



South Coast Air Quality Management District

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LOCAL GOVERNMENT & SMALL BUSINESS ASSISTANCE ADVISORY GROUP FRIDAY, FEBRUARY 16, 2007 MEETING MINUTES

MEMBERS PRESENT:

Jane Carney, AQMD Governing Board Member, LGSBA Chairman
Cynthia Verdugo-Peralta, AQMD Governing Board Member
Greg Adams, L.A. County Sanitation District
Paul Avila, P.B.A. & Associates
Geoffrey Blake, DriLube/All Metals
Eric Busch, Representative, South Bay Cities Council of Governments
Daniel Cunningham, Metal Finishing Association
Jacob Haik, Councilwoman Janice Hahn
Angelo Logan, East Yard Communities for EJ
Dr. Joseph Lyou, California Environmental Rights Alliance
Kelly Moulton, Paralegal
Todd Priest, Orange County Business Council

MEMBERS ABSENT:

Ronald Loveridge, AQMD Governing Board Member, LGSBA Vice Chairman
Todd Campbell, Mayor, City of Burbank
Harold Martinez, Able Industrial Products, Inc.
Steve Mugg, South Orange County Representative, City of Mission Viejo
Nancy Ramos, Mayor, City of Commerce

OTHERS PRESENT:

John Billheimer, Enviro-Reality
Earl Elrod, Board Member Dennis Yates
Rita Loof, Radtech

AQMD STAFF:

Barbara Baird, Principal Deputy District Counsel
Evangalina Barrera, Office Assistant
Lourdes Cordova Martinez, Community Relations Manager
Dr. Anupom Ganguli, Asst. Deputy Executive Officer/Public Advisor
Lee Lockie, Director
John Olvera, Sr. Deputy District Counsel
Greg Ushijima, Air Quality Engineer II
Nancy Velasquez, Administrative Secretary
Barry Wallerstein, Executive Officer

Agenda Item #1-Call to Order/Opening Remarks

Chair Jane Carney called the meeting to order at 10:05 a.m. Chair Carney commented that there is a conflict with April's LGSBA meeting due to a Special Board meeting. Members were polled and it was noted that they were available to reschedule to noon.

Action: Send email to Committee members, notifying of the noon time change for April 20, 2007's meeting.

Agenda Item #2 – Approval of January 19, 2007, Meeting Minutes/Review of Follow-Up/Action Items

There was a lot of discussion regarding the content and format of the January 19, 2007 minutes. Board Member Cynthia Verdugo-Peralta stated that she had suggested at the last Board meeting that there be a better accounting of the comments made at Board meetings and public meetings. There was concern of misquoted and misinterpreted comments. She asked how do we correct the problem and is the answer to go verbatim for LGSBA minutes?

Mr. Geoff Blake stated that it has been his experience with Boards that the issue is resolved by publishing the minutes electronically in draft form and they are available the following morning from the meeting. After comments are received, a final draft is sent and at the committee, the draft is approved.

Mr. Greg Adams said that he agreed with Mr. Blake. With Home Rule Advisory Group, the minutes are emailed out to the members and we have X number of days to comment, and if we don't comment, it goes on for review. If somebody feels they have to address the corrections at the meeting, then they do. For the most part, the people that are interested in the meetings will review them and it's just a check off item by the time we get to the meeting. Chair Carney stated it is not an easy task, given the wide range of discussion at the last meeting, it was a particularly difficult meeting in which to do minutes which summarize in essence what was said, without being verbatim. She commented that if we went to some verbatim transcript no one will read it. They are too long. She supported getting out a draft of the minutes soon after the meeting, when everyone's memory is fresher. There should be an opportunity to suggest comments and if staff thinks it is consistent with what was actually said at the meeting, then it can be added. This would improve the minutes as an accurate reflection of the essence of what was being discussed.

Mr. Todd Priest stated that this is the first time that a discussion this long has taken place about the minutes, might we just ask for the corrections that need to be done and get those done. Having worked for an association for about 20 years, I do a lot of minutes, they are not easy. All of the members bring something to the table that we think is extremely important and staff has to go through those and try to come up with a synopsis that gives the tone of what was said vs. line by line so I think our time is better spent on asking for the corrections to these minutes and then moving forward.

Chair Carney asked do you think we can do the revisions that need to be made today or do you think we need to postpone this a month? I am concerned because we don't have the public member's comment in the minutes. I cannot provide the language for that. Normally, it's simply the case of adding a sentence here or there to tweak the minutes, that would be fine, but the sentiment of these minutes don't reflect what transpired at the meeting. Mr. Priest stated that I think staff has heard our concerns and maybe we can put this off to the next meeting and we can approve two sets of minutes at that meeting, which wouldn't be unheard of. Chair Carney concurred and asked that staff email again right after the meeting these minutes in Word form, so that people can do their edits and send them back and identify the speaker.

Action: *Staff to email minutes.*

Board Member Verdugo-Peralta stated that she likes to see the speakers identified in the minutes because it gives her a point of reference. She wants to name the speakers.

Mr. Haik stated at the last meeting, we had more of a discussion and it got away from recognizing names. Chair Carney stated if we occasionally use a name when possible and put in "a member said" the rest of the time, then if a person wants to be recognized as having made the comment, they can request a change to the minutes.

Dr. Lyou stated he raised this issue when it first occurred in the minutes. LGSBA was informed by staff that it was because of the need to expedite the turnaround of the minutes and it was difficult to identify the speaker that staff was unable to do it in an efficient manner. If we use the approach that was suggested in getting the minutes out as quickly as possible, the speakers can self-identify themselves because they know which comments they made. If there is some confusion about that, we will try to resolve it or if the person doesn't identify themselves and they can just stay anonymous as a member, but I think that way we can get most of the comments down by self-identification and take the burden off of staff.

Follow-up Action Items

Action item: *Staff to determine how much CO₂ is released into the atmosphere from dry cleaning machines.*

- ✓ There are 3 or 4 models of dry cleaning machines in the district. According to staff, there is no effect detectable on global warming from hydrocarbon machines. The amount released is very small. There is no combustion process that occurs. There are no actual CO₂ emissions. There is some fugitive loss. CARB staff also agrees.

Action item: *Agendize presentation on dry cleaning machine technology.*

- ✓ This will be agendized for either March or April, depending on staff availability.

Action item: *Staff to look into how many PM_{2.5} stations existed in Year 2000.*
✓ The PM_{2.5} sampling network was first implemented in January 1999, with an initial network of 17 locations. In 2000, an additional site was added in Palm Springs, bringing the total to 20 locations. The Federal Reference Method sampler used in our network take samples over a 24-hour period of time. Continuous PM_{2.5} analyzers were not implemented into the network until 2002.

Action item: *Staff to forward Dr. Smith's presentation to LGSBA members.*
✓ Presentation forwarded to members on January 19, 2007.

Action item: *Staff to forward a response to Member Jacob Haik regarding how the BP/ARCO funding was spent.*
✓ Forwarded response to Member Haik on January 25, 2007.

Action: *Add monthly followup to CARB's actions on AB 32.*

Agenda Item #3 – Discuss 2006 LGSBA Accomplishments, & 2007 Goals & Objectives

Chair Carney asked members for any comments or corrections on the 2006 accomplishments. There were none. Regarding the Goals & Objectives, Chair Carney asked to add the reporting on AB 32.

Action: *Update 2007 Goals & Objectives to add monthly reporting on AB 32.*

Mr. Adams stated that there is a lot of activity going on with AB 32. The bill has only been in effect since January 1, 2007, but the whole purpose of agendizing this item is to pick up the enormous amount of activity that is occurring in Sacramento. Mr. Cunningham stated that he agrees with Mr. Adams that some months there may not be as much to report, but this is going to be a major issue and there is a lot going on which will develop over time.

Mr. Logan stated he didn't have an opportunity to submit any suggestions for any of these particular items, but one item that he is very interested in learning about, are cumulative impact updates which may fit under the environmental justice programs.

Action: *Update 2007 Goals & Objectives to add "including cumulative impacts," under Environmental Justice program updates.*

Mr. Adams asked if AQMD has a counterpart program in terms of implementing AB 32. When we are asking for monthly AB 32 status reporting that would also include, I'm assuming, activities within this agency. Dr. Barry Wallerstein responded that AQMD staff, thus far, has been asked to do two things relative to AB 32 implementation in terms

of the request from the state. The first is that the state has requested a briefing on our RECLAIM program and in essence, we have told them that we thought that there were lessons learned in setting up a RECLAIM program and potential pitfalls that we have been through on criteria pollutant trading that at this stage, is going to pursue a cap & trade program, which is controversial. We think that you should learn from the things we did well and the things that could have been done differently. CARB has asked us to come up with a review on that so we are arranging to do that. They have set up a Technology Advancement Advisory Committee and Dr. Alan Lloyd is chairing that effort and we spoke a few days ago, about wanting to get some input and participation from the AQMD even though we are not formally one of the committee members. They have contacted us about holding their May meeting at the AQMD and adding AQMD to their agenda to arrange to have Dr. Chung Liu provide some information on how we implement technology advancement programs. In terms of other activities, the California Air Pollution Control Officers Association, to which the AQMD is a member and I'm the representative, since the discussions of AB 32 began, has suggested that there are opportunities to leverage what is being done on the criteria pollutants side to make the AB 32 program implementation more effective and less costly.

Mr. Adams stated in terms in metering out the Goals & Objectives over the year, are we simply going to follow as they come up on the rulemaking calendar? Dr. Ganguli stated that it depends on coordination with the Rulemaking calendar and the agenda and prioritization because some items of are high priority. Staff consults with the Chair of the committee to set the agenda and also to provide an opportunity to have your comments sent over to the Administrative Committee and the Board in time for that particular decision so those are considerations. Mr. Adams stated that at the very least, we would follow the rulemaking calendar. Dr. Ganguli concurred. Chair Carney stated but if there are specific items that are not really related to rulemaking, such as environmental justice issues, members can always ask the Chair to include an item on the agenda. Dr. Ganguli stated that we are not limited by the Goals & Objectives so if you have items that you wish to add on and if you let the Chair know, staff can always respond. Dr. Lyou stated that he wanted to clarify that the motion included the amendment that Mr. Logan had suggested. Chair Carney stated yes with the two changes, the addition of the reporting on AB 32 and the cumulative impacts under environmental justice.

Motion to adopt Goals & Objectives, was made, and approved.

Action: *Update Goals & Objectives and forward both 2006 Accomplishments and 2007 Goals & Objectives to the Administrative Committee.*

Agenda Item #5 – Status Report on AQMD’s Federal and State Legislative Agenda for 2007

This item was taken out of order. Chair Carney stated that most of the committee members follow AQMD activities closely, it is an extremely aggressive legislative agenda this year and the input of this committee would be interesting and useful. Dr.

Ganguli provided a status report on AQMD's Federal and State Legislative Agenda for 2007-2008 (see attachment).

In Washington, there are three major areas for AQMD's legislative efforts this year. The principle focus is the Chairman's Mobile Source Fair Share Initiative. There are two other items that we are working on at the federal level: 1) Tax Incentives or credits for facilitating modernization and early conversion of equipment; and 2) the appropriations angle of the funding for our technology advancement processes. In addition to this, if there are bills that hamper environmental progress are introduced in either House, then obviously the Board will expect us to react to those and make sure that our clean up efforts are preserved. The major policy thrust is the Chair's initiative. This proposal is based on the fact that this basin cannot achieve the clean air standards without reducing emissions from mobile sources that are primarily under state and federal jurisdiction. However, not much has been done in this area. Our stationary sources, which include the large and small businesses, and other services, such as dry cleaners, service stations, power plants, and refineries have reduced emissions by 90% or more. In comparison, mobile sources, such as locomotives, marine vessels, aircraft have not done their fair share. Controls in that area are about 50% or less in relation to stationary source control levels. When you look at the AQMP and the draft that is out on the street for review, you will notice that 80% or more of our area's smog problem is really caused by these mobile sources.

Ms. Barbara Baird stated she wanted to provide additional detail on one key area that could potentially be very significant. Those of you that have followed the AQMP over the years know that in past years, the state, including the South Coast District, have consistently maintained that we need aggressive action from the federal government if we are ever going to attain the standards by the timelines required, but EPA has repeatedly said that they are not going to accept any assignment from the state or local governments in order to help attain the federal standards. They base that on the simple fact that the Clean Air Act requires the states to adopt a plan that would demonstrate attainment with the applicable standards. One of our federal measures would require that the federal government & EPA adopt sufficient measures that in conjunction with the measures in the SIPs throughout the nation, are sufficient to demonstrate attainment in all areas of the United States by the applicable deadline. We want to broaden their authority in two ways to help carry this out. One is to provide that the measures can be regional in scope, not national. If at EPA's discretion, they believe that's appropriate. Secondly, that they have the authority to regulate mobile sources that are no longer new. Most of the provisions of the Clean Air Act that give EPA authority over motor vehicles, non-road engines, locomotives, etc., are limited to new equipment so we want to give them some authority there. Potentially, we may propose that this authority needs to be exercised only if EPA finds that the state has already done everything that it is not preempted from doing. So there is really no alternative, but to have federal support.

Mr. Logan asked in regards to the federal preemptions, how does this impact the efforts in terms of the legislation mandating EPA's actions. Does that basically limit the authority of the local jurisdiction? How are we addressing federal preemptions on

interstate commerce and regulating some of these issues? Ms. Baird stated in the areas that Dr. Ganguli has mentioned, it does intend to either change or clarify existing law with respect to preemption. For example, there's been a court interpretation that the nonroad engine preemption applies not only to new nonroad engines, but also to existing engines which is different from the motor vehicle preemption. We are asking that be changed. We are asking that EPA revise its preemption for locomotives. In the locomotives, they preempt not only what we would normally think of as new, but engines which are being remanufactured which they do about every seven years, as well as engines that are within 133% of their useful life, which basically means that the engine is always considered new and preempted so we are asking that to be changed.

Dr. Wallerstein commented that he had a meeting a week ago with the Asst. Administrator of Air and Radiation from the U.S. EPA and he brought up this specific issue about a rebuilt engine not being a new engine, and he said that the change in the EPA regulation was part of the agreement that CARB had bargained with the railroads for the first MOU. CARB has agreed to have its authority taken away to secure the first MOU. Chair Carney stated all of this is highly legal and kind of hair-splitting, but what it comes down to is saying to EPA, actually asking Congress to say either get the EPA to regulate the sources under its jurisdiction or let us do it, or otherwise we cannot achieve clean air. There are lots of details and it's very technical and that's basically what it is.

Mr. Priest said that his organization (Orange County Business Council) represents a lot of business groups and what would be helpful if the District could provide some talking points on the federal issues that could walk businesses through these key points in Southern California; this is why we need your help and this is what the impact would mean for you. Dr. Ganguli stated that we would be happy to provide that information. We will be seeking help from all the Chambers, including your business group on this issue. This is an issue that should be uniting all of us in action.

Action: *Forward Talking Points on Federal Issues to Committee members.*

Dr. Lyou asked was their any consideration to have the agency be involved in the proposal to eliminate the Lead standard in terms of criteria pollutants on a federal level and also to reduce reporting requirements under the toxic release inventory? Dr. Wallerstein responded given our Board's long-standing policy of protecting public health and being opposed to unnecessary repeal of standards and in the precedent that we felt that would set by moving it from a criteria pollutant standard into the toxic air contaminant control program – Counsel's office, specifically Ms. Baird, drafted a letter that we sent to EPA advising them of the action that they are proposing is wrong. Dr. Lyou asked have you done anything on the proposal to reduce reporting requirements under TRI? Chair Carney asked to inform everyone what TRI is. Dr. Lyou responded the Toxic Release Inventory requires businesses who generate a certain amount of criteria pollutants to actually report their toxic air emissions on an annual basis and there was a proposal by the federal government to reduce the reporting requirements and in areas such as ours that are heavily industrialized and sometimes there are a lot of small sources concentrated in a small geographic area that could have a real impact on communities

right-to-know about toxic sources in their area. Dr. Wallerstein stated that hasn't been on our radar screen if you send me or Ms. Baird a reference to the rate, we will have staff take a look at the information.

Board Member Cynthia Verdugo-Peralta stated that she is hopeful that with this current EPA administration, there is more of a recognition of the urgency that's happening at the South Coast, but having spoken to an EPA administrator and how they paint the entire United States with such a broad brush, she asked why EPA has regions. If the problems we are facing in Region IX are so different from the problems on the East Coast then you need to allow that region to address it and we have an administrator for Region IX who served on this Board.

Dr. Lyou stated that whenever you are proposing amendments to the statute that it provides opportunities for others even beyond your ability to stop it, to slip something in, or push back attainment dates or do something or other nefarious action.

Mr. Haik stated on the ports and locomotives, I just wanted some clarification, they are also able to set standards, but not exceeding CARB or AQMD standards, right, if you can clarify because you talk about the Port Authority, the California Ports being able to regulate the locomotives.

Dr. Wallerstein responded that the intent here is that the Port of Los Angeles and the Port of Long Beach have adopted a Clean Air Action Plan that has some measures to be implemented at the local level. It's anticipated that some of those measures may be the subject of litigation and under the structure of the Federal Clean Air Act, for certain types of sources, the state has an ability to move forward with regulations.

Dr. Ganguli discussed the state legislation. Mr. Logan stated on the greening the bonds issue, that he was really supportive of the concept and felt that we really need to consider the clean air portion of some of the infrastructure improvements especially when it comes to goods movement. A lot of the funding and the proposals are not taken into consideration. It impacts air quality and they both have to be coupled into the project, not just in the plans of the project, but also in the budgets of the projects so as we are approaching the legislators regarding the bonds for infrastructure improvements for goods movement, that those projects have to include improvements to air quality, not just improvements to capacity. I think this area is a good area to address at the state level and I am very supportive of it.

Mr. Adams asked about the Chairman's Mobile Source Fair Initiative, CARB to process local mobile source standards, how local is local? Dr. Ganguli responded what we have recommended, we do not have an exact definition of local, but what we are recommending here is that local air districts, as well as local authorities, such as the ports, perhaps even the airports, and other jurisdictions where we have a need for mobile source reductions. Mr. Adams asked what are you suggesting, do you want to lower emissions standards in San Joaquin Valley? Ms. Baird stated the way this particular provision is drafted it would require a local regional authority which is already defined in the Health

and Safety Code to include an air district, a city or a county, to go through a particular rule adoption process to make certain findings that are necessary for waiver and then as Dr. Ganguli mentioned earlier, would only apply if it does not have the affect of creating a third vehicle. In other words, if we decide if the Port of Long Beach has adopted an appropriate measure then that would become the California measure and would then be one of two standards that would have to be met, the federal standard and the California standard, but there wouldn't be 35 standards for different air districts and 182 for different cities. Board Member Verdugo-Peralta asked if you have overlapping agencies, if they have their own jurisdiction and ours is more stringent, are we still going to have authority over that or are they going to be able to say you've named us as having our own authority, therefore, we are going to go forward and are going to ignore AQMD? Ms. Baird responded which ever had the more stringent would be the one that would be submitted by EPA for the federal waiver, we should make that clearer in the legislation.

Dr. Lyou asked whether under green bonds, you were considering to advocate for an environmental justice component so that the most heavily impacted areas are sure to benefit from the spending that is going to occur. Dr. Wallerstein responded that the answer was yes; that's been the South Coast District's staff advice, as well as CAPCOA's advice, and we have pointed back to Assembly Member Marco Firebaugh's original program as reference to that.

Mr. Priest commented that on the greening of the bonds, he would like to learn more as your thoughts and policies start to develop because there has been a lot of conversations, thus far, in Sacramento about the greening of the bonds and that could be translated into how do we stop much of the development of the roads and highways and infrastructure. Dr. Wallerstein stated our ideas are not to stop the projects. Our Board does have concern over a few of the projects, but when we talk about greening of the bonds, we are talking about using low polluting construction equipment and we would like to see that required to the degree feasible. To the extent that the legislature decides that is not acceptable, then what we have discussed is to give extra points in the bidding process and we have provided Sen. Lowenthal and others with copies, for example of our Board's policy, where we give extra bonus points in our bid process if you use low emission delivery trucks or deliver off hours. The other thing that Dr. Ganguli is referencing relative to the greening of the bonds, is all of a sudden now for the infrastructure projects, for example rail, where the state tax payers are putting up the money for grade separations or potentially even railyards, we think that gives the state of California tremendous leverage to enter into an agreement with the railroads that if you want hundreds of millions of dollars in bond money, that we ask you to put in things, such as particulate filter on your locomotive so that it won't have as much impact on the communities or in the case of grade separations, which are a significant issue in Orange County, that maybe they agree that we will put up this amount of money, but we are expecting a good match from the railroads that you shouldn't just expect government to pick up the full tab for something like that. Mr. Priest stated that maybe this is another area which would be helpful for the business community to have some concepts and talking points to look at exactly what your intentions are because historically, when people hear the greening of the bonds, they immediately become concerned and say that

somebody is looking to bog down things. I think that business could get behind some of those proposals on things where the state would have leverage where the business community could say they want to do this and actually here's the benefits that we are going to get from that. Dr. Wallerstein stated Madam Chair if I could also mention in response to the concern that Mr. Priest is raising, we have suggested in our communications that it would be appropriate for the legislature to prioritize the projects because there is a desire by everyone to publicly approve these funds, to get these funds in motion. There are certain types of projects, again, the grade separations, where we have said to legislature this is a just a straight win-win for the environment and for goods movement. If you're planning to build a railyard across an elementary school, high school, a transitional school for homeless kids and the largest homeless veteran center in the United States, we think a facility like that, before you build it there, deserves some attention and discussion. The 710 freeway expansion is obviously very controversial and the appropriate steps have to be taken there in the way of analysis and discussion with the community at arriving at the proper thing to do and what we are trying to do is contribute to that discussion by our Board approving some special monitoring along the 710 freeway and those are kind of areas as we advise the legislation that discussions are needed on something like railyards.

Dr. Wallerstein stated the Port Clean Air Action Plan contains a measure that would restrict locomotives coming into the port, to locomotives that are equipped with advanced control devices. Dr. Wallerstein further stated AQMD's Governing Board, for the last two years, has strongly supported Senator Lowenthal's legislation to establish a container fee and has taken a policy position of adopting a container fee, or something like a container fee, whether the port establishes some sort of tariff or some other mechanism. What we have suggested, and it relates back to one of Mr. Priest's questions, is that there are certain projects on this infrastructure list that may be controversial to the community. For example, the Gerald Desmond Bridge has been identified for a widening project. Putting aside the construction impacts, if they use good construction equipment, you have mitigated it to the extent that you can. Then the issue becomes the increased truck traffic and the impacts that it might have on the community and the key to reduce those impacts and meet the pledge that the state has had for having commensurate mitigation would be to make sure that the truck fleet modernization program that is in the state plan, as well as in the local port plans, that we have supported with financial funding, as well with a policy matter, make sure that the modernization program really happens so we have suggested at a staff level, to Senator Lowenthal that the way to make that bridge project more palatable from an environmental impact standpoint is to make sure that the ports move forward on fleet modernization and have adequate funding for fleet modernization which may come in the form of a container fee.

Mr. Haik asked with respect to the container fee, the wording changed numbers on the container fee, originally monies after the breakdown is very small, but a third was supposed to come to the AQMD and then it got changed to CARB. Now there is word of maybe splitting that, a portion goes to CARB and a portion goes to AQMD. Is there preference from AQMD money coming straight to you, or money going straight to CARB? Dr. Wallerstein stated that the Governing Board's policy on this issue because it

has been discussed at the Legislative Committee, the first priority is to see that the money occurs, but having said that, the AQMD does feel that we are implementing the Carl Moyer Program. Our contracting processes are actually faster than the state. The state has come to us with peaker plant monies to have us implement because we can contract faster that it makes more sense for the monies to come to the AQMD; however, at a staff level, because we need to discuss this with some of the Board, one of the things that we've kicked around as maybe a concept is a model that can be followed is the Mobile Source Emission Reduction Committee which receives a portion of the motor vehicle registration dollars. The most important thing is to ensure that funding is used and used accordingly to the prescriptions that are in the Clean Air Plan.

Agenda Item #4 – Presentation on Proposed Rule 445 – Wood Burning Appliances

Ms. Lee Lockie provided a presentation on Proposed Rule 445 – Wood Burning Appliances (see attachment).

Mr. Geoff Blake asked does this apply to all the cabins up in Lake Arrowhead and Big Bear? Ms. Lockie responded yes; the only exception is the exemption with respect to the curtailments which allow use of wood burning appliances above 3,000 mls during curtailment periods. Mr. Blake stated for all the people that are now using natural gas with one of those log sets, are they going to have to rip out their fireplaces anyway because they are not natural gas fireplaces, if there is a traditional fireplace that is burning nothing but natural gas. Ms. Lockie stated no, that natural gas log set is considered just fine. If you have an existing fireplace with a gas log set and it's designed to also burn wood, you wouldn't have to do anything to it.

Board Member Verdugo-Peralta stated that Ms. Lockie made the presentation to the ECAG group a few days ago, and a couple of suggestions that she had made were if we include and talk to the CEC and put this in Title 24, then you would be addressing new construction, as well as remodels, because that is the building code that we have to follow in order to do a rebuild or a new construction, whether it's a new home or a tract of homes. The other thing that we had talked about is the green wood issue. If you go into getting a permit, yes, you can buy wood for a cord or half cord, many people in the mountain communities get their wood by going to the forest and getting a permit through the U.S. Forest Service and cutting down wood; however, it has to be marked and it has to be approved by the U.S. Forest Service so we also need to work with the Forest Service to make them aware of this to make sure there is no green wood issued to the public. The third thing that we had talked about was the fact that obviously when there is going to be a transfer of property and this is going to come into effect, if it's still in non-attainment, there has to be something, whether it's in the disclosure portion of the documents that the buyer does sign. Just like many things on there, they do ignore them and would just initial anyway. I think we need to be a little bit more proactive with the Realtor's Association so that they are totally aware of this requirement and onboard with us.

Mr. Logan asked about the contribution from backyard or patio fireplaces. Ms. Lockie stated we don't have specifics on their relative contribution, although we are aware that the market is growing to a very great degree.

Mr. Priest stated you indicated there were roughly 5 million housing units in the District. Do you have an estimate by 2012, how many of those would be noncompliant, or how many sellers of homes would have an issue when they go to sell their homes starting 2012. Ms. Lockie responded that realtors have told us that the average home transfers every 10 years. Remember that the property transfer requirement is only for those homes in the PM_{2.5} non-attainment area which we would expect to be very small by that time. We expect it to be non-existent by 2012. Mr. Priest asked so you don't really think there will be a disclosure transfer issue? Ms. Lockie responded yes, that's right, we don't expect it to be, but we really are committed to bring a contingency plan to the Board. If this is a contingency measure in the rule, we want to be prepared to tell the Board how we would implement this. We do not want to go to the Governing Board in a poorly thought out proposal as far as it would be implemented because it will be in the rule regardless of the fact it might be five years away so we are determined to work with the realtors to come up with a reasonable way for that particular transaction that would be simple and easy for the seller and the buyer to adhere to. Mr. Priest asked are there exemptions for public firepits, such as those down at the beaches and similar facilities? Ms. Lockie stated currently, they would not be subject to the rule, but we have received that as a public comment and we are looking into it because that has also been a source of some complaints in the past about big beach bonfires, but so far we have not included any provision in this proposal. If it were considered, I think it might be part of another rule, such as the Open Burning Rule, rather than this wood burning appliance rule.

Dr. Lyou stated I believe I heard you say twice that the transfer of non-compliant wood heaters provision would apply to those areas that are out of attainment with the standard, but when I look at this it says 20 micrograms per cubic meter and the federal standard is 15 and the state standard is 12. I need some clarification. Ms. Lockie responded in the areas in 2012, where there are PM_{2.5} violations and the standard is 15, we are trying to provide a margin of safety or a margin of error, if it's above 20 micrograms per cubic meter. We are using 20, not the standard. Dr. Lyou stated that it's very confusing when you state that you are using the standard and then you use 20.

Agenda Item #6 - Monthly Report on Small Business Assistance Activities

No comment.

Agenda Item #7 - Other Business

No comment.

Agenda Item #8 - Public Comment

No comment.

Agenda Item #9 - Adjournment

The meeting adjourned at 12:10 p.m.