



**Monterey Bay Air Resources District
BOARD OF DIRECTORS MEETING**

WEDNESDAY, APRIL 18, 2018 – 1:30 P.M.

19 Upper Ragsdale Drive, Suite 100, Monterey, CA 93940

Summary of Actions

1. Call to Order – **The meeting was called to order by Chair Muenzer at 1:45 p.m.**

2. Pledge of Allegiance

3. Roll Call

Present

Jerry Muenzer, Chair **Fred Ledesma**
Luis Alejo (alt. for Jane Parker) **Steve McShane**
Ryan Coonerty, Vice Chair **Simon Salinas**
Lowell Hurst

Absent

Jane Parker
Zach Friend
Steve Dallas
John Phillips

~~4. Presentation on a Project Update from REACH Presented at March meeting.~~

5. Public Comment Period:

- **Beth Trenchard, Monterey Bay Community Power, informed the Board that MBCP is looking for volunteers for their advisory committee.**
- **Ramona Andre expressed concern about impacts beach fires and fireworks have on air quality.**
- **Richard Andre spoke on the same issue.**

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

- **Director McShane thanked the District for participating in Salinas Founders Day and announced the Earth Day Mixer on April 19. He also recommended that staff look into ways to encourage attendance at the District’s budget workshops.**

8. Report From Air Pollution Control Officer

Richard Stedman, APCO, reported on the following:

District Business

- A new engineer, Osiris Torres, joining the District staff on May 7.
- Compliance Division sent out advisories to a subset of the permitted gasoline tanks regarding requirements to change out hoses this year. The advisories are also posted to the District's website.
- A Hearing Board meeting will be held on April 19 to review a long term variance request from the Monterey Regional Waste Management District.

- Two budget workshops have been held to date; one in Hollister and one at the District office. The Santa Cruz workshop is Tuesday, April 24 at 11:00 am at the Watsonville Library .
- Application period for the AB2766 grants is currently open for public agencies for infrastructure projects and EV vouchers.
- Applications will be available soon for EV rebates for residents living in the District, with additional incentives for low income residents.
- The District recently tentatively allocated funds from the following programs:
 - o \$113,000 from the Moyer Program State Reserve
 - o \$1.3 million from CARB's FARMERS Program for Ag equipment; and
 - o \$614,000 from the Community Air Protection Program.
 All of these funds will be distributed according to the District's Carl Moyer Memorial Grant Program guidelines and other program specific requirements.
- Three seasonal PM2.5 air monitoring devices in the San Lorenzo Valley will be temporarily shut down at the end of the month as the air quality improves into the Spring and Summer.

Outreach

- District will have a booth April 19 at McShane's Earth Day Mixer.
- Participation in Founders Day last Saturday, April 14.
- YMCA Healthy Kids Day in Hollister on April 21.
- Deadline for Nominations for Clean Air Leaders Awards is April 30.

ALA State of the Air Report

- Air quality getting worse due to climate change. Specifically, warmer days are causing higher ozone levels. More fires from drought conditions.
- Political pulpit to argue against weakening the Clean Air Act and for using science.
- Salinas mentioned as one of two of the cleanest cities for ozone and year round PM2.5. Scored in the top 25 cleanest cities for annual PM2.5
- Monterey and Santa Cruz are included with the cleanest counties in US for ozone pollution, Both received "A" grades. San Benito received a "D" grade.
- San Benito received an A grade for PM2.5 24-hr concentrations. Both Monterey and Santa Cruz received F grades. All counties received a PASS for annual PM concentrations

CONSENT AGENDA

Upon motion of Director Salinas and seconded by Director McShane, the Board moved approval of the items on the Consent Agenda.

9. **Accepted and Filed** Summary of Actions for the March 21, 2018 Board of Directors Meeting
10. **Received and Filed** Budget to Actual Report for the Nine Months Ended March 31, 2018
11. **Received and Filed** Report of Fiscal Year 2017-18 Budget Adjustments Approved by the Air Pollution Control Officer in March 2018
12. **Accepted and Filed** Engineering Division Activity Report for the Month of March 2018
13. **Accepted and Filed** Report of Summary of Mutual Settlement Program Actions for the Month of March 2018

14. **Accepted and Filed** Compliance Division Activity Report for the Month of March 2018
15. **Accepted and Filed** Report on Daily Eight-Hour Peak Ozone Concentrations, Hourly Peak Ozone Concentrations, PM2.5 and PM10 Air Monitoring Data for the Month of February 2018
16. **Approved** Out-of-State Travel Request for Air Pollution Control Officer (APCO) to Attend National Association of Clean Air Agencies' (NACAA) 2018 Spring Membership Meeting in Chatanooga, TN
17. **Authorized** the Air Pollution Control Officer to Enter Into a Community Air Protection Program Agreement with the California Air Resources Board and Accept \$128,300 in Funding
18. **RESOLUTION NO. 18-007: Adopted** a Resolution to Approve Changing the June 20, 2018 Meeting Date to June 25, 2018
19. **RESOLUTION NO. 18-008: Adopted** a Resolution Authorizing the Air Pollution Control Officer to Enter Into a Woodsmoke Reduction Pilot Program Memorandum of Understanding with the California Air Pollution Control Officers Association for \$250,000 in Funding and Approve a Fiscal Year 2017-18 General Fund Revenue Budget Adjustment of \$225,000 to Accept the Project Funds Portion by June 30, 2018.
20. **RESOLUTION NO. 18-009: Adopted** a Resolution Authorizing the Air Pollution Control Officer to Accept Funding and Administer the FY 2017 – 2018 State Reserve Program.
21. **Authorized** the Air Pollution Control Officer to enter into a grant agreement with the California Air Resources Board for the Fiscal Year 2017-18 AB 617 Community Air Protection Program and accept \$614,063 in funding
22. **RESOLUTION NO. 18-010: Adopted** a Resolution Authorizing the Air Pollution Control Officer to Apply for Funding, Accept Funding, and Administer the FY 2017-18 Funding Agricultural Replacement Measures for Emission Reductions (FARMER) Program.

REGULAR AGENDA

23. **Received** the July 1, 2017 Actuarial Valuation Report of the District's Other Post-Employment Benefit (OPEB) Programs Prepared by Bickmore
Receive the report only; no action required or taken.
24. **RESOLUTION NO. 18-011: Adopted** a Resolution Authorizing the Air Pollution Control Officer to Sign a Memorandum of Agreement (MOA) with the California Air Resources Board to Implement and Enforce the Greenhouse Gas Emission Standards for Crude Oil and Natural Gas Facilities, including Authorization to Sign Amendments to the MOA, upon Counsel Review, for Administrative or Typographical Changes and Approve a Fiscal Year 2017-2018 General fund Budget Adjustment to Accept \$85,000 from the California Air Resources Board.
Upon motion of Director Salinas and seconded by Director McShane, the Board unanimously moved approval of the item.

25. **Approved** an Amendment to the Employment Agreement for District Air Pollution Control Officer
Upon motion of Director McShane and seconded by Director Salinas, with Director Coonerty absent, the Board unanimously moved approval of the item.

CLOSED SESSION

26. The Board **met** in Closed Session pursuant to Government Code section 54956.9 (d) (1), one matter of existing litigation:

- a. Ceyer/Sutton v. MBARD et al., Monterey County Superior Court case no. 17CV001636
No reportable action.

27. Adjournment – **The meeting was adjourned at 3:00 p.m.**


Ann O'Rourke

Executive Assistant

4/27/2018


State Oil and Gas Regulation

Amy Clymo, Engineering and Compliance Manager
April 2018



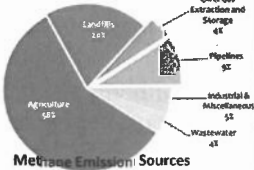
Overview

- Scope of regulation
- Purpose of Memorandum of Agreement
- Examples of Equipment and Requirements
- Recommendation

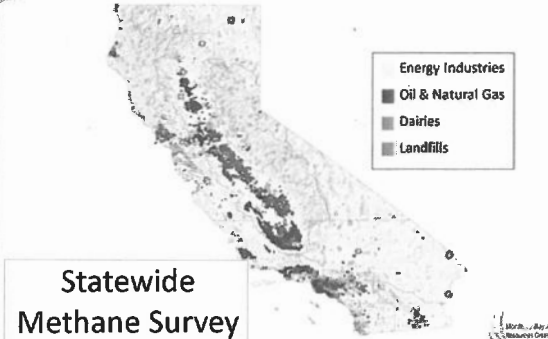



Methane (CH4)

- Second largest contributor to statewide greenhouse gas (GHG) emissions
- Short-lived climate pollutant
- Implement regulations to reduce CH4 emissions
- 13% of CH4 emissions in oil and gas sector




Statewide Methane Survey


Greenhouse Gas Emission Standards for Crude Oil and Natural Gas Facilities (effective 10/1/2017)

- Regulation addresses fugitive and vented methane (CH4) emissions from both new and existing oil and gas facilities.
- Covered facilities:
 - Oil and Gas Production, Processing, and Storage
 - Gathering and Boosting Stations
 - Natural Gas Underground Storage
 - Compressor Stations



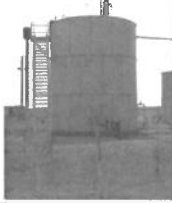
Purpose of MOA

- Specify roles and responsibilities
- Enforcement coordination
- Support information and data sharing
- Registration program for equipment not covered by districts




Separator and Tank Systems

- Applicable to all systems at regulated facilities.
- Requires flash testing to determine annual CH4 emissions.
- Exemptions for low throughput tanks and small gauge tanks.




Leak Detection and Repair

- Daily inspections and quarterly testing to check components for leaks.
- Exemptions for components such as those on produced water lines downstream of separator and tank system with vapor control.



Upcoming Dates

- January 1, 2018
 - Registration (extended to July 1, 2018)
 - LDAR inspections begin
 - Flash testing begin
- January 1, 2019
 - Vapor collection on separator and tank systems if greater than 10 metric tons per year CH4
 - Less than 10 metric tons - conduct annual flash test



Recommendation

- Adopt Resolution to:
 - Authorize APCO to enter MOA with the California Air Resources Board;
 - Authorize APCO to sign MOA administrative amendments upon District counsel review;
 - Authorize FY17-18 general fund budget adjustment to receive \$85,000 from CARB.

