Minutes of the
Butte County Air Quality Management District
Governing Board of Directors Meeting of
February 25, 2021

Members Present:
Bill Connelly    Supervisor, District 1
Tod Kimmelshue  Supervisor, District 4

Remote:
Tami Ritter     Supervisor, District 3
Debra Lucero    Supervisor, District 2
Doug Teeter     Supervisor, District 5
John Busch      Vice Mayor, Biggs
Alex Brown      Councilmember, Chico
Angel Calderon  Councilmember, Gridley
Rose Tryon      Councilmember, Town of Paradise

Members Absent:
Chuck Reynolds  Mayor, City of Oroville

Due to the COVID-19 pandemic, the meeting was closed to public attendance. Public comments were accepted before and during the meeting by emailing ccollins@bcaqmd.org.

1. Call to Order.
Chair Ritter called the meeting to order at 10:20 a.m. at the BCAG Conference Room, 326 Huss Drive, Suite 150, Chico, California.
Roll Call.
PRESENT: Connelly, Kimmelshue.
ABSENT: Reynolds.

2. Additions and Deletions to the Consent Agenda.

There were no additions or deletions to the Consent Agenda.

3. Consent Agenda.

3.1 Minutes of the January 28, 2021 Meeting of the Board of Directors.
3.2 Activity Report on Butte County Air Quality Management District Activities.
3.3 Financial Status Report for Fiscal Year 2020-2021.
3.4 Status Report on Calendar of Events.
3.5 Status Report on Communications.
3.6 Fiscal Year 2021-2022 Budget Schedule.
3.7 Resolution of Staff Tenure.

ACTION REQUESTED: Approve Consent Agenda Items.

There were no Board or public comments.

A motion was made by Supervisor Kimmelshue and seconded by Supervisor Lucero to approve the Consent Agenda.

Motion carries by the following vote:
AYES: Connelly, Kimmelshue (Motion), Ritter, Lucero (Seconded), Teeter, Busch, Brown, Calderon, Tryon.
NOES: None
ABSTAIN: None
ABSENT: Reynolds

Councilmember Tryon requested the correct spelling of her name throughout the January 28, 2021 Minutes.

4. Items removed from the Consent Agenda for Board consideration and actions.

None.

5. Consider Approving Carl Moyer Year 23 Grant Application. Staff requests the Board approve the Carl Moyer Year 23 Grant Application.

ACTION REQUESTED: Adopt proposed Resolution 2021-06 approving the Carl Moyer Year 23 Grant Application.

Jason Mandly, Senior Air Quality Planner, requested approval of the Year 23 Carl Moyer Grant Application. The Carl Moyer Program was established in 1998 with a goal of replacing of heavy-duty agricultural equipment with cleaner-
than-required technology. Projects currently eligible for funding through the Carl Moyer Program include off-road diesel equipment such as tractors, a limited number of stationary agricultural engines, and on-road diesel trucks and buses. The total program allocation for Year 23 is $200,000 ($175,000.00 - project funds and $25,000.00 - administrative funds). The application deadline was January 15, 2021. Additional funding may be received, later this year, through the FARMER Grant Program.

Supervisor Kimmelshue mentioned the benefits of the Carl Moyer Program but the funding amount of $175,000.00 was only enough to purchase two (2) pieces of equipment. Stephen Ertle agreed and mentioned that CAPCOA has been working to adjust the breakdown of Carl Moyer funds to better address rural and mid-size districts. He explained that the majority of the funds go to the three (3) largest districts, then medium districts and finally to rural district. CAPCOA has been working to increase Carl Moyer funding to rural districts.

A motion was made by Supervisor Lucero and seconded by Councilmember Tryon to adopt Resolution 2021-06 approving the Carl Moyer Year 23 Grant Application.

No public comments.

Motion carries by the following vote:
AYES: Connelly Kimmelshue, Ritter, Lucero (Motion), Teeter, Busch, Brown, Calderon, Tryon (Seconded).
NOES: None.
ABSTAIN: None.
ABSENT: Reynolds.


Jason Mandly, Senior Air Quality Planner, requested approval of the amendments to the District’s Policies and Procedures Manual for Community Air Protection (CAP) Incentives. The CAP Program is a statewide program created by AB 617 with the goal of reducing exposure to air pollutants in California’s disadvantage and low-income communities.

The District Policies and Procedures Manual for CAP incentives was first approved by the Board in 2020 through Resolution 2020-02. The proposed amendments include the following updates:

1. Expanding the eligible projects to include diesel to diesel or alternative fuel on-road equipment replacement projects, as allowed by the State 2019 CAP Incentive Guidelines.
2. Clarifying that zero-emission equipment will be prioritized over diesel equipment, per the Guiding Principles of the Community Air Protection Program.
3. Clarifying that FY2019-20 (Year 3) funds have a goal of 75% of funds benefiting disadvantaged communities, and 90% of funds benefitting low-income communities. Disadvantaged and Low-income Communities in Butte County include parts of Thermalito, Oroville and Chapman, Chico.
4. Minor administrative updates.

Participation in Year 3 of the CAP Incentives Program (FY 2019-20) was approved by the Board through approval of Resolution 2020-06. The District was awarded $855,672.86 in project funds and $122,238.98 in implementation funds.
District staff held a community meeting on February 17, 2021 to share information about the CAP Program and to solicit input about funding priorities. A request for projects will be released March 1st and District staff will bring proposed projects to your Board this spring for approval.

Board discussion.

No public comments.

A motion was made by Supervisor Lucero and seconded by Supervisor Kimmelshue to approve proposed District CAP Incentive Policies and Procedures Manual through adoption of Resolution 2021-07.

Motion carries by the following vote:
AYES: Connelly, Kimmelshue (Seconded), Ritter, Lucero (Motion), Teeter, Busch, Brown, Calderon, Tryon.
NOES: None.
ABSTAIN: None.
ABSENT: Reynolds.

7. Asbestos Delegation Status Report. Air districts were notified that CARB was no longer enforcing asbestos requirements for non-delegated air districts as required by the Federal Asbestos National Emission Standard for Hazardous Air Pollutants (Asbestos NESHAP). The District may be required to take on delegation of the Asbestos NESHAP program.

ACTION REQUESTED: CARB staff have drafted a formal letter to provide notification of the air districts’ responsibility to implement and enforce the requirements of the State Asbestos NESHAP Airborne Toxic Control Measure (ATCM); as of the date of this report, the letter has not yet been received by the District. District staff have participated in the three working group meetings that have been held by CARB to determine program requirements. Delegated districts have provided information on their programs to assist in what the next steps might involve for Butte to develop an Asbestos NESHAP program. Staff are informing your Board of these changes to the State Asbestos NESHAP program while we await further information from CARB.

Ursula Parker, Senior Air Quality Compliance Specialist, provided an update on the Asbestos Delegation Status Report. State law (California Health and Safety Code section 39658(b)(1)) establishes the federal Asbestos NESHAP as the State Asbestos NESHAP ATCM. The Asbestos NESHAP and the corresponding ATCM protect the public and environment by minimizing the release of asbestos fibers during demolition, renovation and waste disposal activities occurring at stationary sources in California. The Asbestos NESHAP regulation describes the actions that must be taken during demolition activities when asbestos may be present and identifies actions that are prohibited. It also establishes some training and health and safety requirements for persons working on and in the vicinity of demolition sites.

To address the issue of the enforcement gap, CARB initiated a workgroup to discuss next steps with non-delegated air districts. From the information gathered in the working group meetings, CARB staff expect to issue a white paper in Spring 2021, which will provide examples of implementation and enforcement approaches currently used by air districts already enforcing the Asbestos NESHAP. The white paper will provide information on training and resources to assist non-delegated districts who develop their own enforcement programs.
This report was to inform the Board of the changes to the State Asbestos NESHAP program while we await further information from CARB.

Board discussion on the District’s responsibilities and requirements. Stephen Ertle clarified that there are no changes in the Asbestos NESHAP regulation. The enforcement of the reporting, notification and other requirements of the Asbestos NESHAP would shift from the State to the District. This mandate is unfunded. Delegated districts have provided information on their programs to assist other districts to develop an Asbestos NESHAP program. Staff are waiting for CARB’s letter which should provide clearer direction.

There were no public comments.


ACTION REQUESTED: None. This item is provided for information and discussion.

Patrick Lucey, Air Quality Engineer, provided an update on the proposed amendments to the Emissions Inventory Criteria Guideline (EICG) Report and Criteria and Toxics Reporting (CTR) Regulation.

BACKGROUND

Emissions Inventory Criteria Guideline (EICG)

- The California Air Resources Board (CARB) is proposing to amend the Emission Inventory Criteria and Guidelines (EICG) Report for the AB2588 Air Toxics “Hot Spots” Program.
- The EICG is the guidance document used by the District to implement and sustain the AB2588 Air Toxics “Hot Spots” Program.
- The primary purpose of the proposed EICG amendments is to provide CARB and air districts with a better understanding of stationary source emissions and enhance the public access to information on toxic pollutant emissions.
- The proposed amendments will require the reporting of over 400 individual toxic substances using a phased in approach.
- CARB plans to adopt these mandated amendments without a clear source of funding.

Criteria and Toxics Reporting (CTR)

- The California Air Resources Board (CARB) is proposing to amend the “Regulation for the Reporting of Criteria Air Pollutants and Toxic Air Contaminants” (or CTR).
- CTR requires the annual reporting of criteria pollutant and toxic air contaminant emissions by facilities subject to the applicability requirements of the regulation.
- The proposed amendments to CTR represent part of a broader effort by CARB to improve inventories of airborne emissions from permitted stationary sources.
- The proposed amendments would increase the number of facilities subject to the CTR reporting regulation from about 1,300 facilities that are currently subject to reporting, to over 60,000 facilities throughout the state.
- CARB is coordinating CTR reporting requirements with the EICG reporting requirements.
- CARB plans to adopt these mandated amendments without a clear source of funding.

APPLICABILITY

- Facilities with a District Stationary Source Permit to Operate (P/O) will be required to report under the proposed amendments to EICG and CTR.
- The proposed amendments will not change District P/O permitting requirements for new facilities.
• Permitted Stationary Sources emitting 10 tons per year or more of any criteria pollutant (or 100 tons per year for carbon monoxide) will be subject to the new reporting requirements of CTR.
• Based on 2019 Emissions Inventory data, Butte County currently has 10 facilities that meet this requirement.

REPORTING SCHEDULE
• The reporting schedule provides a multi-year reporting phase-in schedule for sources subject to the new additional applicability requirements.
• The proposed amendments will require the District to start reporting 2024 Sector Phase 1 emissions in 2025.
• 2026 Sector Phase 2 emissions in 2027.
• 2027 Sector Phase 3 emissions in 2028.
• Ongoing reporting for all sectors will begin in 2028.
• Each new Sector Phase brings in more facility types.

COST IMPACTS
• Primary costs are to businesses for data reporting, and local air districts for implementation.
• Industry sectors are phased-in over several years to help mitigate cost impacts.
• Business statewide costs are estimated to be approximately $9.6 million per year at maximum.
• Local government and air district statewide costs are estimated to be $5.6 million per year at maximum.

Board discussion. Councilmember Calderon asked if any agricultural sources would be impacted. Patrick Lucey replied that some rice dryers might be impacted and he would provide him with that information.

There were no public comments.

Supervisor Lucero left the meeting at 10:57 a.m.

9. **Appoint Committee for APCO Performance Evaluation and Board Protocol Review (Review in May).** The Board is asked to appoint a committee for the Air Pollution Control Officer’s (APCO) annual performance evaluation. The committee will also review and recommend any needed updates to the Board’s operating protocols.

**ACTION REQUESTED:** Chair to appoint a committee of three (3) Board members. Staff recommends this be assigned to the Executive Committee (Supervisor Ritter, Supervisor Lucero, Councilmember Brown).

Councilmember Tryon proposed splitting the APCO Performance Evaluation Committee from the Board Protocol Review Committee. The recommended Executive Committee is heavy Chico-focused, so she would like to see representation from other parts of the county for the Board Protocol Review Committee.

The Board discussed members for the APCO Performance Evaluation Committee. Chair Ritter appointed Supervisor Lucero, Councilmember Brown, Councilmember Tryon, and herself to serve on the APCO Performance Evaluation Committee.

A motion was made by Supervisor Kimmelshue and seconded by Supervisor Connelly to appoint Supervisor Ritter, Supervisor Lucero, Councilmember Brown, and Councilmember Tryon to the APCO Performance Evaluation Committee.

**Motion carries by the following vote:**
**AYES:** Connelly (Seconded), Kimmelshue (Motion), Ritter, Teeter, Busch, Brown, Calderon, Tryon.
**NOES:** None.
ABSTAIN: None.
ABSENT: Lucero, Reynolds.

The Board discussed members the Board Protocol Review Committee. Chair Ritter appointed Supervisor Kimmelshue, Councilmember Calderon and herself to serve on the Board Protocol Review Committee.

A motion was made by Supervisor Kimmelshue and seconded by Supervisor Connelly to appoint Supervisor Ritter, Supervisor Kimmelshue, Councilmember Calderon to the Board Protocol Review Committee.

Motion carries by the following vote:
AYES: Connelly (Seconded), Kimmelshue (Motion), Ritter, Teeter, Busch, Brown, Calderon, Tryon.
NOES: None.
ABSTAIN: None.
ABSENT: Lucero, Reynolds.

10. APCO Report. Report from the Air Pollution Control Officer on current areas of potential interest to your Board, including air quality-related activities at the local, state, and federal scenes.

Stephen Ertle, APCO, reported: A reopening plan is in progress due to the drop in COVID numbers, the Budget and Finance Committee is scheduled to meet on March 11th, 20 attended the Feb 17th CAP Community Meeting via Zoom, Staff are working on a CAP Support Grant, and staff are preparing for Air Quality Awareness Week in May.

ACTION REQUESTED: None. This item is provided for information and discussion.

No public comment.

9. Other Business.

No other business.

10. Public Comment Period. Any person may address the Board of Directors on any matter within the jurisdiction of the Board that is not on the agenda for this meeting. Any person may address the Board on an agendized item when that time is called. The Chair requests that each person addressing the Board limits their presentation to five (5) minutes.

11. The meeting adjourned at 11:20 a.m. The next Board of Directors Meeting is scheduled for March 25, 2021 at 10:00 a.m. at the Butte County Association of Governments Board Room, 326 Huss Drive, Suite 100, Chico, California.