



# San Joaquin Valley

## AIR POLLUTION CONTROL DISTRICT

February 14, 2008

Ms. Mary Nichols, Chair  
California Air Resources Board  
1001 I Street, 23<sup>rd</sup> Floor  
Sacramento, CA 95814

RE: Proposition 1B: Goods Movement Emission Reduction Program  
Proposed Guidelines for Implementation

Dear Board Members:

The San Joaquin Valley Air Pollution Control District (SJVAPCD) wishes to thank the California Air Resources Board (ARB) for the opportunity to comment on the proposed guidelines for the Proposition 1B Goods Movement Emission Reduction Program, dated February 4, 2008. In general, the SJVAPCD is supportive of the proposed implementation guidelines and the source category allocations recommended by ARB staff. However, we continue to be concerned with the regional allocations proposed by ARB staff. SJVAPCD's comments are summarized below:

### **Comment 1:**

At the January 17, 2008 SJVAPCD Governing Board Meeting, the Board passed Resolution No. 08-01-10 urging ARB to reconsider the regional allocations based on several factors, which are summarized below. A copy of the Governing Board memorandum and associated resolution are attached for your reference.

1. **The ARB staff proposal relies on goods movement emission inventory figures that have not been officially sanctioned** - The emission inventory that ARB used to develop the Proposition 1B funding allocations among transportation corridors in California is based upon yet-to-be-finalized on-road motor vehicle emission inventory that ARB is developing as part of their In-use Heavy-Duty Diesel Vehicle Regulation. The emission inventory used to develop the 2007 State Implementation Plans (SIPs) for South Coast, San Joaquin Valley and the State Strategy

**Seyed Sadredin**

Executive Director/Air Pollution Control Officer

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#### **Northern Region**

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#### **Central Region (Main Office)**

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used EMFAC 2007 for estimating emissions from on-road motor vehicles (including trucks). Significant differences exist between the two inventories, with the inventory under development reducing truck emissions in the San Joaquin Valley while increasing truck emissions in the South Coast district. The inventory change is based on two assumptions:

- a. The San Joaquin Valley truck traffic in the inventory under development is assumed to consist of newer trucks than what was assumed in EMFAC 2007 (thereby lowering emission estimates); and
- b. The inventory under development has the in-state fleet traveling fewer miles in the San Joaquin Valley than what was assumed in EMFAC 2007, which also reduces emissions.

The SJVAPCD's preliminary analysis does not support the above assumption made by ARB in estimating goods movement emissions in the Valley. In fact, the SJVAPCD believes that the current goods movement emissions in the Valley may be underestimated. ARB's proposed inventory for 2014 increases the South Coast NOx estimates by approximately 25 tons per day, and reduces the valley's NOx inventory estimates by approximately 60 tons per day. The net effect of this change is to decrease the Valley's funding allocation and increase South Coast's, both by about three percent, or \$30 million. The SJVAPCD objects to the use of this preliminary inventory change since it has not gone through the critical public review process. The SJVAPCD believes that the impact of the change is very significant, and warrants re-calculating the funding allocations using the emission inventories from the 2007 SIP submittals. There are several key areas in ARB's proposed inventory that have significant deficiencies: Vehicle miles traveled for trucks registered in California are allocated to the county in which they are registered; the average age of vehicles was determined using a state average; assumes that 50% of heavy-duty truck travel in the San Joaquin Valley is from out of state trucks; does not incorporate results and analysis from ARB's Agricultural Truck Survey.

2. **ARB staff proposal ignores Valley's needs for expedited attainment of the 8-hour ozone standard by 2017.** The "SIP needs" figures used by ARB staff only consider the 2014 needs for PM 2.5 attainment and fully ignores the Valley's needs for Ozone attainment in 2017. This is contrary to the concerns and commitments expressed by Governor Schwarzenegger and your Board. In June of 2007, Governor

ORIGINAL: Board Clerk  
Copies: Executive Officer  
Chair



Schwarzenegger expressed deep disappointment in the timeline for achieving the federal 8-hour Ozone standard in the San Joaquin Valley by stating: *"There are few environmental issues facing Californians that are more important than children's health, our quality of life, and our economic security than air quality."* At the November 2007 ARB meeting, the State Board members also expressed their interest in continuing to pursue achieving the goal of meeting the Federal Ozone Standard by 2017. After hearing testimony regarding the District's 2007 Ozone Attainment Plan, Chairman Nichols stated: *"I was struck by how many people indicated that even though it might not be a legally binding deadline, that they still wanted to strive towards the goal of attainment by 2017. And I think we should encourage them to do that, and add our weight to that; that we should continue, even with a black box and some technology breakthroughs that we don't know yet, to say that 2017 is still our idea of an appropriate goal to be reaching for."* Of all the transportation corridors, the San Joaquin Valley is the only region that is committed to attaining the 8-hour ozone standard in 2017 and needs additional new reductions for that purpose. Based on ARB staff's report on accelerating ozone attainment in the San Joaquin Valley on November 15, 2007, the Valley will need an additional 49 tons per day to figures used for "SIP needs" in the Central Valley.

3. **ARB staff proposal relies on population figures without considering population exposure to air pollution.** One of the factors considered by ARB in regional funding targets is the population in each trade corridor. ARB staff gives equal weight to population as other factors that relate to impact of good movement emissions on a region. To remain true to the spirit and the explicit language of the implementing legislation that requires prioritization of funding in the most impacted areas, the population figures should be normalized using per capita exposure to goods movement emissions.

**Comment 2:**

The proposed funding cap of \$50,000 per truck for truck replacement projects (Appendix B, page B-3) may discourage participation.



**Recommendation:**

The SJVAPCD proposes that the cap for partial funding of new trucks for truck replacement projects be increased. Several factors including the loss of any residual trade-in value on the old trucks due to the crushing requirement, financing and debt service issues, etc., may present difficulties for owner-operators and small businesses wishing to participate in the program. If the cap were increased, more owner-operators and small businesses operating older trucks may have the ability to participate in the program.

**Comment 3:**

The provision that requires unspent program funds from executed equipment projects to immediately revert to the California Ports Infrastructure, Security, and Air Quality Improvement Account is unnecessary. While the SJVAPCD supports and encourages the responsible and expeditious liquidation of program funds, this requirement may actually work to prohibit or delay the liquidation of the program funds by returning unspent funds for reauthorization.

**Recommendation:**

The SJVACPD understands that this requirement is specified in the implementing legislation (SB 88); however, it is the opinion of the SJVAPCD that this may have been an unintended consequence of the legislative language. The SJVAPCD recommends and would support a change to the implementing legislation that would allow unspent funds to be retained by the local agencies and allocated to projects not initially funded (i.e. projects on a waiting list). This would expedite the allocation and expenditure of the programs funds.

**Comment 4:**

ARB Staff has made assurances that the Valley would most certainly realize benefits from projects funded in other trade corridors. The guidelines prohibit local agencies from targeting vehicles that operate only in their respective regions and, further, state that "local agencies administering bond monies shall be required to fund projects based on the total emission reductions expected in the State (not just their local area)." However, there appear to be no safeguards in the guidelines that would prohibit a local agency from handpicking region-specific projects from a pool of applications with like emission benefits and pass over projects that may provide greater benefit in more than one trade corridor.



The guidelines appear to simply suggest that co-benefits are a potential goal for the program without any means to force such benefits.

**Recommendation:**

There should be specific language in the guidelines that ensures that regions with a disproportionately high volume of pass-through truck traffic, such as the San Joaquin Valley do, indeed, realize the full benefits of the program. Twenty-five percent (25%) of the funding available for heavy-duty trucks serving seaports and intermodal rail yards should be reserved for projects that are multi-corridor in nature that travel at least 50% of their vehicle miles in the Central Valley Trade Corridor. As the guidelines are currently written, there are not sufficient assurances that emission reductions will occur in multiple trade corridors, specifically in the San Joaquin Valley.

**Comment 5:**

The SJVAPCD would like to encourage ARB to consider project types, other than those currently contained within the guidelines, which can be shown to produce real, quantifiable and surplus emission reductions from goods movement-related activities. The SJVAPCD believes that there are actually four ways to realize emission reductions from heavy-duty trucks: retrofit, repower, replacement and reducing truck trips by taking trucks off of the roads.

**Recommendation:**

The guidelines should allow projects with verifiable emission reductions, which reduce truck trips (such as inland ports) to compete with the other project categories based on cost-effectiveness. The SJVAPCD believes that these projects would compare favorably with other project types currently contained within the proposed guidelines.

**Comment 6:**

The SJVAPCD believes that the proposed guidelines for three way truck transactions are too restrictive and may discourage participation. The guidelines restrict the initial transaction to truck model-years 2003 to 2006. According to ARB, this restriction was proposed to avoid the vehicles in the so-called "cheater-chip" years or years in which engine emission controls were defeated to increase performance.



Ms. Mary Nichols  
California Air resources Board  
February 14, 2008

There are very few truck owners in the San Joaquin Valley, other than the largest of fleet operators, that would be in a position to take advantage of this option because, in most San Joaquin Valley fleets, trucks of this age are still considered "new." Additionally, the cost of retrofitting the 2003-2006 model-year trucks is not eligible for funding under this option, leading to additional expenses incurred by the truck owners and even less of an incentive to participate.

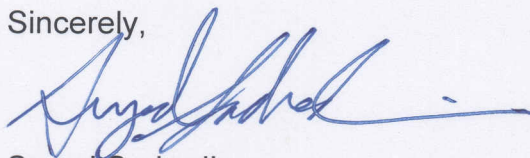
**Recommendation:**

The SJVAPCD recommends that the eligible model-years for the three-way truck transaction be expanded to include 1998 to 2006 with the caveat that this only applies to engines that are either documented to have been re-flashed, or according to the engine manufacturer, are suitable for re-flash. In this case, the SJVAPCD proposes to ensure that, prior to participation in the program, the original truck owner has completed the engine re-flash.

Additionally, the SJVAPCD recommends that the mandatory retrofit of the original truck be eligible for partial funding to be consistent with the retrofit only option. Furthermore, the SJVAPCD requests the ability to match potentially viable three-way trade applicants with other applicants after application submittal and prior to project scoring and ranking to maximize the effectiveness of the program.

Again, we appreciate the opportunity to comment on these proposed guidelines and look forward to partnering with you in this groundbreaking new program to improve the health and quality of life for the residents of the San Joaquin Valley and California. Should you need any additional information, please do not hesitate to contact me at (559) 230-6000.

Sincerely,



Seyed Sadredin  
Executive Director/APCO

Enclosure

Cc: James Goldstein





# San Joaquin Valley

## AIR POLLUTION CONTROL DISTRICT

### GOVERNING BOARD

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**Vacant**  
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[www.valleyair.org](http://www.valleyair.org)

**DATE:** January 17, 2008

**TO:** SJVUAPCD Governing Board

**FROM:** Seyed Sadredin, Executive Director/APCO  
Project Coordinator: Rick McVaigh

**RE:** CALIFORNIA AIR RESOURCES BOARD  
ALLOCATION OF PROPOSITION 1B GOODS  
MOVEMENT AIR QUALITY MITIGATION FUNDS

### RECOMMENDATION:

Adopt the attached resolution urging the California Air Resources Board (ARB) to increase the District's share of Proposition 1B goods movement air quality mitigation funds above the levels proposed by ARB staff on January 3, 2008.

### BACKGROUND:

In November of 2006, California voters approved Proposition 1B authorizing \$1 billion in bond funding to reduce air pollution associated with the movement of freight along California's trade corridors. Subsequent implementing legislation established standards and procedures for the expenditure of these funds. The state Air Resources Board (ARB) was designated as the administering agency responsible for programming the bond funds in partnership with local agencies such as the air districts.

In 2007, the District successfully advocated that heavy duty truck emissions down stream and separate from the ports be given equal weight as port emissions in assessing goods movement impact on air quality, and that most severely impacted regions be given priority in the expenditure of bond funds.

The state's 2007-08 budget includes the first installment of \$250 million. On January 3, 2008, ARB staff published their proposed implementation guidelines, including allocations by region and by source category. These recommendations will be considered by the ARB Board members during their regularly scheduled board meeting on January 24<sup>th</sup>.



### **ARB STAFF PROPOSAL:**

The January 3, 2008 ARB Staff Report discusses and recommends their board approval of the implementation guidelines for the expenditure of the Proposition 1B funds. This document describes the program structure, requirements, eligible projects, funding criteria, and procedures. Additionally, this document contains funding allocation by source category and region as illustrated below:

**Table 1. ARB Recommended Source Category Funding Targets**

<b>Funding*</b>	<b>Source Categories</b>
\$400 million	Heavy duty diesel trucks serving seaports and intermodal rail yards
\$360 million	Other heavy duty diesel trucks that haul goods, plus any truck stop or distribution center electrification
\$100 million	Diesel freight locomotives
\$100 million	Shore power for cargo ships at berth, plus cargo handling equipment
\$ 40 million	Commercial harbor craft

\* Includes up to 8% Program administration costs.

**Table 2. ARB Recommended Trade Corridor Funding Targets**

<b>Factors Considered</b>	<b>Percent in Each Corridor</b>			
	<b>LA/Inland Empire</b>	<b>Central Valley*</b>	<b>Bay Area</b>	<b>SD/Border</b>
Population (2007)	51	17	22	10
Goods movement emissions - average % diesel PM and % NOx (2010)	45	26	20	9
SIP needs - new NOx reductions (2014)	70	30	0	0
Average of above factors	55%	25%	14%	6%
<b>ARB Staff Recommendations</b>	55%	25%	14%	6%
	<b>\$550M</b>	<b>\$250M</b>	<b>\$140M</b>	<b>\$60M</b>

\* Central Valley includes San Joaquin and Sacramento.

### **DISCUSSION:**

The District staff supports the implementation guidelines and the source category allocations recommended by ARB staff. We are, however, concerned with the regional allocations proposed by ARB staff as discussed below:

***ARB staff proposal relies on goods movement emission inventory figures that have not been officially sanctioned*** -- The emission inventory that ARB used to develop the Proposition 1B funding allocations among transportation corridors in California is based upon a yet-to-be-finalized on-road motor vehicle emission inventory that ARB is developing as part of their In-Use Heavy-Duty Diesel Vehicle Regulation. The emission inventory used to develop the 2007 SIPs for South Coast, San Joaquin Valley and the State Strategy uses EMFAC 2007 for estimating emissions from on-road



motor vehicles (including trucks). Significant differences exist between the two inventories, with the inventory under development reducing truck emissions in the San Joaquin Valley while increasing truck emissions in South Coast district. The inventory change is based on two new assumptions:

- the San Joaquin Valley truck traffic in the inventory under development is assumed to consist of newer trucks than what was assumed in EMFAC 2007 (thereby lowering emissions estimates); and
- the inventory under development has the in-state fleet traveling fewer miles in the San Joaquin Valley than what was assumed in EMFAC 2007, which also reduces emissions.

The District's preliminary analysis does not support the above assumption made by ARB in estimating goods movement emissions in the Valley. In fact, the District believes that the current goods movement emissions in the Valley may be underestimated. ARB's proposed inventory for 2014 increases the South Coast NOx inventory by approximately 25 tons per day, and reduces the Valley's NOx inventory estimates by approximately 60 tons per day. The net effect of this change is to decrease the Valley's funding allocation and increase South Coast's, both by about three percent, or \$30 million. The District objects to the use of this preliminary inventory change since it has not gone through the critical public review process. The District believes that the impact of the change is very significant, and warrants re-calculating the funding allocations using the emission inventories from the 2007 SIP submittals.

Using ARB's proposed regional distribution methodology, but using the official SIP emissions inventory will change the portion of trade corridor funding targets related directly to goods movement emission inventory as follows:

**Table 3. Corridor Funding Targets with District-Recommended Goods Movement Emission Inventory Factors**

	Percent in Each Corridor			
	LA/Inland Empire	Central Valley	Bay Area	SD/Border
Population (2007)	51	17	22	10
Goods movement emissions - average % diesel PM and % NOx (2010) using approved SIP inventories	37	37	13	13
SIP needs - new NOx reductions (2014)	70	30	0	0
Average of above factors	53%	28%	12%	8%
<b>Funding Target using approved SIP Inventories</b>	<b>\$530M</b>	<b>\$280M</b>	<b>\$120M</b>	<b>\$80M</b>

**ARB staff proposal ignores Valley's needs for expedited attainment of the 8-hour ozone standard by 2017** – The "SIP needs" figures used by ARB staff only consider the 2014 needs for PM2.5 attainment and fully ignore Valley's needs for Ozone attainment in 2017. This is contrary to the concerns and commitments expressed by



Governor Schwarzenegger, Chairman Mary Nichols, and the ARB Board as a whole. In June of 2007, Governor Schwarzenegger expressed deep disappointment in the timeline for achieving the federal 8-hour Ozone standard in the Valley stating: *"There are few environmental issues facing Californians that are more important to our children's health, our quality of life, and our economic security than air quality."* At the November 2007 ARB meeting, the State Board members also expressed their interest in continuing to pursue achieving the goal of meeting the Federal Ozone standard by 2017. After hearing testimony regarding the District's 2007 Ozone Attainment Plan, Chairman Nichols stated: *"I was struck by how many people indicated that even though it might not be a legally binding deadline, that they still wanted to strive towards the goal of attainment by 2017. And I think we should encourage them to do that, and add our weight to that; that we should continue, even with a black box and some technology breakthroughs that we don't know yet, to say that 2017 is still our idea of an appropriate goal to be reaching for."*

Of all the transportation corridors, the San Joaquin Valley is the only region that is committed to attaining the 8-hour ozone standard in 2017 and needs additional new reductions for that purpose. Based on ARB staff's report on accelerating ozone attainment in San Joaquin Valley on November 15, 2007, the Valley will need an additional 49 tons per day of NOx reductions to attain in 2017. Therefore, ARB must add an additional 49 tons per day to figures used for "SIP needs" in the Central Valley. Doing so will change the portion of the trade corridor funding targets related to SIP needs as follows:

**Table 4. Corridor Funding Targets with District-Recommended SIP Needs Factors**

	Percent in Each Corridor			
	LA/Inland Empire	Central Valley	Bay Area	SD/Border
Population (2007)	51	17	22	10
Goods movement emissions - average % diesel PM and % NOx (2010)	45	26	20	9
<i>SIP needs - new NOx reductions (2014) plus SJV NOx SIP gap in 2017</i>	<i>59</i>	<i>49</i>	<i>0</i>	<i>0</i>
Average of above factors	52%	28%	14%	6%
<b>Funding Target considering SJV 2017 SIP Gap</b>	<b>\$520M</b>	<b>\$280M</b>	<b>\$140M</b>	<b>\$60M</b>

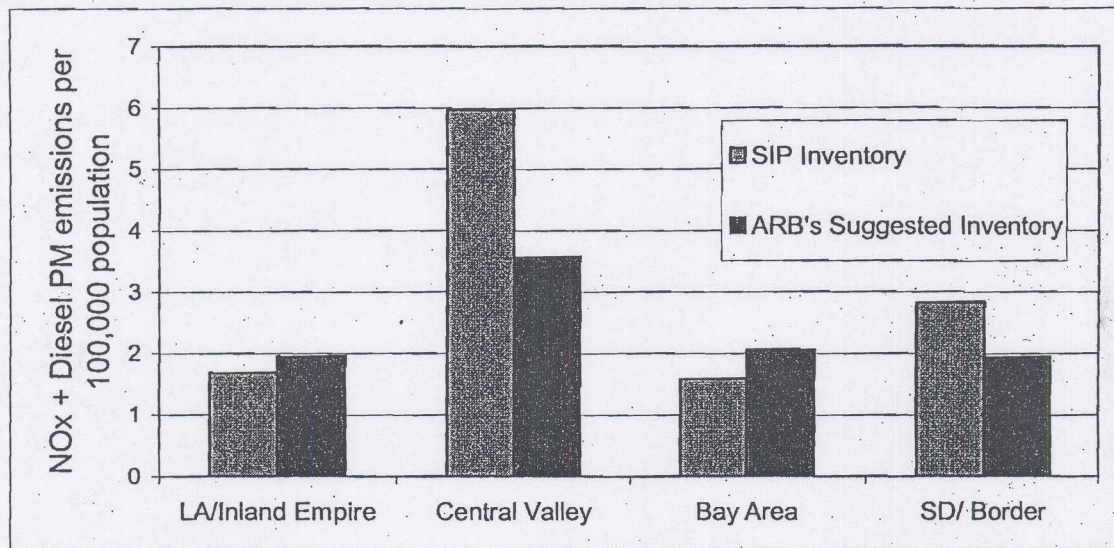
**ARB staff proposal relies on population figures without considering population exposure to air pollution** – One of the factors considered by ARB in regional funding targets is the population in each trade corridor. ARB staff gives equal weight to population as other factors that relate to impact of good movement emissions on a region. To remain true to the spirit and the explicit language of the implementing legislation that requires prioritization of funding in the most impacted areas, the



population figures should be normalized using per capita exposure to goods movement emissions.

The per capita exposure to goods movement emissions for each transportation corridor is as follows:

**Figure 1. Good Movement Emissions Per Capita Exposure**



ARB used percentage of the total population as one of the three factors used to determine the distribution of Prop 1B funds. Proper use of population figures would require a consideration of population exposure to goods movement emissions. Towards that end, the population factor must be the average of the total population percentage and the percentage of PM and NOx emissions per capita.

**Table 5. Corridor Funding Targets with District-Recommended Population Factors**

	Percent in Each Corridor			
	LA/Inland Empire	Central Valley	Bay Area	SD/ Border
Population factor - considering exposure	33	32	17	18
Goods movement emissions - average % diesel PM and % NOx (2010)	45	26	20	9
SIP needs - new NOx reductions (2014)	70	30	0	0
Average of above factors	49%	29%	12%	9%
<b>Funding Target considering population exposure</b>	<b>\$490M</b>	<b>\$290M</b>	<b>\$120M</b>	<b>\$90M</b>



Tables 3 through 5 show the impact of changes in regional allocation if individual recommendations by the District are incorporated while retaining all other factors as proposed by ARB staff. Table 6 below shows the cumulative impact of adopting all District recommended changes as outlined above.

**Table 6. Summary Table of District-Recommended Allocation Factors**

Factors Considered	Percent in Each Corridor			
	LA/Inland Empire	Central Valley	Bay Area	SD/ Border
Population factor - considering exposure	33	32	17	18
Goods movement emissions - average % diesel PM and % NOx (2010) using approved SIP inventories	37	37	13	13
SIP needs - new NOx reductions (2014) plus SJV NOx SIP gap in 2017	59	41	0	0
Average of above factors	43%	37%	10%	10%
<b>District Staff Recommendations</b>	<b>\$430M</b>	<b>\$370M</b>	<b>\$100M</b>	<b>\$100M</b>
<b>ARB Staff Recommendations, for comparison</b>	<b>\$550M</b>	<b>\$250M</b>	<b>\$140M</b>	<b>\$60M</b>

In addition to the adjustments described above, there are additional compelling reasons for significantly increasing the Valley's allocation:

***The Valley faces a great challenge*** -- One important consideration in determining the allocation of Proposition 1B funding for the Valley should be the magnitude of the District's air quality challenge. The District is designated as an extreme non-attainment area for the health-based 8-hour federal ozone standard and a non-attainment area for the PM2.5 standard. High summertime temperatures, stagnant weather conditions, and inversion layers make the bowl-shaped Valley much more susceptible to high pollution levels that can adversely impact resident's health. Even though the Bay Area has six times more emissions per square mile than the Valley, that region enjoys much better air quality because of the sea breezes that disperse its emissions. Los Angeles, which also has more favorable meteorology and topography, has a pollution density 10 times greater than ours, yet their air quality is not significantly worse. Because of our unfavorable geography and meteorology, the adverse impact of goods movement emissions is far greater than in other areas. A larger share of the Proposition 1B air quality mitigation funding is appropriate to help further mitigate this impact.

***Goods movement is the largest single source of the Valley's air quality problem*** -- The heavy-duty diesel trucks used for goods movement are, by far, the Valley's largest single source of smog-forming oxides of nitrogen (NOx), representing over 50% of the mobile source emissions, and over 40% of total NOx emissions. These heavy-duty trucks are under the primary regulatory jurisdiction of the state and federal governments, and not the local Air District. In other areas of the state, emissions from passenger vehicles are more significant, but in the Valley, mitigating air pollution from



goods movement must be the highest priority, and a higher level of state funding is necessary to achieve that mitigation.

***More over-the-road goods movement occurs in the Valley*** -- Highway 99 and Highway 5 in the Valley carry more heavy duty truck traffic than any other goods movement corridor in the state. According to an ARB technical memo related to the EMFAC emissions model, 45.9% of the 2010 Vehicle Miles Traveled in the four goods movement corridors will occur in the San Joaquin Valley. Because more over-the-road goods movement occurs in the Valley, a much larger share of goods movement air quality mitigation funding is appropriate.

***Environmental justice is a significant concern*** -- The Valley's Tulare and Fresno Counties have the highest rates of poverty in the state at 24%. Thirty-seven percent of children in the Valley live in poverty, which is well above the statewide average of 22%. Furthermore, the Valley has a diverse racial demographic profile. According to the California Research Bureau, 41% of Valley residents classify themselves as being Hispanic or Latino; 5% Valley residents classify themselves as being Asian-American; 4% of Valley residents classify themselves as being African-American; 1% of Valley residents classify themselves as being Native-American; and 4% of Valley residents classify themselves as being of some other non-Caucasian race. Finally, the Valley has a high percentage of English learners. Twenty-four percent of the students enrolled in Valley schools are classified as English learners. Additional funding would help serve the needs of the Valley's diverse low-income population, which often has less access to education and health services, by reducing exposure to air pollution from goods movement.

***The District will use additional funding effectively*** -- The District has over 15 years of experience implementing successful incentive programs. To date, the District has awarded over \$179 million, achieving over 57,000 tons of emission reductions. The District has recently participated in several successful State audits of the incentive programs, including the Bureau of State Audits, ARB Carl Moyer Program, and State Department of Finance. The audits revealed relatively few findings that were minor and administrative in nature, and simply required adjustments to paperwork submitted to ARB. ARB commended the District on its incentive programs and indicated that it may be designated as a "Gold Star" District, receiving special privileges such as reduced reporting requirements. Several District practices will be instituted by ARB as "best practices" for all air districts, including invoice scrutiny and pre- and post-inspection processes. The District has an outstanding track record of effectively using incentive funding to achieve meaningful emissions reductions.

Therefore, we are recommending the Central Valley receive at least 37% of the Proposition 1B air quality mitigation funding.

*Attachments:*

*Resolution - (3 pages)*



BEFORE THE GOVERNING BOARD OF THE  
SAN JOAQUIN VALLEY UNIFIED  
AIR POLLUTION CONTROL DISTRICT

IN THE MATTER OF: URGING THE  
CALIFORNIA AIR RESOURCES BOARD  
(ARB) TO INCREASE THE DISTRICT'S  
SHARE OF PROPOSITION 1B AIR  
QUALITY MITIGATION FUNDING

RESOLUTION NO. 08-01-10

**WHEREAS**, the San Joaquin Valley Unified Air Pollution Control District (District) is a duly constituted unified district, as provided in California Health and Safety Code (CH&SC) Sections 40150 to 40161; and

**WHEREAS**, in November of 2006, California voters approved Proposition 1B authorizing \$1 billion in bond funding to reduce air pollution and health risk along California's priority trade corridors; and

**WHEREAS**, in the January 3, 2008 ARB staff report on the Proposition 1B Emissions Reduction Incentive Program, ARB staff proposed to allocate only 25% of the Proposition 1B air quality mitigation funding to the entire Central Valley trade corridor, which includes both the San Joaquin Valley Air Pollution Control District and the Sacramento Metropolitan Air Quality Management District; and

**WHEREAS**, in the above-mentioned proposal for allocating the Proposition 1B funding, ARB staff relies on goods movement emission inventory figures that have not been officially sanctioned, lack technical justification, and are not consistent with numbers used in State Implementation Plans; and

**WHEREAS**, in the above-mentioned proposal for allocating the Proposition 1B funding, ARB staff ignores the San Joaquin Valley's need for expedited attainment of the federal 8-hour ozone standard by 2017, even though State Officials, including ARB members and Governor Schwarzenegger, have expressed their commitment to attaining the federal 8-hour ozone standard in the Valley by 2017; and

**WHEREAS**, in the above-mentioned proposal for allocating the Proposition 1B funding, ARB staff relies on population figures without considering per capita population exposure to air pollution; and

**WHEREAS**, the District's 2007 Ozone Plan identifies substantial new emission reductions that are needed to attain the health-based ambient air quality standards for



1 8-hr ozone and also for particulate matter less than 2.5 microns in diameter (PM2.5)  
2 implemented by the United States Environmental Protection Agency (EPA); and

3 **WHEREAS**, the District's *2007 Ozone Plan* shows that regulatory programs alone  
4 will not provide the emission reductions needed to meet federal Clean Air Act  
5 requirements for the federal 8-hr ozone and PM2.5 standards; and

6 **WHEREAS**, heavy-duty diesel trucks used for goods movement in the San Joaquin  
7 Valley are by far the Valley's largest single source of smog-forming oxides of nitrogen;  
8 and

9 **WHEREAS**, emissions from heavy-duty trucks are under the primary regulatory  
10 jurisdiction of the state and federal governments, not the District; and

11 **WHEREAS**, the San Joaquin Valley north-south trade corridor comprised of  
12 Highway 99 and Highway 5 carries more heavy-duty truck traffic than any other goods  
13 movement corridor in the state, 45.9 percent of the total vehicle miles traveled (VMT) for  
14 the four major goods movement corridors; and

15 **WHEREAS**, the San Joaquin Valley, due to its topography and meteorology, faces  
16 a greater challenge in improving air quality than any other area of California; and

17 **WHEREAS**, a higher level of goods movement air quality mitigation funding than  
18 proposed by ARB staff would help serve the needs of the Valley's diverse low-income  
19 population by reducing exposure to air pollution from goods movement; and

20 **WHEREAS**, the District has an outstanding track record of effectively using incentive  
21 funding to achieve meaningful emissions reductions;

22 **NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:**

23 The District urges the ARB to:

- 24 1. Use officially sanctioned heavy-duty truck emissions inventories in calculating  
25 goods movement air quality mitigation funding allocations; and
- 26 2. Consider the San Joaquin Valley's need for expedited attainment of the federal 8-  
27 hour ozone standard by 2017 in developing goods movement funding allocations; and
- 28 3. Consider the San Joaquin Valley population's exposure to air pollution, and not just  
the population numbers, in the formula for establishing goods movement funding  
allocations; and



1 4. Reaffirm their commitment to eliminating violations of health-based air quality  
2 standards in the San Joaquin Valley by allocating at least 37% of the total Proposition  
3 1B goods movement air quality mitigation funding to the Central Valley.

4  
5 **THE FOREGOING** was passed and adopted by the following vote of the  
6 Governing Board of the San Joaquin Valley Unified Air Pollution Control District this  
7 "adoption date", to wit:

8  
9 **AYES:** O'BRIEN, DOMINICI, PEREA, NELSON, CASE  
10 WORTHLEY, BARBA, WATSON, BRAR, VIERRA, ORNELLAS

11 **NOES:** NONE

12  
13 **ABSENT:** NONE

14  
15 SAN JOAQUIN VALLEY UNIFIED  
16 AIR POLLUTION CONTROL DISTRICT

17  
18 By  \_\_\_\_\_

19 Leroy Ornellas, Chair  
20 Governing Board

21 ATTEST:

22 Clerk to the Governing Board

23 By  \_\_\_\_\_

24 Toni Taber  
25  
26  
27  
28