

**Bay Area Air Quality Management District
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APPROVED MINUTES

Summary of Board of Directors
Meeting of the Ad Hoc Committee on Port Emissions
9:30 a.m., Monday, November 17, 2008

1. **Call to Order – Roll Call:** Acting Chairperson Pamela Torliatt called the meeting to order at 9:40 a.m.

Present: Mark Ross, Tim Smith and Pamela Torliatt

Absent: Tom Bates, Scott Haggerty, Liz Kniss and Gayle B. Uilkema

Arrived After Roll Call: Nate Miley; Chairperson; John Gioia, Vice Chairperson
2. **Public Comment Period:** There were none.
3. **Approval of Minutes of July 2, 2008:** Deferred; action taken later in the meeting.
4. **Overview of the Port of Oakland Maritime Air Quality Improvement Plan (MAQIP):**
Staff provided an overview of the Port of Oakland Maritime Air Quality Improvement Plan (MAQIP).

Deputy APCO, Jean Roggenkamp, gave a brief overview and update of the Port of Oakland's Maritime Air Quality Improvement Plan (MAQIP), the Port's master plan for air quality policies and goals for sea port operations. Ms. Roggenkamp described the goals and strategies of the plan which are to reduce the health risks from Port sources by 85% by the year 2020 through all practicable and feasible means and adopt funding mechanisms, including the imposition of fees, to fund air emissions reduction measures.

Based on the MAQIP goals, the Port is committed to a three-fold emissions reduction strategy:

1. Target emissions reductions earlier than required by regulations;
2. Support enforcement of regulations; and
3. Target emissions reductions above and beyond those required by law.

She reported that the development of the MAQIP began in 2006 at which time a task force of 35 members was formed. Four co-chairs served on the Committee representing the Port of Oakland, the Air District, the West Oakland Environmental Indicators Project, and GSC Logistics, Inc. Eight meetings were held. The MAQIP is scheduled for adoption by the Port in December 2008.

The main features of the plan include:

- A container fee of \$25 per 40 foot container;
- Clean trucks in advance of ARB regulations;
- The support for enforcement of ARB mobile source regulations;
- Shore power for container ships;

- Terminal redesign/efficiency improvements;
- A Stakeholder Advisory Committee.

Ms. Roggenkamp then outlined next steps and a schedule of key Committee and Commission meetings.

Director Ross questioned the gap in the schedule between the spring 2009 selection of the stakeholder advisory group for implementation of the MAQIP and the 2010 timeframe for update of emission inventory and health risk analysis. He suggested a quicker timetable be provided for updates.

Ms. Roggenkamp noted that emissions inventory work is very thorough and takes a significant amount of time. Staff is supportive of moving more quickly and could work further with the Port of Oakland. She noted that the interagency group will continue to meet and urge the Port to move quickly, as well.

Mr. Broadbent said staff is complimentary of the multiple stakeholder process the Port undertook and applauded them for hearing concerns. The draft plan was released in June and staff felt it did not contain sufficient commitments to show the Port will be moving forward to address the risk in the West Oakland community. The District's largest concern is that the plan will be adopted by the Port and it will not necessarily move forward. He noted that a high priority will be the adoption of additional agreements relating to enforcement of CARB regulations to ensure commitment of the MAQIP takes place.

Mr. Broadbent, in responding to Director Smith, confirmed that after a fully vetted public process, legally enforceable agreements identifying the District's role in enforcing CARB regulations would be developed and available monies would be made for retrofits and replacements.

Director Torliatt thanked the Port of Oakland, the community, and District staff for all work to date, said she hoped that implementation of the plan will move forward and requested a report back from the Executive Officer at the Board of Directors meeting on December 3rd.

There were no public comments. Vice Chairperson Gioia arrived and led the meeting. Due to a continued lack of a quorum, Vice Chairperson Gioia asked to hear Item 6 ahead of Item 5 on the agenda.

6. Discussion of Comprehensive Truck Management Plan: *Staff discussed developments regarding potential comprehensive truck management plan at the Port of Oakland.*

Executive Officer/APCO, Jack Broadbent said the Comprehensive Truck Management Plan (CTMP) is considered to be part of an overall strategy dealing with drayage trucks. The plan is an important element in terms of emissions reductions at the Port, and he said Chair Hill had requested agendaizing the item for discussion.

Mr. Broadbent said the CTMP is a solution for the future of the trucking industry for the Port of Oakland. It contains elements of security, operations, truck routes, parking, community involvement, local jobs and it addresses contributions the truck have in terms of impacts for the West Oakland community and Bay Area as a whole.

The CTMP multi-stakeholder process began in February 2007. It incorporates elements vital to air quality improvement such as a user fee. The District is the recipient of I-Bond monies, a portion of which are directed towards reducing emissions in and around the Port, including from drayage trucks.

Mr. Broadbent described actions to date by the District which included submittal of a plan to expend funding which was approved by the ARB in May 2008. The District conducted extensive outreach and a call for projects in August. The District received 1,954 applications for \$63,335,000.

Mr. Breen reported that \$6 million of these funds were segregated for drayage truck clean up. In addition, the Port of Oakland provided \$5 million additional dollars and the Committee and Board acted to approve \$5 million in TFCA funding to match the Port of Oakland and I-Bond funding. He then discussed projects and applications recommended by category and the amount recommended, noting that the bulk of the funding will go towards retrofit and replacement of trucks.

Outstanding issues include:

- The availability of 2009 NOx-compliant ARB certified retrofit devices;
- Confusion for drivers of the CTMP not being in place; and
- LA Port having a CTMP that requires “employee drivers”.

Next steps of the Air District are to take recommendations for projects to the Mobile Source Committee following the November 19th Board of Directors meeting, and then the matter will be addressed by staff with the Port of Oakland Board of Commissioners on November 19th where they will be encouraged to move forward with user fees and adoption of a CTMP program.

Mr. Broadbent re-emphasized that the District is getting the question regarding support of the employee-based model which is in place in the Port of Los Angeles. Meanwhile, CARB has statutory requirements for retrofit that become effective January 2010 for drayage trucks for an 85% diesel particulate emissions reduction. He said the Port is going through debate and discussions relating to an employee-based model. They are conducting an economic study for completion in February of 2009 and those recommendations will go to the Port Commission where a decision will be made in the February/March timeframe.

Vice Chairperson Gioia confirmed that the State funding requirements do not require a particular model and it is within the discretion of the Port. Mr. Broadbent said because deadlines are imminent, it is prudent to move forward with applications received and he believes the Port and unions will work out the matter in the spring. He said this recommendation would be made to the Mobile Source Committee on Wednesday.

Director Ross questioned what would happen if the model changes, assuming the Port catches up with the rest of the State and the District has already awarded grants. Mr. Broadbent said the Port is not definitive as to how this will be laid out. Once the study is completed and after discussions and deliberations take place, if they decide to go to an employee-based model, companies that provide drayage truck service would need to be sure to utilize retrofitted trucks.

Director Smith questioned if the lack of an adopted CTMP would prevent the retrofits from occurring and also questioned what would occur if deadlines were not met. Mr. Breen said there has not been interaction between them, but because of the impending deadline, the District must move forward to obtain the air quality benefit. Therefore, one is not dependent upon another. If deadlines were not met, and if a trucking firm retrofit/replaced its truck and

then a model is put into place at the Port and those drivers are not made available to provide service, the District would need to talk to CARB so that those trucks could still be utilized in the Bay Area.

Director Torliatt questioned how the District differentiates whether or not to retrofit or replace a drayage truck. Mr. Breen said this is left up to applicants' discretion and those emitting the most get funded first. He confirmed truckers are required to submit their VIN numbers; they also must be registered in California for two years prior to being considered, and the ARB is currently compiling a registry of all drayage trucks in California which will be completed in March 2009.

Director Torliatt asked for a way to ensure those retrofitted trucks actually remain in the Bay Area. Mr. Breen said there is a requirement for documentation by truckers to qualify by doing at least 150 trips to the Port annually. Mr. Broadbent said this requirement would also be included in the agreement in order to ensure those trucks are making trips to the Port.

Public Comments:

Doug Bloch, Director of the Coalition for Clean and Safe Ports, asked that the trucking system at the Port be sustainable, efficient, and deliver benefits to the Port and its customers. He voiced concern that without structural reforms, efforts to clean up the truck fleet will fail because independent truck drivers are asked to shoulder all costs, and they cannot afford equipment upgrades. He asked for the Port to adopt a CTMP to ensure money is well spent, and thanked District staff for their work.

Valerie Lapin, Change To Win/Coalition for Clean and Safe Ports, spoke on behalf of the independent truckers who she said are waiting for loads and could not be present. She spoke of trucks idling and polluting, trucker's costs and take home pay, and asked that the Port require trucking companies to hire drivers as employees.

Diane Bailey, Scientist with the Natural Resource Defense Council (NRDC), said she is grateful for the District's involvement and leadership on the issue and urged continued involvement. NRDC fought hard for a strong Port regulation with the Air Board and hopes to see the regulation enforced, citing tremendous health impacts if the regulation is not timely enforced. She spoke of increasing levels of asthma, the Port of LA's employee-based model, significant reductions in emissions, and urged continued leadership on the issue.

Ray Kidd spoke of West Oakland health impacts and urged adoption of the CTMP.

Milton Lewis, Vice President, Teamsters Local 70, spoke of his work in the Port and compared union drivers with independent truckers who have poor wages, live in their trucks, breath bad fumes, have no health benefits, and believed the situation was a significant economic impact on those drivers and on their families.

Tom McKibbin, Teamsters Local 70, said drivers are struggling; they have many concerns and are confused about the retrofit/replacement project. They do not speak English as a first language and he believed none of the drivers would be able to pay for retrofits. He confirmed with Director Torliatt that they are working to inform drivers and agreed to contact District staff to further receive assistance.

Christine Cordero, Center For Environmental Health, believes clean air regulations set up to protect communities are linked to the truck system at the Port and are the biggest source of

pollution. She supported trucking companies paying for the retrofits and hiring drivers as employees, and she thanked the District for their efforts.

Joel Ramos, Trans Form, supported the District's work to address the issue. He felt truckers are suffering, wanted a long-term solution and felt it was wrong to ask truckers to shoulder the cost in such a strained economy.

Zachary Goldman, Coalition for Clean and Safe Ports, shared details of the Port of Los Angeles' incentive program and said they fund replacements completely from their container fee. The total cost of a new truck is \$30,000; the Port has also told trucking companies that if they bring in a new 2007 truck, they will give truckers \$20,000 upfront and over the year as they use the truck, they will provide a discount on the container fee of \$10,000 every time they use the Port.

Aditi Vaidya, East Bay Alliance for a Sustainable Economy, thanked the District for its leadership in reducing emissions from trucks. They understand and respect the role to enforce CARB regulations and spoke of trucker salaries, the inability to pay for retrofits, and she said she supported hiring drivers as employees and believed it is the Port's responsibility to adopt a comprehensive plan as soon as possible.

Mr. Broadbent noted that on November 19th, the item will be considered on the Port Commission's agenda. The Port has invited him and a CARB member to specifically discuss this issue and the MAQIP discussion, as well. The District will push the Port to move toward a long-term, sustainable solution and the Port needs to implement a container fee because all grant monies will only be able to provide initial funding.

Mr. Broadbent noted that it is critical for the Port to move forward with adoption of a container fee, the MAQIP, an economic study which would provide recommendations for a trucking model and reiterated CARB requirement deadlines. He further discussed the need for the Port to move swiftly, discussed deadlines to avoid the Port not having enough trucks to service ships coming in. He also said the District has received applications for retrofits, this is a viable alternative in the short term for drayage trucks; however, the way CARB guidelines read, if someone elects to retrofit their truck, they cannot avail themselves of future monies for purchasing a new truck, and the District would like to convince CARB to change that guideline. He said also, because there is a future lower emissions standard for drayage trucks and a filter device is only good for about 4 years, it is only short term solution at best. Therefore, the District believes CARB should revisit this standard as well. The better solution is, of course, to replace the truck fleet, which is a cleaner and longer term solution.

Directors requested Mr. Broadbent report to the Mobile Source Committee about what the Port of Los Angeles is doing with their program at the meeting of November 19, 2008. Mr. Broadbent said CARB has implemented an additional NOx requirement, which was not contained in the guidelines until recently and it somewhat limits the number of retrofit control devices, which he said will also be covered in more detail. Regarding whether it makes sense to retrofit trucks in general, he believes that it does represent a viable option for some trucks, but the District will need to communicate with the state for those trucks to be used elsewhere. A second round of I-Bond funding will need to go out as well, which may or may not be able to be utilized for retrofits. But, because they represent a viable alternative, they have as many as 300 viable retrofit applications currently, which will be recommended to the Mobile Source Committee. If successful and they are recommended to the full Board of Directors, staff will need to have CARB to change some of the guidelines to use some of those trucks in a longer type of situation. He said CARB has indicated they would be willing to consider changing their guidelines at their January Board meeting, but if they do not, the backup plan would be to work

with CARB to allow those retrofitted trucks to be utilized in the Bay Area as a whole. He said CARB seem to be willing to consider some of the changes. If not allowed, the District will pursue the Mobile Source Committee recommending that the Board speak with the CARB representative and write a letter to undertake this.

3. **Approval of Minutes of July 2, 2008:** Director Gioia moved approval of the minutes, seconded by Director Smith; carried unanimously without objection.
5. **Green Ports Initiative Implementation Plan:** *The Committee considered recommending Board of Directors approval to the accompanying "San Francisco Bay Area Green Ports Initiative – Program Description and Plan"*

Mr. Broadbent recommended that the Committee consider the Green Ports Initiative and forward it to the Board of Directors for their consideration on November 19, 2008. He introduced Bill Guy who would present the item.

Assistant Counsel, Bill Guy, said there is a need for an overriding document for a Green Ports Initiative program description and plan. The matter was discussed last year at the Board Retreat and the Port agreed to proceed with the initiative in January 2007, which was intended to reduce diesel PM emissions using regulations and grants. He discussed developments since that time, gave a background on the West Oakland HRA and its findings, a background on ARB regulations by source category and expected statewide diesel PM emission reductions, the effect of ARB regulations at the Port, benefits of ARB regulations, enforcement of ARB regulations, and Prop 1 B grant funding of \$35 million. Mr. Guy then described 2005 Port activity data by Port, numbers of ocean-going vessel arrivals, and associated truck trips and he noted that staff is working with the Bay Planning Commission to assess the impact of additional emissions.

He noted that the three program elements of the Green Ports Initiative include:

- Enforcement of ARB regulations on Port mobile sources;
- Grants for earlier or greater emission reductions than required by regulations;
- Targeting and evaluation of efforts through inventories, monitoring and outreach.

Mr. Guy said progress towards attainment of emissions reductions requires quick action and compliance. The grants would be for emissions reductions which are sooner or greater than those required by the regulation. The third element is targeting and evaluation of this effort in moving forward. The three elements for this are inventories, monitoring and outreach. The District has already spoken with ARB on working some issues out such as elements within the regulations that do not clearly grant the District specific authority, as well as how we target violators, how to schedule inspections, where they are and a written agreement will need to be worked out.

He said enforcement of the drayage rule has the potential to cause disruption at the Port, and the District will insist on compliance with rules; however, an agreement is needed as to how enforcement will take place. There are many opportunities for grants, but they are all coming up very soon. At the July meeting, work on inventories is being done for the Port of Oakland and Ports of Benicia, Redwood City, Richmond and San Francisco. Currently they are working on a West Oakland Measurement Study and establishing a permanent monitoring site. Outreach has been done with regard to grants, and this will be continued.

Staff's recommendation is that the Committee adopts the Green Ports Initiative Program description and plan and forward the document to the full Board with a recommendation for approval.

Director Torliatt requested a timeline be prepared as to how the District will achieve this, and Mr. Guy said the timeline is dictated by regulatory requirements, but staff can periodically discuss how they are moving forward. He said they have been talking with community groups and they want the District to play the enforcement role so that everyone knows there is a consequence for not taking steps necessary to get clean trucks or shore power.

Chairperson Miley questioned sources that were non-port related, and Mr. Guy said many of these will be subject to CARB's on-road truck rule, and similar reductions will be mandated.

Public Comments:

Anne Whittington, Port of Oakland, Supervisor of the Maritime Group of the Environmental Program and Planning Division, supported the Green Ports Initiative, believed with CARB and the Port, it will help move along emissions reductions according to regulatory deadlines and in advance of those deadlines and expects the Port to especially work quickly toward compliance efforts. Ms. Whittington thanked the District for TFCA funding, and on December 2nd their Board will likely adopt the container user fee and MAQIP. They also added an agenda report to revise the MOU to allow their money and I-Bond money to be used for replacements instead of retrofits, and

John Berge, Pacific Merchant Shipping Association, said they have been active participants in the multi-stakeholder MAQIP process and supported the Green Ports Initiative, and welcomes the Air District's assistance in achieving compliance. He also noted there have been significant international efforts and amongst those targets is set up of emission control areas for low sulfur fuels. They envision it could be out as far as 200 miles from the coast. They are also looking at reductions of 1% sulfur content by 2010 and reaching .1% in 2015. In addition, the requirements being established are dictating engine retrofits to achieve NOx reductions from ship engines.

Rogert Lowther, Clean Air Logix, Inc., discussed cold ironing of ships, noting the Air District has been an early supporter of technology to the electrical power grid. He supported early adoption and the MAQIP, and while there has been a lot of opportunity for truck retrofits and replacements, there is also a huge opportunity for the ship side. They have ships coming into the Port that will be retrofitted with liquid gas generators as a result of the District's and Port's assistance. He thanked the Air District staff and closed with a statistic that one ship day powered by their technology and solution is worth thousands of short haul truck trips.

Mr. Broadbent echoed Mr. Lowther's comments, but voiced concern that the technology is not yet being utilized and the Port needs to avail itself and make this happen.

Committee Action: Director Ross made a motion to recommend that the Board of Directors approve the accompanying "San Francisco Bay Area Green Ports Initiative – Program Description and Plan" and forward the recommendation and plan for approval by the Board of Directors plan with the inclusion of a timeline of documents and agreements that need to be in place during the coming year; seconded by Director Torliatt; carried unanimously without objection.

7. Committee Member Comments/Other Business: There were none.

8. **Time and Place of Next Meeting:** At the Call of the Chair.
9. **Adjournment:** The meeting adjourned at 11:26 a.m.

Lisa Harper
Clerk of the Boards