

TREASURE VALLEY AIR QUALITY COUNCIL

MEETING MINUTES

November 7, 2006

The Treasure Valley Air Quality Council ("Council") convened at 8:00 a.m. on November 7, 2006, at the Department of Environmental Quality's state office conference room center.

Council members present:

Beth Elroy, Micron Technology
John McCreedy, The Amalgamated Sugar Company
Commissioner Matt Beebe, Chairman, Canyon County Board of Commissioners
Gary Multanen, Best Bath Systems
Pete O'Neill, O'Neill Enterprises (Council Chairman)
Alan Prouty, J.R. Simplot Company
Dr. Dale Stephenson, Boise State University (Council Vice-chairman)
Rick Stott, Agri-Beef Company
Commissioner Rick Yzaguirre, Chairman, Ada County Board of Commissioners

Council members absent:

Mayor Garrett Nancolas, City of Caldwell
Dr. Roger Roos

Department of Environmental Quality ("DEQ") staff present:

Leonard Herr, Airshed Coordinator, Boise Regional Office
Jon Sandoval, Administrator, Boise Regional Office
Holly Goodman
Faye Weber

Others present:

Craig Carter
Charles Johnson
Mike Journee
Senator Kate Kelly
Senator David Langhorst
Mark Miller
Melinda O'Malley Keckler
Alan Shealy
Dennis Turner

NOTE: All attachments referenced in these minutes are available on the Council's Web site at: <http://www.treasurevalleyair.org/researchdocuments.html> or by calling the DEQ Boise Regional Office at (208) 373-0550.

The minutes of the October 10, 2006, meeting of the Council will be available for review upon finalization.

Chairman O'Neill spoke with staff of the Governor's office and confirmed that Dr. Dale Stephenson, Gary Multanen and Alan Prouty have been reappointed to another term. Chairman O'Neill also noted that Graye Wolfe has elected not to be appointed to a second term due to time constraints. In his place, the Governor has appointed Dr. Patricia McGavren, toxicologist.

Mark Miller gave a report on his personal observations from the Citizens Committee Meetings. He noted that although the Air Quality Board has a fairly successful program, it has been unable to get all the Ada County cities on board with the emissions testing program. He observed from the Citizens Committee Meetings that the emissions testing program is an emotional and politically charged issue for Canyon County and he believes that the meetings have done little to impress the Canyon County citizens of its importance. Mr. Miller also noted that he had attended a Boise Metro Chamber of Commerce meeting where an Amalgamated Sugar representative [John McCreedy] gave a good presentation although it was centered mainly on Amalgamated's air quality control program and may not have projected a neutral stance in line with the Council's objectives. Mr. Miller noted that air pollution control is an inexact science and hopes that upcoming presentations will target mayors and city council members and emphasize key concerns of economic growth in the valley, lifestyle and health risks. Mark Miller added that there is nothing in the Draft Plan that he objects to, although he would like to see more emphasis on enlisting business support.

Chairman O'Neill noted that the Council is limited by the legislation which created it to not interfere with the Citizens Committee's work. In addition, he stated that the legislation requires a science-based plan which he agrees is a hard sell in an emotionally and politically charged arena. Chairman O'Neill agrees that selling the program requires the support of local leadership. Alan Prouty stated that Ray Stark had contacted a number of Council members about attending the Chamber of Commerce meeting, but many could not attend due to late notice.

Mr. Prouty added that Ray Stark asked that Council representatives (1) give an update on the Council's progress and explain its recommendations, and (2) describe what industry is doing. He noted that the Amalgamated representative [John McCreedy] was the person available to attend. Mr. Prouty also stated that all of the Council members, in compiling their recommendations, are pulling together the facts and validating those to the best of their ability.

Chairman O'Neill stated that the Council needs an outreach program and also needs to firm up some of the recommendations. He mentioned that none of the Chamber of Commerce meeting attendees that he had spoken to felt that the presentation was biased.

John McCreedy noted that the Plan encourages good corporate citizenship and that he explains Amalgamated's position as part of that process. Mr. McCreedy also believes in a balanced approach and hopes that he is not the lead spokesperson.

Dr. Stephenson noted that future outreach programs should match the spokesperson(s) to the audience. Commissioner Beebe stated that Canyon County had adopted an air quality ordinance about six years ago. He noted that there is strident opposition to air quality controls from some Canyon County citizens and asked if there was anyone who might participate on the opposite side of that issue.

Mark Miller added that there may be long-time Canyon County residents who have come from metropolitan areas who might have a better idea of what is at stake and who might be tapped to participate as spokespersons.

Chairman O'Neill asked if the process for approving or modifying recommendations should involve a majority vote of members present or a unanimous vote and, if the latter, what accommodations should be made for absent members. Dr. Stephenson added that he did not know how voting should play out with absent members. He noted that a conference call option had been set up for this meeting and, given that, it was reasonable to ask why those members were not present. Chairman O'Neill stated that a concerted effort should be made prior to approval of the Plan to give every member an opportunity to comment. Rick Stott noted that Council members have had many opportunities to participate and, in addition, have access to the Minutes and would be able to dissent based on that record. Gary Multanen asked that the Minutes clearly state that the Council meetings will move forward and absent members should understand that voting will continue in their absence. Chairman O'Neill noted that preparation of the Minutes has been delayed.

Beth Elroy asked if the Council would be voting today on the recommendations or if the vote would wait until the Plan was finalized. She also added that absent members could be contacted regarding their vote and their "yes" or "no" vote could be retained as part of the Council record. Chairman O'Neill stated that the Plan is not yet fully fleshed out and that today's meeting was of a directional, not an advisory, nature. Commissioner Yzaguirre noted that a quorum is required for voting, regardless of absent members, and that future evening meetings might be appropriate.

John McCreedy distributed an outline of possible Plan revisions for Council review and feedback. He stated that the Drafting Committee is polishing Chapters 1 through 6, and needs some additional direction on Chapter 7. He noted that the Introduction states that the PM_{2.5} standard has been revised by EPA from 65 micrograms per cubic meter to 35 micrograms per cubic meter and that the Plan's language should be drafted with an eye toward the new, lowered standard surviving legal challenge. Mr. McCreedy noted that the Plan's recommendations under 7.1, page 78, reference a \$100,000 dedication to DEQ. He emphasized the Plan's focus on education—general air quality education, air quality alerts (currently handled by DEQ), public service announcements and wood stove education.

In response to Gary Multanen's question, Mr. McCreedy stated that the \$100,000 referenced in 7.1 is supplemental funding for DEQ. Mr. McCreedy also stated that the initial impression in June was that the \$100,000 would be a general appropriation by the Legislature to DEQ, though that has now changed. He added that both the City of Boise and COMPASS, in comments made on the Draft Plan, noted that the \$100,000 funding was ambiguous and needed clarification.

Beth Elroy asked what feedback had been received from the public on these recommendations. John McCreedy noted that he had read all of the comments posted on the message board and that Leonard Herr had printed all of comments received through October 24 and could make them available to Council members. Mr. McCreedy noted that, with the exception of controversial vehicle emissions testing, there were no large-scale objections to the vast majority of recommendations.

John McCreedy stated that the Draft Plan (page 79) proposed the establishment of an airshed management district and asked how this district would be titled, funded, represented and how should its function be described.

Rick Stott believed that a group of retailers had raised concern at one of the Citizens Committee meetings regarding cost related to "C," Stage One [vapor recovery] in the Draft Plan. Alan Shealy said he had received one feedback comment on how stations were going to pass on that cost and that sales tax was not a palatable choice. Mr. Shealy noted that there was no real conclusion, but it was assumed that cost would somehow get wrapped up in the overall revenue-based scheme. Chairman O'Neill agreed with Rick Stott's recollection and believes that a rulemaking process may eventually be used for this issue. Chairman O'Neill stated that the data suggests vapor recovery is probably the "biggest bang for the buck." Alan Shealy added that vapor recovery should be done; questions were raised as to how it should be funded.

John McCreedy gave a final comment regarding the need for better regional air quality data and coordination (page 81 of the Draft Plan) and stated that the cornerstone is a formal, statutory creation of a Treasure Valley Air Quality Management District ("proposed district"). He noted that the recommendations for the proposed district require it to have two specific functions, namely implementing a vehicle emissions testing in Ada and Canyon Counties as mandated by legislation, and performing the public education function. Mr. McCreedy stated that seed funding could be sought from the Legislature or possibly generated from emissions testing fees.

A handout of Dennis Turner's analysis of emissions testing costs was distributed. John McCreedy presented it as a draft and mentioned it may need to be revisited depending on how both the Air Quality Board and the Council intend to proceed. He stated the Council needs to be very careful about taking away emissions testing income from service stations. He noted that Dennis Turner's analysis had listed a current median gross income of \$72,000, and that average income analysis was given also. Dennis Turner noted that the average income number reference is based on the number of stations that would be needed and that the minimum and maximum cost is bracketed. Alan Shealy stated that

the Council needs to determine the optimum methodology for setting the price point for emissions testing and observed that an average or median price point will reduce the income of some stations while increasing the income of others.

John McCreedy noted that emissions fees not included as part of a pay-at-registration process will result in additional administrative costs. Beth Elroy noted that a move to biennial testing, or a reduction in stations, would reduce administrative costs. Dennis Turner responded that administrative costs would likely remain the same since continuous tracking and office costs would be ongoing.

Alan Prouty gave comments on emissions testing options and costs and circulated a handout regarding the same. He noted that the Council must determine what the crucial pollutants are in the Treasure Valley. He reminded the attendees that earlier Council deliberations had focused primarily on NOx with the realization that onboard diagnostic testing (OBD) would also help with VOCs. He added that costs should be verified for both Ada and Canyon Counties and noted that the cost of an education component was not included.

There was general discussion on emissions testing requirements. Leonard Herr noted that the current emissions testing program is contained within the State Implementation Plan (SIP) and John McCreedy wondered what the likelihood would be of a modified valley-wide emissions testing program being approved as part of a SIP revision with EPA. Beth Elroy asked how modifying the emissions testing program would impact the Maintenance Plan. Leonard Herr responded that significant modification would require a State Implementation Plan (SIP) revision.

It was suggested that the Ada County Air Quality Board, whether or not it ends up being extant through this process, has roughly \$250,000 in its funding which could be tapped. In addition, vehicles exempted from testing through the remote-sensing process would not add to service station costs.

Gary Multanen stated that it is hard to know if additional levels of government are being created without fully understanding what groups might go out of existence and which functions will be absorbed by new entities. It was suggested that the Ada County Air Quality Board would be removed. Chairman O'Neill noted that a consolidation of current expenditures and expertise could result in a more effective program. He also noted the importance of ongoing education in creating an environmental awareness or mindset that would contribute to the effectiveness of the program.

Discussion continued on the proposed management district and Chairman O'Neill pointed out that that district could actually function as the operational end of the Council. Gary Multanen asked who might oppose the creation of this proposed district and why. Commissioner Beebe thought that opposition might be inherent with the formation of any new government bureaucracy and asked if the Idaho Transportation Department (ITD), as a state agency, could handle these functions through creation of a new division. John McCreedy wondered if the ITD would have the same incentive to handle the public

education function as well as a new entity. It was pointed out that the value of having the emissions and education functions moved to a state level allows, potentially, for the effort to be duplicated in other regions of the state as needed. Dr. Stephenson noted that DEQ already has an air quality division and qualifies as a state-level entity. Commissioner Beebe added that while DEQ has a clearly defined role and could assist with public education, the emissions testing portion of the Plan is tied to licensing which would involve ITD.

Chairman O'Neill asked if the Council has the conviction to recommend implementation of an emissions testing program in both Ada and Canyon Counties, along with a valley-wide educational outreach program. Gary Multanen stated that he was in favor of both but was concerned with the manner of implementation and felt that it should be presented as a reduction of tailpipe emissions testing. Beth Elroy stated that Micron is supportive of maintaining air quality in the Treasure Valley and that vehicle emissions testing is one important component of the overall Plan. She noted it was important to structure the proposed district with well-defined responsibilities to alleviate confusion. It was noted that valley-wide emissions testing would probably be the cornerstone of future SIP programs and that the education component would be key to their success. Dr. Stephenson mentioned that the education component could possibly reside at the university level. John McCreedy noted that the Council—not ITD or DEQ—is responsible by statute for engaging in any aggressive public education program. Chairman O'Neill stated that he supports bold action and wondered if a new bureaucracy could be made more palatable by emphasizing that an old one will be removed. He added that the notion of ITD or DEQ handling some of the education component should not be dismissed outright.

Chairman O'Neill asked if the Council wanted to vote on a direction for the Drafting Committee or evaluate some of these alternatives. Rick Stott added that the discussion should be separated into two parts—the organization of the new or integrated government body and the education component. He noted that a precise targeted message will require marketing expertise not usually found within a bureaucracy.

Gary Multanen asked what the Council's primary agenda for 2007 will be and if any of those meetings would focus on the issue of education. Chairman O'Neill responded that education would be high on the 2007 agendas, along with potential policy-making issues of land use and transportation.

Rick Stott noted that the Council needs to determine how detailed the regional emissions testing legislation should be. Dr. Stephenson noted that the Council had come to unanimous agreement on valley-wide emissions testing and an education component, but had not resolved the question of creating a separate management district at either a state or independent level.

Chairman O'Neill suggested that the discussion move temporarily to stage one vapor recovery and then revisit the legislative issues with input from Senators Langhorst and Kelly later in the meeting. Brief discussion followed on the issue of future non-

attainment and the notion that a new district would need to assist if changes to the vehicle emissions testing program were made. Beth Elroy noted that the existing Air Quality Board, created by local ordinance and in existence since 1987, has functioned fairly well without being a part of ITD or DEQ.

John McCreedy continued the vapor recovery discussion by stating that the prevailing issue associated with such a program was cost. He asked if it was more reasonable to hold larger station owners with a significant number of tanks to one compliance deadline while smaller stations with fewer resources could be granted an extended deadline. He mentioned that DEQ is in the process of getting primacy to run the Underground Storage Tank (UST) program within the state of Idaho and added it might not be too difficult for DEQ to do a negotiated rulemaking that would address those cost-related issues. Commissioner Beebe added that the key for station owners would be a reasonable timeline and a low-interest loan opportunity.

John McCreedy pointed out that page 79 of the Draft Plan could reference that any rulemaking be done by negotiated rulemaking and asked if that would be acceptable. Senator Kelly stated that, with regard to vapor recovery, DEQ likely has an existing blanket authority to commence a rulemaking which the Legislature would subsequently have to approve, presumably in the 2008 session. Toni Hardesty responded that DEQ does have the authority to initiate the necessary rulemaking process and that a 2008 presentation would be reasonable.

Senator Kelly stated that expanding the current Air Quality Board would be preferable to creating a new bureaucracy. She added that her preference would be for less detail in the Plan and more detail in the statute which would allow for accommodation of future technology. In addition, she asked if there would be value in initiating a more formal process to garner participation at a local level prior to a mandate from the Legislature to the local governments.

Senator Langhorst stated that he appreciated the Council's work to date and reminded the attendees that the basic concept for the Council came from the Big Payette Lake model. He noted that this is a collaborative effort where the facts are laid on the table, citizens are involved in the process and a forward direction is taken. He stated that it is the Council's decision whether or not to present a Plan based on voluntary compliance or one with more (legislative) teeth.

John McCreedy asked if a legislatively mandated emissions testing program in Ada and Canyon Counties would have any chance of success in the Legislature. Senator Langhorst responded that he feels better now about the chances of a legislatively mandated emissions testing program than two years ago due to increasing awareness of air problems in the Treasure Valley. Senator Langhorst was asked if a voluntary approach with a timetable would be an appropriate option. He deferred to Commissioner Beebe who noted that a voluntary approach had been tried previously without any buy-in from the cities. Commissioner Beebe noted that the extra, minimal cost to support an

emissions testing program would be less important than the program's perceived intrusiveness.

Chairman O'Neill asked if any city or county, choosing not to implement the Plan, would be obligated to give the reason for its decision. Senator Langhorst noted that the entities could give their reasons for opting out, but that there's nothing in the legislation that says the Council can either approve or disapprove of the opt-out. Senator Langhorst added that the reasoning, based on the Big Payette Lake model, was that public peer pressure would be enough for Plan implementation.

It was noted that there would be holdouts (the City of Kuna was given as an example of a non-participant in the current emissions testing program) and that a legislative mandate would assist in a successful outcome. Senator Kelly added that the language used in this legislation would be important and that the legislative directive would come from a composite body of local representatives. Senator Langhorst stated that the Council itself can assist by stating that it needs teeth in the legislation.

Dennis Turner stated that it appears the Council needs state action to establish the proposed district, but that that district will decide exactly what needs to be done. Chairman O'Neill added that John McCreedy had earlier recommended the creation of a legislative task force to flesh out the specific recommendations. John McCreedy thought that one of the selling points of the legislation would be that the district could modify it as new technology or data is obtained. Senator Kelly noted that Legislative Services staff is available to assist with language preparation.

Gary Multanen asked who decides if the new district is created only, if it replaces an eliminated entity, or if it is integrated into an existing entity. Beth Elroy suggested that it is the Council's recommendation. Chairman O'Neill added that creation and integration can happen simultaneously. Senator Langhorst noted that combining two organizations effectively reduces bureaucracy.

Dr. Stephenson clarified that the Airshed as drawn up in the Plan includes more than just Ada and Canyon Counties, but that the legislation defines Ada and Canyon counties.

Discussion followed on whether or not the language to set up a new district should be put in motion form. It was decided that this was directional advice to the Drafting Committee and did not require a motion.

Chairman O'Neill asked if the Council supported the idea of a legislative task force. John McCreedy added that a legislative task force should include representatives from the Ada County Air Quality Board, DEQ and Canyon County among others. He suggested that Krista McIntyre, or someone from her firm, as an attorney might be willing to assist in drafting this legislation. Senator Langhorst suggested that comments and assistance could be directed to John McCreedy and that a formal legislative task force would not be required. John McCreedy added that he would formulate draft language and circulate it to all interested parties for comment.

Chairman O'Neill briefly mentioned that he had volunteered to redo the section on land use and transportation.

John McCreedy noted that there were diesel-related issues to be addressed at a future time.

Leonard Herr gave a presentation on the concept of limited factors. He stated that volatile organic compounds (VOC) and nitrogen oxides (NO_x) combine with sunlight to form ozone—a secondary pollutant that is not directly emitted. He added that the amount of ozone created in an airshed is based on the amount of VOC and NO_x present. If NO_x is present in a greater amount, the creation of ozone will be limited by the amount of VOC as there is less available to reach with NO_x—hence, a "VOC limited" atmospheric state. A "NO_x limited" state exists when more VOC than NO_x is present. He noted that the concept of limiting factors is important in determining VOC and NO_x control measures and assessing the efficiency of emissions testing programs. He added that, for cost per ton for VOC, there will be a bigger bang for the buck if tailpipe testing is retained.

Dr. Stephenson asked how PM_{2.5} would be represented in a limiting factors discussion. Leonard Herr responded that NO_x and VOC would still be present, along with sulphur oxide and ammonia, but that the limiting factors principle would still come into play. He added that the issue of PM_{2.5} is complicated by the fact that it is also a directly emitted pollutant and that the Treasure Valley's PM_{2.5} problem is likely unique and that a study is due to begin on that issue in January of 2007. With regard to emissions control programs, Leonard Herr noted a difference between OBD2 and OBD2-with-tailpipe-testing amount of approximately 100-160 tons of pollutants per year. Vapor recovery, on the other hand, catches 1,000 tons per year.

Leonard Herr quickly addressed the issue of inspection and maintenance (I&M) programs and noted that many areas nationwide, like Boise, are using old technology designed to catch pollutants such as carbon monoxide (CO). He stated that it is not yet known how I&M programs will impact PM_{2.5} control measures and that new technology—WiFi, OBDs, remote sensing—will make it much cheaper to run control programs in the future.

In addition, Mr. Herr touched on the cost-benefit analysis and noted that if the best dollar value in costs per ton reduced may not necessarily be the most likely to succeed. Alan Prouty noted that the analysis is missing the remote sensing station set-up costs and an estimate of emissions reductions.

Leonard Herr pointed out that I&M programs are valuable in that they are a reasonably priced control measure and that large reductions can be obtained, although they are politically difficult. Chairman O'Neill asked what would happen if "vehicle miles traveled" (VMTs) were reduced. Leonard Herr mentioned that COMPASS can be valuable in projecting those results. It was also noted that studies have tracked the impact of behavioral changes, and Dr. Stephenson suggested that the university has graduate

students available for research projects on the cost benefits of public outreach. Chairman O'Neill stated that cost-benefit information is valuable in presenting recommendations to elected officials.

Dr. Stephenson is working on an Executive Summary of the Plan.

Mike Journee introduced Melinda O'Malley Keckler and Craig Carter as colleagues from Scott Peyron & Associates who will be assisting him with upcoming presentations. Mike Journee distributed a tentative schedule of upcoming presentations and recommended that four or five members of the Council be designated as presenters. He and his staff are working on a PowerPoint presentation that will be circulated to the Council. It was agreed that twenty minutes is the optimum amount of time for a presentation and that the lengthy subject matter will be summarized accordingly.

The schedule for the final meetings of 2006 was discussed and it was determined that the revision of Chapter 7 would be discussed at the December 5 meeting and that an additional meeting will be scheduled for December 19. Chairman O'Neill noted that draft documents will be sent out in advance so members can vote by proxy if necessary.

Discussion followed on upcoming public hearings and it was recommended that two public hearings be held—one each in Ada and Canyon counties. Public notice and announcement processes were reviewed and the Council was hopeful that the Plan and accompanying legislation could be ready for the Legislature in early February.

The meeting adjourned at 12:40 p.m.

Pete O'Neill, Chairman