

**APPROVED MINUTES
LASSEN COUNTY AIR POLLUTION CONTROL DISTRICT
GOVERNING BOARD
JUNE 13, 2017**

The Board convened in regular session at 3:00 P.M. in the City Council Chambers, 66 N. Lassen Street, Susanville, CA., with Chairman Chris Gallagher, Vice Chairman David Teeter and Directors; Joe Franco, Mendy Schuster and Kevin Stafford present. Also present were: Dan Newton, Air Pollution Control Officer (APCO); Erik Edholm, Air Quality Engineer (AQE); and Krystle Hollandsworth, Administrative Staff Assistant. Absent: Director Tom Hammond.

C. AGENDA APPROVAL

It was moved by Director Joe Franco, and seconded by Director Kevin Stafford to approve the June agenda. Motion carried, Director Hammond absent.

D. APPROVAL OF MINUTES

APPROVAL OF MINUTES FOR THE MEETING OF DECEMBER 13, 2016, and MARCH 14, 2017: Director Kevin Stafford motioned to approve the December 13, 2016, minutes as written and Director Joe Franco seconded the motion. The motion was passed with the understanding that some of the voting members were not present at the December 13, 2016, meeting but they have no knowledge that the minutes contain false information. Vice Chairman David Teeter motioned to approve the March 14, 2017, minutes and Director Kevin Stafford seconded the motion. Motion carried, Director Hammond absent.

E. BOARD MEMBER ISSUES/REPORTS

Chairman Gallagher expressed that one of his constituents has an issue with dust that is being created in the Pine Town area due to excavation trucks traveling on Moonlight Road.

APCO Newton replied, he will investigate the matter and determine if it is an Air Quality concern and report back to the Board with his findings.

Director Franco stated, he feels there should be some type of action that can be taken if the dust is creating a safety concern.

Mr. Newton explained that if the dust was emanating from the facility the District would have the authority to request mitigation, but if it is due to road conditions he will need to work with the County Roads Department.

F. CORRESPONDENCE

NO CORRESPONDENCE

G. PUBLIC COMMENT

NO PUBLIC COMMENT

H. MATTERS FOR BOARD CONSIDERATION

1. Report on District Activities

Air Pollution Control Officer (APCO) Dan Newton gave a report on the District's activities. The District has been involved with the following items since the last meeting:

Carl Moyer Grant Program: Mr. Newton stated, Carl Moyer projects are ongoing, which means staff is continuously involved with Carl Moyer activities. The District receives annual disbursements for projects and administration costs.

Chairman Gallagher inquired about the scope of the Carl Moyer Program.

Mr. Newton explained he has a future item on the agenda that will include information on the Carl Moyer Program.

Wood Stove Replacement Program: APCO Newton discussed the Wood Stove Replacement Program. He informed the Board that the program has been a very successful way to reduce the District's surplus fund balance, improve air quality conditions and mentioned on the agenda today there is a request for additional funds to be allocated to the program.

Other District Activities: Mr. Newton informed the Board that Erik Edholm recently attended an Aggregate, Asphalt and Concrete Batching training. He also stated that in May, he and Mr. Edholm attended the annual California Air Pollution Control Officers Association (CAPCOA) conference. Mr. Newton detailed other day to day activities the District completes. For example, renewing permits and inspecting facilities.

Chairman Gallagher asked what type of facilities the District inspects.

Mr. Newton specified, the District inspects various types of stationary sources that impact air quality. Some of the sources located in the district are, gasoline dispensing facilities, auto-body shops, stand-by generators, and facilities such as Honey Lake Power.

2. District's Financial Report

Mr. Newton explained, due to the postponement of the financial reports from a previous meeting, financial reports from December 2016, through May 2017, have been included. He drew the Board's attention to the first two-line items on the financial reports and explained that Carl Moyer funds are extracted from the operating revenues because those funds have either already been allocated to projects or are eligible for allocation.

APCO Newton reviewed the additional monthly reports and emphasized revenues remain steady. He also mentioned subvention funds, which are an additional funding source awarded to the District by the State to reduce air pollutants, and those funds are primarily used to fund the wood stove program.

Vice Chairman Teeter inquired about Carl Moyer disbursements. He noticed on the April 2017 financial report, approximately \$35,000 of Carl Moyer funds were received by the District.

Mr. Edholm explained the \$35,000 Mr. Teeter identified is not the usual Carl Moyer allocation. Those funds were for a Rural Assistance Program (RAP) project. Usually, the District is allocated \$200,000 in Carl Moyer funds, with \$175,000 for projects and \$25,000 for administration, which we will probably receive next fiscal year.

Vice Chairman Teeter asked if the RAP funds received in April are a reimbursement.

AQE Edholm stated, no they not a reimbursement and we have not run the project those funds are allocated to yet.

APCO Newton described RAP and explained that CAPCOA administers that program. He noted, Lassen County applicants can apply for funds through CAPCOA and occasionally their project request will be funded.

3. History of Air Pollution District

APCO Newton presented an overview of the Air Pollution Control District's history, roles, responsibilities, and functions.

Mr. Newton explained that in the year 2000, it was decided there would be equal representation from the city and county on the Governing Board for the Air District, and since 2012, the City has been staffing the Air District.

He discussed the roles the District plays, including air quality monitoring measures. Due to our federal attainment status and local policies, our local district is not required to continuously monitor the air quality, but in the event of a wildfire, staff will occasionally request that an air monitor be brought in. While the monitor is active, staff extracts the data and distributes it to the necessary agencies.

Director Franco inquired if inversion days in the winter are monitored.

APCO Newton responded that it has not been done since 1997 and the outcome of that monitoring was what put the District in non-attainment status for PM10 for the State standard. Due to the non-attainment status at the State level, the District receives DMV fees to fund projects that reduce PM10 emissions.

Mr. Newton summarized the Carl Moyer program and detailed some of the eligible projects. The majority of the Carl Moyer projects the District funds are agricultural tractor replacements.

Mr. Newton reported that the Wood Stove Replacement Program is locally funded with Air District revenues and that there is the potential for additional funding through the State.

APCO Newton described what instrument is used to monitor air quality, what it monitors, how staff monitors it and what measures are taken to reduce the negative impacts on Public Health. He explained that staff uses the Air Quality Index to classify air quality conditions.

Director Franco asked if this index is linked to Cal-Fire burn days.

Mr. Edholm responded that they are not linked and that burn days are determined based on dispersion in the air.

Vice Chairman Teeter clarified that locally we only monitor air quality during wildfires, but wondered if we monitor the air quality during valley fires since there is the potential to have smoke sock in.

Mr. Newton replied, we do have the ability, but our monitor is outdated so it is better if we can have the Air Resources Board (ARB) provide a monitor, but for that to happen they need to have a mission assigned by the Office of Emergency Services (OES).

Mr. Edholm stated, on our website we have a visibility chart and that is a benefit because Lassen County is vast and conditions in Susanville may not be representative of other areas in the county.

APCO Newton listed the different types of sources that are monitored at a local and state level and reviewed what drives the creation of air quality rules and policies. Any policy that the State adopts regarding stationary sources are the local districts responsibility to enforce. Those rules and policies dictate what we are locally required to monitor. One of items staff spends a lot of time monitoring and disseminating information about are open burn days. Also, based on a variety of factors, industrial facilities in Lassen County are not subject to the same stringent regulations in place in other California Air Districts.

Mr. Newton detailed the statutory organization of the Air District and noted that the District does not currently have a Hearing Board.

Vice Chairman Teeter asked if there is a mechanism or default agency to act as a Hearing Board in the event one is needed and the District does not have one.

APCO Newton remarked that we would probably have to assemble one.

Mr. Newton shared the District's website with the Board and detailed some of its content.

Chairman Gallagher asked if we have authority to construct applications on the website.

Mr. Newton replied yes, and they can be found in the forms section.

4. Cycle 3 Wood Stove Replacement Program

AQE Edholm informed the Board about the Wood Stove Replacement Program and gave an update on the previous two cycles. Due to how successful the other two cycles were, and the District's anticipated revenues to exceed expenses in fiscal year 17/18, staff is proposing to use \$45,000 of the fund balance to fund Cycle 3 of the program.

Chairman Gallagher wondered if the program has been such a success, should the District possibly want to allocate more funds to the program.

Mr. Newton remarked, he does acknowledge the fund balance has grown but would want to take a detailed look at the budget to confirm how much more the Air District could comfortably allocate.

Chairman Gallagher asked if staff thought the budget could accommodate an additional \$15,000 to the program for a total allocation of \$60,000.

APCO Newton replied yes, staff would be comfortable with that number.

Chairman Gallagher inquired if an open hearth fireplace would qualify for the program.

Mr. Newton acknowledged that would qualify.

Vice Chairman Teeter questioned what type of fuel sources qualify.

Mr. Edholm explained that any conversion that would reduce emissions would qualify. For example, wood to natural gas or wood to oil. Wood to wood also qualifies, if the old stove is pre-1990 and the new stove is EPA certified.

Chairman Gallagher motioned to approve Resolution 17-01 allocating \$60,000 in funding for Cycle 3 of the Wood Stove Replacement Program. Director Stafford seconded the motion, motion carried. Director Hammond absent.

5. Fiscal Year 17/18 Budget Review

APCO Newton presented the Board with the District's Fiscal Year 2017/2018 proposed budget. In the proposed budget, revenues have been projected to increase slightly, while expenditures have been projected to remain the same.

Chairman Gallagher questioned how the real property taxes revenue source is collected and concluded it was most likely an assessment. He also asked if the passing of SB1 might impact the DMV fees the District receives.

Mr. Newton agreed that was an excellent question but was unable to conclude if there would be an impact. The District will continue to monitor the revenues it receives and inform the Board if there are any changes.

Vice Chairman Teeter noticed in the subvention line item there was a \$10,000 short fall.

APCO Newton explained that there were some program changes at the State level regarding the subvention program which caused the District to miss out on that \$10,000, but staff anticipates the District should be able to capture all available funds next funding cycle.

Mr. Newton reported that at the end of Fiscal Year 2017/2018, the District will have an anticipated reserve of \$174,997, and at a future meeting it would be advantageous for the Board to decide how much of a reserve the Board would like to keep. The norm is approximately %25 of annual expenditures. During those discussions, the Board could allocate more money to the Wood Stove Replacement Program or direct staff to investigate other air quality reduction programs that could benefit Lassen County.

Director Franco motioned to approve Resolution 17-02 adopting the Fiscal Year 2017-2018 budget with the condition the wood stove allocation would be increased to \$60,000 instead of the proposed \$45,000. Vice Chairman Teeter seconded the motion, motion carried. Director Hammond absent.

6. Time Extension for Sacred Heart Ranch Carl Moyer Project

Mr. Edholm explained that Sacred Heart Ranch is in need of a third time extension for their agricultural pump and motor replacement due to river conditions. The funds have a disbursement deadline of June 30, 2018, so staff is proposed to extend the term of 18-07-CMP contract to coordinate with the disbursement deadline.

Director Stafford motioned to approve Resolution 17-03 authorizing APCO Newton to execute a contract amendment to extend the term of 18-17-CMP-05 to June 30, 2018. Director Franco seconded the motion, motion carried. Director Hammond absent.

I. ADJOURN 4:13 P.M.

Motion by Director Franco to adjourn the June 13, 2017, Lassen County Air Pollution Control District Governing Board Meeting, seconded by Director Stafford.