



Monterey Bay Air Resources District BOARD OF DIRECTORS MEETING

WEDNESDAY, DECEMBER 18, 2019 – 1:30 P.M.

24580 SILVER CLOUD COURT, 3RD FLOOR, MONTEREY, CA, 93940

Summary of Actions

1. CALL TO ORDER – The meeting was called to order by Chair McShane at 1:30 pm.
2. PLEDGE OF ALLEGIANCE
3. ROLL CALL
Present: Mary Ann Carbone, Ryan Coonerty, Zach Friend, Lowell Hurst, Fred Ledesma, Chris Lopez, Steve McShane, John Phillips.
Absent: Anthony Botelho, Jane Parker, Honor Spencer.

4. RECOGNITION OF DISTRICT STAFF LONGEVITY MILESTONES

| <i>Employee</i> | <i>Years</i> |
|------------------|--------------|
| Shawn Boyle | 10 |
| Stedman, Richard | 10 |
| O'Rourke, Ann | 10 |
| Rosa Rosales | 5 |

5. PUBLIC COMMENT PERIOD – **None.**
6. REPORTS BY COMMITTEE CHAIRS ON COMMITTEE MEETINGS
 - a. Budget, Personnel, and Nominating Committee
 - b. Advisory Committee
7. COMMENTS AND REFERRALS FROM CHAIR AND BOARD MEMBERS
8. REPORT FROM AIR POLLUTION CONTROL OFFICER
Richard Stedman, APCO, reported on the following:
 - New Employee
 - Laura Cent - Started as the District's Senior Fiscal Assistant on 12/9/19.
 - Engineering
 - Staff working on solution to winery issue to be discussed later in the meeting.
 - Staff participated in an initial meeting with CAPCOA and the California Air Resources Board to discuss revising the criteria pollutant and toxics emissions reporting regulation.
 - District has received several odor complaints from residents in Marina. We are in communication with Monterey County, Monterey Regional Waste Management District and other nearby sources so they are aware of the complaints.

- We have completed an update to our retention schedule and plan to bring the updated schedule to the Board for approval in February 2020.
- Planning and Air Monitoring
 - Phase II of the Monterey Bay Electric Vehicle Incentive Program is continuing with 186 applications received, \$153,000 obligated, and \$247,000 remaining.
 - Ribbon cutting was held on December 4 at Seacliff State Beach to celebrate the installation of eight level 2 charging stations. The District sponsored the installation with a \$25,000 grant for developing charging infrastructure at State Parks within the Monterey Bay area. T
 - Ribbon cutting on December 10 at the Live Oak School District in Santa Cruz County to celebrate the delivery of two all-electric school buses, one to Live Oak Schools and the other to Santa Cruz City Schools.
 - District acquired a drone to assist with the smoke management program. The drone will be used to map areas where prescribed burns will be conducted. It will also be used to take a vertical temperature profile prior to a prescribed burn.
- Other
 - Thank you to Engineering, Compliance, Planning, and Air Monitoring teams for an outstanding year of working together to improve air quality.
 - Thank you to the Board for their excellent leadership and direction.
 - The Global Warming Solutions Act of 2006 (AB 32) required California to reduce its GHG emissions to 1990 levels by 2020. AB 32 was the first program in the country to take a comprehensive, long-term approach to addressing climate change, and does so in a way that aims to improve the environment and natural resources while maintaining a robust economy. At the time the bill was passed, 2020 seemed far away. The state met the 2020 goal in 2016. The state will need continued reductions in greenhouse gas emissions to achieve the next goal in 2030. The District does not regulate greenhouse gas emissions, but its grant programs to electrify local vehicles is one way it can help to meet this goal.

CONSENT AGENDA

Motion: Following the pulling of Agenda Item No. 16.a by staff, the Board approved the remaining items on the Consent Agenda., **Action:** Approve, **Moved by** John Phillips, **Seconded by** Lowell Hurst. Motion passed unanimously.

9. **Accepted and Filed** Summary of Actions for the November 20, 2019 Board of Directors Meeting
10. **Received and Filed** Budget to Actual Report for the Five Months Ended November 30, 2019
11. **Accepted and Filed** Report of Summary of Mutual Settlement Program Actions for November 2019
12. **Approved** Out-of-State Travel Request for Air Pollution Control Officer (APCO) to Attend National Association of Clean Air Agencies' (NACAA) 2020 Board of Directors and Committee Chairs Winter Meeting in Memphis, Tennessee
13. **Approved** Out-of-State Travel Request for the Air Pollution Control Officer (APCO) and Two Staff to Attend the 2020 National Association of Clean Air Agencies' (NACAA) Joint Permitting & Enforcement Workshop in 2020 in St. Louis, Missouri on February 25-26, 2020

14. **Authorized** the Air Pollution Control Officer to Enter into a Year-Three Agreement with ChargePoint Inc. for the installation of DCFC EV Infrastructure and Level 2 EV Infrastructure in the amount of \$1,199,981 under the AB923 Plug-In Monterey Bay EV Infrastructure Program (PIMB)
15. **RESOLUTION NO. 19-025: Adopted** a Resolution Authorizing the Air Pollution Control Officer to Enter into a Woodsmoke Reduction Program (WSRP) Grant Agreement with the California Air Resources Board (CARB) for \$175,294.12 and Accept the Project Funds
16. **Authorized** the Air Pollution Control Officer on Behalf of the Air District to Deposit Funds From the Pension Obligation Prefunding Reserve Into the Pension Rate Stabilization Program Trust (PSRSP) with Public Agency Retirement Services (PARS)

The item below, Agenda Item No. 16.a, was pulled from the Consent Agenda per request by staff and moved to the Regular Agenda as Item No. 20.a.

- ~~16a. Approve Extending AB2766 Grant Agreement with Santa Cruz Metropolitan District, #18-06, Zero Emission Watsonville Circulator Operating Project~~


REGULAR AGENDA

17. **Received and Accepted** Draft Financial Statements and Independent Audit Report for the Year Ended June 30, 2019 Prepared by Badawi & Associates
Motion: Receive and accept draft financial statements and independent audit report., **Action:** Approve, **Moved by** Fred Ledesma, **Seconded by** John Phillips.
Motion passed unanimously.
18. **Received** a Verbal Update Report on Wineries and New Source Review Issues
Motion: Direct APCO to work with CARB to address daily and annual limits in District Rule 207.
Action: Approve, **Moved by** John Phillips, **Seconded by** Chris Lopez.
Motion passed unanimously.
19. **Received** a Report Regarding Restricting Certain Vehicle Manufacturers from Participating in MBARD's Electric Vehicle Incentive Program (eVIP) and **Provided** Direction to District's Air Pollution Control Officer (APCO)
Received report; no action taken.
20. **Received** Presentation on Draft Rule 441 Boilers, Steam Generators, and Process Heaters
Received report; no action taken.
- 20a. Approve Extension of AB2766 Grant Agreement with Santa Cruz Metropolitan Transit District, #18-06, Zero-Emission Watsonville Circulator Operating Project
Motion: Approve extension of grant agreement per staff recommendation., **Action:** Approve, **Moved by** Zach Friend, **Seconded by** Lowell Hurst.
Motion passed unanimously.
21. Adjournment


Ann O'Rourke
Executive Assistant

Proposed Rule 441 Boilers, Steam Generators, and Process Heaters


AMY CLYMO, ENGINEERING AND COMPLIANCE MANAGER
BOARD OF DIRECTORS
DECEMBER 2019




Outline



Background




**Next Steps
&
Timeline**



Background

- Assembly Bill 617
 - Added sections to the Health and Safety Code
- Section §40920.6(c)
 - Adopt expedited BARCT implementation schedule by January 1, 2019
 - Board adopted on November 14, 2018




Board Adopted BARCT Schedule

Adopt First Rule by
March 2020


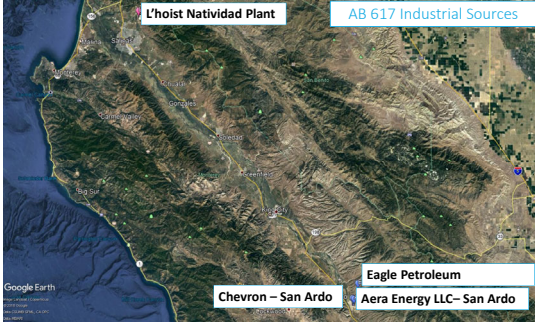
Expedited BARCT Implementation Schedule

| Rule Development Subject | 2019 | 2020 | 2021 | 2022 | 2023 |
|---|------|------|------|------|------|
| Steam Generators/ Boilers/Process Heaters | | | | | |
| Internal Combustion Engines | | | | | |
| Steam Driven Oil Production Wells (revise Rule 427) | | | | | |
| Lime Kiln | | | | | |



Background

- BARCT rules will only apply to industrial sources subject to the State Cap & Trade program as of January 1, 2017.
 - There are four industrial sources, all in Monterey County.

L'hoist Natividad Plant

AB 617 Industrial Sources

Eagle Petroleum

Chevron – San Ardo

Aera Energy LLC– San Ardo

Google Earth

AGENDA ITEM NO. 10

Proposed Rule 441

- Applicable to about 40 units in the District
 - Located at four facilities: L'hoist North America of Arizona, Chevron USA Inc., Aera Energy LLC, and Eagle Petroleum, LLC

- Rule 441 will address controlling oxides of nitrogen (NOx) and carbon monoxide (CO) emissions from boilers, steam generators, and process heaters.



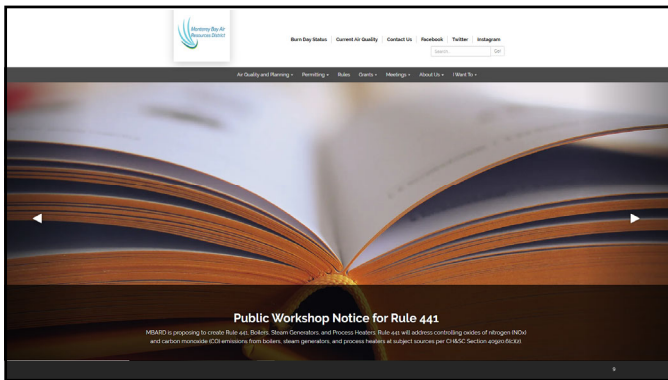
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Process Heater



Steam Generator

8



9

Next Steps

- Revise Staff Report and Rule
 - Advisory committee comments
 - Public comments

- Post Updated Staff Report and Tracked Changes Rule Revisions in January 2020

- Board Adoption meeting in February 2020



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Meetings Timeline

| Activity | Date/Time | Where |
|-----------------|----------------------------|---|
| Public Workshop | January 15, 2020, 10 AM | MBARD Board Room 24580 Silver Cloud Ct., Monterey |
| Board Adoption | February 19, 2020, 1:30 PM | MBARD Board Room 24580 Silver Cloud Ct., Monterey |

PUBLIC COMMENTS DUE BY FEBRUARY 7, 2020



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Questions?

