

MEETING
STATE OF CALIFORNIA
AIR RESOURCES BOARD

CALEPA HEADQUARTERS
COASTAL HEARING ROOM
SECOND FLOOR
1001 I STREET
SACRAMENTO, CALIFORNIA

THURSDAY, JUNE 28, 2018

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JAMES F. PETERS, CSR
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A P P E A R A N C E S

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STAFF:

Ms. Heather Arias, Branch Chief, Community Planning Branch, Office of Community Air Protection(OCAP)

Mr. Michael Carter, Assistant Division Chief, Mobile Source Control Division(MSCD)

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Mr. Bart Croes, Division Chief, Research Division (RD)

Mr. Ronald Haste, Manager, Off-Road Control Section, MSCD

Ms. Kim Heroy-Rogalski, Chief, Mobile Source Regulatory Development Branch, MSCD

Mr. Vernon Hughes, Branch Chief, Community Assessment Branch, OCAP

Ms. Peggy Jenkins, Manager, Indoor Exposure Assessment Section, RD

Ms. Margaret Kim, Senior Attorney, Legal Office

Mr. Jack Kitowski, Division Chief, MSCD'

Mr. Aaron Livingston, Assistant Chief Counsel, Legal Office

Mr. Jeff Lowry, Staff Air Pollution Specialist, Off-Road Control Section, MSCD

Ms. Karen Magliano, Director, OCAP

Ms. Heather Quiros, Chief, Diesel Program Enforcement Branch, ED

Mr. Todd P. Sax, Division Chief, ED

Mr. Craig Segall, Assistant Chief Counsel, Legal Office

Ms. Linda Smith, Chief, Health and Exposure Assessment Branch, RD

A P P E A R A N C E S C O N T I N U E D

STAFF:

Mr. Mark Stover, Chief, Field Operations Branch, ED

Mr. Alex Wang, Senior Attorney, Legal Office

Mr. Jeff Williams, Air Pollution Specialist, Indoor
Exposure Assessment Section, RD

ALSO PRESENT:

Mr. Alan Abbs, California Air Pollution Control Officer's
Association

Ms. Martha Dina Arguello, Physicians for Social
Responsibility

Mr. Will Barrett, American Lung Association

Mr. Timothy Blubaugh, Truck and Engine Manufacturers
Association

Ms. Noelle Creamers, California Farm Bureau Federation

Ms. Josephine Fleming, California Green Business Network

Ms. Genevieve Gale, San Joaquin Valley AB 617 Steering
Committee

Mr. Michael Geller, Manufacturers of Emission Controls
Association

Mr. Allen Hernandez, Center for Community Action and
Environmental Justice

Mr. David Lancaster, Borg Warner

Mr. Jaime Lemus, Sacramento Metropolitan Air Quality
Management District

Mr. Bill Magavern, Coalition for Clean Air

Mr. Richard McCaskill, Fruition Consulting

Ms. Lisa McGhee, San Diego Airport Parking Co.

A P P E A R A N C E S C O N T I N U E D

ALSO PRESENT:

Mr. Wayne Michaud, Idel-Free California

Mr. Luis Olmedo, Comite Civico Del Valle

Ms. Yolanda Park, Catholic Charities

Ms. Janice Snyder, Sacramento Metropolitan Air Quality
Management District

Mr. Alex Solis, Comite Civico Del Valle

Ms. Kathy Taylor, United States Environmental Protection
Agency, Region 9

Ms. Pauline Torres, Center on Race, Poverty and, the
Environment

Ms. Stephanie Tsai, California Environmental Justice
Alliance

Mr. Mike Tunnell, American Trucking Association

Mr. Steve Wallauch, Platinum Advisors

Ms. Janet Whittick, California Council for Environmental
and Economic Balance

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P R O C E E D I N G S

1
2 CHAIR NICHOLS: Good morning, everybody. There's
3 a change here.

4 (Laughter.)

5 CHAIR NICHOLS: We're in a different space, and
6 it feels different. As you probably already know, the
7 room next door is being remodeled to accommodate the
8 larger Board that we now have. And it's going to be
9 great. But in the meantime, we're reconfigured a little
10 bit. So if we all look confused, it could be because we
11 just don't know where things are, because they're not
12 where they normally are.

13 But we're happy to be here, and we would like to
14 welcome all of you to this Board meeting. We, I think,
15 are ready to start. Yes, we are. So let's begin with the
16 Pledge of Allegiance.

17 (Thereupon the Pledge of Allegiance was
18 recited in unison.)

19 CHAIR NICHOLS: We'll ask the clerk to please
20 call the roll.

21 BOARD CLERK McREYNOLDS: Dr. Balmes?

22 BOARD MEMBER BALMES: Here.

23 BOARD CLERK McREYNOLDS: Mr. De La Torre?

24 Mr. Eisenhut?

25 BOARD MEMBER EISENHUT: Here.

1 BOARD CLERK McREYNOLDS: Senator Florez?
2 BOARD MEMBER FLOREZ: Here.
3 BOARD CLERK McREYNOLDS: Assembly Member Garcia?
4 Supervisor Gioia?
5 BOARD MEMBER GIOIA: Here.
6 BOARD CLERK McREYNOLDS: Senator Lara?
7 Ms. Mitchell?
8 BOARD MEMBER MITCHELL: Here.
9 BOARD CLERK McREYNOLDS: Mrs. Riordan?
10 BOARD MEMBER RIORDAN: Here.
11 BOARD CLERK McREYNOLDS: Supervisor Roberts?
12 Supervisor Serna?
13 BOARD MEMBER SERNA: Here.
14 BOARD CLERK McREYNOLDS: Dr. Sherriffs?
15 BOARD MEMBER SHERRIFFS: Here.
16 BOARD CLERK McREYNOLDS: Professor Sperling?
17 BOARD MEMBER SPERLING: Here.
18 BOARD CLERK McREYNOLDS: Vice Chair Berg?
19 VICE CHAIR BERG: Here.
20 BOARD CLERK McREYNOLDS: Chair Nichols?
21 CHAIR NICHOLS: Here.
22 BOARD CLERK McREYNOLDS: Madam Chair, we have A
23 quorum.
24 CHAIR NICHOLS: Great. So just a couple of
25 announcements, which I think are the ones that everybody

1 has probably already memorized by now. But I do want to
2 point out that we have interpretation services available
3 today in Spanish for the third item, the update on
4 implementation of Assembly Bill 617, the Community Air
5 Protection Program. And headsets are available outside
6 the hearing room at the sign-up table, and can be picked
7 up at any time.

8 (Thereupon the interpreter translated.)

9 CHAIR NICHOLS: Thank you.

10 For safety reasons, please note the Emergency
11 exits to the rear of the room. In the event of a fire
12 alarm, we're required to evacuate this room immediately
13 and go downstairs. And then assemble outside until the
14 all-clear sign is heard, at which point we would return to
15 the room.

16 So for the people up here, there's an exit on
17 this side, but just the one, and for everybody else it's
18 in the back.

19 Anyone who wishes to testify should fill out a
20 request to speak card. And those are available in the
21 lobby outside the board room. And you can turn it into a
22 board assistant or the clerk of the Board prior to the
23 commencement of the item that you want to speak on.

24 Also, as usual, we'll be imposing a three-minute
25 time limit, unless we get to the point where things are so

1 jammed up, that we need to shorten it, but I don't think
2 that's likely to be the case today.

3 So with that, I think we can move to our regular
4 calendar. There's only one item on our consent calendar
5 this morning, that's Item number 18-5-1, which is the
6 submission of the 2013 amendments to the Cargo Tank Vapor
7 Recovery Regulation that is a part of our State
8 Implementation Plan. We did receive a comment on this
9 item during the public comment period. A commenter was
10 concerned that this regulation might later be amended
11 without a separate independent public process, if it was
12 submitted into the SIP.

13 However, that is not the case. Any future
14 amendment of this regulation would receive its own
15 separate independent public process. Having clarified
16 this point, we are able to proceed with this amendment --
17 with this item on the consent calendar. And I would like
18 to just ask the court clerk to verify if any witnesses
19 have signed up to speak on this item.

20 BOARD CLERK McREYNOLDS: No

21 CHAIR NICHOLS: So we have no witnesses.

22 Are there any Board members who want to remove
23 this item from the consent calendar?

24 Seeing none.

25 I will close the record for this item and ask for

1 a motion on the resolution?

2 VICE CHAIR BERG: Madam Chair, I move Item number
3 18-5-1.

4 BOARD MEMBER SERNA: Second.

5 BOARD MEMBER BALMES: Second.

6 CHAIR NICHOLS: All right. All in favor, please
7 say aye?

8 (Unanimous aye vote.)

9 (Mr. De La Torre not present.)

10 CHAIR NICHOLS: Opposed?

11 Any abstentions?

12 Okay. Great.

13 Now, we'll move on to Item 2, which is proposed
14 amendments to the California Emissions Control System
15 Warranty Regulations and the maintenance provisions for
16 2022 and later model year on-road heavy-duty diesel
17 vehicles and engines. It's not wonder why we use acronyms
18 all the time.

19 (Laughter.)

20 CHAIR NICHOLS: That's a mouthful.

21 Heavy-duty diesel vehicles are one of the largest
22 sources of air pollution in California, and are the
23 largesse source of oxides of nitrogen within CARB's
24 regulatory authority.

25 Last month, we approved for adoption amendments

1 to strengthen our heavy-duty vehicle smoke inspection
2 programs, and we also heard staff's vision for developing
3 an inspection and maintenance program for heavy-duty
4 vehicles, and potentially a smog check for heavy-duty
5 diesel trucks.

6 Today's item concerns emissions warranty
7 requirements for the same category of heavy-duty vehicles
8 and focuses on the importance of keeping their in-use
9 emissions as low as possible, since these vehicles tend to
10 be on the roads for a very long time.

11 The warranty amendments that are about to be
12 presented today are intended to work together with CARB's
13 other programs that target heavy-duty vehicle emissions,
14 such as our new vehicle standards, and the Truck and Bus
15 Rule. They're part of the lower in-use emissions
16 performance level measure in CARB's Mobile Source
17 Strategy.

18 These warranty amendments and related maintenance
19 provisions are intended to help ensure that on-road
20 heavy-duty diesel engines and their emissions control
21 systems continue to perform in-use as is required by law,
22 and with the least possible burden on those who are owning
23 and operating them in the manner that's expected.

24 So with that, Mr. Corey, there you are. Will you
25 please introduce this item.

1 EXECUTIVE OFFICER COREY: Yes. Thanks, Chair.

2 Since 2007 model year, all new California on-road
3 heavy-duty diesel engines have been subject to stringent
4 particulate matter and oxides of nitrogen, or NOx,
5 emission standards, which manufacturers have met by
6 equipping engines with diesel particulate filters and
7 exhaust gas recirculation systems.

8 Additionally, since 2010 manufacturers have
9 questioned engines with selective catalytic reduction
10 systems to further control NOx emissions.

11 While these control technologies have been highly
12 effective in reducing emissions, if they fail, an
13 individual engine's emissions can increase significantly.
14 It's therefore essential that these systems continue to
15 function as intended throughout the engine's life, so that
16 emissions remain low.

17 The currently required warranty period is much
18 shorter than the actual service lives of many modern
19 heavy-duty diesel vehicles and engines, which routinely
20 exceed one million miles before a engine overhaul is
21 needed.

22 Vehicle owners have little incentive to pay to
23 repair emissions-related problems outside of the warranty,
24 if those problems have no impact on fuel economy or
25 vehicle performance. The consequence of not seeking

1 needed repairs in a timely manner is higher emissions.

2 Today, staff is proposing to lengthen both the
3 existing emissions warranty periods and minimum
4 maintenance intervals for heavy-duty vehicles with gross
5 vehicle weight ratings greater than 14,000 pounds,
6 including the diesel engines that power them.

7 I'll now ask Jeff Lowry to give the staff
8 presentation.

9 Jeff

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

12 STAFF AIR POLLUTION SPECIALIST LOWRY: Thank you,
13 Mr. Corey. And good morning, Chair Nichols and members of
14 the Board.

15 --o0o--

16 STAFF AIR POLLUTION SPECIALIST LOWRY: My
17 presentation today will focus on the following:

18 First, I'll provide some background information,
19 including how today's warranty item fits in with our
20 overall plan for addressing emissions the heavy-duty
21 vehicle fleet;

22 After that, I'll summarize California's current
23 warranty periods for heavy-duty vehicles, including
24 mandatory and voluntary extended coverage;

25 Next, I'll introduce staff's proposal to amend

1 conditions, this omnibus rulemaking will likely contain
2 further revisions to the warranty regulations, possibly
3 lengthening the warranty periods beyond those being
4 proposed today.

5 --o0o--

6 STAFF AIR POLLUTION SPECIALIST LOWRY: As
7 illustrated in the bar graph, on-road heavy-duty diesel
8 vehicles standards have become increasingly stringent over
9 time. Some of the advanced emission control technologies
10 that enable modern heavy-duty diesel vehicles to meet
11 today's stringent NOx and PM standards are listed on this
12 slide.

13 Modern diesel engines come equipped with advanced
14 aftertreatment, including selective catalytic reduction,
15 and diesel particulate filters. As advanced
16 aftertreatment has become more widespread, longer warranty
17 periods have become more important for providing greater
18 certainty that these high-efficiency systems continue to
19 function properly.

20 --o0o--

21 STAFF AIR POLLUTION SPECIALIST LOWRY: Here we
22 see the relative contributions of mobile sources to the
23 statewide NOx inventory in California.

24 Heavy-duty vehicles greater than 14,000 pounds
25 contribute almost half of statewide mobile source NOx.

1 These same vehicles also emit 19 percent of the state's
2 mobile -- total mobile source diesel PM2.5 emissions.
3 It's important to remember that California's State
4 Implementation Plan requires NOx from heavy-duty vehicles
5 to be reduced by 90 percent from current levels by 2031 to
6 meet air quality goals in the South Coast Air Basin.

7 --o0o--

8 STAFF AIR POLLUTION SPECIALIST LOWRY: Shown here
9 is the enormous disparity between the current 100,000 mile
10 warranty period for heavy-duty vehicles, shown by the
11 green bars, versus their typical service lives, shown by
12 the red bars, which can be as long as 1.2 million miles
13 for Class 8 vehicles. Useful life, shown in blue on the
14 chart, is the period over which the vehicle's emissions
15 control system must remain capable controlling emissions
16 to applicable standards.

17 The mismatch between warranty and useful life is
18 also significant, with useful life being more than four
19 times greater than the warranty period for Class 8
20 vehicles. These differences mean that the current minimum
21 required heavy-duty vehicle warranty period is inadequate
22 to ensure that the vehicle's emissions control systems are
23 performing as originally certified.

24 --o0o--

25 STAFF AIR POLLUTION SPECIALIST LOWRY: Based on

1 warranty claims that manufacturers are required to report,
2 we know that worst case failure rights for recent model
3 year turbochargers are over 100 percent for some
4 manufacturers. This means that there were more reported
5 turbocharger failures in an engine family than there were
6 engines, because some engines had multiple failures during
7 the warranty period.

8 Other recent model year emissions-related parts,
9 such as diesel particulate filters, EGR systems, and fuel
10 injectors also experienced worst-case failure rates in
11 excess of 40 percent during the warranty period. Even the
12 average failure rates for each EGR systems in
13 turbochargers are unacceptably high, coming in at over 10
14 percent.

15 --o0o--

16 STAFF AIR POLLUTION SPECIALIST LOWRY: In
17 addition to claim rates, other data indicate heavy-duty
18 vehicles are not conforming to applicable emission
19 standards in-use. For example, approximately two-thirds
20 of the 2012 to 2014 model year vehicles tested by CARB's
21 in-use compliance section since August 2016 have failed
22 in-use testing, even though the vehicles were still within
23 their respective useful lives but outside of warranty.

24 Staff is pursuing corrective action in these
25 cases, but longer warranty periods could have minimized

1 the damage from these emissions exceedances. Longer
2 warranty periods provide an incentive for vehicle owners
3 to address defects in a more timely manner, rather than
4 relying solely on CARB's in-use programs to discover and
5 rectify them.

6 Similarly, CARB's In-Use Surveillance Program
7 found that two-thirds of the heavy-duty vehicles tested
8 since January 2016 comprising model years 2010 to 2014
9 showed NOx emissions multiple times the current NOx
10 standard, some by more than a factor of 10. Again, these
11 failures all occurred within useful life with
12 approximately 40 percent of the vehicles also being
13 outside of warranty.

14 These results, together with the high warranty
15 claim rates I mentioned on the previous slide, make it
16 clear that some emissions related parts are not remaining
17 during able in-use and that longer warranty periods are
18 needed.

19 --o0o--

20 STAFF AIR POLLUTION SPECIALIST LOWRY: In
21 California, the current heavy-duty diesel emissions
22 warranty period consists of coverage for five years,
23 100,000 miles or 3000 hours of operation, whichever occurs
24 first.

25 This single warranty period covers all heavy-duty

1 diesel vehicles greater than 14,000 pounds and is
2 identical to the federal diesel warranty period, except
3 that the 3000 hour limit does not apply outside of
4 California. The 100,000 mile warranty period has not
5 changed in 40 years.

6 --o0o--

7 STAFF AIR POLLUTION SPECIALIST LOWRY: Because
8 the minimum emissions warranty coverage is so short
9 compared to the actual mileages that many heavy-duty
10 vehicles travel, many vehicle owners opt to buy extended
11 warranties.

12 The pie chart on the left is for Class 8
13 vehicles. It shows that 85 percent of Class 8 vehicle
14 purchasers already buy extended warranties, with 40
15 percent beyond 435,000 miles.

16 The chart on the right is for Class 4 through 7
17 vehicles. About 40 percent of the vehicles in these
18 classes are sold new with warranties beyond 100,000 miles.
19 The high incidence of voluntary extended Heavy-duty
20 vehicle warranties in California makes clear that longer
21 warrant -- mandatory warranties are feasible. However,
22 longer mandatory warranty periods are also necessary to
23 ensure early repairs and emission benefits for all
24 vehicles.

25 --o0o--

1 STAFF AIR POLLUTION SPECIALIST LOWRY: This slide
2 summarizes staff's proposed amendments.

3 First and foremost, we're proposing to lengthen
4 the mandatory emissions warranty periods for heavy-duty
5 diesel vehicles. We're proposing to eliminate
6 California's 3000 hour warranty limit. We're proposing to
7 modernize the minimum allowable maintenance intervals that
8 manufacturers use to schedule the replacement of
9 emission-related parts. We're also proposing that
10 turbochargers and EGR systems be added to the list of
11 parts that must remain durable through useful life.

12 And finally, we are proposing to clarify the
13 definitions of a heavy-duty warranted part and a
14 warrantable condition. Each of these proposed revisions
15 will be discussed in further detail in the next few
16 slides.

17 --o0o--

18 STAFF AIR POLLUTION SPECIALIST LOWRY: Under the
19 proposed length and warranty periods, Class 8 vehicles
20 would be covered at 350,000 miles. Class 6 through 7
21 vehicles to 150,000 miles, and Class 4 through 5 vehicles
22 to 110,000 miles. For Classes 4 through 5, 110,000 mile
23 warranty period equals useful life, the period over which
24 a vehicle's emission control system must remain capable of
25 controlling emissions to applicable standards.

1 For Class 6 through 8 vehicles, the proposed
2 warranty periods represent approximately 80 percent of
3 useful life.

4 Staff considered proposing warranty periods equal
5 to useful life for all diesel vehicle classes, not just 4
6 and 5, but parts suppliers were concerned about not
7 knowing how many more parts would need to be produced and
8 the impact that might have on preexisting contractual
9 agreements with manufacturers.

10 --o0o--

11 STAFF AIR POLLUTION SPECIALIST LOWRY: Next, I'll
12 explain how longer warranty periods translate into lower
13 emissions. An increase in the length in the warranty
14 period for heavy-duty vehicles would incentivize the
15 repair of malfunctioning emissions-related parts that
16 heavy-duty vehicle owners would not otherwise fix if they
17 had to pay out of pocket.

18 Staff estimates that only 30 percent of
19 heavy-duty vehicle owners fix emissions-related problems
20 outside of warranty. Lengthening warranty means that a
21 large portion of the 70 percent of vehicle owners who do
22 not currently repair emissions-related malfunctions
23 outside of warranty would do so, especially when the OBD
24 malfunction indicator light is illuminated.

25 Longer warranty periods are also expected to

1 reduce incidences of tampering and mal-maintenance. There
2 would be little incentive for a vehicle owner to alter or
3 disable an emissions-related part, especially since it
4 could void the warranty coverage.

5 It's also possible that longer warranty periods
6 may result in more durable emissions-related parts, if a
7 manufacturer chooses to redesign a part rather than pay to
8 replace it multiple times during the lengthened warranty
9 period.

10 --o0o--

11 STAFF AIR POLLUTION SPECIALIST LOWRY: A key
12 difference between California and federal heavy-duty
13 warranty requirements is that California regulations
14 include a provision allowing warranty coverage to be
15 limited to 3000 hours of use. Some low-mileage vehicles,
16 such as vocational vehicles, may be operated many hours
17 each day, for example in a power take-off mode, but do not
18 accumulate mileage quickly. The 3000-hour limit was
19 intended to prevent manufacturers from having to provide
20 warranty out to unreasonable lengths for such vehicles.

21 However, it's difficult to justify the less
22 stringent 3000-hour limit exclusively in California,
23 because manufacturers routinely certify the same
24 vocational vehicles both federally and in California, but
25 without a federal 3000 hour limit.

1 Therefore, staff proposes to eliminate this
2 option.

3 --o0o--

4 STAFF AIR POLLUTION SPECIALIST LOWRY: Next, I
5 want to discuss the relationship between warranty periods
6 and manufacturer scheduled maintenance intervals. In
7 general, manufacturers are required to cover any defects
8 in the design, materials, and workmanship of an
9 emissions-related part under the heavy-duty vehicle
10 warranty regulations.

11 Manufacturers also determine what maintenance is
12 needed and set maintenance intervals for various parts.
13 For example, a manufacturer might specifies that a certain
14 filter must be changed after 150,000 miles of operation.
15 Vehicle owners are required to perform all maintenance
16 deemed necessary by the manufacturer to keep the emissions
17 control system operating properly. If a vehicle owner
18 fails to do the required maintenance, the warranty can be
19 voided.

20 If a manufacturer's schedules the replacement of
21 an emissions-related part during the warranty period, the
22 vehicle owner is responsible for the cost of the
23 replacement.

24 Consequently, the projected emission benefits
25 from staff's proposal could be negated if manufacturers

1 were allowed to schedule maintenance with no restrictions
2 during the proposed lengthened warranty periods.

3 More on this in the next slide.

4 --o0o--

5 STAFF AIR POLLUTION SPECIALIST LOWRY: To protect
6 the emission benefits associated with lengthening
7 emissions warranties, staff is also proposing to update
8 the minimum allowable maintenance intervals for heavy-duty
9 diesel emissions-related parts. It's important to note
10 that staff is proposing to change the minimum maintenance
11 intervals only for parts that the manufacturer schedules
12 to be repaired or replaced. The minimum maintenance
13 intervals for cleaning and adjustments would remain
14 unchanged.

15 --o0o--

16 STAFF AIR POLLUTION SPECIALIST LOWRY: On the
17 previous slide, I talked about maintenance intervals for
18 parts that affect emissions. Some parts have the
19 potential to severely impact emissions, and are so
20 expensive to replace, that they should be designed to last
21 throughout useful life.

22 Currently, California and federal regulations
23 specify that diesel particulate filter elements and
24 selective catalytic reduction system beds must last
25 through useful life or be replaced at the manufacturer's

1 between heavy-duty OBD and warranty by adopting regulatory
2 language similar to that used to link light-duty to OBD to
3 warranty. Any defect that illuminates the vehicle's OBD
4 malfunction indicator light would need to be covered.
5 This change would require coverage for a few parts that
6 are not currently warranted, such as some sensors.

7 Staff also proposes to clarify that manufacturers
8 are liable for replacing defective parts discovered during
9 service inspections. Lastly, staff proposes to remove a
10 provision in the regulation that limits warranty to the
11 first scheduled replacement of an emissions-related part.

12 --o0o--

13 STAFF AIR POLLUTION SPECIALIST LOWRY: The
14 proposed warranty requirements would only be applicable to
15 new model year 2022 and subsequent heavy-duty diesel
16 vehicles greater than 14,000 pounds that are California
17 certified and registered. Heavy-duty vehicles operating
18 in California within engines certified only to federal
19 standards would not be subject to California's lengthened
20 warranty coverage, nor would staff's proposed warranty
21 amendments modify greenhouse gas parts-related warranty
22 periods.

23 --o0o--

24 STAFF AIR POLLUTION SPECIALIST LOWRY: Here are
25 the costs and savings related to staff's proposed

1 amendments. Longer warranty periods would ultimately
2 increase the price of heavy-duty vehicles as manufacturers
3 pass on their costs to purchasers. However, vehicle
4 purchasers would recoup much of these costs by not having
5 to pay out of pocket at the time of repairs.

6 Staff estimates that the average cost of a
7 vehicle would increase by \$177 to \$752 because of the
8 amendments. This increase -- excuse me. This increase
9 assumes that manufacturers will distribute costs uniformly
10 across entire product lines.

11 --o0o--

12 STAFF AIR POLLUTION SPECIALIST LOWRY: The
13 proposed emission benefits from staff's proposal, as shown
14 in the table are modest, but are a necessary first step
15 towards modernizing heavy-duty -- heavy-duty vehicle
16 emission standards and requirements. The cost
17 effectiveness of the proposed amendments range from
18 approximately \$3 to \$8 per pound of statewide NOx reduced,
19 and compares favorably to other recent CARB rulemakings.

20 Furthermore, the proposal would prevent 40
21 premature mortalities between 2022 and 2040.

22 --o0o--

23 STAFF AIR POLLUTION SPECIALIST LOWRY: As I
24 mentioned earlier, staff is proposing to lengthen warranty
25 periods for heavy-duty vehicles in a multi-step process.

1 maintenance intervals for some non-integrated sensors and
2 actuators.

3 Together, we expect these amendments will help
4 ensure that emission systems continue to function longer
5 in-use.

6 This concludes staff's presentation. I'm happy
7 to answer any questions at this time.

8 CHAIR NICHOLS: Are there questions before we
9 hear from the witnesses?

10 Dr. Sperling.

11 BOARD MEMBER SPERLING: You know, there's so
12 many -- this is a really -- lots of complicated details
13 here.

14 CHAIR NICHOLS: Um-hmm.

15 BOARD MEMBER SPERLING: And I wonder if providing
16 a little context, do we have a little bit of time, like a
17 very mini-tutorial. I mean, I had -- I'll just tell you
18 what my questions are and tell -- you know, one -- so one
19 question is how conceptually or methodologically does this
20 differ from how we treat light-duty vehicles? I mean, not
21 in terms of numbers or time, but are we taking different
22 approaches here, in terms of warranties and so on? Which
23 of these are consistent with EPA? What happens beyond
24 warranty periods? And how does this -- the amount of NOx
25 that we're taking about, the 0.75 to 1.5 tons per day.

1 That's compared to how many tons of NOx from trucks are
2 there? So, I mean, otherwise, you know, we sit here and
3 it's like -- it's hard to make sense of a lot of these
4 proposals. Is that --

5 CHAIR NICHOLS: I think those are perfectly valid
6 questions to ask in terms of the context of what we're
7 doing here. And I have to say that I did not, prior to,
8 you know, reading this over before the Board meeting, I
9 didn't ask all of those questions. I don't know if staff
10 is prepared to answer them at this moment. It looks like
11 they are. I think they know the answers. So why don't we
12 just turn to you and have you provide a little of the
13 background.

14 MSCD ASSISTANT CHIEF CARTER: Sure. I'll give it
15 a shot here. I think your first question, Professor
16 Sperling, related to how it compares to the light-duty
17 program. It's -- well, that's a pretty broad question, so
18 I don't know exactly what you mean. But in terms of a
19 warranty program, yes, of course, we have a warranty
20 program in place already for the light-duty program in a
21 certain period of time. Like, for example, I think it's
22 five years and 50,000 miles, or seven years and 70,000
23 miles for high -- for high priced items.

24 And most recently, it's been updated. I think
25 the useful life now is 150,000 miles, I think. So if you

1 look at the percentage of the warranty coverage versus
2 useful life, actually it might be a little bit less for
3 light-duty than it is compared to what we're proposing
4 here.

5 But the other thing to keep in mind is the useful
6 life of light-duty is probably no -- not much more than
7 150,000 miles. Actually, I should say, the service life
8 is not much more than 150,000 miles. Unlike heavy-duty
9 which gets rebuilt. And as we saw -- as you saw in the
10 presentation, these things can last over a million miles.
11 It's a whole different ball game. These -- they last a
12 lot longer. And so that's why there's a little bit of a
13 discrepancy in terms of the percentage of the -- the
14 percentage of the warranty coverage versus useful life.

15 The next question I think you had was how is it
16 consistent or inconsistent with EPA?

17 Right now, the existing warranty period -- the
18 existing warranty requirements are exactly the same as
19 EPA, except for the 3000 hour limit, which the EPA, or the
20 federal government, does not have. We do. The warranty
21 proposals -- the warranty requirements right now have been
22 in place for about 40 years. And I think likewise on the
23 federal level, it's the same thing.

24 So the only thing different right now is the 3000
25 hours. And, of course, what we're proposing today would

1 be -- obviously, make it different.

2 BOARD MEMBER SPERLING: So everything we're
3 proposing today are -- goes above and beyond what EPA
4 does?

5 MSCD ASSISTANT CHIEF CARTER: That's correct.

6 BOARD MEMBER SPERLING: And these are for
7 vehicles registered in California or used in California?

8 MSCD ASSISTANT CHIEF CARTER: Correct,
9 registered -- yes, certified and registered in California.

10 The next question I think you had related to the
11 NOx impact. As we saw -- as you saw in the presentation,
12 the benefits from this are modest. We know that. We
13 acknowledge that. Compared to the overall NOx impact in
14 terms of a percentage and what the -- I'm looking at my
15 staff here. I don't know the exact number in terms of the
16 level -- the inventory for NOx for heavy-duty and how it
17 compares, but I can tell you it's very, very small.

18 BOARD MEMBER SPERLING: Like less than one
19 percent, is that what small means?

20 MSCD MOBILE SOURCE REGULATORY DEVELOPMENT BRANCH
21 CHIEF HEROY-ROGALSKI: I'll look it up.

22 MSCD ASSISTANT CHIEF CARTER: Yeah, we'll -- we
23 can look it up and find the exact number or get a ballpark
24 number.

25 BOARD MEMBER SPERLING: And so that's related to

1 the question what happens after the warranty period?

2 MSCD ASSISTANT CHIEF CARTER: Well, after the
3 warranty period, if a part fails, then the owner would
4 have to pay for the part to get it fixed just like the
5 light-duty program.

6 BOARD MEMBER SPERLING: Okay.

7 CHAIR NICHOLS: It's just a question of who pays?

8 BOARD MEMBER RIORDAN: Yeah.

9 MSCD ASSISTANT CHIEF CARTER: I think that was --
10 I think that was the extent of your question, unless I
11 missed one.

12 CHAIR NICHOLS: So why don't we go to the
13 witnesses. That at least gives you some background, and
14 then we can perhaps have some questions after that. Let's
15 begin with Mr. Lancaster.

16 Where is the -- okay. People will speak from the
17 podium here. And that ought to be easy enough to do.
18 Good morning.

19 MR. LANCASTER: Good morning.

20 Oops. We're a Tier 1 supplier --

21 CHAIR NICHOLS: And there will be -- let's have
22 our usual light system for people to know how much time
23 they have.

24 Oh, it's over here, so just so you know how much
25 time you've got. Your three minutes haven't started yet,

1 but can -- you can look over there.

2 MR. LANCASTER: Okay. Thanks. I'm appearing on
3 behalf of Borg Warner. And we are a Tier 1 supplier to
4 the automotive industry. And in the heavy-duty area, we
5 supply turbochargers and EGR systems that you've heard
6 something about today.

7 Let me just say, before I go on, that if we had
8 the failure rates that you've heard about, we would not be
9 in business in that area. I mean, you just simply cannot
10 have that kind of failure rate.

11 In the heavy-duty engine area, costs are
12 substantial, and the costs of having a vehicle out of
13 service are even more substantial. So we strive to
14 provide very durable components that will keep our
15 customers on the road. And since our corporate goals are
16 for clean energy, efficient environment, we very strongly
17 support CARB's goals.

18 Having said that, there are a couple of issues
19 that I'd like to address. One is we encourage improved
20 implementation of training and diagnostics, and the staff
21 has addressed the issue of OBD.

22 We'd also like to say that many turbocharger
23 failures are the result of other system failures. And in
24 many cases, the turbo is the victim rather than the cause
25 of a failure. And by that, I mean if you have a poor oil

1 system, poor oil quality, which can be covered with an oil
2 quality sensor, or lack of oil pressure to the turbo. And
3 We've seen failures because of that.

4 Also, if you have a plugged oil filter -- or air
5 filter, it will cause a high inlet Delta P, and will
6 result in oil being sucked through the engine. That is a
7 form of failure.

8 Or if you have no drop in pressure across an air
9 filter, it means the filter isn't there. And as a result,
10 you have foreign debris that come in and impact the
11 compressor and cause wear and failures.

12 I would also say that if a turbo really fails,
13 the vehicle is on the side of the road. You don't need to
14 worry about somebody replacing it.

15 The other thing is that we'd also request that
16 reasonable documentation be required for the issue of
17 warranty. In other words, make sure that someone is
18 maintaining their vehicle properly. And I believe that
19 was addressed in the staff proposal, so we would just
20 support that.

21 Third, we'd like to see the sensors and actuators
22 for turbochargers and EGR valves be treated as other
23 sensors and actuators. In other words, I believe you have
24 150,000 mile warranty requirement there. And we'd say
25 that would be true where the sensors and actuators can be

1 replaced easily, in other words, if they're separate
2 items.

3 If the sensor and actuator is integrated into the
4 part, then obviously the whole component needs to be
5 replaced, and it would be the -- something that would be
6 covered to the life.

7 And finally, we request that any regulations
8 which are adopted allow sufficient time for suppliers,
9 such as ourselves, to comply. And I believe the date of
10 the regulations is 2022, which at this point is about
11 three years. That may or may not be enough time.

12 So I would ask that you perhaps might want to
13 reconsider that, and give us four to five years for
14 compliance. The reason being that you're talking about
15 such long life times that a great deal of validation
16 testing is required. It's very hard to simulate something
17 that is a 350,000-mile life.

18 Thank you very much.

19 CHAIR NICHOLS: Thank you.

20 MR. WALLAUCH: Good morning. Steve Wallauch here
21 with Platinum Advisors on be of the Alameda Contra Costa
22 Transit District.

23 We're here to say, you know, thank you to the
24 staff for all the work they've done on developing this
25 update. And we strongly support the proposal that's

1 before you, particularly, the elimination of the hours of
2 operation limits. You know, AC Transit, probably
3 unlike -- not unlike most transit operators, our buses
4 travel about on average 12 miles per hour. So you reach
5 that 3,000 limit basically within 36,000 miles of travel
6 operation. So this is a major step forward for us, and we
7 really appreciate the work that's been done and we urge
8 your support for this rule.

9 Thanks.

10 CHAIR NICHOLS: Thank you.

11 MR. GELLER: Good morning, Chair Nichols and
12 members of the Board. My name is Michael Geller. I'm the
13 Deputy Director for the Manufacturers of Emission Controls
14 Association. MECA represents manufacturers of
15 technologies that reduce both criteria and greenhouse
16 emiss -- gas emissions from all mobile sources, including
17 the heavy-duty engines that are a part of this proposal.

18 MECA continues to support ARB's heavy-duty
19 vehicle low NOx rulemaking process. And we understand
20 ARB's need to ensure that heavy-duty vehicles are meeting
21 emission standards while in operation, which requires that
22 emission-critical components are repaired quickly while
23 malfunctions occur.

24 We thank staff for their diligence to critically
25 consider input from a broad range of the stakeholders

1 including the component suppliers that I represent in
2 preparation of this proposal. MECA members manufacture
3 durable parts occurring to the specifications demanded by
4 their customers, which are the OEMs that make the engines
5 and vehicles.

6 Suppliers though do not have the full extent of
7 parts failure and durability information that is available
8 to the OEMs through their dealer networks, which makes it
9 difficult for the suppliers to project the number of
10 warranty claims due to an extended warranty period.

11 MECA appreciates therefore the really significant
12 effort that ARB staff have done with this to understand
13 the complexity of these issues, and incorporate
14 suggestions from the supplier industry. We thank ARB
15 staff for setting an intermediate stage of warranty life
16 at 350,000 miles for the heavy-duty -- heaviest of the
17 heavy-duty trucks, which will allow emission control
18 technology suppliers better understand the economic impact
19 of longer warranty periods on their business.

20 Some -- uh-oh, my time never started, but --
21 okay.

22 Repair shops under -- are under extreme pressure
23 to fix malfunctioning vehicles so that the owner can
24 return those to service very quickly. So suppliers
25 sometimes receive parts back during this process under

1 warranty, and they have to conduct a postmortem analysis
2 to determine the root causes of failures, and also
3 identify valid warranty claims. So that process requires
4 significant time and resources.

5 I'd also like to note that the longer warranty
6 requirements could have a negative impact on aftermarket
7 parts. Manufacturers -- just because aftermarket parts
8 may not be installed on the vehicles that are currently
9 under warranty. A longer warranty period may result in a
10 decrease in the availability of certain aftermarket parts.

11 Lastly, I'd like to -- well, second to last, I'd
12 like to say that we do request that ARB think about
13 considering retention of the hours limit for vocational
14 limits that operate for thousands of hours prior to the
15 mileage or five-year time threshold. An updated hours
16 limit could be set proportional to the increase in the
17 current mileage requirement. So that would be roughly
18 10,000 hours instead of the 3000 hours that's currently on
19 the books.

20 Lastly, to achieve the long-term emission
21 reductions, MECA supports the adoption of comprehensive
22 inspection and maintenance program to ensure that these
23 emission controls are maintained, remain on the vehicles,
24 and function properly to deliver the expected emissions
25 benefits.

1 In addition, MECA recommends that ARB explore the
2 possibility of licensing repair shops and instituting
3 record keeping requirements during the warranty process.
4 This would help provide information to suppliers so that
5 they can understand failure modes better and make more
6 durable parts.

7 Just to conclude, we fully support the low NOx
8 rulemaking process that's going on and will be continuing
9 throughout the next year. And we look forward to working
10 with staff on that, and to continue the reach your air
11 quality goals

12 CHAIR NICHOLS: Thank you.

13 MR. GELLER: Thank you very much.

14 MR. BLUBAUGH: Good morning. My name is Tim
15 Blubaugh. I'm with the Truck and Engine Manufacturers
16 Association, or EMA. EMA member companies manufacture
17 heavy-duty engines and medium- and heavy-duty vehicles in
18 which those engines are installed.

19 Accordingly, EMA has a direct and significant
20 interest in the proposed amendments to California's
21 emissions control system warranty regulations, and
22 maintenance provisions for model year 2022 that are before
23 the Board today.

24 First, I would like to say that EMA sincerely
25 appreciates the work of ARB staff in developing the

1 proposed amendments over a nearly two-year period.
2 Throughout that thorough rule development process, ARB
3 staff have responded to EMA's comments and concerns in a
4 cooperative manner, which has led to improved draft
5 regulatory language.

6 Moreover, we appreciate the additional
7 modifications that staff is proposing today to further
8 clarify several elements of the amendments.

9 Nonetheless, EMA has a number of remaining
10 concerns. First, we believe the proposed amendments
11 should be deferred, so that they are components of a more
12 comprehensive set of heavy-duty low NOx regulations that
13 ARB staff are preparing for presentation to the Board at
14 the end of 2019.

15 Extended warranties and maintenance intervals can
16 be evaluated in a much better light after the applicable
17 future emission standards, and the components of future
18 emission control systems become more fully known.

19 In that regard, EMA cautions the Board to
20 consider whether other elements of ARB's planned low NOx
21 and OBD programs are likely to threaten the viability of
22 heavy-duty diesel engine sales in California after 2022.

23 For example, EMA estimates that the proposed
24 warranty amendments may add up to \$4,000 to the cost of a
25 heavy-duty diesel engine sold in California. In addition,

1 the anticipated OBD amendments that are scheduled for a
2 Board hearing in November could add another \$7,000 to the
3 cost of an engine. Those significant cost impacts are
4 before considering the per-engine costs, and -- of other
5 elements of ARB's comprehensive low NOx program.

6 Additionally, ARB should make clear in the final
7 regulations that any warranty claims for parts that are
8 covered by extended warranties, that is manufacturer
9 warranties that go beyond even CARB's extended regulatory
10 requirements, will not be included in calculating warranty
11 claim rates for the emissions warranty reporting and
12 recall purposes.

13 Further, ARB should commit to work with EMA and
14 its members to develop a list, at least in general terms,
15 of the relevant parts that may be needed to be covered
16 under and emissions warranty because they can cause the
17 OBD malfunction indicator lamp to illuminate.

18 EMA appreciates the opportunity to comment on the
19 proposed amendments and is greatly appreciative of staff's
20 collaborative and cooperative efforts in this rulemaking
21 process.

22 Thank you.

23 MR. MAGAVERN: Good morning. Bill Magavern with
24 the Coalition for Clean Air in support of the proposed
25 amendments.

1 As the staff presentation made clear, this
2 proposal is part of a suite of measures that are necessary
3 to reduce pollution from heavy-duty vehicles. And we know
4 that that pollution is responsible for a major amount of
5 the smog and particulate matter that continues to plague
6 or communities. So while this measure in itself is fairly
7 small, it's part of a suite of a measures and complements
8 those others, which we hope will include a new low NOx
9 standard for heavy-duty vehicles, a zero-emission truck
10 standard, and if the legislature cooperates, a
11 comprehensive inspection and maintenance program for
12 heavy-duty diesel vehicles.

13 This proposal that you have this morning raises
14 the question of whether we need to update our warranty
15 standards. And we think it's clear that the current
16 standards are outdated and insufficient to the task of
17 assuring that emission controls will work over the long
18 term.

19 If we have manufacturers who are selling and
20 profiting from vehicles that will go 800,000, a million
21 miles, then isn't it fair to ask them to warranty the
22 emission systems for 150,000, or 350,000 miles, as this
23 proposal would have it. And as the Chair indicated, the
24 question really is who pays? So if the emission systems
25 fail during that period, should it be a transit agency

1 that has to pay to fix them, or should it be the
2 manufacturer? And we think that it's definitely fair to
3 ask the manufacturer to bear that extended warranty.

4 Thank you.

5 CHAIR NICHOLS: Thank you.

6 MR. TUNNELL: Good morning. My name is Mike
7 Tunnell. I'm with the American Trucking Association, a
8 national trade association representing the U.S. trucking
9 industry.

10 I'm sure all of you have experience with extended
11 warranties, and can appreciate the dilemma buyers face
12 when deciding whether or not to spend the money. That's
13 the crux of our concerns. We are hearing from our members
14 in the staff report that today buyers can choose to
15 purchase extended warranties for several thousand dollars.

16 In contrast, the proposal before you today
17 estimates extended warranties will cost only a few hundred
18 dollars. These numbers don't lineup. And in discussions
19 with staff yesterday, the reason they don't is because
20 this proposal assumes that those buying today will be
21 subsidizing those who do not purchase today. And in the
22 future, the cost will be a few hundred dollars. You can't
23 buy an extended warranty today for a few hundred dollars.
24 It's several thousand dollars.

25 So we believe the cost will be higher than what

1 is being presented to you today. And in the worst case,
2 buyers will have to pay for services they will not use.

3 There are trucking companies all over California
4 that are out there competing every day. They operate on
5 the slimmest of margins. These types of unique costs,
6 while some may -- to some, they may seem trivial, make it
7 even harder for them to compete.

8 We talked last month about the burden of
9 reporting. So it's just kind of the cumulative effect of
10 all of these costs. So we ask you to reevaluate the cost
11 benefits of this proposal, and consider what can be done
12 to reduce the regulatory cost before you today.

13 Thank you.

14 MR. BARRETT: Good morning. I'm Will Barrett
15 with the American Lung Association. Thank you for having
16 the conversation here today. Californians face the most
17 difficult air pollution challenges in the United States
18 with the transportation sector representing the largest
19 source of harmful pollutants that affect public health.

20 The Board's legacy of strong effective clean air
21 programs has driven down these harmful pollutants, and the
22 negative health impacts associated with them. But we know
23 we still have a long way to go to assuring that all
24 Californians breathe clean air especially in our most
25 disadvantaged communities, and those most vulnerable to

1 the effects of diesel exhaust.

2 So Lung Association strongly supports the Board's
3 efforts to ensure that all the vehicles on the road are
4 attaining their designated standards, in-use, on-road, and
5 that the performance of all vehicles, and especially in
6 the heavy-duty sector is contributing to a clean air
7 future for all Californians.

8 The proposal before you today and the measure
9 adopted last month on the Periodic Smoke Inspection
10 Program both go a long way to ensuring emission controls
11 are maintained and functioning as intended over the full
12 life of the vehicle. As we saw, the standard today is
13 being updated. It's been outdated for too long, and we
14 need to make sure that we move forward.

15 Simply put, the proposal adds assurances that our
16 air quality programs and our long history of progress on
17 air pollution controls are successful over the long term
18 to protect public health in all corners of California.

19 I wanted to also thank Mr. Carter and the team
20 for your work on this important effort and look forward to
21 working with you on the full suite of programs coming
22 forward through the end of next year and beyond. There's
23 a lot of work to be done, and we look forward to working
24 with you on that.

25 So thank you very much.

1 MS. MCGHEE: Hi. How many of you know that
2 commercial vehicles have no lemon law, and that we have no
3 consumer protection by the Bureau of Auto Repair and the
4 Auto Repair Act?

5 The heavy-duty useful life is beyond the warranty
6 period, and the useful life. And the consequences is
7 higher emissions. And it requires more changes to better
8 reflect the usage of modern vehicles. This is true, and
9 this goes across all medium-duty and heavy-duty classes of
10 the vehicles.

11 Warranty support is necessary for expensive
12 parts. The majority of transportation in fleets is made
13 of small businesses. And without more warranty support by
14 this proposal, the repairs are expensive and have adverse
15 impacts to the fleets when trying to manage repair costs
16 of expensive parts.

17 Duty cycle challenges exist and are not supported
18 by all locations, especially for those of us in traffic.
19 The DPF is challenged by stop-and-go driving behavior.

20 I support this proposal and request the Board to
21 take into consideration how different diesel technology is
22 to ZEVs. Diesel has been reliable for decades. This
23 Board is creating incentive programs and vouchers to
24 accelerate the adoption of ZEVs. Therefore, ZEVs require
25 the same measures currently. And therefore, there is no

1 health code standard for ZEV vehicles when they fail. You
2 have to go back to a diesel vehicle, which creates the
3 consequences of admissions. And so more improvements like
4 this is necessary for all technology.

5 CHAIR NICHOLS: Thank you.

6 That concludes the list of witnesses that had
7 signed up to speak. And so I think I can close the record
8 at this point and proceed to Board discussion.

9 Yes, Supervisor Serna.

10 BOARD MEMBER SERNA: Thank you, Chair Nichols.

11 So the gentleman from the Trucking Association
12 mentioned an obvious difference in what he sees, and what
13 his association sees as a cost relative to the extended
14 warranty. I'd like staff to address that. I know that we
15 had a slide - I believe it's slide 20 - that references
16 what the average additional capital costs are. But I just
17 feel it's important not to keep that lingering out there
18 before we hear from other Board members and take a vote.
19 Maybe explain some of the assumptions behind that.

20 MSCD MOBILE SOURCE REGULATORY DEVELOPMENT BRANCH
21 CHIEF HEROY-ROGALSKI: I can do that. Yeah. Thank you.
22 Thank you for the question and thanks for the opportunity
23 to clarify that.

24 We did speak with Mr. Tunnel yesterday. And
25 unfortunately, I think we may have not come to a complete

1 understanding. So the situation is that many truck buyers
2 currently already opt to buy extended warranties already
3 out to 350,000 miles or well beyond that, as shown in the
4 pie charts, that the form was kind of messed up on.
5 They're correct in your printed slides.

6 Eighty-five percent of Class 8 truck buyers, for
7 example, already buy extended warranties out to that
8 length. So for people in that category that they're
9 already buying those longer warranties, this isn't really
10 going to present a cost. It would just -- it would just
11 kind of look different on the invoice when they buy a
12 truck.

13 Instead of having, you know, the cost of the
14 truck and then the cost of an extended warranty, the cost
15 of that extended warranty will just be built into the cost
16 of the truck.

17 But then you've got the other set of people,
18 maybe 15 percent, who aren't buying longer warranties, who
19 are just sort of living with the 100,000 mile warranty.
20 And those are the ones where we're concerned that those
21 trucks, when something breaks, those repairs may not be
22 getting made in a timely manner, and that's where we want
23 to see those repairs get done quicker and that's where
24 we'll reap emission benefits.

25 And for folks in that category, Mike Tunnell is

1 correct, they are going to see a significant increase in
2 the amount they need to pay for a new truck. In essence,
3 what we're doing is ensuring that people sort of buy an
4 insurance policy when they buy a truck. And if you're
5 going to buy a truck, you need to set aside enough money
6 to cover the repairs, so that those emission controls will
7 function throughout the time you're actually using the
8 truck.

9 Those emission control systems are super
10 effective, if they're maintained well. And we're relying
11 on them to keep the air clean, so we need to do everything
12 we can to make sure those systems are well maintained.

13 So hopefully -- and so the several hundred dollar
14 figure that Mr. Tunnel referenced was -- when we took a
15 look at, okay, what is this -- what cost does this measure
16 impose sort of on average for all truck buyers? If we
17 average those costs over the population of trucks, it
18 comes out to like \$200 to \$700 per truck, which sounds --
19 you know, sounds small.

20 But we're not contesting that for folks who would
21 currently buy a truck and not purchase the extended
22 warranty that the cost increase would be greater than
23 that. We're just arguing that we think overall societally
24 it's worth it, and we think we should -- we should have
25 that requirement, and manufacturers should be required to

1 cover those repairs and really truly ensure that the
2 systems work throughout the useful life of the truck.

3 Hopefully, that made more sense.

4 CHAIR NICHOLS: There's a question. Dr. Balmes,
5 yeah.

6 BOARD MEMBER BALMES: Just piggy-backing on that
7 question and response. But aren't the people that
8 currently are not buying the extended warranty probably
9 the ones that Mr. Tunnel was referring to, that are
10 probably on the margins if they're smaller companies.
11 Probably the larger companies are buying the extended
12 warranty? I'm just asking.

13 But it seems like those particular trucking firms
14 that are not buying the extended warranty now who will
15 have this increased cost are probably the ones that are
16 more marginal, but I don't really know that.

17 MSCD ASSISTANT CHIEF CARTER: I don't -- I don't
18 know if we have that break down to be frank. I don't
19 know.

20 MSCD MOBILE SOURCE REGULATORY DEVELOPMENT BRANCH
21 CHIEF HEROY-ROGALSKI: But intuitively, you're probably --
22 you're probably right. But what's been interesting is
23 we've done the workshops on this measure over the past
24 couple years. We've heard concerns from ATA that, you,
25 know largely represents larger trucking firms, and we've

1 heard more support from smaller fleets. And I think it
2 was Western States Trucking Association expressed support
3 for this verbally at a couple of the workshops, because
4 what they're seeing is as -- you know, as we've required
5 these trucks to have this more complicated technology,
6 they're seeing their maintenance costs skyrocket, and just
7 the complexity and amount of effort they have to put to
8 taking care of the trucks go up.

9 So when they heard, hey, the Air Board is going
10 to make sure that the manufacturers build more durable
11 systems and stand behind their products, they were like
12 yeah. So I think -- but nonetheless, it is true that
13 having to pay more for a truck is somewhat of a burden,
14 and will probably be a heavier burden for people that were
15 struggling more to pay for the truck.

16 BOARD MEMBER BALMES: That was a helpful
17 response. Thank you.

18 CHAIR NICHOLS: Yes, Ms. Berg.

19 VICE CHAIR BERG: I also would just like to
20 piggyback to make sure that we have understanding.
21 Wouldn't the extended warranty however being purchased on
22 a new vehicle have other systems that -- transmission and
23 other operating systems that isn't covered by the
24 warranties that we're talking about here?

25 MSCD ASSISTANT CHIEF CARTER: Well, right now,

1 the warranty -- the warranted parts right now are based on
2 a -- an established list. And part of the proposal that
3 we're doing today, we're making it consistent with the
4 light-duty program. We're not only going to rely on that
5 list, but basically anything that illuminates the mill on
6 the OBD system. And so it will cover anything that's
7 related -- anything that's emission related or can cause
8 an emissions increase would be covered.

9 VICE CHAIR BERG: Okay. Thank you.

10 CHAIR NICHOLS: Yes. Dr. Sperling, back again.

11 BOARD MEMBER SPERLING: I'm -- I mean -- I'm
12 struggling a little to just get my head around how this
13 all works. You know, the basic concept seems correct, you
14 know, that these trucks are lasting a long time. And we
15 want to make sure the manufacturers are building more
16 durable, better technology.

17 So the basic thrust makes lots of sense. I'm
18 still struggling though to just understand what we're
19 actually doing here. So I should know this, but why -- so
20 after the warranty period, then why or how do trucks have
21 to replace technol -- you know, components that break
22 down?

23 We have the simple smoke opacity test. Is there
24 anything -- how do we make -- why do they have to -- why
25 do they have to fix them?

1 MSCD ASSISTANT CHIEF CARTER: Well, to be frank,
2 if it doesn't cause a performance problem with the truck,
3 that truck driver will drive for as long as they can
4 possibly drive. However, if the turbocharger does fail,
5 for example, or the DPF gets plugged up, that truck drive
6 is going to have to come in and get that thing fixed,
7 otherwise you won't be able to drive it. And so that's
8 one mechanism, of course, how it will get fixed.

9 But you're right, I mean, there are other
10 examples where there won't be a performance issue, and the
11 emissions will be, you know, 10 times or even greater than
12 what the emission standards should be.

13 BOARD MEMBER SPERLING: So that's why I'm
14 struggling with this idea. Why is there so little benefit
15 from this? Intuitively, I would think -- I mean we all
16 see these trucks and buses out -- you know, like
17 inner-city buses out there that occasionally are belching
18 black smoke. And there must be a high -- you know, we
19 always talk about super emitters, but there must be a lot
20 of emissions out there that are not being reduced.

21 MSCD ASSISTANT CHIEF CARTER: That is very true.
22 One of the reasons why for this particular item that the
23 emissions benefits are modest is because as Kim suggested
24 earlier, that a lot of the truck drivers already purchased
25 extend warranties. So we're only taking into account

1 those that do not purchase extended warranties today.

2 BOARD MEMBER SPERLING: But these extend -- so
3 the life of these vehicles is so long -- so the extended
4 warranties go out -- how far do they go out for a Class 8
5 truck, for instance?

6 MSCD ASSISTANT CHIEF CARTER: They can go out to
7 350, some even go to as far as a half a million miles

8 BOARD MEMBER SPERLING: But these truck are often
9 well over a million miles --

10 MSCD ASSISTANT CHIEF CARTER: That's correct.

11 BOARD MEMBER SPERLING: -- and I think in turn,
12 the numbers I think it said rebuilt -- they're rebuilt
13 after one million on average.

14 MSCD ASSISTANT CHIEF CARTER: Right.

15 BOARD MEMBER SPERLING: So these trucks, some of
16 them out there are for millions of miles.

17 MSCD ASSISTANT CHIEF CARTER: Yes.

18 BOARD MEMBER SPERLING: So we're -- basically,
19 we're not doing anything.

20 MSCD ASSISTANT CHIEF CARTER: Well, that's
21 where -- that's where Cart our omnibus measure next year
22 comes into play. We're really aimed at real-world in-use
23 emissions. And that's where we plan to over -- overhaul
24 the entire in-use compliance program we have in place now
25 to catch more vehicles out there in the field, which are

1 real world.

2 Plus, we're also considering next year proposing
3 new useful life requirements, which would extend the
4 useful life beyond 435,000 miles, as it is today for Class
5 8s. So that will also help us.

6 So that means if we increase -- if we increase
7 the useful life out to say - I'm just throwing a number
8 out there - let's say 800,000 miles, that means those
9 trucks will be required to maintain and attain the
10 emission standards out to that period of time, rather than
11 the 435,000.

12 CHAIR NICHOLS: If I may.

13 MSCD MOBILE SOURCE REGULATORY DEVELOPMENT BRANCH

14 CHIEF HEROY-ROGALSKI: And one piece --

15 CHAIR NICHOLS: Excuse me. Go ahead.

16 MSCD MOBILE SOURCE REGULATORY DEVELOPMENT BRANCH

17 CHIEF HEROY-ROGALSKI: Can I just add one comment.

18 CHAIR NICHOLS: Yes, you may.

19 MSCD MOBILE SOURCE REGULATORY DEVELOPMENT BRANCH

20 CHIEF HEROY-ROGALSKI: I'm sorry to interrupt.

21 Another thing to consider is just -- just
22 imposing requirements on the manufacturers via
23 certification and in-use requirements probably isn't going
24 to be enough. We've kind of done all we can last month to
25 tighten up our Smoke Inspection Programs, but there will

1 definitely be additional emission benefit if the
2 legislature does choose to direct us to develop a
3 heavy-duty inspection maintenance program.

4 And that -- you know, that could take care of the
5 operation that's occurring beyond the warranty period.

6 CHAIR NICHOLS: So if I may, at this point, try
7 to wrap this item up. It is part of a larger series of
8 actions. If there's anything I was going to criticize, I
9 would criticize the staff for -- it would be for bringing
10 them to us piecemeal like this, because it is hard to
11 focus on one at a time.

12 But I think it's sort of surprising actually that
13 there's as little excitement about this issue as there is
14 out there. And frankly, I think the reason is that it's
15 been expected for a long time, and it has been
16 foreshadowed as a part of the bigger effort that's
17 underway here.

18 Obviously, we have a lot of actions focused on
19 these particular vehicles. They stand out as the biggest
20 source of our problem. This is not going to be the thing
21 that shifts it completely -- it's -- I think everyone
22 would concede, it's a piece of the puzzle though. And I
23 would hate to see us not move ahead on it, if members are
24 otherwise ready to go.

25 So with that, I think --

1 BOARD MEMBER SPERLING: Can I add?

2 CHAIR NICHOLS: Yes.

3 BOARD MEMBER SPERLING: Could I add -- you know,
4 following up on what you just said, the one -- someone
5 raised a question about, you know, there are these
6 additional actions coming, and our -- is this going to
7 be incon -- you know, create some kind of inconsistency.
8 And the ones that stand out as important actions would be
9 the OB -- the new OBD and the low NOx rules that are
10 forthcoming. So I assume you've thought this all through
11 and -- but, you know, just reassure us that --

12 (Laughter.)

13 BOARD MEMBER SPERLING: -- that you have thought
14 it through.

15 CHAIR NICHOLS: Maybe this should move to a
16 different level here really. And we should talk to Mr.
17 Cliff about this one.

18 DEPUTY EXECUTIVE OFFICER CLIFF: Well, I think as
19 you say, we're -- we're trying to take a holistic approach
20 in a somewhat piecemeal way, which is why we had a set of
21 slides that was trying to address that particular issue.
22 But yes, in terms of the bringing forward more
23 requirements on OBD, for example, that is something that
24 we're looking to do later this year.

25 BOARD MEMBER SPERLING: So there's no concern

1 that it's going to somehow, in ways I can't even imagine,
2 change some of these proposed rule changes here, affect
3 them in some way that --

4 DEPUTY EXECUTIVE OFFICER CLIFF: Well, I think,
5 what staff has been trying to say is as we're developing
6 this more omnibus program, there may be other changes to
7 the warranty or to these other provisions.

8 As part of that, we're also looking at the low
9 NOx standard, and developing what that standard will --
10 will be for the future. And so bringing all those
11 together in that one rulemaking will be really important.
12 In the meantime, there are pieces where we think we can
13 get advantages today.

14 And we don't think it's worth waiting for all of
15 that to be figured out in a year and a half to bring that
16 forward. We think it's important to kind of take some of
17 these steps in the interim. And to be honest, as you
18 heard from industry and the staff's response, we've been
19 pushing pretty hard. We're trying to obviously push the
20 industry farther. We made some changes, and kind of
21 backed off in response to those concerns that we heard
22 from industry.

23 If we had -- if staff had their preference, I
24 think they would have pushed much harder. They would, you
25 know, change useful life to a much higher number, and

1 change the warranties to a much higher number, but that
2 would have been too far too fast at this point. So we're
3 working on doing that for the future.

4 BOARD MEMBER SPERLING: Thank you.

5 CHAIR NICHOLS: Okay. Do we have a motion and a
6 second?

7 BOARD MEMBER RIORDAN: Madam Chairman, I would
8 like to make a motion, because I think there's a lot of
9 good logic in this as a beginning. And I would approve --
10 like to make a motion to approve Resolution 18-24.

11 CHAIR NICHOLS: Okay. And do we have a second?

12 BOARD MEMBER SPERLING: Second.

13 CHAIR NICHOLS: All right. Second.

14 All in favor please say aye?

15 (Unanimous aye vote.)

16 CHAIR NICHOLS: Any opposed?

17 Any abstentions?

18 Very good. Thank you. Thank you.

19 So these are tough -- they are tough issues. It
20 gets beyond what we normally deal with in the areas of
21 technology, and regulation, but I think it's a -- it's a
22 key part of our program. So thanks, all.

23 Okay. Moving along here. We will next take up
24 an update on AB 617 and the Community Air Protection
25 Program. So a shift of personnel here in the front.

1 This item deals with efforts to reduce air
2 pollution and improve public health in parts of California
3 that bear some of the greatest burdens of air pollution.

4 Could I get you to be a little less chatty, while
5 we are taking out seats here.

6 (Laughter.)

7 CHAIR NICHOLS: Thank you. This discussion today
8 is an important touchpoint in building a new community
9 focused program. I know that the staff is looking forward
10 to discussion and input from the Board on several key
11 program elements, but there is no action that we're
12 actually being called upon to take today.

13 So I will now turn it over to Mr. Corey to
14 introduce the item.

15 EXECUTIVE OFFICER COREY: Yes. Thanks, Chair.
16 And over the last nine months, staff has been drawing on
17 the expertise of community members, air districts,
18 industry and other partners who are helping find a more
19 effective way to deliver emission reductions at the
20 community level. We made a lot of progress.

21 Earlier this month, staff released a draft
22 program blueprint that contains guidance and requirements
23 for community identification and selection, Community
24 Emission Reduction Programs, and community level
25 monitoring. The blueprint also contains proposed

1 strategies to benefit highly burdened communities
2 throughout the state.

3 We've also recently announced the list of
4 community organizations that have been awarded grants to
5 engage closely in the 617 process, and build capacity to
6 become active partners in reducing air pollution in their
7 neighborhoods. And in today's update, staff will focus on
8 two important aspects of the program: Selection of
9 communities for targeted action in the first year of the
10 program, and the proposed statewide strategies.

11 Staff will also highlight the important work that
12 will be supported through the community assistance grants.
13 Based on today's Board's discussion and feedback from our
14 continued outreach, staff will return to the Board in
15 September with an updated version of the blueprint, and a
16 recommended list of first-year communities for
17 consideration.

18 I'll now ask Karen Magliano, Director of our
19 Office of Community Air Protection to give the staff
20 presentation.

21 Karen.

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

24 OCAP DIRECTOR MAGLIANO: Good morning. And as
25 you heard what we wanted to do today was provide a little

1 bit of update on ongoing progress with the program, and
2 especially one more chance to have a touch-base with the
3 Board and public testimony before you have to make those
4 very important decisions coming forward in September.

5 --o0o--

6 OCAP DIRECTOR MAGLIANO: So as you heard, we have
7 made a lot of progress since we were last in front of the
8 Board in March. Earlier this month, we released, as you
9 heard from Richard, the draft blueprint for the program,
10 which is really laying out staff's proposals for how you
11 do effective air monitoring, what the requirements and the
12 process for developing Community Emission Reduction
13 Programs are, the types of statewide strategies that we
14 need to benefit these most impacted communities, and of
15 course, the process for selecting those communities
16 themselves.

17 We also, as you heard recently, announced grant
18 recipients for the Community Assistance Grant Program.
19 And that's a really exciting element of this program, and
20 Veronica is going to talk a little bit more about that.

21 We've also been continuing to receive nominations
22 for communities that should be considered as part of the
23 program. And also back in April, your Board approved some
24 modifications to the Moyer Grant Program, so we can more
25 specifically target and make those investments in

1 communities themselves.

2 And I should also point out that as part of
3 releasing the draft blueprint, because there are proposed
4 new actions that are included as part of that, we also
5 have a draft Environmental Assessment that was released
6 and is out for public comment as well.

7 --o0o--

8 OCAP DIRECTOR MAGLIANO: So as we've been sort of
9 pulling together and developing all these different pieces
10 of the program, we've really been trying to think through
11 how do we capture and infuse within the program what a
12 true community-oriented program looks like.

13 And the slide on the right-hand side, the graph
14 here, really illustrates why we need this program. This
15 is something that we showed when we first came to the
16 Board back in October. This happens to show trends in
17 diesel particulate matter, comparing what we're seeing
18 happening in disadvantaged communities compared to other
19 communities within the state.

20 And as you can see, we've continued to make very
21 significant progress in reducing diesel particulate
22 matter. But there are still inequities, and there are
23 many disadvantaged communities that are still seeing much
24 higher burdens of diesel PM, other criteria pollutants and
25 toxic air contaminants.

1 That means we need to look and find ways that we
2 can make sure we're directly reducing and addressing
3 pollution within those most burdened communities. But
4 part of this really goes beyond just we're narrowing a
5 geographic focus, and needing weave, you know, how we do
6 that community-focused action itself.

7 So part of it, and a very important aspect of
8 this, is, you know, how we work directly with communities,
9 and that they are active partners with us in developing
10 solutions for their communities. We all have knowledge
11 and expertise that we can bring to the table, and so we
12 think it's critically important that we continue to do
13 this as a collaborative process.

14 The other aspect of it is, you know, making sure
15 that AB 617 and the Community Air Protection Program is
16 not this siloed stand-alone kind of program, but looking
17 at ways we can make sure we're integrating both our
18 programs, and the different program authorities that we
19 have, and leverage them to have a more effective program
20 overall.

21 And then the last piece of this is continuing to
22 work very closely with other agencies that have roles and
23 responsibilities, and are part of the communities
24 themselves.

25 So one aspect of this, of course, is land use and

1 more intimate with the communities that we're considering.

2 So since that time, we've shifted to smaller more
3 intimate groups, oftentimes at the invitation of
4 community-based organizations. I would say 10 people or
5 fewer in some of those meetings. But as you'll see in the
6 next few slides, we also started having tours. And we're
7 really grateful to the environmental justice groups and
8 community-based organizations who took the time out of
9 their days to show us where they're working, and
10 experience communities the way that residents live in
11 them.

12 We started out with a tour of the L.A. freight
13 corridor going from the refineries and the ports all the
14 way into San Bernardino and Jurupa Valley to see where the
15 warehouses and distribution centers were. We spent two
16 days with them. And I'm going to try to mention the
17 groups who hosted us. Although, I'm sure I will leave
18 some out. So I hope that they those left out will forgive
19 me.

20 But on this particular slide, we were really
21 grateful to the Moving Forward Network, and their members
22 like Communities for a Better Environment, East Yard
23 Communities for Environmental Justice, and the Community
24 Center for Action and Environmental Justice, who spent two
25 days with us showing us where they live and work.

1 as well. And we toured the San Ysidro port of entry. And
2 we're grateful to the Environmental Health Coalition and
3 Casa Familiar for showing those to us.

4 We're really interested in addition to reaching
5 communities that don't necessarily have the
6 infrastructure, the environmental justice infrastructure,
7 a network of community based organizations. So we're
8 looking forward to more tours reaching those communities
9 perhaps in the Northern San Joaquin Valley. We're also
10 scheduling something for the oil fields of Los Angeles.

11 --o0o--

12 ASSISTANT EXECUTIVE OFFICER EADY: The next
13 slide -- and I'll transition here to our community air
14 grants. You heard Karen, and both Karen and Richard
15 mention these grants, which are a big part of the
16 implementation of AB 617. We put together this program
17 out of whole cloth, which was kind of a amazing. And
18 while we didn't have the time to get a full public
19 commentary on our solicitation because we had to move
20 fast, as most of this program does have to move quite
21 fast, we did have the benefit of consultation with people
22 in private philanthropy who are working in the
23 environmental justice space, who helped us put together
24 our solicitation.

25 The legislature, as you will recall, granted a

1 portion -- appropriated \$5 million for the first round of
2 grants. We were oversubscribed by four-fold, so we had
3 almost \$20 million worth of applications, 65 of them all
4 together.

5 We put together a panel of reviewers that was
6 intergovernmental, so it reached outside of ARB and
7 included other agencies as well, as I mentioned, people in
8 philanthropy. We left the competitive solicitation open
9 for 52 days. And on June 6th, we announced the
10 prospective awardees.

11 We covered a broad geographic region. As you'll
12 see from the map there, we reached urban, we reached
13 rural, we reached the border region, ports, as well as
14 three indian tribes were granted grants.

15 And to give you an idea of what some of those
16 grants involved, we have a grant proposed to the big pine
17 Big Pine Paiute Tribe of Owens Valley. They're planning
18 to put together monitoring, engage schools, have the
19 school flag program, where the students monitor the air
20 quality and raise the flags three times a day.

21 Also, some of the tribes were planning to put
22 together a tribal air monitoring network. So even though
23 other tribes may not have been funded, they're reaching
24 out to other tribes in their region to take part in a
25 tribal air quality network.

1 Ramona Gardens that's being built, and they're going to be
2 putting together a list of pollution reduction measures
3 that they can include in the building of this park.

4 --o0o--

5 ASSISTANT EXECUTIVE OFFICER EADY: So to
6 summarize. Our grants covered a number of things from
7 increasing residents' awareness and their engagement,
8 putting together action plans, which is a big part of AB
9 617, and training people to have the capacity to be
10 involved in that, providing technical training, involving
11 students, as I said, and finally the running of
12 community-led monitoring systems.

13 So with that laying the foundation, I'll pass it
14 back to Karen.

15 OCAP DIRECTOR MAGLIANO: Thanks.

16 So this is exemplifying a very collaborative
17 effort across the Board in developing this program. The
18 last piece we just wanted to talk a little bit about in
19 terms of that community engagement and community
20 partnerships, is as we get to individual communities and
21 are putting together what kinds of community monitoring is
22 needed, as well as the Community Emission Reduction
23 Programs themselves, that this be a very collaborative
24 process with the communities.

25 And so we've proposed establishing community

1 vast scope of community nominations that we've received so
2 far. In many cases, one of those individual dots
3 represent a city with multiple communities embedded within
4 it.

5 So, you know, overall, we have received hundreds
6 of nominations of different communities that would like to
7 be considered as part of the program overall. But we also
8 know that as we're starting this program, you know, this
9 far exceeds the capacity to really be successful in the
10 first year of the program.

11 There is a very short time frame for pulling
12 together the initial monitoring, and the Emission
13 Reduction Programs The monitoring has to be in place by
14 July of next year. The Emission Reduction Programs by
15 October. So we want to make sure that there are
16 communities that are really ready to go, that we have a
17 good understanding of what the nature of the problem is,
18 so that we can jump in and really develop some meaningful
19 solutions for those communities, but also the time to
20 develop the relationships with the community-based
21 organizations, and the community members themselves.

22 And so with that in mind, as staff, we are
23 recommending that we start with a fairly small number of
24 communities, and probably something up to 10 or so.

25 We expect that, in many cases, these will be

1 communities that will have a combination of both air
2 monitoring, and Emission Reduction Programs, but that most
3 of these would have an emission reduction component
4 associated with them, because that's really where we're
5 focusing on is those actions to improve air quality.

6 --o0o--

7 OCAP DIRECTOR MAGLIANO: So then the challenging
8 part, of course, is how do we move from 10 communities in
9 the abstract to 10 very specific communities that we
10 recommend to the Board in September?

11 So we've been looking at, you know, what kinds of
12 considerations or factors can help us in that process of
13 coming up with the recommendations.

14 Part of that is, you know, wanting to have some
15 good geographic diversity across the State, because it
16 helps buildup capacity, not only within local air
17 districts, but also within community-based organizations
18 themselves, in terms of participating in the process, but
19 also having a good mix of different pollution sources
20 represented by these communities, because that will help
21 us start developing strategies, in many cases, that can
22 also benefit communities that have similar air pollution
23 challenges, as well as approaches that are effective
24 overall.

25 So the local air districts have been doing a lot

1 of work to -- within their local region, and based on
2 their local knowledge and understanding, coming up with
3 some priorities to recommend to us, which they will be
4 doing over the next month.

5 But there's also been some really good work that
6 has been done by local community-based organizations. For
7 example, in the San Joaquin Valley, there is a
8 collaborative of all of the EJ organizations together that
9 have often gone through a very thoughtful process of
10 coming up with recommendations that we should consider.

11 The other aspect of this, of course, and we've
12 been asked this, you know, very frequently is what is a
13 community? What is the size of what we are looking at?

14 We know that there's not one uniform size that we
15 want to look at, but probably smaller, rather than larger,
16 for a number of reasons. One it, I think, allows us to
17 focus down on what types of sources are really
18 concentrated within communities, and are causing those
19 disproportionate burdens. And the other is making sure as
20 we're developing these community steering committees, that
21 there really is sort of a cohesive sense of what a
22 community is. And if we go too large, it's almost like
23 we're going back to our regional planning process.

24 The last piece of this is, you know, because
25 there are many deserving communities out there, is to

1 continue to identify actions that can be happening now
2 that will be benefiting this broader list of communities
3 out there. And that's part of why, through the Community
4 Assistance Grant Process, we really wanted to make sure
5 that we were developing that assistance and capacity
6 across many different organizations within the State.

7 But there are also other efforts through the
8 incentive program investments, through enhanced
9 enforcement, and other strategies that will be continuing
10 to provide benefits to these additional communities as
11 they come forward.

12 --o0o--

13 OCAP DIRECTOR MAGLIANO: So with that in mind,
14 sort of in the last portion here, I wanted to talk a
15 little bit more about how we are approaching what the
16 strategies are, because they really are the backbone of
17 the program itself, and looking at this in sort of a
18 complementary suite of different approaches that are all
19 designed to work together on multiple levels.

20 So starting with this, we do have, you know, all
21 the new measures that are going to be coming to the Board
22 over the next few years as part of our current air quality
23 plan, the scoping plan, short-lived climate pollutant
24 plan, the freight plan, et cetera, et cetera.

25 That these are really going to be some core

1 localized exposure issues.

2 So part of that, for example, for communities
3 that are impacted by freight sources, we have all the new
4 measures that the Board was discussing when we were in
5 Riverside in March, as well as other focused efforts, for
6 example, a freight handbook, and some targeted enforcement
7 efforts in freight corridors.

8 We also have some new proposed measures that are
9 looking at making sure that we maintain the emission
10 benefits from those existing sources similar to what we've
11 just heard in the previous item. And then a number that
12 are looking at stationary sources, both in terms of things
13 that CARB would do with the statewide level, for example,
14 hex chrome, and updating our ATCM for that, but there's
15 also a lot of work that is going on at the local air
16 district level, because there are requirements in statute
17 to look at the equipment that is at some of the largest
18 industrial facilities, whether it's refineries or cement
19 plants, and making sure there's an expedited schedule for
20 getting all of that equipment up to the most recent
21 control technologies. And that will really help all
22 communities that are situated near these types of sources.

23 --o0o--

24 OCAP DIRECTOR MAGLIANO: And then the last piece
25 of this is as we go into individual communities and

1 develop those targeted community emission reductions
2 programs. Additional strategies that will come forward.
3 What we've done as part of the blueprint is proposed first
4 sort of a scope of the kinds of strategies that should be
5 looked at as part of these.

6 And the graphic on the slide here sort of
7 highlights what those different areas are from new
8 regulatory programs, to the incentive investments, to
9 enhanced enforcement, for example, but also the process by
10 which we go through and look at what the right mix of
11 these strategies are. And this is where the community
12 steering committee is really a critical aspect of this, of
13 gain looking at developing these plans together with the
14 community itself.

15 Many of these are targeted at making sure that we
16 have specific emission reduction targets for each of these
17 communities. But we've also included in here, you know,
18 how we continue to engage much more closely on land-use
19 and transportation strategies, because as we've gone out
20 into these communities, that's probably one of the most
21 common refrains is, you know, past land-use decisions that
22 have placed people and sources much too close together,
23 and what can we do to mitigate that, but equally
24 importantly, how do we prevent that from happening in the
25 future.

1 So what we've proposed is looking at, you know,
2 how we identify the kinds of outcomes that the communities
3 would like to see, recognizing that AB 617 isn't changing
4 any of the authorities. And in many cases, these
5 decisions do rest with not CARB or the air districts, but
6 these other agencies, but then identifying what kinds of
7 tools and strategies can we use to better engage in that
8 decision-making process.

9 We've also been working on a number of other
10 things that can help support the strategy development.
11 One is a technology clearinghouse that helps identify, you
12 know, what are those best available control technologies,
13 and also over time keeping that as a forward-looking
14 aspect, so, you know, as new -- especially zero-emission
15 technologies come forward, keeping track of what's
16 available.

17 There's also a lot of work that's just getting
18 initiated now on enhancing our emission reporting systems.
19 And we're working closely with the air districts on how we
20 do that more efficiently, and more frequently as well, so
21 the information is available to support these programs.

22 And then lastly, putting together an online
23 resource center that will start collecting a lot of
24 information, especially when we look at land use,
25 transportation strategies, what has been done, what has

1 worked elsewhere, you know, what are best practices, for
2 example, that can help support these overall efforts.

3 --o0o--

4 OCAP DIRECTOR MAGLIANO: So we're not there yet.
5 There is still quite a bit more to be done over the next
6 few months. And there's a broad team that will continue
7 to work on this. So as Veronica mentioned, we're going to
8 continue to be having a lot of engagement with communities
9 and other stakeholders, and are looking forward to
10 additional tours where we can get out into the
11 communities. And we'll be looking for opportunities to
12 bring in the Board members as part of that process as
13 well.

14 We've had a few workshops, and another to go.
15 And we'll also continue with our Consultation Group that
16 Dr. Balmes chairs.

17 So that will all lead into the feedback
18 recommendations discussions that we get into releasing an
19 update of the blueprint itself, as well as our staff
20 recommendations on communities that should be considered
21 as part of this first year of the program.

22 And then the Board will consider that in
23 September. So that obviously is a very important
24 milestone. But beyond September, there is a lot of hard
25 work then that will take place as we move forward into

1 implementation of the program itself.

2 So we are looking forward to some good questions,
3 and discussion here today. But as we've done in the past,
4 I'd always -- also like to invite up several of our
5 partners with the air districts to talk a little bit about
6 what they've been working on. So we have Wayne Nastri
7 from South Coast, Greg Nudd from the Bay Area, Samir
8 Sheikh from San Joaquin and then also Alan Abbs from
9 CAPCOA.

10 CHAIR NICHOLS: Thank you, air districts.

11 MR. NASTRI: Thanks, Madam Chair. Thanks, Board
12 members. It's a real pleasure to be here and have the
13 opportunity to speak to you today about the ongoing
14 efforts with regards to AB 617.

15 South Coast is well underway with regards to
16 implementing the demanding requirements and tight
17 schedules for this program, including our work on BARCT,
18 transitioning from the reclaim to command and control, as
19 well as looking at the identification and selection of
20 communities as we move forward. We've received extensive
21 public comment through a variety of means, including input
22 from over 10 evening community meetings, as well as from
23 emails, from input on our websites, self nominations, and
24 a variety of other comments that have been submitted to
25 us.

1 Our governing board will next week consider our
2 staff recommendations regarding the identification and
3 selection of those 10 communities. And upon the
4 conclusion of their findings, we will submit those
5 findings to CARB along with the technical documentation
6 supporting that by the end of July.

7 So we believe we can handle at most three to four
8 sites in the upcoming year. And what we will be doing is
9 really reflecting on the amount of work that has gone into
10 our experience in a very similar approach in the City of
11 Paramount.

12 So we continue to work with your staff on a
13 number of issues that are critical to our collective
14 success. And they include ensuring that we have clear
15 communications, and that we're able to manage expectations
16 amongst all the parties. That we make sure that we meet
17 and not exceed the statutory requirements. And it's
18 something I know that Dr. Balmes and I and many in this
19 room have talked about at the Consultation Group meetings.

20 We also want to make sure that we don't reinvent
21 systems that have already been proven to be effective and
22 that we're not wasting time with regards to duplicity or
23 duplication of those efforts.

24 And then finally, I would say the other issue
25 that we want to really work closely on is ensuring that we

1 can streamline the process for the transfer of funds and
2 resources to the districts, so that we can actually get
3 the work done in a timely manner.

4 And so with that, South Coast is committed to our
5 collective air quality mission, and we look forward to
6 continuing our work with CARB in order to get the fine
7 work done that we all know needs to be done under AB 617.

8 Thank you.

9 CHAIR NICHOLS: Thanks a lot. It sounds like
10 we're making some real progress here in terms of getting
11 everybody lined up and all working together, and not
12 duplicating each other's efforts on this one.

13 MR. NASTRI: Well, it really is making sausage.

14 (Laughter.)

15 MR. NASTRI: And sometimes the process isn't
16 pretty, but we're getting -- we're getting a lot of
17 progress.

18 MR. SHEIKH: Good morning, Madam Chair, members
19 of the Board. I wanted to second that last comment as
20 well, and also let you know that we're working hard in the
21 San Joaquin Valley to work on 617.

22 My name is Samir Sheikh. I'm the -- actually the
23 new Air Pollution Control Officer and Executive Director
24 for our agency. I just wanted to quickly introduce
25 myself. I know I've been here before in my former

1 capacity. But here I am in my new capacity.

2 CHAIR NICHOLS: Welcome.

3 MR. SHEIKH: I just wanted to let you know that
4 over the year many years that I've been working with CARB
5 and in our region on air quality issues, I have gained a
6 very deep appreciation for the complexities of the
7 challenges that we have in our region, the work that we've
8 done together to really help improve air quality in our
9 region, but also the challenges that remain and the hard
10 work that's coming here together to really help improve
11 quality of life and public health in our area.

12 So we have been working very hard on AB 617, as
13 Wayne just mentioned. I wanted to thank staff for really
14 just taking the same to be -- to be in the valley quite a
15 bit as you mentioned before with the tours.

16 A lot of community engagement, and that's really
17 been a huge priority for us is really getting the word out
18 about 617, and trying to make sure that folks understand
19 what's going on. It's very complex. There's a lot of
20 moving parts. One of the things that we've noticed is
21 that because there are so many issues kind of going on at
22 the same time, it's really been challenging to try to keep
23 the dots connected for all of the stakeholders, and really
24 try hard to get that information out there, and
25 communicate it in a way that folks can understand.

1 So we've had a lot of meetings, a number of
2 community meetings, as well through all the eight counties
3 and in our valley, a very large geographic region, so
4 we -- we always have the challenge of trying to make sure
5 that every part of the valley is really seeing the
6 information and trying to keep up with what we're doing
7 on.

8 So we're -- we're continuing to ramp up that
9 community engagement. It's a huge part of 617, and we
10 want to look for even more ways to try to -- to try to get
11 the word out about what's going on.

12 Just an update. Last week at our board meeting,
13 after months of community engagement, we did take an item
14 to our board on the community prioritization and
15 selection. You know, overall, we developed a methodology
16 that was really data driven, took advantage of the hard
17 work of the state with CalEnviroScreen, and all the
18 metrics that are involved there, but really took a look at
19 local data as well, and the emissions inventory, the
20 monitoring data that we have, the modeling that we've all
21 put together, to really take a look at, at a community
22 level, and particularly with PM2.5 as a huge metric and
23 that exercise, you know, what are the exposures that are
24 being seen throughout the valley, and really use that to
25 drive our prioritization.

1 So we did come up with, you know. Obviously, we
2 have a lot of communities that are in need in our region,
3 a lot of disadvantaged communities, and a lot of air
4 quality issues in our valley. So it's difficult to
5 really -- to go through that process. Obviously, a
6 prioritizing, you know, many communities in our region.

7 We did come up with three communities. You know,
8 resources are obviously an issue. And this is a
9 multi-year effort that we're going to be undertaking under
10 617. As Karen mentioned, you know, maybe 10 statewide.
11 Wayne just mentioned, you know, the four that they're
12 talking about maybe in the South Coast potentially.

13 So we're looking at just from a resource
14 perspective and making sure that we ultimately meet the --
15 you know, the mandates in our 617 somewhere in the two to
16 three range. We actually came up with three communities
17 in our board meeting. I don't think any of them are a big
18 surprise to anybody who's familiar with the valley, and
19 really the challenges that we have there.

20 We have South Central Fresno as one community
21 that includes Calwa and Malaga. We have North Bakersfield
22 that's surrounded by highways and industrial sources. And
23 then we also have Shafter as a third community as we went
24 through our public engagement on that item. And after a
25 lot of conversation at our board meeting added that

1 community as a third community. It really adds a rural
2 element to otherwise two urban communities. And I think
3 it's going to be a good mix of communities to really see
4 how we can -- how we can really take 617 as an opportunity
5 to make some differences in those communities. So I
6 wanted to make sure you got that update. It just happened
7 here last week.

8 We're also focusing really on early actions right
9 now. As was mentioned before, we're really looking for
10 input on how to take advantage of the incentive dollars
11 that are being made available to really distribute those
12 dollars in a way that provides good emission reductions
13 and health benefits in our community. So there's a lot of
14 work going on right now to engage on that issue, and
15 really look for good projects to spend that funding on.
16 So I wanted to close by just highlighting just how
17 important it is to work together on 617, and how much
18 we're committed, I'm committed, to working with your Board
19 and with the staff to really do a good job under 617.
20 Really appreciate the hard work of CARB so far on this
21 effort.

22

23 CHAIR NICHOLS: Sorry. Oh, I'm sorry. Excuse
24 me.

25 BOARD MEMBER SHERRIFFS: No. Thank you. And I

1 just wanted to recognize and acknowledge Samir Sheikh's
2 new role. He's obviously familiar with -- with us and the
3 issues, but really appreciate his engagement in the 617
4 process, in recognizing that it's a huge challenge, but
5 there are also huge opportunities for moving forward on a
6 number of important issues. So thank you for being here
7 and thank you for accept the challenges.

8 (Laughter.)

9 BOARD MEMBER BALMES: Welcome.

10 CHAIR NICHOLS: Could I ask a question on this
11 issue, because the word "challenge" comes up quite
12 regularly. And I think 617 was intended, in large part,
13 to challenge us to do business differently. But one of
14 the questions really has to do with the resources that are
15 going into this effort, and the fact that historically --
16 although, I think the air program in California has done
17 an amazing job of engaging and listening to a whole
18 variety of different stakeholders, because the work we do
19 affects so many different people and entities.

20 Nevertheless, we're not exactly in the community
21 organizing, community outreach businesses. And I'm just
22 curious to know, what the impact has been on your staffing
23 situation, how you're -- how you're actually doing this.
24 Since we're having an open discussion here, I hope you
25 don't mind.

1 MR. SHEIKH: Thank you for that question and
2 opportunity. And I think I speak for all the districts
3 that have really, you know, looked for ways to not only
4 take advantage, you know, of the staffing that we
5 currently have to try to help with this. But obviously,
6 there is a lot of new work, you know, that comes out of
7 617. In order to really do a good job I think
8 implementing 617, you know, we do have to look for ways of
9 committing resources to it, you know.

10 And I think there's been a lot of effort at the
11 legislative level to help with that. And then also just
12 be creative, as was mentioned earlier, taking advantage
13 of, you know, where we have done things to help make that
14 more efficient. You know, I think that's going to be a
15 big part of that.

16 So we have been ramping up all of us. You know,
17 we've been increasing staffing to deal with everything,
18 whether it's BARCT or community engagement. If you look
19 at the types of staff that we're bringing in, it's really
20 cross the board. You know, there's monitoring components.
21 There's, you know, technical components on technology
22 review. There's -- you know, there's public engagement as
23 staff. All of us have really been ramping up on that site
24 to really make sure again that we're responding to the
25 mandates under 617.

1 I also wanted to note -- one thing I should have
2 mentioned earlier is that we do appreciate very much the
3 increased capacity and input that we're getting from our
4 local community groups that have also -- as was mentioned
5 briefly earlier, we got a really good set of comments and
6 ideas that came out locally that, you know, was helpful in
7 our deliberations on putting together our methodologies.

8 You know, I think opening that process up the way
9 that we have to really get input from all stakeholders, I
10 think that's also been -- you know, to be able to do that
11 I think you've got to have the resources to really respond
12 to that. And I think we've all -- we've all basically
13 increased our staffing, and are continuing to look for
14 ways to increase stuffing with additional resources
15 hopefully, you know, that materialize here to really
16 respond to this, but it's very resource intensive. I know
17 at the CARB side as well, you know, that that's been a
18 challenge that we've been working on with Mr. Corey and
19 others on how to take advantage of those increased
20 resources, so...

21 CHAIR NICHOLS: Thank you.

22 I want to say it sounds though -- as though
23 there's a certain amount of fun involved in all of this,
24 even though it's serious business. Just looking at those
25 photos of the field trips, I thought to myself, wow,

1 that's more fun than sitting around in a windowless Board
2 room. At least you're outside looking at real things and
3 real impacts. Sorry. Go ahead.

4 MR. NUDD: Chair Nichols, and members of the
5 Board, my name is Greg Nudd. I'm the Deputy Air Pollution
6 Control Officer for policy at the Bay Area Air Quality
7 Management District, and I've been having a fabulous time
8 in your Board meeting this morning.

9 (Laughter.)

10 MR. NUDD: So -- but I'm here to talk to you
11 about AB 617 and addressing inequalities in exposure to
12 air pollution is something that the Bay Area Air District
13 has been involved in for some time through our Community
14 Air eval -- Air Risk Evaluation Program, or CARE Program,
15 which started in 2004. We really see AB 617 as the next
16 stem in that, and we're very excited at the level of
17 resources and level of attention that's been directed at
18 this problem from the State level.

19 So let me give you an update on our progress in
20 our AB 617 implementation, and talk to you about some
21 early actions that we're taking in our year-one
22 communities -- or our proposed year-one communities in
23 West Oakland and Richmond.

24 So we've been doing a road show all across the
25 Bay Area. We've had 11 community meetings, and we've set

1 up a specialized website to take input on community
2 selections, and to also gather input on the targeted AB
3 617 incentive funding.

4 So that program -- that road show started in
5 January. And one of the things we rolled out at that road
6 show was our proposal to start in West Oakland and
7 Richmond. And surprisingly we've had no pushback from the
8 other communities on that, which I sort of expected, but
9 has not really materialized.

10 The other thing we've been working on in parallel
11 is the update of the Best Available Retrofit Control
12 Technology rules for large sources, as mandated by the
13 statute. And that concept paper is online and we're
14 looking at doing as many as 12 new rules. And we're
15 prioritizing rules that would provide localized benefits,
16 like increased air pollution control on petroleum storage
17 tanks, for example.

18 So these rules on large industrial facilities may
19 help in Richmond, but what we were seeing through our CARE
20 Program is that the dominant source of air pollution in
21 these communities is mobile sources. So that's why we're
22 so happy and excited to see all the attention and energy
23 that this Board is putting into reducing emissions from
24 that sector especially the freight sector.

25 So as we define the communities more closely,

1 we're going to do a follow-up analysis and look at the
2 stationary sources that are in those communities. They're
3 probably not going to fall under the mandatory BARCT
4 review, but we're going to look at them again, and see for
5 these smaller facilities whether there are any
6 opportunities for control -- cost-effective opportunities
7 for emissions controls that we can apply, and on a
8 community specific basis.

9 So you know addressing this disproportionate
10 exposure to air pollution is going to require a strong
11 effort from both the Air Resources Board and the local air
12 districts with a focus on our relative strengths, with the
13 Air Resources Board on mobile sources, as we saw this
14 morning on a very interesting truck information. I'm a
15 mechanical engineer by training, so all of the talk about
16 Delta P was very exciting to me.

17 (Laughter.)

18 MR. NUDD: And also the -- and State strategy
19 from the Air Board's perspective. And from the local
20 district's perspective, we have boots on the ground in the
21 communities. We have the existing community
22 relationships, and we have that level of technical
23 expertise on the stationary sources. So really the model
24 that we've -- that we've followed so far with the
25 leadership from the Air Board staff has been one of

1 collaboration and cooperation. And that's really the way
2 we're going to make this work.

3 So we did stick our necks out a little bit, and
4 we're just moving forward with the year-one communities.
5 I know that you all are going to weigh-in on that. But we
6 think, based on the analysis that we've done through the
7 CARE Program and our relationship with those communities,
8 that it's pretty obvious we need to start in West Oakland
9 with an Emission Reduction Plan.

10 So West Oakland is by far the most
11 disproportionately impacted community in the Bay Area. We
12 have a very strong partner there with the West Oakland
13 Environmental Indicators Project. And we are beginning
14 the process of putting together that Emission Reductions
15 Plan right now.

16 We have worked -- we have a partnership agreement
17 with them with West Oakland EIP. And together, the Air
18 District and the West Oakland EIP have formed a community
19 steering committee. Those community steering committee
20 meetings have begun. There was one yesterday. There's
21 one today, and one tomorrow. Because it's a big committee
22 over 20 people, and we have to get everybody kind of up to
23 speed on what does the Air Resources Board do, what does
24 the local air district do, what does the City of Oakland
25 do. And so that kind educational work is ongoing.

1 And once that's complete, we hope to later in the
2 summer get down to the business of actually defining what
3 goes into Community Emission Reductions Plan.

4 And the reason why we're starting early is
5 because these timelines are so tight. And we want to make
6 sure that we do a complete environmental analysis, and
7 that we have everything square, and that we hit those
8 deadlines for next year. So we're getting an early start
9 in West Oakland. We're also getting an earlier start in
10 Richmond.

11 Richmond has a complex source mix of heavy
12 industry, light industry, port, freeway, trains. It has a
13 lot of vulnerable populations there intermixed with all
14 those significant sources. And the regional monitoring
15 data that we're seeing is not really consistent with what
16 we would expect from a community with that source mix and
17 from a community with the health challenges that we're
18 seeing in Richmond.

19 So we think that's a very good opportunity for us
20 to do a robust community monitoring program in Richmond to
21 get a better handle on what the emission exposures are at
22 the neighborhood scale. And so we're beginning the
23 process of putting that community steering committee
24 together in Richmond as well to define the objectives of
25 that monitoring plan. So that work is also underway.

1 So closing out, in the Bay Area we really think
2 this is an exciting opportunity to address these
3 long-standing inequalities in air pollution exposure. And
4 we're very happy that the State is devoting so much energy
5 and resources to addressing this problem. And we'd really
6 like to thank the CARB staff for their professionalism,
7 expertise, and dedication.

8 Thank you.

9 CHAIR NICHOLS: Thank you.

10 CAPCOA EXECUTIVE DIRECTOR ABBS: Good morning,
11 Madam Chair and members of the Board. My name is Alan
12 Abbs. I'm with CAPCOA. I wanted to start by giving a
13 brief plug for the San Diego Air Pollution Control
14 District. And they aren't up here to brag about the work
15 they've done, but I think it's notable, and I want to make
16 sure the Board is aware of everything they've been doing
17 down there.

18 San Diego APCD submitted two communities for
19 consideration, the San Ysidro border area and the Logan
20 Heights/Barrio Logan port area.

21 And since that submission in April, the district
22 has done over 20 community meetings after hours for local
23 community members. They've -- they've set up numerous
24 meetings between local community groups, as well -- and
25 industry groups to get them together in the same room and

1 talk about the 617 program. They've been thoughtfully
2 looking at placement of new sensors and monitors in both
3 of those areas, plus studies in the border area that
4 they've received funding for to look at air quality
5 impacts.

6 And then if you go to the San Diego website, you
7 can find community surveys that are available for everyone
8 in the county to fill out that are picture based, where
9 the community members can talk about impacts to their
10 community and have the district consider that as part of
11 the nomination process.

12 And they've also, as Karen mentioned, each of
13 these community groups are going to have to have a
14 steering committee, or each of these community nominations
15 will have to have a steering committee. San Diego has
16 already started the process to look at what it would mean
17 to be on a steering committee to get a list of nominations
18 and qualifications from folks, develop bylaws, and try
19 to -- try to, you know, lay out the ground rules for how
20 things would happen should one of their communities be
21 nominated. So I wanted to highlight that -- the work that
22 they've done, since they weren't able to come up here and
23 speak to it themselves.

24 CHAIR NICHOLS: Thank you.

25 CAPCOA EXECUTIVE DIRECTOR ABBS: I -- so the

1 other three districts have talked a lot about the work
2 that we've done between CARB, and the community groups,
3 and the air districts. And I don't want to go over all
4 that again, other than to say, you know, Karen is
5 absolutely correct. There's been a lot of work that's
6 been going on in the last six months, and there's a lot of
7 work that's going to be going on in the three months
8 leading up to the final community recommendations.

9 And that's only the start of all the work that
10 happens. And so we've done a lot of work, so that we can
11 do a lot more work, so that we can do a lot more work.

12 (Laughter.)

13 CAPCOA EXECUTIVE DIRECTOR ABBS: And it --

14 CHAIR NICHOLS: We do, right.

15 (Laughter.)

16 CAPCOA EXECUTIVE DIRECTOR ABBS: And so it -- but
17 it's nice that the -- that the legislature recognized the
18 work that has been done and is providing resources for us
19 to continue doing all this. And so with that, I'll be
20 done.

21 CHAIR NICHOLS: Thank you very much. I suspect
22 that we have a number of Board members who'd like to
23 comment, and we've also got a list of 15 people who've
24 signed up to speak to us on all of this.

25 So before we do go to the public who are here

1 though to speak to us, I did want to call on Dr. Balmes,
2 because he has, at the request of staff I know, undertaken
3 a considerable amount of extra effort, given the focus
4 that this whole program has on public health. It seemed
5 particularly important that we try to link what we're
6 doing with 617 implementation with our ongoing public
7 health responsibilities.

8 So John.

9 BOARD MEMBER BALMES: Thank you, Madam Chair.
10 Well, I actually did volunteer to, because I thought it
11 was important.

12 (Laughter.)

13 BOARD MEMBER BALMES: In part, because as we've
14 set before, but I think it's important to say again today,
15 which kind -- kind of getting into the weeds of the
16 program, which is important, because we're actually trying
17 to implement it. But to step back for a second, this is a
18 major paradigm shift. You know, I have a certain amount
19 of national, and actually international networking that
20 I'm part of with regard to air pollution, health effects
21 research and regulatory policy. And just to remind
22 everybody, we're doing it different here.

23 I don't know of any other agencies certainly of
24 this size that's focusing on community level air quality
25 monitoring and Emission Reduction Plans.

1 It's really exciting, but it's also a big
2 challenge. And I want to thank some people, you know, who
3 have already had a chance to speak for their efforts,
4 because it is a heavy lift, and there's a lot of moving
5 parts, as Karen said.

6 So first off, I want to thank Karen Magliano and
7 her team, including Trish Johnson in the back, because
8 she's organized all the AB 617 consultation groups. But I
9 think Karen's staff, along with Veronica, Edie, has done a
10 tremendous job so far. This -- as we've talked about in
11 other Board meetings, and you've already mentioned, Mary,
12 we have not really been active at the community level as a
13 State agency.

14 And now we have -- we're engaging. And I think
15 it's actually really good for us. I think it's going to
16 make the agency better. I think it already is. And I
17 think it's good for public health in California.

18 And I also want to thank all the -- well, the
19 three air quality management districts that have been
20 participating actively on the AB 617 Consultation Group.
21 The participation of South Coast, San Joaquin Valley, and
22 the Bay Area has been really important. And as Wayne has
23 already mentioned, it's been a very effective, I think,
24 dialogue between the EJ groups, who were pretty
25 dissatisfied with us earlier on, like with the

1 Environmental Justice Advisory Committee, when we were
2 dealing with AB 32 implementation.

3 But I think the dialogue that we've had at AB 617
4 Consultation Group meetings, and we've had three of them
5 so far, fourth one coming up in July, have been good. I
6 think we've made progress. The environmental justice
7 groups have all wanted to see public health improvement
8 communities like yesterday. It's totally understandable.
9 I relate to that.

10 But the districts are not public health agencies.
11 They're environmental control agencies working with us and
12 EPA. And so I think there's been a good dialogue about
13 how much we can take the community air quality monitoring
14 and the Emission Reductions Plans that are mandated by AB
15 617 all the way to community level public health benefits.

16 I don't think we're set up to do that now. I
17 think it's the goal, and I think we should keep pushing
18 for that. But not only do the districts, I think, and the
19 community groups that were -- that are engaged with the
20 districts need more resources to effectively implement AB
21 617. But to get to the community level public health
22 benefits that I think everybody agrees we want, that's
23 going to need more resources.

24 And we've talked about how that might happen, but
25 I think that would be -- would actually be something that

1 CDPH and the county health departments should be tasked
2 with.

3 So I want to say a special -- or give a special
4 shout-out to Samir Sheikh from San Joaquin Valley, because
5 this is an example of how the Consultation Group has
6 worked. Kevin Hamilton, who many of you know -- certainly
7 the EJ folks in the room know. Kevin Hamilton doesn't --
8 isn't free with compliments towards the San Joaquin Valley
9 Air Pollution Control District --

10 (Laughter.)

11 BOARD MEMBER BALMES: -- at the last meeting --

12 CHAIR NICHOLS: Nicely put.

13 BOARD MEMBER BALMES: -- he actually thanked
14 Samir, or complimented him.

15 CHAIR NICHOLS: Wow.

16 BOARD MEMBER BALMES: Yeah. So I won't say any
17 more.

18 (Laughter.)

19 BOARD MEMBER BALMES: I think that's --

20 CHAIR NICHOLS: You don't want to jinx it.

21 (Laughter.)

22 BOARD MEMBER BALMES: I also want to thank, in
23 addition to the districts, some of the folks in the
24 audience from the EJ community, in particular Luis Olmedo
25 in the back for the -- because his community has already

1 been actually implementing what we want AB 617 to do with
2 the IVAN network in Imperial County. Ms. Margaret from
3 the West Oakland Environmental Indicators Project
4 already -- and Greg already mentioned her, but again
5 that's a -- that's a well oiled community machine that is
6 an example, a model, of what we're trying to do elsewhere.

7 And I also want to give a shout-out to the San
8 Joaquin Valley folks who have self organized to help Samir
9 and the District come up with a list of communities.

10 And there are other folks. You might be
11 surprised Cathy Reheis-Boyd has been very active at the AB
12 617 Consultation Group meetings. And she's poked the
13 tiger a few times. But I think her input I think she gets
14 it actually, that we're trying to move to air quality
15 control efforts at the community level.

16 I could go on and on, and I won't, because we
17 need to hear the public speakers. But I'm really
18 impressed with how much has been done so far, but there's
19 a lot more to do. And the final thing I will say here is
20 that I'm really glad that the decision about the 10
21 communities rests with the Board. I think it really is,
22 in part, a political decision on top of what staff will
23 recommend.

24 And, you know, I think it's only appropriate that
25 the Board, as a whole, decide which communities are

1 initially funded to go forward with AB 617 implementation.

2 CHAIR NICHOLS: Good comment. Thank you.

3 John Gioia, just a word.

4 BOARD MEMBER GIOIA: Sure. I had some comments
5 and some questions of staff. And let me start by saying I
6 think this is an exciting opportunity. But let me also
7 say as someone who grew up in Richmond, lived most of
8 my -- lives most -- has lived most of my life in Richmond,
9 has represented Richmond for the last 30 years, I think
10 there's also a lot of skepticism in communities about
11 expectation of what will happen.

12 So -- and I think that's warranted skepticism,
13 because communities -- I hear this all the time from my
14 neighbors, my friends, from folks I represent, and that's,
15 all right another study, another effort. We've been
16 studied a lot. I can say that on behalf of Richmond,
17 which will most likely be one of the communities, and what
18 does it really mean for us? We've heard this before.

19 And it comes down to a trust issue. So -- and I
20 appreciate, I think, staff will, and the local air
21 districts here a CARB are all working hard to build on --
22 to develop trust even further. So a couple things. Some
23 comments.

24 One is there are a number of monitoring grants
25 that this agency has awarded in local communities. And in

1 some cases, those monitoring grants -- and I've talked to
2 staff about this. I want to sort of make sure we're clear
3 as we move forward here. So some of these monitoring
4 grants are going to communities that may be selected as an
5 AB 617 community. And I'll just take my own community of
6 Richmond as an example.

7 There are two half a million dollar monitoring
8 grants to different community groups, which are great
9 grants. Then there is the larger air district monitoring
10 effort, which will have a community steering committee.
11 It is really important for all of these efforts to be
12 coordinated in some way.

13 Having -- you know, I know -- having separate
14 steering committees for each community grant, plus the
15 major overarching steering committee at some level is --
16 isn't necessarily, I think, respectful of the community,
17 because I think you want to have individuals who are
18 knowledgeable of the total context of everything that's
19 going on.

20 And to the extent that our grants require a
21 certain type of monitoring, we want to understand what --
22 does that fill a gap in another type of monitoring that's
23 occurring somewhere -- you know, as part of the
24 overarching effort. So I think I talked Richard to you
25 and to staff about the need of having these -- to have

1 there be sort of one steering committee that sort of is
2 involved with all of these efforts. I get that some of
3 the grants will occur -- monitoring grants that we awarded
4 will occur in communities that are not going to be
5 selected as an AB 617 community. So that's one thing.

6 But for those that will be, there's -- since
7 that's going to be the major effort, we need to bring them
8 all together. So I want to hear, before I make my next
9 comment, how you're -- I want to hear how we're moving
10 forward on that, and how we're anticipating that issue,
11 since I've raised that before?

12 Otherwise, you're going to have people going all
13 sorts of meetings and -- right.

14 OCAP DIRECTOR MAGLIANO: So I think we absolutely
15 agree. Especially when we have limited resources, we want
16 to make sure that we're using them effectively, whether
17 it's the community air grants or the air district
18 monitoring. So I think that, yes, going forward, if there
19 is a community where there are multiple efforts happening,
20 it makes sense to have that under the umbrella of a single
21 steering committee. As we develop the grants themselves,
22 I think we'll also be putting some language in there and
23 making sure that the grant recipients are also working
24 closely with the air districts themselves to make sure
25 that we end --

1 BOARD MEMBER GIOIA: Right, right.

2 OCAP DIRECTOR MAGLIANO: -- up with the most
3 effective leveraging.

4 BOARD MEMBER GIOIA: Great. And so that will be
5 put in the grant -- written into the grant agreements in
6 someway, so they'll be required to do that.

7 OCAP DIRECTOR MAGLIANO: Right.

8 BOARD MEMBER GIOIA: Then the other issue gets to
9 the expectation of what's going to happen afterwards. And
10 I know you talked about technical clearinghouse, which is
11 great. And I thought I heard you talk about something
12 that's more of a policy or best practices clearinghouse,
13 because the concern I could -- that I see, and I've
14 already heard, is that different air districts, and
15 different land-use agencies are going to -- are going to
16 take this information and are going to exercise their
17 existing authority differently.

18 So I serve on a county board of supervisors,
19 which has land-use authority, Richmond City Council has
20 its land-use authority over some of these areas. I'm on
21 the air district that has some regulatory authority and
22 then here.

23 And so you may have -- we may end up with a
24 situation where one air district in one part of the state
25 chooses to exercise its authority to be aggressive about

1 implementing Emissions Reduction Plan, and another air
2 district that is less so.

3 I think there needs -- we need to have some
4 review here of what happens, what's coming out of these
5 Emission Reduction Plans. This -- communities may be set
6 up for failure if a local air district isn't being
7 aggressive about its authority -- whatever regular
8 authority it has. And so we may have a role in
9 identifying the types of authority that local air
10 districts may have.

11 For example, I know the South Coast Air District
12 you made public your legal opinion on the indirect source
13 authority, right? I mean because there are different air
14 districts that may have different interpretations about
15 what their authority is to impose Indirect Source Rules.
16 So I'm a little concerned about that inconsistency that
17 could happen.

18 Second, I know we're putting together a freight
19 handbook with best practices for land use, and local
20 government, and advocates, and activists, which will come
21 out next year. I think some -- I think that's going to be
22 very helpful for -- for this effort, because local cities
23 and counties are going to need help.

24 You know, I've talked to our own planners at the
25 county as they want to learn about what authority they

1 have to help. I mean -- and rather than each agency
2 recreating the wheel, hopefully that freight handbook can
3 be expanded in some way to cover non-freight activities
4 and best practices as we implement these emission
5 reduction plans, because you have on the chart -- you
6 know, some of this is going to occur through incentives.
7 Some is going to occur through regular authority of an air
8 district or ourselves, and some by local land-use
9 agencies.

10 So I think we should be play an overarching role
11 in helping the local agencies exercise their authority and
12 then it will become a political decision at those local
13 levels, whether they indeed exercise it. That's my
14 concern.

15 I mean, it's one thing to say we're going to do
16 this great plan, we're going to have incentive money, and
17 it's another thing to see the results happening on the
18 ground.

19 There are too many political battles I've seen
20 where agencies don't exercise the authority that they have
21 to reduce emissions. And so we need to have some ability
22 to sort of monitor that and help.

23 EXECUTIVE OFFICER COREY: Short response
24 supervisor, because there's a lot there.

25 (Laughter.)

1 EXECUTIVE OFFICER COREY: But if I anchor off
2 of --

3 BOARD MEMBER GIOIA: It's a complicated issue and
4 I've seen too much of it.

5 EXECUTIVE OFFICER COREY: Understood. So Karen
6 spoke about the September key points in terms of some
7 decision points that will come before the forward. First
8 is that initial tranche of the impacted communities. But
9 the point of identifying those communities are the
10 communities for which the Emission Reduction Programs will
11 need to be established.

12 The other element is the consideration of the
13 blueprint. Basically, what is the metric by which those
14 Community Reduction Plans will be assessed by this Board.
15 So as the districts develop the Community Reduction Plans
16 over the next year - those will return to the Board by
17 October 2019 - they include -- will include not only the
18 characterization of the impacts on that -- those given
19 high priority communities, the sources that are impacting,
20 the emissions, exposure characterization, and what the
21 actions are, the actions and the timetable.

22 So in other words, an ability to look at the best
23 of the best. What are the different strategies that are
24 being recommended within a given community. And not only
25 that, and that will be subject to Board approval, those

1 Community Reduction Plans, but also -- and you're hitting
2 on this. It's also implementation, and an annual progress
3 report, and close collaboration with the air districts.

4 As the air districts said, and as we have, in a
5 number of communities, mobile sources are certainly going
6 to be a key element. We know, and we are committed, and
7 already working with the districts in terms of the
8 development of those plans, and ultimately the strategies.

9 So I think those touchpoints recognize, one, the
10 elements that need to be in those plans; two, the ability
11 to have a full airing out; and three, really progress
12 reports to make sure how is it going, are we delivering on
13 what we expected, what's working, what isn't, and are
14 adjustments warranted?

15 BOARD MEMBER BALMES: Just one little comment
16 piggybacked onto Supervisor Gioia's, the mention of the
17 land-use issue. That's come up multiple times in our AB
18 617 Consultation Group. And Ms. Margaret from the West
19 Oakland Indi -- Environmental Indicators Project said
20 something to this effect, if you don't have land-use
21 people -- planners at the table, you ain't got nothing.

22 BOARD MEMBER GIOIA: Right. But it's important
23 to note, once having been a land-use lawyer, that land-use
24 regulations are going to help maybe keep a facility from
25 expanding or prevent new facilities, but we still have to

1 address the pollution that's coming from facilities that
2 are already there under existing land-use rules, so that
3 we're not leaving those communities to continue to suffer,
4 and therefore the Emissions Reduction Plan is so -- this
5 is -- it's a parallel track, right? You need all of these
6 things. It's not one or the other.

7 CHAIR NICHOLS: Ms. Mitchell, I couldn't see you,
8 so -- she had to stand up and come flag me down.

9 (Laughter.)

10 BOARD MEMBER MITCHELL: Thank you. It's like can
11 anyone see me?

12 (Laughter.)

13 CHAIR NICHOLS: We all need flags today.

14 BOARD MEMBER MITCHELL: Right.

15 I have a question. That relates to the BARCT
16 requirement under 617. And I'm wondering how we will be
17 handling that? Because BARCT in South Coast District may
18 be different from BARCT in the Bay Area, or the rural
19 counties, or other areas. So I was just wondering what
20 are the plans for handling that here at the CARB level?

21 OCAP DIRECTOR MAGLIANO: So as you said, there
22 are requirements that each air district who has facilities
23 develop sort of an expedited schedule. Each one will be
24 going through that process. But there are also
25 requirements in the legislation that recognize that, you

1 know, it may be different from district to district,
2 because they consider, you know, what their current air
3 quality conditions are, what cost effectiveness are.

4 One of the things that we will be doing is, as
5 air districts go through that process come up through
6 their schedules, we'll be making that information
7 available on our website as well, so people can see what
8 is happening across the state. And then that also goes
9 back to then reflecting that information in our technology
10 clearinghouse.

11 So we have greater accessibility and transparency
12 in terms of the information and the process that each air
13 district is going through, in terms of coming up with
14 their schedule overall.

15 BOARD MEMBER MITCHELL: So the clearinghouse will
16 reflect those differences from one air district to
17 another?

18 OCAP DIRECTOR MAGLIANO: Correct.

19 BOARD MEMBER MITCHELL: It's kind of hard to
20 harmonize that in any way I would say, so let's not do an
21 impossible task.

22 OCAP DIRECTOR MAGLIANO: Right. It will reflect
23 those differences, but also try and include as much
24 information that fed into that decision-making process as
25 well.

1 BOARD MEMBER MITCHELL: Good. Okay. Thank you.

2 CHAIR NICHOLS: Okay. Can we now turn to our
3 speakers then. We'll start with the -- oh the AQ -- the
4 districts. Okay. I guess it would be Janice Snyder then?

5 MR. LEMUS: The time it, but I'm going to bring
6 Janice up here since she's also my colleague at the
7 Sacramento Air District.

8 Okay.

9 MS. SNYDER: I'm the third one on the list.

10 Good morning, Chair Nichols and members of the
11 Board. My name is Janice Lam Snyder, and I'm with the
12 Sacramento Metropolitan Air Quality Management District.

13 I am responsible for the community identification
14 for air monitoring, and the Emission Reduction Plans for
15 communities here in Sacramento.

16 And so first and foremost, I'd like to thank CARB
17 staff for putting together a framework for the districts
18 to implement -- to help implemented AB 617. And so we
19 have -- you know, looking at the communities here in
20 Sacramento, comprehensively looking at health information,
21 socioeconomic, emissions, we have identified several
22 communities in Sacramento that we feel that should be a
23 part of this program.

24 We have worked with communities, groups, me and
25 Jaime were at a few neighborhood association meetings

1 talking with residents in the communities that we have
2 identified. And they definitely feel that they have air
3 pollution burden in their communities.

4 And so as part of that, we have been working
5 tirelessly with State legislators, elected officials, and
6 community members to secure funding for AB 617. And also
7 incentive funding to reduce these emissions and risk into
8 our communities.

9 So as we move forward in the state process, we --
10 in identifying the communities, we hope that our district
11 and our communities here in Sacramento are considered to
12 be part of the program.

13 MR. LEMUS: Thanks. And also as Janice has
14 mentioned, so we've reached out to the residents in our
15 low income communities, and our disadvantaged communities
16 here within the Sacramento County. They welcomed us,
17 shared with us many challenges that they face, and we
18 listened and learned.

19 One of the most predominant challenges we heard
20 about the members in these communities was the lack of
21 transportation options. We heard how providing
22 transportation options can create access for employment,
23 education, healthy foods, and medical care.

24 Just as our residents highlighted the
25 transportation challenges they face, we know that

1 deploying zero-emission light-duty and heavy-duty vehicles
2 is also a challenge. The community air protection
3 incentive guidelines will be very similar to the Carl
4 Moyer guidelines.

5 The Carl Moyer guidelines do not provide the
6 flexibility required to successfully deploy zero-emission
7 vehicles within communities that lack resources, and
8 existing public transfer -- transit infrastructure. We
9 ask that CARB staff consider more flexibility to address
10 this important issue.

11 As we move forward with the CAPP Program and
12 funding distribution, we believe it is imperative that the
13 program CAPP funds be equitably distributed throughout the
14 entire state to provide access to transportation and
15 improve air quality.

16 We're committed in serving our Sacramento County
17 residents. We will continue to evaluate our community
18 needs, and prioritize potential transformative
19 zero-emission projects within the Sacramento's AB 617
20 identified communities. We're excited to deploy
21 zero-emission technology within these communities to
22 improve the quality of life for the people who live in
23 them.

24 We would also like to thank CARB staff for their
25 work on the community air protection blueprint and CAPP

1 funding guidelines.

2 Thank you. Thank you for your time.

3 CHAIR NICHOLS: Thank you.

4 MS. CREAMERS: Good morning, Madam Chair, and
5 Board members. Noelle Creamers with the California Farm
6 Bureau Federation. Appreciate the opportunity to comment
7 this morning. I wanted to start by talking about the
8 focus and priority of AB 617, which is supposed to be
9 selecting the highest priority locations and communities
10 in the state.

11 And we think that that focus will allow -- will
12 better allow for success, rather than taking a more
13 scatter shot approach, where you're putting a little bit
14 of money all over the state, and then we don't see real
15 success in any of those highest priority communities.

16 So, for instance, in the community air grants
17 some of the projects are outside of the -- I know the
18 communities have not been selected yet. But even outside
19 those that have been proposed so far.

20 And so we think that going forward, that should
21 be better integrated, so that when you're funding those
22 community grants, they're targeted towards the highest
23 priority communities.

24 We also want to talk about -- because over time,
25 the air district is asked to focus on the highest

1 priority, and then move to the next level, and the next
2 level continuously in the long term. And so we do think
3 it's really important that as we move forward, and move
4 out of kind of the initial highest priority, that there's
5 a real consideration about the financial impacts of some
6 of the requirements that could be placed on businesses in
7 those cleaner locations that are selected in the future.

8 Just as an example, we have a member in the far
9 north of California who, under the Diesel Truck and Bus
10 Rule, is being asked to replace \$1.2 million worth of
11 equipment in kind of one-shot deal, because of the loss of
12 the 5000 mile low limit -- or low-use compliance option.

13 And so we see -- our concern is in moving forward
14 as we move into communities with cleaner air, if there are
15 similar requirements placed on our members, that that will
16 be a financial challenge and we want to make sure that
17 that's considered moving forward.

18 We also want to kind of promote the use of
19 incentives moving forward. The Governor included
20 approximately 300 million for incentives for emission
21 reductions, for California agriculture, which we
22 absolutely support, and we think that that's the right way
23 is to really focus on incentive opportunities so that we
24 can make improvements, where possible.

25 So one last point is on the land-use piece.

1 Obviously, land use is very important to California
2 agriculture. We do not want to see continued development
3 on ag lands, and we think there is value in having the
4 discussion with land-use planners. A particular concern
5 of ours is the placement of schools in the middle of
6 farmland, which then just sets up conflicts.

7 And so while we don't want to see land use change
8 from local control, there is real value in having the
9 discussion, and making sure that we can limit impacts
10 where possible.

11 Thank you.

12 CHAIR NICHOLS: Thank you.

13 MS. WHITTICK: Okay. Good morning, Chair Nichols
14 and members of the Board. I'm Janet Whittick from the
15 California Council for Environmental and Economic Balance,
16 and I represent CCEEB on the Consultation Group. I'm also
17 a familiar site at the many meetings in the South Coast
18 and the Bay Area where CCEEB is a major stakeholder.

19 As supporters of 617, we truly appreciate the
20 staffs at ARB, the districts, and CAPCOA. What seemed
21 before an impossible task, now seems merely incredibly
22 difficult.

23 (Laughter.)

24 MS. WHITTICK: This is progress. We see a pack
25 moving forward to the many complex requirements and

1 aggressive deadlines. And this is where we feel the focus
2 must be placed in the initial years, and that is on the
3 specific requirements of the bill. As the program
4 evolves, new elements can be explored. We've got to get
5 the core working first. We can't build a foundation on
6 what -- we can't build on a foundation that hasn't yet
7 been set.

8 We also thank legislative leaders for allocating
9 funding for the initial implementation. But it's
10 significant, but just a beginning of what will be needed.
11 And so we commit to working with you, so that this
12 investment in California communities results in maximum
13 cost effective emission reductions and achieves the goals
14 of 617.

15 Towards that end, we're working on comments on
16 the blueprint, and we'll be submitting comments tomorrow
17 on the statewide reporting. We agree with ARB staff that
18 the reporting should in no way create dual and duplicative
19 systems. This is critical to ensure both public data is
20 accurate and reliable, while avoiding compliance traps and
21 creating two sets of books for the same sources.

22 To do this, we ask ARB to phase-in its rule only
23 after ensuring State and district requirements are
24 aligned. Under AB 197, we already have in place a
25 platform and a process by which ARN can collect facility

1 data

2 So with AB 617, we're moving to the next step,
3 which is having uniform calculation methods.
4 Additionally, many compliance and enforcement issues arise
5 under dual reporting authorities, and could
6 unintentionally impact district rules, permits, schedules
7 and planning. One solution would be to delegate
8 enforcement to the districts, since they will be verifying
9 facility data before it goes to ARB, and already served
10 this function for their own programs.

11 Finally, we thank Dr. Balmes and the other
12 members of the Consultation Group. These haven't been
13 easy conversations. But hearing each other's perspectives
14 is always valuable. And we really do hope this is a model
15 for moving forward with the community steering committees.
16 I will note that on staff's slides, when we were looking
17 at partners, I have to assume that community was including
18 the affected industries and local businesses. But that
19 wasn't made explicit, and I think it's very helpful to do
20 that as we move forward, to show that 617 truly is going
21 to be an inclusive program and a joint effort.

22 So thank you.

23 VICE CHAIR BERG: Thank you.

24 MS. PARK: Hello and good morning. Thank you for
25 this opportunity to speak. My name is Yolanda Park and I

1 am the environmental justice program manager at the
2 Catholic Charities of the Diocese of Stockton and the only
3 one in the nation.

4 I'm also part of the San Joaquin Valley AB 617
5 Steering Committee with our partners like CVAQ, CCAC and
6 CCEJN. I want to thank you all, and especially staff for
7 your hard work in these programs. I really appreciate
8 these opportunities to assist our vulnerable communities,
9 especially those who suffer the health effects from port
10 air quality.

11 As considerations are made for choosing the final
12 round communities, I ask you to consider the locations of
13 grant awardees and the communities being looked at for the
14 Study of Neighborhood Air Near Petroleum Sources or SNAPS,
15 so that communities not listed for either one be given
16 greater consideration. And thus not duplicating projects
17 in the same areas as well as holding to the spirit of AB
18 617, which is to reach communities that tend to fall
19 through the funding and program cracks.

20 I also invite you to see the map showing the
21 grant awardees, the nominated communities, and those being
22 considered for SNAPS. You'll notice that it seems the
23 northern part of this state, the area above Sacramento, is
24 blank. And I was just kind of wondering why that was, and
25 if anything, any kind of outreach had been done. It just

1 seemed like this very blank spot in the northern end.

2 I, of course, advocate especially for the
3 counties of which the Diocese covers, Stanislaus, San
4 Joaquin, Alpine, Mono, Tuolumne, and Calaveras. And I, of
5 course, advocate for the Port of Stockton, which is the
6 community that we nominated.

7 However, not only do I speak beyond Stockton, as
8 some think I only do, I also speak for the valley, and
9 particularly Northern California. I certainly support the
10 nominations made by the AB 617 steering committee. I'm
11 just wondering why that area was blank.

12 I also ask you to consider choosing communities
13 that also have history and capacity to community organize,
14 because they will be the ones walking step by step with
15 these chosen communities, helping them navigate these
16 programs to provide -- and to provide valuable feedback.

17 We welcome our air district to engage with us,
18 and CARB staff to continue their engagement with us. I'm
19 sure you know Pope Francis is always a proponent of
20 communication and dialogue. So I'm sure he would
21 supported that as well.

22 I mean, I am from Catholic Charities, right?

23 (Laughter.)

24 MS. PARK: So we look forward to these
25 partnerships and to working together.

1 Thank you.

2 VICE CHAIR BERG: Thank you.

3 MR. MAGAVERN: Bill Magavern with Coalition for
4 Clean Air. We're encouraged by the progress that's been
5 made so far this year. And really looking forward to the
6 actions that will reduce emissions, because like
7 Supervisor Gioia, we will not be satisfied with another
8 study. And as Karen indicated, that's -- reducing the
9 emissions is really the whole point of this law. And that
10 applies not just to the 10 or so communities that will be
11 chosen in the first round.

12 So I was particularly glad to see in the draft
13 blueprint on page 12 therefore the selection of priority
14 communities will also include a description of near-term
15 actions to reduce emissions and exposure in all
16 communities, not just those selected in the first year.

17 I think that this draft blueprint is really on
18 the right track. It acknowledges that the Community Air
19 Protection Program should build on the existing processes
20 that are underway through the State Implementation Plan,
21 the Sustainable Freight Action Plan, Short-Lived Climate
22 Pollutants Scoping Plan, all of those. And it's important
23 that these efforts not just take credit for what's
24 happening already with those, but take those into account
25 and then add complementary actions to reach that goal of

1 community air protection that's set out by the statute.

2 And that's going to require a mix of regulations,
3 enforcement, and permitting, incentive money, land-use
4 changes, as has been discussed, and we're also very
5 supportive of the early implementation of the requirement
6 for implementation of BARCT, Best Available Retrofit
7 Control Technology, on major stationary sources. So glad
8 to see that option on the table.

9 We, like Dr. Balmes and Karen, strongly endorse
10 the process by the community groups in the San Joaquin
11 Valley to select communities. That's a really impressive
12 effort, and you can ask Genevieve about that, because
13 she's the next speaker, and knows a lot more about it than
14 I do.

15 And finally, Veronica mentioned the good work
16 being done by the Environmental Health Coalition in San
17 Diego. And so I think it's appropriate for me to point
18 out that Diane Takvorian has been a real champion of
19 community air protection, and I'm sure that she will
20 continue to be.

21 Thank you.

22 MS. GALE: Thank you, Bill, for the introduction.
23 Hello. My name is Genevieve Gale. As you all know, I'm a
24 policy associate with the Central Valley Air Quality
25 Coalition. However, I'm here today representing the newly

1 formed San Joaquin Valley AB 617 Environmental Justice
2 Steering Committee. We didn't do well on making a good
3 acronym for that.

4 (Laughter.)

5 MS. GALE: But we were formed in the beginning of
6 the year with the intent of increasing coordination and
7 consultation among EJ partners in the valley. And so we
8 did create a report that selects and nominates and
9 prioritizes communities in the valley. And that report
10 was shared with your staff and with the district a few
11 weeks ago. And I thank Samir and his team for taking
12 those into consideration.

13 An abridged version of the report should be in
14 front of you, but rather than going through that word for
15 word, I'll just say that we hope that this report does two
16 things. One, we hope it helps you understand the
17 environmental justice priorities that we have in the
18 valley, such as focusing on unincorporated communities,
19 that lack political representation; also, focusing on
20 rural communities that have seemingly been stranded and
21 forgotten; as well as oil and gas communities who needs
22 have often not been addressed in the SIPS.

23 Secondly, we hope these nominations help those
24 not from the valley understand those invisible social
25 boundaries that unite and divide us. While these

1 boundaries may be invisible, they are powerful. We all
2 know that just a street or a highway can divide the haves
3 from the have-nots, and the polluted from the protected.

4 So when selecting final communities, our
5 suggestion to the Board is that CARB staff keep the
6 boundaries of the communities small and targeted. The
7 more multiple communities are included in, one, the larger
8 the scale -- the geographic scale of the community
9 selected becomes, the more community power is diluted and
10 potentially contested, the more individual community needs
11 are masked, and the more individual emission sources are
12 diluted.

13 So we hope that community boundaries are not
14 expanded in the name of helping the most people, because
15 that is what a SIP is for. But, in fact, we feel that
16 rules promulgated to help one small disadvantaged
17 community will actually help all communities like it.

18 And this is why our committee prioritized
19 communities that typify the issues that the valley
20 communities face.

21 So I'm available if you have any questions about
22 the report, but I thank you for this process, and for
23 obviously working with the valley. And congratulate Samir
24 on his ascension to the ranks and we look forward to
25 working with him as well.

1 Thank you.

2 VICE CHAIR BERG: Yes.

3 BOARD MEMBER GIOIA: Hi. I just wanted to make
4 one comment. And I don't know the -- over here. And I
5 don't know the political dynamics in your area. And I
6 just wanted to make an encouragement. When you say
7 unrepresented, unincorporated communities, Phil Serna and
8 I are both county supervisors we're very active
9 representing our unincorporated communities. So
10 unincorporated communities have representation. It's just
11 they're governed by the county. So I would encourage.
12 And again, I don't know the dynamics in your area is to
13 work with the elected officials at the county level who
14 represent those incorporated communities. And the health
15 department, and the planning department, in our -- in
16 Sacramento and Contra Costa. They're very active.
17 Hopefully, they are in your area. I don't know.

18 MS. GALE: Um-hmm. Thank you. And we definitely
19 plan to. I think it was more of a sense representation at
20 the city level, because city decisions impact them.

21 BOARD MEMBER GIOIA: Right. And county decisions
22 will impact the unincorporated areas. Some -- and to be
23 honest, sometimes the cities make a better decision,
24 sometimes the county. It depends on what political
25 dynamics exist. And you could help shape those dynamics

1 at the county level, through your advocacy.

2 MS. GALE: Thank you.

3 VICE CHAIR BERG: Ms. Gale, before you leave, I
4 just really would like to congratulate you. You have
5 really set a model. There might be others as well, but it
6 is very impressive in a very difficult area with a lot of
7 challenges. And so keep up the great work, but
8 congratulations with what you have come up with.

9 MS. GALE: Thank you. And obviously, this was a
10 group effort of --

11 VICE CHAIR BERG: It was. So if you'll please
12 pass on really my thoughts I really would appreciate it,
13 because it is truly impressive.

14 MS. GALE: Thank you.

15 VICE CHAIR BERG: Thank you.

16 MS. TORRES: Good afternoon, Chair Nichols, and
17 members of the Board. My name is Paulina Torres. And I'm
18 an attorney with the Center on Race, Poverty, and the
19 Environment.

20 First, I'd like to thank ARB staff for their
21 presentation and their continuous efforts to engage with
22 our communities in the San Joaquin Valley, particularly in
23 Kern County. I'm today -- I'm here today on behalf of all
24 our community members who were unable to make today's
25 meeting.

1 I want to echo their concerns regarding the
2 implementation of a statewide setback on all oil and gas
3 operations to be included in this AB 617 statewide
4 strategy.

5 At the technical summits in February, ARB staff
6 solicited recommendations for early action measures, in
7 addition to incentive programs such as the Carl Moyer
8 Program. In response, our communities gathered together
9 and proposed three recommendations on oil and gas
10 activity, namely and most significantly, a 2500 foot oil
11 and gas setback to be included in the statewide strategy.

12 Since then, our community members have reiterated
13 this concern at the March Board meeting, and at every
14 single AB 617 workshop in the valley.

15 We were disheartened by the draft blueprint's
16 failure to indicate any commitment to a statewide oil and
17 gas setback. The blueprint merely mentions that ARB will
18 work with local jurisdictions to implement a setback. But
19 there are two problems with that, it didn't mention, one,
20 what kind of setback, and two, 13 years ago ARB released a
21 handbook called the Air Quality and Land Use Handbook,
22 which basically stated the same thing that ARB would work
23 and encourage local jurisdictions to implement setbacks.

24 As we've seen, it's unlikely that local
25 jurisdictions will do this in the absence of a state -- of

1 the statewide strategy or ARB requirements. I want to
2 remind the Board that this is well within ARB's legal
3 authority, and well within the ambit and spirit of why AB
4 617 was passed.

5 If ARB is going to make any meaningful strides to
6 achieve the goals of AB 617, which is to reduce air --
7 reduce and improve air pollution in disadvantaged
8 communities, it must adopt these recommendations. I also
9 have a quote that our community wanted to share today.
10 It's from Estela Escoto, the president of Committee for a
11 Better Arvin. Arvin has ranked as community with the
12 highest air pollution in the nation. Many of us who live
13 their today came from Los Angeles -- the Los Angeles area
14 seeking fresh air from the valley. Sadly, now we realize
15 that fresh area is only a myth. So our communities are
16 calling on the Board and ARB staff to adopt these
17 recommendations.

18 Thank you.

19 MR. HERNANDEZ: Good morning, Board. My name is
20 Allen Hernandez. I am the executive director at the
21 Center for Community Action and Environmental Justice. We
22 are located in Riverside County and represent San
23 Bernardino and Riverside County and the communities there,
24 particular focus in the communities of Jurupa Valley,
25 Fontana, San Bernardino, Riverside, Bloomington. Those

1 communities have been really ravaged by the growth of
2 warehouses popping everywhere.

3 And so I'm here today to really when -- we're
4 talking about 617. I think for our region, you know,
5 being part of the South Coast, I think it's very important
6 for us that -- that we see implementation of 617 really
7 focusing on zero-emission technologies.

8 We have a large influx of trucks heavy-duty
9 medium trucks that come through the region, drops the
10 goods off into our warehouses, and they're polluting a lot
11 of emission. And I think we're at a point in our region
12 where anything short of zero emission is just not going to
13 accurately address the pollution where we live.

14 I also believe - and I've been hearing a lot of
15 talk this morning, and I think it's great - I think we
16 need to also really focus on the land use component on
17 this. Just the other day, one of our local planning
18 commissions approved a warehouse 70 feet away from the
19 backyard of several folks in Bloomington. And we have
20 been fighting this warehouse for awhile. It's also
21 down -- it's going to be on the same little corner where
22 the local high school is.

23 And our residents turned out. In particular, we
24 have two residents who have been leading this efforts,
25 Tommy and Kim Rocha. And they've been, you know, going to

1 the supervisors meetings, the planning commission
2 meetings. And this last hearing was actually to rezone
3 that area from rural residential to industrial. And the
4 planning commission approved that.

5 And so I think as we move forward with 617
6 implementation, right, we really need to focus a lot on
7 the zero-emission technologies, and we really need to
8 focus on the land use, because if they're just going to
9 rubber stamp warehouses in our region left and right, left
10 and right, we at least need those zero-emission
11 technologies.

12 But I think the ultimate answer is ultimately not
13 to have projects like this go up in our communities, so
14 close to our homes, and our schools, and then also focus
15 on taking care of these same communities where these
16 trucks come through, right?

17 So I really just want to implore the -- I just
18 really want to, you know, tell the Board, please let's
19 focus on zero emissions a lot more in regulations rather
20 than mitigation.

21 So thank you.

22 MS. TSAI: Hi. Good morning. I'm Stephanie Tsai
23 with the California Environmental Justice Alliance, as you
24 know, CEJA. We're a statewide coalition of grassroots
25 community-based organizations, many of which were -- well,

1 all of which actually work in -- directly in low-income
2 communities and communities of color. We'll work together
3 to advance environmental justice principles and State
4 policy.

5 So you've been hearing from us throughout this
6 process, and you just heard from a couple of our members.
7 I want to start by appreciating the staff for the work on
8 this, and especially for the stronger supplemental
9 guidelines to the Moyer Program. We do appreciate that.
10 I also want to -- I appreciate Bill from Coalition for
11 Clean Air's comments earlier acknowledging Diane
12 Takvorian's leadership on this Board and her absence here
13 that we're definitely feeling.

14 So with regard to the community selection
15 process, I just want to kind echo points about, you know,
16 we're really looking for more clarity and specificity in
17 how exactly the communities will be selected. The, you
18 know, assessment -- assessment that's planned to be
19 released in the summer really doesn't leave us much time
20 before the final approval.

21 And so, you know, it's concerning -- it's
22 concerning to us about how -- you know, how we'll be able
23 to engage in an ongoing way in that process.

24 I'll also say on the statewide strategy, as we
25 said before, you know, we're really looking for it to

1 create a strong consistent statewide baseline, sort of a
2 minimum standard for all air districts to meet, for all,
3 you know, community Emissions Reduction Plan to meet and
4 to exceed. And we want to, you know, encourage those
5 proactive air districts to be empowered, to go above and
6 beyond.

7 And again, you know, the kind of measure of this
8 program is whether it will actually provide additional
9 emission reductions, right, beyond existing measures.

10 I want to also call out one absence in the draft
11 blueprint that really concerns us, and that's the absence
12 oil refineries. There are no specific refinery measures
13 mentioned. And as you know, they are the largest
14 stationary source in our state.

15 And then I'll say in terms of enforcement, I
16 think we, you know, appreciate Supervisor Gioia's comments
17 earlier about, you know, it's really important that as we
18 all know air districts vary pretty widely. And so we're
19 really looking for some assurance that CARB, you know,
20 either through the Board or through, you know, another
21 processes actually have the ability, you know, to step in
22 and ensure strong compliance and enforcement throughout,
23 particularly when, you know, air districts or some
24 community Emission Reduction Plans might not be being
25 implemented strongly.

1 So I'll say we look forward to continuing the
2 conversation. Thanks.

3 VICE CHAIR BERG: Thank you.

4 MR. BARRETT: Good morning again -- or afternoon.
5 Will Barrett with the American Lung Association.

6 And I wanted to just start off by saying how
7 important we view this whole process to the future of
8 clean air in all communities throughout California, and
9 appreciate the staff's framing of the discussion this
10 morning as a collaborative approach to really usher in
11 this new realm of air quality control.

12 I wanted to start also by saying, I do -- I agree
13 with Supervisor Gioia, as Stephanie from CEJA just
14 mentioned, we do need to maintain that community trust and
15 the engagement of communities. And I think that that --
16 the consistent application of local land use and air
17 district authority to make sure that this is a success
18 will go a long way to ensure that we have strong partners
19 from the community level driving the discussion going
20 forward.

21 We do appreciate the -- you know, looking at the
22 list of testimony, the strong commitment and leadership by
23 or local colleagues in the environmental justice
24 community. The San Joaquin Valley folks have done a --
25 just a wonderful job in their report, as Genevieve walked

1 through, and really leading a path forward for the
2 community identification process. I wanted to just
3 applaud them quickly.

4 On the land-use issue in the framework, the --
5 there is a note about a more active participation by ARB
6 on commenting on local land-use projects that may be at
7 cross-purposes with 617 being a successful program. And
8 we'd really encourage that to be an active participation
9 by the Board really to make sure that local agencies,
10 MPOs, boards of supervisors are making decisions
11 consistent with health land uses, both going forward and
12 addressing historical air pollution problems that occur
13 because of past decisions.

14 To Dr. Balmes' point on involvement of the health
15 departments, the Lung Association views this as key. My
16 former colleague, Bonnie Holmes-Gen, was a strong advocate
17 for this, and we'll continue to push for that. Both -- I
18 think we need to be supportive of health departments being
19 funded through the budget process to engage more deeply in
20 this, but also looking at ways that they can help with
21 developing health metrics to make sure that we're -- as we
22 go forward, we're tracking where we are today, and where
23 we can go tomorrow in terms of improving health through
24 the 617 process.

25 So I really just wanted to thank Dr. Balmes for

1 your leadership on this, and restate our commitment to
2 working with you on that -- that front.

3 Finally, and I think Mr. Magavern talked about
4 this, we do need to see a strong focus on new regulatory
5 programs, new projects under the 617 lens and framework,
6 and really make sure, as we move forward, we're going as
7 quickly as possible to target existing programs and
8 existing funding pots to advance the goals of 617, so that
9 we are seeing clear emission reductions stemming from this
10 program, and to the benefit of public health throughout
11 the communities identified now, and those going forward.

12 So thank you all very much. This is such an
13 important program and we appreciate your work.

14 VICE CHAIR BERG: Thank you. And I also wanted
15 to congratulate Bonnie, and so excited that she has joined
16 DTSC in looking at the toxic and -- from that aspect, and
17 how it ties to 617. And congratulations on you, because I
18 understand some broad additional responsibilities. We'll
19 look forward to working with you.

20 MR. BARRETT: I feel them every day.

21 Thank you very much.

22 (Laughter.)

23 VICE CHAIR BERG: You're welcome.

24 MR. OLMEDO: Good morning, Board members. My
25 name is Luis Olmedo. I'm the executive director of Comite

1 Civico Del Valle. And I -- you know just a few
2 observations. Hopefully, they'll be considered as the
3 blueprint proceeds, but they go from framework to
4 blueprint. I hope that the next version of it becomes
5 program requirements. So I think that that would be a
6 more appropriate name. And I think it will hopefully
7 influence the way that the directives and guidelines are
8 presented.

9 And part of the reason I say that is because not
10 all air districts unfortunately are equal. I'd like to
11 see that those air districts that are presenting best
12 practices that they be instituted into the program itself,
13 so that other air districts that perhaps may not be as
14 interested in -- on this program could follow those best
15 practices.

16 And I know I've -- there's three air districts
17 here that have been doing a remarkable job. And in
18 comparison to where we're at. Perhaps, that's not the
19 opinion of the local folks, but we certainly would like to
20 see some of those things be advanced.

21 Don't leave small air -- small districts behind.
22 That's really important. We've seen that with climate
23 investments. I think that this program is certainly doing
24 a lot better than what -- than what we have seen in terms
25 of climate investments. But certainly the southern

1 eastern part of the California still has seen a wider gap
2 of investments in technologies, investments in emissions
3 reduction, and so on. So hopefully this program won't
4 leave us behind. The other thing is as part of sort of
5 what the blueprint comment is, you know, we have
6 challenges filling seats that belong to EJ or belong to
7 community. They tend to end up in the hands of those more
8 focused on representing industry.

9 So we really need help. We need more guidance.
10 We need more directives from ARB to assure and guarantee
11 that these seats are actually deliberately given to
12 community representatives, or EJ, so that 617 is
13 successful at the local level.

14 I feel like we're advanced in some areas, but
15 we're really in the beginning stages in developing the
16 program locally. So that's also some things I'd like to
17 see.

18 You know, finally, I just want to congratulate
19 the Board for doubling the technical assistance grants. I
20 hope that those resources grow. I hope that there is
21 continued support for that.

22 So I want to thank you for that. Thanks.

23 MR. SOLIS: Good afternoon. My name is Alex
24 Solis. I'm part of Comite Civico, policy coordinator.

25 I'd like to first start by congratulating the

1 Board and thanking them for the considerable progress that
2 has been made to implement the mandates of AB 617. It is
3 or consensus at CCV that although we are making progress
4 that in order to continue moving forward and avoid any
5 stalemate, especially at the local level, we are asking
6 that the Air Protection Program establish more
7 prescriptive measures and avoid any vague guidelines.

8 We strongly believe this will be resolved at the
9 community level, and recommend more community involvement
10 in all communities. We are committed to assisting the
11 Board in every way possible to implement AB 617 as we are
12 working with other communities throughout California
13 through the IDA Collaborative and our respective partners.

14 We will continue to do our best as an
15 organization and as a collaborative to support the Board
16 through this rigorous process. Thank you for your time.

17 Good day.

18 MS. ARGÜELLO: Good afternoon. My name is Martha
19 Dian Argüello. I'm the Executive Director of Physicians
20 for Social Responsibility, and also the co-chair of
21 Standing Together Against Neighborhood Drilling.

22 So no pressure that I'm the last speaker, but
23 one, I want to start by applauding the work of the 617
24 Consultation Group and the deep commitment that I sense
25 from the Board to figuring out the health metrics piece

1 and getting serious about how we actually develop better
2 health data, so that we can show that these are having
3 actual improved health outcomes. So we know it's
4 difficult, and I really have seen how much we have
5 struggled with these issues and are committed.

6 Certainly our organization and many others are
7 committed to continuing to work with the Board on this,
8 because we want to make sure that 617 must be clearly and
9 directly tied to regulatory actions. We want to make sure
10 that the air districts work with communities to have
11 clarity and guidance on what kind of monitors and data
12 will be accepted.

13 We think 617 should provide, you know, real
14 improved air quality. And I want to tell a story of the
15 work we've been doing with communities that live next to
16 oil drilling sites. So there is one site that is in the
17 Esperanza community housing neighborhood. And it's
18 right -- you know it's around four schools. It's less
19 than a mile from USC. And after many years of struggle,
20 that facility was voluntarily closed down by the operator
21 and then sued by the city.

22 And then the air district put up 24/7 monitoring.
23 And about three weeks ago through actually GGRF funds, the
24 facility was able to put solar panels on to their roof.
25 And the solar panels are going to back-meter, and the --

1 it's actually going -- the funds are going to be used to
2 create a consume -- a computer lab for the low-income
3 residents that live there. It is beautiful. It is
4 wonderful.

5 But when you look at those solar panels and you
6 turn your head slightly, you see AllenCo oil there. That
7 facility is threatening to reopen. That's the -- I call
8 that the poster child for the two things we to have make
9 work, AB 32 -- but if 617 does -- does not end with a 2500
10 foot setback or a way to tell that community you can have
11 solar panels and still be breathing contaminated area from
12 an oil site, then we've failed.

13 And so that's really the kind of standard that we
14 want to set. Our communities have been studied for years,
15 and it's really time to figure out how to shut -- to close
16 those facilities and figure out what the just transition
17 looks like.

18 And so we hope that the 2500 foot setback again
19 is put into the policy. And I'll tell you why it matters.
20 Just two weeks ago, the City of L.A. introduced a new
21 ordinance around monitoring of wells, and in there said
22 make sure that it complies with 617. Despite the fact
23 that for about two years we've been working very
24 diligently toward a 2500 setback with the city council,
25 they're watching.

1 And we want to make sure that the hard work of
2 many organizations that have been working to stop this
3 dangerous practice that happens dangerously close to
4 people, where we have a perfectly safe alternative in the
5 shape of solar does not continue to occur.

6 So we -- again, we commend all the efforts on
7 617. We are grateful for the funds that have been given
8 to both us, to many other community organizations. But we
9 have to remain diligent that at the end of the day, the
10 promise that came with 197 that is still unfulfilled
11 happens with 617, that the promise of having
12 representatives from environmental justice communities on
13 the Board is kept. The loss of the Diane on this Board I
14 think is a -- is a great loss, right? Someone who has
15 spent 30 or more years directly working with communities,
16 figuring out what works, being an innovator. That's what
17 we need to move forward and have clean air.

18 Thank you.

19 CHAIR NICHOLS: Sorry. Martha, you were the last
20 witness that signed up. So I -- there's no formal record,
21 because there's no action to be taken, but let's shift
22 back to any final comments that Board members would like
23 to make. I'll start with -- start with Hector and then
24 move to Phil. Is that okay? You were -- I saw you first.

25 BOARD MEMBER DE LA TORRE: I just wanted to thank

1 staff for all the hard work. And I wanted to emphasize a
2 point that Karen pointed out, which is kind of the timing
3 and the big picture of how this is going to move forward,
4 which is there will be the 10. We clearly don't have the
5 resources and everything to do all 10 full bore, so it
6 will be the top few of those that we will focus on in
7 going all out on.

8 But that doesn't mean that the rest will just sit
9 there on a list. There are things -- the clearinghouse,
10 enforcement. There are things that can happen in those
11 communities, even as we're going full bore on the top
12 ones. So I think that's very important to emphasize, that
13 we are going to move forward on all of them. It's just
14 some are going to get, you know, both guns blazing, to use
15 an interesting analogy, I think, that we -- we're going to
16 very much focus on those. And then as we see improvements
17 in those, then we move down and spread our resources to
18 the next one, and the next one, and the next one, and so
19 on.

20 I think that's very important to emphasize over
21 and over again. There's going to be, when the time comes,
22 folks who think they should have been one of the 10. And
23 there's going to be folks who think they should be one of
24 the top two or three. And so it's really important to set
25 expectations, so that people know we're going to do this

1 with all due haste, but we have limits at well. So thank
2 you.

3 CHAIR NICHOLS: Okay. Judy and then Bill.

4 BOARD MEMBER MITCHELL: Well, I'll just say thank
5 you to staff for all the hard work. We've been at several
6 meetings at the South Coast region together, and it is
7 going to be tough to make the final decisions on the -- on
8 the ones that we choose.

9 But I think there are certain areas that do have
10 a very high priority, they have the worst air quality in
11 the nation, and we need to be focusing on those high
12 priority areas. In the beginning, we've said before 617
13 doesn't sunset. We will be looking at all the communities
14 across the state as we proceed with this program.

15 And so it's important also we see some good
16 results from our initial efforts. So thank you staff for
17 all the work you do.

18 BOARD MEMBER SERNA: Thank you, Madam Chair.

19 So, of course, I'll start by thanking our staff
20 as well as we customarily do on most things. But I also
21 want to take the opportunity to thank the staff from the
22 Sacramento Metropolitan Air Quality Management District
23 that spoke at the beginning of -- on public comment. And
24 they made mention of a number of local initiatives here in
25 Sacramento County to perform some initial very hearty

1 outreach as it relates to implementation of 617.

2 And that certainly has not gone unnoticed by me,
3 so I wanted to take the opportunity to publicly thank
4 Jaime, and Janice, and their staff for that commendable
5 effort.

6 I also wanted to issue a couple of questions to
7 our staff. And I suspect one will be answered perhaps our
8 fearless leader Mr. Corey. But the first question I have
9 actually is just to underscore a question that Ms. Park
10 from Catholic Charities asked about the blank spot in the
11 northern part of the state. And so perhaps staff can
12 answer that first, and then I have a question for Mr.
13 Corey.

14 OCAP DIRECTOR MAGLIANO: So a couple of things.
15 And I think you were pointing to the map of the community
16 assistance grants. And Veronica can certainly jump in or
17 add to this.

18 We did receive fairly limited number of, I think,
19 applications in the northern portion of the state. So I
20 think one of the things that we'll be thinking about in
21 the next round is how do we enhance our outreach in some
22 of these areas that perhaps, you know, there weren't
23 organizations that submitted grants, but also some greater
24 technical assistance, because in many cases it's more
25 difficult for small organizations to even know how to put

1 together a package itself.

2 The other piece of it is Yolanda was mentioning
3 in terms of as we look at communities that we might be
4 recommending for Emission Reduction Programs or
5 monitoring, we'll be collecting the recommendations from
6 air districts and communities, but we'll also be doing our
7 own due diligence to be able to look at, you know, making
8 sure we are capturing, you know, a good spectrum of
9 communities, not only urban ones, but rural, whether it's
10 the northern part of the state or, you know, down in the
11 Imperial Valley as well.

12 BOARD MEMBER SERNA: So in terms of the effort to
13 just let communities understand that the grant opportunity
14 exists, what are we doing, other than working directly
15 just with our local air districts? In other words, are we
16 also working with municipalities, counties, other conduits
17 to kind of get this information out?

18 ASSISTANT EXECUTIVE OFFICER EADY: Sure, I'll
19 step in, since the grant program came under the EJ unit.
20 We are thinking about that already. And in the last
21 couple of months, we've assigned somebody specifically to
22 do outreach in areas that are underrepresented. So not
23 just Northern San Joaquin, but, you know, eastern, the
24 northern part of the state. So we're actively doing that.
25 And that extends beyond AB 617, and actually, we're

1 talking about all of our ARB programs.

2 I do like your idea of more intentionally
3 reaching out to counties and local governments. We did
4 some of that, but not with a great amount of intention.
5 And so I think that's a really good idea.

6 And then just to underscore what Karen talked
7 about in terms of capacity building. We made a lot of
8 awards. We made 28 out of 65 applications, but clearly,
9 you know, as Ms. Park pointed out, there are some parts
10 that -- where there's a gaping hole.

11 BOARD MEMBER SERNA: But the way, I had the same
12 question she did in my briefing, so...

13 (Laughter.)

14 ASSISTANT EXECUTIVE OFFICER EADY: Great minds
15 think alike.

16 So in terms of technical assistance, we are going
17 to be putting together some workshops, or other kind of
18 community smaller meetings, where we're able to go through
19 successful applications and talk about what made a
20 successful application so people have the benefit of that.
21 We're also planning on posting on our website the
22 successful applications, so that will be a resources for
23 people. And we're, of course, doing individual calls when
24 people want an individual postmortem on why they weren't
25 granted.

1 And the other thing I'll just mention is that
2 there was a lot of mentoring that went on through this
3 grants process, which was really wonderful. We had
4 nothing to do with it.

5 We are encouraging more of that mentoring to take
6 place. And I think that people active throughout the EJ
7 community are aware that their might be parts of the state
8 where they don't quite have that capacity. So we see a
9 lot more of that too.

10 BOARD MEMBER BALMES: I just want to mention one
11 thing about the staff's effort with regard to outreach to
12 Northern California. There is a member of the AB 617
13 Consultation Group from the Blue Lake Rancheria
14 representing tribal interests in Northern California. So
15 Northern California wasn't entirely forgotten.

16 BOARD MEMBER SERNA: No, I understand. I
17 appreciate the response. I know that there's others up
18 here that want to get their questions and comments. And
19 so I wanted to move to my last question for I presume Mr.
20 Corey.

21 And that is we had a number of speakers that, in
22 my estimation, kind of expressed this expectation or kind
23 of danced around the subject of land-use control, who has
24 it, who exercises it, how is it exercised, by whom in the
25 context of 617 implementation. And as someone that wears

1 the two hats up here as a local elected and as a member of
2 this board, I get a little nervous when I begin to hear,
3 you know, advocates express that expectation, that this
4 body ought to be doing more when it comes to flexing a
5 muscle in the realm of land-use authority.

6 And so I think there's certainly plenty of
7 opportunity to explore how local decision making, as it
8 relates to land use, can certainly begin to take into
9 consideration the intent of the legislation, and certainly
10 to promote environmental justice for disadvantaged
11 communities.

12 But my question is this, what are we doing, for
13 instance, working directly with OPR, who drafts a number
14 of different guideline documents, not the least of which
15 in terms of its importance as it relates to this
16 discussion, general planning guidelines for cities and
17 counties?

18 What are we doing to waste no time to begin to
19 have OPR consider how they may begin to explore, you know,
20 best practices that local government can begin to
21 consider, as they update their general plans,
22 periodically, and especially now that you have a number of
23 jurisdictions, my jurisdiction in Sacramento County
24 included, that are adding elements, such as an
25 environmental justice element.

1 And, of course, we have, you know, statutorily
2 required elements, such as transportation air quality,
3 which it just makes sense that there would be a lot of
4 cross-over identification of how 617 might be implemented,
5 again at the local level, using kind of the constitution
6 of land use by cities and counties to do that.

7 EXECUTIVE OFFICER COREY: Yeah, I was waiting for
8 the question. This is --

9 (Laughter.)

10 EXECUTIVE OFFICER COREY: A few things,
11 Supervisor. And it really is, and I think it was clearly
12 discussed yesterday as a core issue. So a few points.
13 One, in terms, of OPR and under Ken Alex's leadership.
14 I've been working with Ken the last few years, including
15 the update to the CEQA guidelines, which we think is an
16 important element of this.

17 But there -- another important point, and I think
18 it was touched on by Supervisor Gioia that I think 617
19 will clearly put a further spotlight on, and that -- I
20 think the point that he made and the way I'd actually been
21 thinking about it is there is the assessment of the
22 impacted communities, the actions that -- what is
23 impacting those communities, what are the exposures
24 associated with, what are the reductions, mobile,
25 stationary and otherwise, engagement of local decision

1 makers in that process.

2 And that is something we need to build on and do
3 more in terms of that discovery and participation in that
4 process. I think that's going to be an important part of
5 this. Because the obvious question that will come from
6 this is how do that happen, how do we avoid it from
7 happening again?

8 And I think local engagement is going to be
9 important -- and important part of that. I think the
10 point that Supervisor Gioia made about the freight
11 handbook, I think that will be an important tool. And
12 this Board directed us to or supported our moving forward
13 this past March on a warehouse handbook, in terms of best
14 practices on warehouses. I think that's also an element.

15 And also think certainly comments on proposed
16 projects, but that generally happens at the back end.
17 We're looking at how to get in front of this. I think
18 it's a complex issue. It's a complex question. We're
19 looking at a -- really a multi-tiered strategy. And those
20 are the key elements as I see them.

21 BOARD MEMBER SERNA: Thank you. I would also,
22 just to conclude my remarks and dovetail off of your
23 response, encourage those speakers that mentioned the
24 land-use angle that you might, you know, also advocate at
25 your municipal and county levels for those bodies, the

1 city councils and boards of supervisors to begin the
2 discussion, you know, amongst themselves, of course, with
3 public participation and contribution in the form of
4 workshops.

5 In other words, we have this new tool in our tool
6 box to reduce emissions in disadvantaged communities, what
7 are you doing, city council or board, to begin to
8 incorporate that intent in your authority to regulate land
9 use? And I can speak from experience, we have no shortage
10 of workshops at our board on a whole host of subject
11 matter. But that certainly would be a ripe subject matter
12 to have some robust discussion at the local level.

13 Thank you.

14 CHAIR NICHOLS: Thank you.

15 I'll turn now to this end of the table here.
16 John.

17 BOARD MEMBER GIOIA: Yeah, as I said at the
18 outset, I think this is really an exciting opportunity,
19 but there's are a lot of work still left ahead. And I'll
20 just reiterate my point. I think the more help we can
21 provide as an agency to local jurisdictions getting -- you
22 know, also adding to Phil Serna's point, those who are
23 going to advocate at cities and counties, which is the
24 right place for land-use policies will need help on the
25 policy side.

1 And I have found this, in our case in Contra
2 Costa, our very well meaning county planners, we were --
3 we are looking -- we are looking at some -- permitting
4 some warehouse projects away from residential areas. And
5 we said we were only going to do it if we really put
6 requirements to electrify the truck fleet, put in the
7 infrastructure, you know, electric forklifts, all of those
8 kinds of things.

9 And our planners needed help. They wanted to
10 learn. And, you know, we brought together folks from the
11 local air districts from -- and CARB to sort of look
12 through a list of conditions that would be right to
13 propose. So I don't think we can assume that the planners
14 in cities and counties have all the new best practices.
15 They want them. They want the help, and that's why I
16 think our freight handbook will be really important, and
17 we need to expand that to include, you know, the best
18 practices for other emission reductions outside the
19 freight sector that are going to come up as part of these
20 plans.

21 Otherwise, it's going to take, years and years,
22 and years for planners over time to develop the knowledge
23 and expertise. But we can help them do that quicker,
24 because we owe that to communities to have these
25 conditions placed on new facilities. So I think that will

1 be a huge difference. I mean, from the advocates putting
2 pressure, as Phil says, to us providing some of the help
3 and best practices.

4 And then the last point again, which is I -- it
5 sounds like there will be a pretty robust review process
6 here over the Emission Reduction Plans, and whether
7 progress is being made to implement those plans, and
8 whether we shame local communities - I don't know if
9 that's the right word - or just draw visibility to them.
10 If they're not implementing those plans, I think we have
11 that obligation, and doing that in a respectful way,
12 and -- but at the same time, doing it in a forceful way.
13 There's a long road ahead.

14 CHAIR NICHOLS: Okay. Looking down the path
15 here. Anybody?

16 All right, John.

17 BOARD MEMBER BALMES: I've already spoken a lot,
18 so I'm going to make comment short, but several people
19 have come up to me over the last month or so, as we sort
20 of get close to decisions about which communities will be
21 in -- initially the focus of AB 617 implementation about
22 co-exposures, in particular pesticides has come up.

23 And so I just -- when I was giving me opening
24 remarks about how we need to work with the health
25 department, and I neglected to mention that the Office of

1 Environmental Health Hazard Assessment has been
2 participating as well on AB 617 Consultation Group, and
3 they have expertise to bring.

4 I think DPR, which is already -- Department of
5 Pesticide Regulation, which already is doing some air
6 monitoring in the valley, or at least they were, I think
7 that -- I don't think we should be in the business of
8 monitoring pesticides, but I think we can work with a
9 sister agency to do so. And so when we pick a rural area
10 in the Central Valley or Imperial County, for example -
11 I'm just throwing those out as possibilities - that we
12 should try to work with DPR in terms of pesticide --
13 ambient pesticide monitoring as well.

14 CHAIR NICHOLS: Okay. I think I get to speak
15 last, unless somebody else wants to do that.

16 I just wanted to add a couple of things on --
17 really along those lines. As we move out further into the
18 communities -- and really this is -- this is a wonderful
19 experiment in some ways. It's -- we're doing it. We're
20 living the experiment, but it is -- it is a test of a
21 fundamentally different way of delivering environmental
22 services.

23 And I think it is -- not to be too grandiose
24 about it, but those of us who, you know, read the news
25 feeds every morning with increasing alarm and dismay about

1 divisions in our society, and denial of voting rights, and
2 so forth, this is an opportunity to demonstrate democracy,
3 to actually help to strengthen democracy in a time where
4 it is in -- under attack and retreating in many, many
5 places.

6 And so that's true for how we engage with the
7 communities. It's true for how business learns to engage
8 differently with us as well. So this is not just a --
9 it's not a one-way discussion here. Although, it's going
10 to take people some time to learn how to deal with it.

11 But I do want to say that particularly with
12 respect to the first 10, whatever we call them, I hope we
13 don't fall into the trap of thinking that the first 10 are
14 chosen because they're the most important, or even
15 completely because they're the most at risk, or the
16 most -- suffering the most from exposures, because there's
17 a lot of questions that we still need to answer about all
18 of that.

19 And so I hope that there's more of a sense -- and
20 I don't have the right name for it either, but those who
21 become the original participants with us in designing this
22 program are really entering into a kind of a special phase
23 of how we are -- how we're going to be doing the whole 617
24 program.

25 And so I just -- I'm not trying to, you know,

1 dampen down desire to be part of it so much as I am just
2 in our own minds, and as we communicate about it to make
3 it clear that we're -- we're doing the first step, because
4 we need to learn, and we're choosing groups that we think
5 are in a better position in one way or another, and there
6 could be various reasons why to help us and help others
7 figure this out.

8 BOARD MEMBER BALMES: If I may, Mary. Karen and
9 I have talked about this specifically.

10 CHAIR NICHOLS: Um-hmm.

11 BOARD MEMBER BALMES: And it's a very good point,
12 and I'm glad you made it. I think because there is a fair
13 amount of pressure for us to deliver both to the
14 legislature and to the disadvantaged communities, part of
15 our initial decisions about the first 10 will be those
16 that have the most capacity to move forward quickly, which
17 doesn't mean they're the most disadvantaged, because --

18 CHAIR NICHOLS: Right, or the best.

19 BOARD MEMBER BALMES: Yes, exactly. So --

20 CHAIR NICHOLS: Okay. Well, I just -- we'll --
21 I'm sure we'll struggle with that.

22 But the other thing I wanted to mention is that
23 in addition to DPR and pesticide exposures, I believe
24 we're also looking, and maybe this was mentioned and I
25 just missed it, at other partners within CalEPA, including

1 DTSC, which has some jurisdiction, and some very
2 thoughtful people about other routes of exposure, other
3 ways in which people get exposed to toxics. Even if they
4 breath them, if those toxics are coming from the air or if
5 they're coming originally from soil or from roadways or
6 other sources that are then being inhaled, they also need
7 to be looked at as part of the overall burden that people
8 are bearing.

9 This issue of cumulative exposures has been with
10 us for as long as I've been involved in thinking about air
11 issues, which is a long time. And we still don't have,
12 you know, a complete answer for this. But hopefully we --
13 this will also help us make some progress in that area as
14 well, so --

15 VICE CHAIR BERG: Chair Nichols.

16 CHAIR NICHOLS: Yes.

17 VICE CHAIR BERG: DTSC has just established a new
18 position, which Bonnie Holmes-Gen has accepted.

19 CHAIR NICHOLS: Right, right.

20 VICE CHAIR BERG: So we have a great advocate up
21 there. And it's exciting what they're looking at as their
22 preview on toxics, and, of course, regulating our
23 hazardous waste facilities.

24 CHAIR NICHOLS: Absolutely. And it's great that
25 they've chosen somebody who's very familiar with the Clean

1 Air Act and with our programs as well. So, yeah, I think
2 it's all -- it's all moving in the right direction.

3 So once again thanks for this report. We're
4 obviously engaged and interested.

5 If there are not last --

6 BOARD MEMBER FLOREZ: I don't want o -- I know
7 you're in your close, but I just wanted to --

8 CHAIR NICHOLS: No, that's okay.

9 BOARD MEMBER FLOREZ: -- say as people jumped in,
10 that I just wanted to note for the record, I'm a little
11 worried about as we get to these ten, the capacity
12 argument. The capacity argument argues for larger
13 boundaries, bigger entities. And I would hope that we
14 would focus on small, very small areas. And I'm thinking
15 of places like Lost Hills and places like Buttonwillow,
16 and places like Lamont. And if your eyes are glazing over
17 and if you've never heard of these places, then that is
18 exactly where we need to start --

19 (Laughter.)

20 BOARD MEMBER FLOREZ: -- because these are the
21 voiceless, always brought into the capacity, not enough
22 knowledge, not enough time, not enough technical
23 assistance, not enough, if you will, to compete. And I
24 would hope that we, as the Air Board, would either have
25 our local air districts or we would be able to provide

1 that to get them up to speed. I would love to see the
2 first 10 be the smallest. I'm just going to tell you kind
3 of where I stand on this. I just feel that this is ground
4 zero for where things need to begin.

5 And so I just want to say for the record, I --
6 you know, hopeful we can start, and start to look at
7 these. And we should begin capacity building now, and
8 make sure these communities are at the table.

9 CHAIR NICHOLS: Duly noted. Thank you.

10 Any other last comments?

11 Alex.

12 BOARD MEMBER SHERRIFFS: Well, I'll make a
13 medical analogy. This is a little bit like a clinical
14 trial.

15 (Laughter.)

16 CHAIR NICHOLS: Yeah.

17 BOARD MEMBER SHERRIFFS: And there are some
18 instructive things about that. One is sometimes they're
19 going to work and sometimes they're not. So, you know, if
20 you think you're lucky to be in the 10, well, maybe.

21 (Laughter.)

22 BOARD MEMBER SHERRIFFS: Be careful what you wish
23 for.

24 But the comments have been made about keeping it
25 small. And I would agree with that, because this is an

1 experiment in democracy. And I think we see democracy
2 working best in smaller communities and neighborhoods
3 where people have relationships that get beyond labels.

4 And there's a lot of challenging stuff that is
5 being undertaken with this. And I think that smaller
6 community argument is a very important one for -- for
7 developing the collaboration, and trust that has also been
8 mentioned, that I think will be key on success. And we
9 really would like to model success.

10 And I think we do have some great examples of
11 communities, organizations, especially in the Central
12 Valley, that have stepped forward. And we need to build
13 on that. But I would agree, keep it small.

14 CHAIR NICHOLS: Okay. Two votes for small.

15 (Laughter.)

16 CHAIR NICHOLS: I'm looking forward to the
17 discussion when we actually have some nominees for the
18 first group.

19 I am going to bring the discussion to a close
20 right now with more thanks to the people who are working
21 on this program. It's great to see just over the space of
22 months how our team has come in to a considerable amount
23 of confidence and success as they move forward with the
24 program. So congratulations to all.

25 We're going to take a lunch break. And I need to

1 announce that we will have a short executive session
2 during the lunch break, where we'll hear from our counsel.
3 So with that, let's adjourn until 1:30.

4 (Off record: 12:42 p.m.)

5 (Thereupon the meeting recessed into
6 closed session.)

7 (Thereupon a lunch break was taken.)

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1 A F T E R N O O N S E S S I O N

2 (On record: 1:38 p.m.)

3 (Thereupon the meeting reconvened open session.)

4 CHAIR NICHOLS: Okay. We're set to resume.

5 Ladies and gentlemen, we're back from lunch. And
6 we did hold an executive session during lunch, where we
7 were briefed by our counsel on some litigation matters,
8 but we took no action. So I need to make that report.

9 VICE CHAIR BERG: And, Madam Chair, may I just
10 put for the record that I did recuse myself from that
11 closed session.

12 CHAIR NICHOLS: Yes. Thank you.

13 VICE CHAIR BERG: Thank you.

14 CHAIR NICHOLS: So the next item on our agenda is
15 an annual report from the Office of the Ombudsman for
16 2017. I think most people will recall that the Ombudsman
17 does an annual report to us about their work in helping to
18 increase communications and collaboration between
19 California small businesses and CARB.

20 The office provides information and resources to
21 small businesses about grants, incentives, research funds,
22 and other opportunities. Our Ombudsman, La Ronda Bowen,
23 is going to share an overview of the 2017 accomplishments
24 and describe the actions she and her team are taking to
25 find new and more effective ways to work collaboratively

1 with small businesses.

2 We will also hear from the Small Business
3 Opportunities Advisory Panel co-chairs Alan Abbs, the
4 executive director of CAPCOA, who we heard from this
5 morning, and Richard McCaskill, who is the president and
6 CEO of Recon recycling Consulting, a California small
7 business that's based in San Diego.

8 Mr. Corey, would you like to introduce the item.

9 EXECUTIVE OFFICER COREY: Yes. I think actually
10 that context covers it, and I'm going to go right to La
11 Ronda to give the staff presentation.

12 La Ronda.

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

15 OMBUDSMAN BOWEN: Great. Thank you, Chair
16 Nichols, Vice Chair Berg, members of the Board, and Mr.
17 Corey.

18 I'm just going to add that I have with me as well
19 the U.S. EPA Kathy Taylor, and Josephine Fleming from the
20 California Green Business Network. They're going to talk
21 about the grants that we have, so they were confirmed
22 before.

23 So in 2017, as Chair Nichols said, we continued
24 working to bring small businesses more and more into our
25 regulatory process, developing tools and resources for the

1 California Air Resources Board program staff to begin to
2 help them identify small businesses earlier, and engage
3 them in our regulatory processes.

4 So the first step in this process is
5 consultation, when we talk about take stakeholder
6 engagement. And we focused on bringing these small
7 business subsectors and industries into the CARB's
8 regulatory process.

9 Our goal is to support the CARB in making rules
10 that are more easily implemented, and which can be more
11 equitably enforced. So we continued the work of the past
12 two years providing compliance assistance, tools, and
13 problem resolution to small businesses, but also with this
14 new focus.

15 --o0o--

16 OMBUDSMAN BOWEN: So today's presentation I will
17 quickly provide an overview of the ombudsman's mission and
18 our major functions, use a few slides to answer the
19 question of why focus on small business? We do get that
20 question still. Highlight the 2017 accomplishments,
21 including our work with U.S. EPA and the disadvantaged
22 communities.

23 You'll hear from Josephine Fleming, Executive
24 Director of the Air -- of the California Green Business
25 Network, and a subcontractor to Air Resources Board on the

1 U.S. EPA pollution prevention grants. And you'll hear
2 from Kathy Taylor, the Assistant Director of the U.S. EPA
3 Region 9. And she will bring together the value of the
4 CARB and EPA Ombudsman collaboration with the CA GBN.

5 I'll then introduce our Small Business
6 Opportunities Advisory Panel led by co-chairs Alan Abbs
7 and Richard McCaskill. You've met them before. They're
8 in opposite order this year, so -- because they're
9 co-chairs, I wanted to make sure that was even. And then
10 we'll wrap-up our presentation with a brief look ahead.

11 --o0o--

12 OMBUDSMAN BOWEN: So overall, the mission of the
13 ombudsman is to support the CARB, to achieve U.S. EPA and
14 California's clean air objectives by integrating small
15 business and other stakeholder perspectives into our
16 regulatory processes.

17 This helps California sustain a health economy
18 and encourages current and next generation support for
19 environmental progress.

20 So in 2017, we increased our efforts to assist
21 CARB staff to earlier identify rule-related small business
22 industries and contacts as part of a pilot program on
23 regulatory integration. The ultimate goal is to
24 facilitate staff to small business owner connection for
25 easier integration into California -- of California's

1 small businesses perspectives into our regulations and
2 policies.

3 We also began an effort to promote small business
4 adoption of ZEVs by encouraging larger firms to reach down
5 their supply chain, and inform small businesses of
6 incentives to move to zero-emission vehicles. Both of
7 these efforts are continuing in 2018.

8 --o0o--

9 OMBUDSMAN BOWEN: So what are our functions?

10 Basically to provide help and problem
11 investigation and resolution to the public. To implement
12 our mission, we do these tasks, we work with other
13 agencies and CARB staff, we offer impartial independent
14 and sometimes confidential assistance to the public and
15 small business.

16 We also facilitate discussion between customer
17 and program staff as we try to engage small businesses in
18 the rulemaking process. We're providing a lot more
19 resources now to the staff, as I've mentioned before, but
20 also building capacity with the small businesses. And
21 this process helps us to identify -- provide CARB's
22 opportunities to correct or revise internal processes, and
23 also to anticipate upcoming issues.

24 --o0o--

25 OMBUDSMAN BOWEN: So when the businesses are

1 involved earlier, we get a lot of benefits out of that.

2 But we focus on small business for a number of
3 reasons. One of them is that they're a key driver of our
4 economy. So, for example, our function helps to implement
5 the Clean Air Act requirement for small business
6 compliance assistance. But small businesses are critical
7 to an innovative and economically successful California.

8 Both California and the U.S. EPA define a small
9 business as independently owned and operated, and
10 employing a hundred or fewer people. Using information
11 from the U.S. Small Business Administration's 2018 state
12 profiles, California has 3.8 million small businesses
13 meeting that definition.

14 The smallest firms, those employing 20 or fewer
15 people, have the largest gains in net jobs. I think it's
16 2015 data that that was from, but it was in the 2018 -- in
17 the 2018 report. These businesses most frequently reach
18 out to the Ombudsman for assistance.

19 So when you look at our customers, they're --
20 they are definitely this 100 or fewer employees, and most
21 of them are in the 20 or so.

22 --o0o--

23 OMBUDSMAN BOWEN: And we focus on them. Over the
24 years, we've found there's -- there's not only a need for
25 our assistance -- early in engagement in the rule

1 to hear me say this over and over, because that's really
2 where we spent our year. -- and to integrate them into
3 the CARB's regulatory and policy development. So we
4 continued to -- the work we had shared in previous
5 presentations to collaborate with program staff and trade
6 associations, with utilities, and supermarkets. We
7 continued doing all the things that we were doing.

8 But what we did differently this year was to
9 bring together the work that staff is doing. So on these
10 particularly items, we engaged specific small business
11 sector. We brought the dairy farmers into -- more --
12 small businesses dairy farmers into the work on methane
13 emissions. We continued the work on the refrigerants and
14 the air toxics from the dry cleaners. We continued with
15 truck loan programs.

16 For the first time, you'll hear -- you'll hear
17 Richard McCaskill talk about this. But we engaged in the
18 617 effort. And so we actually had our co-chair show up
19 at one of the meetings and make a difference there.

20 And finally, I want to bring up the U.S. EPA
21 pollution prevention grants. We have done three grants
22 with the U.S. EPA. Joe is going to speak to us about the
23 second grant. And I think that Kathy is going to speak to
24 us about both of them that will come up soon.

25 --o0o--

1 OMBUDSMAN BOWEN: So let me just introduce
2 Josephine Fleming. Josephine Fleming is the director of
3 the California Green Business Network. And she will give
4 a brief overview of the California Green Business Network
5 and share the highlights of our work for her -- that her
6 group has done to expand the green business program into
7 disadvantaged communities.

8 Following Ms. Fleming, we will hear from Kathy
9 Taylor, Associate Director of U.S. EPA, Region 9. Ms.
10 Taylor will share thoughts on the collaboration between
11 ARB and Region 9, including her take on our current grant,
12 which will conclude at the end of this year.

13 Kathy is the assistant administrator of the Land
14 Division for EPA's Pacific Southwest Region covering
15 California, Arizona, Nevada, Hawaii, the Pacific Islands,
16 and 140 tribal nations. She has been with the agency for
17 over 30 years beginning her career in Washington D.C.
18 before moving on to the region.

19 In her current position, she has responsibility
20 for zero waste, pesticides, toxics, children's health.
21 And she has held -- led both regulatory and non-regulatory
22 programs. Her work on pollution prevention and industry
23 and community partnership began early in her career,
24 managing one of EPA's industry partnerships in seeking
25 work with partners and communities to reduce the use of

1 industrial toxics, improve company bottom lines, and
2 engage communities in working together with industry to
3 reduce environmental and public health impacts.

4 Today, the work of the zero waste program
5 includes both offering grants to states to environmental
6 organization, industry, and community organizations, as
7 well as staff effort on green building, pollution
8 prevention, and sustainable materials management. So
9 you'll hear from Kathy.

10 But first, you'll hear from Joe.

11 Jo.

12 --o0o--

13 MS. FLEMING: Thank you, La Ronda and thank you
14 to your Board.

15 The California Green Business Network is
16 incentive program to motivate businesses beyond
17 environmental compliance. Our mission is to lead the
18 State and the nation in developing a healthy green economy
19 with small and medium business partners.

20 Businesses work with local green business
21 coordinators who help them conserve and reduce greenhouse
22 gas emissions using local resources and rebates. We have
23 recognized over 3000 businesses. And in 2017, it's
24 estimated that our network of businesses saved over 782
25 million pounds of greenhouse gas emissions, 43 million

1 kilowatt hours of energy, almost 270 million pounds of
2 waste diverted from the landfill, almost 60 million
3 gallons of the water, 16,000 gallons of hazardous waste,
4 and an estimated 40 million in energy, waste, and water
5 utilities savings.

6 There are now 33 green business programs
7 throughout the state. And our goal is to cover the entire
8 state. About four years ago, we overlaid the EnviroScreen
9 map with our map here that you see before you. And you'll
10 notice that our programs see coastal in nature.

11 And we decided that we wanted to cover more of
12 these. We wanted to cover more of these. We wanted to
13 offer our program to more programs in the central coast,
14 and in the far north, and we wanted to reach more of our
15 disadvantaged communities.

16 We knew that these communities were unlikely to
17 have resources, and might even be unaware of some of the
18 conservation opportunities for their businesses. So to
19 make a difference, we needed to find local champions. And
20 thanks to funding and collaboration with the U.S. EPA
21 Region 9, and your Board, and staff, we have been able to
22 expand our green business practices into these
23 harder-to-reach regions.

24 As a result of our collaboration, we learned many
25 things. We adjusted our program into tiers to lower the

1 barrier for entry. And we started offering more direct
2 rebates to businesses in disadvantaged regions. These
3 learnings from our EPA grant-funded activities have given
4 us a roadmap, a template if you will, to assist many more
5 communities to create greener businesses.

6 There are many uplifting anecdotes about green
7 businesses. I want to share just a few recent ones that
8 directly benefit air quality in California.

9 The Perennial restaurant in San Francisco is
10 teaching their patrons how food can reverse climate
11 change. Bob's Cleaners of Richmond eliminated solvent use
12 by using wet cleaning and carbon dioxide for garment
13 washing. Scotts Body Shop eliminated a large source of
14 volatile organic compounds by using aqueous base coats on
15 the vehicles they paint. Marin Housecleaners uses less
16 toxic cleaning chemicals with no volatiles. Green
17 Commuter, a business in Los Angeles, is helping green
18 businesses promote and incentivize mass transit and
19 alternative, active commutes. And these are just a few of
20 many.

21 So thank you for hearing our story, and I'll now
22 hand the mic over to Kathy Taylor from U.S. EPA Region 9.

23 --o0o--

24 MS. TAYLOR: Thank you very much, and thank you
25 for giving me the opportunity to speak to the Board about

1 EPA's Pollution Prevention Program, to thank you very much
2 for the work that you've done collaboratively with us, and
3 to explain a little about why the P2 grants and specifically
4 the Mandela Foods Cooperative project is so exciting for
5 us.

6 The EPA Pollution Prevention Program supports
7 projects that utilize P2 source reduction techniques to
8 help businesses reduce and eliminate pollution from their
9 operation. Reducing the environmental footprint in the
10 food manufacturing, processing, and distribution industry
11 is one of EPA's national priorities. And it continues to
12 be a focus of our grant programs.

13 We very much support -- appreciate the work that
14 you've done with us through those grant programs. We've
15 awarded three pollution prevention grants worth nearly a
16 half a million dollars to CARB to work with the California
17 Green Business Network. These projects have been well
18 worth our effort.

19 Each has resulted in significant, measurable,
20 environmental, and public health outcomes. The latest
21 grant has provided the opportunity for you and the Green
22 Business Network to lower barriers to establishing green
23 business programs in disadvantaged communities, to more
24 effectively leverage the power of the green business
25 programs working together, and create a green business

1 program focused specifically on food.

2 EPA, CARB, and the California Green Business
3 Network, and local stakeholders held three workshops for
4 the food manufacturing and processing sector this year
5 that produced a green business checklist and helped EPA
6 develop best practices and outreach recommendations to
7 help the sector in achieving certification.

8 We've mentioned briefly before the Mandela
9 Project, and that's working with a food cooperative in
10 West Oakland. To receive green business certification,
11 they met requirements to conserve resources and prevent
12 pollution. They installed energy efficient LED lighting,
13 and added covers to refrigerator coolers in the store to
14 reduce energy, and their electric bills.

15 Mandela Cooperative is also teaching
16 environmental stewardship to residents who are co-owners
17 of the facility. We are -- EPA are particularly excited
18 about the Mandela Project, not only for its environmental
19 and public benefits, it's promotion of environmental
20 stewardship in the community, and its documentation and
21 reporting of results, but also for its focus on small
22 businesses in disadvantaged communities.

23 There are great needs in these communities, and
24 we know that this group is often harder to reach than the
25 more affluent communities.

1 EPA recognizes our obligation to do better in
2 engaging these communities in our environmental projects,
3 our public participation process, and in the development
4 of our rules and regulation.

5 This project is a good example of how we make
6 inroads to these communities, while helping the small
7 businesses be more sustainable, more economically viable,
8 and more participatory in our regulatory programs. It's
9 an important example that EPA will use as we move forward.

10 A key goal of our grant program is to provide
11 seed funding to develop self-sustaining, pollution
12 prevention initiatives. And we know that this project is
13 just that, a proven program that has worked with thousands
14 of California businesses to document and share green
15 business practices and results.

16 I know that your staff are currently working on
17 the results from the latest project, and they're working
18 on ways to compile and share them. We really appreciate
19 this, and we often do projects which are -- we have great
20 anecdotal representations of the work. But to have the
21 data that we need to actually justify why we're giving
22 this money out, and what we're doing is important to us,
23 and you have done a specifically really great job on that.
24 So we thank you for that.

25 I want to thank both CARB and the Green Business

1 Network, and the many California businesses for the
2 dedication and leadership to promote sustainability. I
3 look forward to continue to work with out on projects that
4 promote sustainability by reducing environmental and
5 public health impacts, promoting economic viability, and
6 creating jobs that support the workforce.

7 And with that, I'm going to turn it back over to
8 La Ronda.

9 OMBUDSMAN BOWEN: Thank you, Kathy.

10 --o0o--

11 OMBUDSMAN BOWEN: Now, we're going to -- now
12 we're going to turn to the Small Business Opportunities
13 Advisory Panel. The Clean Air Act mandated the states and
14 all of the territories to have a Small Business Advisory
15 Panel to provide small business perspectives to the
16 regulatory process. The California SBOAP is co-chaired by
17 Richard McCaskill now of Fruition Consulting. You guys
18 will remember him from Recon Recycling. He's now, serial
19 entrepreneur that he is, in another area, still doing
20 recycling consulting as well. And Alan Abbs, executive
21 director of the California Air Pollution Control Officers
22 Association and the ARB Ombudsman.

23 Members are primarily regulated small business
24 owners who have a history of compliance with regulations,
25 a reputation for working collaboratively with regulators

1 and others and who are active in their industry. We meet
2 quarterly, usually once in Sac, once at a member business,
3 once in So Cal, and once by phone.

4 --o0o--

5 OMBUDSMAN BOWEN: The stakeholder engagement is
6 the critical thing that's tying all this together this
7 year. In 2016, the SBOAP identified early and meaningful
8 engagement of small business as their top priority. This
9 pared down stakeholder engagement chart focuses on the key
10 players and elements of effective small business
11 engagement.

12 ARB does a great job reaching out, and our staff
13 has been very, very responsive to the comments they've
14 gotten from this office and from the SBOAP members, and
15 from the small businesses in the rule development process.
16 I just want to put that plug in, because it's true.

17 So the first step in the box is where we are now.
18 We are identifying potential small businesses that staff
19 can engage in mutual consultation. It's more like
20 brainstorming in the very early thinking-it-through stages
21 of developing a rule or a policy.

22 So just a couple of the programs that have worked
23 with us already: The PSIP, Periodic Smoke Inspection
24 Program, Heavy-Duty Vehicle Inspection Program, the
25 off-road rule that was looking at landscape equipment, and

1 currently we're working with vapor recovery on that team
2 in the research.

3 The first step -- so that's where we are.

4 Next, the more educational aspects of engagement,
5 including workshops will answer some of the how and
6 specifically when kinds of questions. If these first two
7 steps are done thoughtfully, they will save CARB much time
8 on the other side of the equation. So it takes longer to
9 find them and engage them early, but then it saves time on
10 the end, because we know what kind of tools they need.

11 So the businesses need to get their regulations
12 and permits to comply. That's the next part of the box
13 after we have incentives and everything that we know the
14 business needs. It's time to adopt the rule. When the
15 rule is adopted, the business has to get their
16 registration or permits.

17 And what we don't yet have a good way of managing
18 is the sort of compliance monitoring piece. I'm putting
19 this up for more thought. But the idea is once we pass
20 the rule, often we go into enforcing it right away. And
21 yet, we know that there's some things that need to be
22 worked out still. We don't know what all the problems are
23 going to be. So that's -- that's one thing we're thinking
24 about.

25 Then there's enforcement. And the SBOAP has been

1 very supportive of strong And effective enforcement. And
2 so that -- I want to make sure you guys are aware of that.

3 So that's the process. There's a continuous
4 feedback loop. One of my goals, one of the Ombudsman
5 goals for this year, is to consolidate and make available
6 to all the staff, the programs all the learning that we've
7 gained this year so far. And so that's -- that's one of
8 our primary things, what are the consistent issues that
9 come up, and what are the consistent solutions that we
10 find, and where are there still gaps?

11 And so now I'm going to introduce our co-chairs.
12 Alan Abbs. Alan Abbs is the executive director of the
13 California Air Pollution Control Officers Association, and
14 he represents the state's 35 air districts in his normal
15 job.

16 He is also the air district co-chair of the
17 SBOAP. Alan brings the perspective of a former air
18 pollution control officer from a -- from the small
19 districts of Tehama and Lassen, and he will share the
20 value of the new perspectives in achieving climate goals,
21 and also ways in which ARB and the districts are
22 collaborating to provide greater compliance and assistance
23 tools and funding to -- in the rural areas, and for
24 California small businesses.

25 Alan.

1 CAPCOA EXECUTIVE DIRECTOR ABBS: Thank you, La
2 Ronda. Good afternoon, Madam Chair and members of the
3 Board. I'm Alan Abbs from CAPCOA.

4 We had a small business opportunities meeting
5 yesterday. And I was told I should tell the story that I
6 had told when I made my introduction. I'll cut it short
7 and keep it to the 15 second version.

8 But when I was a young engineer, I was working at
9 a small paper mill up in Red Bluff, and I got -- I got an
10 NOV from my air district at the time. And I rapidly
11 learned, you know, what it meant to be in the regulated
12 community, and get a notice of violation from the air
13 district.

14 And then a couple years later, I turn out to be
15 the APCO for the same air district. And during my
16 interview process I said, hey, I've gotten an NOV from
17 this air district. I know what it means to be regulated,
18 and I know what it means to, you know, work with the --
19 work with small businesses to -- you know, to get to the
20 goals that we want to get to.

21 I think when you look at what -- what's been
22 happening in the last five plus years in the air quality
23 world with the focus on disadvantaged communities, looking
24 at the 617 process, looking at the different rules that
25 have -- the Truck and Bus Rule, the freight strategy, all

1 the incentive programs that have come about in the last
2 couple years, the emergence of sensors, and monitoring,
3 and using that information to inform air quality policy, I
4 think it really speaks to the need to make sure that
5 everyone can stay up-to-date with what's happening in the
6 world of air quality regulation.

7 And you see at a lot of these meetings we have
8 good representation from environmental groups and we have
9 good representation from major industry groups, and
10 associations. But a lot of times, you don't see
11 reputation from small business. And so that -- that
12 speaks to the importance of the Small Business
13 Opportunities Panel, and trying to keep small businesses
14 informed, and let them know about ways that they can
15 continue to get informed, and to impact public policy as
16 we go forward, because there's a lot of things happening,
17 and their voice is especially needed as we try to work our
18 way through all of this.

19 So, you know, large districts and small districts
20 are both going through all this stuff at the same time.
21 The large districts obviously have more resources.
22 They're going to be able to do a lot of things. Small
23 districts not so much. But in the end, the impact on
24 small business is the same. You know, the regulations are
25 made, the policy is made, and whether you're in Redding or

1 down in Bakersfield, you know, you're going to have to
2 figure out a way to comply, and hopefully be part of that
3 process. And so -- so this is a good -- a good thing that
4 La Ronda is working on, and we highly support it.

5 I'll just mention one other -- and so it's
6 critical in the future that small business plays a role in
7 the outreach process, being part of the community process
8 for 617, attending the meetings, providing their
9 perspective when communities are nominated, being able to
10 participate in the Emission Reduction Planning process
11 with everyone else, and then also being part of the
12 incentives process, so that we can make sure that
13 incentive money is efficiently sent to -- to businesses
14 and individuals that need it most, and that are going to
15 get the most amount of reductions for the least cost.

16 And so just as an example of a couple incentive
17 programs that are on the ground and running today, we have
18 the FARMER Program. A lot of that money is going to the
19 San Joaquin, but there is a significant portion that's
20 going up to smaller air districts that -- you know, places
21 like Mendocino County, the north coast, Siskiyou and
22 Trinity. And we even had -- down at the Riverside CARB
23 meeting, we even had representatives from Northern
24 California make the trip down to speak on behalf of
25 programs like that and make sure that there were incentive

1 monies going to smaller -- smaller rural counties that
2 have small, you know, business-run family operations.

3 And then also the wood stove program, which is
4 primarily going to the rural parts of the state, but this
5 is also a great opportunity for small businesses to
6 basically clean up their local communities by changing out
7 30 plus year old wood stoves with new efficient wood
8 stoves that are going to have a lot less emissions or
9 doing a changeover to natural gas or some sort of electric
10 heater. And so I highly recommend keeping programs like
11 that going to again get emission reductions in the most
12 efficient way as possible in some of the areas that need
13 it most. So thank you very much.

14 OMBUDSMAN BOWEN: Thank you, Alan.

15 I'm going to introduce Richard now.

16 Richard McCaskill skill -- did I introduce him?

17 --o0o--

18 MR. McCASKILL: Thank you, La Ronda. Chair
19 Nichols, and members of the Board, I appreciate the
20 opportunity to present the Small Business Opportunities
21 Advisory Panel today. Co

22 My co-chair covered what SBOAP is or who we are.
23 Today, I will talk about our focus in 2017. The main goal
24 of the SBOAP is to ensure a permanent place at the policy
25 and regulatory table for small businesses owners and

1 operators who ARB expects to implement regulations to meet
2 climate change and air pollution reduction goals. We
3 believe implementing the stakeholder engagement process La
4 Ronda presented today, in a scaled down form, will get us
5 to a acceptable and sustainable baseline of engagement.

6 When the SBOAP first shared our top two
7 priorities with this Board in 2017, Board -- Board -- at
8 our 2017 Board meeting, we were not sure how the Air
9 Resources Board would respond. We knew that early
10 engagement of small businesses, and regulatory process,
11 and better economic analysis were big steps for ARB to
12 take. We also believed that they are essential to our
13 common long-term success.

14 Before fund-raising these priorities at your
15 Board meeting, we already discussed these priorities with
16 your economic analysis staff and representatives from
17 various CARB rulemaking and incentive programs during our
18 quarterly SBOAP meetings. Additionally, we worked with
19 your former enforcement chief on making enforcement more
20 equitable.

21 The responsiveness of AR -- of your ARB staff to
22 our priority request surprised us. We understand that it
23 is very challenging to look back at the actual cost of
24 implementing regulations and compare them to projected
25 costs, but your economics team did not just say no.

1 Instead, we understand that the economics team is looking
2 into how to accomplish this objective.

3 We think this is critically important to ARB's
4 regulatory credibility to small business, and to
5 understanding economic impacts of regulations on small
6 businesses. Similarly, SBOAP was pleased when La Ronda
7 informed us that Richard Corey asked ARB programs to
8 participate in regulatory pilot tests to see if and how
9 the agency could better identify and reach out to small
10 businesses as one part of the regulatory integration
11 experiment. We appreciate CARB taking the Council of
12 SBOAP seriously and acting upon it.

13 These efforts encourage us to know that our time
14 is well spent here. In 2017, your Small Business
15 Opportunities Advisory Panel, SBOAP, began to participate
16 with CARB's new AB 617 efforts. Last year, I attended
17 your San Diego meeting. At the table were I sat, there
18 were several government representatives, and two community
19 residents, including me. I gave the other residents
20 suggestions for addressing her issue with truck drivers
21 that were using her residential street to get away -- to
22 get away to the freeway a little faster. I felt happy to
23 help, and she seemed genuinely appreciative.

24 Also, last year, after listening to part of
25 SBOAP's meeting with -- or SBOAP's meeting, where AB 617

1 was discussed, the executive director of a two-person
2 small business chamber of commerce decided to work with
3 his chamber members, a school district, clean car
4 dealerships, and other businesses and community
5 organizations to submit a proposal for a project in his
6 disadvantaged community in the Los Angeles area.

7 We think each of these examples, along with our
8 recognition that of all the needs small businesses have,
9 the two identified as most critical when implemented will
10 address most of the others, and the demonstrated agility
11 of small business organizations to see and respond to new
12 opportunities are good indicators of the innovative ideas
13 and commitment small business can bring to CARB.

14 We are the enthusiastic and critical links to the
15 people and communities you need -- you need to reach in
16 toward to achieve your goals. We know, understand, and
17 influence communities from San Diego to Fort Bragg, and
18 all areas in between.

19 Thank you.

20 I'll turn it back over to La Ronda no.

21 OMBUDSMAN BOWEN: Thank you, Richard. I didn't
22 do a proper job of introducing you, but there's a little
23 story about Richard that I want to -- I want to share.

24 Richard came to us through the CoolCalifornia
25 Program. That's how we met him in the first -- he and his

1 wife in the first place. And in just a handful of years,
2 he and his wife built a recycling business from zero
3 employees to 15, and a million dollars in gross sales.

4 During that time, Richard helped the City and
5 county of San Diego visualize and transition to an
6 innovative waste handling system, which promotes greater
7 entrepreneurship, true recycling, and less landfill
8 disposal.

9 This program has been implemented, and I spoke to
10 someone this week from the program, and they acknowledge
11 that the expected increase in employment of hard-to-place
12 workers like disabled vets and chronically unemployed
13 residents is taking place, that the income tax from these
14 people that were formerly on welfare being able to pay
15 into the city coffers has been a benefit, and that they've
16 had decreased social assistance costs to the city for
17 these kinds of programs.

18 And I bring this up, because they also said the
19 reduced road damage, repair costs from the lighter-duty
20 trucks taking on some of the load that would have been
21 handled by heavy-duty waste management trucks.

22 I bring that up, because one of the things we're
23 trying to get out of the whole SBOAP process is the
24 thinking of the small business people, the innovation, the
25 different way that they think. And we're trying to make

1 sure that we have a way and a method for incorporating
2 that into our work.

3 --o0o--

4 OMBUDSMAN BOWEN: So that concludes our
5 presentation today. We are open to any questions from the
6 Board. And I want to thank each of the panelists. Thank
7 you for coming. Thank you for being here. Thank you,
8 Alan and Richard. They were both here for the SBOAP
9 meeting yesterday, and appreciate their support.

10 CHAIR NICHOLS: Any questions or comments?
11 You're our small business member. Okay. We'll start with
12 Sandy and then move to -- move to Alex.

13 VICE CHAIR BERG: Yeah, I can't help but jump in
14 here right away, because I really want to first compliment
15 the group. And under La Ronda's leadership, it's really
16 been remarkable watching. I've been involved with the
17 Small Business Group I think for 10 years now, and
18 certainly with La Ronda since she started as a small
19 business owner, and having an understanding of that.

20 And what you have put together, how your plan, La
21 Ronda, has come together to culminate the interaction of
22 our agency with small business and this new plan that you
23 put together. And Richard, thank you so much for your
24 five years now, I think, and being involved in the
25 leadership. It's really impressive.

1 And we put that together with what we're doing
2 with our communities and how this agency truly is looking
3 at implementation of regulatory impacts, along with what
4 is needed, it really is a new paradigm in a lot of ways.
5 And a lot of hard work has been going behind the scenes.
6 It's not easy. Everybody has a full-time job besides what
7 we're doing here.

8 And that's really even true with the Ombudsman's
9 office. If you think about the work that the Ombudsman's
10 Office does with interacting with all sorts of sizes of
11 companies, with various regulatory problems, or asking for
12 assistance, that is a lot of work.

13 Then with the programs, along then with building
14 this small business community to really participate, it's
15 very, very impressive. So congratulations. I thoroughly
16 enjoy the times that I get to participate with you
17 directly. And just want to encourage you, and continue to
18 offer my full support. Congratulations.

19 CHAIR NICHOLS: Great. Thank you.

20 Dr. Sherriffs.

21 BOARD MEMBER SHERRIFFS: Yes. Thanks. Thanks
22 for those. Certainly agree with those comments. And
23 having been a small business person with a medical
24 practice, I understand many of these issues, and how much
25 fun it is interacting with the regulatory world, and all

1 of that.

2 I guess two questions. One -- well, one --
3 one -- one is in terms of I see 617 as a huge opportunity
4 for engagement and involvement with the small business
5 community. And interested in hearing more about your
6 thoughts and how to -- how to foster, take advantage of
7 that engagement, get the small business community involved
8 in 617 and the goals of 617.

9 The other is thinking about myself as a small
10 business, and, you know, how does anybody get my
11 attention? Because I think small businesses very much
12 want to participate in these kinds of programs. It's
13 something they see, because they're part of the community,
14 and they see this stuff as good for the community, and
15 they want to do it.

16 But it's hard to reach small businesses, and, you
17 know, if you reach a small business, well, great. You
18 know, it was three jobs, one business. And, you know,
19 that doesn't seem like a very big dent.

20 And I was thinking, well, how would you reach
21 doctors' offices? Well, you know, it would be through the
22 professional organizations, I think. That might be the --
23 an important way of accessing. So I'm thinking about
24 other professionals, other kinds of business
25 organizations. And not necessarily through the big

1 chamber, because I think the small businesses get
2 swallowed up in that, but smaller organizations would be a
3 way.

4 But again, looking ahead, boy 617, huge
5 opportunity. And so interested in thoughts that you have
6 comments about leveraging that.

7 OMBUDSMAN BOWEN: Yes. Thank you. Do you want
8 me to address them one by one or as -- yeah, one by one.

9 Okay.

10 VICE CHAIR BERG: (Nods head.)

11 OMBUDSMAN BOWEN: So, Dr. Sherriffs, we agree
12 that getting the small businesses involved is really
13 critical. And part of this early engagement of small
14 business, or early identification of small business, we're
15 looking not just on the regulatory side, what regulations
16 they're going to be engaged in, but what are the
17 opportunities to actually develop a tool so whoever is
18 here can look in one place and see what is the industry,
19 what are the small businesses, what are their trade
20 associations that they belong to that that they recommend
21 to us.

22 We ask -- we're asking them where do you go for
23 information? We ask our SBOAP members, and whenever we
24 engage with a small business, we ask them the same
25 question.

1 And we're developing that into one tool, so it
2 will have -- well, by the NAICS Codes -- the Industrial --
3 National Industrial -- North American Industrial
4 Classification System, here's the industry, here's down to
5 a six digit, so you actually are looking at the small
6 business. You're not just looking at, you know, medical,
7 but you're looking at, you know, specific kinds of
8 medical. And then we're finding -- we're finding that
9 information. We're putting it together with -- then when
10 we have rules or regulations that we think they should be
11 engaged in, how do we -- how do we reach them there?

12 So that same information that we're developing
13 for regulatory purposes, we're also using for other
14 purposes to inform them of all of our programs, including
15 all of the notices that we get. We're trying to get them
16 to sign up on listservs, so they also have some proactive
17 step, because we already know that they will respond
18 better.

19 One of the benefits of the EPA grant, the third
20 one that we're working on, with the food manufacturers,
21 one of the question asked to them at the workshops was how
22 do you want to get information? Very different than our
23 question, which is always how can we do it in cost
24 effective, et cetera, it's how do you want to get
25 information?

1 And they told us, we want to -- we don't -- we'd
2 prefer not to have it in email. We'd prefer to have a
3 card, something small, but it has your logo, your name.
4 We know it's coming from -- it's just spam mail, but it's
5 really important, because it comes from a government
6 agency. So a government agency still carries a lot of
7 weight. And then just what is it you want us to know?
8 Give us a website, a phone number, and a contact person.

9 And so we're taking that to heart, and when we
10 the -- one of the things we want to complete this career,
11 as I said, is this toolkit for the staff. But it would
12 work for 617, and for other things. Now -- right now,
13 what we're doing is letting them know we have -- you know,
14 we rebroadcast the notices that come out, but we have
15 identified quite a few community -- about a year ago, I
16 think it was Vice Chair Berg who told us go find the
17 champions.

18 So we've been out finding the champions and
19 getting the information that we have, you know, internally
20 out to them, and encouraging them to help small
21 businesses.

22 Today, I corralled the three air districts, and I
23 said, hey, we're going to have a separate meeting and talk
24 about this, so -- and as we were doing Board briefings,
25 Supervisor Gioia asked, you know, do we need help getting

1 more people on the SBOAP, because the SBOAP members, some
2 of them are retiring. And as new ones come on, they --
3 they also help expand the word.

4 So we're reaching out. We're completely open to
5 more ideas. We spent an awful lot of time finding ways to
6 engage. So have -- any thoughts you have, we'll -- I
7 wrote them -- the ones you put down there, but we'll reach
8 out to the medical people, for example, because they can
9 reach out to their -- to their patients. Some of those
10 patients are going to be small business.

11 And it's that kind of thinking that got us to --
12 I was thinking about Fortune 500 companies. And they have
13 a lot of small business suppliers. So then I thought,
14 well, why don't we just focus on California, and why don't
15 we focus on the zero emission vehicle piece. So that's
16 just the same approach.

17 CHAIR NICHOLS: Thank you.

18 Any other comments or questions?

19 No.

20 Okay. Thank you for coming in. I appreciate
21 your making the trek, and keeping us informed. We do rely
22 on Board Member Berg to keep us posted about what's going
23 on, if we're not hearing from you directly. But I can see
24 just the evidence from the regulatory proceedings that we
25 are involved, and that there's the -- perhaps the opposite

1 side of the coin which is that we -- and from my
2 correspondence as well, that we don't get the kinds of
3 letters that we used to get a decade ago from people who
4 are complaining that they haven't heard about some rule
5 that they're about to have enforced against them, or that
6 they're not aware of what's going on.

7 And while that isn't a -- you know, that's a
8 negative -- it's an absence of a negative, I guess. But,
9 you know, that's not so -- that's a valuable thing as
10 well, when you're in government to know that you're not
11 stirring up, or causing unnecessary pain in a -- to an
12 important group of people who are our constituents.

13 So I think we have both that as well as now a
14 much more positive -- more positive agenda to look at. So
15 I appreciate it very much. Thank you. And if we don't
16 hear from you before, we'll see you next year.

17 Thank you.

18 Okay. Let's then -- since we don't have to take
19 any action, we'll let this distinguished panel go, and
20 hear from our staff. The next item is an update from the
21 Enforcement Division. So this is another annual -- annual
22 event, but it's an important one for us to keep an eye on.

23 The Enforcement Division publishes an annual
24 report that summaries -- summarizes the agency's
25 enforcement actions in the previous year, and highlights

1 their key priorities and projects for the coming year.

2 It's also a chance for us to monitor one of the
3 most important, but oftentimes least visible areas of our
4 program, except when we have a big case that makes it into
5 the press or generates a large settlement.

6 By and large the work of the enforcement Division
7 does not get covered. And so it's good to hear from them
8 about what's actually going on there, since I think we all
9 know that an effective enforcement program is a key
10 element, if not the most important element, of having and
11 effective regulatory program.

12 So with that, I am going to ask Richard Corey to
13 say a few introductory words.

14 EXECUTIVE OFFICER COREY: Thanks, Chair.

15 As you noted, enforcement is a necessary part of
16 our air pollution control program. Enforcement efforts
17 helped to assure compliance, and in doing so ensure that
18 public health benefits of our programs are realized, while
19 maintaining a level playing field across the regulated
20 industries.

21 Today's presentation discusses important
22 elements -- or rather achievements in 2017 and ongoing
23 areas of focus.

24 And with that I'll ask Rachel Connors of our
25 Enforcement Division to give the staff presentation.

1 Rachel.

2 (Thereupon an overhead presentation was
3 presented as follows.)

4 AIR RESOURCES ENGINEER CONNORS: Thank you, Mr.
5 Corey. Good afternoon, Chair Nichols and members of the
6 Board.

7 Today's presentation will provide an overview of
8 the annual enforcement report, which discusses our
9 enforcement accomplishments in 2017 and our priorities for
10 the future.

11 --o0o--

12 AIR RESOURCES ENGINEER CONNORS: My presentation
13 today will start with an overview of our program. We will
14 then discuss how we are focused on environmental justice
15 goals, and how we are evolving enforcement programs to be
16 more effective and efficient.

17 We will discuss highlights of key enforcement
18 efforts and cases in 2017, and then discuss our
19 enforcement focus for 2018.

20 I'll start with a quick overview of our program.

21 --o0o--

22 AIR RESOURCES ENGINEER CONNORS: Our enforcement
23 programs are focused on public health and environmental
24 protection. In applying our enforcement programs, we
25 strive to be responsive to the public, and to be fair, and

1 even-handed in the application of enforcement, so that our
2 program provides a credible deterrent to noncompliance.

3 No matter the source, our goal is to achieve
4 comprehensive compliance in every rule that we enforce.

5 --o0o--

6 AIR RESOURCES ENGINEER CONNORS: To meet this
7 goal, we evaluate compliance rates in our programs that
8 serve as metrics to prioritize enforcement efforts. We
9 evaluate data, and conduct inspections to identify
10 violations, and then work with industry to resolve
11 noncompliance through compliance assistance and penalty
12 assessment.

13 An appropriate penalty will remove any economic
14 benefit of noncompliance, and serve as deterrent across
15 the industry to future violations. Most often, we settle
16 cases with responsible parties, but we also work closely
17 with the Legal Office in litigation when necessary.

18 We also try to identify lessons learned through
19 our enforcement experience and feed this information back
20 to program staff to ensure effective, enforceable
21 regulations.

22 --o0o--

23 AIR RESOURCES ENGINEER CONNORS: In 2017, we
24 updated our penalty policy into a broader enforcement
25 policy through a public process. The resulting policy

1 our focus on environmental justice.

2 --o0o--

3 AIR RESOURCES ENGINEER CONNORS: A key focus of
4 our enforcement program is working towards environmental
5 justice. We know that the benefits of the substantial air
6 quality improvements achieved to date are not evenly
7 shared, and we are focusing our enforcement efforts in
8 disadvantaged communities to ensure that everyone can
9 breathe clean air.

10 We attend local meetings across the state to
11 better understand local issues. We also encourage
12 applications for supplemental environmental projects to
13 help address community issues.

14 --o0o--

15 AIR RESOURCES ENGINEER CONNORS: Part of our
16 environmental justice effort is to strengthen
17 relationships with communities affected by pollution.
18 These are the locations where we have participated in
19 community meetings. In 2017, we expanded our outreach to
20 tribe as well.

21 --o0o--

22 AIR RESOURCES ENGINEER CONNORS: An important
23 tool that helps us address environmental justice is our
24 SEP program. CARB's SEP policy allows for community-based
25 projects to be funded from a portion of the penalties

1 received during settlement of our enforcement actions. We
2 updated the SEP policy in 2016 and started implementing
3 the policy in 2017.

4 We began by looking to communities for projects
5 through several rounds of workshops. We have implemented
6 new procedures to evaluate SEPs, and approve them at the
7 executive office level. Once projects are approved and
8 placed on the public CalEPA eligibility list, AB 1071
9 allows settling parties the opportunity to direct up to 50
10 percent of their penalty towards a SEP. In 2017, we also
11 established procedures to track project implementation.

12 --o0o--

13 AIR RESOURCES ENGINEER CONNORS: In the first six
14 months of 2017, settlement funds were directed to the
15 long-standing school bus clean-up and diesel training
16 SEPs.

17 During this period, we also conducted outreach
18 and evaluated newly submitted SEPs. We began directing
19 funds to new SEPs in the third quarter of 2017. And by
20 the end of the year, we committed about \$2.5 million to
21 SEPs proposed by and/or benefiting disadvantaged
22 communities.

23 --o0o--

24 AIR RESOURCES ENGINEER CONNORS: In 2017, we
25 directed over \$3.6 million to SEPs. Over \$1.7 million

1 were used to fund projects that install high efficiency
2 particle air filtration systems in schools.

3 Schools located near railyards and in
4 disadvantaged communities impacted by mobile or stationary
5 sources are being selected. Another \$500,000 in penalties
6 were directed to the BreathMobile project, a mobile asthma
7 clinic which provides services to children in the East Bay
8 area. Other projects focused on education, community
9 monitoring, environmental restoration, and direct
10 emissions or exposure reduction. We are currently
11 tracking the implementation of these projects.

12 --o0o--

13 AIR RESOURCES ENGINEER CONNORS: We participate
14 with CalEPA and sister agencies in enforcement initiatives
15 each year in several disadvantaged communities. It is our
16 goal to remain engaged with the communities we develop
17 relationships with in the initiatives, and continue to
18 work collaboratively to understand and resolve air-related
19 complaints.

20 --o0o--

21 AIR RESOURCES ENGINEER CONNORS: The team tours
22 each community and consults with community members to
23 identify enforcement concerns. Staff then develops and
24 implements enforcement plans, and reports the results back
25 to the community.

1 In 2017, we conducted more than 400 inspections
2 on sources ranging from consumer products to trucks,
3 issued 76 citations, and opened several cases that are
4 currently being investigated.

5 Most of our inspections focused on diesel
6 vehicles, and equipment at roadside, freight facilities,
7 and ports. But we also inspected consumer products
8 offered for sale, and refrigerant management systems in
9 the community.

10 --o0o--

11 AIR RESOURCES ENGINEER CONNORS: When an issue is
12 identified by a community, we commit to work to make sure
13 their issues are addressed. The odor investigation in
14 East Oakland is one such example. During the initiative
15 in Oakland, CARB enforcement staff experienced a strong
16 and persistent odor near a school. The odor was
17 consistent with community complaints and observed with
18 community members during the tour.

19 To investigate, CARB, Bay Area Air Quality
20 Management, and UC Davis conducted monitoring for metals,
21 organic compounds, and particulate.

22 Data analysis is ongoing and we have not yet
23 identified the source. We understand odor issues have a
24 significant impact on local communities, but that they are
25 often very difficult to identify and mitigate. Our

1 investigation is continuing.

2 --o0o--

3 AIR RESOURCES ENGINEER CONNORS: We conduct truck
4 and diesel equipment inspections across California every
5 day. Our goal is to conduct 50 percent of these
6 inspections in disadvantaged communities. In 2017, as in
7 past years, we achieved this goal, conducting around
8 17,000 inspections and writing around 4,000 citations,
9 with about half in disadvantaged communities.

10 In 2017, we closed 1,400 citations and collected
11 \$1.1 million in penalties.

12 AIR RESOURCES ENGINEER CONNORS: Our enforcement
13 at freight facilities is another part of our effort to
14 achieve environmental justice. In 2017, we closed five
15 cargo handling equipment cases, assessing more than \$3
16 million in penalties. Moving forward, we are looking
17 deeper into cargo handling equipment compliance by
18 reviewing opacity requirements of the 2011 amendments.

19 In 2017, we brought BNSF and UP railyards across
20 the state into compliance with the drayage regulation
21 reporting requirements and assessed more than 1.2 million
22 in penalties. As part of the settlement, BNSF -- with
23 BNSF \$625,000 of its penalty went to fund school
24 filtration projects to mitigate increased air pollution at
25 schools around these railyards.

1 lessons learned from the audits to inform the regulatory
2 amendment process.

3 --o0o--

4 AIR RESOURCES ENGINEER CONNORS: As part of
5 regulatory requirements, fleet provide compliance
6 reporting data. We have audited every visit for every
7 regulated vessel type in every regulated port for years
8 2014, 2015, and 2016. This audit covers more than 40
9 fleets and about 4,000 ship visits per year.

10 If a fleet is found to be non-compliant, a notice
11 of violation is issued and the case is processed in
12 accordance with our Enforcement Policy.

13 We are currently auditing compliance reporting
14 information for 2017, which became available earlier this
15 year.

16 Now I will discuss the results of the audits.

17 --o0o--

18 AIR RESOURCES ENGINEER CONNORS: The regulation
19 was intended to achieve a 50 percent reduction in
20 emissions from auxiliary engines in 2015 and 2016.
21 Overall, when measured on a statewide basis, the
22 regulation is achieving this goal with 51 percent
23 reduction in 2015 and a 63 percent reduction in 2016.

24 This is resulting in real-world emissions
25 benefits near ports. In 2016, fleets reduced 4.3 tons per

1 day of NOx, and 0.066 tons per day of diesel particulate
2 emissions through this regulation. This is important, but
3 not the whole story. The results vary by port, and some
4 regions are experiencing more benefits than expected, and
5 some are experiencing less.

6 --o0o--

7 AIR RESOURCES ENGINEER CONNORS: This figure
8 shows our audit results. The number of fleets by
9 compliance status, port, and calendar year for 2015 and
10 2016. The audit identified one fleet in Los Angeles/Long
11 Beach, three fleets at Oakland, and one fleet at other
12 ports not shown here that are not compliant with this
13 regulation.

14 These are shaded in red in the table, and we are
15 in discussion with each of these fleets to bring them into
16 compliance.

17 Many fleets do not meet regulatory requirements,
18 but are compliant when the advisories are considered.
19 This is shown in yellow. These fleets reported issues
20 beyond their control, including berthing position, port
21 congestion, and availability of shore power at berth,
22 which impacted their compliance status.

23 For example, the advisory allows credit for
24 fleets which successfully plugged in, but did not meet the
25 three-hour limit in the regulation.

1 The number of fleets that need the advisories is
2 decreasing, which indicates many fleets are learning and
3 addressing their compliance challenges. At the same time,
4 the number of compliant fleets is increasing. These
5 fleets are overcomplying relative to requirements, which
6 explains why overall the regulation is meeting its goals
7 even though not all fleets are meeting the 50 percent
8 requirement.

9 --o0o--

10 AIR RESOURCES ENGINEER CONNORS: This project
11 identifies how we think enforcement should work. We
12 evaluated the effectiveness of the regulation. And in
13 2015 and 2016, the regulation overall met its goals. We
14 used the auditing process to identify noncompliance, and
15 we are currently working to bring these fleets into
16 compliance.

17 We are expanding our audits to 2017 compliance
18 reporting, which is important, because the requirements
19 increased in stringency in 2017. We have shared our audit
20 results with program staff, and are working together on
21 regulatory requirements that will help ensure the program
22 is effective, and achieves the emissions benefits
23 envisioned at each port when the rule was originally
24 adopted.

25 --o0o--

1 AIR RESOURCES ENGINEER CONNORS: We are
2 continuing to update our compliance estimates each year.

3 Now, let's talk about the Truck and Bus Rule.
4 Over the past five years, we have implemented an extensive
5 enforcement program. From 2013 to 2017, we settled 473
6 cases, issued 7,741 citations, and collected more than \$15
7 million in penalties.

8 Starting in 2020, all vehicles subject to the
9 rule must demonstrate compliance before being allowed to
10 register with the Department of Motor Vehicles. Staff
11 across the agency is preparing for implementation.

12 --o0o--

13 AIR RESOURCES ENGINEER CONNORS: We are
14 continuing to update our compliance estimates every year.
15 This chart shows the number of non-compliant trucks by
16 fleet size and registration type, and the associated
17 compliance rate for heavy and light vehicles covered by
18 the rule.

19 This year is the first we are able to report
20 compliance rates for light trucks. The results show the
21 overall compliance rate for heavy trucks is 74 percent, a
22 little better than last year.

23 The corresponding compliance rate for light
24 trucks is higher at 88 percent. For both heavy and light
25 trucks, compliance rates are lowest for small fleets, and

1 tend to increase with fleet size. Overall, there are more
2 than 57,000 registered trucks in California that are not
3 currently compliant with the regulation. We want to
4 address these vehicles now to reduce the impact of
5 vehicles being unable to register in 2020 and beyond.

6 There are almost 260,000 trucks in fleets
7 registered in other states that report mileage in
8 California and appear to be non-compliant. This equates
9 to an apparent compliance rate of 73 percent. However, we
10 do not have sufficient information about which trucks in
11 these fleets actually operates in California.

12 Our inspections at weigh stations near the
13 southern border average a compliance rate of 71 percent,
14 while the northern border shows an average compliance of
15 85 percent. This indicates that we need to increase our
16 efforts at border crossings in Southern California to
17 maintain a level playing field.

18 --o0o--

19 AIR RESOURCES ENGINEER CONNORS: Initially,
20 investigations relied primarily on identifying suspected
21 noncompliance through referrals, complaints, and field
22 observations.

23 The resulting investigation could take several
24 years to complete. In 2015, we developed the SMART audit
25 process, where staff analyzes data from vehicle

1 registration, compliance reporting, and inspection
2 databases to identify and prioritize potentially
3 non-compliant fleets.

4 This process overall increased the number of
5 investigations, but did not dramatically reduce time spent
6 closing each case. Earlier this year, we implemented the
7 new streamlined truck enforcement process which builds on
8 the SMART audit approach, and incorporates more efficient
9 case processing that we hope can better address
10 noncompliance.

11 Moreover, this process reduces the need to
12 conduct inspections on California registered trucks, since
13 we have the information we need to judge compliance. This
14 allows us to focus our field enforcement resources at
15 border crossings and at warehouses and distribution
16 centers in disadvantaged communities where noncompliant
17 trucks operate.

18 --o0o--

19 AIR RESOURCES ENGINEER CONNORS: In this
20 approach, noncompliant trucks are sent a letter alleging
21 noncompliance, which requires proof of compliance within
22 30 days. If the company cannot prove compliance or fails
23 to respond, a notice of violation is issued, and a
24 registration hold is placed on the vehicle.

25 The notice of violation is intended to serve as a

1 legal citation and complaint. The violator has the option
2 to negotiate with staff to come into compliance and settle
3 the case, or to request a hearing with an administrative
4 law judge. The notice of violation will become a final
5 order if the violator fails to respond.

6 If this happens, the notice of violation may be
7 filed with Sacramento Superior Court as a judgment. The
8 registration hold will remain until the violator achieves
9 compliance and penalties are paid. Penalties are
10 initially assessed at 3,000 per truck, considering factors
11 common in most cases.

12 --o0o--

13 AIR RESOURCES ENGINEER CONNORS: Now, let's talk
14 about our stationary source programs, which are evolving
15 with new regulations that have been adopted over the past
16 several years.

17 CARB and air districts enforce greenhouse gas
18 regulations focused on sulfur hexafluoride in
19 gas-insulated switchgear, landfill methane, refrigerants,
20 and other sources.

21 In 2017, we initiated enforcement of the
22 Refrigerant Management Program, contacting 214 facilities,
23 conducting 64 inspections, and closing 108 investigations.
24 The Refrigerant Management Program represented the first
25 full implementation of the minor violations framework in

1 the new enforcement policy. Accordingly, 38 cases
2 involving small refrigeration system owners who failed to
3 register with CARB were resolved without penalty.

4 In contrast, D&T Foods was a significant case,
5 because it represented our first use of the administrative
6 hearing procedures, which were adopted in 2002.

7 The judgment resulted in compliance and a
8 \$100,000 penalty in substantially less time and less cost
9 than would have been seen in a traditional lawsuit.

10 --o0o--

11 AIR RESOURCES ENGINEER CONNORS: Now, let's
12 discuss highlights of specific enforcement efforts in
13 2017.

14 --o0o--

15 AIR RESOURCES ENGINEER CONNORS: Many parts of
16 the world have established emission control areas to
17 require low sulfur fuel in ocean-going vessels.
18 California has been a pioneer in this effort, and today
19 compliance rates exceed 97 percent. To verify compliance,
20 we inspect vessels working closely with U.S. EPA and Coast
21 Guard. If noncompliance is identified, we quickly resolve
22 the case.

23 CARB staff are internationally recognized for
24 enforcement in this area. And last year, we traveled to
25 China and Mexico to train enforcement staff there.

1 --o0o--

2 AIR RESOURCES ENGINEER CONNORS: Compliance in
3 our Reformulated Fuels Program exceeds 98 percent based on
4 the inspections we conduct.

5 We enforce regulatory requirements for gasoline
6 and diesel fuel, and equipment requirements in cargo
7 tanks.

8 --o0o--

9 AIR RESOURCES ENGINEER CONNORS: In 2017, we
10 resolved a long-standing case with British Petroleum. For
11 many years, CARB has actively enforced clean fuel
12 requirements through mutual settlement. However, in 2009,
13 CARB inspected -- inspections identified that British
14 Petroleum supplied approximately 64 million gallons of
15 fuel that exceeded specification in several areas.

16 Unable to reach a settlement, CARB litigated the
17 case. The court's judgment issued in late 2017 found BP
18 negligent in its actions, and assessed a \$2.5 million
19 penalty for violations including retail violations that
20 had never before been assessed.

21 The BP case demonstrates the strength of our
22 Reformulated Fuels Program and provides legitimacy to our
23 enforcement efforts. The BP case is the largest penalty
24 in the history of the Fuels Enforcement Program

25 --o0o--

1 AIR RESOURCES ENGINEER CONNORS: In 2017, we also
2 expanded our enforcement of the Low Carbon Fuel Standard.
3 The Low Carbon Fuel Standard is a lifecycle evaluation of
4 the carbon intensity of a fuel. Companies are audited for
5 compliance with a fuels approved carbon intensity and
6 pathway requirements, and volumes reported to CARB.

7 --o0o--

8 AIR RESOURCES ENGINEER CONNORS: In 2017, we
9 completed five on-site inspections, three audits, and
10 resolved two cases shown here.

11 --o0o--

12 AIR RESOURCES ENGINEER CONNORS: Certification is
13 the bedrock of our Motor Vehicle Emission Control Program.
14 Manufacturers must obtain CARB approval called an
15 executive order to sell a vehicle engine or part in
16 California. Manufacturers may sell aftermarket parts for
17 racing purposes only. But once installed on a vehicle,
18 that vehicle cannot be registered or operated on State
19 highways.

20 Vehicles and engines operated on the road are
21 being tampered. We estimate that one half to one percent
22 of all on-road cars and light trucks, and up to 30 percent
23 of on-road motorcycles have been tampered with in some
24 way.

25 This tampering has a significant emissions

1 impact, because tampering may result in malfunction or
2 loss of emissions control, especially if emissions
3 controls are defeated or removed.

4 --o0o--

5 AIR RESOURCES ENGINEER CONNORS: CARB's
6 enforcement in this area is extensive and ongoing.
7 Following the Volkswagen scandal, staff is continuing
8 investigations into other vehicle makes and models, and
9 conducting emissions testing and verification to ensure
10 Volkswagen continues to comply with the terms of its
11 consent decree.

12 In addition to emissions testing, CARB, in
13 conjunction with the U.S. EPA, has reviewed and approved
14 most of the proposed emissions modifications, allowing
15 vehicle owners an option to have their vehicle repaired.

16 Our Aftermarket Parts Enforcement Program is also
17 extensive. In 2017, the JEGS settlement represented our
18 largest aftermarket parts case in volume and penalty. We
19 also actively pursue violations in vehicle certification.
20 Bombardier, for example, failed to disclose an auxiliary
21 map that allowed ATV owners access a high performance
22 racing program by cutting a pink wire.

23 --o0o--

24 AIR RESOURCES ENGINEER CONNORS: Going forward,
25 we want all manufacturers, wholesalers, distributors,

1 retailers, and end-users to understand and comply with
2 anti-tampering regulations. Simply labeling and
3 aftermarket part for racing use only does not limit
4 liability, especially when those representations do not
5 match the product application intent or advertising.

6 In 2017, we initiated a public process designed
7 to clarify regulatory requirements expand education and
8 outreach to manufacturers, distributors, retailers, and
9 vehicle owners, and enhance our enforcement efforts.
10 These efforts are currently underway.

11 --o0o--

12 AIR RESOURCES ENGINEER CONNORS: Finally, I'll
13 discuss a little bit about our focus for 2018.

14 --o0o--

15 AIR RESOURCES ENGINEER CONNORS: Right now, we
16 are focused in several areas. We are working to implement
17 the truck and bus enforcement process, and grow our
18 aftermarket parts enforcement. We are continuing our
19 support of the Cal/EPA Environmental Justice task force,
20 and building on that work for the Community Air Protection
21 Program.

22 We are continuing our diesel investigations and
23 are reviewing several programs to identify efficiencies in
24 our field citations process, and our district support and
25 stationary source enforcement and training programs.

1 Finally, we are continuing to work with program
2 divisions to remove regulatory -- improve regulatory
3 design for effective implementation and enforcement.

4 --o0o--

5 AIR RESOURCES ENGINEER CONNORS: This concludes
6 our presentation. Our 2017 annual enforcement report is
7 provided here today and is posted online. It provides
8 additional detail about the topics we discussed today, as
9 well as information on other 2017 enforcement efforts.

10 We appreciate the opportunity to present to you
11 today, and will answer any questions you may have.

12 Thank you.

13 CHAIR NICHOLS: Thank you. This is obviously a
14 compendium of a lot of information. And I found in the
15 past sometimes, I needed just to refer to it to answer
16 questions that came up. It's not exactly something you
17 just pick up and read for fun, but it does give -- it does
18 give a valuable overview. We have one person who signed
19 up to testify on this one, so why don't we hear from her
20 and then we can have any additional discussion.

21 So Lisa McGhee, are you here?

22 You are it for public commenters on this one.

23 MS. MCGHEE: Hi. Fifty years ago, CARB's
24 jurisdiction was formed and began to control air
25 pollution. And programs have been implemented to reduce

1 emissions and achieve air quality standards. The largest
2 sector that impacts our air quality is mobile sources, and
3 our mobile sources include ZEVs. And there are many
4 programs to assist in accelerating the adoption of ZEVs.

5 Then Enforcement Program ensures the regulatory
6 process supports achieving the climate goals, and
7 identified violators that will be held responsible.

8 However, the ZEV technology has no tailpipe, and there are
9 no admissions. Therefore, CARB has no enforcement on the
10 failure of ZEVs. The heavy-duty ZEV technology has no
11 standards and is 100 percent proprietary equipment.

12 The HVIP program has existed since 2009. Yet, we
13 have no standards or regulation to keep these heavy-duty
14 ZEV vehicles on the road when they fail.

15 Heavy-duty gas and diesel vehicles have a
16 regulatory program due to their emissions. Fleets that
17 choose to be an earlier adopter of a ZEV deserve the
18 consistent and fair treatment the same as the gaseous fuel
19 technologies. Malfunctions of a ZEV will create emissions
20 when the vehicle is out of service. A program should
21 exist to provide fleets that drive a ZEV the same level of
22 assurances in order to instill more confidence. ZEVs
23 should be subject to enforcement in order to maximize the
24 success of the ZEV technology for early adopters, as the
25 heavy-duty choice today is all risk.

1 Early ZEV adopters are complying with choice --
2 choosing to drive zero-emission vehicles. Therefore, CARB
3 needs a regulation and enforcement policy to meet the
4 regulatory requirement to adopt ZEVs and reduce emissions.
5 In 2017, the Enforcement Division went through a public
6 process to update the policies, as the last time this was
7 done was 2011. Without a regulation for zero-emission
8 technology in the health codes, the accountability and the
9 ability to access and penalize this technology is not the
10 same standards. This is impacting and influencing to
11 early adopt a ZEV or to stay with a diesel technology.

12 And then I wanted to add a comment as it related
13 to La Ronda's small business. I want to share a business
14 update -- a small business update that ties to the Truck
15 and Bus Regulation, and compliance rate of table 5.

16 This depicts the majority of fleets are small
17 businesses. Connecting with small business. How many of
18 you have experienced a day in the life of a fleet
19 operator, experienced their customer demands, their
20 routes, their dwell time, their auxiliary uses, and their
21 daily vehicle miles traveled?

22 I invite you to educate yourself and experience
23 the life of a fleet operator on the very busiest day which
24 would be Thanksgiving.

25 Just a few more seconds. Okay.

1 Fleets are evolving with technology, and their
2 expertise is necessary to bridge this gap and reduce the
3 barriers to assist an accelerating ZEV adoption. The fact
4 is HVIP program has been around since 2009. We have a
5 total of 550 ZEV sales, 365 are extinct today. This
6 determines under 200 medium-duty heavy-duty vehicles are
7 on the road today. And we need more support. And I think
8 La Ronda's point in her presentation is small businesses
9 need more support.

10 Thank you.

11 CHAIR NICHOLS: Thank you. Okay.

12 Any additional comments or questions on this one?

13 Oh, sorry. Dean, hi.

14 BOARD MEMBER FLOREZ: Thank you. Hi. Sorry
15 about that.

16 I just have a couple of questions regarding --
17 I'm not sure whether -- how to back into this, but
18 Assemblyman Garcia had a minimum of 50 percent of the SEPs
19 that are allowable under a fine. So as I understand it,
20 you get fined. You have an opportunity to pick a program
21 that would also benefit environmental justice projects.

22 And I'm just wondering how did that go given the
23 amount of fines that you've given us? What percentage has
24 actually gone to environmental justice projects? Just big
25 picture. And I want to then narrow this down just a

1 little bit more. If you say fifty percent, that's the
2 right answer.

3 ENFORCEMENT DIVISION CHIEF SAX: Yeah. Well, so
4 the --

5 (Laughter.)

6 ENFORCEMENT DIVISION CHIEF SAX: Thank you.
7 Well, then I don't have to answer the question.

8 (Laughter.)

9 ENFORCEMENT DIVISION CHIEF SAX: No. The AB 1071
10 allows up to 50 percent of a penalty to be diverted to a
11 SEP. And I believe we said we did about three and a half
12 million dollars in SEPs last year in total on \$17 million
13 in penalties. So that gives you an overall idea of the
14 percentage. So not every violator chooses to do a SEP.
15 It is the violator's choice to -- whether or not to
16 partake of the SEP program.

17 BOARD MEMBER FLOREZ: And how do we allow
18 violators the ability to know that that choice is
19 available? I mean, what's the process? So if I get a --
20 you know, if I get a fine, and you're telling me I can
21 have a list of projects of which half those fine dollars
22 go to enhance an environmental justice project, how do I
23 know that? What's the process?

24 ENFORCEMENT DIVISION CHIEF SAX: Yeah, during the
25 settlement process, we actually provide a list of eligible

1 SEPs to the violator, and they can choose any of the SEPs
2 on the list that they would like, or they can choose not
3 to participate. They can also choose, if they would like,
4 to develop their own supplemental environmental project.
5 All of those options are spelled out in the policy we
6 presented to you all in 2016.

7 BOARD MEMBER FLOREZ: And I guess the other
8 question would be how do we get the violators to look more
9 favorably on environmental justice projects?

10 ENFORCEMENT DIVISION CHIEF SAX: Well, we
11 actually work pretty hard with them to sell the projects,
12 because we want the program to be successful. And so when
13 we're talking to the violators, we sometimes try to
14 identify a couple that we think would be particularly
15 valuable to that particular violator, and hope that they
16 choose it.

17 BOARD MEMBER FLOREZ: Okay. So would there be a
18 policy, at some point, that would say to me that if I
19 could give to an environmental justice community that had
20 a 10 percent discount if I gave it to the environmental
21 justice project, would I pick that? So in other words my
22 fine would be reduced 10 percent if I took hal of those
23 dollars and put it to an environmental justice project?

24 ENFORCEMENT DIVISION CHIEF SAX: No, we don't do
25 that.

1 BOARD MEMBER FLOREZ: Could you do that?

2 ENFORCEMENT DIVISION CHIEF SAX: I would
3 recommend against it for this reason.

4 BOARD MEMBER FLOREZ: Okay.

5 ENFORCEMENT DIVISION CHIEF SAX: When we assess
6 penalties for a violation, we're trying to identify what
7 the appropriate penalty is for the violation. And then,
8 at that point, as a separate discussion, the violator has
9 an opportunity to enter into a SEP. But the penalty needs
10 to fit the violation. And I think providing too much of a
11 relationship between the SEP and the violation like that
12 is potentially a concern. But obviously, the Board
13 provides direction. If you all feel otherwise, we're --

14 BOARD MEMBER FLOREZ: Right. I would like -- I
15 would like to have staff and Mr. Corey maybe look into
16 what that kind of sliding scale might look like. And the
17 reason I say that is if I just didn't move in that
18 direction, then the next question would be, what are we
19 doing with our dollars specifically that are going
20 directly to fines? We have legacy programs, correct? So
21 we have School Bus Program, we have CCDET, we have other
22 legacy projects that we ourselves then utilize those
23 dollars for. And how are those programs going?

24 ENFORCEMENT DIVISION CHIEF SAX: So the School
25 Bus SEP is in the process of spending all its money now.

1 The CCDET SEP, those monies are being spent, and we're
2 actually conducting an audit of all of these legacy SEPs
3 that should be completed later this year.

4 And I just wanted to add with regards to the --
5 to the supplemental environmental projects, there is
6 potentially a tax benefit for violators for engaging in a
7 SEP. It shows up in the settlement agreement as well.

8 BOARD MEMBER FLOREZ: Okay. So we do have some
9 precedent then for giving some sort of benefit to someone
10 that picks a environmental justice project. I guess I
11 would just maybe ask what a -- an additional incentive
12 would be for projects that could be funded?

13 So you mentioned the audit being completed in a
14 year. What is the audit, what was the purpose, and what
15 are we expecting to get out of the audit?

16 ENFORCEMENT DIVISION CHIEF SAX: The purpose of
17 the audit is to make sure that the monies that were
18 diverted to those projects were spent effectively and in
19 accordance with those agreements. And any findings that
20 we get from that audit would be used to strengthen our
21 program to ensure that we're tracking things appropriately
22 with state accounting standards.

23 BOARD MEMBER FLOREZ: Okay. Great. And I assume
24 you will present the findings of the audit to the Board?

25 ENFORCEMENT DIVISION CHIEF SAX: That would be

1 something I would discuss with my Executive Officer.

2 (Laughter.)

3 EXECUTIVE OFFICER COREY: That's an interesting
4 sound of silence.

5 BOARD MEMBER FLOREZ: Long silence.

6 (Laughter.)

7 CHIEF COUNSEL PETER: Can I jump in here?

8 EXECUTIVE OFFICER COREY: Since counsel is asking
9 to jump in, I'm not going to resist.

10 (Laughter.)

11 EXECUTIVE OFFICER COREY: Go ahead, Ellen.

12 CHIEF COUNSEL PETER: So I think the thing to do
13 is if you are interested in getting a briefing on that, we
14 would definitely brief you. Presenting certain things to
15 the entire Board, that's kind of, in a public setting, is
16 a little bit different. But we're happy to talk with any
17 Board members at any time about any of the -- any audits,
18 or any of the resolved cases and so forth.

19 So since I supervise the Enforcement Division,
20 I'm jumping in here as the deputy in the middle and saying
21 that whenever we get that back, which I think is going to
22 be later this, and it's got -- it's -- as Todd had
23 suggested, it's got a couple of different programs it's
24 looking at. And I think it's good to look back at time,
25 so I'd be happy to do it.

1 BOARD MEMBER FLOREZ: Okay. I'm going to end my
2 comments with -- just be saying, yes, I would like to take
3 advantage of that particular opportunity, only for the
4 following reasons:

5 And that is, one, we either have an SEP program
6 that allows for dollars to go up to 50 percent of EJ
7 community projects. So, yes, I'd like to -- and I get the
8 metrics for that.

9 On the other flip side is that we have dollars
10 that we invest, and we look at our legacy programs as
11 being effective or not. So dollars going to one pot or
12 the other. So I would kind of like to know after the
13 audit, whether or not those particular projects that are
14 currently in our legacy program are the most effective
15 projects as compared to maybe another sliding scale for
16 environmental justice projects. So that would be the
17 rationale.

18 Thank you.

19 CHAIR NICHOLS: Okay. I -- I have to admit that
20 I'm blanking here a minute. But in addition to SEPs,
21 which are subject to a policy of their own, isn't there
22 also some other provision where we allow or use
23 enforcement money -- penalty money for certain specific
24 causes. It's budgeted. I mean, we can't just like spend
25 it for whatever we want, but there's --

1 ENFORCEMENT DIVISION CHIEF SAX: Yeah. Well,
2 when --

3 CHAIR NICHOLS: Although that might be nice, but
4 there was -- but that's not the way it works.

5 ENFORCEMENT DIVISION CHIEF SAX: Well, so penalty
6 monies are deposited into the Air Pollution Control Fund.

7 CHAIR NICHOLS: Right.

8 ENFORCEMENT DIVISION CHIEF SAX: And once they're
9 there, they can be allocated in accordance with the will
10 of the legislature.

11 CHAIR NICHOLS: Um-hmm, right, and they do that,
12 so

13 ENFORCEMENT DIVISION CHIEF SAX: Yes, absolutely.

14 CHAIR NICHOLS: Just to be clear, that's not a
15 SEP. That's just a usage of the penalty money. That's
16 what I was trying to get at.

17 Okay. Any other -- yes.

18 VICE CHAIR BERG: I think I will jump in here
19 just to reiterate how important enforcement is. When you
20 think about from even a company perspective, which is one
21 of the hats that I wear, enforcement is the key to a level
22 playing field. It assures that the people that are
23 playing by the rules, that there is oversight to make sure
24 we're all playing by the rules, and I can tell you as a
25 regulated company, and are many, many of these rules,

1 including fleet rules.

2 And so I'm very aware, after having 17 fleets --
3 trucks in my fleet what that is like, that it's very
4 disheartening when you lose opportunities for business
5 against competitors that are not playing by the rules.

6 And I'll tell you from dealing with customers,
7 who also are selling and playing by the rules, they get
8 very disheartened. So enforcement is critical. It's a
9 critical leg to make sure that good policy -- combined
10 with good policy that this all works. And so I want to
11 thank enforcement. It is often like any other department
12 that is responsible for being the police of any program,
13 often thankless.

14 I have been on both sides of the table, both
15 sitting from someone that had a enforcement action, as
16 well have been on the other side of much appreciation that
17 you are out there making sure that we have a level playing
18 field.

19 I also would just like to thank Todd Sax and his
20 group for thinking outside the box, for looking at how
21 should enforcement evolve from a -- only a policing agency
22 to really interacting with the regulated community.

23 And I understand that first and foremost just by
24 the nature of the name, it will be very difficult to move
25 away from that policing aspect. But the fact that the

1 interacting with the regulated community, trying to
2 understand, most people truly do want to comply. And it
3 really is an aspect of helping people understand and
4 getting them into compliance.

5 Then we have to have the tough cop, because we do
6 have companies that unfortunately feel that they are above
7 and don't have to comply. And so having that balance,
8 and -- not only hammers in the toolbox, that always looks
9 for nails, and is really critically like important,
10 because I think that's where the balance is. And I really
11 feel that our Enforcement Division is the working very,
12 very hard to create that distinction and to work with the
13 various departments within ARB to make this much more
14 effective. And I just want to acknowledge that, and say
15 thank you for that.

16 CHAIR NICHOLS: Great. I'll just add to that. I
17 completely agree with what you just said about the
18 enforcement of the rule of enforcement. The only other
19 thing I would add is that there are people always,
20 particularly those who are subjected to enforcement, who,
21 in general, don't, at least initially, feel happy about
22 that situation. And those who watch enforcement that
23 there's always a concern about fairness, and whether we're
24 treating everybody in an absolutely rigorously fair way.

25 And creativity sometimes can create the

1 appearance of doing special things for people, because of
2 who they are, or what they are in the community. And so I
3 think it's been -- I have no suggestion that that has been
4 an issue with this program, but I have seen other agencies
5 and other enforcement programs where that becomes an
6 issue. So it's just -- I think it is an important
7 consideration.

8 VICE CHAIR BERG: Well, and I'm glad you brought
9 that distinction up, because I certainly wouldn't want
10 anybody to leave with the impression from my comments that
11 our enforcement department has gotten creative to --

12 (Laughter.)

13 VICE CHAIR BERG: -- resolve problems -- issues
14 like that.

15 But one of the things, so since you brought that
16 up, often what we find is that people aren't aware that,
17 for example, when you're a first-time violator, and there
18 is a minor violation, that there is an ability to get a
19 discount.

20 CHAIR NICHOLS: Um-hmm.

21 VICE CHAIR BERG: And so if you're quiet and just
22 don't know quiet what to do --

23 CHAIR NICHOLS: Right.

24 VICE CHAIR BERG: -- then you tend to pay full
25 price. But if you get somebody in there that's pounding

1 on the desk, and quite frankly, being a little bit more
2 robust in their discussion --

3 (Laughter.)

4 VICE CHAIR BERG: I'm trying to think of a nice
5 word.

6 (Laughter.)

7 VICE CHAIR BERG: -- then those guys always get
8 the discount. And I'm thinking, wait, what about the nice
9 people.

10 (Laughter.)

11 VICE CHAIR BERG: So the things that I've talked
12 to Todd Sax about is how do we approach this so it is more
13 fair, that we have what we have available, that we're able
14 to discuss that openly, so everybody can take advantage of
15 it.

16 So when I talk about being creative, it is having
17 more than the hammer in the toolbox, because truly
18 everything isn't a nail. Even in enforcement, we need to
19 have those big hammers for the VW's, as we saw today, on
20 some of those larger fines. We've got to send out the
21 real tough dogs for that. No question about it.

22 CHAIR NICHOLS: Right.

23 VICE CHAIR BERG: But there is a sense of the
24 other percentage that just needs, as you say, be treated
25 fairly, and I think equitably.

1 CHAIR NICHOLS: Um-hmm.

2 VICE CHAIR BERG: And I would fully agree to
3 that. And that's where I see a change in the thinking for
4 our enforcement, and I'm excited about that.

5 CHAIR NICHOLS: That's a -- thanks. That's a --
6 that is a good distinction to make. Unfortunately, this
7 entire conversation is giving me flashbacks and horrible
8 memories about an episode that I had with the Internal
9 Revenue Service, so let's --

10 (Laughter.)

11 CHAIR NICHOLS: -- let's move right along here.

12 (Laughter.)

13 CHAIR NICHOLS: John -- John Eisenhut.

14 BOARD MEMBER EISENHUT: Yeah, we may -- we may be
15 stalled here. But if I remember your statistics, more
16 than a quarter of the inspections -- vehicle in --
17 heavy-duty vehicle inspections resulted in vio -- in
18 findings of violation. That's kind of a disturbingly high
19 number. Are those random inspections or were they
20 triggered by some observation or report.

21 ENFORCEMENT DIVISION CHIEF SAX: It depends on
22 the program. But when we're out in the field, for
23 example, looking for noncompliant trucks, we are looking
24 for noncompliant trucks. So it's not a random sample.

25 BOARD MEMBER EISENHUT: Okay. Thank you.

1 CHAIR NICHOLS: Great. Any additional -- yes,
2 Judy.

3 BOARD MEMBER MITCHELL: Thank you. Thank you,
4 Madam Chair.

5 I have a question that's kind of general, but
6 under the Truck and Bus Rule, as we approach 2023, we're
7 going to be maybe faced with a lot of enforcement
8 activity. Do we have an idea of how many California
9 registered trucks are older than 2010 now? Do we know
10 what we're going to be dealing with in the next few years?

11 ENFORCEMENT DIVISION CHIEF SAX: Yeah, give me a
12 second to find it. Let's see. So, for example, in --
13 gosh, I'm going to need a calculator for this. Oh, no,
14 here it is. In California, registered heavy-duty diesel
15 trucks, those exceeding 26,000 pounds gross vehicle
16 weight -- rated weight, right now there are 173,124 of
17 those that we count in the DMV registration database.
18 There are 79,309 that are pre-2008, and another 34,256
19 that are 2008 to 2010, and then 59,000 that are 2011 and
20 newer, and that's in the California registered heavy
21 trucks.

22 BOARD MEMBER MITCHELL: So I guess the next
23 question is are you ready for this?

24 ENFORCEMENT DIVISION CHIEF SAX: Well, I don't
25 want to overstate our capabilities, but we did talk about

1 in the presentation a process that we're putting in place
2 that we hope is going to be a lot more effective. So what
3 we're doing is, the first step in that process we've
4 reported to you over the past couple of years, which was
5 combining all of the vehicle registration, and inspection,
6 and compliance databases to be able to develop a
7 compliance history of the vehicle so that we have a pretty
8 good idea -- not a perfect idea, but a pretty good idea of
9 what the compliance status of each truck was.

10 And then the second stage in that process is
11 really streamlining the investigation process from
12 something that was more a fleet specific discussion to
13 something that is very time oriented. So 30 days from a
14 notice of noncompliance letter, to a notice of violation,
15 offering due process, and getting through the case as
16 quickly as possible.

17 We initiated that process earlier this year, but
18 we've had some fits and starts with it, so it's not like
19 we've been working on this for all six months. But so
20 far, we've issued noncompliance letters to 10,000 trucks
21 and NV letters and registration holds on about 4,000
22 trucks. And the process is really just now getting
23 started.

24 So that gives you an idea of the magnitude of
25 where we're moving. And my hope is that we're going to be

1 able to do a lot more over the next 18 months. Like I
2 said, I don't want to overstate it, because things can
3 always go sideways, but I hope to be able to come back to
4 you next year with a much better story.

5 BOARD MEMBER MITCHELL: And I think it would be
6 really important to give advanced notice, to the extent we
7 can. You said 30 days, but I don't know whether you try
8 to give more advanced notice than that to trucks that are
9 going to be noncompliant, but it might be a good idea.

10 ENFORCEMENT DIVISION CHIEF SAX: So the agency as
11 a whole has had an active outreach program for years. And
12 there have been many mailers that have been sent to every
13 registered truck in California over many years with
14 different messages, but all essentially say time to
15 comply.

16 If -- there are truckers out there that claim to
17 not understand what the requirements are, but it's not for
18 eff -- it's not for a lack of effort on our part. And
19 they've definitely all received notices from us. So, you
20 know, at this point, people should understand.

21 And at some point, you know, we've heard a lot
22 from fleets that have to compete against these
23 noncompliant trucks. And at some point, enough is enough.

24 BOARD MEMBER MITCHELL: And then do you think you
25 have sufficient staff for this? I mean, I think we always

1 think we don't have enough staff, but that might be an
2 important issue to be thinking about now.

3 ENFORCEMENT DIVISION CHIEF SAX: It is an issue
4 to think about. It's one we're continuing to address.
5 We've built the program to be scalable and we're going to
6 be monitoring that over time.

7 BOARD MEMBER MITCHELL: Thank you.

8 CHAIR NICHOLS: Yes. Dr. Sherriffs.

9 BOARD MEMBER SHERRIFFS: Yeah, question. Boy, a
10 high success rate, really it sounds like with rails and
11 with ports. And those are obviously very different
12 animals. But any lessons there to help them improve
13 compliance rates in truck and bus, for example?

14 ENFORCEMENT DIVISION CHIEF SAX: Well, we have
15 sort of two broadly -- I kind of think of our programs as
16 there's 2 different types. There's in-use rules that
17 affect end-users, and there's requirements that affect
18 really big companies like manufacturers or port -- you
19 know, different entities at ports, or the rail companies,
20 for example.

21 When you have a limited number of regulated
22 entities operating in set locations, it's pretty easy to
23 conduct inspections. And we're very good at doing that
24 kind of work. The in-use rules that have been put in
25 place on trucks and off-road equipment, and transportation

1 refrigeration units involve hundreds of thousands of
2 regulated entities, and it's just a different beast.

3 And so what we've been spending a lot of time on
4 is trying to redesign our enforcement efforts for those
5 types of programs. And so that's why you hear in our
6 presentation the talk about the use of administrative
7 procedures, and those types of things, which we haven't
8 typically done in the past, but we also haven't had to,
9 because we haven't been faced with just the sheer
10 magnitude of regulated entities. So I think we're getting
11 better, but they're two very different programs, and so
12 they don't necessarily translate very well.

13 CHAIR NICHOLS: Okay. Okay. I think you have
14 come to end. Thank you very much. Appreciate it.

15 We have one more item today. It's a very diverse
16 set of issues on our agenda.

17 But this is one that is I think a real interest
18 and one that we don't hear very much about. And that has
19 to do with air filtration. Increasingly, we see in cases
20 where we've got buildings that may be located in areas
21 where the air quality is not as good as it should be, or
22 where there's concerns about retrofitting buildings, where
23 there was a land-use issue, such as the ones we were
24 talking about earlier today with our 617 Advisory Groups,
25 that sometimes the answer is to protect that people. And

1 that means to do something within the building. And
2 there's a lot of technology out there, and a lot of
3 interest in this issue of air filtration.

4 So we have an opportunity here to hear an update
5 on some research that we've been doing. And what we've
6 been doing with the results of that research. So I think
7 we've got our research and indoor air team here.

8 Mr. Corey, did you want to introduce this item?

9 EXECUTIVE OFFICER COREY: Sure, very briefly. So
10 today as you just indicated, the Board will hear about
11 CARB-funded research that provided information on some of
12 the key factors that can improve indoor air quality and
13 how the information from those studies is being used to
14 take actions to reduce California's exposure to indoor air
15 pollution. I'll ask Jeff Williams of the Research
16 Division to give the staff presentation.

17 Jeff.

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

20 AIR POLLUTION SPECIALIST WILLIAMS: There we go.
21 Thank you, Mr. Corey. Good afternoon, Chair
22 Nichols, and members of the Board.

23 Today, I'm going to tell you about two CARB
24 funded extramural research contracts that have contributed
25 to significant improvements in our building codes and

1 siting policies to protect public health. Most recently,
2 our research based recommendations to the California
3 Energy Commission for the Title 24 building standards
4 resulted in changes that now require high efficiency
5 filters that will remove more particles and smaller
6 particles from indoor air.

7 --o0o--

8 AIR POLLUTION SPECIALIST WILLIAMS: ARB has made
9 important progress in reducing sources of outdoor air
10 pollution in California. However, the indoor environment
11 where people spend nearly 90 percent of their time also
12 contains air pollutants, such as PM2.5 and formaldehyde.

13 Because these pollutants are often partially
14 trapped in a confined space, some of our highest pollutant
15 exposures occur while indoors. Reducing indoor
16 particulate matter levels is particularly important for
17 protecting the health of vulnerable groups, such as
18 children, the elderly, and those with preexisting
19 respiratory or cardiovascular disease.

20 --o0o--

21 AIR POLLUTION SPECIALIST WILLIAMS: So first, I'd
22 like to introduce some of the key factors that affect
23 indoor air quality. Modern building materials and
24 construction methods have greatly improved the energy
25 efficiency of our residences and workplaces. However,

1 efficiency air filtration, I'd like to briefly introduce
2 the topic of filter performance before discussing our
3 studies. The performance of an air filter is described by
4 its MERV rating. MERV stands for Minimum Efficiency
5 Reporting Value, and is a measure designed by the American
6 Society of Heating, Refrigerating, and Air-Conditioning
7 Engineers, known as ASHRAE, to rate the effectiveness of
8 air filters for removing particles of different sizes from
9 the airstream passing through the filter. This scale
10 ranges from 1 to 20.

11 Now, most of us are familiar with low-efficiency
12 fiberglass filters that are commonly used in our home
13 central air systems. And actually I brought some props
14 today.

15 So this is an example of a low MERV filter that
16 you probably commonly see in your home.

17 Now, modern pleated filters -- and here's an
18 example of a high MERV filter. You can see there's quite
19 a difference in the construction. These are constructed
20 of folded sheets of material, such as paper or polyester,
21 and are much more efficient at removing smaller particles.
22 The pleating increases the effective surface area, which
23 allows for a higher efficiency filter to be use without
24 negatively impacting energy efficiency.

25 MERV 13 to 16 is typically considered

1 high-efficiency filtration, and MERV 17 or greater is
2 rated as HEPA, which stands for High Efficiency
3 Particulate Arrestance.

4 --o0o--

5 AIR POLLUTION SPECIALIST WILLIAMS: Now, the
6 first study that I'd like to discuss as completed in 2016
7 by Dr. Brett Singer from the Lawrence Berkeley National
8 Laboratory. The objective of Dr. Singer's study was to
9 evaluate eight different combinations of mechanical
10 ventilation systems, and air filtration levels to
11 determine their effectiveness in reducing in-home
12 exposures to air pollutants of both outdoor and indoor
13 origin.

14 The experimental apparatus for air sampling in
15 the test home is shown on the slide. Simultaneous
16 measurements were made for both indoor and outdoor air
17 samples at an unoccupied test house. The primary
18 pollutants investigated were PM2.5, ultrafine particles,
19 and black carbon.

20 The air handling systems use filters that covered
21 a range of efficiencies from MERV 4 through MERV 16. The
22 study design allowed for controlled measurements to be
23 made in a relatively tight modern home.

24 --o0o--

25 AIR POLLUTION SPECIALIST WILLIAMS: The test home

1 itself was a detached single-family house located in
2 Sacramento that was built in 2006 with construction
3 features that are typical for California homes of this
4 vintage.

5 The home was located 800 feet downwind of
6 Interstate 80, which facilitated the measurement of the
7 reduction in incoming outdoor particles.

8 Excuse me.

9 --o0o--

10 AIR POLLUTION SPECIALIST WILLIAMS: Dr. Singer
11 and his team found that all the systems tested reduced the
12 in-home concentrations of outdoor particles, and several
13 were especially effective at reducing all particle sizes
14 measured. Four of the systems studied reduced indoor
15 levels of outdoor PM by more than 90 percent. And the
16 highest performance was demonstrated by systems that
17 operated continuously or ran at least 20 minutes per hour,
18 and used high efficiency MERV 13 to MERV 16 filters.
19 Increased airflow resistance often cited as a limiting
20 factor for the use of high MERV filters in existing
21 central systems, was not an issue in this study.

22 --o0o--

23 AIR POLLUTION SPECIALIST WILLIAMS: Dr. Debbie
24 Bennett from the University of California at Davis
25 conducted the second study discussed in today's

1 presentation. In this complex study, she investigated the
2 effectiveness of high-efficiency filtration in reducing
3 indoor pollutant exposures, and impact on asthma symptoms.

4 Only children ages 6 through 12 who had active
5 doctor-diagnosed asthma were admitted to the study. One
6 hundred and seventy homes were initially enrolled. Indoor
7 and outdoor air pollution samples were collected, and
8 asthma symptoms and other health metrics were quantified.

9 All participants received one year with high
10 efficiency filtration, and one year without high
11 efficiency filtration.

12 The two filtration approaches used are seen in
13 the photos above. Participants receiving either portable
14 air cleaners, which are shown on the left, or upgraded
15 filters for the central heating and cooling systems, and
16 that's on the right, were both MERV 16 equivalent.

17 Participants were recruited from the Fresno and
18 Riverside areas, both of which have a high incidence of
19 asthma and elevated levels of outdoor air pollution.

20 --o0o--

21 AIR POLLUTION SPECIALIST WILLIAMS: Study staff
22 collect one-week integrated air pollution samples at
23 6-month intervals over the course of the two-year field
24 campaign. Both indoor and outdoor samples were collected
25 at most locations, and were analyze for PM0.2, as

1 surrogate for ultrafine particles, PM2.5, and PM10.

2 The photo on the left shows the interior of a
3 sampling -- sampling box. And you can see the pumps and
4 PM samplers there -- and the photo on the right shows a
5 sampling box as it was deployed on the home. And you can
6 see the two air intakes there at the top.

7 Reflectance measurements were also taken in order
8 to estimate black carbon. And over the course of the
9 two-year field campaign, study staff collected over 1,600
10 particulate matter samples.

11 --o0o--

12 AIR POLLUTION SPECIALIST WILLIAMS: To assess
13 changes in asthma status, the researcher obtained various
14 health measurements from study participants to evaluate
15 asthma symptoms. Over 750 lung function and exhaled
16 nitric oxide measurements were collected at six-month
17 intervals as quantitative indicators of asthma severity.

18 Symptom Diaries, medication use, and unplanned
19 utilization of the health care system were recorded prior
20 to the intervention and at quarterly intervals during the
21 study.

22 Recall questionnaires were also collected. In
23 total, study staff conducted nearly 1,500 home visits over
24 the course of the study.

25 --o0o--

1 AIR POLLUTION SPECIALIST WILLIAMS: The study
2 findings showed that compared to the lower or no
3 filtration period, the use of high efficiency filtration
4 significantly reduced indoor particulate matter
5 concentrations for all the size fractions measured with
6 reductions ranging from 34 percent to 52 percent for all
7 enrolled homes.

8 Portable air cleaners provided somewhat higher
9 reductions of PM levels than homes that were fitted with
10 upgraded filters for the central air system. Generally,
11 whether or a portable air cleaner or a central system is
12 more effective at reducing PM will depend on factors such
13 as the device, how it is operated, and the home
14 characteristics.

15 Indoor/outdoor reflectance ratios for all homes
16 were reduced by 77 percent. And this measurement
17 estimates the fraction of black carbon particles of
18 outdoor origin that remain in the indoor area.

19 --o0o--

20 AIR POLLUTION SPECIALIST WILLIAMS: The health
21 measures showed small but statistically significant
22 reductions in both clinic visits and the sum of hospital
23 emergency department visits and clinic visits. This
24 reduction was most pronounced for those drilling who were
25 characterized as severe asthmatics.

1 Now, although there were no significant changes
2 in asthma symptoms, such as wheezing, cough, or tightness
3 in the chest, participants who had air cleaners in their
4 homes, and who kept their bedroom doors closed reported
5 less waking at night due to asthma.

6 --o0o--

7 AIR POLLUTION SPECIALIST WILLIAMS: In summary,
8 the results of the two studies paint a clear picture that
9 the use of high efficiency filtration can significantly
10 reduce our exposures to particulate matter in the indoor
11 environment.

12 New energy efficient homes can expect to see up
13 to a 95 percent reduction of indoor particulate matter
14 levels relative to outdoor levels. Older homes can expect
15 to see PM reductions of at least 30 to 50 percent. There
16 are numerous benefits of high efficiency filtration. It
17 can significantly reduce the levels of indoor particulate
18 matter, especially those -- especially for those who live
19 in areas close to pollution sources and are negatively
20 impacted by local outdoor air pollution. This is
21 particularly important in light of urban infill
22 development.

23 And finally, it is worthwhile to note that there
24 are expected health benefits from reduced PM indoors that
25 go beyond asthma, such as reduced hospitalizations due to

1 cardiopulmonary disease and premature mortality.

2 --o0o--

3 AIR POLLUTION SPECIALIST WILLIAMS: I'd like to
4 conclude on a note of how we putting these positive
5 findings to work. I mentioned at the start of my
6 presentation that CARB staff recently worked successfully
7 with the California Energy Commission to increase the
8 filter efficiency requirements in new buildings from the
9 currently required MERV 6 to MERV 13 beginning in 2020.

10 The updated standard will have a major impact
11 because it will effectively reduce PM2.5 that enters home
12 from the outdoor environment.

13 We are also using the findings to provide the
14 public with information on how to better protect
15 themselves. For example, the findings informed our recent
16 technical advisory recommending that high efficiency
17 filtration can be used as a mitigation measure to reduce
18 indoor PM near busy roadways.

19 In addition, we have developed fact sheets and
20 FAQ documents that provide guidance on topics, such as how
21 to properly choose and use portable air cleaners and
22 central system filters, and how to minimize exposure to
23 wildfire smoke.

24 Finally, this research supports community-based
25 projects that are funded as part of our SEP policy, such

1 as providing high efficiency filtration to schools in the
2 South Coast and Placer County air districts.

3 In conclusion, although it should not be viewed
4 as a panacea for indoor air quality issues,
5 high-efficiency filtration is an important tool for
6 reducing indoor, exposures, especially for those who live
7 in communities close to sources, such as major roadways,
8 ports, or industry.

9 --o0o--

10 AIR POLLUTION SPECIALIST WILLIAMS: This
11 concludes my presentation. Thank you again for your
12 attention. I'm happy to take your questions.

13 CHAIR NICHOLS: Okay. This is an interesting
14 area of ARB's activities, which probably most people don't
15 know about, but which is actually also very important. So
16 it seemed like a good idea for the Board members to hear
17 about it.

18 Any questions, comments?

19 Dr. Sperling.

20 BOARD MEMBER SPERLING: How much do these cost?

21 AIR POLLUTION SPECIALIST WILLIAMS: Well, it
22 depends on the system. Now, are you talking about the
23 filters itself or the actually air cleaners?

24 So the portable air cleaners or say the filters
25 that I. --

1 BOARD MEMBER SPERLING: Explain the different --
2 how do you use portable?

3 AIR POLLUTION SPECIALIST WILLIAMS: Well,
4 there's -- there are -- I guess I could explain it this
5 way. There are a few different costs. For a higher-end
6 like this, a high MERV filter, you might expect to spend
7 anywhere from \$10 to \$25 on a filter such as this.

8 Now, for an actual portable air cleaner that has
9 a high-efficiency filter in it to clean a room, for
10 example, that could range anywhere from \$300 up to as much
11 as \$1,200 depending on the quality of the particular
12 portable air cleaner.

13 BOARD MEMBER SPERLING: So they could be a good
14 idea in some cases.

15 AIR POLLUTION SPECIALIST WILLIAMS: The most --

16 BOARD MEMBER SPERLING: Cost effective.

17 AIR POLLUTION SPECIALIST WILLIAMS: The most cost
18 effective way is, for an existing central air system, to
19 just simply put in a much better air filter. And these
20 are readily available and will fit most systems.

21 BOARD MEMBER SPERLING: Thank you.

22 CHAIR NICHOLS: Any other?

23 Yes, Dr. Sherriffs.

24 BOARD MEMBER SHERRIFFS: It is remarkable, I
25 mean, how cost effective this could be in some settings

1 for homes that already have an existing air conditioning
2 system that all you have to do is put the better filter in
3 \$10, \$25 and you change it as often as you change your
4 other filters.

5 You know, maybe some of us are a little
6 disappointed. Gee, only a 20 percent reduction in clinic
7 visits, but that's -- that's real health care dollars.

8 CHAIR NICHOLS: Um-hmm.

9 BOARD MEMBER SHERRIFFS: And this is looking at
10 asthma, which is extremely important. But when we look at
11 mortality and morbidity that's PM2.5. And clearly, if
12 we're impacting asthma, we probably are impacting the
13 cardiovascular. So it is quite a public health measure.

14 Something as we look at 617. Some communities
15 may want to look at this as one of the interventions that
16 they would be using, particularly for improving near
17 roadway. Yeah, it's not a panacea, because we want to
18 improve outdoor air quality and get people outside, and
19 active transit, and exercising, and so on.

20 CHAIR NICHOLS: Yeah.

21 BOARD MEMBER SHERRIFFS: But nonetheless, most of
22 us spend at least eight hours sleeping inside every day or
23 something approximating that. So we're spending time
24 inside. And this has some real important health effects.

25 But help me, because all it is is a filter, why

1 2021? Why not 2020 or -- for the building code standard,
2 what is it that the -- what's the complexity of the
3 building code that takes us a couple years to bring that
4 to fruition?

5 AIR POLLUTION SPECIALIST WILLIAMS: Well, I
6 think -- I know that the code change occurs in 2019. And
7 I believe it's just a matter of the timing. It's not
8 something that can be necessarily, you know, just
9 implemented immediately. And Peggy might have a better
10 answer to that.

11 RD INDOOR EXPOSURE ASSESSMENT SECTION MANAGER
12 JENKINS: Good morning, Peggy Jenkins. Yes, the codes are
13 revised every three years. There is a requirement that
14 once the codes are accepted, they have to be published
15 formally, and so they're called. In this case, the 2019
16 codes, the effective date is January 1st of 2020.

17 They CEC just approved these, what a month or two
18 ago. So there are certain requirements for publication
19 companies, and builders need to have some time to plan and
20 prepare. I think as you know, you make the plans, you get
21 the permits, it's usually a multi-year process. So they
22 try to give them some lead time for that. So that's a
23 simple answer. I'm not a building code expert either,
24 so...

25 DEPUTY EXECUTIVE OFFICER KARPEROS: Dr.

1 Sherriffs, that of course does not suggest that you
2 couldn't go down to Home Depot or Lowe's tomorrow and buy
3 your own filter.

4 BOARD MEMBER SHERRIFFS: I'm thinking about that
5 strongly.

6 (Laughter.)

7 BOARD MEMBER SHERRIFFS: You know, and anybody --
8 anybody who's spending \$20 a month on vitamins, you know,
9 with a questionable effect. No, this is a demonstrated
10 effect. And clearly, we need more search to -- is this
11 reproducible, and, you know, bigger numbers, so that we
12 can look at the cardiovascular outcomes. But this is --
13 this is -- this is good. This is important.

14 BOARD MEMBER RIORDAN: Madam Chair, I ask the
15 staff when I was briefed a bit about information, because
16 I think there is a lot of information that I learned that
17 we're providing on our website for people. And I think
18 that's very important that we get the message out, and
19 particularly into areas where the PM2.5 is a bit of an
20 issue.

21 And so I'm really grateful to staff for what they
22 are, you know, able to put out there so -- for the public
23 consumption. And again, some of these people can avail
24 themselves of this information early on, and make use of
25 it for -- particularly for people who are impaired by poor

1 breathing conditions.

2 CHAIR NICHOLS: Okay. Yes.

3 VICE CHAIR BERG: Madam Chair, Dr. Balmes asked
4 me to express that he was sorry that he couldn't stay, and
5 to say hello to Peggy Jenkins. Give you his best.

6 But also in my briefing, I just really
7 appreciated the fact that we do hear about these research
8 projects when they're brought to us, and what the intent
9 is to the outcomes. But we don't often hear about in an
10 update like this the results. And I really appreciated
11 that. And bringing it real world, I think is very
12 meaningful. So thanks for all your effort and all the
13 best from Dr. Balmes.

14 (Laughter.)

15 CHAIR NICHOLS: So that's nice to -- nice to see
16 you all here.

17 I just would add that I think this is an area
18 where ARB has really invested over a period of time in
19 building up some expertise thanks to the Research Division
20 on the topic of indoor air exposures and what can be done
21 about it. And the indoor air is primary a result of
22 what's coming into the buildings from outside. Although,
23 there certainly are some areas where, you know, fireplaces
24 and wood stoves and so forth are people are getting direct
25 exposures to pollution that they're creating inside.

1 But by and large what we're talking about is this
2 issue of being in an area where there's high pollution and
3 where some protection is called for. And I think it would
4 be useful for us, as others have suggested, not just to,
5 you know, post the results on the website just as a
6 posting, but actually to think about some sort of
7 communication on this topic.

8 It's always a little delicate, because we
9 certainly don't want to suggest that we're not continuing
10 to be vigilant about trying to reduce the overall
11 emissions into the air. But at the same time, if there
12 are things that can be done that are within people's power
13 to do them that will alleviate some of the health effects
14 of air pollution, we should be trying to promote them, I
15 think.

16 So, Mr. Corey, I don't know if you want to add
17 any thoughts to how we might want to respond further, but
18 I'd appreciate your ideas.

19 EXECUTIVE OFFICER COREY: Yeah, I -- actually,
20 the idea about -- and we have had the discussion
21 previously about how to more effectively get the results
22 of the research projects out, but in terms of some
23 adjustments we made. As we redo our entire website we
24 actually are looking to improve on that count.

25 But what I'd suggest is we'll circle with

1 Research Division. I'd also like to follow up with Dr.
2 Sherriffs, Dr. Balmes --

3 CHAIR NICHOLS: Um-hmm.

4 EXECUTIVE OFFICER COREY: -- and some of the
5 other Board members on some suggestions on how we might
6 more effectively get that information out. And maybe just
7 through some contacts that we have, as well as some links
8 and some other related postings. So we're pretty open in
9 terms of how -- how could we more effectively kind of push
10 this information out, both in our own means, through our
11 website, but also through some of the partnerships we're
12 putting in place and also through the districts.

13 CHAIR NICHOLS: I say partnering with other
14 groups --

15 EXECUTIVE OFFICER COREY: Yeah.

16 CHAIR NICHOLS: -- that work with us frequently
17 including the Lung Association it would seem like an
18 obvious next step.

19 So. Okay. Great. Well thank you very much.

20 Did you want to add something?

21 BOARD MEMBER RIORDAN: Well, I just wanted to
22 add, you know, one group that I can just think of off the
23 top of my head, those people who are in the high fire
24 danger areas, and who have experienced forest fires, you
25 know, there's a long-term effect, because of the -- you

1 know, the ash and when the wind blows and whole lot of
2 things. And we might look to those areas very
3 specifically to help people understand what they might be
4 able to do by just changing the filters in their home or
5 adding a system by a room that -- but believe me, those
6 people have really suffered who are in those areas, and
7 they'll suffer for at least a year or more.

8 CHAIR NICHOLS: That's right.

9 Yeah, the fire situation is actually a very good
10 reason why we should be looking at this sooner rather than
11 later. It's a good point. We always are inundated with
12 questions and calls. And even when it doesn't come
13 directly to us, there's just a great deal of concern out
14 there about what people are breathing after those fires.

15 So that's a good thought.

16 Okay. Nothing further to add. Thank you so
17 much. Appreciate the presentation.

18 That was our last agenda item. We do have two
19 people who have signed up for public comment during the
20 open comment period. So I will call them to come forward.
21 Now. And you have three minutes to speak on whatever you
22 wish to talk about.

23 Alyssa Giachino and Wayne Michaud are the two
24 names I had.

25 If Alyssa isn't here, Wayne could come forward,

1 or she changed her mind.

2 BOARD MEMBER RIORDAN: She may have left.

3 CHAIR NICHOLS: She might have had to leave,
4 right. Hi.

5 MR. MICHAUD: Okay. Thank you.

6 Well, thank you for letting me comment today. So
7 I am Wayne Michaud, executive director of Idel-Free
8 California, a Sacramento County based organization that
9 raises awareness of idling -- the impact of idling in
10 California Especially parked idling, which we consider to
11 be harmful, wasteful, and large unnecessary.

12 So first I just want to thank the ARB for
13 enforcing heavy-duty vehicle idling regulations very well.
14 So when my organization was in Vermont, we worked with the
15 Vermont DEC to bring awareness of the idling issue to
16 Vermonters.

17 Now, here in California, instead of using
18 education -- see, I'm speaking today about education of
19 the idling vehicles. Okay. So we seem to be waiting for
20 the electric car to take over our highways and solve the
21 problem 10 years from now. I drive an EV myself. But the
22 air quality and GHG emissions impact of discretionary
23 idling is happening now and not going away any time soon.

24 The one to two percent of all transportation
25 emissions parked idling contributes to here comes to

1 nearly four million tons of CO2 emitted annually. So
2 current climate projections are clear that we don't have
3 10 years to turn our backs on any potential reduction of
4 these emissions.

5 So I don't understand why our state is not
6 educating Californians on this issue. We accomplished the
7 following idling awareness education in Vermont, and we
8 need to be doing this in California. First, I just
9 created this mock-up of a webpage -- an ARB webpage that I
10 have on my Indle-Free California website. It is not
11 viewable by the public. It's a Be Idle Free, and I hope I
12 can leave it with you, if you don't mind. So the URL is
13 on the back for you to refer.

14 Other ways that we could educate is we could have
15 a video explaining the harm and waste of discretionary
16 idling. We can have information rack cards in DMV
17 locations. We can inform motorists of the issue in the
18 driver's handbook. And finally, we can have signs at
19 State Facilities. And I have a couple of examples here.

20 One of them is the Bay Area Air Quality
21 Management District has this sign that appears around the
22 Bay Area. And it's a bilingual sign as you can see. So I
23 just put a mock of ARB URL on the bottom, but that's not a
24 real one.

25 Anyway.

1 And I'll leave that for you also. And just
2 finally just another sign. You know, another example of a
3 sign. And I'm done.

4 CHAIR NICHOLS: Thank you. Thanks for coming in,
5 and for bringing the illustrations along with you.

6 MR. MICHAUD: Okay.

7 CHAIR NICHOLS: I think we're not -- we can't do
8 anything about this item in terms of a regulatory issue,
9 but I do think staff will take this information, and
10 hopefully someone will get back to you at least with a
11 comment on what we're doing in this area, and what we
12 could be doing. We appreciate your interest, and we'd
13 like to at least follow-up and see what we can do to take
14 advantage of all this.

15 BOARD MEMBER SHERRIFFS: And I just want to add
16 my thanks and point out contact the San Joaquin Valley Air
17 Pollution Control District, because they have a fairly
18 active program in terms of idle free around schools.

19 MR. MICHAUD: They do.

20 BOARD MEMBER SHERRIFFS: And I actually carry
21 some of these signs in the trunk of my Leaf to distribute
22 in appropriate places.

23 MR. MICHAUD: Excellent.

24 BOARD MEMBER SHERRIFFS: And I actually have one
25 out in front of my house because, I'm out in the country

1 and parents are always idling waiting for the school bus
2 with their kids. And I shake the sign.

3 (Laughter.)

4 MR. MICHAUD: Very good. Very good. Excellent.

5 That's what we like to see. Central
6 California -- Central California Asthma Collaborative also
7 does very good education on idling in schools.

8 CHAIR NICHOLS: So we would pull together a
9 little bit of a summary of what's going on in this area,
10 and see if there's something more we could contribute
11 maybe from the State's perspective. Thank you.

12 MR. MICHAUD: Thank you. Should I leave this up
13 front then.

14 VICE CHAIR BERG: Thank you and keep up the great
15 work.

16 CHAIR NICHOLS: All right. I believe that is the
17 end of our meeting. So I'll declare us adjourned.

18 Thanks, everybody.

19 (Thereupon the Air Resources Board meeting
20 adjourned at 3:53 p.m.)

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C E R T I F I C A T E O F R E P O R T E R

I, JAMES F. PETERS, a Certified Shorthand Reporter of the State of California, do hereby certify:

That I am a disinterested person herein; that the foregoing California Air Resources Board meeting was reported in shorthand by me, James F. Peters, a Certified Shorthand Reporter of the State of California, and was thereafter transcribed, under my direction, by computer-assisted transcription;

I further certify that I am not of counsel or attorney for any of the parties to said meeting nor in any way interested in the outcome of said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand this 16th day of July, 2018.



JAMES F. PETERS, CSR
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