 --o0o--

21 DR. WILHELM: The proposed 2011 Research Plan
22 will enhance ARB's work to support growth of sustainable
23 communities in California.

24 --o0o--

25 DR. WILHELM: One of the key drivers for research

1 in this area is Senate Bill 375, which was adopted in
2 2008. SB 375 directs California's metropolitan planning
3 organizations to develop sustainable communities
4 strategies through integrated land use, housing, and
5 transportation planning.

6 The more compact, walkable communities encouraged
7 by SB 375 will reduce vehicle miles traveled and
8 greenhouse gas emissions, as well as providing healthier,
9 more livable communities. Sustainable communities will
10 provide a variety of co-benefits, including reduced
11 criteria pollutant emissions.

12 --o0o--

13 DR. WILHELM: Sustainable communities can also
14 improve health and quality of life. For example, the
15 American Journal of Preventative Medicine reports that
16 people who live in neighborhoods with a mix of shops and
17 businesses within easy walking distance have a 35 percent
18 lower risk of obesity.

19 --o0o--

20 DR. WILHELM: In developing proposed research
21 concepts to address sustainable communities, ARB staff
22 considered research priorities of U.C. Berkeley and other
23 experts, including Virginia Tech, as well as research
24 ongoing at other national, State, and local agencies.

25 The first project will identify financial impacts

1 of smart growth strategies on local governments,
2 communities, and individuals.

3 The second project will consider several case
4 studies to measure the benefits of converting to complete
5 streets, which accommodate not only cars and buses, but
6 pedestrians and cyclists.

7 The third project will comprehensively assess
8 benefits of green building retrofits, including waste
9 reduction measures, water conservation, and impacts on
10 criteria pollutants.

11 The fourth project will conduct a pilot financing
12 program to help address the fact that, according to a
13 recent California Public Utility Commission study,
14 building owners are slow to take advantage of available
15 financing.

16 --o0o--

17 DR. WILHELM: California's long-term goal of an
18 80 percent reduction in greenhouse gas emissions by 2050
19 requires a comprehensive transition to clean energy. Long
20 lead times are needed to develop new technologies,
21 infrastructure, and policy. Research to support an energy
22 future that meets both climate change and air quality
23 goals is essential.

24 --o0o--

25 DR. WILHELM: Currently, the California Energy

1 Commission and the California Public Utilities Commission
2 are working to define a transition to clean energy that
3 involves net zero energy buildings, renewable electricity
4 load balancing, electrification, and biomass energy.

5 Our proposed research efforts in this area are
6 designed to compliment efforts of our sister agencies and
7 leverage ongoing and completed studies by focusing on the
8 air quality co-benefits of clean energy and improved
9 energy efficiency.

10 --o0o--

11 DR. WILHELM: The first recommended project
12 involves collaboration with the Peer Program to delineate
13 the air quality co-benefits and the transition to low
14 carbon energy technologies.

15 The second project complements work of the Energy
16 Commission's California Biomass Collaborative to quantify
17 biofuel resources and generation capacity with an emphasis
18 on waste to energy.

19 The goal of the third project is to offer
20 practical guidance for policy applications of life cycle
21 analysis.

22 Lastly, we propose to develop and pilot a new
23 method for truck classification, retrofit existing traffic
24 detectors, and enable development of a second generation
25 freight modeling system for California.

1 --o0o--

2 DR. WILHELM: To support the research projects
3 that we've presented, we propose to divide funding between
4 three areas of foundational science, as well as the three
5 new research areas I've presented.

6 As the recommended concepts are developed, ARB
7 will continue to coordinate with other agencies and pursue
8 co-funding.

9 --o0o--

10 DR. WILHELM: ARB is careful to ensure that
11 research funds are used cost effectively and for the
12 maximum benefit to the state.

13 Over the past decades, 75 percent of research
14 funds have stayed in California. For every dollar of
15 State funds spent, ARB has secured approximately \$3 of
16 external leveraging in the form of direct co-funding,
17 in-kind resources, or access to facilities, equipment, and
18 data sets.

19 ARB also continues to receive low overhead rates
20 for research under taken in California's public
21 universities.

22 --o0o--

23 DR. WILHELM: If the 2011 Research Plan is
24 approved today, staff will work with our research partners
25 to bring full proposals to the Research Screening

1 Committee. Then we will return to the Board to request
2 approval and funding for each project.

3 We recommend that you approve the 2011 Research
4 Plan.

5 EXECUTIVE OFFICER GOLDSTONE: Thank you, Susan.

6 CHAIRPERSON NICHOLS: Okay. Thank you for that.

7 Dr. Wilhelm, I have to get used to your new name.
8 Good presentation. Appreciate it.

9 So let's just start out with any questions or
10 observations, yes.

11 BOARD MEMBER YEAGER: A question on the
12 protecting health projects. One of them is identify the
13 most effective filtration and ventilation system for
14 homes. Will you also be looking at multi unit housing, or
15 might the same filtration for the home apply to multi-unit
16 as we try to encourage more of that kind of housing?

17 RESEARCH DIVISION CHIEF CROES: Yes, the study
18 will include multi-family housing.

19 BOARD MEMBER YEAGER: Thank you.

20 CHAIRPERSON NICHOLS: Any other comments?
21 Questions? Yes.

22 BOARD MEMBER SPERLING: I do want to applaud the
23 staff for what I think is an excellent Research Plan in
24 the sense of moving in the right direction. And I note
25 that, you know, the research agenda and the regulatory

1 agenda of ARB has been changing quite a bit over the
2 recent years to emphasize much more climate policies and
3 regulations. And I think this is a Research Plan that
4 does a good job of starting to identify what are the key
5 areas that we need more help in.

6 Now, having said that -- and I would add to it
7 that the real key -- one of the real important attributes
8 of ARB that's made it successful is the technical
9 competence in research expertise.

10 As we move though to climate change rulemaking
11 and policies, we're moving from an area of air quality
12 where California was the leader in the nature of the
13 problem and the magnitude of the problem and where ARB had
14 to do a lot of basic research really as a foundation for
15 the rules.

16 As we move to climate change, I think there's
17 less of a need or mission of ARB to be putting its climate
18 change research into more foundational or fundamental
19 research just because it is a global problem and there's
20 lots of other people working on it. So I think the focus
21 should be much more so on research that leads more
22 directly to development of models that are needed for the
23 rulemaking processes and more directly to the policy and
24 activities of ARB.

25 So when I look at these projects, I think they're

1 basically -- almost all of them, you know, I would rate
2 very highly as exactly what problem area that we need to
3 work on.

4 But I would say also that we need to sharpen up
5 exactly what outcomes and products we expect from these
6 projects that -- more than in the past.

7 You know, I know this gets into the whole
8 research mission of ARB where we have the Research
9 Division has tended to do more foundational fundamental
10 and then we have programs funding more applied projects.
11 I think now we're going to be merging that much more so.
12 So that the research, especially in the climate areas,
13 needs to be more tied to the specific rulemaking needs of
14 ARB.

15 So if we talk about life cycle analysis or if we
16 talk about the kind of looking at biogas -- impacts of
17 biogas from waste or we look at goods movement or we look
18 at any number of these other projects, I think we need to
19 be really careful about telling the researchers exactly
20 how this research is going to be used in making sure that
21 the products do feed directly into the kind of tools that
22 we need or provide exactly the tools we need more than I
23 think we've done in the past.

24 So my little speech ends with the thought that,
25 you know, I think it's going in the right direction and I

1 think we just need to do it -- make it better. And I
2 think that means more engagement by perhaps some of us on
3 the Board, some outside people that understand this chasm
4 we see between researchers and policy as someone that's
5 tried to cross that chasm. And researchers don't get it,
6 because they don't know exactly how it's going to be used.
7 And we on this end often don't understand what we need to
8 tell them to get it, because we don't know exactly what we
9 need sometimes.

10 But I think we need to be much more conscious of
11 that and much more engaged in that. And I would volunteer
12 myself to help on that. I know there are others that
13 would as well.

14 CHAIRPERSON NICHOLS: I'm thinking about what you
15 said, and I think I may have a response. But I'd like to
16 hear from anybody else first.

17 Yes, Dr. Balmes.

18 BOARD MEMBER BALMES: Well, I was going start off
19 agreeing with much of what Professor Sperling said. But I
20 think the current proposed Research Plan is a good one and
21 is moving in new directions that I think we need. So
22 there is agreement there.

23 But I get a little concerned about being too
24 prescriptive on the part of what we ask researchers to
25 deliver. I think there needs to be good dialogue between

1 the Board and its research partners so that successful
2 projects are the outcome. And sometimes we need very
3 specific products.

4 But I think the research that the ARB has
5 supported with regard to air quality and technologies to
6 control and improve -- control pollutants and improve air
7 quality has led to a lot of innovation and cobenefits, if
8 you will, beyond the specific intent. And so there is a
9 balance between incentivizing and encouraging innovation
10 with research, at the same time making sure that we get
11 what we need to support our policy.

12 So I'm not disagreeing with you, but I don't want
13 to swing too far the other way in being prescriptive.

14 CHAIRPERSON NICHOLS: I was going to say
15 something sort of bridges I think the last two comments,
16 which is that we have a long tradition of having a
17 Research Plan for our extramural research in a very
18 separate pot of funds, which are quite different from all
19 of the other money that we spend on things that could be
20 called research, because we do an awful lot of contracting
21 with universities and other types of research
22 organizations for specific information projects that we
23 need. And those are really two very different categories.
24 But they also should have dialogue between the two of
25 them.

1 And so it seems as though the offer that
2 Dr. Sperling is making to engage in a more active dialogue
3 with the research community I would put that just beyond
4 the group of people that normally apply for funding from
5 our research programs and have a broader discussion about
6 what the information needs are.

7 My experience with attempting to develop
8 inter-disciplinary research projects within the university
9 setting, which is exactly what we're talking about needing
10 here, makes me somewhat less than optimistic that this is
11 something that can be done quickly and easily to actually
12 bring to bear the kinds of social science, legal,
13 business, and other kinds of expertise that exists in our
14 universities with the science and actually produce
15 research products that help shape the kinds of proposals,
16 the kinds of policy decisions that need to be made. It's
17 a hard thing to do. But that doesn't excuse us from
18 trying to do it.

19 I just think that maybe where this is all
20 pointing is in the direction of sort of a revived and
21 revised version of the old Haggan-Smit symposium where we
22 might try to do some sort of a session where we could
23 really invite people to come and help us think about new
24 directions that we should be pushing in with our research
25 program.

1 And I know the staff has been thinking for a
2 while now about what to do with that syNPOsium, because in
3 its traditional format, it kind of appealed to just one --
4 essentially one constituency of our researchers and it had
5 seemed as though maybe it was beginning to recycle a
6 little bit some of the thinking that had gone on in the
7 past. We tried doing some completely different when we
8 got into a land use and, you know, sort of pre-SB 375
9 discussion. But maybe it's time to take another look at
10 that format and see if there is something that we could do
11 to build on our progress in this area.

12 Mr. Goldstene, you're nodding your head.

13 EXECUTIVE OFFICER GOLDSTENE: We agree. We think
14 it would be nice to find a way to make this syNPOsium for
15 useful in a broader way. Maybe this is the right way to
16 do it.

17 I'd like to hear from Bart and his staff what
18 they think.

19 I think it might be helpful for Bart to provide
20 very quickly the process that we currently go through so
21 the Board members understand the level of input we do get
22 as we go through this process.

23 CHAIRPERSON NICHOLS: You're speaking about the
24 process of developing --

25 EXECUTIVE OFFICER GOLDSTENE: Developing the

1 plan.

2 CHAIRPERSON NICHOLS: Sure. If you want to just
3 add a few words.

4 RESEARCH DIVISION CHIEF CROES: This is Bart
5 Croes.

6 So for basically each project, especially the
7 multi-disciplinary ones, we do form an external advisory
8 team. So that includes basically the climate divisions
9 within ARB and then agencies that have significant
10 interest in the project. So especially as we move forward
11 into these new areas on clean energy and sustainable
12 communities, we have been working very closely with CEC
13 staff especially and U.S. EPA who have similar missions as
14 we do in trying to integrate these various areas.

15 So I do agree with Dr. Sperling that I think
16 these teams would benefit maybe from some higher level
17 involvement, and we'd be glad to take you up on the offer.

18 So these groups put together stronger statements
19 of products and review proposals, review progress reports,
20 review the final report to make sure that the research
21 meets our needs.

22 BOARD MEMBER SPERLING: Could I just add one kind
23 of an integrating comment in this is that this is kind of
24 a new way of doing things. It's not very common -- not
25 just for ARB. And I think in this era of limited

1 resources and increasingly complex problems, there is more
2 of an urgency to try to figure out how to get researchers
3 and government agencies understanding each other and
4 working together better. And, you know, your comments
5 about academia are well founded. And you could look at --
6 each side looks at the others and doesn't really
7 understand it well.

8 But people in universities, they want to have an
9 impact. They want to help. And on the agency side, we
10 want help. So I think all of the interests, desires,
11 goals are aligned. But it does take a lot of work to make
12 it successful.

13 And so these couple ideas we just talked about
14 are good and maybe we ought to be thinking about other
15 ways also of crossing that chasm and creating more
16 synergies and more efficient research.

17 And I appreciate Dr. Balmes' comments. It does
18 make many -- I might get kicked off the reservation at the
19 university, disowned. But I think on both sides there's
20 going to be discomfort to this. That's I think the path
21 we need to follow.

22 CHAIRPERSON NICHOLS: You've been pushing us in
23 this direction for a while. I think we're making a little
24 progress.

25 BOARD MEMBER BALMES: I just want to end with you

1 by agreeing with your last comments about trying to
2 improve the communication across the chasm. And also I'm
3 willing to voluntary to help with that as well.

4 CHAIRPERSON NICHOLS: I think we have a
5 subcommittee here. And we will follow up on that. All
6 right.

7 If there is no further discussion, I'd like to
8 have a motion to approve the Research Plan.

9 BOARD MEMBER BALMES: I move to approve the
10 Research Plan.

11 BOARD MEMBER SPERLING: Second.

12 CHAIRPERSON NICHOLS: All in favor please say
13 aye.

14 (Ayes)

15 CHAIRPERSON NICHOLS: Any opposed?

16 Great. That was a significant accomplishment and
17 we'll look forward to hearing more about the specific
18 projects as they come forward.

19 While the staff is shifting seats here, let me
20 just briefly introduce the next item. We are hearing an
21 informational report today. Not taking action at this
22 meeting. But it seemed like it was a good opportunity for
23 the Board to be briefed on the sustainable communities
24 strategy for San Diego as well as receive an update on
25 implementation of SB 375 statewide.

1 San Diego is the first of the metropolitan
2 planning organizations to develop a sustainable
3 communities strategy. They started before SB 375 passed,
4 but they've taken on the challenge of being the first.
5 And their transportation plan is going to include a
6 Sustainable Community Strategy.

7 So this is I think primarily just a result of the
8 fact that they were at a point in their planning cycle
9 where it made sense to try to integrate these two things.
10 But it does present some challenges. And we appreciate
11 the fact that San Diego has borne up under all the
12 scrutiny they've gotten here in the early stages of this
13 program.

14 Supervisor Roberts, who represents San Diego on
15 this Board, has been very engaged in this process, and I'm
16 going to ask him to say a few words in just a minute.

17 But before I do that, I just want to emphasize
18 for those who are here and those who may be watching, that
19 while SB 375 gives our Board some new responsibilities,
20 the link between air quality, land use, and transportation
21 is something that this Board has tried to highlight and
22 talk about over a period of many years.

23 SB 375 provides us a new opportunity to address
24 that linkage in the regional planning process with the
25 added perspective of greenhouse gases. But making that

1 link, we need to have better transportation models that
2 can be used to estimate the impacts of new strategies on
3 the real world emissions and what people are exposed to.

4 We have had our staff, who have a lot of
5 experience using complex air quality models, do their work
6 to try to lift up the hoods, so to speak, of the
7 transportation models that are used by transportation
8 agencies and to try to assess how they operate. And it's
9 really a new world for us and for them I think to try to
10 quantify greenhouse gas emissions from vehicles and have
11 ARB review them with our own type of lens which is very
12 used to doing planning in the SIP world.

13 We need to do this in order to inform both our
14 different types of processes, and the people who are
15 making decisions at the local level, including the public
16 and elected officials, need that kind of information when
17 they're balancing the many different considerations that
18 go into making up a regional plan. So greenhouse gases
19 are just one more thing, but they happen to be something
20 that is capable of and needs to be measured and evaluated
21 and tested in various different ways.

22 So this is presenting us with some interesting
23 new challenges, building on the comments on the Research
24 Plan. It's also bringing us into contact with the whole
25 group of researchers and model developers and people out

1 there who have not necessarily been part of the Air
2 Resources Board's world in the past either. This is a
3 bold new adventure that we're embarked on.

4 So with that, I'd like to ask Supervisor Roberts
5 to say a few words and kick the discussion off.

6 BOARD MEMBER ROBERTS: Thank you, Madam Chairman.

7 First of all, your comments are well made. And I
8 think the staff and I think everybody that's been involved
9 with this process would acknowledge right up front this
10 is -- initially, there is a lot of learning that we all
11 have to do and we've got to improve these models. We've
12 got to do a number of things.

13 It's kind of ironic that we're here considering
14 this today, because some of the speakers you're going to
15 hear are just returning from Washington, D.C. where
16 several of us went. And we had a strong dialogue with the
17 federal government because we're ready and enthusiastic
18 about building an extension to our trolley line in San
19 Diego.

20 The good news is we have all the local money to
21 match what normally has been the federal requirements to
22 get something like that started. We were approved -- also
23 the good news is we were approved to go preliminary
24 engineering and start the environmental review process.

25 The bad news is they're almost saying let's go

1 slow though. And we're saying let's go fast. I mean, if
2 you want to create jobs and clean up the air, build it.
3 Not everybody is universally of that same opinion.

4 But part of the reason why I think, as you will
5 see, that the San Diego community has done well in meeting
6 the goals of SB 375 is that we've been working on a lot of
7 these things for a long time. Anybody that thinks that
8 this started with SB 375 is not understanding what's going
9 on at the local level. And the times are dramatically
10 changing.

11 Several years ago, we had the first ever meeting
12 between our health policy experts and our planners. They
13 had been in their own silos working on their own issues
14 for a long time. And one of the local hospitals in my
15 office, we convened a conference in San Diego to introduce
16 not only them to one another, but to introduce some ideas
17 that they might jointly be working on together.

18 And at that time, I remember some of our early
19 discussions at SANDAG, even some of the elected officials
20 thought why are we mixing this stuff? What does planning
21 have to do with health?

22 Today, we've seen an incredible change even in
23 elected officials who sometimes are hard to change, and
24 they're seeing what the nexus is in enthusiastically
25 embracing these things.

1 So we've gone from sort of a puzzled look to now
2 aware that it is incorporated in fundamental ways in our
3 planning.

4 The plan that is before you that staff has been
5 reviewing is a very conservative look going forward. It's
6 not speculative in any way, shape, or form. It's a rock
7 solid conservative look at what does the snapshot look
8 like today. And it doesn't include many new initiatives
9 that we are already in the process of putting into play.

10 Last year, the San Diego region received the
11 largest grant in the country for incorporating health and
12 planning issues. It was a \$16 million federal grant. I
13 had hoped to be able to report to you today that we are
14 once again receiving the largest, but the announcement
15 can't be made until Monday. So we're keeping our fingers
16 crossed. But it is money that is coming through the
17 county and our health department, is being shared with
18 SANDAG and other urban organizations to make and bring
19 about projects to do basically projects that would be
20 replicable elsewhere and that will drive hopefully some
21 other changes. So these things are going on.

22 I just might mention one of the things we've
23 launched is called 3450. And it's a recognition that we
24 have three behaviors -- three bad behaviors, leading to
25 four major diseases that in San Diego account for 50

1 percent of the deaths in our county. And among those
2 three behaviors, one in particular is poor exercise
3 programs. And that is so tied in with the environmental
4 issues and so many different ways. And you've mentioned
5 biking and other things. Biking and walking and getting
6 barriers out of the way. We know this. And we are
7 bringing these together. But the three behaviors are:
8 Bad eating, lack of exercise, and smoking. And we have a
9 major initiative. Now, to look at those and look what the
10 implications might be on the environmental sense.

11 We have also gone through some major changes in
12 our general plan. The county approved a new general plan
13 earlier this year just a few months ago. I would share
14 with you it was not without controversy. And it was aimed
15 to make a major shift in the plan densities from the most
16 rural areas into more urban communities. Thousands of
17 properties had to be -- zoning had to be changed. Not
18 hundreds. Thousands.

19 This was not necessarily greeted with open arms
20 as you might expect in a lot of areas. As a matter of
21 fact, if I could just share with you for a minute, this is
22 a newsletter from Citizens for Private Property Rights.
23 I'll just quote, "It seems that certain Supervisor Roberts
24 is clueless."

25 There's probably a lot of people that would agree

1 with that. I won't debate that.

2 "That by shifting riders to mass transit, if it
3 could be done as he hopes, that the buses and trolleys he
4 so admires, that they generate greater carbon emissions
5 than autos. This according to the US Department of
6 Energy." That's what this newsletter says. I'm sure it's
7 right. He goes on further to say, "The down zonings have
8 eliminated over \$2.5 billion worth of wealth in numerous
9 lost jobs in San Diego."

10 This is a sample that we are not all on the same
11 page on these things. But in San Diego, our commitment to
12 public transit and other things is long and steadfast.

13 Our goals are actually bigger than SB 375. Much
14 bigger. Our goals are a healthier, accessible,
15 sustainable San Diego with a thriving economy. Much
16 bigger than 375. We're going to get there.

17 Today, you're going to see a snapshot in time of
18 what we're doing today. But I will guarantee you that as
19 we develop a new models and we do the other things, the
20 models themselves don't create necessarily a better
21 situation. They give us a better understanding maybe of
22 what our -- how our efforts connect with our results. But
23 I'm absolutely convinced that with a number of new
24 initiatives and the attitude that we have going forward
25 you'll see San Diego continue to be a model in meeting SB

1 375. Thank you.

2 CHAIRPERSON NICHOLS: Thank you.

3 Mr. Goldstene, do you want to introduce the staff
4 presentation?

5 EXECUTIVE OFFICER GOLDSTENE: Thank you, Chairman
6 Nichols and Supervisor Roberts.

7 Last September, the Board set regional greenhouse
8 gas reduction targets for the San Diego areas and other
9 regions in the state as required by SB 375. The San Diego
10 Association of Governments, or SANDAG, has developed a
11 Sustainable Community Strategy, or SCS, designed to meet
12 these targets for 2020 and 2035. SANDAG is scheduled to
13 consider adoption of the SCS and regional transportation
14 plan at its upcoming October meeting.

15 Under SB 375, ARB has the responsibility to
16 accept or reject the SANDAG determination that its SCS
17 would, if implemented, achieve the ARB targets. Staff has
18 reviewed the quantification of the greenhouse gas
19 emissions included in the SCS and will brief the Board on
20 the results of our technical review.

21 In preparation for the SCS review, staff held a
22 public workshop in April of this year and released a
23 report on the review methodology in July. These efforts
24 were intended to keep the many interested stakeholders
25 informed about ARB activities underway to implement SB

1 375.

2 Staff will walk through the results of the
3 technical review and also make some recommendations for
4 future planning efforts in the San Diego region.

5 Throughout this process, SANDAG has been responsive to ARB
6 staff questions and requests for supporting information.
7 We appreciate the efforts by Gary Gallegos, the Executive
8 Director of SANDAG, and his staff to keep us informed as
9 they develop the SCS.

10 After our report on SANDAG's draft SCS, staff
11 will provide a brief update on SB 375 progress statewide
12 as well.

13 Ms. Terry Roberts in our Air Quality and
14 Transportation and Planning Branch will now begin the
15 staff presentation. Terry.

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

18 MS. ROBERTS: Thank you, Mr. Goldstene.

19 Good morning, Chairman and members of the Board.

20 --o0o--

21 MS. ROBERTS: This is an informational item to
22 report on staff's review of the San Diego region's draft
23 sustainable communities strategies, or SCS, and associated
24 greenhouse gas emissions. This is the very first SCS we
25 have reviewed under SB 375.

1 This is the very first SCS we have reviewed under
2 SB 375, so I'll start with a quick overview of the SCS and
3 the regional transportation plan of which it is a part.

4 I will then describe staff's evaluation
5 methodology, the results of our evaluation of SANDAG's
6 SCS, and our recommendations.

7 Finally, I will give a brief update on the
8 development of SCSs in other regions of the state.

9 --o0o--

10 MS. ROBERTS: First, a quick refresher of the
11 Board's role in implementing the Sustainable Communities
12 Act.

13 --o0o--

14 MS. ROBERTS: ARB's role under the law includes
15 setting regional greenhouse gas reduction targets for 2020
16 and 2035 and revising the targets periodically; reviewing
17 the MPO technical methodologies for quantifying greenhouse
18 gas emissions; and third, accepting or rejecting the MPO's
19 determination that its SCS would, if implemented, achieve
20 its targets.

21 The intent of the law is to encourage more
22 integrated regional planning that should result in more
23 sustainable communities. ARB sets the long-term goals in
24 the form of greenhouse gas reduction targets for passenger
25 vehicles that guide the development of a regional plan.

1 That's the SCS.

2 --o0o--

3 MS. ROBERTS: Fundamental to ARB's
4 responsibilities under SB 375, our goal in reviewing
5 SANDAG's SCS is to help ensure that it is not just another
6 planning document that sits on a shelf.

7 Our review puts a spotlight on SANDAG's efforts.
8 We expect SANDAG will continue to engage their region in a
9 process that explores alternative planning scenarios as
10 well as the impacts of local decisions on land use and the
11 transportation system. And so we took a critical look at
12 SANDAG's SCS to evaluate whether greenhouse gas reductions
13 from transportation and land use are real and lasting.

14 --o0o--

15 MS. ROBERTS: SANDAG's draft regional
16 transportation plan was released in April of this year and
17 will go to the SANDAG Board for consideration in late
18 October.

19 Development of this draft RTP was already well
20 underway when the Board set greenhouse gas targets in
21 September of last year, with significant model and policy
22 development occurring over the past two years.

23 This involved updating the SANDAG model and
24 growth forecast, incorporating assumptions about land use
25 and the transportation network into the model, and

1 strategy was developed in 2000 and was a turning point for
2 the region away from sprawl and towards smart growth
3 policies.

4 The regional comprehensive plan, or RCP, adopted
5 in 2004 serves as the region's blueprint for smart growth.
6 And it established the land use policies that are embedded
7 in the draft RTP.

8 Two important RCP implementation measures were
9 the creation of the smart growth concept map, developed in
10 2006, which identifies preferred growth areas near urban
11 centers; and secondly, the smart growth incentive grant
12 program established in 2008 to provide funding for local
13 plans and projects that implement the regional smart
14 growth policies.

15 Transnet, a local tax measure passed in 1998 and
16 extended by voters in 2004 will generate a substantial
17 amount of funding for roads, transit, and non-motorized
18 modes over the 40-year planning horizon of this RTP. The
19 total expenditure for the draft RTP is about \$196 billion
20 in year of expenditure, and Transnet would generate over
21 30 billion of that if you count the sales tax revenue plus
22 the bond generated revenue.

23 The RTP planning horizon year of 2050 enables the
24 region to take advantage of this funding stream which
25 expires in 2048.

1 Funding is already committed for many of the
2 Transnet projects in accordance with local ordinance. The
3 SANDAG Board has accelerated several key projects on the
4 Transnet project list to relieve traffic congestion and
5 expand transit services.

6 This funding source makes it possible for SANDAG
7 to fully fund its non-motorized transportation program and
8 dedicate a substantial portion of the plan expenditures
9 for transit purposes.

10 --o0o--

11 MS. ROBERTS: The SCS is the region's strategy
12 for implementing the smart growth vision in SANDAG's
13 regional comprehensive plan. It showcases two important
14 components reflecting the smart growth policies contained
15 in the RCP.

16 First is the urban in-fill depicted in the smart
17 growth concept map. And second is the multi-model
18 transportation system, which includes expanded transit
19 opportunities, such as light rail, the trolley system, and
20 increased bus service.

21 The SCS reflects local land use plans and
22 commitments to more compact transit-oriented development.
23 All 19 local jurisdictions in the region supported the
24 regional comprehensive plan's smart growth principles, and
25 many of them have acted to demonstrate their commitment.

1 Several local jurisdictions have or are currently
2 updating their general plans.

3 The cities of Chula Vista and San Diego were
4 among the first to bring their general plan policies into
5 greater alignment with the regional vision.

6 Seven other cities are in the process of updating
7 their general plans. Of these, four are in the north
8 county area: Carlsbad, Escondido, San Marcos, and Vista.
9 Among the other three cities to the south, El Cajon, La
10 Mesa, and National City, where National City serves as a
11 strong example of local commitment to more sustainable
12 land use patterns.

13 Just recently, as mentioned, the County of San
14 Diego adopted its general plan update with policies to
15 encourage clustering of new development in the
16 unincorporated part of the region. This decreases the
17 development footprint and preserves open space.

18 Overall, future development in the region will be
19 concentrated in the western third of the county, with
20 about half of the county's land area preserved for open
21 space.

22 New housing will be predominantly multi-family in
23 close proximity to transit stations. By 2035, 80 percent
24 of all housing will be within one-half mile of transit.

1 MS. ROBERTS: Implementation of the SCS will rely
2 on land use decisions and transportation investments to
3 support development in the smart growth areas identified
4 in the plan.

5 The transportation component of the SCS reflects
6 a transportation network that places greater emphasis on
7 transit with investments being made in those areas where
8 high concentrations of growth are planned.

9 Other transportation policies include system
10 management, demand management, and pricing policies that
11 make the network operate more efficiently.

12 Examples of transportation system management are
13 ramp metering and signal synchronization. Examples of
14 transportation demand management are carpooling,
15 tele-commuting, and biking. Pricing policies are
16 primarily toll lanes.

17 This draft SCS accommodates all of the region's
18 population growth in 2020 and 2035. The previous RTP did
19 not provide the capacity to house the region's population
20 within its geographic boundaries. The current SCS
21 provides adequate capacity to house all of the region's
22 future population. This is partly due to the commitment
23 of local governments to increase residential density in
24 areas planed for development.

1 MS. ROBERTS: ARB set the regional targets as a
2 percent reduction in per capita emissions from passenger
3 vehicles from a 2005 base year. The quantification of
4 greenhouse gas emissions from the draft San Diego SCS
5 indicates that the ARB target of a seven percent per
6 capita reduction in 2020 and a 13 percent per capita
7 reduction by 2035 would be met with SCS implementation.

8 Staff's independent assessment of SANDAG's
9 greenhouse gas emissions quantification resulted in our
10 conclusion that, if implemented, the draft SCS would meet
11 the targets. While staff concluded that the targets would
12 be met, post 2020 trends in the SCS were unexpected. I'll
13 talk more about this trend in a moment.

14 SANDAG quantified the greenhouse gas emissions
15 based on the results of its travel demand model, using the
16 technical methodology provided to ARB in May 2010. After
17 SANDAG developed its SCS this year, ARB staff reviewed
18 SANDAG's application of their methodology, including the
19 data inputs and assumptions and found that the methodology
20 was applied as expected.

21 We found that SANDAG used appropriate data inputs
22 and assumptions, and that the model is sensitive enough to
23 provide a reasonable estimate of greenhouse gas emissions.

24 We also found that SANDAG's use of the current
25 travel demand model system is appropriate. We recognize

1 it is region-specific and that there are ongoing
2 improvements. We found that SANDAG used supplemental
3 analyses consistent with ARB's methodology.

4 --o0o--

5 MS. ROBERTS: As part of its modeling improvement
6 process, SANDAG is developing next generation travel
7 models. SANDAG staff is pursuing improved tools to
8 supplement travel model outputs and to integrate land use
9 and freight models with the region's travel model systems.
10 These improvements are essential for future SCS
11 development.

12 In addition, SANDAG will begin the process of
13 updating its regional comprehensive plan in 2012 once the
14 regional transportation plan is adopted. The RCP update
15 will involve another round of regional visioning about
16 future land use patterns and development.

17 This regional visioning involves developing
18 alternative land use scenarios, providing a way for the
19 region to explore options for growth that can achieve
20 greater greenhouse gas reductions.

21 The regional comprehensive plan update will also
22 set the stage for ARB's 2014 target update, which will
23 include the development of target-setting scenarios and
24 target recommendations from SANDAG. ARB staff anticipates
25 that more sophisticated modeling tools and information

1 The key regional performance indicators we looked
2 at include: Residential density, distance of housing and
3 employment from transit stations, passenger vehicle miles
4 traveled, VMT, commute trip mode share, and bike and walk
5 trips.

6 Staff performed a qualitative analysis and
7 determined that the key indicators are all directionally
8 consistent with SANDAG's modeled greenhouse gas emission
9 reductions. The general relationships among those key
10 indicators and greenhouse gas emissions are consistent
11 with the what we expected from the empirical in the
12 literature. In other words, key performance indicators
13 either increase or decrease as expected when there are
14 changes in VMT or greenhouse gas emissions.

15 Examples of these consistent relationships are:

16 1. An increase in residential density results in
17 lower greenhouse gas emissions;

18 2. An increase in housing and employment near
19 transit stations results in lower greenhouse gas
20 emissions;

21 3. The change in VMT per capita matches the
22 greenhouse gas trend.

23 4. An increase in carpool, transit, and
24 bike/walk mode shares results in lower greenhouse gas
25 emissions.

1 These results indicate that the model is
2 performing appropriately in response to greenhouse gas
3 reduction strategies.

4 --o0o--

5 MS. ROBERTS: Now I'll describe more specifically
6 the procedures that staff used to evaluate SANDAG's
7 emissions from the SCS, plus some of the results and our
8 recommendations.

9 --o0o--

10 MS. ROBERTS: The primary purpose of ARB's
11 staff's review of the SCS is to evaluate the
12 quantification of greenhouse gas emissions.

13 As we developed our approach, we realized that a
14 technical evaluation of the regional travel model and
15 results would be necessary.

16 To inform the Board and the public about ARB's
17 staff's evaluation methodology, we released a report that
18 describes it in detail. This report, dated July 2011, is
19 entitled, "Methodology for ARB Staff Review fo Greenhouse
20 Gas Reductions from Sustainable Communities Strategies."

21 The methodology provides the framework for a
22 transparent evaluation of the greenhouse gas emissions
23 from an SCS. It focuses on four technical aspects of
24 transportation modeling that are central to quantifying
25 passenger vehicle-related greenhouse gas emissions. They

1 are use of appropriate modeling tools, including off-model
2 processes; use of appropriate data and assumption,
3 demonstration of model sensitivity, and demonstration of
4 consistency with related performance indicators.

5 This approach is analogous to the technical
6 methods used in air quality modeling and performance
7 assessments. To conduct its review, ARB requested
8 supporting information from SANDAG specific to its SCS.
9 The types of information we requested are set out in more
10 detail in staff's July report, but generally includes the
11 following:

12 Model documentation, model validation reports,
13 peer review reports, and model sensitivity tests.

14 Data assumption and calculations used to develop
15 the model inputs for the SCS.

16 Results of selected model runs to determine the
17 sensitivity of the model to particular strategies in the
18 SCS, and information on regional performance indicators,
19 which I just talked about a minute ago.

20 Staff expects to adapt this basic approach for
21 each MPO considering the complexity of the models they
22 use, available resources, and unique characteristics of
23 the region and the models used.

24 Using this basic approach, staff performed a
25 review of SANDAG's model performance, the model inputs,

1 and the model outputs. Our review relied on a large
2 number of data and information sources, including
3 available empirical literature, recognized authoritative
4 sources of information, and the procedures and guidelines
5 for modeling established by federal and State
6 transportation agencies.

7 As staff undertook this evaluation for SB 375, we
8 recognized that this review process is likely to be the
9 first of its type in California and the nation. We
10 believe that because of SB 375 and the responsibility
11 given to the Board to review SCSs, there is a greater
12 expectation of transparency in the regional planning
13 processes.

14 ARB's review of the greenhouse gas
15 quantification, the modeling inputs and results, and other
16 analyses, is providing more transparency and information
17 to the public.

18 Next, I'll talk about the region's modeling
19 approach and tools and the inputs and assumptions that
20 went into the modeling system.

21 --o0o--

22 MS. ROBERTS: SANDAG uses a travel demand model
23 and off model tools to calculate greenhouse gas emissions
24 from its SCS. SANDAG uses a common type of travel demand
25 model, known as a four-step model, because of the way it

1 calculates trips and assigns them by origins and
2 destinations to the transportation network. SANDAG's
3 modeling approach meets current standards and accepted
4 practice and is a fundamental tool for developing its RTP.

5 Their model depends on several processes to
6 predict future regional economic and demographic
7 characteristics, inter-regional commute patterns, and
8 growth allocation by land uses.

9 The demographic information, commute patterns and
10 growth predictions generated from these processes become
11 inputs into the travel demand model, which then forecasts
12 future travel activity.

13 Where the travel model did not respond
14 sufficiently to changes in model outputs, an off model
15 tool was used to adjust travel model results.

16 SANDAG then applied ARB's vehicle emissions
17 model, or EMFAC, to estimate passenger vehicle carbon
18 dioxide emissions from changes in VMT and speeds.

19 This is the first time that SANDAG has included a
20 land use modeling component in the travel modeling system.
21 It enables SANDAG to see how the distribution of land use
22 changes in response to changes in the transportation
23 network.

24 Overall, the travel model responds reasonably to
25 time, cost, and other factors affecting travel choice.

1 Staff's analysis shows that the inputs and
2 assumptions are reasonable for modeling of this SCS, but
3 also noted some areas where improvements could be made or
4 additional information could be provided the next time
5 SANDAG updates its RTP and SCS.

6 Recommended improvements for future SANDAG SCS
7 development include: Updating demographic and
8 transportation surveys, increasing sensitivity to changes
9 in auto ownership and household size, and updating
10 emissions factors for VMT activity.

11 --o0o--

12 MS. ROBERTS: While the greenhouse gas
13 quantification was done using an appropriate technical
14 methodology and staff agrees that the quantification is
15 sound, the 2035 emission result was unexpected in light of
16 the 2020 emission reduction estimate.

17 The San Diego SCS would achieve double the 2020
18 target and just meet the target in 2035. We expected
19 greater benefits in 2035 as a result of SCS strategies.
20 This expectation was discussed at length during the
21 Regional Targets Advisory Committee, or RTAC, process and
22 ARB set higher regional targets for 2035 than for 2020.

23 SANDAG has characterized the trend as largely the
24 result of a slow economic recovery, combined with early
25 investments in public transportation, including I-5 and

1 I-15 bus rapid transit and other transit projects. And
2 yet, we aren't fully satisfied with this explanation.
3 Therefore, we want to stress the importance of SANDAG
4 improving its modeling, doing more scenario planning, and
5 re-assessing this result in the next plan update.

6 --o0o--

7 MS. ROBERTS: If SANDAG approves the draft SCS,
8 staff recommends ARB acceptance of SANDAG's greenhouse gas
9 quantification. If SANDAG modifies the draft SCS, ARB
10 staff will review the changes to determine the impact on
11 greenhouse gas emissions.

12 ARB staff will update the Board on the outcome of
13 the SANDAG Board's final action, including any need to
14 reconsider whether the final SCS would meet the target.

15 In addition, staff has developed recommendations
16 for SANDAG's next SCS development process, which are shown
17 in the next slide.

18 --o0o--

19 MS. ROBERTS: For SANDAG's next SCS, staff is
20 recommending that SANDAG make improvements to their travel
21 modeling system to better reflect greenhouse gas
22 reductions, make their future travel modeling systems
23 available to the public, and use the upcoming regional
24 comprehensive plan update process to develop alternative
25 land use planning scenarios.

1 --o0o--

2 MS. ROBERTS: To a certain extent, SB 375 has
3 already demonstrated some success by changing the public
4 conversation that is taking place about regional planning.
5 It has brought MPOs together to talk about how they plan,
6 how to better coordinate their model improvements, engage
7 the public, and develop similar performance measures.

8 SANDAG may be the first with an SCS, but the
9 other MPOs are in various stages of SCS development.

10 Next, I'll give you a brief update on work that
11 is being done in the other regions.

12 --o0o--

13 MS. ROBERTS: In the SCAG region, the public
14 process has focused on a discussion about how to plan as a
15 region for a sustainable future. The Compass Blueprint
16 Program provides examples of on-the-ground projects that
17 are building blocks for sustainable community strategies
18 in the SCAG region. To support SCS development, SCAG has
19 been updating and improving its models, culminating in a
20 peer review process in June 2011.

21 Public engagement in scenario development has
22 been a priority for the region. This past July and
23 August, SCAG held over 20 workshops in all of its
24 sub-regions to discuss four different alternative planning
25 scenarios for their draft SCS.

1 In these workshops, they employed
2 state-of-the-art visualization tools to demonstrate the
3 different outcomes of each scenario, and they employed an
4 interactive survey to identify unique policy preferences
5 in the sub-regions.

6 SCAG has also met with virtually every city and
7 county and transportation commission in the region to
8 discuss policy options and to obtain the data necessary to
9 build an SCS, such as socioeconomic data, land use
10 policies and projections, and revenue forecasts.

11 SCAG is planning to include two new performance
12 measures as part of its next RTP. These were added
13 specifically in response to SB 375 and include location
14 efficiency, a metric that looks at land use distribution
15 in relation to transit and health.

16 The draft 2012 RTP and SCS will be published in
17 early December of 2011. And after public review and
18 discussion, the Regional Council will consider adoption of
19 the final RTP/SCS in April 2012.

20 --o0o--

21 MS. ROBERTS: This past April, the Sacramento
22 region celebrated the fifth anniversary of its Blueprint
23 Visioning Project. The blueprint, which was the
24 inspiration for SB 375, has spurred sustainable
25 development activities in each of the region's local

1 jurisdictions. These include updates to general plans, as
2 well as new mixed use, and transit-oriented development
3 projects.

4 Currently, SACOG is working on a rural urban
5 connections strategy, which looks at the region's growth
6 and sustainability objectives from a rural perspective in
7 the same way that the blueprint is an economic development
8 strategy for urban areas.

9 Today, SACOG is using SB 375 to further encourage
10 blueprint implementation and greenhouse gas emission
11 reductions through an update of their metropolitan
12 transportation plan 2035. This update will include the
13 creation of the Sacramento region's first SCS.

14 As part of this effort, SACOG and its partners
15 are using a regional planning grant from the U.S.
16 Department of Housing and Urban Development to accelerate
17 transit-oriented development opportunities in the region.
18 It will map the areas in the region expected to be transit
19 priority areas by 2035 and help facilitate in fill
20 development and investment in those areas. This is
21 expected to further support the region in meeting its
22 transportation, housing, and greenhouse gas reduction
23 goals.

24 Also as part of the metropolitan transportation
25 plan update, SACOG staff has developed three land use and

1 transportation scenarios. These scenarios, including
2 their performance metrics, were shared with the public in
3 nine public workshops held across the region in October of
4 last year.

5 SACOG is currently in the process of developing
6 their preferred draft scenario, which will be incorporated
7 into their draft MTP and SCS. The draft is anticipated to
8 be released at end of this year, with final adoption
9 planned for spring of next year.

10 --o0o--

11 MS. ROBERTS: In the San Francisco Bay Area, the
12 Metropolitan Transportation Commission, or MTC, is working
13 with the Association of Bay Area Governments to develop
14 their SCS with a focus on transportation demand and
15 priority focus areas.

16 The Bay Area is taking the lead on smart growth
17 through its regional development and conservation
18 strategy, known as Focus. It unites the efforts of the
19 Bay Area's four regional agencies into a single program
20 that focuses on smart growth for the region. Initiated as
21 the region's blueprint, Focus promotes a more compact land
22 use pattern for the Bay Area by strengthening existing
23 city centers, locating more housing near existing and
24 future rail stations, and encouraging more compact and
25 walkable suburbs, and protecting regional open space.

1 It accomplishes this by directing existing and
2 future incentives and technical assistance to priority
3 development areas and priority conservation areas.

4 One example of the funding opportunities
5 available to support priority development areas is MTC's
6 transportation for livable communities, or TLC program.
7 This program focuses on community-based transportation
8 projects in downtown areas, commercial cores,
9 neighborhoods and transit corridors. Since 1996, MTC has
10 awarded over \$160 million for TLC projects in the region.

11 Work is also well underway to develop the draft
12 SCS. In March of 2011, MTC released its initial vision
13 scenario to begin the public conversation about a
14 preferred land use scenario. Work on alternatives is
15 ongoing, and MTC will select and publish its preferred
16 land use scenario later this fall.

17 The Bay Area's draft RTP and SCS is anticipated
18 to be released at the end of next year, with consideration
19 by the MTC Board in April of 2013.

20 --o0o--

21 MS. ROBERTS: And now on to the Valley.

22 Since 2006, the eight-county San Joaquin Valley
23 blueprint process has been underway to create a regional
24 vision of land use and transportation that will guide
25 growth in the Valley over the next 50 years. In June of

1 this year, the process was completed.

2 As a part of this effort, a web-based planner's
3 toolkit was produced as a reference source for
4 communities. Its intent is to help communities in the
5 Valley translate the sustainable growth principles of the
6 blueprint into action. This tool has been well received
7 and has already been awarded the Outstanding Planning
8 Award by the American Planning Association.

9 To recognize those projects in the Valley that
10 have successfully reflected blueprint principles, the
11 Valley has also started a Blueprint Awards Program. The
12 next round of awards will be given next month.

13 During the target-setting process last year, the
14 Board recognized that all eight of the valley MPOs had
15 just completed development of their RTPs and all of them
16 were in the process of updating travel models for use in
17 developing their next plans in 2013 and 2014.

18 Anticipating that these results would provide new
19 information on the potential for greenhouse gas
20 reductions, the Board set placeholder targets for these
21 MPOs. The placeholders are to be re-visited in 2012, at
22 which time, the Valley MPOs would bring forward new
23 target-setting recommendations based on improved modeling
24 and scenarios, if appropriate.

25 The Valley MPOs are currently working on a number

1 of efforts toward the 2012 target update.

2 A Director's Committee has been formed to provide
3 direction on SB 375 implementation in the Valley. The
4 Committee includes all of the eight Valley MPO Executive
5 Directors. Over the past few months, the directors have
6 developed and reached consensus on a draft work plan. The
7 work plan outlines an approach and schedule for developing
8 updated target recommendations based on new modeling and
9 scenario information.

10 This month and next, the directors will be
11 seeking concurrence from each of their boards to continue
12 working with each other on assessment of multi-MPO
13 regional target options.

14 They will also seek concurrence from their Boards
15 on coordinating parts of their SCS development efforts
16 where there is potential for regional benefit. One
17 example of this would be developing a common SCS
18 quantification methodology for the valley MPOs.

19 At the same time, model improvement work for all
20 eight MPO models is currently underway. This work, funded
21 by Prop. 84 and the Air Resources Board, will make model
22 improvements consistent with the 2010 California regional
23 transportation planning guidelines and will address the
24 need for model sensitivity to SB 375 related policies.
25 Updates to the model should be complete by the end of

1 support on greenhouse gas emissions quantification and to
2 prepare for the ARB evaluation process.

3 --o0o--

4 MS. ROBERTS: We've heard this process is a
5 marathon and not a sprint. And we agree. But steps must
6 be taken now to make sure that the models, new analytical
7 tools and updated information will be available to inform
8 the planning process in the future.

9 We are developing our technical expertise to be
10 able to scrutinize the models more closely. As we develop
11 a track record on SCS reviews, we plan to take a more
12 critical look at the way the models operate.

13 In future SCS reviews, we will be looking for
14 stronger evidence from MPOs to demonstrate that they meet
15 the targets. In future target setting, we will be asking
16 MPOs to provide additional scenario analyses and
17 additional sensitivity testing of their models.

18 We are expanding our in-house modeling capability
19 and supplementing our existing resources to perform
20 transportation modeling. We have secured resources to
21 contract with academic institutions to look at the
22 empirical literature, and we will work with our sister
23 agencies to provide additional support to MPOs as they
24 implement their model improvement plans and develop their
25 SCSs.

1 That concludes my presentation.

2 Mr. Goldstene.

3 EXECUTIVE OFFICER GOLDSTENE: Thank you, Terry.

4 Chairman Nichols, do you have any questions?

5 CHAIRPERSON NICHOLS: I do not have any
6 concluding remarks here. That was a very comprehensive
7 presentation.

8 The bottom line here is that we obviously heard a
9 lot about San Diego, and I think people are going to want
10 to talk -- I think most of the people who are here,
11 perhaps not all, are going to want to comment on that
12 particular plan and how it relates to what they'd like to
13 see us doing with SB 375 overall.

14 You know, I just think that we're going to hear
15 some degree of criticism on various sides, and that's to
16 be expected. We are in the early stages of the program
17 here.

18 But I guess the only thing that I would take away
19 initially is just that there is a heck of a lot of work
20 going on here around the state and that SB 375 has already
21 had an impact at least in terms of mobilizing resources
22 and attention to the regional planning process and towards
23 how to demonstrate sustainability in the context of
24 greenhouse gases.

25 So in and of itself, I think that's a good start,

1 a good thing to say. Although certainly we have to
2 recognize, as Ron said earlier, that you know people have
3 many reasons for wanting to engage in planning. And
4 probably greenhouse gas emission is not at the top of the
5 list of most of the residents of and area. They're going
6 to be more concerned about other aspects of it. But it is
7 interesting that it is a pretty good metric for other
8 thing it seems, at least if we can get all the inputs
9 right.

10 So I'd just as soon take some testimony and then
11 maybe we'll take a brief break.

12 EXECUTIVE OFFICER GOLDSTENE: We could take a
13 break now.

14 CHAIRPERSON NICHOLS: Why don't we just take a
15 ten minute break now.

16 BOARD MEMBER ROBERTS: Would you afford me one
17 question?

18 CHAIRPERSON NICHOLS: Sure.

19 BOARD MEMBER ROBERTS: Just a clarification.

20 In preparing for this meeting, we had kind of a
21 chicken and egg situation developing in that the SANDAG
22 Board hadn't given final approval on the plan. And it was
23 anticipated that this action was going to be taken first
24 before they could approve it. And it was a question of
25 who goes first.

1 And it was my understanding that we were going
2 to -- at least the staff was recommending a conditional
3 approval based on SANDAG following through on the final
4 approval. After that, is that still the --

5 EXECUTIVE OFFICER GOLDSTONE: That's still the
6 plan. So today was informational. And we will see what
7 happens at the SANDAG meeting. And if it is as we expect,
8 then I could just approve it or we could bring it back to
9 the Board. I think our plan because there's going to be
10 18 of these, I would just approve it and then inform the
11 Board.

12 BOARD MEMBER ROBERTS: You have that delegated
13 authority to do that?

14 EXECUTIVE OFFICER GOLDSTONE: I do.

15 CHAIRPERSON NICHOLS: Okay. We don't have to
16 take any action to allow it. That would be the norm,
17 unless we chose to bring it back to the Board.

18 BOARD MEMBER ROBERTS: Okay.

19 CHAIRPERSON NICHOLS: DeeDee.

20 BOARD MEMBER D'ADAMO: Well, just along those
21 lines, one of the things that kind of concerns me is
22 looking at this schedule and then the schedule with the
23 other regions.

24 And I understand staff is overwhelmed in each
25 region. This is new, so it's going to take a lot to move

1 forward with these plans.

2 But as I heard from some of the stakeholders and
3 going through all that's been done and then maybe some
4 suggestions for the future, I can't help but to think,
5 gee, it would be nice if we got this a little sooner.
6 Because I think our role ought to be gently nudging the
7 regions along.

8 And so here we are, sort of at the eleventh hour,
9 and part of me wants to make -- and I know we're going to
10 take testimony and all that. But just as an example, part
11 of me would want to encourage some changes. But then on
12 the other hand, obviously you all have worked so hard. So
13 I think that if we could get these reviews from the
14 various regions a bit sooner so that we could sort of play
15 that role of gently nudging along in the hopes that if
16 there are stakeholders concerns and also any concerns by
17 Board members, it could be integrated into the local
18 process as opposed to us directing.

19 EXECUTIVE OFFICER GOLDSTENE: We're feeling that
20 time pressure, too. And we have -- this is the first one
21 in the timing has -- because of the way the law was set up
22 and the timing of everything else, this one is
23 particularly compressed. But we agree with you.

24 And never the less, even with the time
25 constraints, we have been nudging I think quite a bit

1 SANDAG and the others. But we do have to wait for them to
2 complete their plans before we can review them.

3 I don't know if Lynn wants to add any more
4 detail, or Terry.

5 I don't know how much -- we'll be nudging no
6 matter what. And the sooner we get it, the better.

7 BOARD MEMBER D'ADAMO: I'm just thinking at our
8 level, because this -- we'll hear from stakeholders. At
9 this point, it's kind of difficult. If it were a couple
10 of months ago, that might be a different situation.

11 CHAIRPERSON NICHOLS: Yes.

12 BOARD MEMBER ROBERTS: I think one thing as we're
13 entering this whole new arena we shouldn't lose sight of
14 is that each of these plans is going to be back four years
15 from now under review for further tuning up and for not
16 only models being perfected, but to then see what else is
17 being done.

18 So while we're talking about 2050, it's not like
19 we're signing off and all done until 2050. I think it
20 will be ten times you'll see these plans between now and
21 2050, if my math is anywhere near correct.

22 EXECUTIVE OFFICER GOLDSTONE: Ms. D'Adamo, the
23 directors of the major MPOs are in the audience now. I
24 think they're hearing you.

25 CHAIRPERSON NICHOLS: I was smiling a little bit

1 at that earlier comment, because I guess I'm a little bit
2 suspicious about whether it's possible when you have a
3 large Board sitting up and a high dias and a lot of public
4 input whether gentle nudging is really possible in that
5 kind of a forum. I think if that is what we're aiming to
6 do, and I agree with you, that that probably is our best
7 role. We're probably going to do it better in a less
8 formal format, and that should be really the staff's role
9 with direction from us.

10 But I think the staff is pretty good at receiving
11 input from the Board members, especially with specific
12 issues and questions that we want to address. So you
13 know, as long as that pipe line remains open, I think we
14 should be in a position to do that.

15 All right. We talked about it, so let's just do
16 it. Let break until 11:00 and come back and begin the
17 testimony.

18 (Whereupon a recess was taken.)

19 CHAIRPERSON NICHOLS: Okay, everybody. We're
20 going to try to get through all of the witnesses before we
21 break for lunch. And we have a lengthy list of people.
22 So let's get started.

23 And we'll begin, of course, with SANDAG. So if I
24 can first call on Jerome Stocks, Chairman of the Board and
25 then Jack Dale and Gary Gallegos. Good morning.

1 MR. STOCKS: Good morning. Thank you, Mr. Chair
2 Nichols, Board. It's a pleasure. We needed the
3 additional technician to help me.

4 Chair Nichols and Board, it's a real honor and a
5 pleasure to be here today representing SANDAG. I'm Jerome
6 Stocks, Chairman of the Board, as you indicated, and
7 Deputy Mayor of the City of Encinitas, the friendly city
8 in north San Diego County.

9 SANDAG did set out to do what the law required,
10 to meet the greenhouse gas targets as established by CARB.
11 And as you know, and has been reported, we are the first
12 to prepare a regional transportation plan and Sustainable
13 Community Strategy that complies with Senate Bill 375.
14 Not only did we take on this challenge of being first, but
15 we decided to plan for a 40 year horizon, which is
16 something we had not done prior.

17 The Board spent many meetings and hours
18 deliberating how best to meet the targets. And that
19 effort resulted in a variety of strategies in the regional
20 transportation plan SCS to achieve greenhouse gas
21 reductions, both in the near term and in the long term.

22 We are confident we've done a great job with this
23 plan and appreciate CARB's guidance throughout the
24 target-setting process during the roughly two years we've
25 been working on this. San Diego region is planning for a

1 sustainable future by integrating the transportation
2 system to provide more choices. Nearly one out of three
3 commutes in the future will be made using modes
4 transportation other than driving alone.

5 Seven out of ten trips to work or colleges are
6 expected to take 30 minutes or less, whether driving alone
7 or carpooling, and about 14 percent of the public transit
8 trips will last 30 minutes or less, compared to only eight
9 percent without the RTP.

10 Preserving the natural resources and natural
11 environment and promoting smart growth of the SCS land use
12 patterns protects and preserves about 1.3 million acres of
13 land, which as you heard previously in the presentations,
14 about half of the region's acreage.

15 In the 2050 RTP, about 50 percent of the total
16 expenditures are for transit projects, and about 24
17 percent for managed lanes that support the bus rapid
18 transit services, carpooling, and vanpooling.

19 And so in closing, I would like to respectfully
20 request that the Board consider a conditional approval of
21 the SANDAG SCS. And I'm confident that our Board will be
22 approving it in its present form at our October meeting.
23 Thank you.

24 CHAIRPERSON NICHOLS: Thank you.

25 Sorry. There is a question for you.

1 BOARD MEMBER D'ADAMO: How will you be improving
2 it? What are the specific --

3 MR. STOCKS: I'm sorry?

4 BOARD MEMBER D'ADAMO: How will you be improving
5 it?

6 MR. STOCKS: Approving it in its current form.

7 BOARD MEMBER D'ADAMO: Oh, sorry.

8 CHAIRPERSON NICHOLS: Okay. Mr. Dale.

9 MR. DALE: Good morning.

10 To pick up where our Chair left off, a comment
11 was made about the results for 2020 and 2035. And I think
12 many of us were surprised in how they came out. But I
13 think we need to take heart to the fact that these are the
14 numbers that your staff has determined to be real and it's
15 the right process. And I think it's all important as we
16 work on this common goal that we know exactly where we are
17 and what the real numbers are and we can work from there.

18 And our staff does very much believe that a great
19 deal of the reason the numbers came out the way they did
20 is because of the recession and number of people on
21 highways and what's going to be happening in the future
22 where we'll have most of our improvements done in the
23 future or in the recent years. And as we go further into
24 the future, we'll have more people driving. But the most
25 important thing is that we're achieving our goals.

1 I want to reiterate something that Ron had said
2 is that we are asking the people -- I think the statement
3 this morning was a gentle nudge to change how we do things
4 in the future. And a gentle nudge at my level at a city
5 council cannot be emphasized enough and talked about how
6 significant that is in a couple lines.

7 The changes we are asking people to make to
8 accomplish these goals are very significant. And to turn
9 the dial just a little bit takes a great deal of work and
10 effort.

11 There was some mention or conversation about the
12 tools that we've been using in the modeling. We will,
13 indeed, be changing our plans for transportation to an
14 activity-based transportation model. And we'll have new
15 land use, because we all want to make sure that while your
16 staff can understand it and ours, most importantly, the
17 people that we serve, the public, understand it as well.

18 I'd like to emphasize also that Ron has said this
19 is nothing new to San Diego. Over half of the land in San
20 Diego is open space. And that's not something that
21 happens overnight. Most of the transportation features
22 that we are going to be being built, half of them are
23 financed by our local Transnet where we voted to increase
24 our own sales tax. Forty-five percent is going to
25 transit.

1 So with that, we feel we do have a really solid
2 plan. And we very much thank you and your staff for your
3 efforts. Thank you.

4 CHAIRPERSON NICHOLS: Mr. Gallegos.

5 MR. GALLEGOS: Thank you, Madam Chair and CARB
6 Board members.

7 I would like to start by thanking you for your
8 leadership and your staff in working. I think you've
9 highlighted this is a new relationship. It's a new
10 relationship for us.

11 But I also want to borrow the it's a marathon,
12 not a sprint analogy here. Because as Supervisor Roberts
13 and others have noted, we are going to be back. We'll be
14 back here four years from now. And I think I would --
15 we're very optimistic that as we look forward, we always
16 work at trying to continue and improve what we're doing.
17 And we believe that the plan that's before you today meets
18 the targets and on whole is a balanced program.

19 As our Chair and Vice Chair talked about, they've
20 got a very tough job of balancing not only this issue, but
21 many, many other issues in terms of how we do our business
22 in San Diego. And they have a tough job of balancing
23 many, many issues that we believe this plan does and will
24 allow the San Diego region to continue to make progress,
25 move forward, and most importantly, meet the goals that

1 you have given us.

2 So thank you for your support. And we hope that
3 you will give us a green light if, indeed, the plan stays
4 as it is so we can move forward and get on to the business
5 of actually doing the work and monitoring the performance
6 and demonstrating that this stuff works.

7 CHAIRPERSON NICHOLS: Thanks. I hope you'll be
8 able to stick with us so we can -- if we have any
9 questions or issues that come up during the course of the
10 presentation, we can call upon you.

11 MR. GALLEGOS: Madam Chair, I am. And we've got
12 our team here. We'd be pleased to entertain any question
13 you may have.

14 CHAIRPERSON NICHOLS: Thank you.

15 Do you have a question?

16 BOARD MEMBER D'ADAMO: I can wait.

17 CHAIRPERSON NICHOLS: Okay. Good.

18 We'll hear from the Honorable Glen Becerra from
19 SCAG and then Hasan Ikhata.

20 HONORABLE BECERRA: Madam Chair, I'll keep this
21 very brief.

22 I just again want to applaud SANDAG's approach to
23 this and them being first out of the gate. Setting the
24 tone on some of these projects both is brave and sometimes
25 foolish. And so we hope it all turns out to be brave.

1 They are our partners and a valued part of our
2 southern California community. And we will be looking to
3 take into account some of the comments made here today by
4 your staff who did an excellent job in presenting not just
5 the San Diego version, but the other things that are going
6 on with the other MPOs. And I know Hasan will be making
7 those adjustments, if he hasn't already start texting his
8 staff down in southern California to make the adjustments
9 on the modeling and the other recommendations that are
10 being made.

11 One of the things that I wanted to just briefly
12 mention, and Supervisor, I think you brought this up,
13 about the importance of planning on people's health. You
14 know, and I think that that's an important component that
15 we take into account here.

16 While at the same time, you know, planning we
17 have now found has the impact on people's health, so does
18 the economy. And it has been studied and proven that
19 people jobs are also healthier than people who don't have
20 jobs. Those people who have jobs sometimes have health
21 care. Not always, but sometimes. And that accounts for
22 some of this as well.

23 And what I would like to ask is that as we move
24 this process forward, we also start to look at
25 performance -- economic performance indicators. Are we

1 creating jobs or losing jobs? Are we growing the economy
2 or shrinking the economy?

3 I think that will also help us fine tune this
4 very important work that we're doing here today. Because
5 what we've discovered is that the decisions that we make
6 sometimes in a vacuum have far-reaching ramifications that
7 sometimes we forget to notice because of the world we live
8 in. And so, you know, your decisions up here are hugely
9 impactful and have far-reaching -- again far-reaching
10 impacts on people all across our state. And we set the
11 tone for the nation here in California.

12 So I think that will be something I would ask you
13 to look at, ask you to consider. Work with your partners,
14 SCAG and the other MPOs to come up with a way to look at
15 those important economic factors as we try to move our
16 state forward. Because we have to move it forward both
17 environmentally and economically, not just one or the
18 other.

19 So thank you. And thank you for your partnership
20 with our NPO particularly and the others as a whole.

21 CHAIRPERSON NICHOLS: Okay. Mr. Ikhata.

22 MR. IKHRATA: Chairman Board members, good
23 morning.

24 Let me start by thanking you and thanking James
25 and Lynn and all the ARB staff, hard work, detailed work,

1 as you saw today. They've been true partners.

2 Let me also say I'm here speaking in support of
3 SANDAG planning. It's an excellent plan. They are -- I
4 told Gary that we're all behind him. He's first. And so
5 he should get some points for being first.

6 But I felt they did an excellent plan. I thought
7 it's real. I mean, we could come and put a fantasy plan
8 out. I don't think that's good for the state.

9 I just want to say SB 375 -- and I was just
10 telling Dr. Sperling -- started something that we should
11 have started 30, 40 years ago in the state. Started a
12 discussion that we should have had. That discussion about
13 the future and sustainability for this great state we live
14 in. This discussion has started in such a significant way
15 that I can tell you that the MPOs has been working so well
16 together and learning from each other.

17 And also it started something that people on the
18 street are discussing the kind of issues that we want them
19 to discuss of how to move forward in this state.

20 And let me just tell you in our region, the SCAG
21 region, in 2008, in the worst economy, depression, the
22 voters in Los Angeles County voted themselves \$40 billion
23 to put forth a new project that are sustainable. That is
24 what SB 375 is about. And I believe with the help of your
25 excellent staff we're going to chart the future for this

1 state that's much better than today.

2 Let me just say that I would hope we also little
3 bit tone your expectation. This is the first time we do
4 this. This is the first time we go through plans that
5 include merger that we didn't deal with before. For sizes
6 of our region, it's so difficult to do our more --
7 somebody said, well, do additional alternative. That's
8 about two years of work because we really want to do a
9 good job doing that.

10 So, yes, we might make some mistakes the first
11 time around. But trust me, the next time will be better
12 and the next time will be better. And by the time we get
13 to 2025, this state will be much better for it.

14 Again, I want to emphasize I thank your staff.
15 They're excellent and working well together with them. I
16 thank you for your leadership. I think the state is much
17 better for it. I think this is something that should have
18 been started a long time ago but it's never late.

19 One last thing. And I told Dr. Sperling. What's
20 missing in this equation is money. Let us make this plan
21 real by bringing the money to fund them and then this
22 becomes real. This becomes the future of southern
23 California is much better.

24 Thank you very much.

25 CHAIRPERSON NICHOLS: Thank you. We agree.

1 Steve Heminger and then Mike McKeever.

2 MR. HEMINGER: Good morning, Madam Chair, Board
3 members. Good to see you again.

4 Steve Heminger from the Bay Area. And I, too, am
5 here to express my solidarity with the folks in San Diego.

6 CHAIRPERSON NICHOLS: This is quite the support
7 group here.

8 MR. HEMINGER: You take one of us on, you take us
9 all on.

10 I think it is tough being first. Although I'll
11 tell you, I'm not looking forward to being last. I think
12 by the time you've seen all these good ideas from around
13 the state, the bar is going to be very high when I come
14 back here for real.

15 I also do want to express my support to your
16 staff, because I think it's tough for them to be first in
17 terms of what is the right posture. And I know it is
18 tempting in looking at these big, fat, juicy
19 infrastructure to plans to say couldn't you have moved
20 this transit project over there and couldn't we do one
21 more highway here? And I don't think that's your role,
22 with all respect.

23 I think one of the beauties of SB 375 was setting
24 up a performance-based approach where you set a target and
25 then you give us the flexibility. You might say enough

1 rope to hang ourselves. You give us the flexibility to
2 meet the target. And I think the focus on whether or not
3 we meet the target is the focus that is properly before
4 this Board.

5 Your staff gave you a brief update of where we
6 are in the Bay Area, so I won't dwell on that. I'm afraid
7 we've fallen a little bit behind the schedule the staff
8 showed you. But we have a deadline just like everybody
9 else and we will meet it.

10 I would like to mention two things. The first,
11 the Transportation for Livable Communities Program that
12 was mentioned in that report is a program we've had for a
13 dozen years now. We are actually proposing to get rid of
14 it. And by that I mean, make it better by consolidating
15 it with a series of other programs, both discretionary and
16 formula, to create a one Bay Area grant program, we are
17 calling it, that is focused almost exclusively on
18 fostering and encouraging a different growth pattern in
19 the region to achieve these kinds of greenhouse gas and
20 other goals.

21 That program would total about \$200 million over
22 three years, whereas what you saw was about 160 over a
23 dozen. So it's significantly larger. And I'll just ask
24 you to read your newspapers about that one as we go.

25 The last point is this document that I brought

1 for you, which I hope you all have, calling "Building on
2 the Legacy of Leadership." We put this together and this
3 is another product of what SB 375 has forced. I think I
4 sold this idea from Gary, as a matter of fact. And it's
5 intended I think to tell the residents of our region and I
6 hope residents elsewhere in California, because we're all
7 in a bit of a funk right now. And we've been in a funk
8 for a while. That we can do this. And we have done great
9 things as a state and a region. And there is no reason we
10 can't accomplish this as well.

11 I ask you -- pardon me.

12 I'd ask you finally to look at the back of the
13 brochure. And you see not just ABAG and MTC who are the
14 statutory partners for this work, but our Air Quality
15 District and the Bay Conservation and Development
16 Commission. And that last agency is in bored here,
17 because we not only have a mitigation challenge with
18 greenhouse gas emissions, but we have a rising bay in
19 San Francisco. And we have some adaptation to deal with
20 as well. So we are trying to take a big picture look at
21 the challenge. And look forward to continuing to work
22 with you.

23 CHAIRPERSON NICHOLS: Thank you.

24 MR. MC KEEVER: Chair Nichols, members of the
25 Board.

1 I, too, want to lend my thanks to your staff for
2 the good work that they have done on this issue. I think
3 that the technical methodology memo that they published
4 several weeks ago we are in strong support of. And I
5 appreciate getting that response letter recently basically
6 saying that our models are good enough for this first
7 round anyway. So that gives us the footing that we need
8 to finish up our process.

9 And I do think that we will get there on time,
10 and I'm confident that we will meet or possibly exceed the
11 targets that you have set for us. So I hope to be back
12 with good news.

13 And there's something appropriate and
14 demonstrative of how much of a sweat all the MPOs are
15 breaking on this effort. What I've been doing is I have
16 one year on your proceedings is editing your draft SCS in
17 the back of the room. Hopefully that is good karma.
18 Right.

19 I do -- if you'll indulge me for a couple of
20 global comments here I would like to make.

21 As you know, SACOG was instrumental in the
22 birthing of this legislation. And I did have the honor to
23 be appointed by you to Chair of the RTAC process. So I
24 think there is some perspective that comes with that.

25 I think it's important to remember that one of

1 the things that came out of the RTAC process is what we
2 call the bottom-up process last summer of doing scenario
3 planning and recommending targets to you.

4 And when Gary Gallegos was clearly the leader on
5 RTAC of championing that process and saying if you let us
6 sort of take a leadership role, we will do good work for
7 you. And I think we all remember the political mood of
8 trying to figure out what those targets were going to be.
9 And I think it surprised a lot of people that the MPOs
10 were who came to you recommending what I think we all
11 still believe are ambitious targets. A lot of the
12 discussion early on was in sort of low the mid single
13 digit targets in 2035, and we all watched that process go
14 into the low to mid teens.

15 And I think everybody was -- well, not everybody.
16 There was some who were troubled by that, as you will
17 recall. But I think that was indicative of the leadership
18 that is coming out of your MPOs on this issue.

19 And I think as you hear the discussion today
20 related to the SANDAG plan, it's important to remember
21 that you're analyzing that in the context of those
22 ambitious targets. You're not analyzing this in terms of
23 sort of modest easy-to-achieve targets.

24 And there also is an odd technical effect that is
25 going on that we did not anticipate when we recommended

1 the targets to you, which is that in the 2020 year, we are
2 all experiencing this sort of unfortunate benefit of the
3 recession that is making it much easier -- may I have a
4 couple more seconds?

5 CHAIRPERSON NICHOLS: All right. Finish that
6 thought.

7 MR. MC KEEVER: That is making it easier for all
8 of us to meet our 2020 targets. Some of it is because
9 we're doing good planning, land use, and transportation.
10 But some of it is the recession.

11 So part of what SANDAG is dealing with in terms
12 of this trajectory issue is the fact their savings in 2020
13 have come way up, in part because of the recession and in
14 part because of good planning.

15 Now, Gary, you're on your on in terms of 2050
16 issues. You can answer those questions.

17 But I think the trajectory for 2020 to 2035 is in
18 part simply explainable because of the recession.

19 CHAIRPERSON NICHOLS: We're dealing with some of
20 the same issues with respect to the Scoping Plan and other
21 things we're working on. So yeah, I understand that we
22 have to figure out how to both take advantage of and yet
23 not rely on because we don't want to rely on the
24 recession.

25 MR. MC KEEVER: We don't want to plan for

1 failure.

2 If I could have 20 more seconds, I think I can do
3 this.

4 I also appreciate the sort of what I would call
5 the strict constructionist approach that your staff has
6 taken in your discussions so far about what the ARB's role
7 is at this point in the process.

8 I do think -- and I'm speaking for myself here --
9 that the state of California has a legitimate interest in
10 broader questions associated with our plans. And I just
11 feel that those kinds of conversations on public health
12 and housing and, et cetera, are better had in another
13 venue of the state. I think the logical one is the
14 Strategic Growth Council, which of course you through EPA
15 have a role in. But those are fair issues. And I don't
16 want you to think that our supporting you sort of
17 following the letter of the statute here means that we
18 think that's the end of the impacts of our plans. And
19 we're certainly game for that broader partnership.

20 CHAIRPERSON NICHOLS: Fair point. Thank you.
21 Thanks for that.

22 Vince Harris.

23 MR. HARRIS: Madam Chair, and members of the
24 Board, good morning.

25 I'm Vince Harris, the Deputy Director for the

1 Stanislaus Council of Governments located in Modesto,
2 Central Valley.

3 Additionally, for this fiscal year, I'm also the
4 Chairman of the eight county San Joaquin Valley COG
5 Directors Group, which covers all eight counties. And
6 it's really in that capacity I'm coming before you
7 representing the San Joaquin Valley today.

8 First and foremost, we highly, in fact, do
9 commend SANDAG for developing an SCS that meets the
10 targets set by the ARB. We recognize their leadership in
11 being the first NPO in the state to complete this critical
12 task. We recognize that San Diego is a long way from
13 Modesto, but we still do support their efforts.

14 We also applaud ARB staff for their recognition
15 of the model as the most appropriate tool to estimate SCS
16 impacts. This approach recognizes these models as a
17 fundamental tool in the development of our regional
18 transportation plans, of course, of which the SCSs are a
19 component.

20 ARB staff is to be commended for their flexible
21 approach in the review of SANDAG's SCS. We acknowledge
22 the use of multiple sources of empirical literature,
23 comparison studies in their review. And we encourage
24 staff to continue to research this approach in MPO regions
25 like the San Joaquin Valley that encompass small rural and

1 urban areas where empirical data may be insufficient for
2 comparison.

3 We acknowledge ARB's staff flexibility in
4 accepting SANDAG's use of multiple sources of comparison
5 for NPO's projections of population, employment, and
6 dwelling units. And we would encourage this as the
7 standard operating model which SCS would use as we move
8 forward.

9 We would remind the Board the San Joaquin Valley
10 feels comparison of sources should be applicable to
11 particularly NPO regions and reflective of the current
12 trend of that region.

13 We note one example of a data source that is
14 currently not reflective of current demographic trends is
15 the Department of Finance population forecast for the San
16 Joaquin Valley. This data is not reflective of the
17 current economic downturn and historical patterns in the
18 Valley.

19 Quickly as I close, I would like to leave with
20 the Board, your staff has done a great jobs in terms of
21 telling you where we are. But just very quickly in terms
22 of highlights.

23 As your staff has shared with you, the Valley is
24 leaning heavily on our five-year work effort to develop a
25 valley-wide blueprint. And many of these principles are

1 being incorporated into our work product for our SCSs.
2 The blueprint has spearheaded a continued level of
3 collaboration in the Valley, which we will draw upon to
4 complete our regional transportation plans and of course
5 our SCSs.

6 The valley MPOs and our local jurisdiction in
7 cooperation with the California Partnership with the San
8 Joaquin Valley and the Air District -- just a couple more
9 seconds, if I could -- are strategizing collectively to
10 bring forth strategies that, in fact, will bring the
11 Valley together. We certainly anticipate coming back
12 before you. As a matter of fact, we look forward to
13 coming before you by next spring when we will discuss the
14 San Joaquin Valley's update to our provisional GHG
15 reduction targets. This update will provide the Valley an
16 opportunity to make recommendations on the target using
17 updated information.

18 And of course, the capabilities that we will have
19 in our new models. I know you know, but it's important to
20 recognize the Valley is undertaking what we consider to be
21 the largest activity in model upgrade transportation
22 models ever seen in the state of California.

23 We welcome the opportunity to work with ARB as we
24 attempt to balance the Valley's economic needs while
25 improving, of course, our air quality.

1 Thank you for the opportunity to speak.

2 CHAIRPERSON NICHOLS: Thank you, Mr. Harris. We
3 do agree with you that you have one of the more ambitious
4 and difficult tasks, given the growth in the Valley and
5 economic challenges and so on. So we're looking forward
6 to seeing how to this all works out.

7 MR. HARRIS: Thank you, Chairman.

8 CHAIRPERSON NICHOLS: We have one more COG to
9 hear from, Steve Devencenzi from San Luis Obispo.

10 MR. DEVENCENZI: Thank you, Chairman Nichols.

11 Steve Devencenzi, Planning Director for the San
12 Luis Obispo Council of Governments.

13 We are here today to support San Diego's efforts
14 and maybe tell a little bit of our story. I was hoping
15 Terry was going to cover us when she did her presentation.
16 I'm going to have to do a quick rundown of who we are and
17 where we're at in this process.

18 A year ago, your staff was working with us in the
19 formation of our preliminary Sustainable Community
20 Strategy. Why did we do a preliminary Sustainable
21 Community Strategy? Because we wanted to leverage the
22 work in the regional blueprint process which we modeled
23 our efforts on what San Diego did in the past, on what
24 SACOG did in the past, and the Bay Area as well in their
25 visions, not to forget SCAG.

1 We didn't want do lose that momentum and have to
2 come back and re-visit all those issues again. So we
3 rolled it right into a preliminary Sustainable Community
4 Strategy, which gave me a license to do what we felt we
5 needed to do and not be quite caught up in the stricture
6 of all the debates that were going on about how you were
7 going to do each of these little elements.

8 So we had to kind of fend our own way through
9 that process. I was quite pleased, actually, when I saw
10 the San Diego plan that has come out, because it parallels
11 the things that we have in our plan just on a different
12 scale.

13 We only represent about one percent of the
14 population in the state. Those other five areas you heard
15 from in advance, they represent 85 percent of the
16 population. We're trying to figure out how do you tune
17 this thing to a small area, in a small region, where we
18 don't have a lot of money. We don't have a lot of people.
19 And things are spread out. So we've been working on how
20 do we calibrate this process to be responsive in our area.

21 I think we did a pretty good job of it. Your
22 staff was great to work with last year. We went through
23 the pace as they came in. We came in under the radar on
24 this. But they were able to kind of do a dry run with how
25 you evaluate these components. It's worked out quite

1 well.

2 I guess I want to note that we have to recognize
3 the differences between the small areas. I'm going to be
4 going to the Valley's policy conference next month to talk
5 about how do the small areas address this, because there
6 is a lot of fear in some communities about how do you
7 apply the smart growth principles at the scales that we
8 operate. We don't have light rail systems. We have long
9 distances. The single occupant vehicle is the primary
10 mode, and it's likely to remain such. So we do have some
11 challenges.

12 I don't want to take a lot more time, but I do
13 want to note that we do support the efforts. And we do
14 respect and admire our predecessors and I don't envy them
15 in the least. I recognize we're very fortunate to be who
16 we are.

17 And one other item. I would want to second the
18 comments that Mike McKeever made recording working with
19 the Strategic Growth Council. I think that is the forum.
20 And I think we all have to up the game there to get that
21 kind of integration as we're starting to look at the
22 health issues and other things that come with it.

23 The economic development component is critical.
24 And as others have said, you know, that's what we have to
25 keep our eye on, along with these other goals and

1 objectives. Thank you.

2 CHAIRPERSON NICHOLS: Thank you. Thanks for
3 honoring the red light. Okay.

4 We are at number nine and we have a list that now
5 goes up to 24. And I think we're going to close the list.
6 Just so you know, if you haven't signed up now, this is
7 the end of the sign ups.

8 Craig Scott is next from the Auto Club, and then
9 Autumn Bernstein and Richard Lyon.

10 MR. SCOTT: Thank you, Chairman Nichols and
11 members of the Board.

12 Craig Scott with the Automobile Club of Southern
13 California, with six million members throughout the
14 southern California area.

15 We are here today as well to support SANDAG's
16 regional transportation plan and the Sustainable Community
17 Strategy that is contained in it, and to encourage you at
18 the appropriate time -- still a little fuzzy on your
19 decision-making schedule. But whenever the time is right,
20 we encourage you to make your finding as well that the
21 plan does, in fact, meet the greenhouse gas targets
22 established for the region.

23 We support both the content of the plan and the
24 process used to develop it. The Auto Club has
25 participated over the last couple years or more in the

1 very elaborate process that SANDAG followed in putting the
2 plan together. It was a very open process with numerous
3 opportunities for public involvement. So it was very good
4 in the way the plan was put together.

5 The plan itself we feel provides a realistic
6 well-balanced approach to meeting the region's long range
7 transportation needs, providing specific improvement to
8 all transportation modes. If the plan is able to be
9 implemented as it will -- fund all the projects that were
10 recommended, we think it will really improve the overall
11 transportation system and provide a new broader array of
12 transportation choices for the region's residents and
13 offer hope for the preservation of mobility in the future
14 in the face of some substantial population growth that's
15 expected in that area.

16 In some of the earlier comments today, there was
17 some allusions to how the regional transportation plan
18 process has become much more complicated and challenging
19 as the years have gone on as new federal and State
20 requirements have layered on additional requirements these
21 plans are expected to meet.

22 What is really true, it's become a very
23 challenging process. And with the whole Sustainable
24 Community Strategy and greenhouse gas targets being the
25 newest of these lists of requirements. Fortunately,

1 SANDAG has been involved in smart growth plan for many
2 years, well before SB 375 came along. So the development
3 of the SCS was perhaps a little easier for them. And it
4 was a continuation of the work they've already been doing.
5 I know they'll continue to make improvements in this
6 process and the modeling and have better plans in the
7 future.

8 So overall, we're very pleased to see this
9 well-thought-out plan was able to meet the greenhouse gas
10 targets that were set for the region, while at the same
11 time honoring the commitments that are made to the voters
12 in the passage of the local sales tax measure.

13 The plan also includes implementing and
14 completing the entire package of projects that are in the
15 expenditure plan that the voters approved in that 40 year
16 extension that goes to 2048. I think that's a very
17 important component as well.

18 So with that, we'd urge you at the appropriate
19 time to make your finding that the plan does meet the
20 greenhouse gas targets. Thank you very much.

21 CHAIRPERSON NICHOLS: Thank you.

22 Autumn.

23 MS. BERNSTEIN: Good morning, Madam Chair,
24 members of the Board.

25 I want to thank you, first of all, for your

1 continuing leadership as you work to implement SB 375.

2 And I want to commend your staff as well as the staff at
3 SANDAG for the progress that's been made to date.

4 Yesterday, we submitted a letter on behalf of 20
5 of our partners, including eight organizations based in
6 San Diego regarding some of the things we like about the
7 plan that's before you today, as well as some of our
8 outstanding concerns and some actions that we think could
9 be taken to strengthen it.

10 We do recognize that we are very late in the game
11 for this SCS. And San Diego has faced some particular
12 challenges that have already been mentioned.

13 So the recommendations that we have are by no
14 means a comprehensive list of our concerns with the plan,
15 but do represent we think some commitments that could be
16 made right now to make sure that as we go forward into the
17 long term that we're really addressing some of these
18 challenges.

19 Most notably the backsliding issue that has been
20 talked about already. We're quite concerned about the
21 fact that GHG reductions in the plan peak in 2020 and then
22 erode over time. And this is doubly concerning because
23 SANDAG is the only major NPO that has not been fully
24 transparent with its model. We don't know exactly why
25 this is happening and where those backsliding -- why the

1 backsliding is happening.

2 As was mentioned earlier, the economy is clearly
3 a factor in this. You know, when we recognize this is
4 undoubtedly true and an unfortunate situation that we are
5 all facing, but we also know that's just not a sustainable
6 strategy over the long term.

7 We do know that we can grow our economy and
8 reduce our dependence on fossil fuels. It's a fundamental
9 underpinning of this entire process.

10 So we think that SANDAG needs a long-term
11 strategy that actually reverses this trend of backsliding.
12 And so we're asking for a commitment for them to develop a
13 new land use and transportation scenario for the next
14 go-around that reverses this trend and makes sure we're on
15 the right track for the long term.

16 Thank you.

17 CHAIRPERSON NICHOLS: Thank you.

18 Richard Lyon.

19 MR. LYON: Good morning. Richard Lyon on behalf
20 of California Building Industry Association.

21 CBI is a 5,000 member organization whose members
22 are involved in residential and light commercial
23 construction in building communities throughout California
24 in both the urban and suburban areas.

25 And we're here today to support SANDAG and urge

1 the Board, as appropriate, to accept or conditionally
2 accept the SANDAG SCS.

3 It's been said that this is historic. There's
4 been no question it is. And I think we're very lucky that
5 San Diego is the first out of the box with the reputation
6 and the credibility they have for doing good long-term
7 regional planning.

8 We have a very, very good shot we think at a
9 successful beginning on this. And that's critical.
10 Having a beginning, moving forward with the framework that
11 has a likelihood of success and one that is sensitive to
12 the very substantial challenges that we have out there in
13 the economy, both today and looking forward, is something
14 that has to be balanced. And we think SANDAG has the best
15 tools to be able to move forward initially with that.

16 From a personal perspective, it's been
17 interesting to watch this mature from a concept to now
18 that we're on the threshold of a reality. We still have a
19 lot to learn about this and a lot to understand. But the
20 planning has been done. Talking has been done. And we
21 think now is the time to get the show on the road.

22 So we are here to urge the Board to accept and
23 support SANDAG.

24 Thank you.

25 CHAIRPERSON NICHOLS: Thank you.

1 Amanda Wallner and then Pamela Epstein and Steve
2 Padilla.

3 MS. WALLNER: Good morning, Chairman Nichols and
4 members of the Board. Thank you for having us here today.

5 My name is Amanda Wallner. I'm the Reducing
6 Vehicle Miles Traveled Organizer for Sierra Club
7 California.

8 The plan before you today sets forth San Diego's
9 vision for regional planning and design for the entire
10 region for the next 40 years. However, the 2050 RTP has
11 far-reaching consequences beyond San Diego. It has the
12 potential to serve as a model for the State of California
13 as each region sets out to implement SB 375. And how you
14 treat this plan will set a precedent for all future plans
15 that will come before you from the remaining 17 MPOs. For
16 this reason, we urge you to treat this plan with
17 heightened scrutiny today.

18 Sierra Club California and our members have grave
19 concerns with the substance of San Diego's plan. First
20 and foremost, as has been mentioned by staff and by some
21 of the previous testimony, San Diego's SCS calculates a
22 decline in per capita greenhouse gas emissions reductions
23 levels over time according to their modeling going from a
24 14 percent reduction in 2020 to just 9 percent in 2050.
25 This backsliding over time will make it difficult, if not

1 impossible, for San Diego to meet future greenhouse gas
2 reduction goals that this Board may set.

3 Furthermore, if this trend of backsliding were to
4 be applied to the whole state, California would not be
5 able to meet its own long-term greenhouse gas emission
6 reductions goals.

7 Backsliding in the SANDAG plan is particularly
8 troubling, given the findings of the Regional Targets
9 Advisory Committee, that greenhouse gas reductions should
10 grow over time with the implementation of land use and
11 transportation strategies.

12 I'd also like to point out that the greenhouse
13 gas reduction numbers may not be reliable, given CARB
14 staff's own concerns with the sensitivity of the model.

15 And our members are also particularly concerned
16 with SANDAG's prioritization of highway expansion. These
17 projects divert funding from emissions-reducing
18 transportation projects and lead to problems in and of
19 themselves, such as induced demand, which can have a
20 negative impact on greenhouse gas emissions in the region.

21 San Diego has shown a preference for these
22 projects by front-loading them in the plan, while
23 confining 72 percent of the transit budget to the last two
24 decades of the plan.

25 Just lastly, I would also like to note that I'm

1 troubled by the Board's decision to hand over
2 responsibility for approving or rejecting this SCS and
3 future plans to staff. We believe that keeping this
4 process in the open to the public is important and hope
5 that you do reconsider that decision.

6 Thank you.

7 CHAIRPERSON NICHOLS: Thank you.

8 Pamela Epstein.

9 MS. EPSTEIN: Madam Chair and members of the
10 Board, good morning.

11 My name is Pamela Epstein. I'm an attorney with
12 Sierra Club San Diego.

13 I would like to first thank staff for the report
14 and thank this Board for the opportunity to provide public
15 comment.

16 As we face the uncertain climate, decisions made
17 today will determine whether the region and the state
18 charts a course towards sustainability or further
19 degradation. Now is not the time for hasty complacent
20 action. Rather, what is needed is a proactive approach
21 calling for a clear movement away from transportation
22 planning of the past, which relied heavily on congestion
23 relief and roadway capacity through freeway and roadway
24 widening.

25 The analysis should be examined through a lens of

1 accessibility and how to most effectively moves goods and
2 people. The same goes you get what you pay for. And the
3 SCS in its current form fails at its robust plan for
4 sustainable transportation development. Simply put,
5 transit is sustainable and highways are not.

6 It is with this in mind that I stand before you
7 and express grave concerns about the SANDAG's SCS. The
8 concerns voiced at this hearing are merely a taste of the
9 issues plaguing the process. The RTP SCS had been met
10 locally with the CDF contention. SANDAG received over
11 4,000 comments from 1500 individuals criticizing the plan.

12 The critical transit infrastructure is noticeably
13 absent. The existing transportation network is dominated
14 by concrete. There are over 1,600 miles of highways and
15 arterials and only 123 miles of regional transit service.

16 The plan confines an overwhelming 72 percent of
17 the transit budget into the last 20 years of the project,
18 not to commence before 2035. Translating into a clear,
19 continued preference and prioritization for highway
20 expansion.

21 This is a far cry from early active transit,
22 given that only 28 percent of the transit budget is being
23 used prior to 2035 and couches bus rapid transit in HOV
24 lanes as transit which are inextricably tied to freeway
25 expansions.

1 Predominantly investing in highways perpetuates
2 land use patterns that are inherently unsuited to
3 alternative modes of transportation. The land use
4 patterns triggered by the plan is classical suburban
5 development, the antithesis of smart growth, characterized
6 by low density, high-speed arterials, and massive
7 intersections, resulting in a scenario that
8 disincentivizes the effective transit planning.

9 Another troubling and burdensome issue that has
10 already been addressed is that of backsliding. The SCS
11 establishes a dangerous precedent. Initially, the plan
12 facially meets the modest targets for 2020 and 2035.
13 However, those achievements erode over time and actually
14 result in an overall nine percent increase in the
15 greenhouse gas emissions and less than one percent
16 decrease in overall vehicle miles traveled for the 40 year
17 period.

18 This backsliding highlights the unsuitable nature
19 of the plan. California Attorney General Kamala Harris
20 dolled out strong criticism on the SCS RTP in her
21 September 16th letter to the SANDAG Board. Attorney
22 General Harris called specific attention to the already
23 compromised air quality in the region and the perils of
24 moving forward with a plan that fails to provide long-term
25 reductions in air pollution.

1 The intent of SB 375 is to create a long-term
2 downward trajectory for greenhouse gas emissions. And in
3 the words of the Attorney General, the RTP SCS seems to be
4 setting the region on a course that is inconsistent with
5 the State's climate objective. Thank you.

6 CHAIRPERSON NICHOLS: Thank you.

7 Steve Padilla.

8 MR. PADILLA: Thank you, Madam Chair, members of
9 the Board.

10 I'm here on behalf of Sustainable San Diego,
11 which is a collaboration of 30 organizations and
12 non-profits with expertise in various disciplines,
13 including transportation, land use, and housing policies
14 that are integrating in support of policies and practices
15 throughout the region that enhance regional
16 sustainability.

17 First, I would like to acknowledge the work that
18 the SANDAG staff has done and your own staff in an
19 analysis. Certainly, there are elements of the SCS that
20 are worthy of praise, which include a level of new
21 commitment to transit funding and long-term active
22 transportation funding, smart growth incentive funding,
23 and others.

24 However, we believe strongly that not only should
25 the SCS be internally consistent, as is set out in 375,

1 but moreover and more importantly, context is an
2 important. This plan should be consistent more broadly
3 with the overall -- as a matter of policy, with the
4 overall statewide air quality improvement goals set forth
5 in the legislative scheme, statutory scheme that exists.
6 So it isn't important enough to talk about meeting set
7 standards or internal consistencies, but rather look at
8 the broader policy context, that incremental net
9 improvement is the target here and should be the target
10 and should be the product of the plan.

11 We remain concerned that this -- because of that
12 reason as well that this is the initial SCS stepping off
13 the block and has some precedent-setting elements to it.

14 We remain concerned, as has been mentioned, that
15 the projections indicate the per capita GHG reductions
16 peak and erode post 2020. And that, in fact, the 2035
17 targets are then barely met.

18 Not to mention one of the primary factors sited
19 in support of those reduction achievements are extraneous
20 economic factors beyond our control and not affirmative
21 policy actions.

22 I think we also remain concerned that the
23 projections indicate reductions in assumptions with
24 specific GHG reductions. And the nexus between those
25 reductions and specific funding commitments and policies

1 remain as yet not as clearly established as they could be
2 or articulated as clearly as they could be.

3 I would just echo some of the prior speakers'
4 recommendations with respect to the use of integrated land
5 use and transportation planning scenarios to provide
6 flexibility and implementation policies that could serve
7 to greatly enhance the overall likelihood that this plan
8 will, in fact, meet the targets that have been asserted
9 and articulated in the plan.

10 We recognize that any plan, the minute it's
11 adopted, is ripe for amendment and sometimes becomes
12 instantly irrelevant. But we think that with appropriate
13 implementing guidelines and high enough standards with
14 respect to methodologies and nexus, it will greatly
15 enhance the probability that any SCS plan in the state
16 will, in fact, have a higher chance of meeting their
17 stated goals.

18 So thank you very much for the opportunity to
19 address you.

20 CHAIRPERSON NICHOLS: Thank you. Sounds like
21 there's been a lot of participation on the part of many
22 organizations, which is a good sign.

23 Elyse Lowe, followed by Carmen Sandoval and
24 Matthew Adams.

25 MS. LOWE: Good afternoon. Thank you for having

1 me here today.

2 My name is Elyse Low. I'm the Executive Director
3 of Move San Diego. We're a nonprofit. We support
4 sustainable transportation and smart growth.

5 Move San Diego is comprised of members of the
6 business and environmental communities.

7 I would like to thank SANDAG and CARB staff for
8 their hard work and dedication on this long and arduous,
9 seamlessly ending process, which may be coming to an end
10 soon.

11 I want to thank Supervisor Roberts for his
12 leadership in supporting transit on the SANDAG Board. My
13 comments today echo those of climate plan and sustainable
14 San Diego.

15 We're pleased to see a Sustainable Community
16 Strategy that does meet the targets and provide
17 substantial increases in active transportation and transit
18 investments.

19 I would also like to outline a few concerns, many
20 of which were raised by the ARB staff report. Mainly that
21 the plan does not adequately reduce greenhouse gas
22 emissions in the long term.

23 We agree with ARB that land use planning
24 scenarios, coupled with the reassessment of the
25 transportation network, must be performed to provide

1 long-term emissions reductions and to explore new options
2 for planning future growth.

3 As the voice supporting transit in the San Diego
4 region, we think improvements can be made to our phasing
5 as 72 percent of the transit budget is in the last two
6 decades of the 40-year plan.

7 Additionally, we share CARB's concerns with the
8 lack of transparency and the model and agree transparency
9 should be paramount in future RTPs and the regional
10 comprehensive plan.

11 We also recommend that the sustainable
12 communities strategy requires SANDAG to commit, not just
13 consider, the development of funding a ten-year early
14 action program -- funding implementation of active
15 transportation, bicycling, and pedestrian investments.

16 Since a robust transit structure is critical to
17 achieving transit ridership assumptions in the Sustainable
18 Community Strategy, SANDAG should commit and prioritize to
19 developing a detailed operations plan that funds the
20 identified actions. Namely, we need to find funding for
21 the seven billion dollars in new revenue needed to operate
22 that robust transit strategy and make it a reality.

23 Lastly, we're pleased that SANDAG has committed
24 to developing a map that overlays the transit network with
25 the smart growth opportunity areas.

1 Thank you very much for allowing us to
2 participate in this important statewide process. Thank
3 you.

4 CHAIRPERSON NICHOLS: Thank you.

5 Carmen Sandoval.

6 MS. SANDOVAL: Good afternoon.

7 The San Diego Regional Chamber of Commerce
8 strongly supports the transportation projects outlined in
9 the draft 2050 regional transportation plan. This
10 balanced approach serves the economic interests of our
11 region. The RTP will reduce community times, offer
12 transportation choices for more workers, improved goods
13 movement, and provide better mobility for the visitors to
14 our region.

15 The CSC will encourage the development of housing
16 near transit. And the Chamber supports SANDAG's a
17 incentives for planning and infrastructure included in the
18 draft RTP to promote development in higher density areas
19 located in proximity to transit.

20 We have been involved with this process and
21 closely monitored. We appreciate the collaboration and
22 accessibility to SANDAG and their staff, their
23 information. And we support this plan.

24 We believe the 2050 RTP accomplishes the state of
25 California's goals to reduce greenhouse gas emissions

1 while advancing our mobility goals for the San Diego
2 region. We urge you to support your staff recommendations
3 and thank you for your time.

4 CHAIRPERSON NICHOLS: Thank you.

5 Matthew Adams and Amy Mmagu and Bonnie
6 Holmes-Gen.

7 MR. ADAMS: Good morning. Matthew Adams
8 representing the Building Industry Association of San
9 Diego County.

10 We are a 75-year-old trade association
11 representing 700 member companies and a workforce of over
12 65,000 men and women.

13 San Diego and SANDAG was chosen to craft the
14 first Sustainable Community Strategy because of its
15 history and experience with regional planning that
16 integrates land use and transportation. Frankly, they've
17 been doing it for it became the thing to do. There is a
18 lot of history here.

19 SANDAG's ability to analyze and forecast is
20 unmatched. Whether we're talking about housing,
21 population, transportation, or economic activity. The
22 successful implementation of the SCS will result in the
23 region meeting and exceeding the reduction goals in 2030
24 or in 2020 and 2035.

25 But as with any program, its success is going to

1 be dependent upon the commitment and the leadership of the
2 policy makers charged with this implementation.

3 SANDAG was created to bring those policy makers
4 to the table. We have 18 jurisdictions, the County of San
5 Diego, and transit officials routinely meeting at SANDAG
6 for the sole purpose of discussing regional planning. If
7 there is any government structure that can pull this off,
8 SANDAG will pull it off.

9 This new territory for all of us, and there's
10 going to be bound to be differences of opinion. And there
11 certainly were during the years of discussions on this
12 policy. And I'm sure there will be more in the future.

13 But the fact remains that their analysis is
14 sound. Their methodology is clear. And their goals are
15 achievable.

16 The regulated community, which BIA is part of,
17 appreciates the open, frank, and professional relationship
18 established with SANDAG. And we respectfully request that
19 you support their proposal as presented today.

20 Thank you very much.

21 CHAIRPERSON NICHOLS: Thank you.

22 Amy -- I apologize if I'm butchering your last
23 name.

24 MS. MMAGU: Good morning, Madam Chair and members
25 of the Board.

1 Amy Mmagu on behalf of the California Chamber of
2 Commerce, as well as representing California Business
3 Properties Association.

4 We would like to applaud SANDAG for their
5 expertise and transparency while developing their
6 sustainable community strategy. We would like to urge the
7 Board to support this report that they have made, with
8 conditional approval for it, to ensure the certainty for
9 communities as well as businesses in California.

10 Thank you.

11 CHAIRPERSON NICHOLS: Thank you.

12 Bonnie Holmes-Gen and then Bruce Reznik.

13 MS. HOLMES-GEN: Good afternoon, Chairman Nichols
14 and Board members.

15 Bonnie Holmes-Gen with the American Lung
16 Association of California.

17 And the American Lung Association believes that
18 this SB 375 process is extremely important, not only to
19 reduce greenhouse gas emissions and meet our 2020 to 2050
20 goals, but also to achieve critically needed air quality
21 and public health benefits.

22 We view ourselves as a partner with you in this
23 effort, and we're pleased with all the work that's gone
24 into this plan and is going into future SCSs. We see many
25 positive elements in this plan, including the increased

1 commitment of funding for transit in this plan. And we
2 believe that improving air quality in the San Diego region
3 and the rest of the state is extremely important. The San
4 Diego region still suffers significant numbers of bad air
5 days. More than one in ten of the three million people
6 living in San Diego suffer from lung disease and are
7 especially sensitive to pollution episodes.

8 And we agree with the ARB staff assessment that
9 this Sustainable Community Strategy is a good start.

10 At the same time, we do have comments on areas
11 that need some additional work as we move forward. I
12 think many of these have been mentioned just very briefly
13 as noted in the staff comments and previous testimony.
14 The increase in the greenhouse gas emissions in that 2020
15 to 2035 time period is troubling.

16 And we would second the comment that the SANDAG
17 staff should find some additional strategies and explore
18 ways to further reduce VMT and increase active
19 transportation to get that trajectory going down.

20 We also believe it's extremely important in this
21 plan and future plans for the MPOs to clearly show -- more
22 clearly show how these specific reductions in greenhouse
23 gas and pollution emissions are tied to each
24 transportation land use strategy. I think that's an area
25 for additional work.

1 And of particular concern to us is the need for
2 public health indicators and performance measures. We
3 would like to see more effort to clearly outline the
4 public health performance measures to be used and how they
5 will be monitored and evaluated. And there are new tools
6 that are being developed in this area, which we're very
7 pleased about. And I think that will have more
8 information on those tools as we go forward for you.

9 And our organization is working with health
10 groups around the state. We've developed a general set of
11 health and equity indicators that we would like to be
12 considered, including tracking of reductions in premature
13 deaths and respiratory illnesses that can be achieved
14 through increased active transportation and reduced
15 dependence on vehicle. We hope to continue working with
16 you on this very important area.

17 In closing, we are very excited about this
18 movement under SB 375 toward more sustainable communities
19 and more communities that are more walkable, bikeable, and
20 have increased quality of life and increased health. We
21 know this movement will mean reductions in lung diseases
22 like asthma and other chronic conditions and reductions in
23 obesity. We're pleased to continue partnering with you.
24 Thank you.

25 CHAIRPERSON NICHOLS: Thank you.

1 Bruce and then Matthew Hargrove.

2 MR. REZNIK: Good afternoon. My name is Bruce
3 Reznik, Executive Director of Planning and Conservation
4 League.

5 I'm going to keep my comments this afternoon
6 fairly general. PCL has been hugely engaged in this SCS,
7 although it's certainly one of our goals to be more
8 involved. But I certainly have a personal interest,
9 having spent 12 years before moving to PCL in San Diego
10 where Supervisor Roberts was my Supervisor in North Park,
11 the urban core of San Diego, where I worked briefly at
12 Sustainable --

13 BOARD MEMBER ROBERTS: You were supposed to say
14 your outstanding Supervisor.

15 MR. REZNIK: My outstanding supervisor.

16 CHAIRPERSON NICHOLS: I was going to say we
17 weren't going to hold it against you.

18 MR. REZNIK: No comment.

19 Onto the San Diego SCS, we do have serious
20 concerns about the direction it takes San Diego.

21 I think even the most critical -- you know, the
22 strongest critics of the plan will recognize there is a
23 lot good in the plan. The problem is it's still too
24 little and, more importantly, it's too late. You've
25 already heard that mentioned.

1 The reason it's so important though isn't just
2 that we're anxious and impatient we really want these
3 transit projects. It's if you're front loading your
4 highway projects and you're back loading your transit,
5 you're making those transit projects more speculative. If
6 you run out of money or political will, they're less
7 likely to happen. You're also undermining the value even
8 if they do occur, because if you already build out the
9 highways and you already sprawl out, then you try to
10 superimpose transit, it's not going to work. It's going
11 to fail. You're not going to have the ridership number.
12 It's critically important we front load these projects.

13 And frankly, you know, being on the other side of
14 the Auto Club and BIA and CBIA is not really surprising.
15 If they're up standing for this project, for this plan, it
16 probably indicates it's a little more car friendly and
17 sprawl-inducing than a group like PCL would be comfortable
18 with.

19 So then the question is what do we do from here.
20 I recognize -- we all recognize there is a lot of
21 political pleasure to get this thing moving. It's the
22 first plan. You've heard from all the other COGs about
23 how important it is to get out there. There's a lot of
24 political pressure because of SB 375. We all recognize
25 that.

1 I would pause it though, it's more critical to
2 get it right than to get it done. And the reality is this
3 plan is going to set the future planning in San Diego. It
4 is going to set the model and the base line for other SCSs
5 throughout the state of California. And I think it is
6 going to be the referendum on whether SB 375 fulfills its
7 promise as being a transformation along California or not.

8 So I would encourage that we take a deep breath.
9 We work further on this plan. I recognize it's going to
10 come back in four years. When you're front loading these
11 highway projects, that's a long time to wait and
12 potentially a lot of damage done.

13 With that said, I would urge ARB to look at this,
14 to try to get an early look at all the plans as was
15 suggested, to push gently for the right types of plans. I
16 would actually argue to push not so gently and use every
17 measure that you can to make sure these plans do promote
18 early transit, early active transportation, focus on the
19 urban core, and we look forward to working with you on
20 that plan at PCL.

21 CHAIRPERSON NICHOLS: Thank you.

22 Matthew Hargrove and then Stuart Cohen and Amanda
23 Eaken. Is Matthew here? No.

24 I guess Amy spoke for the business properties as
25 well. Okay. Stuart Cohen and then Amanda Eaken.

1 MR. COHEN: Good afternoon.

2 Stuart Cohen, Executive Director of TransForm, a
3 nonprofit that is based in Oakland, but also working now
4 statewide with an office in Sacramento. And we've been
5 working on regional transportation planning trying to
6 improve plans since 1997, starting in the Bay Area and now
7 in other regions.

8 We've been working with a number of the
9 non-profits that you've heard of -- that you've been
10 hearing from in San Diego over the last year-and-a-half to
11 try to improve the SANDAG plan.

12 I'm going to start with a little bit of a story
13 of the Bay Area and some of the constraints we had
14 especially kind of '97 and earlier in coming up with a
15 really good RTP and then make that parallel over to what
16 SANDAG is facing right now.

17 When we first came, our very first advocacy
18 effort was to get MTC, which was facing intensely
19 difficult odds. They didn't have enough money to really
20 improve the transportation system enough. The base line
21 land use scenario is for lots of sprawl. So every plan
22 they did showed terrible outcomes: Increasing congestion,
23 worse air quality. And we use that to say, yeah, unless
24 you're changing the base line land use assumptions and
25 then in parallel changing the transportation system

1 proposed, we're never going to be able to get scenarios
2 that really look different, let alone can really improve
3 things. That actually kicked off California's first smart
4 growth visioning process. They agreed to do that.

5 Once we got through the different land uses, we
6 realize though they were stuck on the transportation side.
7 How come? We've got a huge existing system out there
8 already. And then they considered 93 percent of the
9 investments in their 25-year-plan -- they were already
10 planned or some engineering had happened. We can't
11 reconsider those. We're going to play with seven percent
12 of the plan. Very little amount of money. Guess what?
13 There was no difference, even if you did the land use
14 right.

15 So over the years, MTC has realized the problem
16 with this. And that number has gone in the four
17 successive plans from seven to ten to 15. And now this
18 time, nearly 30 percent is discretionary.

19 SANDAG, I implore you that your recommendations
20 were excellent, that they should be in their next RCP
21 scenarios and they should be looking at doing different
22 transportation scenarios.

23 Their biggest problem now is that they are
24 constrained by TransNet, their 40 year sales tax that just
25 begin. So they don't want to go against it so quickly

1 after it was recently approved.

2 But they only had three percent of their plan was
3 really discretionary. And so the existing system plus 97
4 percent of transportation is essentially locked in, unless
5 they can reconsider Transnet.

6 So we are going to really recommend that as they
7 redo RCP scenarios that they are doing visioning on
8 transportation that doesn't have Transnet as a constraint.

9 Without that, we're going continue to get more of
10 the same and more backsliding in the out years. Thank
11 you.

12 CHAIRPERSON NICHOLS: Thank.

13 Amanda, you are the last witness.

14 MS. EAKEN: Chairman Nichols, members of the
15 Board, good afternoon.

16 I want to echo the comments of some of the other
17 folks and just thank your staff for their excellent hard
18 work. And thank you for your leadership.

19 Again, my name is Amanda Eaken with the Natural
20 Resources Defense Council.

21 I was just thinking on the way up, it's almost
22 exactly one year ago today that you took the historic
23 action of setting the first in the nation greenhouse gas
24 targets for land use and transportation planning. And I
25 think your actions today and the next couple of months

1 reviewing the first in the nation plan to implement SB 375
2 are going to be similarly precedent setting, be assured
3 that there are folks watching what we do here around the
4 country.

5 It's always tough to go a first. We recognize
6 that, and we want to commend San Diego on some of the
7 great steps they've taken toward sustainability. I want
8 to highlight the 2.6 billion set aside for active
9 transportation, which is about three percent of their plan
10 and, you know, encourage some of the other regions that we
11 are working closely with to take a similarly ambitious
12 approach when it comes to active transportation and their
13 plans, which maybe at this point not quite so ambitious.

14 And I want to also notice the 80 percent of
15 housing set aside as multi-family housing, which takes a
16 giant step in San Diego towards meeting the market demand
17 for compact development. These are truly ambitious
18 assumptions.

19 I'm sure it will come as no surprise to you we
20 have some concerns with the plan. And the most
21 significant -- and I'm not going to rehash what many have
22 said -- is the backsliding. And we need these plans to go
23 in the opposite direction, particularly as you on the Air
24 Resources Board implementing AB 32 and you also have an
25 eye on the 2050 target, that we need to make sure that SB

1 375 can make a substantial contribution to those 2050
2 targets.

3 SANDAG claims to meet the 2020 target handily,
4 thanks to the economic projections, but then just barely
5 makes the 2035 target. I think this is important to keep
6 in mind. We need to be thinking what if the economy
7 recovers. What if we're slightly more optimistic about
8 economic recovery. And if we are just barely making that
9 2035 target, we think there may be some additional
10 policies that makes sense to put in place in order to kind
11 of give ourselves a buffer.

12 I just want to highlight two. They're summarized
13 in that climate plan letter that was submitted.

14 One we think makes a lot of sense. And again,
15 we're trying to be quite reasonable with these
16 recommendations -- is just to front load some of that 2.6
17 billion for bike/ped activities in earlier years of the
18 plan. SANDAG relies on increased mode share for walking
19 and biking to meet the target, and yet needs to make that
20 commitment of funding to make sure those assumptions are
21 realized. And we think this is something they could very
22 much do, and we want to see them make a commitment to make
23 an early commitment for bicycle and pedestrian activity.

24 The second piece I want to say is we want to
25 support your staff's recommendation in the RCP and in the

1 next RTP SANDAG do a much more comprehensive job of
2 looking at land use and transportation integrated
3 scenarios to help achieve the target.

4 We look forward to working with you the next time
5 around. And thank you so much for your leadership.

6 CHAIRPERSON NICHOLS: Thanks for your comments
7 and for all the input you've given us along the way.

8 That concludes the list of witnesses. And now
9 it's time for some discussion by the Board.

10 I'd like to start the discussion actually by
11 addressing the issue of what it is we're doing here and
12 how we might be moving forward with these SCSs that we
13 expect to see coming forward.

14 But before I do that, I just want to say a couple
15 things about how remarkable this occasion is. I was
16 really struck by Steve Heminger's comment at the beginning
17 about what a bad time we've been in and how low people
18 have been about prospects for doing anything, you know, at
19 the government level, especially in the planning arena.
20 And you know, here we are in the midst of horrible
21 economic times when governments are strapped for money
22 everywhere, and we're seeing the business community, the
23 builders, the chamber, as well as local governments coming
24 forward and not whining, but actually supporting plans to
25 reduce VMT.

1 This is astonishing. This is a huge change that
2 we really ought to take note of, especially when we build
3 on the fact that in this state it has been an absolute
4 iron law that as population grows, VMT grows at about one
5 and a half times the rate of population. That has been
6 the case for as long as I've been working in air quality.
7 And here we are talking about decoupling in the most
8 really radical way the growth in our state and the growth
9 in the economy from growth in emissions from the
10 transportation system.

11 So while we're talking about ways in which this
12 could be improved, and I agree there are ways in which
13 this could be improved, I just want to really acknowledge
14 both San Diego's leadership and all of the folks who have
15 been here working in the trenches so hard to make
16 sustainable communities a reality and not just an idea
17 that we used to have out there on the horizon. This is
18 really -- it's just terrific. I'm proud of all of us.
19 That's all I can say. And thankful that we have a
20 structure that seems to have helped unleash a lot of this
21 work.

22 As far as what the ARB's role is in all of this,
23 I'm not -- I'm one to be usually known for finding ways to
24 stretch our legal authority, not to restrict it. Let me
25 just say that I do want to remind us that our role here is

1 a limited one when it comes to what we do with the
2 demonstrations of whether people are complying or not.
3 And obviously there was some some issues, especially in
4 the beginning, about what kind of demonstrations people
5 are going to have to make, what demonstrations they can
6 make about whether their plans are really going to meet
7 those GHG targets or not. And that is an area that I
8 think we need to focus on a lot.

9 But I also want to endorse Mike McKeever's
10 comment that ARB is not the only game in town when it
11 comes to working with local governments on improving the
12 sustainability of their land use and transportation and
13 housing plans, the Strategic Growth Council and other
14 agencies that are part of it not only have a role, but in
15 fact are taking a much more activist role than I think
16 ever. Certainly, it's all just really achieving a
17 stronger position in the last year or so.

18 But I think there is going to be a lot more
19 action on that front than just what takes place here. So
20 not to say we don't have a role, and I certainly don't
21 want to discourage any of us from getting involved in
22 these plans. But as far as the Board is concerned, I
23 think we need to be mindful of the fact that we do have a
24 limited role in all of it.

25 Now what we're doing here today, as I understood

1 this -- and there's been a little bit of difference in
2 what people have suggested here. We were receiving
3 information, giving input and expressing our views, not
4 necessarily adopting or approving the plan, because it has
5 not been adopted yet by the local government. There was a
6 suggestion at the beginning that we might conditionally
7 approve it, and there are people who are concerned that if
8 the Board doesn't act as a Board at every stage of the
9 process that this -- somehow we will be neglecting our
10 responsibilities or getting short shrift to SB 375.

11 Whereas again, I think the staff had been working
12 on the assumption that the Executive Officer could approve
13 these plans, and that the Board would have input in more
14 of a generic policy setting way. But I'd just like to
15 push that point a little bit further if I could.

16 Lynn, do you want to --

17 DEPUTY EXECUTIVE OFFICER TERRY: Sure.

18 Well, as we've said, we'll all learning. This is
19 the first time we've done this process. So we focused on
20 our legal responsibility, which is the quantification and
21 whether we accept or reject the NPO's determination that
22 they properly quantified the greenhouse gas reductions.

23 We took our usual staff approach was to develop a
24 technical methodology for performing that responsibility.
25 We put it out in the public forum, and we used that as the

1 basis to do today's report.

2 With respect to the timing issue, we were
3 experiencing so much interest in this program and we
4 understood the process, the resources that go in at the
5 local and regional level and plan adoption, that it seemed
6 that having information about the results of our technical
7 analysis with respect to the quantification would be
8 important information for the local governing boards to
9 have before they took an action. And the law does not
10 require that.

11 We suggested that as part of the public process
12 it would be helpful to know whether or not the
13 quantification that the NPO staff had put forward met
14 ARB's methodology.

15 So that was really the purpose of today's
16 briefing.

17 And then as the Chairman mentioned, there's the
18 separate issue of the delegation to the Executive Officer
19 to make the final determination.

20 CHAIRPERSON NICHOLS: Okay. Just to remind us,
21 technically, under our statutes, the Executive Officer has
22 the authority to do anything that the Board can do, unless
23 we specifically take it away from him. So we wouldn't
24 have to make any delegation formally for James to have
25 this authority. We would just -- if we wanted him not to

1 have the authority, we would have to pass a resolution
2 here saying, no, we want these all to come back to the
3 Board.

4 I'm open for comments on anybody's part at this
5 point. Yes?

6 BOARD MEMBER SPERLING: The name of the act is
7 the Sustainable Communities Act of 2008. And I think it
8 was passed because we don't have sustainable communities.
9 And this has been brought up several times, whether you
10 look at it from a health perspective in terms of the
11 amount of money going into infrastructure, the
12 accessibility, livability, affordability.

13 And so, you know, the good news is we're starting
14 a discussion here. And that's what's good about -- that's
15 what's really important here about -- at least at this
16 point about SB 375 and this meeting.

17 I think we need real change. Ron Robert's
18 started out with discussion talking about these other
19 reasons. And climate change is not the most important
20 reason or metric to do this. There are these others that
21 are more important, frankly.

22 But the good news is that, you know, greenhouse
23 gas reduction strategies to achieve it are aligned very
24 well, almost perfectly, with all these other goals. And I
25 think that's why we have a lot of credibility here and

1 people are engaging. And that's why with MPOs have come
2 around to support the process.

3 But as Hasan Ikhata said from SACOG, real change
4 is only going to come when we change incentives and
5 provide rewards to cities. And Supervisor Roberts was
6 nodding his head very vigorously when he heard that. And
7 you know, that's really what's important here. And I
8 would urge us, us, the community, as well as ARB to be
9 thinking very hard about how to create those funding
10 streams. Part of it is changing transportation funding
11 incentives so that cities are rewarded for reducing VMT as
12 opposed to just the opposite.

13 Now, you know, another is the cap and trade that
14 we ask the staff to put a report together to recommend to
15 the Legislature or to suggest to the Legislature how the
16 money be spent.

17 I would say a top priority should be to go to
18 cities that are achieving real progress in achieving these
19 goals.

20 And so, you know, SANDAG I think effort is --
21 it's moving in the right direction. I have a lot of
22 respect for Gary Gallegos and his staff.

23 But in the spirit of nudging, I'm troubled by a
24 really fundamental metric trend in the SANDAG region. And
25 that is the change or the lack of change in mode shares --

1 in the different modes that are being used.

2 So I'm looking at the numbers here. And I see
3 that between 2008 and 2035, according to the SANDAG
4 modeling data, there is almost no change in car use.
5 Transit goes from 2.1 -- this is number of -- percentage
6 of travel by transit. We keep talking about transit.
7 Transit goes from 2.1 percent, barely noticeable, to 2.5
8 percent over 25 years.

9 We look at walking and biking, that goes up a
10 little bit, from three percent of trips to four percent.
11 Basically, we're talking about no change, almost no change
12 in travel choices.

13 And so the question is: Why is that? I think
14 really the key to this is land use. And I think that's
15 the real -- I don't know if I want to use the word
16 shortcoming or failing or the critical issue is somehow
17 there has to be much more engagement in the San Diego
18 region in dealing with land use.

19 One of the other statistics is that the VMT --
20 the VMT per vehicle goes up. Goes up -- per trip goes up
21 from 6.5 to 6.7 miles. Goes up. And so, you know, that
22 only suggests that the land use is continuing to sprawl.
23 And I think that the whole -- you know, the SB 375 was
24 passed. People didn't know exactly what they wanted --
25 what the solution was. But they knew the problem was

1 there is a sustainability issue here.

2 And so I think our job here is to bring -- you
3 know, to help SANDAG, help highlight this, and it's a huge
4 challenge. And SANDAG can't solve it itself. This is
5 a -- it has to work with the cities and counties and its
6 engagement and it needs money. But it's not clear we're
7 actually making progress here.

8 So that's kind of a little more depressing
9 version of what the Chairman was saying.

10 CHAIRPERSON NICHOLS: Well, it's a glass half
11 empty versus half full, I suppose.

12 BOARD MEMBER SPERLING: We're making progress in
13 the conversation, and that's good. But it's not clear
14 we're making progress in terms of the fundamentals.

15 CHAIRPERSON NICHOLS: Right. This is probably
16 worthy of a long conversation, but there was an
17 interesting story in today's L.A. Times of about similar
18 issues, about mode splits in the southern California area,
19 which made a point which I should have known before but
20 never really focused on, that the commute times for people
21 who travel in a single passenger car are shorter by a
22 substantial margin than for people who commute by transit.
23 And unless you can address that issue -- I mean, it's
24 going to get a lot worse. It's going to have to get a lot
25 worse before that changes. And, thereof, it's not just a

1 matter of building more lines or buying more buses. If
2 the buses are all crawling along in traffic and people
3 have to transfer three times to get to where they want to
4 go, they're not going to use it, unless they absolutely
5 have to. And we'll still continue to have a system that
6 only serves a very small portion of the public. These are
7 big, tough issues.

8 Yes. We'll start with you, DeeDee.

9 BOARD MEMBER D'ADAMO: So one of the things that
10 I've kind of gotten confused by is how is it that this
11 plan can be so wonderful on the one hand and so
12 aggressive? A lot of comments about increased density and
13 even a lot of the environmental stakeholders were
14 applauding the plan for multi-family dwellings and that
15 sort of thing.

16 At the same time, see these figures that
17 Professor Sperling just noted. And I think it all gets
18 down to we need more information. We need better
19 modeling. We need greater transparency.

20 One of the things that concerned me was in a
21 couple of these letters by some of the environmental
22 stakeholders that the process was not transparent enough.
23 And I understand that -- I can't remember which letter,
24 but I think it was the Sierra Club letter that indicated
25 that -- here we go. Sierra Club letter saying that the

1 refusal to release script files, raw data, which embodied
2 the agency's fundamental modeling assumptions were not
3 provided.

4 And so I think as we move forward it's important
5 not just to further refine these models, but to be
6 transparent. And hopefully that information will provide
7 the information that's needed, not just for the MPOs, but
8 for all the stakeholders to come in and engage in a more
9 direct way.

10 I also want to point out that one of the comments
11 that -- I think it was Bonnie Holmes-Gen made, and that is
12 it would be nice to have information with each strategy
13 that's developed in terms of the greenhouse emission
14 reductions. We need to see that for each strategy on the
15 land use side and then also on the transit side.

16 And ideally, I guess this is what conformity
17 budgets are all about, and maybe I don't understand it all
18 that well. But it would be useful to have the information
19 about what the cost is to attain these goals, in
20 particular on the transit side and what the funding gap
21 is. It's amazing that San Diego has its local share.
22 That's unusual. And now, of course, you can't get the
23 federal match. But --

24 BOARD MEMBER ROBERTS: Nor any help from the
25 state.

1 BOARD MEMBER D'ADAMO: Right. But hopefully
2 times will change. Maybe we'll see Congress coming around
3 eventually. You know, things are not going to be static.

4 So I think it's important for us to have that
5 information for each region so that we can overlay that on
6 a State plan about what the funding gap is so that we can
7 lobby Congress. When the State turns back around, maybe
8 we'll be able to get some additional dollars from the
9 state over to the local regions.

10 And then who knows. What about AB 32 funding and
11 any possibilities there as well? So it's just important
12 that we have that information.

13 So I know I started off by saying we should
14 gently nudge. I think there is a lot of really good ideas
15 that have been presented. But mostly, I get down to that
16 we need better information so that we can have a more
17 informed process as we go forward.

18 And onto the last point, on gently nudging, on
19 slides 15 and 16, the staff report in terms of
20 recommendations as far as going forward for improvement
21 for future SCS development, I don't know if SANDAG has
22 looked at these -- slides 15 and 16 -- looked at these in
23 much detail, but it would be great if we could hear back
24 from you as to whether or not you could commit to this
25 more refined sensitivity analysis in the future. I think

1 that that would -- if you listen to what the stakeholders
2 are saying, they pretty much wanted that in this round.
3 And I understand we're running out of time. But in the
4 next round, it would be helpful if you could commit to
5 those improvements.

6 CHAIRPERSON NICHOLS: We're going to call SANDAG
7 back up I think before we finish.

8 But let's just move down the line. Are there any
9 other comments?

10 BOARD MEMBER BERG: I just thought you'd like to
11 go last.

12 BOARD MEMBER ROBERTS: Go ahead.

13 BOARD MEMBER BERG: I want to echo all the
14 congratulations and thanks to SANDAG and as well as all
15 the stakeholders. This is a tremendous undertaking.

16 I really am a little bit on the fence as to where
17 to go from here, because I'm feeling so the lack of
18 information. So I think I'm going to refine my comments
19 that I agree with my fellow Board members and where we're
20 going and what we're trying to accomplish here. It's
21 really quite a yoman's job.

22 But I'd like to also focus on what our Board is
23 going to do. And I think one of the greatest
24 contributions we can provide is to continue the open
25 discussion, like hearing the plans and hearing the public

1 comments and being that facilitator between stakeholders
2 as well as lending our expertise, our modeling expertise,
3 bringing best practices to the other MPOs. And I think
4 that's one of the great contributions that are --
5 important contributions that we can make.

6 So to that, if we decide that the Executive
7 Officer will approve the plans, I still would like to know
8 that we were going to hear each plan at some point so that
9 we will know what's going on. And I would like that --
10 certainly, that you would come back -- staff would come
11 back every time an approval is made and give a report to
12 the Board as to maybe what changed between the time that
13 we heard the update and the approval was given and what
14 agreements were made as to how we would go forward.

15 As we look at this process, doing this process
16 every four years, that, in and of itself, kind of feels
17 like we might be doing a lot of planning. I hope there's
18 some implementation in between that so we have a lot of
19 work in front of us.

20 And I would like just to see the process to
21 remain as open and transparent as we can make it and also
22 be a leader in that facilitation to help this process get
23 further defined, because we're in brand-new territory.
24 And the Chairman said that, and each one of the Board
25 members so far has echoed that. And I think that our part

1 in that brand-new territory can help fill the gaps.

2 So thank you very much, everybody.

3 CHAIRPERSON NICHOLS: So if I may, just to Ms.
4 Berg's comment there, it sounds as though what she's
5 suggesting -- and I think this is feasible. But I just
6 want to double-check -- is that staff would report to the
7 Board probably sort of in groups on the status of the
8 upcoming plans. And then after the fact so that we have
9 an opportunity for comment and anybody who really feels
10 the need to come in and push for suggested changes can do
11 so. And then after the fact, there would be some sort of
12 a report, perhaps not a public hearing, but just a written
13 report to the Board as to what actually happened, what
14 occurred. I see nodding. Does that make sense to you.

15 EXECUTIVE OFFICER GOLDSTONE: Yes. I think that
16 makes sense.

17 One of the challenges is we have 18 of these
18 plans coming through every four years. So we have to find
19 a way to make sure that we maintain the transparency and
20 the public process that I think ARB is well known for and
21 we are committed as staff to continuing to maintain, while
22 also making sure the plans get approved so they can get
23 implemented.

24 CHAIRPERSON NICHOLS: Well, we may need to come
25 up with some sort of a workshop approach where there would

1 be perhaps not the full Board, but you know, a sub-group
2 of the Board who could sit and get into more depth on the
3 plans.

4 BOARD MEMBER BERG: Yes. I would agree,
5 Chairman. I'm not suggesting that we need 18 individual
6 agenda items on the Board. Maybe the MPOs could even come
7 up with some suggestions on how to group. It could be a
8 type of thing where we have a public hearing on an update
9 and how things are going and just get people's feedback as
10 we're progressing.

11 But I do think that a format of public comment
12 from time to time keeping us abreast as to what the
13 challenges are, where the needs are, where the successes
14 are, quite frankly.

15 And I have found today very enlightening. So I
16 would encourage that we continue this type of format. I'm
17 not suggesting 18 different agenda items. I want to make
18 that clear.

19 Thank you.

20 CHAIRPERSON NICHOLS: All right. One more.

21 BOARD MEMBER BALMES: Yeah, because I think
22 Supervisor Roberts probably wants to go last.

23 So I'll try to make my comments brief, because I
24 agree with virtually everything that my fellow Board
25 members have said.

1 But I want to emphasize how important I think
2 some of these issues are.

3 First off, I want to again congratulate SANDAG
4 for their efforts here. They are first out of the block
5 and have sort of the toughest job.

6 And I think there are a lot of real positives
7 about the plan, especially one thing I learned about
8 recently was I think part of the reason that there is
9 enough money on the local level for the extension of the
10 trolley line is it may be some money that was going to be
11 used for I-5 lane expansion has been reallocated.

12 Supervisor Roberts, correct me if I'm wrong about that.
13 Because I think that's a good move.

14 But I have to say I agree with Professor Sperling
15 about the big issue. And I don't blame SANDAG. I don't
16 blame Board staff for this either. But because we're in
17 new territory. But I really think this is not enough in
18 the long term. So we have to figure out -- as we go along
19 in this process, we have to figure out better ways to both
20 achieve our greenhouse gas emission reduction targets, but
21 also the co-benefits that I was very impressed Supervisor
22 Roberts so eloquently articulated in his opening remarks.

23 The transparency issue, which I think Ms. D'Adamo
24 and Ms. Berg highlighted, I would further like to
25 highlight. Because it's about sustainable communities and

1 unless you have community buy-in, I don't think it's going
2 to be sustainable, whatever plan that gets come up with.

3 So just would say further that whatever mechanism
4 that we come up with, I do think the Board has to stay on
5 top of this. I would like it to be efficient, not with 18
6 specific items, as Ms. Berg pointed out.

7 But I think if we don't do our job, we'll never
8 achieve that big picture improvements that Professor
9 Sperling wants us to get to.

10 With that, I turn it over to --

11 CHAIRPERSON NICHOLS: Okay. Here we go.

12 BOARD MEMBER ROBERTS: I never like to be last.
13 I don't know where you got that idea.

14 First of all, the model issue is a significant
15 issue. And I think you're all aware this is not something
16 that's going to get done in the next couple months.

17 And I think if you were to call Mr. Gallegos up
18 to the microphone, you would get a commitment. But it's
19 also something that we all have in commonality. There may
20 not be a model that will work over all 18 areas given,
21 some of the uniqueness of especially some of the real
22 rural areas, but I think certainly in the major larger
23 areas, we're going to benefit from one another's efforts.
24 And we're going to establish activity-based modeling
25 that's going to work.

1 But it's not going to happen this year and it's
2 not going to happen next year. But it will be on line
3 before four years. And we've set aside and already
4 developed a work plan for that. But if you need a
5 commitment for that, you get the guy who's job is on the
6 line to make those kind of commitments.

7 CHAIRPERSON NICHOLS: We're going to call him up
8 here.

9 BOARD MEMBER ROBERTS: And ask him.

10 There are a couple things. We need your help. I
11 think I would say this, everybody in local government.

12 You know, it's easy to be at the State level and
13 roll down these magnificent laws and then at the same time
14 start takking the money away to help us achieve these
15 things.

16 We have known for a long time that public transit
17 was the key. And as I stated earlier in my meetings in
18 Washington, we're going to get the money. But we know we
19 have the money locally right now. We could start
20 immediately. But it's almost a billion dollars for each
21 partner.

22 But San Diego has gone even further. Not only
23 have we set aside the money for the capital improvements,
24 we've set aside the money for the operating expenses and
25 the maintenance on those lines for the next 40 years. So,

1 you know, we're thinking ahead. We're trying to do a
2 really good job. But we've lost a couple partners along
3 the way. In the state of California, to approve this kind
4 of law and at the same time start reducing us
5 significantly in our transit funds is inexcuseable.
6 Inexcuseable. But I'm not going to get into that.

7 We need your help, because what we're trying to
8 do is win over the hearts and minds of the public. And
9 we're trying to advance those numbers. And we're trying
10 to advance that 2.1 to well beyond 2.5. And I'm confident
11 we're going to do that. But I can't from a model
12 standpoint show you that.

13 Let me share an anecdotal story that I think will
14 help put some of this in perspective, because it shows to
15 some extent the limitations of our planning and what's
16 really happening on the ground.

17 In the 80s when I was still practicing
18 architecture, one of the last projects that I did was down
19 in Mission Valley. And it was the first genuine mixed use
20 project in San Diego. And it was done for a major
21 development company -- travel company out of Dallas. And
22 it was done as a partnership with the property owner, the
23 Hazard family. Long time family in San Diego. And Mr.
24 Hazard when I suggested let's put a trolley stop on this
25 property, because looking ahead, this is really going to

1 be very important.

2 And Mr. Hazard looked at how many square feet
3 does all that track take up? "You want me to give that?
4 That's millions of dollars. This is crazy. I'm not going
5 to do that." And we debated this for months. And finally
6 I don't know what turned him around, but he said okay. He
7 wanted to do this.

8 It was supposed to be on the other side of the
9 river, and we were volunteering on this major piece of
10 property we'll take the trolley through and put a trolley
11 stop in.

12 We built this project out. You know what build
13 it out means. You put the parking in. You put the movie
14 theaters in. You put all the commercial in. You put the
15 office buildings in, and you put the hotel in. It was
16 built out.

17 And one of the things that I had always been
18 concerned about then, I thought we could have done the
19 density higher in the residential. It was residential on
20 the property also.

21 But it was like, okay. That's maybe a little too
22 forward looking. We're going to build this low-rise
23 stuff. It's high. It's multi-family connected. It's not
24 low rise. But it was relatively low rise.

25 Well, today, right now, a developer is going to

1 plunk down on top of that project two major condominium
2 projects with several hundred more units in it. And what
3 we found, we've got enough parking to do that. And we've
4 got the trolley station there to do that.

5 That doesn't show up in the zoning anywhere.
6 Doesn't show up in any future planning. It's going to
7 make a huge difference.

8 I guess what I'm saying as we build this
9 infrastructure, as we establish these stations, a couple
10 things happen. We get into areas of people who haven't
11 been using transit who become advocates for transit.
12 These are just people who are out there who haven't really
13 had a convenient way to access the system. So every time
14 we can expand -- and that's why the line I was talking to
15 you about earlier. That's why things like that I think
16 are so important. It helps create more people who maybe
17 see the world as some of us do and I think many of you
18 here do and what we would like to see happening.

19 It also takes all of the students -- it's going
20 to connect with UCSD -- who are advocates but can't really
21 take advantage of it. They probably become life-long
22 strong advocates, because then they can experience it
23 firsthand.

24 It's what we've seen in San Diego State when we
25 established a line there where we were like going up -- we

1 many fold over increased the ridership along that line.

2 And this is why I'm confident and optimistic.
3 When I started, I said we gave you a very conservative
4 look. The one thing I would say unequivocally nobody is
5 challenging, we are meeting the goals. When I hear about
6 this backsliding and all this, you know, that's based on a
7 view of the world that's kind of negative.

8 And I guess I'm more optimistic because I'm
9 experiencing daily that we are becoming far more urban in
10 San Diego. You've noticed the differences downtown. But
11 the differences in Mission Valley and the differences in
12 the university city area -- La Jolla with a very high
13 density with huge job generation. We're trying to move
14 people from the South Bay into those jobs. And transit is
15 the key.

16 So if you would bear with us, and if you'd give
17 our Executive Officer the discretion and allow him to --
18 don't take away his discretion. We're going to hear --
19 we're going to have some more meetings for each of those
20 plans probably to get a basis.

21 But I really expect that you will see that the
22 relationship between your staff and each of these groups
23 is going to make it a success. But you can't just impose
24 it blindly. And we do need to educate and bring people.

25 And we need to find the financialing tools.

1 Okay. Money is a key. I mean, we're sitting on a lot of
2 money for public transit in anticipation when we started
3 this whole and when we promised the voters what we were
4 going to do, you know, we've got a constrained plan that
5 we look at. And we've got an unconstrained plan. We
6 can't tell you we're going to be able to do the
7 unconstrained plan, because it says where does all this
8 money come from? Here's what we would like to do, but we
9 have to have the money for it. That's how we do our
10 planning.

11 I will guarantee you that you will see not just
12 in this current plan, but in four years from now, you're
13 going to have something that I think will continue to lead
14 the rest of the state.

15 In spite of the admonitions I heard about air
16 quality, we have improved our air quality every single
17 year. And it's the cleanest in my lifetime right now.
18 Doesn't mean we don't have to keep going. It means we
19 still have a lot of work to do. I know for every one of
20 those little kids that's out there with asthma, there is a
21 whole bunch of us that are committed to doing that.

22 CHAIRPERSON NICHOLS: Well, thank you.

23 BOARD MEMBER ROBERTS: I don't know if that's a
24 long-winded message.

25 CHAIRPERSON NICHOLS: It's actually a very

1 passionate message. I think San Diego -- I really mean
2 this sincerely -- is very fortunate to have so many people
3 who are committed, you know, to engagement here at the
4 civic level. And you have a COG, which is an MPO which is
5 compact enough and able to bring together the community in
6 so many ways and really move forward quickly, which is why
7 we're here first dealing with San Diego. So I thank you
8 for those comments.

9 Gary, I think let's just focus on the three
10 things that seem to be the ones that people are the most
11 concerned about. And I'll just tick them off. The
12 model -- to get a model which is more capable of
13 reflecting the greenhouse gas reductions from the SCS. I
14 personally don't believe that models -- maybe I'm wrong.
15 I'd be happy to be wrong. I think it's unlikely we're
16 going to ever get a model that will show you that putting
17 a traffic light at 5th and Main is going to get you any
18 greenhouse gas changes one way or the other. I think
19 we'll be lucky if we can get models that show us what
20 whole groups of strategies working together will do.

21 But you are, I know, planning on making
22 improvements in the model. We just want to make sure
23 that's on track and that's what you're planning to do for
24 the next round.

25 MR. GALLEGOS: Madam Chair, I would unequivocally

1 say that we do have an activity-based model that's under
2 development. These models are not something that you run
3 down to Microsoft and you buy one and plug it into your
4 computer. And I think these activity-based models have
5 the benefit that we were able to go down to the parcel
6 level rather than the zonal model we have today which
7 relies on zones. So I think we're going to see better
8 information.

9 We're on track to develop that model. I think
10 there's been a question of transparency. The new activity
11 based model that we're developing will be open source,
12 open code --

13 CHAIRPERSON NICHOLS: That is my second question.

14 MR. GALLEGOS: -- so that Everybody is going to
15 have a whack at it and see how it works. And our plan is
16 to have that model in place for the next update of the
17 RTP.

18 I do believe, though, that it's probably
19 important to manage expectations. Just because you go get
20 a better model, that's not going to get necessarily a
21 better answer. I think we're going to need more tools to
22 see where we're at. We're totally committed to doing
23 that.

24 I would also share with the Board we're pretty
25 responsible in that a lot of the model is also being

1 developed. We want to make sure it works before we turn
2 off the old one and not just come and say, hey, look at my
3 new model. And we're ready to go, and find out it didn't
4 work. We're on schedule, on task. The Board has adopted
5 a budget that has the funds and the time schedule to have
6 that done before we update our next model.

7 CHAIRPERSON NICHOLS: Thank you.

8 Well, the ability for the public or interested
9 groups who are capable of doing it to look inside the
10 model itself I think is really key.

11 And then the last one, which is not just about
12 modeling, but it was also a point that I think was made by
13 Stuart Cohen and others is the need to also engage in
14 looking at some alternative land use scenarios here.
15 Because it's not just about the mode split. It's also
16 about what you're doing with your land use. And you will
17 be doing a plan update.

18 Are you going to be able to also at that point
19 try to take a look at some different scenarios?

20 MR. GALLEGOS: We expect to do that as part of
21 the update of your regional comprehensive plan, which is a
22 broader plan. But you know, the San Diego way, if I can
23 characterize it that way, is we engage all our 18 cities
24 and the county and the land use piece. I think Supervisor
25 Roberts just highlighted -- and the County of San Diego is

1 an example. In the update of their general plan, they
2 down-zoned 30,000 parcels. We will continue to do some of
3 that scenario planning.

4 But I think one of the challenges that we face in
5 urban California, we've got three million residents living
6 in San Diego County today. We're forecasting that's going
7 to -- by 2050 it's going to grow by a million-three.
8 We're going to have an ability to change what happens in
9 that extra million-three that comes. But, you know, we're
10 not going to erase Escondido and move them someplace else.
11 Those some of the challenges we have, and we are committed
12 to doing that as part of the RCP.

13 I would share with the Board that that's
14 something that is a course of action and a practice that
15 San Diego has followed is to look at those scenarios. And
16 we did that at the risk of maybe trying to sort out some
17 of the confusion in terms of Board members asking where
18 are the scenarios at today. We did that even with this
19 Board at the point where we were doing target setting.
20 That's where we looked at a bunch of scenarios for us to
21 be able to advise you as to what targets we might be able
22 to meet.

23 And a lot of that scenario stuff that's happening
24 has happened and it's happened back home with our Board of
25 Directors and in public meetings and in a public setting,

1 which is why we're in to almost full employment act of the
2 planners. We finish one plan and we start update of the
3 second plan, because a lot of that does happen. But it
4 happens at the local level. And what we're bringing you
5 today is our plan as a result of that. And we believe
6 that plan meets the targets.

7 CHAIRPERSON NICHOLS: Thank you.

8 I think, Mr. Goldstene, you've received quite a
9 bit of direction from the Board at this point.

10 Do you feel --

11 MR. GALLEGOS: Madam Chair, could I have one
12 quick second? I thought the mode charts that were
13 highlighted, I think they prepared -- and this is right
14 out of the plan. So I'm taking work trips during the peak
15 period, which is where the demand is highest. Transit
16 share. If you look at 2008, existing 6.1 percent. We do
17 nothing, it goes down to 5.2 percent. Under our revenue
18 constrained planned at 2020, we grow that to 8.6 percent.
19 2035, we grow it to 10.7 percent. And at 2015, we grow it
20 to 11.1 percent, almost a doubling of the mode share on
21 transit during the peak of the peak when the demand is the
22 highest.

23 So I just thought it was important we clarify
24 that, because I'm not sure where the other numbers came
25 from, but this comes right out of the plan.

1 BOARD MEMBER SPERLING: Just for the record, I
2 was using all trips. Not commute trips. The statistics
3 that I was --

4 MR. GALLEGOS: And I think we got to be careful
5 about how we use the numbers, because I mean, it's pretty
6 easy to get anywhere in San Diego in the middle of the
7 night. But it's a lot tougher to get where you want to go
8 during the peak of the peak.

9 CHAIRPERSON NICHOLS: All right. We'll take you
10 guys take this one outside.

11 (Laughter)

12 CHAIRPERSON NICHOLS: Mr. Goldstene, are you
13 prepared to wrap this up?

14 EXECUTIVE OFFICER GOLDSTENE: Yes. Thank you.

15 That was a very helpful discussion. We, as
16 staff, feel like we have Board direction on how best to
17 move forward. I think the Board, as usual, and staff here
18 at ARB are committed to it, as open a process as possible.
19 We'll continue to work with all the MPOs at the staff
20 level and nudge them gently and actually sometimes not so
21 gently to keep things moving in the right direction. And
22 we'll keep the Board informed.

23 And as the Board wishes, we can decide how to
24 proceed in terms of how we bring each plan to the Board to
25 make sure that the Board is informed regularly on what's

1 going on. And then we can discuss further the idea of
2 even holding workshops that we have done successfully in
3 the past. That might be a way of also getting information
4 to the Board and to the public so we can have a
5 discussion.

6 The SCAG item is going to be extremely
7 complicated, and that might be one that would be ripe for
8 a workshop style forum if we want to do that.

9 CHAIRPERSON NICHOLS: I think that's a good
10 suggestion.

11 All right. We have two regulatory items left on
12 our agenda, but I think we should take a lunch break
13 before we do them. So we will try to be back at 2:00.

14 (Whereupon a lunch recess was taken.)
15
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AFTERNOON SESSION

1:57 p.m.

CHAIRPERSON NICHOLS: We still have a few Board members finishing up lunch in the back, but they can still hear us. So I think we should get started on the next item, which is the proposed amendments to the enhanced vapor recovery certification and test procedures.

This is a program that has been on the books since 1975 -- is that really right -- which we have amended a number of times over the years trying to get as many additional emissions reductions as we can through adopting new performance standards, as well as to constantly work to improve and clarify the certification and test procedures. So this is the latest round of updated amendments here.

And I will ask Mr. Goldstene to introduce the item.

EXECUTIVE OFFICER GOLDSTENE: Thank you, Chairman Nichols.

In 2000, the Board approved enhanced vapor recovery, or EVR, regulations which established new performance standards and specifications for vapor recovery systems installed at gasoline dispensing facilities or service stations.

Today's proposed amendments to the EVR

1 regulations serve to address an industry concern regarding
2 the effective date of new performance standards adopted by
3 the Board. The new effective date would be key to the
4 certification date of the new equipment, instead of being
5 established at the time of regulatory adoption.

6 In addition, you'll hear staff's proposal to
7 reduce emissions by limiting permeation from dispensing
8 hoses.

9 Staff is also proposing a number of amendments to
10 the certification and test procedures that will improve
11 clarity and flexibility.

12 I'll ask Scott Bacon from our Monitoring and
13 Laboratory Division to present the item. Scoot.

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

16 AIR POLLUTION SPECIALIST BACON: Thank you, Mr.
17 Goldstene. And good afternoon, Chairman Nichols and
18 members of the Board.

19 My name is Scott Bacon. I'm an Air Pollution
20 Specialist with the Monitoring and Laboratory Division
21 Vapor Recovery Certification Section.

22 I'm here to present proposed regulatory changes
23 to the enhanced vapor recovery program for gasoline
24 dispensing facilities.

25 Joining me is Jason McPhee, who is the lead staff

1 person for the low permeation hose portion of today's
2 proposal.

3 I'll start the presentation with a brief overview
4 of the vapor recovery program. Then I will discuss the
5 specific changes being proposed today.

6 --o0o--

7 AIR POLLUTION SPECIALIST BACON: California's
8 first regulations to control vapor emissions at gasoline
9 dispensing facility, or GDF, were adopted in 1975. Those
10 regulations have been amended many times over the past 36
11 years.

12 Significantly, a set of standards and
13 specifications, known as enhanced vapor recovery, or EVR,
14 was adopted by the Board in 2001. ERV includes stricter
15 performance standards, which reduced emissions as compared
16 to the technologies in use at the time.

17 EVR also includes improvements to ARB's
18 certification and test procedures as well as in-station
19 diagnostics to provide real-time monitoring of vapor
20 recovery equipment performance in the field.

21 EVR requirements for fueling facilities with
22 underground tanks were phased in from 2001 to 2010. EVR
23 for fueling facilities with above-ground tanks was
24 approved by the Board in 2008 and is currently being
25 phased in.

1 --o0o--

2 AIR POLLUTION SPECIALIST BACON: The EVR program
3 has a large impact on statewide emissions. Overall,
4 statewide reductions from the vapor recovery program are
5 estimate at 372 tons per day of reactive organic gas. Of
6 that, 25 tons per day reduction results from the
7 improvements for enhanced vapor recovery.

8 --o0o--

9 AIR POLLUTION SPECIALIST BACON: The statewide
10 emissions reduction is equivalent to saving about 120,000
11 gallons of a day of liquid gasoline, which is roughly
12 equivalent to the amount of gasoline carried by 15
13 delivery tanks. This reduction is accomplished by
14 controlling emissions during the transfer of fuel from the
15 delivery truck to the dispensing facility's storage tank,
16 which is referred to as Phase I vapor recovery and by
17 controlling emissions during the transfer of fuel from the
18 storage tank to the vehicle, which is referred to as Phase
19 2 vapor recovery.

20 --o0o--

21 AIR POLLUTION SPECIALIST BACON: This chart
22 provides some perspective on the size of reactive organic
23 gas emissions reductions associated with vapor recovery
24 when compared to other ARB control measures for the south
25 coast air basin. Vapor recovery is one of the largest

1 reactive organic gas control measures.

2 --o0o--

3 AIR POLLUTION SPECIALIST BACON: Based on the
4 brief background I've provided, you can see the EVR
5 program has a long history and makes a significant
6 contribution toward reducing emissions of reactive organic
7 gas. Now, I'm going to detail the regulatory changes that
8 are currently being proposed.

9 First, in response to requests from industry
10 representatives, we are proposing a clarification to
11 statutory language that allows existing gasoline
12 dispensing facilities four years to upgrade their
13 equipment to meet newly approved standards.

14 Second, we are proposing a new permeation
15 standard for hoses used for fuel dispensing.

16 And finally, since the rulemaking process is
17 being undertaken for those two substantive changes, we are
18 also taking the opportunity to include several minor
19 administrative changes to our EVR certification and test
20 procedures.

21 --o0o--

22 AIR POLLUTION SPECIALIST BACON: I will now
23 provide some detail on the proposed changes to help
24 clarify the four-year time frame for upgrading equipment
25 at existing gasoline dispensing facilities.

1 This change was specifically requested by
2 industry to help them better plan for any upgrades to
3 vapor recovery equipment that may be required in the
4 future.

5 Currently, whenever a new performance standard is
6 adopted, it is assigned an effective date by ARB.
7 California statute allows four years from that effective
8 date for all existing facilities the upgrade to the new
9 standard. The effective date is forward looking,
10 requiring ARB to estimate when new equipment might be
11 commercially available and certified for use.

12 This approach has been problematic in cases where
13 it took longer than expected to develop and certify ERV
14 systems. Delays and changes to the effective date make it
15 difficult for facilities owners to accurately plan for
16 upgrades.

17 The California Independent Oil Marketers
18 Association, or CIOMA, communicated to us that addressing
19 this issue for any future changes to ERV was a high
20 priority for their members. We've responded to their
21 request with today's proposal, which would define the
22 effective date as the date when the first system is
23 certified to meet a new standard or certification. This
24 will eliminate the possibility that the effective date
25 could occur before any system is certified. It will also

1 ensure that all existing facilities will have a full four
2 years from the first equipment certification date to
3 upgrade their existing equipment.

4 --o0o--

5 AIR POLLUTION SPECIALIST BACON: This proposal
6 will apply only to standards and specifications with an
7 effective date after January 1st, 2012. ARB will maintain
8 a list of the effective dates based on when equipment is
9 certified. In order to clearly communicate to the
10 regulated community, that list will be posted to ARB's
11 vapor recovery website and distributed electronically to
12 our interested parties each time it is updated.

13 This proposal also includes a mechanism to deal
14 with cases where the certified system is not compatible
15 with a specific type or category of GDF. If ARB
16 determines that the certified system is incompatible with
17 a certain type of GDF, the effective date for upgrading
18 that type of GDF will be delayed until a compatible system
19 is certified. Again, this change is being proposed in
20 response to input from industry.

21 --o0o--

22 AIR POLLUTION SPECIALIST BACON: Now that we've
23 covered the four-year clock proposal, I will move on to
24 discussing the next part of the proposed regulation, a
25 permeation standard for hoses at gasoline dispensing

1 liquid pathway.

2 --o0o--

3 AIR POLLUTION SPECIALIST BACON: CARB staff has
4 performed several GDF hose permeation tests over the
5 course of developing today's proposed standard. In these
6 tests, the permeation rate was determined by filling the
7 hose with gasoline and weighing the hose over a period of
8 time to determine weight loss.

9 This slide shows the method used for storage and
10 weighing of the hose. Similar tests were conducted by UL
11 while developing their standard.

12 Results from tests of existing hoses provide the
13 basis for our uncontrolled emissions estimates. Testing
14 was also conducted with low permeation sample hoses
15 provided by various manufacturers. These hoses include an
16 additional barrier layer that serves to inhibit fuel
17 permeation. The results of tests on low permeation sample
18 hoses provided the basis for the new UL permeation
19 standard, which is identical to our proposal.

20 --o0o--

21 AIR POLLUTION SPECIALIST BACON: In addition to
22 the positive results of our in-house testing, we are
23 confident that the feasibility of low permeation hose
24 technology, because it is already being applied in other
25 product categories that CARB regulates, such as small

1 off-road engines and low emission vehicles. We expect
2 that hose manufacturers will be able to transfer the
3 existing low permeation barrier technologies used in those
4 applications to fuel dispensing hoses.

5 --o0o--

6 AIR POLLUTION SPECIALIST BACON: Staff estimates
7 that the proposed low permeation hose standard will effect
8 66,000 hoses statewide, which is approximately 68 percent
9 of all gasoline dispensing hoses used in California.
10 Upgrading those 66,000 hoses to meet the new permeation
11 standard will result in an emissions reduction of
12 approximately one ton per day.

13 Based on input from hose manufacturers, the cost
14 of affected hoses is expected to increase by one dollar
15 per foot, or ten dollars for a typical ten-foot hose used
16 for fuel dispensing.

17 The value of gasoline saved due to lower
18 permeation over the anticipated two-year life of the hose
19 would more than offset the increased cost, resulting in an
20 overall savings of nine cents per pound of emissions
21 reduced.

22 --o0o--

23 AIR POLLUTION SPECIALIST BACON: In addition to
24 the proposals on the four-year clock and gasoline
25 dispensing hose permeation, we are also proposing several

1 the cause and frequency of these alarms, and we will
2 return to you with solutions next year.

3 We will also look for opportunities to refine
4 existing field test procedures which are used for
5 compliance testing. Our goal is to make these procedures
6 simply and easier to use.

7 Staff also recognizes the need to reconcile our
8 current EVR program with the increased presence of
9 vehicles equipped with on-board re-fueling vapor recovery,
10 or ORVR, since these ORVR systems are designed to control
11 the same vehicle refueling emissions as Phase 2 vapor
12 recovery systems.

13 As you can see, there will be a number of future
14 changes to the vapor recovery program for the Board to
15 consider. We will continue to work with industry and the
16 local air districts to improve the program.

17 --o0o--

18 CHAIRPERSON NICHOLS: Thank you.

19 Any further comments, Mr. Goldstene?

20 EXECUTIVE OFFICER GOLDSTENE: No. We don't have
21 of any further comments.

22 CHAIRPERSON NICHOLS: Seems pretty straight
23 forward.

24 I see there is only one witness, but we will hear
25 from Will Barrett.

1 MR. BARRETT: Good afternoon. Will Barrett with
2 the American Lung Association California.

3 We do appreciate staff's work to clarify the
4 regulations and your willingness to continue to look for
5 new avenues for cost-effective emission reductions.

6 We also appreciate your work with the diverse
7 underwriters laboratory panel that helped to inform the
8 development of this new proposal.

9 And just briefly, we do support the proposed
10 amendments specifically support the permeation limit for
11 hoses -- fuel dispensing hoses. We feel this proposal
12 provides a significant level of emission reductions at a
13 low cost.

14 It's an important new tool for our ongoing
15 efforts for cleaner air and better public health in
16 California.

17 We do support the new limit for fuel hoses and
18 urge the Board to adopt this cost-effective proposal that
19 will clean the air and save consumers money.

20 Thank you very much.

21 CHAIRPERSON NICHOLS: Thank you.

22 If there is no further comment, I want to
23 congratulate you on having succeeded in getting this thing
24 to the point where we don't have anybody who is
25 complaining about it. I'm not sure what that means. It

1 may be a historic first.

2 BOARD MEMBER RIORDAN: Madam Chairman, I would
3 certainly support and would move the approval of the
4 motion. And maybe what it is is, you know, when you can
5 make an improvement and you have cost savings that will
6 pay for it --

7 CHAIRPERSON NICHOLS: That would seem like a
8 no-brainer.

9 BOARD MEMBER RIORDAN: Just a wonderful
10 opportunity.

11 I would move Resolution 11-29.

12 CHAIRPERSON NICHOLS: Thank you. Do we have a
13 second?

14 BOARD MEMBER YEAGER: Second.

15 CHAIRPERSON NICHOLS: All in favor, please say
16 aye.

17 (Ayes)

18 CHAIRPERSON NICHOLS: Done. Thank you.

19 While the team for this rule are coming forward,
20 this is another set of amendments to an existing rule.
21 This is the one relating the mobile cargo handling
22 equipment at ports and intermodal rail yards.

23 And part of -- I didn't ask if anybody had any ex
24 partes on the last rule. I trust nobody did. Okay. I
25 think there may be some on this one. I have one.

1 This is on the mobile cargo handling equipment
2 and it relates ports and rail yards. So there is always
3 interesting issues when we get to ports and rail yards.
4 And we are continuing our efforts to try to reduce
5 emissions at these facilities.

6 But at the same time, this set of amendments is
7 before us, because we also are trying to give flexibility
8 to these who have to comply.

9 So with that, I'm ready to turn it over to the
10 staff.

11 EXECUTIVE OFFICER GOLDSTENE: Thank you, Chairman
12 Nichols.

13 Today, we're proposing amendments to the
14 regulation for mobile cargo handling equipment at ports
15 and intermodal rail yards. These amendments will help
16 ensure that the regulation continues to achieve
17 significant cost effective emission reductions.

18 As you know, these facilities are often located
19 in densely populated areas, exposing residents to
20 unhealthy levels of pollution.

21 The primary purpose of the proposed amendments is
22 to provide additional flexibility to cargo handling
23 equipment owners and operators, while continuing to reduce
24 emissions of diesel PM and NOx to maintain the anticipated
25 emissions reduction benefits of the regulation and to make

1 clarifying changes.

2 I'll ask Kirk Rosenkranz of our Stationary Source
3 Division to make the staff presentation.

4 (Thereupon an overhead presentation was
5 presented as follows.)

6 AIR POLLUTION SPECIALIST ROSENKRANZ: Thank you,
7 Mr. Goldstene.

8 Good afternoon, Madam Chairman and members of the
9 Board.

10 Today, I will be presenting staff's proposed
11 amendment to the regulations for mobile cargo handling
12 equipment at ports and intermodal rail yards.

13 --o0o--

14 AIR POLLUTION SPECIALIST ROSENKRANZ: Shown here
15 are the topics I will be discussing today. I will begin
16 by providing a brief overview of the current regulation
17 for mobile cargo handling equipment at ports and
18 intermodal rail yards for the regulation.

19 I will then discuss the proposed amendments of
20 the regulation and the impacts of those amendments.

21 I will discuss staff's proposed 15-day changes to
22 the proposed amendments, and I will then discuss the
23 future activities related to the regulation and conclude
24 with a summary and staff's recommendations.

25 --o0o--

1 AIR POLLUTION SPECIALIST ROSENKRANZ: First, I
2 will give a brief overview of the current regulation.

3 --o0o--

4 AIR POLLUTION SPECIALIST ROSENKRANZ: The
5 regulation for mobile cargo handling equipment at ports
6 and intermodal rail yards was approved by the Board in
7 December 2005, and implementation began in January 2007.

8 The regulation establishes best available control
9 technology for new and in-use cargo handling equipment, or
10 CHE, operating at California's ports and intermodal rail
11 yards. The regulation also includes recordkeeping and
12 reporting requirements for CHE owners and operators.

13 --o0o--

14 AIR POLLUTION SPECIALIST ROSENKRANZ: This slide
15 provides an overview of requirements for new and in-use
16 CHE.

17 CHE can be divided into two categories: Yard
18 trucks and non-yard truck equipment. Over half of all
19 cargo handling equipment are yard trucks. Yard trucks are
20 tractors that move cargo containers within the terminal or
21 intermodal rail yard boundaries. There is a picture of a
22 yard truck on a later slide. These vehicles produce over
23 half of the emissions from CHE. The new and in-use
24 requirements for yard trucks are more stringent than for
25 non-yard trucks and require either on-road engines or

1 off-road engines meeting Tier 4 final standards when they
2 become available in 2014 or 2015.

3 Non-yard truck equipment include both container
4 handling and bulk handling equipment, such as rubber tire
5 gantry cranes, loaders, and dosers. Pictures of these
6 equipment can be found throughout the presentation.

7 New non-yard truck equipment must be equipped
8 with an engine meeting the current on-road or off-road
9 standards. And if not Tier 4, must be retrofitted with
10 the highest level verified diesel emission control
11 strategy, or VDECS, within one year of purchase, lease, or
12 rental.

13 Additionally, there is a phase-in schedule for
14 in-use yard trucks to be replaced with new and for in-use
15 non-yard truck equipment to be either retrofitted with the
16 highest level VDECS or replaced with new engines that meet
17 new, cleaner engine standards.

18 --o0o--

19 AIR POLLUTION SPECIALIST ROSENKRANZ: The cargo
20 handling equipment regulation is anticipated to reduce
21 cargo handling equipment PM emissions by 85 percent and
22 NOx by 75 percent by 2020. The proposed amendments to the
23 regulation will maintain these goals.

24 --o0o--

25 AIR POLLUTION SPECIALIST ROSENKRANZ:

1 Implementation of the CHE regulation has resulted in
2 significant benefits over the last five years as in-use
3 equipment has been brought into compliance with the
4 regulation and the new cleaner technologies have been
5 introduced, as shown in this slide.

6 These cleaner technologies include hybrid
7 equipment, as well as electric yard trucks, which are
8 currently in the development and demonstration phases.

9 ARB has requested authorization from the U.S. EPA
10 to enforce the in-use and retrofit provisions of the
11 regulation. Despite lacking U.S. EPA authority,
12 compliance with the regulation has been high and has
13 resulted in significant emissions reductions at
14 California's ports and intermodal rail yards.

15 As a result of this regulation, CHE are required
16 to meet very stringent requirements, at least five years
17 earlier than similar off-road equipment that are subject
18 to the in-use off-road equipment regulation.

19 During regulation implementation, staff has
20 recognized opportunities to improve the regulation.

21 --o0o--

22 AIR POLLUTION SPECIALIST ROSENKRANZ: There is a
23 picture of a yard truck light there. I would like now to
24 discuss staff's proposed amendments to the CHE regulation.

25 --o0o--

1 AIR POLLUTION SPECIALIST ROSENKRANZ: During the
2 first years of implementation, staff has recognized
3 opportunities to provide some additional compliance
4 flexibility for CHE owners/operators while maintaining the
5 anticipated emissions reductions. Additionally, there was
6 opportunity to clarify the regulatory language.

7 --o0o--

8 AIR POLLUTION SPECIALIST ROSENKRANZ: The
9 implementation issues we are addressing with the
10 amendments are summarized on the slide. I will discuss
11 these in the following slides.

12 --o0o--

13 AIR POLLUTION SPECIALIST ROSENKRANZ: We are
14 proposing to add flexibility for low-use specialty
15 equipment that operate less than 200 hours annually and
16 equipment for which VDECS are not yet available.

17 Equipment that operate less than 200 hours
18 annually would be eligible for two one-year compliance
19 extensions, and equipment for which there are no VDECS
20 available would be eligible for an additional two one-year
21 compliance extensions. These are time limited extensions
22 and not exemptions.

23 The proposed amendments also provide additional
24 flexibility to promote the development and use of cleaner
25 technologies.

1 --o0o--

2 AIR POLLUTION SPECIALIST ROSENKRANZ: Staff is
3 proposing two amendments to ensure that the anticipated
4 emissions reductions with the regulation occur. These
5 include an amendment to require transitional Tier 4
6 engines certified to less stringent standards to be
7 retrofitted with highest level VDECS available within one
8 year of purchase, lease, or rental and initiating a CHE
9 opacity-based monitoring program which I will describe in
10 the next slide.

11 --o0o--

12 AIR POLLUTION SPECIALIST ROSENKRANZ: The
13 proposed opacity-based monitoring program would require
14 cargo handling equipment to be monitored for exhaust
15 opacity on an annual basis. This program would be similar
16 to ARB's heavy-duty diesel vehicle smoke inspection
17 program for heavy-duty diesel trucks and buses.

18 The amendment includes a phased-in schedule and
19 would require that equipment that exceeds established
20 limits be repaired prior to being put back into use. The
21 limits established are based on a correlation developed by
22 ARB staff.

23 Limits for retrofitted engines would be those
24 established by the VDECS manufacturers for the product
25 installed on the engine.

1 Retrofitted equipment could be tested when a
2 VDECS was removed for cleaning or inspection. All other
3 equipment, including certified engines with an engine
4 integral diesel particulate filter, would be tested as
5 normally operated. There would be no need to remove any
6 original exhaust after-treatment control equipment prior
7 to opacity testing.

8 --o0o--

9 AIR POLLUTION SPECIALIST ROSENKRANZ: The rural
10 small port exemption addresses a request from the North
11 Coast Unified Air Quality Management District to exempt
12 equipment operating at the port of Humboldt Bay from the
13 CHE regulation.

14 The Port of Humboldt Bay primarily serves the
15 local lumber industry. As a result, the port only
16 receives one or two wood chip and log barges per month.

17 The exemption would apply to ports located at
18 least 75 miles from the nearest urban area with an annual
19 average throughput of less than a million tons. The Port
20 of Humboldt Bay would be the only California port eligible
21 for this exemption.

22 The exempted equipment would be subject to the
23 in-use off-road equipment regulation. In addition, there
24 is a provision to trigger the CHE regulation requirements
25 if the port's throughput exceeds the specified limit.

1 --o0o--

2 AIR POLLUTION SPECIALIST ROSENKRANZ: Staff is
3 also proposing amendments that would modify existing
4 definitions and add definitions to clarify intent.

5 --o0o--

6 AIR POLLUTION SPECIALIST ROSENKRANZ: I will now
7 like the provide information on the predicted impacts of
8 the proposed amendments.

9 --o0o--

10 AIR POLLUTION SPECIALIST ROSENKRANZ: The current
11 CHE regulation is estimated to result in approximately 600
12 tons of PM reduction and 8,000 tons of NOx in the 2012
13 through 2020 time period. When compared to these
14 reductions, the net environmental impact of the amendments
15 is an additional five percent reduction in diesel PM
16 emissions and a slight, about two percent, reduction in
17 NOx benefits.

18 However, staff is proposing 15-day changes that
19 provide opportunities to achieve additional NOx benefits.
20 I will discuss the proposed 15-day changes shortly.

21 ARB staff will monitor the reductions achieved by
22 the regulation through the regulation's reporting and
23 recordkeeping requirements and updates to the off-road
24 model.

25 --o0o--

1 AIR POLLUTION SPECIALIST ROSENKRANZ: Staff has
2 determined that there are both costs and cost savings
3 associated with the proposed amendments with an overall
4 net savings of one to \$2 million over the next ten years.
5 The basic cost effectiveness of the CHE regulation remains
6 the same as originally estimated.

7 --o0o--

8 AIR POLLUTION SPECIALIST ROSENKRANZ: Staff is
9 proposing modifications to the amendments in response to
10 comments during the 45-day public comment period. If
11 approved in concept by the Board today, these
12 modifications summarized on this slide would be further
13 developed and released for a 15-day public comment period.

14 Some comments encourage ARB to strengthen its
15 support of the introduction of zero and near zero
16 technologies in CHE fleets. In an effort to encourage the
17 introduction of ultra clean technologies at ports and
18 intermodal rail yards, staff is proposing to following
19 changes:

20 Allowing yard trucks to be included in
21 alternative compliance plans. This provision would
22 provide opportunity for operators to benefit by stepping
23 out and acquiring these emerging technologies.

24 Also, owners or operators who apply for an
25 additional years of the no VDECS available compliance

1 extension would be required to install, where feasible,
2 electric or hybrid equipment.

3 In support of this, ARB will be conducting a CHE
4 technology assessment of zero and near zero emission
5 technologies as part of ARB's broad strategy to develop a
6 more efficient freight transportation system. This
7 assessment will include an evaluation of cost
8 effectiveness as well as feasibility and is planned to
9 occur next year.

10 Equipment seeking the third extension year prior
11 to the technological assessment would be able to obtain a
12 one-year extension. However, once the assessment is
13 concluded, future extensions would be structured to
14 encourage and incentivize ultra clean technology in
15 conjunction with the extension.

16 Other changes proposed by staff as shown on this
17 slide include restricting the dirtiest engines from
18 receiving the third or fourth no VDECS available extension
19 year and exempting equipment four years old and newer from
20 the opacity monitoring requirement.

21 Also, based on a recent informal comment, we
22 suggest adding a regulatory provision requiring engine
23 sellers to disclose to purchasers of CHE engines certified
24 to the Tier 4 family emissions limit alternative PM
25 standards that the engine is subject to retrofit

1 requirements.

2 --o0o--

3 AIR POLLUTION SPECIALIST ROSENKRANZ: In closing,
4 staff will continue to monitor the development and use of
5 cleaner technologies on CHE and has committed to hold
6 periodic technical meetings with the different
7 stakeholders to discuss progress and ongoing CHE technical
8 issues.

9 And as mentioned earlier, ARB staff will conduct
10 an assessment of ultra clean technologies in 2012 as part
11 of developing our sustainable freight transport system
12 strategy.

13 --o0o--

14 AIR POLLUTION SPECIALIST ROSENKRANZ: In summary,
15 the proposed amendments provide CHE owners/operators with
16 additional compliance flexibility, while maintaining and
17 potentially enhancing the emissions benefits associated
18 with the current regulation and result in a small net cost
19 savings for CHE owners and operators.

20 --o0o--

21 AIR POLLUTION SPECIALIST ROSENKRANZ: In
22 conclusion, staff recommends that the Board adopt the
23 proposed amendments to the current regulation with the
24 proposed 15-day changes.

25 That concludes my presentation. At this time, we

1 would like to respond to any questions the Board may have
2 about our proposal.

3 CHAIRPERSON NICHOLS: Any questions before we
4 hear from the witnesses?

5 We do have 11 people that have signed up to speak
6 on there item. Okay. If not, let's get started with Bob
7 Phipps from Bettendorf Trucking and then Gary Rynearson
8 from Green Diamond Resources.

9 MR. PHIPPS: Good afternoon, Madam Chair and
10 ladies and gentlemen of the Board.

11 My name is Bob Phipps. I work with Bettendorf
12 Trucking in Arcada, California along Humboldt Bay, and I
13 have a few brief comments regarding rural low throughput
14 port of Humboldt Bay as it fits into these proposed
15 amendments.

16 First, on behalf of Humboldt Bay stakeholders, I
17 wish to extend our recognition and appreciation of the
18 dedication and hard work of your mobile cargo equipment
19 staff.

20 Regarding the economic and air quality realities
21 of Humboldt Bay, we have all been impressed by staff's
22 efforts to hear all the facts and verify conditions of
23 on-site investigation, weigh the options, and come to a
24 fair proposal for our compliance.

25 In their report discussing these proposed

1 amendments, staff notes several important points regarding
2 Port of Humboldt Bay and how our conditions are so
3 different from Los Angeles, Long Beach, Oakland, and other
4 ports this law was designed to address. Allow me to
5 briefly touch on a few points that staff recognizes.

6 Point: Humboldt Bay is an isolated small port in
7 the northwest corner of the state. We are a captive air
8 basin with minimal PM challenges and full compliance with
9 NOx standards. Our local North Coast Air Quality District
10 has been an advocate for us and a strong supporter of
11 staff's proposed changes from an air quality standpoint.

12 Point: We are a small population community
13 separated from the rest of California by mountain roads
14 and substantial distance. We lost our railroad connection
15 in 1998. It's not coming back. We cannot economically
16 compete with other California ports, even if we wanted to.

17 Point: Our economy remains primarily forest
18 products. And this historically drove local port activity
19 with shipments of pulp, shipments the wood chips and logs.
20 The recession saw a collapse in the economy, particularly
21 due to the west coast housing market. And we've seen the
22 permanent closure of our pulp mill that took 200 jobs with
23 it, the closure of several area saw mills and the
24 down-sizing of remaining mills.

25 We are now seeing some small scale recovery, but

1 port activity will likely never again regain 2005 levels.
2 Staff notes that our shipping tonnage dropped from 800,000
3 tons in 2005 to 90,000 tons in 2009.

4 As a comparative land base measure, in 2006,
5 Bettendorf Trucking hauled 120 chip loads per day into the
6 port area. By 2010, this had dropped to 15.

7 Staff notes that our forest products industry is
8 seasonal, with activity occurring between May and October
9 and also an industry with year-to-year production
10 fluctuation. As a result, the approximately 20 pieces of
11 port equipment work part-time only and total emissions are
12 noted to be less than one percent of either Los Angeles or
13 Long Beach.

14 As the following speakers will note, our port
15 operators have worked to comply with the law and restart
16 at least some port activity. Our tonnage and our
17 emissions will remain well below past levels for some time
18 and economic success is not guaranteed.

19 Recognizing this -- I was trying to beat the
20 clock.

21 Recognizing this, staff has proposed amendments
22 that provide economic relief and yet still achieve desired
23 emission improvements for our community in a realistic
24 time frame. This process has been a result of win-win
25 approach to these objectives, and the staff is to be

1 recognized for their efforts.

2 We urge the Board to adopt the rural load
3 throughput port revision the staff is proposing.

4 Thank you for your attention.

5 CHAIRPERSON NICHOLS: Thank you.

6 Gary Rynearson. Nice to see you, sir.

7 MR. RYNEARSON: Nice to see you, Madam Chair.

8 Madam Chair, members of the Board, my name is
9 Gary Rynearson. I'm here representing Green Diamond
10 Resource Company and California Redwood Company, our
11 sister company. We have operations in Humboldt County and
12 timber lands in Humboldt, Del Norte, and Trinity County.

13 Humboldt Bay is the only -- I'm here to support
14 the small port exemption that's proposed in this
15 regulation.

16 We're the only -- Humboldt Bay is the only port
17 north of San Francisco -- deep water port. The next port
18 is Coos Bay. This port is critical infrastructure to the
19 integrated forest products community that's in Humboldt
20 Bay.

21 When we lost the pulp mill several -- few years
22 ago, that was a critical piece of infrastructure that went
23 away, because that was the only facility that took the
24 high quality chips that come either from our woods
25 operations or a byproduct from saw mills. Right now, the

1 only option for those high quality chips, which go into to
2 make either fiber such as rayon or paper products, is to
3 transport over water. That's why this port is very
4 critical.

5 The other thing that the port allows is the
6 transportation of material that otherwise would be left in
7 the woods. These are logs that don't have any merchant
8 ability for lumber or kettle logs that no other value
9 other than to be made into chips that are then made into
10 paper or other products. So this port allows that to
11 occur.

12 Also, the port provides landowners more options
13 for the marketing of their forest product. This is
14 especially true of the small landowners.

15 We're currently still suffering and have been for
16 a few years now, along with the rest of the nation, severe
17 economic times. We are oftentimes the first ones out and
18 the last ones back in, because we rely on the housing
19 market.

20 And you all know, there is a huge, huge supply of
21 houses that are out there from the foreclosure. People
22 aren't building houses right now. So the opportunity for
23 additional marketing opportunities for landowners,
24 50 percent of whom are small industrial landowners is
25 significant issue. This port allows that.

1 A few years ago, a certain tree species, a
2 species that aren't typically utilized locally, such as
3 spruce and hemlock had absolutely zero economic value.
4 Landowners could not remove these trees. And even some of
5 the douglas fir that had to hire transportation harvesting
6 costs could not remove these trees or harvest these trees
7 and receive any positive cash flow whatsoever.

8 So the port helps create additional marketing
9 opportunities and also additional competition. So the
10 port this year has been a bright spot. Without the port
11 and without the machinery that handle logs and delivers
12 them alongside ship, things would be very difficult.

13 The other issue associated with the ports,
14 especially with the log handling, is it's very episodic.
15 I won't say sickly because there really isn't a
16 predictable cycle. Those markets come and go quickly.
17 We're in a period where there is a positive market. That
18 market could go away very quickly.

19 Asking operators of these port facilities that
20 have the log handling machinery to put a lot of money
21 forward to upgrade that machinery without any guaranteed
22 future would be very difficult.

23 Thank you for your time. Again, thank the staff.
24 The staff took the time to come and visit our area, visit
25 the ports, met the people and talked to them. And we

1 greatly appreciate that. This is a great example of how
2 rule making really ought to be done. Thank you.

3 CHAIRPERSON NICHOLS: Thank you.

4 Theresa Livingston and then Henry Hogo.

5 MS. LIVINGSTON: Good afternoon, Board members.
6 Thank you very much for allowing me to come and comment.

7 My name is Theresa Livingston. I'm with Sierra
8 Pacific Industry in Eureka, California. We operate a
9 small log and chip handling facility there on the port of
10 Humboldt. We've been complying with the mobile cargo
11 handling regulation since 2007. We've installed VDECS and
12 removed nearly half of our equipment in order to comply.
13 We've requested and obtained all the extensions available
14 to us under the regulation.

15 The current and economic conditions will not
16 allow us to replace the machinery, and there are no VDEC
17 available for our machinery. Unless the proposed
18 amendments are accepted, we will be required to eliminate
19 key equipment to operate by the end of this year and the
20 rest of the equipment by the end of 2012 if the EPA waiver
21 is granted.

22 I have to say we really appreciate CARB's
23 efforts. And the staff, as previous speakers have said,
24 have come up and spent time with us and looked at our
25 situation and really worked diligently to try to come up

1 with something that would accommodate our struggling
2 industry. And we know it hasn't been an easy task, and we
3 commend them, and we urge you to support their proposals.
4 Thank you.

5 CHAIRPERSON NICHOLS: Thank you.

6 I have to say, having been to that part of the
7 state myself a few times, it's not that much of a hardship
8 to go up and visit. But I'm glad they did it.

9 Okay. Mr. Hogo followed by Tom Szwajkos.

10 MR. HOGO: Good afternoon, Madam Chair, members
11 of the Board.

12 I'm Henry Hogo, Assistant Deputy Executive
13 Officer at the South Coast AQMD.

14 We have submitted a letter in support of the
15 amendments being proposed by staff, and we do want to
16 highlight a couple points from our letter.

17 We do agree with the need for compliance
18 flexibility relative to the use of these equipment. We
19 want be careful on the low-use compliance option that want
20 to limit to the degree feasible the number of equipment
21 that's defined as low use, carefully monitor how these
22 equipment are used, and phase out these older equipment as
23 early as possible.

24 We don't support increasing the number of hours
25 that are being proposed from the 200 hours to anything

1 higher, because we believe that we still have exposure of
2 these diesel -- exposure of these equipment in the rail
3 yard complex or the port complex and the surrounding
4 communities. And we do have concern with increasing hours
5 in that definition.

6 We do support the opacity-based monitoring
7 program. We believe that's the necessary program to
8 ensure that these equipment are operating at their
9 specified emissions levels. And we do support that.

10 We also support the technology assessment program
11 that's being proposed by staff. They strongly believe
12 that zero emission equipment are available in certain
13 locations for cargo handling equipment. And we see more
14 and more of them coming on line.

15 We do see opportunities to increase or accelerate
16 the deployment of these zero emission equipment, and we
17 have been talking with staff about other approaches
18 similar to your off-road regulation and your truck and bus
19 regulation that provides additional credits to early
20 adopters of zero emission equipment. And we believe that
21 can provide more flexibility to the program.

22 And lastly, we did want to point out that
23 relative to the rail yard commitment process that we
24 believe that ARB should be working on a backstop
25 provision, should the rail yard commitment process fall

1 through or if the railroads do not meet their commitments.

2 These provisions can be developed today and would
3 only be triggered if either those two situations occur.
4 We believe that we should have that in place and not wait
5 until something falls through.

6 So thank you for the opportunity to comment.

7 CHAIRPERSON NICHOLS: Thank you.

8 Tom Szwajkos.

9 MR. SZWAJKOS: Good afternoon. My name is Tom
10 Szwajkos. I'm the purchasing, facilities, and maintenance
11 manager for Yusen Terminals. I currently supervise 50
12 ILWU mechanics.

13 Yusen is a division of NYK shipping lines, which
14 is totally committed to supporting and protecting the
15 environment. Our costs, though, to support this effort is
16 increasingly dramatically, while industry profits are
17 decreasing due to excess capacity, price for shipping
18 products and container are at an all-time low, and the
19 Panama Canal expansion will also hinder growth in the
20 coastal ports.

21 Due to emissions requirements, the yard tractors
22 cost \$35,000 more than they did three years ago. For me
23 to purchase 30 trucks, which are required in 2012, it's
24 going to cost an additional million-fifty thousand
25 dollars. A top handler cost has gone up \$61,000 in

1 two years. Again, all due to emissions requirements,
2 which will cost me an additional \$244,000 in 2012. As a
3 purchasing person, this kills me.

4 DPF maintenance, I want to refer to my
5 attachment. A current cost to clean the DPF is \$450. The
6 DPF manufacturers are telling us 1,000 hours for this deep
7 cleaning. We're currently doing it at 600 hours. If you
8 look at a typical machine running 300,000 hours a year,
9 I'm cleaning it five times with my cost of labor and
10 everything included is \$2800 per piece of equipment. And
11 when you have 64 of them, it's \$179,000 per year.

12 Now CARB wants to add opacity testing. The
13 opacity testing equipment is 5600 to \$10,000. Labor costs
14 to complete this test is approximately three hours. The
15 cost to complete the testing is going to be approximately
16 \$330 a unit. If I look at all my equipment, it's over
17 \$60,000 a year.

18 Our concern is that the port operations are
19 taking the brunt of the regulations. All off-road
20 equipment in the L.A. Basin should be under the same
21 regulations.

22 Further, ARB needs to require additional duty
23 cycle testing in the field before approval of an emissions
24 device. Cummins, with all their engineering resources,
25 had issues with the EPA 2007 engine. Any point in time, I

1 had 16 to 22 pieces of equipment out of service when we
2 went over to the on-road engine. I'm expecting the same
3 issues with the 2011 EPA engine.

4 ARB is expecting a small DPF manufacturer with
5 limited engineering resources to design and build a piece
6 of equipment, a DPF, and it works fine in the laboratory
7 environment, but when you put it in our environment, it
8 fails miserably. All we're asking is a consistent level
9 playing field in the regulations. Thank you.

10 CHAIRPERSON NICHOLS: Thank you. I may have
11 missed it, but which ports do you operate at?

12 MR. SZWAJKOS: Los Angeles. U.C. terminals.

13 CHAIRPERSON NICHOLS: Okay. Thank you.

14 Craig Kappe and Luis Cabrales.

15 MR. KAPPE: Thank you, Madam Chairman and members
16 of the Board.

17 I'm Greg Kappe. I'm the environmental compliance
18 manager for Metropolitan Stevedore Company. We are a
19 small Stevedore company, but we operate in ports up and
20 down the coast and in Stockton.

21 I have costs on three items in the proposed
22 regulations, two of which I've already submitted comments
23 on, and a third one is based on a recent proposal last
24 Thursday on the revision.

25 First of all, in the rental of non-compliant

1 equipment portion of the regulations, it allows us only to
2 rent equipment one tier level lower than current engine
3 standards. Cargo handling equipment is primarily off-road
4 if it were not located on the marine terminals. We can
5 only rent from off-road rental equipment companies whose
6 rent the similar equipment. But they are not required to
7 have only equipment that is one tier level lower than
8 current standards. Our inability to rent this equipment
9 will compromise our business ability.

10 Second item is the proposed amendment to require
11 annual opacity testing on all cargo handling equipment.
12 It will hold our industry to higher standards than the
13 comparable off-road industry where the same equipment is
14 located across the street and off the port.

15 In Mr. Rosencranz's presentation, he did identify
16 that our regulations are five years ahead of the off-road
17 regulation. This is for the exact same equipment. Take a
18 top handler, take it off the street, and it's in the
19 handling empty equipment and off the dock location, it
20 doesn't have the same requirements. If you handle a lot
21 of bulk cargo, take it off in construction, it doesn't
22 meet the same requirements. We're five years ahead.

23 The off-road regulations do not require any
24 opacity testing other than what is necessary for the
25 initial filter selection. This proposed regulation not

1 only requires annual testing on every piece of equipment
2 it also requires the testing ahead of the installed DPF.
3 No other regulations require opacity testing ahead of the
4 DPF. Why is our industry being held to a higher standard?
5 The same off-road equipment located outside of the port
6 does not need to meet any opacity testing at all.

7 There is a percentage of yard hustlers or yard
8 trucks located in the port that do have on-road engines.
9 The on-road truck and bus regulations do require annual
10 opacity testing, but again it is after the filter. Why
11 are we required to do it ahead of the particulate filter?
12 This is costly and time consuming and has a high potential
13 of reducing productivity due to increased down time.

14 And thirdly, last week, there was a change to the
15 proposed third and fourth year extension that would
16 require cleaner engines or similar to allow us to use that
17 equipment. We just started a new business, brought in
18 almost a million tons of proposed cargo per year through
19 Stockton, and three of our pieces of equipment are phasing
20 out. This gave us a window of opportunity and now it's
21 taking it away from us.

22 Thank you.

23 CHAIRPERSON NICHOLS: Thank you.

24 Luis Cabrales and then Randal Friedman.

25 MR. CABRALES: Good afternoon, Madam Chairman and

1 Board members and staff. Thank you very much for the
2 opportunity to address this institution today.

3 I'm representing Coalition for Clean Air and
4 today speaking on behalf of Natural Defense Council,
5 American Lung Association, Communities for Clean Ports and
6 Communities for Environmental Justice, who are all
7 co-signers of comments we sent to staff.

8 We are very thankful for the time staff and some
9 of the Board members spent talking to us about some of our
10 concerns and how to best strengthen the amendments to
11 these regulations. We think this is a very important
12 measure to clean up pollution from ports and rail yards.
13 And as such, we felt the need to meet with staff and think
14 through some of the issues of concern and try to amend
15 those issues.

16 Coalition for Clean Air and our supporters are in
17 support of the amendments staff is proposing to this
18 Board, including the recent amendments to these --
19 inclusion of language to these amendments that were
20 presented to you.

21 We feel that those amendments will be a step
22 towards modernizing cargo handling equipment, a much
23 needed modernization of an industry that has been
24 polluting the air for way too long. Specifically,
25 affecting low income communities, communities adjacent to

1 these ports and these rail yards.

2 There is no need for me to remind you that diesel
3 emissions is recognized by the State of California as a
4 carcinogenic. And we also have concerns about global
5 warming impacts.

6 With that said, the Coalition for Clean Air and
7 the many organizations I mentioned have been working in
8 the state of California to speed up the process to
9 modernize this industry. Zero emissions container
10 movement system is a process of national importance, not
11 just to California again, given that we have the largest
12 port complex in the nation. We are a laboratory for
13 technologies and policies to reduce air pollution and to
14 set a standard that oftentimes is used as a measuring
15 stick in other ports of the world as well. That is why
16 these measures -- these regulations specifically is of
17 great importance.

18 And speeding up the process to achieve zero
19 emissions technology is also of great economic benefit in
20 the state of California as we continue to grow a green
21 economy.

22 Thank you very much for your help and your
23 interest. Thank you.

24 CHAIRPERSON NICHOLS: Randal Friedman and Rasto
25 Brezny.

1 MR. FRIEDMAN: Madam Chairman, Randal Friedman on
2 behalf of the US Navy.

3 In the spirit of the Passover Haggadah, why is
4 this regulation different than all your other regulations?
5 I understand the retrofit requirements. We certainly
6 understand some opacity testing. But why is -- again, in
7 the spirit of the youngest one at the seder table, why on
8 this regulation do we have to do this intrusive and
9 expensive opacity testing?

10 You've heard plenty of other people speak to it.
11 I won't repeat what they've covered.

12 Our estimate, it's going to cost our Port Hueneme
13 facility an additional \$25,000, a year beyond what's
14 already been spent. Now, maybe that is or isn't a big
15 thing. But in going back to what you spend the morning
16 on, that can buy a lot of monthly transit subsidy passes.
17 That can buy van pools. It's all a pot of money that can
18 be used for the larger goal of clean air and a cleaner
19 environment.

20 We've done the retrofits. Supposedly, they're
21 designed. There's other less inconclusive option for
22 opacity and we urge you to consider if opacity is the goal
23 to be consistent with the other regulations.

24 Again, I guess my final question would be is this
25 something you envision only limited to this regulation, or

1 is this going to be the future of the additional
2 amendments that other -- like the off-road diesel and the
3 others? And if so, I would truly urge you to consider the
4 economic -- if this is a precedent for all those other
5 regulations with the size of the off-road fleet and some
6 of the other fleets, you're looking at some major
7 expenditures of money beyond -- for us, we are looking at
8 \$100 million over the next ten years for diesel compliance
9 just for the equipment. Obviously, this type of ongoing
10 has been factored in.

11 Thank you.

12 CHAIRPERSON NICHOLS: Thank you.

13 DR. BREZNY: Thank you, Chairman Nichols and
14 members of the Board for the opportunity.

15 I'm Rasto Brezny with the Manufacturers of
16 Emissions Controls Association.

17 I want to start out by thanking your staff for
18 the hard work and dedication in bringing you this
19 proposal. And MECA fully supports what they're proposing.

20 MECA is a nonprofit association representing the
21 leading manufacturers of emission control technologies for
22 motor vehicles. Our members have worked with your staff
23 to verify most of the retrofit devices that are on ARB's
24 list. In fact, our members continue to develop and verify
25 new technologies to meet the demands of future regulations

1 and requirements.

2 The current list includes eight passive and
3 active Level 3 devices for off-road vehicles and
4 equipment. Retrofit devices are certainly nothing new.
5 In fact, there is over 250,000 retrofits on off-road
6 equipment around the world. That includes over 50,000
7 Level 3 technologies.

8 Our members certainly understand that cargo
9 handling equipment has specific engineering challenges and
10 requirements. However, the use of retrofit technology in
11 this application is not new. Equipment at ports and rail
12 yards sees very heavy use around the clock to the extent
13 that maintenance may need to be done on a time available
14 basis. That's why we strongly support the inclusion of
15 the mandatory annual opacity-based monitoring program
16 that's in the proposal.

17 The importance of engine maintenance for the long
18 term durability and performance of both the engine and the
19 VDECS can't be over-emphasized. An opacity test is a
20 simple and inexpensive measurement that's been required
21 for on-road fleets for many years and should be an
22 integral part of any proactive maintenance program.

23 Once the DPF is installed, however, regular
24 opacity checks become even more critical, because one can
25 no longer rely on exhaust smoke to indicate any kind of

1 engine maintenance issues, such as a bad injection or high
2 oil consumption.

3 We don't believe that back pressure is an
4 effective substitute for engine out opacity, because back
5 pressure is going to give you information about the health
6 of the engine -- about the health of the VDECS. Whereas,
7 opacity is going to give you information about the health
8 of the engine. And our members' experience has shown that
9 nine times out of ten engine maintenance issues will
10 precede any filter issues.

11 We believe that annual opacity checks will
12 further benefit all of the cargo handling equipment,
13 whether it has a retrofit installed or not. It's going to
14 help reduce emissions, and it's also going to help
15 improve the life and performance of this equipment.

16 I want to thank you for your time, and I'll be
17 happy to answer any questions.

18 CHAIRPERSON NICHOLS: Okay. Thank you.

19 Will Barrett and then Darcy Wheeler, and that is
20 the end of my list.

21 MR. BARRETT: Hello again. Will Barrett with the
22 American Lung Association California.

23 I won't go through my whole list of comments
24 here, because Luis Cabrales from the Coalition for Clean
25 Air covered most of what was in our group letter.

1 So I'll just say we support the proposed
2 amendments regarding limited compliance -- limiting the
3 compliance extensions and the opacity testing provision.
4 And we do believe that the proposals in our letter as well
5 as the staff proposal for an additional focus in emphasis
6 on more rapid transition to zero emission technologies
7 will benefit many of California's clean air, climate,
8 health protection, and environmental justices goals.

9 So we support these proposals and encourage you
10 to take a look at our letter. Thank you very much.

11 CHAIRPERSON NICHOLS: Thank you.

12 Ms. Wheeler.

13 MS. WHEELLES: Madam Chair and members of the
14 Board, my name is Darcy Wheelles. I'm here on behalf today
15 of the California rail roads. Both BNSF and Union Pacific
16 railroad have submitted comments on this rulemaking, and
17 I'll let those submission stand for themselves.

18 I'm here today to address a comment you received
19 from the South Coast Air Quality Management District. The
20 district suggested that you adopt amendments to the
21 current cargo handling equipment rule that would serve as
22 a backstop to the expected PM reductions from the proposed
23 commitments, in case the proposed commitments are not
24 approved by your Executive Officer or if the rail roads do
25 not meet their commitments in the future.

1 The rail roads oppose adding such amendments to
2 the current cargo handling equipment rule amendments for
3 two reasons.

4 First, as detailed in the letter that we
5 submitted earlier today, such an action would clearly be
6 outside the scope of the current rulemaking and the ARB
7 July 26th, 2011, notice of public hearing.

8 Second, the South Coast suggestion is unnecessary
9 and redundant to the proposed commitments, as the proposed
10 commitments already require staff to have a regulatory
11 backstop and bring forth regulations within four months
12 should the rail roads fail to meet their commitments.

13 The proposed rail yard commitment are the subject
14 of an entirely separate and independent ARB action, which
15 does not currently include any ARB rulemaking. It would
16 be premature for ARB to start any rulemaking at this time
17 to enforce or backstop the rail yard commitments as
18 suggested by the South Coast.

19 Thank you for the opportunity to testify on this
20 item today. And I'm happy to answer any questions that
21 you have.

22 CHAIRPERSON NICHOLS: Thank you. No questions.

23 Okay. That concludes our list of witnesses. So
24 we will close the hearing and move to discussion.

25 I should mention that the record will be reopened

1 when the 15-day notice of public availability is issued
2 and comments that are received after this hearing but
3 before the notice is issued will not be accepted as part
4 of the official record on the agenda item. But when the
5 record is reopened for the 15-day comment period, the
6 public can submit written comments on those proposed
7 changes, which will then be responded to in the Final
8 Statement of Reasons.

9 If there are any ex partes, we should probably
10 discuss them at this time.

11 I have one, which was with Mr. Cabrales, who
12 essentially gave more background on what he testified to
13 here today.

14 BOARD MEMBER BALMES: Mine was also with Mr.
15 Cabrales, as well as Diane Bailey from NRDC. And again
16 the discussion was pretty much as he testified today.

17 CHAIRPERSON NICHOLS: Okay. Any others?

18 All right. Well, then we can proceed to any
19 discussion or questions that people may have.

20 I guess in the spirit of the question that Mr.
21 Friedman asked, I should make Mr. Goldstene answer the
22 question, why is this rule different from other rules.
23 But I do believe that we have been treating ports
24 differently from other facilities for quite some time now,
25 equipment at ports, because of their particular impact on

1 people who live near those ports.

2 It was a question about proximity to exposed
3 populations. It's something we've done in part for
4 environmental justice reasons and also because just the
5 reality that there are so many more people who live there.
6 So I don't know if there are other reasons why we
7 proceeded differently.

8 EXECUTIVE OFFICER GOLDSTONE: I think that's it.
9 But I could ask staff to elaborate. They also are
10 prepared to talk briefly about the opacity issue.

11 CHAIRPERSON NICHOLS: Yes. Why don't we just
12 address that comment now?

13 EMISSIONS ASSESSMENT BRANCH CHIEF DONOHOUÉ: This
14 is Dan Donohoue.

15 With respect to the first issue why these
16 different, in 2004, we did a detailed health assessment on
17 the ports of L.A. and Long Beach. And what the findings
18 were is that there were significant off site risks
19 associated with those very high.

20 In 2006, we released a report on the Port of
21 Oakland and again found that the concentration of
22 activity, the high volume of diesel equipment, the
23 oceangoing vessels, tugs, and all that created very high
24 risk levels in the community and that extended out very
25 far. So we were having high levels of exposure.

1 As part of the overall goods movement emission
2 reduction plan, we focused on how we would reduce those
3 emissions through a large number of measures, including
4 looking at special requirements for drayage trucks,
5 looking at shore power to reduce the emissions there, the
6 oceangoing vessel fuel regulation to reduce the sulfur
7 content in the PM emissions with respect to vessels coming
8 there, the cargo handling equipment rule, which is here.
9 Also, the harbor craft rule which covers tugs, ferries,
10 and all that.

11 So we have accelerated and required these sectors
12 that we're dealing with about 30 port and intermodal rail
13 facilities to -- and in 2002, we had the Roseville rail
14 yard initial health risk assessment that looked at those
15 complex facilities there. And then we moved forward on
16 much more aggressive because of the near source high
17 population community exposure and the opportunity to
18 significantly reduce the emissions there. Yeah, they are
19 special and we've made them special. So that's really the
20 reason why they are and they've been treated different.

21 I think with respect to the opacity, there's
22 really four questions that I heard. And I'd ask Cheri to
23 kind of respond to those.

24 One is why opacity testing. The second one is
25 why ahead of the filter. The third one is why us. And

1 the fourth one is the cost associated with that. So if
2 you can kind of maybe respond to that, give additional
3 information.

4 CONTROL STRATEGIES SECTION MANAGER RAINFORTH:
5 Thank you, Dan.

6 Why opacity testing opacity test? Well, as
7 you've already heard, it's already required for on-road --
8 the heavy-duty diesel on-road trucks. So it's similar to
9 our car smog tests. Just a once a year test to see if the
10 equipment is operating as it's designed to operate.

11 And then why ahead of the filter? Well, for the
12 majority of the equipment that is not retrofitted, this
13 isn't the case. So for your yard trucks with OEM filters
14 on them, they'll be opacity tested just the same way that
15 the on-road truck requires them to be at the -- with all
16 the -- everything intact and just at the exhaust.

17 It's only those equipment that have a verified
18 diesel control technology on them that will be required to
19 have that retrofit taken off.

20 And as you've heard, they need to take these off
21 multiple times a year anyway to clean them. And so at one
22 of those times, they could do the opacity test. When they
23 pull out the DPF to clean it, they can do the opacity
24 test.

25 Why ahead of the filter? It's because we're

1 checking the health of that engine. Because if that
2 engine -- if there are problems with too much oil in the
3 exhaust, if there's various things can go wrong with that,
4 that engine, then it can produce too much particulate, too
5 much smoke. And it will be clogging up the filter. If
6 you test it with the filter on there, you'll never see
7 that until the filters fails.

8 Now, they're not required to opacity test again
9 once they put the filter on. For retrofitted equipment,
10 it's just they pull off the filter to clean it. They
11 opacity test at that time. And whatever repairs need to
12 be made to the engine and they put the filter back on and
13 they're done. So they don't do those engines twice.

14 And then as far as the cost, we did look at the
15 costs in the -- we have those in our Initial Statement of
16 Reasons. There's two ways that they can perform the test.
17 They can hire a consultant to come in, and it costs -- we
18 looked at costs. They are 30 to \$60 an engine if you hire
19 a consultant to come in.

20 Or they can hire their own staff. The
21 equipment -- the test equipment does cost about \$5,000 or
22 some up to \$10,000. That's a one-time purchase. And
23 they'll have to train the mechanics. The local community
24 colleges, there's two one-day classes they take to get
25 certified for the testing. So they would have to attend

1 the two one-day classes with the cost of the class and
2 then the mechanics time at about \$100 an hour, we figured
3 it costs about \$2,000 to train a mechanic. And then the
4 test itself should only take -- they're very quick tests.
5 So you know, we estimate at half an hour for the test,
6 which is probably generous.

7 EMISSIONS ASSESSMENT BRANCH CHIEF DONOHOUE: And
8 new equipment.

9 CONTROL STRATEGIES SECTION MANAGER RAINFORTH:
10 And new equipment, one of our 15-day changes is to exempt
11 equipment that's newer than four years old from the test,
12 which is the same as the on-road heavy-duty diesel
13 requirement.

14 CHAIRPERSON NICHOLS: I have a question, which I
15 didn't know was a question until I heard the testimony.
16 And now I realize I don't understand I guess how this
17 works.

18 But the colloquy, if you will, between Henry Hogo
19 and Darcy Wheeler about the rule as a backstop to the
20 commitments, if the rule is applicable at rail yards, why
21 is it a back stop? What's it a back stop to? I'm not
22 understanding how this works apparently.

23 DEPUTY EXECUTIVE OFFICER FLETCHER: I think what
24 the South Coast was asking us is that we basically amend
25 the mobile cargo handling rule to include an

1 electrification element so it would be more explicit for
2 requirements for either hybrid or zero emission.

3 CHAIRPERSON NICHOLS: I see.

4 DEPUTY EXECUTIVE OFFICER FLETCHER: We can't do
5 that now, because it's well beyond the scope of this rule
6 making.

7 And the way we were really addressing that
8 question was in the broader scope of how you deal with the
9 freight transport initiative. So we are committed to look
10 at the technology changes that are occurring. And, you
11 know, there are technology changes, and we ought to be
12 paying some attention to that. We are doing that as part
13 of the freight transport.

14 CHAIRPERSON NICHOLS: I do appreciate the fact
15 that most of the stakeholders have sort of recognized that
16 fact and basically are working with us to look at a much
17 larger, hopefully more sweeping, set of incentives and
18 rules that we will be trying to bring forward to deal with
19 going to a really ultra clean and zero or almost zero
20 emission freight movement system.

21 DEPUTY EXECUTIVE OFFICER FLETCHER: Including the
22 South Coast and the rail roads, so they're a part of that
23 effort.

24 CHAIRPERSON NICHOLS: But they can't resist a
25 little back and forth any way.

1 Okay. Any other questions or comments on this?
2 If not, do you want to move the Resolution?

3 Barbara.

4 BOARD MEMBER RIORDAN: I'm very happy to move the
5 Resolution -- adopt the Resolution on this particular
6 item.

7 I'm sorry. I turned that off. Let me just
8 repeat.

9 I would be happy to move the adoption of the
10 Resolution associated with this item.

11 BOARD MEMBER YEAGER: Second.

12 CHAIRPERSON NICHOLS: We have a second.

13 All in favor please say aye.

14 (Ayes)

15 CHAIRPERSON NICHOLS: Any opposed? Great. Good
16 work. Thank you.

17 Is there any general public comment today? Oh,
18 somebody is waving his hand.

19 MR. CLARK: I would like to make a comment?

20 CHAIRPERSON NICHOLS: You need to sign up.

21 MR. CLARK: I did, but I guess I did too late.

22 CHAIRPERSON NICHOLS: Go ahead. Come on. You
23 can make your comment. We're about to adjourn to --

24 MR. CLARK: Hi name is Steven Clark. I work with
25 SSA Stevedoring Services of America. We have Stevedoring

1 services from San Diego to Seattle. I deal with all the
2 emission contents in the port of Long Beach.

3 This cargo handling rule, we support it
4 100 percent. We've built our own tractors to meet the
5 standards. We've built LNG trucks. We've tried
6 everything that's out there. I have information on every
7 vendor that's available.

8 The problem is even though there is a regulation
9 doesn't mean the technology is there. The 2-7 yard
10 tractors have a 25 percent failure rate. We are still
11 working on those. We are still modifying those, trying to
12 keep them running.

13 Now we have 2010-2011 equipment. I just spent
14 \$40,000 for two mufflers for two trucks, and they were --
15 the second one was installed about three weeks ago.

16 I got this from the ARB yesterday. It says you
17 may experience catastrophic failure on this system. I
18 just spent 40 grand on it. This has been approved by CARB
19 and gone through the whole deal. And now I've got -- I'm
20 stuck with this junk. This is the latest and greatest and
21 the best system out there. Now what do I do?

22 This is the fourth system I've tried. We've
23 almost burned down half a million dollar machines with
24 some of the other vendors. This one is apparently doing
25 the same thing. So just because there is a regulation

1 doesn't mean the technology is out there to get it to
2 work.

3 CHAIRPERSON NICHOLS: Would you mind making a
4 copy of that available. I don't recognize this.

5 MR. CLARK: This is from ARB.

6 CHAIRPERSON NICHOLS: I believe you, sir. But I
7 don't have it. Could you give a copy of it, please, to
8 the clerk? And staff will follow up with you, I hope.

9 MR. CLARK: I would like to make one comment on
10 the opacity testing. If you had a half-million dollar
11 machine and it doesn't pass the test, what are you going
12 to do? You going to stick that sensor in another machine
13 and get your paperwork right.

14 If you do the back pressure testing, which we do
15 all the time, because we're the ones that pay for that
16 muffler that gets plugged up. And has said right here in
17 this room, if we do the testing after the filter, it's a
18 waste of time. But that's apparently what we can do with
19 the yard tractors.

20 So why are we doing it? Why not do the back
21 pressure testing which we are already doing? Because
22 we're the one that has to pay for that filter. And the
23 serial number of that engine is in the printout. So it's
24 verified, which opacity testing will not be.

25 Thank you very much.

1 CHAIRPERSON NICHOLS: Okay.

2 BOARD MEMBER RIORDAN: Madam Chairman, if I just
3 might, in regards to your first issue about things working
4 and not working in terms of our retrofits, I had a
5 particular issue in the area where I serve. And it turned
6 out that owner/operators came to me and talked to me, and
7 then I referred them and got them together with the
8 appropriate staff.

9 And it wasn't that the retrofit wasn't working.
10 It wasn't being maintained correctly, because the
11 manufacturer had failed to train the actual operators and
12 mechanics for those heavy equipment -- it happened to be
13 very heavy equipment used in mining. And it was a matter
14 of -- it was a simple matter. Turned out to be a simple
15 matter.

16 But staff has been so good about working with the
17 manufacturer and then working with the owner/operator. So
18 I would encourage that with this particular issue as well.
19 Hopefully it's similar and not --

20 CHAIRPERSON NICHOLS: We'll hope so anyway. It
21 would be good if there was a simple solution.

22 EXECUTIVE OFFICER GOLDSTENE: We'll get a copy of
23 the letter and follow up with him.

24 CHAIRPERSON NICHOLS: Okay. Great. Thank you.
25 With that, we are adjourned.

1 CHIEF COUNSEL PETER: Do you want to do your own
2 item?

3 CHAIRPERSON NICHOLS: Oh, I completely forgot.
4 Thank you for reminding me. I have a public comment.
5 This is new. I've forgotten. Thank you very much.

6 I asked Charline to send to all of you a copy of
7 the 2000 document, which you were probably hear for and
8 adopted. I don't know if anybody else was. It's the
9 Board's environmental justice policy document, which I
10 have to confess that I had not actually read until it was
11 referenced to me by a member of the environmental justice
12 community who wanted to make sure that we knew that their
13 priority was to see us implementing this policy.

14 So I went back and got a copy of the policy. And
15 that's why I sent it the all the rest of you, in case
16 possibly you had not seen it before or had forgotten about
17 it. It has -- it's quite a substantial document. And I
18 realize a lot of work went into it.

19 And as I've read it, I was pleased to see that
20 many of the items on it seem me to, in fact, be either in
21 the process or actually have been implemented already.
22 Others perhaps not completely or may for some reason have
23 not turned out to be able to be implemented successfully.
24 Or it may be that there are areas where we've learned more
25 and decided that we needed to do something different.

1 But in any event, the point was -- the point of
2 my bringing it up was not just to show you that this
3 existed, but to suggest that given that that was a decade
4 ago, little over a decade actually, that it might be a
5 good idea for us to take a look at it and ask staff to
6 give us a review of how we've done, how they've done with
7 respect to those policies and to make any recommendations
8 for any changes, amendments, improvements that might be
9 needed going forward.

10 Because as we've seen frequently, these issues
11 are coming up both in the Legislature and here, people
12 wanting to know what the Board is doing and how we are
13 doing it. And I think it would be a good practice for us
14 to actually go back and examine our history on this.

15 So I mentioned this already to the staff. So
16 this is not a surprise to them. But I did want to get the
17 concurrence of the Board this would be something that you
18 think would be valuable and then we would request that
19 they come back to us in several months.

20 EXECUTIVE OFFICER GOLDSTONE: We're aiming for
21 November, and we'll let you know if we can't make that
22 time.

23 CHAIRPERSON NICHOLS: Okay. So this will be
24 coming forward. Thank you. Okay.

25 With that, now we will be adjourned. Thanks

1 everybody.

2 (Whereupon the Air Resources Board meeting
3 adjourned at 3:15 PM)

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