

MEETING  
STATE OF CALIFORNIA  
AIR RESOURCES BOARD

BYRON SHER AUDITORIUM  
SECOND FLOOR  
1001 I STREET  
SACRAMENTO, CALIFORNIA 95814

THURSDAY, APRIL 24, 2014  
9:08 A.M.

TIFFANY C. KRAFT, CSR  
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APPEARANCES

BOARD MEMBERS

Ms. Mary Nichols, Chairperson

Dr. John Balmes

Ms. Sandra Berg

Mr. Hector De La Torre

Mr. John Eisenhut

Supervisor John Gioia

Mayor Judy Mitchell

Mrs. Barbara Riordan

Supervisor Phil Serna

Dr. Alex Sherriffs

Dr. Daniel Sperling

STAFF

Mr. Richard Corey, Executive Officer

Mr. Alberto Ayala, Deputy Executive Officer

Ms. Edie Chang, Deputy Executive Officer

Ms. Lynn Terry, Deputy Executive Officer

Ms. Ellen Peter, Chief Counsel

Ms. La Ronda Bowen, Ombudsman

Mr. Alvaro Alvarado, Manager, Health and Ecosystems  
Assessment Section, Research Division

Mr. Tony Brasil, Branch Chief, Heavy-Duty Diesel  
Implementation Branch, MSCD

APPEARANCES (CONTINUED)

STAFF

Mr. Kirk Oliver, Senior Attorney, Legal Office

Mr. Todd Sax, Assistant Chief, MCSD

Mr. Bruce Tutler, Manager, Mobile Source Compliance Assistance and Outreach Section, MSCD

Ms. Beth White, Manager, On-Road Compliance Assistance Section, MCSD

Mr. Erik White, Chief, MSCD

Ms. Liz Yura, Manager, Goods Movement Program Section, Stationary Source Division

ALSO PRESENT

Mr. Alan Abbs, Tehama County APCD

Mr. Azibuike Akaba, Regional Asthma Management & Prevention

Mr. Larry Alegre, Lawrence M. Alegre Trucking, Inc.

Mr. William Allen, California Bus Association

Mr. Don Anair, Union of Concerned Scientists

Mr. Myles Anderson, Anderson Logging, Inc.

Ms. Shellie Archer, Archer Trucking, Inc.

Mr. Bill Azevedo, Azevedo Livestock and Transportation

Ms. Diane Bailey, NRDC

Mr. Chris Baker

Ms. Patricia Barrett, Aloha Transport

Mr. Albert Batteate, CCA

Mr. Doug Beachler, Cal Valley Trucking

APPEARANCES (CONTINUED)

ALSO PRESENT

Mr. Kirk Blackburn, California Tow Truck Association

Ms. Leona Boilen

Mr. Dennis Brazil, San Joaquin Valley APCD

Dr. Rasto Brezny, MECA

Mr. Doug Britten, Britton Trucking

Mr. Jack Broadbent, BAAQMD

Mr. Skip Brown, Delta Construction Company

Ms. Bryn Burke, MCOG

Mr. Bud Caldwell

Mr. Robert Carleson, Associated California Loggers

Supervisor Judy Case McNarry, San Joaquin Valley APCD

Ms. Angela Caster

Ms. Patricia Chappell, New Voices Are Rising

Mr. Michael Coates, Diesel Technology Forum

Mr. Robert Comer

Mr. Mike Cook, A&A Ready Mix

Ms. Cynthia Crist, California Truckers Against CARB

Mr. Zack David

Mr. Stephen Davis, AELS/RV Jensen, Inc.

Mr. Fred DeBoer, DeBoer & Sons Trucking

Mr. Hank de Carbonel, California Concrete Pumpers Alliance

Ms. Joanna deGraaf, deGraaf Ranch Trucking

APPEARANCES (CONTINUED)

ALSO PRESENT

Mr. Ron DeVries, DeVries Trucking

Mr. Ralph DiLibero

Mr. Tony Dorsa, United Contractors

Mr. Sean Edgar, Cleanfleets.net

Mr. Garren Fain, G. Fain Trucking

Mr. Ron Faulkner, Faulkner Trucking

Ms. Debbie Ferrari, MAG Trucking, Inc.

Mr. Jared Ficker, Catalina Island Company

Mr. Tony Fisher, Coalition for Clean Air

Mr. Aubrey Freedman, Libertarian Party of San Francisco

Mr. Douglas Gearhart, Lake County Air Quality

Ms. Heather Grass

Mr. Emmanuel Greene, New Voices Are Rising

Mr. Larry Greene, SMAQMD

Ms. Lisa Grote, Be CARB Compliant

Mr. Christopher Hessler, AJW, Inc.

Mr. Henry Hogo, South Coast AQMD

Ms. Bonnie Holmes-Gen, American Lung Association

Mr. Chuck Hunter

Mr. Loren Hutnick, California Truckers Against CARB

APPEARANCES (CONTINUED)

ALSO PRESENT

Mr. Larry Johnson, Mono County

Ms. Susan Jones

Mr. Ajay Joshi, Johnson Matthey

Mr. Michael Lewis, Air Quality Coalition

Mr. Tim Lewis, Tim Lewis Livestock

Mr. Mitch Lopez, Lopez AG Service, Inc.

Ms. Gayle Lopopolo, Ganduglia Trucking

Mr. Tony Luiz

Mr. Ian MacDonald, CTLI

Mr. Bill Magavern, Coalition for Clean Air

Mr. Alvan Mangalindan, Crane Owners Association

Ms. Stacey Moritz-Erb, Chuck Erb Horse Transportation

Mr. Joe Matlen, Valley Farm Transport

Mr. Miguel Mendoza, New Voices Are Rising

Mr. Christopher Miller, Advanced Engine Systems Institute

Ms. Sylvia Milligan, SCCC

Mr. Kaelin Mixon, New Voices Are Rising

Ms. Erica Morehouse, Environmental Defense Fund

Ms. Charlene Moyd, New Voices Are Rising

Mr. Gary Nannini, G. Nannini & Company

Mr. Dzung Nguyen

APPEARANCES (CONTINUED)

ALSO PRESENT

Mr. Thomas J. Lanting, Gardner Trucking, Inc.

Mr. Malcolm McAlroy, New Voices Are Rising

Mr. Justin Oldfield, California Cattlemen's Association

Mr. Brad Peek

Ms. Kathryn Phillips, Sierra Club California

Mr. Joe Rajkovicz

Mr. Bob Ramorino, Roadstar Trucking, Inc.

Ms. Jill Ratner, New Voices Are Rising

Mr. Michael Rea, California Association of School  
Transportation Officials

Mr. Ahiezer Reyes, New Voices Are Rising

Mr. Doug Rocha, Rocha's Valley Enterprises

Ms. Doreen Rogers

Mr. Seyed Sadredin, San Joaquin Valley APCD

Ms. Elizabeth Sanchez, First Student

Mr. Matt Schrap, California Fleet Solutions and Crossroads  
Lease & Finance

Mr. Zion Shields, New Voices Are Rising

Mr. Chris Shimoda, California Trucking Association

Mr. Allen Skinner, CCA

Mr. James Slater, West Coast Sand & Gravel

Mr. Gary Simons, Donaldson Filtration Solution

APPEARANCES (CONTINUED)

ALSO PRESENT

Mr. Greg Smith, Maxx Air

Mr. Patrick Smith, Harris Ranch

Mr. R.J. Smith, Solid Rock Construction/Lassen Materials

Mr. Tim K. Smith, General Sierra Mining Association

Mr. Joshua Stilwell, Redwood Aletto Transport

Mr. Chris Torres, F&L Farms Trucking, Inc.

Mr. John VanDyk, VanDyk Trucking

Mr. Robert Van Dyke, VA Farms Trucking

Mr. Richard Vaughn

Mr. Joe Varozza

Mr. Jim Wagoner, Butte County AQMD

Mr. Steve Weitekamp, CMSA

Mr. Bruce Wick, CALPASC

Mr. Robert Willis, New Voices Are Rising

Mr. Chris Wortman

Mr. Richard Wright



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1    PROCEEDINGS

2                    CHAIRPERSON NICHOLS: Good morning, ladies and  
3 gentlemen. We're just getting assembled here. I'm going  
4 to call the meeting to order. And before you all get  
5 settled, you might as well stand up because we begin the  
6 meeting with the Pledge of Allegiance to the Flag.

7                    (Thereupon the Pledge of Allegiance was  
8 Recited in unison.)

9                    CHAIRPERSON NICHOLS: I'm going to ask the Clerk  
10 will please call the roll, please.

11                    BOARD CLERK JENSEN: Dr. Balmes?

12                    BOARD MEMBER BALMES: Here.

13                    BOARD CLERK JENSEN: Ms. Berg?

14                    BOARD MEMBER BERG: Here.

15                    BOARD CLERK JENSEN: Mr. De La Torre?  
16 Mr. Eisenhut?

17                    BOARD MEMBER EISENHUT: Here.

18                    BOARD CLERK JENSEN: Supervisor Gioia?

19                    BOARD MEMBER GIOIA: Here.

20                    BOARD CLERK JENSEN: Mayor Mitchell?

21                    BOARD MEMBER MITCHELL: Here.

22                    BOARD CLERK JENSEN: Mrs. Riordan?

23                    CHAIRPERSON NICHOLS: Here.

24                    BOARD CLERK JENSEN: Supervisor Roberts?  
25 Supervisor Serna?

1 BOARD MEMBER SERNA: Here.

2 BOARD CLERK JENSEN: Dr. Sherriffs?

3 BOARD MEMBER SHERRIFFS: Here.

4 BOARD CLERK JENSEN: Professor Sperling?

5 BOARD MEMBER SPERLING: Here.

6 BOARD CLERK JENSEN: Chairman Nichols?

7 CHAIRPERSON NICHOLS: Here.

8 BOARD CLERK JENSEN: Madam Chairman, we have a  
9 quorum.

10 CHAIRPERSON NICHOLS: Thank you.

11 A couple of announcements I want to make before  
12 we begin. I want to make sure that people know we're  
13 expecting a large number of attendees. Well, we already  
14 have a large number of attendees. But in case more come,  
15 we also have available the Coastal Hearing Room next door  
16 for overflow. And there is audio and visual.

17 We also have interpretation services available.  
18 I see our interpreter is here at the podium. There are  
19 headsets available outside the hearing room and at the  
20 sign-up table.

21 So I will wait for a moment so that, Madam  
22 Translator, you can translate what I just said.

23 (Whereupon the announcement was translated into  
24 Spanish.)

25 CHAIRPERSON NICHOLS: Okay. Anyone who wishes to

1 testify should fill out a request to speak card. Those  
2 are also available in the lobby outside this room. And  
3 please return the cards to the Clerk of the Board prior to  
4 your item being called. If you don't wish to list your  
5 name, you don't have to, but it helps us.

6 We will be imposing a three-minute time limit.  
7 We would like when you come up to the microphone to say  
8 who you are and then put your testimony into your own  
9 words rather than reading your testimony. Sometimes  
10 people feel like if they don't read every word in their  
11 written testimony that we won't have heard it. I want you  
12 to be assured that anything you've written and submitted  
13 will be included in the record and the Board members all  
14 look at this material.

15 I need to point out to you by the rules of this  
16 building that we have safety exits here in this  
17 auditorium. There are two in the back and one on either  
18 side of the dais up here.

19 In the event of a fire alarm, we are required to  
20 evacuate this room immediately and go down the stairs and  
21 out of the building until we get the all-clear signal and  
22 we're allowed back into the building. Again, I think  
23 that's it for preliminary remarks.

24 I want to turn to the first item on our agenda.  
25 We have a consent calendar before we begin the regular

1 calendar. I almost went by it too fast.

2 The only item on the consent calendar today is  
3 Item 14-3-5, which discusses changes in appointments to  
4 our Research Screening Committee.

5 Madam Clerk, is there anyone who signed up to  
6 testify on this item?

7 BOARD CLERK JENSEN: I'm sorry.

8 CHAIRPERSON NICHOLS: I know you were talking.  
9 I'm asking you about the consent item, whether anyone  
10 signed up. Okay. Good.

11 Are there any Board members who wish to have this  
12 item removed from the consent calendar?

13 Okay. Good.

14 BOARD MEMBER RIORDAN: I move approval of Item  
15 14-3-5.

16 BOARD MEMBER BERG: Second.

17 CHAIRPERSON NICHOLS: All in favor please say  
18 aye.

19 (Unanimous vote)

20 CHAIRPERSON NICHOLS: Any opposed?

21 Great. Thank you.

22 Now we move to the regular agenda. And the first  
23 item is an informational report on the health effects of  
24 air pollution.

25 At our last meeting, staff briefed the Board on

1 how atmospheric science has informed our air quality  
2 programs. This month, staff is briefing us on the nature  
3 of the health impacts that form the basis for our air  
4 quality standards and the identification of toxic air  
5 contaminants.

6 This is a pretty basic briefing, but I think it's  
7 useful that we set the stage for regulatory work that  
8 we're doing. I know some of our Board members will  
9 probably have heard this before, but doesn't hurt to have  
10 a fresher.

11 So, Mr. Corey, will you please introduce this  
12 item.

13 EXECUTIVE OFFICER COREY: Yes, thank you, Ms.  
14 Chairman.

15 Today, staff will present a synopsis of the  
16 results of hundreds of studies from the scientific  
17 literature that provide evidence of the adverse health  
18 effects associated with air pollution. These results come  
19 from a large body of peer-reviewed research, and they show  
20 that premature death, worsening of heart and lung disease,  
21 and cancer risk is linked to exposure to air pollution.

22 Public exposure to air pollution is a particular  
23 concern for more vulnerable populations such as children  
24 and the elderly with preexisting disease. Ambient air  
25 quality standards are designed to protect people from the



1 adverse health effects of air pollution by serving as  
2 public health goals that must be achieved by certain  
3 deadlines.

4 In addition, California's toxic air contaminant  
5 program requires ARB to reduce emissions of these  
6 pollutants that pose a cancer risk or other health impact.

7 Dr. Alvaro Alvarado of the Research Division will  
8 give the presentation.

9 (Thereupon an overhead presentation was  
10 presented as follows.)

11 --o0o--

12 MANAGER ALVARADO: Thank you, Mr. Corey. Good  
13 morning, Chairman Nichols and members of the Board.

14 This morning's presentation is an overview of  
15 health effects of air pollution. The presentation will  
16 start with four topics. We will start with an overview of  
17 the major health effects of air pollution and a discussion  
18 of factors that increase people's vulnerability to  
19 pollution.

20 I will then discuss health risk from toxic air  
21 contaminants and how air quality standards set public  
22 health goals that lead to reduced health risk from  
23 particulate matter and ozone air pollution.

24 --o0o--

25 MANAGER ALVARADO: This morning, we will focus on

1 the health effects of particulate matter and ozone, two  
2 key air pollutants for which there are national ambient  
3 air quality standards, or NAAQS. We will also touch on  
4 another class of air pollutants, toxic air contaminants,  
5 some of which can cause cancer.

6 --o0o--

7 MANAGER ALVARADO: We have known since the 1930s  
8 of the serious health effects of air pollution. Some of  
9 the most notable air pollution events occurred in the  
10 Meuse Valley of Belgium in 1930 in Donora, Pennsylvania in  
11 1948, and in London in 1952.

12 During each of these episodes, many people died  
13 and many more were sickened. Since these dramatic  
14 episodes, scientific studies of the relationship between  
15 air pollution exposure and health effects have been  
16 performed in countries worldwide. The results of decades  
17 of studies make it clear that air pollution contributes to  
18 health impacts in California even today, when air  
19 pollution levels have dropped significantly. Particulate  
20 matter and ozone account for over 90 percent of the  
21 identified air pollution-related health impacts. In  
22 addition, there are many toxic air contaminants in the air  
23 that pose a risk for cancer.

24 --o0o--

25 MANAGER ALVARADO: Air pollution exposure

1 influences health in one of two ways, either by worsening  
2 preexisting chronic diseases, primarily those of the  
3 cardiovascular system --

4 --o0o--

5 MANAGER ALVARADO: -- and lungs or by causing  
6 disease, primarily cancer.

7 While we know that ozone and traffic air  
8 pollutants can trigger an asthma attack, there are also  
9 emerging evidence that the onset of asthma associated with  
10 exposure to pollution.

11 --o0o--

12 MANAGER ALVARADO: There is a consistent body of  
13 scientific evidence that exposure to particulate matter  
14 and ozone can lead to premature death. It can also worsen  
15 the impact or even accelerate the progression of chronic  
16 disease. People who experience most of the adverse health  
17 effects associated -- related to air pollution exposure  
18 suffer from an underlying chronic health problem,  
19 particularly cardiovascular or respiratory disease.

20 In these vulnerable populations, air pollution  
21 increases the risk of heart attacks and stroke and worsens  
22 asthma symptoms.

23 Air pollution can impact even healthy adults at  
24 levels we still experience in California. The latest  
25 studies on ozone air pollution show some impacts on lung

1 function in healthy adults exposed to ozone while  
2 exercising.

3 In addition to the major health effects  
4 associated with particulate matter and ozone pollution,  
5 cancer risk increases with exposure to toxic air  
6 contaminants, such as benzene, butadiene, and diesel  
7 particulate matter.

8 --o0o--

9 MANAGER ALVARADO: The strongest evidence for  
10 premature death from air pollution is associated with  
11 exposure to particulate matter, both for short-term and  
12 long-term exposures.

13 Risk of death is especially elevated for  
14 cardiovascular causes, including heart attacks and  
15 congestive heart failure. This effect is observed in  
16 older adults who have established cardiovascular disease.  
17 There is also elevated risk for premature death for  
18 respiratory causes. Ozone exposure is associated with  
19 premature death in people with preexisting respiratory  
20 diseases, such as chronic obstructive pulmonary disease,  
21 or COPD.

22 --o0o--

23 MANAGER ALVARADO: Human health studies  
24 consistently show that exposure to particulate matter and  
25 ozone pollution can worsen chronic cardiovascular disease.

1 Studies in California and US cities and countries  
2 worldwide find high levels of these pollutants associated  
3 with increases in hospitalization and emergency department  
4 visits. While it's clear that PM worsen cardiovascular  
5 disease, there is little evidence that air pollution is a  
6 primary cause of cardiovascular disease.

7 Ozone is also associated with cardiovascular  
8 health effects, but the greatest effects are of  
9 particulate matter.

10 --o0o--

11 MANAGER ALVARADO: The respiratory effects of air  
12 pollution, especially for asthmatics, are well recognized  
13 public health problem. While PM and traffic exposure can  
14 cause respiratory symptoms, ozone is the more potent  
15 respiratory toxicant. Ozone air pollution effects on the  
16 lungs include asthma exacerbation, increased asthma and  
17 medication usage, and hospitalization and emergency  
18 department visits for asthma symptoms and other chronic  
19 lung diseases.

20 --o0o--

21 MANAGER ALVARADO: Perhaps the most significant  
22 health outcome associated with air pollution is increasing  
23 the frequency and severity of asthma symptoms. Statewide,  
24 about ten percent of children are asthmatic and about  
25 eight percent of adults are asthmatic. This translates to

1 nearly three million Californians, including one million  
2 children.

3           There is strong evidence that ozone can lead to  
4 asthma attacks. This is supported by correlations between  
5 ozone exposure and emergency department visits, increased  
6 symptoms, and medication use.

7           Traffic is also a contributor to asthma attacks.  
8 Studies show that children with asthma living near busy  
9 roads experience more respiratory symptoms than those  
10 living further away from roadways.

11                           --o0o--

12           MANAGER ALVARADO: There is another group of air  
13 pollutants called toxic air contaminants, or TACs, which  
14 are linked to increased cancer risk. Evidence from  
15 epidemiological studies and animal exposure studies show  
16 that long-term exposure to these air pollutants increases  
17 the risk of cancer.

18           California state law requires ARB to identify and  
19 regulate TACs. To ensure the best available science  
20 underpins the identification of TACs, the technical  
21 assessment for TAC listings undergoes independent peer  
22 review by the Scientific Review Panel.

23           Over the past 30 years, California has  
24 prioritized and controlled the most significant TACs. The  
25 success of the program is evidenced in dramatically

1 reduced levels of TACs, like benzene and butadiene and  
2 diesel PM. The goal is to reduce regional, neighborhood,  
3 and hot spot risk.

4 --o0o--

5 MANAGER ALVARADO: Next I'll talk about  
6 vulnerable populations.

7 --o0o--

8 MANAGER ALVARADO: The scientific literature  
9 makes it clear that some individuals or subsections of the  
10 population are more vulnerable to air pollution than  
11 others. This can be due to either greater susceptibility  
12 because of age or health status or greater exposure  
13 leading to larger effects.

14 --o0o--

15 MANAGER ALVARADO: The scientific literature has  
16 identified several groups that are vulnerable to air  
17 pollution, including children, the elderly, people with  
18 chronic health conditions, and low socioeconomic status.

19 Children's vulnerability comes particularly from  
20 their greater exposure related to more outdoor activity  
21 and a greater breathing rate.

22 As a group, the elderly are at risk due to the  
23 greater prevalence of chronic disease. People with  
24 chronic diseases of the heart or lungs, diabetics and the  
25 obese experience larger effects with exposure to air

1 pollution than people without chronic health conditions.

2 --o0o--

3 MANAGER ALVARADO: Socioeconomic status can also  
4 affect vulnerability to air pollution. Studies suggest  
5 that factors associated with low socioeconomic status,  
6 like educational attainment, increase the risk of  
7 experiencing adverse air-pollution-related health effects.

8 Studies also show greater levels of pollution and  
9 greater number of pollution sources in poor and minority  
10 communities.

11 Lastly, socioeconomic factors, such as poverty,  
12 food and security, and access to health care may also  
13 contribute to stress that could influence responses to air  
14 pollution.

15 --o0o--

16 MANAGER ALVARADO: Next I'll talk about toxic air  
17 contaminants.

18 --o0o--

19 MANAGER ALVARADO: ARB has been identifying toxic  
20 air contaminants and developing measures to control their  
21 levels in the air for decades. There are currently 191  
22 chemicals on the TAC list. Of this group, diesel PM poses  
23 the greatest statewide cancer risk. To address this  
24 issue, the Board adopted the Diesel Risk Reduction Plan in  
25 2000. The plan called for a series of regulations to meet



1 the goal of reducing the cancer risk from diesel PM by 85  
2 percent by the year 2020.

3 Several other TACs, most importantly benzene and  
4 1,3 butadiene also come from mobile source. Mobile source  
5 TACs influence exposures to communities near roadways.  
6 And ARB monitors have recorded a 90 percent reduction  
7 statewide in these pollutants since 1990.

8 We also have developed regulations in cooperation  
9 with the districts to reduce the ambient levels of other  
10 key TACs that come from stationary sources, including  
11 chromium from chrome platers and chlorinated solvents  
12 widely used in industrial applications. These pollutants  
13 have also gone down by 90 percent statewide since 1990.

14 --oOo--

15 MANAGER ALVARADO: That was statewide. Pollution  
16 levels are lower locally, too.

17 Over the past decade, ARB prepared a number of  
18 risk assessments focused on health risk from diesel  
19 emissions. These assessments help to prioritize our  
20 diesel rulemaking to achieve the fastest possible risk  
21 reduction in neighborhoods near these sources.

22 One example is a comprehensive set of regulations  
23 adopted to reduce emissions from goods movement  
24 activities. These include rules on ships, harbor craft,  
25 cargo handling equipment, and truck activities at ports.

1 These actions have reduced the cancer risk for communities  
2 near ports and freeways. Monitors at the port of L.A. and  
3 Long Beach have shown a 50 percent reduction in diesel PM  
4 levels.

5 --o0o--

6 MANAGER ALVARADO: Ambient air quality standards  
7 represent public health goals set by U.S. EPA to limit  
8 exposure to particulate matter and ozone. California also  
9 sets air quality standards, and the national standards  
10 have become increasingly more similar to the California  
11 standards. There are a number of air quality standards,  
12 but PM and ozone standards are the remaining challenge for  
13 California.

14 --o0o--

15 MANAGER ALVARADO: The Clean Air Act requires  
16 U.S. EPA to set national ambient air quality standards or  
17 NAAQS. These standards are based on the latest and best  
18 research published in the peer reviewed literature. There  
19 are six pollutants with national standards, and each  
20 standard is specific to each pollutant. They are solely  
21 based on the protection of human health and the  
22 environment. These standards are re-assessed at five-year  
23 intervals so that they reflect most recent health science.  
24 The assessments undergo scientific peer review by the  
25 Clean Air Scientific Advisory Committee, or CASAC, which

1 is charged with providing advise and recommendations to  
2 U.S. EPA on a national standards. The members of CASAC  
3 are nationally and internationally recognized experts on  
4 air quality and health.

5 --o0o--

6 MANAGER ALVARADO: The level of the standard is  
7 designed to protect public health, including sensitive  
8 sub-populations from both long- and short-term exposure to  
9 air pollutants.

10 The standards are mandatory public health goals  
11 that must be met by specific deadlines. States must  
12 develop air quality plans to demonstrate how each  
13 non-attainment region will meet and maintain air quality  
14 standards.

15 Clearly, the federal Clean Air Act has succeeded  
16 in providing cleaner more healthful air to the nation,  
17 especially California. The Board has a long history of  
18 working to attain the NAAQS, and California has attained  
19 multiple ozone and particulate matter standards in regions  
20 throughout the state. However, we still have a ways to go  
21 to attain the ozone standards in the South Coast and San  
22 Joaquin Valley.

23 --o0o--

24 MANAGER ALVARADO: Research aimed at improving  
25 our understanding of the health effects of air pollution

1 is ongoing worldwide. Several current topics of  
2 particular interest include understanding whether and how  
3 exposure to the complex mixture of ambient air differs  
4 from that of exposure to single pollutants.

5 Characterizing exposures in close proximity to emission  
6 sources, such as roadways and industrial facilities, and  
7 investigating the factors that increase vulnerability,  
8 both on an individual and a community basis.

9 A new area of study is a roll of genetics.  
10 Recent research has shown that genetic makeup of an  
11 individual can make one more susceptible to the adverse  
12 effects of air pollution. And exposure to air pollutants  
13 can modify genes in a way that put people at greater risk  
14 of developing illness, such as asthma.

15 --o0o--

16 MANAGER ALVARADO: To summarize, air pollution  
17 exposure can impact health in a number of ways. These  
18 impacts include premature death, worsening of heart  
19 disease leading to heart attack or strokes, asthma  
20 attacks, and increased risk of cancer.

21 California's air has been improving steadily as  
22 ARB has worked to meet the national standards. This  
23 improvement in air quality provides public health benefits  
24 by reducing exposure to the pollutants we have discussed  
25 this morning. And standards are becoming increasingly

1 stringent as the science shows health effects at lower  
2 levels of pollution. Meeting these new standards and  
3 reducing the health risks from toxic air contaminants will  
4 require ongoing efforts to achieve new emissions  
5 reductions.

6 --o0o--

7 MANAGER ALVARADO: ARB's health effects research  
8 has contributed to the scientific basis for the  
9 development of national and state ambient air quality  
10 standards.

11 The program also investigates emerging  
12 toxicological issues as they relate to public health and  
13 quantifies the health benefits of ARB regulations. The  
14 good news is that air quality in California has steadily  
15 improved since the inception of ARB as we have acted to  
16 achieve our goal of ensuring clean air in all of  
17 California's communities.

18 --o0o--

19 MANAGER ALVARADO: That's the end of my  
20 presentation. I'm happy to take any questions. Thank  
21 you.

22 CHAIRPERSON NICHOLS: Thank you very much.

23 I know we have a large number of people here who  
24 are anxious to get to the next item, but I want to take a  
25 couple of minutes before we move on, first of all, to say

1 your report covers a huge number of issues and many, many  
2 years of work.

3 But just to highlight one of the points or  
4 perhaps two of the points that you've made, as we heard  
5 last month as well, overall, the numbers of people who are  
6 being exposed to very high levels of air pollution have  
7 been reduced substantially over the years as a result of  
8 work by local air districts and this Board.

9 But I think we're also seeing increasingly that  
10 we need to focus more on somewhat more localized pockets  
11 of exposure where we have communities that are  
12 experiencing much higher levels of pollution than others,  
13 sometimes just due to being where they're located and  
14 where multiple exposures to the same kind of pollutants  
15 but from different pathways are also a problem.

16 You didn't mention -- and it probably came too  
17 late to be incorporated into your report -- but I thought  
18 that the draft document that was put out yesterday by our  
19 sister agency OEHHA is a really useful tool for people who  
20 want to look ahead to where we might be focusing our  
21 efforts in the future because it very clearly pinpoints by  
22 Census tract now the locations of some of the most  
23 vulnerable populations who are also experiencing the worst  
24 overall exposures to pollution, not just air pollution,  
25 but I would say probably drinking water in many instances

1 is even more important as a topic.

2 But I also would like to turn to Board members  
3 who may want to add something. And I particularly want to  
4 call on my colleague, Dr. Balmes, at the far end there since  
5 he is a public health physician and researcher.

6 BOARD MEMBER BALMES: Well, as usual, Chair  
7 Nichols, you pinpointed I think a really important issue  
8 with regard to air quality. The research over the last  
9 decade or so has really pointed toward traffic emissions  
10 as being an area where we have to do more.

11 The trouble with the Clean Air Act, which  
12 California has done a very good job at meeting the  
13 requirements of, despite having some of the worst  
14 pollution in the country, we've probably done the most and  
15 I'm proud of that. But the problem with the Clean Air Act  
16 is it calls for regulation of one pollutant at a time. So  
17 there is the national ambient air quality standard for  
18 ozone. There is one for particulate matter. There's one  
19 for sulfur oxides. One for nitrogen dioxide.

20 And really people who are exposed to air  
21 pollution as a mixture always. And a major source, as you  
22 all know, of the air pollution mix is from traffic. And  
23 so we have to do more than what the Clean Air Act really  
24 allows us to do to control traffic emissions. That's why  
25 we're here today. And I'm very proud of the fact that

1 California is ahead of the rest of the country with regard  
2 to dealing with traffic emissions as a public health  
3 issue.

4 CHAIRPERSON NICHOLS: Thank you.

5 Supervisor Gioia.

6 BOARD MEMBER GIOIA: First, thanks for the  
7 report. I think it's always good to every now and then  
8 summarize what we all sort of know, but in a transparent  
9 say. And clearly, the conclusion is while the conclusion  
10 is all air pollution is bad for your health, there's  
11 clearly some types of air pollution that are worse and are  
12 more impactful.

13 And as Chair Nichols pointed, I do think that the  
14 OEHHA map helps draw attention to this issue. And what I  
15 wanted to add, I think it would be useful here is for us  
16 to -- now that the maps are out, is to have at a future  
17 meeting the sort of presentation about the maps and the  
18 different strategies that we are pursuing that address  
19 issues in those identified highly impacted areas. Because  
20 I think it gives us a chance to sort of do an overview of  
21 what we're currently working on and where there may be a  
22 need for greater effort.

23 So at least -- I think we'll find there are a lot  
24 of things that the Air Board is working on that address  
25 these highly impacted areas. But we get to confirm that



1 or get to see where there are gaps.

2 So I'd like to see us have a pretty good  
3 presentation on the maps and the different work we're  
4 doing and how it aligns to that and some of the proposals  
5 under are consideration here to address that as well.

6 CHAIRPERSON NICHOLS: Thank you. Good  
7 suggestion.

8 Mr. Corey, do you want to respond?

9 EXECUTIVE OFFICER COREY: We will plan to do  
10 that.

11 CHAIRPERSON NICHOLS: Thank you.

12 Yes, Dr. Sperling.

13 BOARD MEMBER SPERLING: I have a question. I  
14 just came back from China. And some of us are advising  
15 China on what to do about their air pollution problems.  
16 And it occurred to me that maybe -- I think we have a  
17 different historical trajectory on the problem. My  
18 understanding is that ozone historically was something  
19 that we focused more on. Now we've come to appreciate the  
20 PM problem as well as being equally if not more important.

21 It seems like in many of the emerging countries  
22 like China and India, the PM problem is far worse relative  
23 to ozone. And because of the coal, because they have a  
24 much larger proportion of these older trucks out there.  
25 Is that true? That the nature of the challenge that they

1 are facing is different than at least in a proportional  
2 way to what we've gone through here in California in terms  
3 of the focus on -- there, they have PM that is, like, way  
4 off the chart. It's like scary high.

5 CHAIRPERSON NICHOLS: I'm going to ask Lynn Terry  
6 to comment on this, although I think all of us have been  
7 involved to some degree in our emerging discussions with  
8 China and India.

9 DEPUTY EXECUTIVE OFFICER TERRY: Well, you're  
10 right, from a historical standpoint, we had ozone  
11 standards well before we had national standards for fine  
12 particulate and PM2.5, which were first adopted by EPA in  
13 1997. That was the recognition of the dramatic health  
14 effects of fine particle pollution.

15 It is true. And there was in the presentation a  
16 comment that about 90 percent of the known air pollution  
17 risk is from PM and ozone. Of that 90 percent, by far and  
18 away, the identified health impacts are from fine  
19 particulate in California. And so clearly from an  
20 international perspective, there is a lot of work out  
21 there showing that that is the most well known air  
22 pollution health problem internationally. So you're  
23 right.

24 BOARD MEMBER SPERLING: So in California and the  
25 US, we just never figured it out? Is that how serious PM

1 was until later?

2 DEPUTY EXECUTIVE OFFICER TERRY: Yeah. It was  
3 really not until 1997 adoption of the national standard  
4 for fine particulate. We did have PM10 standards. Fine  
5 particulate was a landmark standard-setting process. Of  
6 course, our Chair was there to do it.

7 CHAIRPERSON NICHOLS: I was there.

8 BOARD MEMBER SHERRIFFS: Just highlighting your  
9 comment coming from the Central Valley, Clean Air Act has  
10 been immensely successful for the country, has been  
11 immensely successful for California.

12 But as we succeed, we drill down and we see these  
13 pockets that are especially challenged. And we also learn  
14 more about the specific health effects. We're learning  
15 now not all PM2.5 are the same. And the speciation of 2.5  
16 becomes important.

17 So this is really the next order of challenge for  
18 us is how to adapt to that better knowledge that, in fact,  
19 requires less of if you will shotgun approach that worked  
20 very well for getting first order and helping the most  
21 people. But then trying to be more laser like in terms of  
22 addressing the particular areas and even the particular  
23 pollutants that cause the greatest trouble, getting the  
24 most bang for our buck causing the least disruption.

25 CHAIRPERSON NICHOLS: Okay. Thank you

1           BOARD MEMBER BALMES: May I add one more comment?  
2 It was sparked by Professor Sperling's comments about  
3 China and India and the particulate pollution problem.

4           It's important to remember that dealing with that  
5 particulate problem related to coal burning in particular  
6 also helps deal with climate change. So again that's  
7 something that I'm very proud of what this Board has been  
8 doing. We are tying our climate change mitigation efforts  
9 to our air quality efforts, which very few other  
10 jurisdictions are. And they both have health impacts,  
11 climate change and the particulate pollution. And if we  
12 can get a bigger bang for the buck in terms of regulatory  
13 policies if we're always thinking of the two together.

14           CHAIRPERSON NICHOLS: Well, that's a very good  
15 segue to the next item. We'll wrap up this one. Thank  
16 you for the report.

17           While we're changing personal at the front table  
18 here, I'll lay the groundwork for what we're about to do.  
19 As we launch into our proposed amendments to the truck and  
20 budget regulation, I think it's useful to keep the last  
21 discussion in mind, because we're doing a very difficult  
22 balancing. We are a regulatory agency as well as a public  
23 health agency. And our decisions obviously have very  
24 broad impact. We have to also try to regulate in ways  
25 that are as cost effective as possible and to constantly

1 be assessing the results of our work.

2 The truck and bus regulation was originally  
3 approved by this Board in December 2008. So not all of  
4 you were here at that time. But more of you were here in  
5 2010 when we amended it and took some actions in light of  
6 the deep recession that we were experiencing here in  
7 California to provide some economic relief to the fleets  
8 that were effected most by the recession. And it is a  
9 critical part of our plan to protect public health and to  
10 meet California's air quality goals. So this regulation  
11 has quite an active history here in recent years.

12 Since 2010, the regulation has resulted in major  
13 reductions of diesel particulate matter emissions that are  
14 reducing localized health risks across communities  
15 throughout the state, as well as the impact of black  
16 carbon that contributes to global climate change. It's  
17 also providing important reductions in oxides of nitrogen  
18 and other criteria pollutants that are critical to further  
19 reduce health risks associated with exposure to ambient  
20 particulate matter as well as to achieving attainment of  
21 the ambient air quality standards that we were just  
22 talking about.

23 The staff has been working hard over these last  
24 years to implement the regulation and to assist fleets  
25 with compliance, as well as to make substantial incentive

1 funding available to fleets. During the update at the  
2 Board's October 2013 meeting, we heard a number of  
3 concerns raised by fleets regarding these regulations,  
4 including some who were experiencing difficulty coming  
5 into compliance. These concerns ranged from the ability  
6 of truck owners to comply, a lack of available incentive  
7 funding, as well as the effectiveness and reliability of  
8 the diesel particulate filters that were available.

9 At that hearing, the staff indicated that they  
10 were going to return to the Board with proposed amendments  
11 that would better ensure the emissions benefits of the  
12 regulation by providing lower cost compliance options and  
13 greater compliance flexibility to truck owners. In  
14 developing these proposed amendments, the staff sought to  
15 assure that the amended regulation would still provide the  
16 emissions reductions that are necessary to meet our air  
17 quality and diesel risk reduction goals. So they've  
18 attempted to strike a balance between getting the  
19 reductions that we need from these vehicles, this category  
20 of vehicles, and making the compliance more comfortable,  
21 if you will, more affordable, than it otherwise would have  
22 been.

23 So we're going to be hearing from many people  
24 about whether we got that right. And first, we'll start  
25 with the staff's presentation while they lay out what

1 their proposal actually is.

2 Do you want to start, Mr. Corey?

3 EXECUTIVE OFFICER COREY: Yes, thank you,  
4 Chairman Nichols.

5 As noted, at the Board's October 2013 meeting,  
6 staff provided an update on the implementation of the  
7 truck and bus regulation. Staff summarized stakeholder  
8 concerns about the ability of some fleets to make needed  
9 upgrades to comply. The concerns, as noted, and focused  
10 on small fleets, low mileage fleets, fleets in rural  
11 areas, which have been continued to be impacted by the  
12 recession.

13 At the hearing, staff committed to return this  
14 month with proposed amendments that would provide  
15 additional flexibility and new incentive funding  
16 opportunities to fleets, while better ensuring the  
17 emission benefits of the regulation.

18 So today, we're proposing amendments to the truck  
19 and budget regulation that are intended to meet those  
20 commitments.

21 In developing the proposed amendments, staff held  
22 five public workshops across the state and met with  
23 representatives from various companies, industry  
24 associations, and environmental organizations to discuss  
25 issues and concerns.

1           In addition to the proposed amendments, staff  
2 will report on its efforts to evaluate the concerns  
3 regarding the diesel particulate filters.

4           Also, during the 45-day comment period, ARB  
5 received numerous comment letters. Some of those comments  
6 raised environmental issues related to the proposed  
7 amendments which staff responded to in writing in  
8 Attachment B, which staff proposes the Board approve as  
9 part of the resolution in accordance with ARB CEQA  
10 certified the program.

11           With that, I'd like to introduction Beth White of  
12 the Mobile Source Control Division, who will give the  
13 staff presentation. Beth.

14           (Thereupon an overhead presentation was  
15 presented as follows.)

16           MANAGER WHITE: Good morning, Chairman Nichols  
17 and members of the Board.

18           Today, I'll be presenting proposed amendments to  
19 the truck and bus regulation for your consideration. The  
20 proposed amendments would provide fleet owners more  
21 flexibility to comply with the regulation, while better  
22 preserving the emissions benefits that are achieved by the  
23 regulation.

24           --o0o--

25           MANAGER WHITE: I will begin my presentation by



1 providing an overview of the existing regulation and a  
2 description of the proposed amendments. I will then  
3 discuss the impacts and staff's plans for implementation.  
4 We will also discuss staff's investigation of stakeholder  
5 concerns with diesel particulate matter, or PM, filters  
6 and conclude with staff's recommendations.

7 --o0o--

8 MANAGER WHITE: Trucks are a major source of both  
9 diesel PM and oxides of nitrogen, or NOx, emissions and  
10 reductions from trucks are critical the meet both state  
11 and federal air quality standards. Diesel PM from trucks  
12 and buses is the dominant contributor to PM exposure along  
13 roadways and in environmental justice areas throughout the  
14 state.

15 --o0o--

16 MANAGER WHITE: The regulation was originally  
17 adopted in 2008 and amended in 2010 to address the impacts  
18 of the statewide recession. The regulation is critical to  
19 meeting California's air quality goals and provides the  
20 reductions necessary to meet our SIP commitments and  
21 protect public health.

22 The proposed amendments are intended to ensure  
23 that by 2020 nearly every truck operating in California  
24 will have a PM filter, thereby achieving an 85 percent  
25 reduction in diesel PM consistent with the goals of the

1 Diesel Risk Reduction Plan. The proposed amendments  
2 ensure these substantial benefits will continue to be  
3 achieved.

4 --o0o--

5 MANAGER WHITE: The regulation requires upgrades  
6 to 2010 engines starting in 2015. Lighter trucks, which  
7 are those weighing between 14,000 and 26,000 pounds do not  
8 have a PM filter requirement. Heavier trucks, over 26,000  
9 pounds, had to meet the PM filter requirements beginning  
10 in 2012. Nearly all trucks must have 2010 or newer  
11 engines by 2023.

12 All owners could use the phase-in option to meet  
13 annual PM filter requirements from 2012 to 2016. This  
14 option allows fleet owners to decide which heavier  
15 vehicles to install PM filters on and defers all truck  
16 replacements until January 1, 2020 or later.

17 The phase-in option requirements also consider  
18 credits for early action, downsizing, or adding advanced  
19 technology vehicles. The regulation provides additional  
20 flexibility to small fleets, deferring the initial PM  
21 filter requirements for heavy trucks by several years. To  
22 take advantage of any flexibility options in the  
23 regulation, fleets must report annually.

24 --o0o--

25 MANAGER WHITE: The regulation provides

1 additional flexibility options based on the type or use of  
2 the truck. These options defer compliance requirements  
3 and reduce compliance costs for speciality vehicles, lower  
4 use vehicles, or vehicles operated solely in cleaner  
5 areas. Key requirements are listed on this slide.  
6 Staff's proposal would modify some of these provisions.

7 --o0o--

8 MANAGER WHITE: Overall, the regulation affects  
9 more than one million trucks that operate in California.  
10 There are about 170,000 light trucks registered in the  
11 state, and some will need to comply beginning in 2015.  
12 Heavier trucks began meeting compliance requirements  
13 January 1, 2012. There are 230,000 heavy trucks  
14 registered in California and about 620,000 heavy trucks  
15 registered in other states. Many out-of-state fleets that  
16 report operation in California report only a small  
17 fraction of total miles in California. This indicates  
18 that only a few of their trucks actually travel here in  
19 any given year.

20 --o0o--

21 MANAGER WHITE: Last October, we provided an  
22 update to the Board on implementation of the regulation.  
23 At that hearing, staff indicated that they intended to  
24 recognize good faith efforts and planned to propose to the  
25 Board additional regulatory flexibility to address

1 stakeholder concerns. Immediately after that hearing, we  
2 issued a regulatory advisory regarding good faith  
3 compliance efforts, conducted an extensive public process  
4 to understand stakeholder concerns, and developed proposed  
5 amendments to address those concerns.

6 --o0o--

7 MANAGER WHITE: The regulatory advisory provided  
8 additional time for owners to complete good faith  
9 compliance efforts by July 1, 2014, and allowed fleets to  
10 take advantage of some of the new planned flexibility  
11 options for low use and NOx-exempt areas consistent with  
12 staff's amendments. To take advantage, fleets had to  
13 report.

14 --o0o--

15 MANAGER WHITE: In developing the proposed  
16 amendments, staff conducted an extensive public outreach  
17 process to understand stakeholder's concerns, including  
18 five workshops across the state, four additional town hall  
19 meetings in northern California, and many meetings with  
20 affected stakeholders.

21 During this period, we also focused intensively  
22 on compliance outreach and assistance. In the call center  
23 alone, we handled on average over 400 calls per day  
24 between November 2013 and March 2014.

25 --o0o--

1           MANAGER WHITE: Throughout the public process,  
2 stakeholders communicated concerns in several areas.  
3 Stakeholders expressed that many fleets, especially those  
4 in rural areas, remain impacted by the lingering effect of  
5 the recent recession and do not have the necessary  
6 resources to comply as a result.

7           Many stakeholders expressed concerns about the  
8 lack of accessibility to incentive funding or about the  
9 durability and performance of diesel PM filters. Some  
10 expressed concerns that potential amendments could be  
11 unfair to compliant fleets, while others stated that the  
12 amendments were necessary to provide fleets the  
13 flexibility to achieve compliance. These concerns were  
14 key considerations in developing the amendments we are  
15 proposing today.

16                               --o0o--

17           MANAGER WHITE: The proposed amendments are  
18 designed to better protect the emissions benefits of the  
19 regulation while providing lower-cost compliance options  
20 and new opportunities for fleet owners to access public  
21 incentive funds. The proposed amendments also recognize  
22 fleet owners that have made investments to comply with  
23 regulatory requirements.

24                               --o0o--

25           MANAGER WHITE: The changes we are proposing are

1 focused in five areas. In general, these amendments  
2 extend requirements for small fleets, lower use vehicles,  
3 and fleets operating exclusively in rural areas with  
4 cleaner air. The amendments offer a new pathway for fleet  
5 owners that cannot afford to comply and recognize the  
6 efforts of fleet owners that already complied or complied  
7 early.

8 --o0o--

9 MANAGER WHITE: Staff is proposing changes to the  
10 compliance options for vehicles that operate in NOx-exempt  
11 areas as shown in the map on the slide. The first change  
12 is to expand the definition of NOx-exempt area by adding  
13 the counties shown in light green to the current  
14 NOx-exempt areas shown in dark green. This change extends  
15 the time for small and large fleets to meet PM filter  
16 requirements and applies to all trucks that operate  
17 exclusively in these areas. Trucks using this option do  
18 not need to meet any replacement requirements.

19 --o0o--

20 MANAGER WHITE: Staff is also proposing  
21 additional time for small fleets operating in other parts  
22 of California. The center column in the table shows the  
23 existing small fleet compliance schedule and the column on  
24 the right shows staff's proposed amendment. Our proposed  
25 initially extended the second truck requirement to January

1 1, 2016. Today, we are proposing to extend that date to  
2 January 1, 2017, to better provide incentive funding  
3 opportunities to small fleets. If approved, this  
4 modification would need to be made available for a 15-day  
5 public comment period.

6 By providing this relief to the second and third  
7 truck in small fleets, small fleet owners would be able to  
8 upgrade with lower cost used trucks and could be eligible  
9 for additional incentive funding.

10 --o0o--

11 MANAGER WHITE: The proposed additional change to  
12 the small fleet option would delay the compliance date on  
13 the second truck in small fleets by one year, from 2016 to  
14 2017. Staff does not believe this change is significant  
15 and expects the emissions impact of this proposed change  
16 could be partially offset by the newly created incentive  
17 funding opportunities.

18 --o0o--

19 MANAGER WHITE: Staff is proposing a new option  
20 for owners that cannot obtain financing to comply. Fleets  
21 would be eligible if they were denied a loan to meet the  
22 PM filter requirements before the end of this year. The  
23 proposed amendments would apply to up to three vehicles in  
24 the fleet that have been owned since January 1, 2012.  
25 Fleets using this option would be required to upgrade to

1 2010 model year engines by 2018, and they must opt in by  
2 January 31, 2015. As shown here on the next slide, staff  
3 is also proposing additional changes for this new option  
4 to improve enforceability.

5 --o0o--

6 MANAGER WHITE: Many stakeholder have expressed  
7 concerns about the potential for fraud with this  
8 amendment. The additional changes we are planning will  
9 require additional reporting by the fleet owner that  
10 documents information about the vehicle to be replaced,  
11 the vehicle to be purchased, the loan terms, and other  
12 relevant financial information.

13 The applicant will be responsible for completing  
14 and signing a form with the necessary information under  
15 penalty of perjury and would be required to submit a copy  
16 of the loan denial letter from a lender with the  
17 application.

18 The lender would also be required to sign the  
19 form, indicating that the information on the form is  
20 consistent with their review of the loan application. To  
21 ensure all fleets claiming this provision meet the same  
22 level of rigor, staff is also proposing that fleets  
23 claiming the good faith extension would need to reapply  
24 for a new loan and report under the planned requirements.

25 --o0o--



1           MANAGER WHITE: Staff is proposing to expand the  
2 low mileage construction truck option to include a wider  
3 range of trucks. This option would now apply to all  
4 trucks driving less than 20,000 miles per year, except  
5 non-construction trucks that regularly pull a trailer and  
6 would extend PM requirements by several years as shown on  
7 the table. Tow trucks, box trucks, service trucks and  
8 other types of work trucks would be newly eligible for  
9 this provision.

10                           --o0o--

11           MANAGER WHITE: Staff is proposing a more  
12 flexible phase out of the agricultural vehicle extension  
13 by reducing the annual mileage requirements over time.  
14 This amendment allows fleets to operate longer by reducing  
15 the use of their truck after 2017.

16           Staff is also proposing to add cattle livestock  
17 trucks to the speciality agricultural truck definition.  
18 This proposed change would recognize that while livestock  
19 haulers typically operate more miles than are permitted  
20 under the agricultural vehicle extension, they are being  
21 significantly impacted by current market conditions and  
22 that the mileage from these trucks in California is likely  
23 to be significantly depressed for several years.

24                           --o0o--

25           MANAGER WHITE: Staff is proposing to amend the

1 existing low use vehicle definition to include vehicles  
2 that operate fewer than 5,000 miles total per year. This  
3 proposed changes would sunset in January 2020. The  
4 existing extension for trucks that travel more than 5,000  
5 miles per year, but less than 1,000 miles per year in  
6 California would remain, with staff proposing to remove  
7 the existing 100 hour stationary operations limit.

8 --o0o--

9 MANAGER WHITE: Several amendments are focused on  
10 spreading compliance requirements over a longer period of  
11 time so fleets can better manage upgrading their trucks.

12 First, staff is proposing to limit 2010 engine  
13 fleet turn-over requirements to 25 percent of the total  
14 number of trucks in a fleet in any given year, which will  
15 assist fleets that have a high percentage of older trucks  
16 that would otherwise all need to be replaced in a given  
17 year.

18 We are also proposing a new option for heavy  
19 cranes. The proposed schedule would require heavy cranes  
20 to be upgraded to 2010 model year or newer engines at a  
21 rate of ten percent per year starting January 1, 2018.  
22 This option recognizes the high cost of replacing heavy  
23 cranes and the added complexity such fleets face in  
24 retrofitting existing cranes and meeting crane safety  
25 certification requirements.

1                   --o0o--

2                   MANAGER WHITE: Because many fleets have already  
3 invested in cleaner, compliant equipment and trucks, staff  
4 is proposing amendments that recognize actions already  
5 taken by the fleets to comply with the existing  
6 regulation. The existing regulation credits fleets that  
7 purchased retrofit PM filters, upgraded vehicles, or  
8 purchased alternatively fueled vehicles to provide early  
9 emissions reductions. Staff is proposing to extend the  
10 use of such existing credits two or more years. Credits  
11 for early installation of PM filters, fleet downsizing,  
12 and adding alternative fuel vehicles to the fleet would be  
13 available to use until 2018. Credits for adding advanced  
14 technology vehicles would be available to use until 2020.

15                   Staff is also proposing to extend the use of  
16 trucks having PM filters that were installed before  
17 January 1, 2014, until 2023 and to allow the use of  
18 vehicles with the recalled retrofit PM filter for up to  
19 five years from date of the recall.

20                   --o0o--

21                   MANAGER WHITE: The proposed amendments reduce  
22 costs while better ensuring the benefits of the  
23 regulation. Compliance costs will be reduced for many  
24 fleet owners, and staff estimates the total cost of the  
25 regulation will be reduced by about \$400 million, a 20

1 percent reduction.

2 At the same time, the amendments ensure the air  
3 quality benefits of the regulation will continue to be  
4 achieved, as the amendments achieve 93 percent of the  
5 cumulative emissions reduction expected through 2023. On  
6 the next two slides, I'll show you how these emissions  
7 change over time.

8 Because the impact of the amendments on the  
9 emission benefits of the regulation is relatively small,  
10 we do not project any significant change in the number of  
11 premature deaths avoided or overall health risk  
12 reductions.

13 --o0o--

14 MANAGER WHITE: This graph shows how the proposed  
15 amendments meet PM emissions goals. The graph compares  
16 the statewide PM emissions trends without the regulation,  
17 business as usual, as shown with the blue line with the  
18 current regulation shown as the red line and with the  
19 proposed amendments and additional changes shown as the  
20 green line.

21 Although there is a short-term loss of PM  
22 reductions between 2015 and 2019, the proposed amendments  
23 would ensure that by 2020 nearly every truck operating in  
24 California will have a PM filter consistent with the goals  
25 of the Diesel Risk Reduction Plan.

1                   --o0o--

2                   MANAGER WHITE: This graph shows how the proposed  
3 amendments meet NOx emission goals. The graph compares  
4 the statewide NOx emissions trends without the regulation,  
5 business as usual, shown as the blue line with the current  
6 regulation shown as the red line and with the proposed  
7 amendments and additional changes shown as the green line.

8                   Although there is a short-term loss of NOx  
9 reductions between 2015 and 2018, the proposed amendments  
10 ensure that by 2018 the regulation achieves the emissions  
11 levels that are expected.

12                   --o0o--

13                   MANAGER WHITE: With the proposed amendments, the  
14 regulation will continue to provide the emissions  
15 regulations necessary to meet our federally enforceable  
16 SIP commitments. The amended regulation would continue to  
17 provide maximum feasible emissions reductions toward ozone  
18 attainment in 2023 and does not affect reasonable further  
19 progress milestones.

20                   The regulation will help continue to ensure that  
21 the ambient fine particulate matter, or PM2.5 standard, is  
22 attained in the South Coast and will provide ongoing  
23 reductions to meet the PM2.5 attainment challenge in the  
24 San Joaquin Valley.

25                   --o0o--

1           MANAGER WHITE: The proposed regulatory changes  
2 are expected to provide some additional funding  
3 opportunities for eligible fleet owners. And in  
4 particular, small fleets and fleets using the flexibility  
5 provisions by allowing more time for applicants to apply  
6 for funding before the amended compliance dates.

7           While demand for incentive funding will continue  
8 to be substantial, significant funding is expected to be  
9 available, including between 100 and \$200 million in Prop.  
10 1B funding, as well as funds from local programs like Carl  
11 Moyer. Implementing these amendments and incentive  
12 funding programs will require changes to program  
13 guidelines. Staff intends to present to the Board updated  
14 Carl Moyer guidelines by July and will update the Prop. 1B  
15 guidelines prior to the next round of funding.

16           Compliance assistance is a critical component of  
17 implementing such a complex regulation that affects such a  
18 wide variety of stakeholders and remains a high priority  
19 for staff.

20           To ensure fleets have the resources they need, we  
21 will continue providing compliance assistance through our  
22 call center and training efforts. ARB staff will also  
23 release a new advisory on the approved amendments after  
24 the hearing and before they become effective so fleets  
25 clearly understand the approved changes.

1           Staff will also update all compliance tools,  
2 training courses, and other materials to reflect the most  
3 current information.

4           Finally, staff will continue to closely  
5 coordinate outreach and enforcement activities to better  
6 help non-compliant fleets become compliant.

7                           --o0o--

8           MANAGER WHITE: The success of the regulation  
9 will hinge on enforcement and achieving compliance will be  
10 an ongoing challenge. Using a combination of vehicle  
11 registration data, compliance reporting information, and  
12 enforcement statistics, we believe about 80 percent of  
13 trucks that operate in California are currently compliant  
14 with the regulation.

15           We believe we need to continue to work to improve  
16 this level. With expanded analysis of vehicle  
17 registration and reported compliance data, we are able to  
18 identify most trucks that are operating in California.  
19 With this information, we have a much improved ability to  
20 conduct smarter enforcement and to target enforcement  
21 efforts at potentially non-compliant fleets.

22           At the same time, we intend to continue existing  
23 enforcement efforts to assure a level playing field for  
24 all operators in California. For fleets that disregard  
25 our enforcement efforts, we intend to work with the

1 Department of Motor Vehicles and California Highway Patrol  
2 to take additional actions which can include registration  
3 blocks and vehicle impoundments.

4 --o0o--

5 MANAGER WHITE: During the October 2013 hearing,  
6 and in subsequent workshops and town hall meetings in late  
7 2013 and early 2014, staff heard numerous concerns  
8 expressed by stakeholders about the diesel PM filters.  
9 These concerns generally focused on filter performance,  
10 durability, and vehicle down time. Some stakeholders  
11 questioned why a filter was even necessary.

12 --o0o--

13 MANAGER WHITE: In response to stakeholder  
14 concerns, staff initiated a technology investigation by  
15 reviewing available warranty and testing data and  
16 interviewing fleet owners, truck drivers, retrofit  
17 installers, and truck dealers about their PM filter  
18 experiences.

19 Next, I will describe some preliminary findings  
20 from this work.

21 --o0o--

22 MANAGER WHITE: While our investigation is still  
23 ongoing, we do have several preliminary findings we can  
24 highlight today.

25 First, data from the field study and fleet



1 interviews indicate most operators are not having a  
2 problem with their truck or filter. Although we did find  
3 a few cases where retrofits were not installed properly,  
4 this was largely not a filter performance issue. Because  
5 we have an existing process for resolving installation  
6 issues, we are assisting these fleets and following up  
7 with their cases.

8 While the same data show some truck owners are  
9 experiencing vehicle problems, in these cases, we  
10 generally found the filter was working as designed, but  
11 the engines had experienced a component malfunction. Some  
12 engine component malfunctions can generate excess PM  
13 emissions that impact PM filter performance, whether  
14 retrofit or originally installed. We believe this is why  
15 truck owners attribute their truck performance problems to  
16 the filter.

17 Based on engine warranty data, the incidents of  
18 such engine component issues is similar to what we have  
19 seen even before the introduction of PM filters on new  
20 engines. Because vehicles experiencing engine problems  
21 can result in operator down time, we believe that  
22 proactive steps can be taken and that many of these issues  
23 can be addressed with the cooperation of stakeholders.

24 --o0o--

25 MANAGER WHITE: One way to address these issues

1 is to focus on preventative maintenance.

2 First staff will work with stakeholders to  
3 identify the most cost effective preventative maintenance  
4 procedures to help diagnosis engine issue as early as  
5 possible. Looking for oil in fuel, metals in oil, or high  
6 engine out PM opacity are three examples of relatively  
7 inexpensive tests that may be used to help diagnose and  
8 repair problems before they occur.

9 Staff will then incorporate these best practices  
10 into training programs and work with stakeholders  
11 including truck dealers, retrofit installers, and others,  
12 through our compliance outreach and assistance process to  
13 help ensure fleets understand that operational benefits  
14 these procedures could provide. Staff will also continue  
15 to work with fleets and retrofit installers as we have in  
16 the past to help resolve these problems.

17 Second, staff will evaluate potential  
18 improvements to programs that could help resolve these  
19 issues over the longer term. For example, certification  
20 and in-use compliance programs could potentially be  
21 strengthened, although in some cases, statutory changes or  
22 changes at a national level may be required.

23 Inspection and maintenance programs can be an  
24 effective way to both help ensure fleets are conducting  
25 preventative maintenance and emissions controls are

1 functioning properly.

2 Staff believes that inspection and maintenance  
3 program improvements, if considered, should be developed  
4 cooperatively with industry. Staff is proposing to  
5 continue the investigation and prepare a report of its  
6 findings and recommendations this fall.

7 --o0o--

8 MANAGER WHITE: In summary, the proposed  
9 amendments protect public health and continue to meet SIP  
10 obligations. We conducted an extensive public process to  
11 understand stakeholder concerns and have developed  
12 amendments that appropriately balance the concerns of both  
13 compliant and future compliant fleets. We believe these  
14 changes are appropriate, focusing additional flexibility,  
15 and providing incentive funding opportunities for those  
16 fleets that need it, while minimizing impacts to compliant  
17 fleets.

18 --o0o--

19 MANAGER WHITE: In closing, we recommend that the  
20 Board adopt the staff proposal with the planned additional  
21 changes. Moving forward, we expect to implement the  
22 regulation with a focus on comprehensive compliance  
23 assistance and enforcement to ensure a level playing field  
24 for all stakeholders.

25 CHAIRPERSON NICHOLS: Thank you.

1 I think in light of the number of people that  
2 want to speak on this issue, if the Board is willing, we  
3 should go straight to the audience. And then at the end,  
4 we can have comments and discussion from the Board.

5 If there are any questions that come up during  
6 the course of the testimony, we may interrupt people and  
7 ask our questions. But we'll try to get through this so  
8 we can hear from everyone.

9 There is a list that is somewhat faint up on the  
10 Board there, but hopefully your eyes are better than mine  
11 so you can see for at least the first 19 people where you  
12 are in the lineup. And it's always easier if you're  
13 standing by ready to come up to the podium rather than  
14 waiting until your name is called. That will help us also  
15 get through this more efficiently.

16 So we will begin. The first three witnesses are  
17 all our Air Pollution Control Officers: Jack Broadbent,  
18 Henry Hogo, and Seyed Sadredin. So if you want to start  
19 with the air district folks and then we'll move on from  
20 there.

21 Good morning, Mr. Broadbent. I don't know how  
22 you drew the lucky straw here. Welcome.

23 MR. BROADBENT: Good morning, Madam Chair and  
24 members of the Board.

25 Again, my name is Jack Broadbent, and I'm the

1 Executive Officer for the Bay Area Air Quality Management  
2 District. I'm here today to speak in support of the  
3 recommendations the amend the on-road truck and bus rule.  
4 I'd like to start off by thanking your staff, specifically  
5 Richard Corey, Cynthia Marvin, Erik White, and others.  
6 You have a great team here. And they have worked very  
7 closely and collaboratively with the air districts in the  
8 development of these rule changes.

9 As I'm sure all of you are aware, the Bay Area is  
10 homes to tens of thousands of medium- and heavy-duty  
11 trucks and they're a major source of air pollution in our  
12 region. In fact, the majority of our health risk in the  
13 Bay Area comes from the toxic diesel particulate emissions  
14 from these vehicles.

15 Because of this, since 2009, the air district has  
16 provided over \$69 million in funding from federal, state,  
17 and local sources to over 2500 truck owners. Because of  
18 their significance, the Bay Air district is also  
19 continuing to prioritize funding for truck emission  
20 reduction opportunities. And, indeed, we just recently  
21 put \$5 million of our local TFCA moneys for truck  
22 replacements.

23 While we're concerned about the amendments in the  
24 sense they provide a delay in terms of emission reductions  
25 between 2015 and 2020, we do believe that the associated

1 proposed changes make sense. They provide a lower cost  
2 compliance option for small fleets with low mileage. They  
3 also provide more opportunities for fleet owners to access  
4 public incentive dollars.

5 In order to minimize the emissions impact of  
6 these changes, however, we would strongly encourage your  
7 staff to place continued emphasis on incentive programs as  
8 well as on the outreach, as your staff mentioned.

9 We believe the outreach needs to be very targeted  
10 to the trucking community and be given a high priority,  
11 specifically given the fact that lighter trucks may not be  
12 familiar with this regulations. They're going to need to  
13 come into compliance in 2015.

14 Lastly, Madam Chair, I know you have a long set  
15 of folks that want to speak today. I want to mention our  
16 experience in implementing the drayage truck rule in west  
17 Oakland that I know you're very familiar with. Our  
18 experience is one in which while we are in support of  
19 these changes, we would ask that the CARB send a very  
20 strong message that these changes are, indeed, it. And  
21 that there would not be further changes. And I say that  
22 because I think the trucking community needs certainty,  
23 certainty the regulated community needs certainty. And I  
24 think also the air districts need certainty.

25 It was our experience in implementing the drayage

1 truck rule that frankly some truck owners waited until the  
2 very end and indeed expected CARB to change the rule.

3 So with that, Madam Chair, I will conclude my  
4 remarks. And thank you again. I want to thank your staff  
5 also.

6 CHAIRPERSON NICHOLS: Thank you. Thanks for your  
7 words of advise as well.

8 Mr. Hogo.

9 MR. HOGO: Good morning, Chairman Nichols,  
10 members of the Board. I'm Henry Hogo, Assistant Deputy  
11 Executive Officer at the South Coast Air Quality  
12 Management District.

13 First of all, I want to thank staff for their  
14 extensive work and outreach with stakeholders, including  
15 air districts, on this very important item. We do  
16 recognize the difficult balancing act that your Board has  
17 before it today. Meeting federal clean air standards by  
18 mandated deadlines in California requires achieving the  
19 assisting truck rule emissions reduction targets must more  
20 by no later than 2020, just six years from now. At the  
21 same time, we further recognize the need for some  
22 mid-course corrections to the truck regulations to provide  
23 additional opportunities for assistance to some truck  
24 owners, especially small businesses. We want to thank  
25 staff for proposing amendments and maintain the emission

1 reductions needed in 2020 time frame.

2 Finally, we hope that everyone involved in this  
3 rulemaking understands that trucks are the largest NOx  
4 emissions sources in the South Coast, San Joaquin, and  
5 many other areas. And NOx emissions must be reduced by  
6 about two-thirds beyond all assisting regulations from all  
7 mobile sources and stationary sources by the 2023 time  
8 frame in the ozone non-attainment areas.

9 We are committed to work with your staff,  
10 affected businesses, and other stakeholders on  
11 implementation of the truck rule as amended today and to  
12 achieve federal clean air standards throughout California  
13 by mandated deadlines to protect public health. I thank  
14 you for the opportunity to provide comments today. We'll  
15 be happy to answer any questions.

16 CHAIRPERSON NICHOLS: Thank you very much. I  
17 would also point out that your district and some of the  
18 others have provided funding to assist in this effort as  
19 well. So you're putting your money on the line as well.  
20 It's much appreciated.

21 Mr. Sadredin.

22 MR. SADREDIN: Good morning, Madam Chair and  
23 members of the Board. It's a pleasure to be before you.

24 Just quickly, I wanted to mention that Supervisor  
25 Case-McNeery, I've been talking to her. She's about to



1 arrive here at any minute. She's on Amtrak.

2 CHAIRPERSON NICHOLS: I was looking for her. I  
3 would have called her ahead of the others because she's an  
4 elected official.

5 MR. SADREDIN: Hopefully when she gets here you  
6 can give her the time she needs.

7 But I want to thank you and your staff for the  
8 good work that you've done with respect to this matter and  
9 working closely with the air districts and other  
10 stakeholders.

11 I'm here today on behalf of my entire Board to  
12 support the staff recommendation, including the 15-day  
13 changes they have proposed, which we think are key to  
14 making this proposal work. We appreciate and recognize  
15 the very difficult balancing act that you face today with  
16 respect the air quality and also some of the economic  
17 impacts of this rule.

18 At the end of the day, we don't want to put small  
19 fleets owner/operators out of business and harm their  
20 customers that they provide a good service to. But trucks  
21 are the largest source of air pollution, largest source of  
22 NOx in San Joaquin Valley.

23 I want to take you back to your earlier  
24 discussion about the health impact. Without significant  
25 reduction in truck emissions, there is no way that San

1 Joaquin Valley can meet the PM standards or the ozone  
2 standards. The OEHHA report that you mentioned, 22 of the  
3 30 top Census tracts are in San Joaquin Valley.

4 And that brings me to a point of one ask then I  
5 have of your Board today, not in terms of the change in  
6 the rule but hopefully in the resolution to provide  
7 certainty with respect to Prop. 1B funding. I've spoken  
8 to your staff. They are open to make the Prop. 1B funding  
9 the remainder of it -- to allocate that at the discretion  
10 of the air district to be spent on trucks. But they're  
11 leaving the door slightly open to other options should  
12 other budgetary constraints play a role in this.

13 We need certainty. There is no way that we can  
14 make the shortfalls that these changes may bring about  
15 disappear without a significant incentive funding. The  
16 air district is willing to put a lot of our own money into  
17 this, as we already have.

18 But I'd like you to add a statement in your  
19 adoption of Resolution that provides the discretion to the  
20 air districts in terms of the remaining Prop. 1B funding  
21 to spend it on trucks if that is a significant source for  
22 them, which in San Joaquin Valley as I said, this is the  
23 largest source of NOx emissions. So hopefully we can get  
24 some certainty with respect to that.

25 Other than that, I want to thank you for your

1 good work on this. And thank you Rich, Erik, and Cynthia,  
2 for working with us closely.

3 CHAIRPERSON NICHOLS: Thank you. We'll call  
4 Supervisor Case when she arrives.

5 Mr. Brazil.

6 MR. BRAZIL: Good morning, Madam Chair, members  
7 of the Board.

8 I'm Dennis Brazil, the mayor of the city of  
9 Gustine. I'm also a Governing Board member on the San  
10 Joaquin Valley Air District. And I'm here in support  
11 today of the changes that you're amending for this rule  
12 for the trucking industry.

13 I think one thing to remember that is this  
14 trucking industry, this is good survival. So if this  
15 trucking industry stumbles or fails, especially in the  
16 economy that we're in, there is going to be a lot of  
17 people out of work, a lot of people out of business, which  
18 is going to effect our economy from one end of our state  
19 to another. Supporting them and helping them is key.

20 I think you will not have any argument with  
21 anybody in this audience today that they want to improve  
22 health -- I mean air quality for everyone. By doing that,  
23 they are going to succeed in what they are doing, but they  
24 need help.

25 I can speak from experience. We own a small

1 trucking company for over 50 years. And it's a very hard  
2 balancing act to survive in today's economy. While our  
3 economy has improved, we are surely not out of the woods.  
4 And the trucking industry is surely in trouble. So listen  
5 to the testimony today. I encourage you to make  
6 recommendation changes that will improve and help this  
7 trucking industry. You guys have done a great job about  
8 listening to all the other amendments and changes that  
9 have come about. It's a very hard decision. But they're  
10 asking for your help. They need your support along with  
11 all the other trucking industries and companies in  
12 California. Thank you very much for all your hard work.  
13 Thank you for letting me speak today. Have a great day.

14 CHAIRPERSON NICHOLS: Thank you for making the  
15 trip.

16 Mr. Abbs.

17 MR. ABBS: Good morning, Madam Chair and members  
18 of the Board.

19 My name is Allen Abbs. I'm the Air Pollution  
20 Control Officer for the Tehama County Air Pollution  
21 Control District.

22 I'd like to echo the comments from my fellow  
23 APCOs about the hard work that staff has put into looking  
24 at options for amendments to this regulation. Also that  
25 staff was willing to come up to the north state on several

1 occasions and do workshops and also provide training even  
2 in Red Bluff for a day on how to comply with the truck and  
3 bus rule. I hope that the staff will be continue to be  
4 willing to make the trip up to northern California to do  
5 those things.

6 In August, last year, our Air Pollution Control  
7 District Board sent a letter with several concerns about  
8 the upcoming compliance deadlines for the truck and bus  
9 rule. In that letter, we asked for CARB staff to consider  
10 several options to provide relief for small owners and  
11 operators in Tehama County and elsewhere in the north  
12 state, including reopening up the agricultural vehicle  
13 provisions, the low-use vehicle provisions, looking at the  
14 NOx-exempt areas. And our Air Pollution Control Board was  
15 happy to see that this current version with the amendments  
16 has addressed all the concerns that we listed in our  
17 August letter.

18 One other thing we mentioned -- so our Board did  
19 authorize the letter in March of this year expressing  
20 support for changes that staff has proposed.

21 The last thing that our Board did ask for staff  
22 to consider, not as part of the amendments today, but in  
23 the future, relates to Prop. 1B funding. And in Tehama  
24 County, to receive Prop. 1B funding, you have to operate  
25 50 percent of your time in a Prop. 1B area. So if you're

1 a trucker in Tehama County, that means just to be eligible  
2 to start the clock on whether you're eligible for Prop. 1B  
3 funding, you have to drive about 120 miles just to get  
4 into the Sacramento area. So that prevents many truck  
5 drivers in the north state, not just Tehama County, but  
6 counties further north than Tehama County and even a  
7 little south of Tehama County from being able to access  
8 Prop. 1B funds.

9 So I would encourage CARB to look at ways that we  
10 can open up eligibility to north state truck drivers to be  
11 eligible for that funding. Thank you very much.

12 CHAIRPERSON NICHOLS: Thank you. I especially  
13 want to comment that your letter was influential, and I'm  
14 happy that you recognize that we acted on it. But I want  
15 to say how helpful it is when we hear from local  
16 governments and they make really specific concrete  
17 suggestions. It helps us to focus our efforts, too. So  
18 thank you for that.

19 Mr. Wagoner.

20 MR. WAGONER: Good morning, Chair Nichols AND  
21 Board members. My name is Jim Wagoner. I'm the Air  
22 Pollution Control Officer with the Butte County Air  
23 Quality Management District.

24 My Board has previously submitted written  
25 comments on the proposed amendments, but they did ask me

1 to be sure I was here to talk to the points.

2 First of all, we want to also recognize the  
3 outreach of your staff in our area, working with our  
4 citizens, and really trying to reach that critical balance  
5 between the air quality needs that are necessary in the  
6 state and also in our area, recognizing the economic  
7 impacts. And we think that the proposal that's been put  
8 together is really a thoughtful balance of those needs.

9 Butte County certainly supports the additional  
10 NOx-exempt areas, particularly including Butte County in  
11 that category. We like and support the extended  
12 compliance schedules that are being proposed, particularly  
13 for the agricultural vehicles and work trucks. And we  
14 recognize that this will also result in additional grant  
15 opportunities, which we certainly also support.

16 But having said all this, my Board still  
17 continues to be concerned about the particular filter  
18 mandate that's continuing in the rural areas while there's  
19 still reports of performance issues. So we request the  
20 Board really look at the study that's being started. And  
21 we understand it's still ongoing and consider maybe just  
22 suspending that PM requirement until the study is done and  
23 the Board can consider the ramifications. Thank you.

24 CHAIRPERSON NICHOLS: Thank you.

25 Now we turn to our first industry witness. I

1 guess I would call you industry, at least private sector,  
2 Ms. Barrett.

3 MS. BARRETT: Ladies and gentlemen of the Board,  
4 I would like to address and support the amendment  
5 proposals.

6 My name is Patricia Barrett. I'm a native of  
7 California, born and raised in the Bay Area. My husband  
8 and I work in the Bay Area. We reside in San Joaquin  
9 County. My children live in Sacramento and San Joaquin  
10 County. My grandchildren live in Sacramento, San Joaquin,  
11 and Santa Clara Counties, and my great grandchildren live  
12 in Sacramento and Santa Clara Counties. This is where my  
13 roots are. So if anybody is worried about California,  
14 this is where my future is. I am worried about  
15 California.

16 As an owner/operator of a single truck, if I as  
17 an owner of a single truck am forced to put a filter on by  
18 June 30, 2014, I will be forced to take the hardship of  
19 moving outside of California. Our country is still in  
20 recovering from the recession. It will be difficult for  
21 husband and myself to reestablish gainful employment to  
22 continue our livelihood. It's unfortunate many of my  
23 fellow truckers have been forced to even live in their  
24 trucks.

25 But myself to leave California would mean a



1 mental, emotional, physical and financial burden.  
2 Thinking of grandchildren. I'm still trying to qualify  
3 for the money to add my filter. And after many attempts  
4 to financial institutions, I have no funding.  
5 Unfortunately, the government ran out when it was my  
6 truck's generation to replace the filter.

7 So in conclusion, I would request on my behalf  
8 and others like me to grant continuance of the good faith  
9 amendment until such funds are reinstated. Thank you for  
10 your time.

11 CHAIRPERSON NICHOLS: Thank you very much.

12 Mr. Michael Rea.

13 MR. REA: Madam Chair, honorable members of the  
14 Board, and hard working and dedicated staff, my name  
15 Michael Rea. I am the Government Relations Chairperson  
16 for the California Association of School Transportation  
17 Officials. I'm also the Co-Chairperson for the School  
18 Transportation Coalition and also a School Transportation  
19 Director.

20 Over these past several years during the great  
21 recession, school budgets have been severely impacted.  
22 The recovery has come. However, school transportation  
23 funding under the education budget has not recovered.  
24 School transportation funding remains at its lowest level  
25 with no hope of any increase or cola in the current budget

1 or the Governor's proposed budget. It creates difficulty  
2 for school districts to comply with regulations.

3 Currently, right now, school districts only receive  
4 approximately 35 percent of the funding from the state of  
5 California that it takes to operate school transportation  
6 in this state.

7 We support the air quality benefits of the truck  
8 and bus rules. And we understand the need to amend the  
9 rules for small and rural fleets. But some of these  
10 amendments -- actually all of these amendments do not  
11 apply or accrue to the school bus rules for the truck and  
12 bus compliance rules. We respectfully request that the  
13 Board include only one small amendment for the school bus  
14 rules that would be extremely beneficial. And that would  
15 be the low mileage exemption that you're considering for  
16 trucks as well. So from a thousand miles to 5,000 miles  
17 until the year 2020 would be extremely helpful.

18 In California, there are approximately 1,050  
19 school districts. 960 of them run some form of school  
20 transportation. Over 60 percent of those have fewer than  
21 ten vehicles. And we're talking about the very rural  
22 areas, also low mileage. These buses that we're looking  
23 at are spare buses that would only be used when the main  
24 fleet is not able to be operated, and it would give us  
25 some significant relief in order to comply with the rules.

1           One other thing we'd respectfully request from  
2 the Board, and that is that you continue to aggressively  
3 pursue funds for the Lower Emission School Bus Program so  
4 we can replace the buses out there that might now are not  
5 in compliance and are difficult for school districts to  
6 bring into compliance. There are approximately 3500 buses  
7 that qualify for replacement under the Lower Emission  
8 School Bus Program.

9           So thank you very much for your time.

10          CHAIRPERSON NICHOLS: Thank you.

11          Dr. DeLibero.

12          MR. DE LIBERO: Madam Chair, good morning. I'm  
13 here to speak in favor of the amendment. My present  
14 career is in public service. And I do maintain a clean  
15 air website.

16                You've all heard so many statistics today about  
17 small lungs, about trucks and buses being the major  
18 component of the problem that we see. You heard about the  
19 air particles, PM10 the size of a cross section of hair.  
20 When that gets into your bronchi, make you cough. 2.5  
21 gets down into bronchials that gives you asthma and  
22 chronic disease. Even smaller particles across the blood  
23 lung barrier and travel throughout the body. Even nano  
24 particles give cancer and inflammation in various parts.

25                You all heard about the long-term exposures and

1 all the statistics involved, including premature birth and  
2 so forth. You all heard about what can be done and how  
3 L.A. freeways are basically cancer alleys. And the truck  
4 drivers themselves are more susceptible to disease than  
5 the average population.

6 Tons of sulfur are produced. Major chemicals are  
7 involved. And when we talk about ozone, very simple,  
8 emissions, sunlight gives us ozone. And if we look at the  
9 map of the United States starting at 20, here's how the  
10 ozone figures out throughout the United States. Look at  
11 California. We're way above. If we look at particulate  
12 matter and we start at 65, we're way out of line. Way,  
13 way out of line with the rest of the United States.  
14 Totally out of line.

15 Now, when we speak of statistics, that sometimes  
16 can be a problem. Because when you speak of statistics,  
17 you don't see the personal person involved. You don't see  
18 the kid and status asthmatic turning blue in front of you.  
19 You have a thousand cases of new asthmatics. That's all  
20 it is to you. That's natural. The human brain works that  
21 way.

22 The same with prematurity. You heard all the  
23 statistics and so forth about small lungs. Well, I'd like  
24 everyone in the audience to drop their pen and look at the  
25 palm of their hands. Look at the palm of your hand. And

1 the next time you're thinking about legislation and  
2 penning something with that hand, think of this. This is  
3 what you get. Little lungs. Little people. A problem  
4 for the individual. A problem for society forever.

5 Thank you very much.

6 CHAIRPERSON NICHOLS: Okay. Thank you.

7 Erica Morehouse.

8 Erica, while you're coming down, let me take a  
9 second here. I only have the first sheet of people who  
10 have signed up to testify, which is 20 people. Can you  
11 give me a clue as to how many we're actually looking at so  
12 we can start to gauge our timing?

13 BOARD CLERK JENSEN: Maybe 100 possibly. We're  
14 at 62 and I'm still including the list.

15 CHAIRPERSON NICHOLS: Okay. I just wanted to  
16 make sure people were aware of the fact that we've got a  
17 long list.

18 We will take a lunch break today. We have a  
19 short executive session scheduled for the lunch break. We  
20 can be a little bit flexible about timing, but probably  
21 people would like to know so they can plan, too. I think  
22 probably noon would be the best. And we will just take  
23 one hour and then come back and resume the hearing,  
24 wherever it is that we break off. So hopefully that will  
25 help people if they need to make plans. Okay.

1 MS. MOREHOUSE: Good morning. Erica Morehouse  
2 with Environmental Defense Fund. Thank you.

3 We appreciate the incredible progress that's been  
4 made so far in cleaning up our trucks and buses and also  
5 California's national leadership on this issue. And we  
6 also recognize the difficult balancing that ARB is doing  
7 today.

8 We do urge the Board to keep the truck and bus  
9 rule as strong and consistent as possible in order to  
10 maintain the critical health and environmental benefits  
11 that it provides and also to avoid undermining investments  
12 in clean trucks that have already been made. I'm going to  
13 align my comments with my environmental colleagues that  
14 are coming. I'll leave it at that. Thank you very much.

15 CHAIRPERSON NICHOLS: Thank you.

16 Shellie Archer.

17 MS. ARCHER: Chairman Nichols and the Board, I'm  
18 Shellie Archer. I'm owner of Archer Trucking, a northern  
19 California construction broker with two locations,  
20 Mendocino County and Yuba County.

21 We have 64 trucks. I spent hours and hours  
22 fighting the rule, fighting what is in existence right  
23 now. I was one of the lead. I joined in with many people  
24 here in this room fighting and going to meetings and  
25 begging for staff to listen to reason, to allow more time.

1 All the things that you're proposing today in the  
2 amendments, we begged for those things. For over four  
3 years, we begged.

4           You said no, as a Board. It was absolutely, this  
5 is the rule, this is the law. And my husband and I  
6 stepped up. And we are over \$3 million in debt. I could  
7 cry, too. Because, for us, we're 56 years old. And it's  
8 a ridiculous amount of money to spend. And we would have  
9 done just fine with the older trucks. And now my  
10 competitors who have not complied are getting the golden  
11 ticket. I'm getting slapped in the face because I  
12 complied and spent the money and made the investment.

13           A very important point, going away from my  
14 company, which is a big company. Never thought we would  
15 be this big. No one is fighting for the little guys who  
16 have complied. We have approximately 60 owner-operators  
17 of individual trucks. About half of them have gone out  
18 and either spent money on filters or bought a new truck.  
19 The other half have not. They're sitting back with shirts  
20 that say, "No, we're never -- comply? No. I'd rather  
21 die." That kind of thing. And they're getting away with  
22 it now. They just permission to not go out.

23           I have next door neighbors. One has a brand-new  
24 truck or a \$15,000 filter on a really old truck. And one  
25 is just driving his old truck. They're on the same jobs

1 making the same money. One has a \$2300 a month payment.  
2 One does not. That's not fair. No one -- there is no  
3 organization sticking up and banding together for the  
4 small owner-operators for the little fleets that did  
5 comply. They need a check or they need a tax credit. I  
6 need a check or I need a tax credit.

7           When we met with staff, we said, you're going to  
8 cause financial extreme hardship. You're going to blow us  
9 out. We're rural. We're small. We're construction. We  
10 hardly drive. Thank you for the construction truck rule.  
11 Thank you. It helps immensely. But we were assured by  
12 staff there will be economic -- it will turn around.  
13 Because everyone has to comply, the rates will come up.  
14 You will all be in the same level playing field. Hasn't  
15 happened.

16           The other thing I'm very concerned about is the  
17 onerous job of compliance that you put on truck brokers.  
18 DMV won't do it. CHP won't do it. But you want me to do  
19 it. And I risk fines if I you don't make sure that every  
20 sub-hauler is compliant. How can that be fair?

21           I beg you to tie compliance to DMV registration.  
22 There will be no one that can escape the radar if they  
23 can't register their truck without registering with the  
24 Air Resources Board. The VIN number database is there.  
25 Please, I beg of you, that's an easy solution.



1           CHAIRPERSON NICHOLS: Thank you for your eloquent  
2 testimony.

3           MR. GEARHART: Good morning. Doug Gearhart, the  
4 Air Pollution Control Officer for Lake County Air Quality  
5 Management District.

6           And I'm going to say overall my Board and we do  
7 appreciate the efforts and the options that have been made  
8 in this rule to allow some flexibility for the local and  
9 rural fleets.

10           The issues that we do have -- there are still  
11 some issues that we would like to have looked at and that  
12 primarily concerns with funding and funding or compliance  
13 dates. The issue in Lake County, as you know, we're a  
14 full attainment district. So in terms of incentive  
15 fundings that every other district in the state of  
16 California can get, we're precluded by law from getting  
17 those funds. So we have no access to local funding, other  
18 than our permit fees and subvention from the state.  
19 That's our funding source. So we have no incentive  
20 funding locally that we can we assist local fleets and the  
21 small rural fleets that work in our area.

22           Now, the key to this is we understand that anyone  
23 that goes out of our district or out of our air basin has  
24 to comply. But we think there are probably -- we're  
25 looking at tens to maybe 100 vehicles total that are

1 captive in Lake County, never leave the district, never  
2 leave the air basin that really they don't fall into any  
3 of these categories and they don't qualify for any funding  
4 opportunities. We tried. There's the precluded funds.  
5 There's federal funding. And basically we've been told  
6 your attainment -- you're the lowest priority. So you  
7 will never receive funding for any of these other funding  
8 options available for these local fleets.

9 So we're here to say there's still needs to be  
10 some options. There still needs to be some funding  
11 opportunities or push those time frames out for full  
12 attainment districts.

13 Our biggest issue, we want the NOx reductions  
14 long term. That's what we actually need. The PM, we're  
15 the cleanest in the nation for 2013. So we don't need --  
16 the PM is much less of a priority than NOx reductions. We  
17 would like to see people upgraded to the 2010 compliant  
18 trucks. That's not going to happen until that used market  
19 and those -- or funding is available. So thank you.

20 CHAIRPERSON NICHOLS: Thank you.

21 Mr. Lanting.

22 MR. LANTING: Good morning. My name is Tom  
23 Lanting. I'm with the Gardener Trucking, President of  
24 Gardener Trucking.

25 I just want to go over some stuff you guys talked

1 about in your statement. California Air Resources Board  
2 is to promote and protect public health and welfare. We  
3 all know that diesel particulate matter effects children.  
4 We've seen the videos. Okay.

5 There is a million trucks operating in California  
6 based out of state 600,000 -- easier numbers. Registered  
7 in California, 400,000. And three or less trucks are 200.  
8 And three or more trucks are 200,000 also.

9 Little facts about Gardener Trucking. I started  
10 with one truck just like the lady up here earlier was  
11 complaining about she had a hardship. I started with one  
12 truck also. Gardener Trucking today runs over 1700 power  
13 units in the state of California and employs over 1700  
14 people. Okay.

15 We've spent \$55 million to comply with your laws  
16 and regulations. Okay. You guys talk about -- everybody  
17 in this room talks about you're going to save \$400,000 by  
18 extending this. I'm against this okay. \$400,000. But  
19 it's okay for Gardener Trucking to spend 55. We have done  
20 our job. We expect that you folks do your job and protect  
21 the well-being and health of the children of the state.  
22 Okay. We are on board. You need to be on board, too.  
23 Thank you.

24 CHAIRPERSON NICHOLS: Mr. Ficker.

25 MR. FICKER: Chair Nichols and Board members, my

1 name is Jared Ficker representing the Catalina Island  
2 Company.

3           You should have received some letters both from  
4 the Catalina Island Company and the Catalina Island  
5 Conservancy.

6           We strongly support the amendments being proposed  
7 today with one minor amendment to accommodate the unique  
8 situation on Catalina Island. Our situation there has to  
9 do with light-duty buses. It does not have to do with  
10 trucking. It's a visitor experience we're trying to  
11 accommodate on Catalina Islands.

12           The staff and Board should be commended for their  
13 efforts here. They've been quite responsive in the last  
14 few days. We've become lately aware of the impacts on  
15 Catalina. Despite the extensive outreach efforts, our  
16 stakeholders learned of these impacts quite late, just a  
17 few days ago. I apologize for coming here today with this  
18 request at a late date.

19           The total number of vehicles that this regulation  
20 applies to on Catalina is less than 30. Of those, almost  
21 all of them fall under the 1,000 mile or less a year  
22 requirement. The only things that do not are the  
23 light-duty buses that provide inner-island transport and  
24 visitation to the wild places of Catalina Island.

25           That said, we are absolutely committed and look

1 forward to applying the particulate filters under the  
2 schedule as required in the proposed reg. We have an  
3 especially difficult challenge on Catalina Island in that  
4 the speed limit on the entire island is 25 miles an hour.  
5 I understand the technology related to particulate filters  
6 requires a lot of manual work related to those, and we're  
7 committed to doing that. And hopefully we can show some  
8 leadership in the state and how we apply that on Catalina  
9 Island. Our vehicles don't go in excess of 25 miles an  
10 hour, which does present some additional challenges for  
11 particulate filters.

12 While we can do the particulate filters, the  
13 reason why we need some type of amendment is the engine  
14 replacement on Catalina as required in areas -- we are in  
15 L.A. County that are non-attainment. The NOx standard  
16 requires engine replacement. Catalina is 26 miles off  
17 shore. We don't believe we're effecting the ozone factors  
18 with these handful of buses in the South Coast district.

19 I had a conversation with Dr. Wallerstein this  
20 morning. He did express concern about bifurcating his  
21 district area, and I understand that. That said, he  
22 expressed some willingness to work through these issues.  
23 We are not requiring or asking for anything related to  
24 stationary sources. Just an accommodation that does not  
25 require engine replacement for these handful of buses on

1 Catalina Island.

2 He did express some willingness to work with us  
3 on financial assistance to address this issue. If you've  
4 been to Catalina, these are historic buses. It's a part  
5 of the experience that's there. Retrofit is very  
6 difficult. There is not service stations on Catalina  
7 Island or dealerships to do and maintain modern engines.

8 I greatly appreciate this is a high quality, low  
9 cost visitor experience on Catalina. And appreciate you  
10 considering our proposed amendment. Thank you.

11 CHAIRPERSON NICHOLS: Thank you. You have  
12 contacted us. And I would be happy to talk with you about  
13 this at a later point. I don't think we can take the time  
14 to address your issue right this minute, but perhaps at  
15 the end of the meeting it will be part of the discussion.

16 I'm going to ask Mr. Hogo also if we can bring  
17 him to that discussion.

18 MR. FICKER: Understand. Appreciate it very  
19 much.

20 CHAIRPERSON NICHOLS: Mr. Joshi.

21 MR. JOSHI: Chairman Nichols and the members of  
22 the ARB Board, thank you for the opportunity to appear  
23 before you today.

24 My name is AJ Joshi, and I am Retrofit Commercial  
25 Manager for Johnson Matthey, a leading manager for

1 emission control technologies for vehicles subject to the  
2 truck and bus regulation.

3           For over 20 years, we've partnered with ARB,  
4 State, and federal agencies on various programs to improve  
5 air quality for Californians. We understand the  
6 challenges faced by ARB and also our customers in the  
7 trucking industry in implementing and complying with the  
8 regulation. While we prefer no modifications at this  
9 time, Johnson Matthey supports ARB staff's recommendations  
10 amendments because we feel they strike a reasonable  
11 balance between injecting some regulatory flexibility  
12 without undermining the program's overlying objective  
13 moving forward.

14           I would like to specifically address the issue of  
15 filter durability. I think this has been raised on many  
16 occasions. Through our own experience, we learned that,  
17 one, pre-assessing and fixing engine problems prior to  
18 installing filters and following required maintenance  
19 schedules have been the key to drastically reducing filter  
20 failures. The problems that we see are most likely as a  
21 result of bad injectors, leaky turbo chargers, and valve  
22 problems that existed before the filters were installed.

23           The problems became amplified by the increased  
24 exhaust restriction that occurs when filters become loaded  
25 with soot and increased back pressure. This condition

1 remains a by-product and not a root cause. This is why  
2 Johnson Matthey's policy is for its distributors is to not  
3 install filters on a truck that does not pass an  
4 pre-assessment test that has not remedied the engine  
5 issues identified. We need engine health tests and filter  
6 maintenance practices valid warranty claim for our  
7 products are well below one percent for filters.

8 Any Board decision that provides revisions to the  
9 program beyond staff's recommendations would inject  
10 significant uncertainty and result in serious negative  
11 consequences for the market.

12 First, considering the program is rapidly  
13 approaching a compliance milestone, further modifications  
14 would be unfair to those fleet owners like some that we  
15 spoke to today that have already come into compliance.

16 Second, on behalf the industry I should say that  
17 regulatory uncertainty puts enormous strain on  
18 manufactures like Johnson Matthey, but also our  
19 distributors and installers who have made significant  
20 investment in facilities and highly trained technicians to  
21 perform retrofits. Retrofit installations require highly  
22 technical labor pool, one that has grown here in  
23 California with the advent of the retrofit program. For  
24 over 20 years, we've been doing this.

25 Several manufacturers and installers rely heavily



1 on retrofit system sales to allow them to continue  
2 business operations. Our fear is that of sharp decline in  
3 demand could cause some of these entities to cease  
4 operations. That could ultimately impact the ability of  
5 owners and also new customers for 30,000-plus retrofits  
6 already in the field to not have access to service or to  
7 components. So thanks so much for your time. And feel  
8 free to contact me if you have any questions.

9 CHAIRPERSON NICHOLS: Thanks for your testimony.

10 We'll interrupt the list because as I had agreed  
11 we would call on our elected officials when they arrive.  
12 So we would like to welcome to the podium our former  
13 colleague, Supervisor Judy Case McNarry.

14 SUPERVISOR CASE MC NARRY: Thank you so much.

15 And my apologies to the line. I know you're all  
16 waiting a long time. I came up on Amtrak. I'm going  
17 right back because I have additional meetings in Fresno  
18 today. So I appreciate it. Thank you, Chairman Nichols  
19 and members of the Board.

20 I'm here representing both the citizens of Fresno  
21 County, but also as a siting member of the San Joaquin  
22 Valley Air Pollution Control Governing Board, of which I  
23 have been a member of the Board of Directors for 14 years  
24 now. I've served as a Fresno County Supervisor for 16  
25 years. So we've seen a lot of changes over that time.

1 I'm here because of the huge impact the truck  
2 rule is having on local citizens and the huge potential  
3 impact it will cause to our economy in the Central Valley.  
4 The people it's hitting the hardest are the small  
5 owner-operators. These are individuals that save up their  
6 pennies and their dimes and their dollars and they buy a  
7 truck. And every day, they go out and haul various  
8 products with that truck. And it's their only source of  
9 money coming into their house to support their families.  
10 These are the people that are really, really worried about  
11 this rule that just can't get to the next phase.

12 Our Board and the San Joaquin Valley Air  
13 Pollution Control District sent a comprehensive list of  
14 recommendations that were important adjustments to the  
15 truck rule. We want to thank you for incorporating many  
16 of those suggestions into your rule that you're  
17 considering today.

18 I would like to impress that success of this  
19 program is critical to clean our air. And we need  
20 incentive funds to help local truckers make important  
21 changes. Truckers need certainty to move forward and make  
22 large financial commitments. Our Board has unanimously  
23 agreed that all of the remaining Prop. 1B funds should be  
24 used for incentive funding for trucks and that the San  
25 Joaquin Valley Air Pollution Control Governing Board wants

1 to work with ARB to look for additional funding to  
2 accomplish this very important work.

3 I have a specific request, and that is I'm asking  
4 the ARB to include language in your resolution that  
5 allocates all remaining Prop. 1B funding for the San  
6 Joaquin Valley to be used for truck replacement  
7 assistance. And we will look forward to working with you  
8 for additional incentive funds to make sure all of our  
9 truckers are able to make this very important change, but  
10 that we help them get there.

11 So it's really a pleasure to be back here. I  
12 wish you well. I think you have a long hearing yet to go.  
13 Again, thank you for everybody for allowing me to come  
14 forward.

15 CHAIRPERSON NICHOLS: Thank you for making the  
16 trip, especially using a train.

17 Okay. Mr. Nguyen.

18 MR. NGUYEN: Hi. How are you doing today?

19 I'm here to talk on behalf with all my fellow  
20 co-worker. We are like single. We only have only truck.  
21 We have an older truck. So, you know, with all the  
22 regulation coming on, we had to follow what they  
23 requesting.

24 And we had to sell our own truck for nothing to  
25 by a newer truck and put on the filter on it. We cost

1 around like 40 to like \$50,000 to be, like, to be able to  
2 work for, like, the next, like, ten years. To follow  
3 whatever the regulation is. And now you come out with  
4 extension for those people that didn't do anything about  
5 it. They just sit there and wait for our extension.

6 We was thinking when we do other requirement, we  
7 would get more money for the contractor to pay us because  
8 we spent our money to work on it. So now how are we going  
9 to go out and compete with those guys don't do anything  
10 about it. They bid the job for lower money. They don't  
11 need any payment. So they willing to work for lower the  
12 rate. So how are we going to compete with them? And how  
13 out \$50,000 in our pocket.

14 So if you guys thinking about extension, think  
15 about us who followed the regulation, you know, to be  
16 compliant. Give us some kind of credit, you know, like  
17 tax credit or anything. Just don't like -- need more fund  
18 to other people this and that, I understand. What about  
19 us? We follow the rule. And people just sit there and  
20 wait. And just give them another three, four more years.  
21 For what?

22 Everybody in California I know all the air  
23 pollution and stuff. I have kid. That's why I followed  
24 the rule. I don't want my kid to grow up and get sick.  
25 My son have asthma, I don't want that to happen to my son.

1           So, you know, I hope you guys think about it.  
2 You know, give an extension to those people don't do  
3 anything about it? Think about people that complying, do  
4 everything, whatever it take to be compliance and follow  
5 your rule and make California better. Thank you.

6           CHAIRPERSON NICHOLS: Thank you.

7           Could I ask, Mr. Nguyen, if you and your  
8 colleagues, did they sign up also to testify, the other  
9 gentleman who were with you?

10          MR. NGUYEN: I think they did but --

11          CHAIRPERSON NICHOLS: If they are not going to  
12 testify, they should let the clerk know. If they still  
13 want to come up and testify. But just so you know, it  
14 makes it easier for us to let us know.

15          MR. NGUYEN: We tried to make it short.

16          CHAIRPERSON NICHOLS: Thank you very much.

17          Okay. Next is Steven Davis.

18          MR. DAVIS: I'm Stephen Davis. I'm kind of  
19 unusual that I'm also an end user and an installer. My  
20 parent corporation is RV Jensen. We're a fuel oil jobber  
21 based in Fresno, California. So far we spent \$1.8 million  
22 in retrofits and replacement equipment to be a compliant  
23 carrier. It's been a great expense for us. By the end of  
24 the year, we're going to be at \$2.6 million to be  
25 compliant with the equipment replacement and put installs

1 on the trucks. It puts it at a great disadvantage. We're  
2 really opposed to any rule changes. Puts us at a great  
3 disadvantage to compete with the other carriers that have  
4 not done anything so far. They're waiting for the rule  
5 changes. They're always saying if we don't do anything,  
6 CARB change the rules and they won't have to. So far,  
7 they've been right on target. The longer they wait, the  
8 more we spent, and there's still undercutting our rates.  
9 Makes it very hard for us to compete.

10 Then on the installer part, we're an installer  
11 out of Fresno. Advanced emissions. We do a very good  
12 job. We pre-assess. We check the trucks for the wells  
13 the best we can. We download the computers. Oil samples,  
14 smoke test before we do installs. We're having very  
15 little problems.

16 Actually, on the R.V. J. side, the new trucks are  
17 giving us more problems than the retrofit trucks we've  
18 got. The retrofit trucks are doing a better job of being  
19 on the road more hours without service. Then on the  
20 advanced emission side when we go to the installs and try  
21 to talk to the customer, tell them about how to run the  
22 filter, yearly cleanings, we send out letters, our  
23 response for yearly cleaning is pretty low. Probably  
24 about 20 percent come in. Most of them wait until their  
25 red light comes on. By that time a lot of times they've

1 damaged the filter gone. It's gone so long it's impacted,  
2 hard to clean. We're trying to educate the end user how  
3 to use the filters. So the filters do work. But it's up  
4 to the end user -- it's a maintenance. They have to  
5 maintain it. So we've seen. Thank you for your time.

6 CHAIRPERSON NICHOLS: Thank you.

7 Mr. Simons.

8 MR. SIMONS: Chair Nichols, members of the Board,  
9 thank you for allowing me to speak.

10 My name is Gary Simons. I'm Engineering Director  
11 for Donaldson. Donaldson is a worldwide manufacture of  
12 filtration solutions. Our exhaust emissions business has  
13 been supplying VDECS for both California and EPA market  
14 for many years. And we also supply into the on- and  
15 off-road OEM market for aftertreatment systems.

16 We recognize the push back that ARB is receiving  
17 in trying to clean up trucks and buses in California.  
18 While the latest proposal makes some reasonable  
19 concessions, several factors have not been adequately  
20 addressed. These include the emissions impact due to the  
21 good will and flexibility options, the financial impact on  
22 retrofit manufacturers and dealers, and ARB's credibility  
23 given the number of roll backs.

24 The proposed changes will reduce the likelihood  
25 that DPFs will be installed and will negatively impact the

1 California air quality. Of greatest concern is the  
2 flexibility option that waived the DPF requirement to 2018  
3 with a promise of upgrading to a 2010 truck. This  
4 exemption will allow highly emitting trucks to remain on  
5 the road while biasing the market against those that have  
6 already complied with the rules.

7 In order to install a DPF, a vehicle owner will  
8 not only have incurred the expense of the DPF and its  
9 installation, but they also had to ensure their engine  
10 runs well enough for the DPF to perform properly. Our  
11 experience has been with the late adopters is many of  
12 these vehicles are truly high emitting vehicles. They  
13 generate soot significantly more than what their certified  
14 values are. If the proposed good will exemption is  
15 approved, these engines will not only lack the PM filters,  
16 but those engines are not running well enough. They are  
17 higher than what is in the California air quality  
18 estimates. We have not seen any calculation that  
19 incorporates these high-emitting engines into the  
20 inventory.

21 The proposed rules represent yet another roll  
22 back to the truck and bus rule. Each of these has made it  
23 more challenging to supply DPFs into the market or reduce  
24 the potential size of the market. The market has gone  
25 from 60,000 as recently as July of 2013 until now recently



1 at 8,000 vehicles. For those that have invested in the  
2 money to produce these clean vehicle options, it is  
3 difficult for us to get our investment back. Our concern  
4 is whether ARB has assessed the impact on the  
5 manufacturers if the market contracts. The concern is  
6 also to those that may not have a capable supplier able to  
7 service or warranty the remaining systems.

8 We are also concerned about the regulatory  
9 certainty that this provides with the further roll  
10 changes. So we would ask that the original rules remain  
11 as stated. Thank you.

12 CHAIRPERSON NICHOLS: Thank you,

13 BOARD MEMBER RIORDAN: Next I'd like to call on  
14 Mike Cook.

15 MR. COOK: Hello, Board. My name is Mike Cook  
16 with A&A Ready Mix Concrete. I'm fleet manager. We've  
17 reduced our fleet size to about 530 vehicles now. The  
18 economy has been really hit hard in California in  
19 construction. We retrofitted 154 trucks, and we did 129  
20 of those with early credits -- excuse me -- 139 without  
21 taking any money from the State. And we just recently  
22 received grants for 95 trucks totaling nearly \$5 million.

23 But with that, we must come up with 14 million of  
24 our own money, which we've lost more than that since the  
25 recession started in California.

1           The concern I have is on the Prop. 1B proposal in  
2 the regulations, California has some of the most strictly  
3 enforced weight laws in the country. In 2010, adding a  
4 DPF and SCR to the truck added a great deal of weight. We  
5 just bought 30 mixers. Borrowed money last year. \$5.4  
6 million to put these mixers on the road. And they have  
7 nine liter engines in them. That's typical of what our  
8 competitors run.

9           Now, under the Prop. 1B requirements, we must put  
10 a heavier eleven or twelve liter engine in there. The  
11 reason being the eleven or twelve liter engine is  
12 considered a heavy, heavy duty engine and the nine liter  
13 is considered a medium heavy-duty engine. It does the  
14 same job. It hauls the concrete there and it hauls more  
15 per load so we have to make less number of trips. And it  
16 uses less fuel, therefore creating less emissions. And it  
17 just makes no sense that we have to put a heavier engine  
18 in these vehicles and haul more loads of concrete.

19           Please consider this Prop. 1B requirement. And  
20 one thing to remember is everything that came here in this  
21 room got here at one time or another in a truck or a bus.  
22 Thank you.

23           BOARD MEMBER RIORDAN: Thank you for your  
24 testimony.

25           Next Ron Faulkner.

1 BOARD MEMBER BALMES: Could I ask staff to  
2 explain this 11 liter engine?

3 BOARD MEMBER RIORDAN: Certainly. I'm assuming  
4 staff when issues are raised, you are taking this down and  
5 then you'll respond at the end. But let's take this one  
6 for an example.

7 MANAGER YURA: Elizabeth Yura with the Prop. 1B  
8 program. The program does have specific requirements for  
9 if you are coming into the program with a certain class or  
10 certain rating of truck, that's what we paid for  
11 replacing. And so there are some different types of  
12 flexibilities the program does offer to look at for  
13 specific vocational uses if different types of engines are  
14 needed we could look at exceptions. So it's something  
15 that we are willing to look at if the gentleman wants to  
16 grab us after the hearing. We can definitely talk to him.

17 BOARD MEMBER RIORDAN: Excellent. Mr. Cook, I've  
18 kind of lost you. But if you might, when we conclude the  
19 testimony this morning, you may want to speak to one of  
20 the staff members. Very good.

21 Mr. Falkner.

22 MR. FALKNER: Good morning to everybody. I'm Ron  
23 Falkner, from Falkner Trucking, the President out of  
24 Tulare. We have a 50 truck operation. We are CARB  
25 compliant until 2017.

1           Like Ms. Archer, we started fighting this in  
2 2007. Tony and Todd took a lot of flak from me over the  
3 years over this. But we decided in 2011 to get compliant  
4 because it was coming. I tried to get all these one to  
5 two to three truck guys involved in this. They all said  
6 no, Ron, you're wasting your time. It's ludicrous. It's  
7 never going to happen. We decided it's going to happen.  
8 So we spent -- we have spent a million and a half since  
9 2011 to get compliant. We'll have to spend at least  
10 another 750,000 by 2017 to stay compliant.

11           So what we need, we need all these people to get  
12 CARB compliant like we are where we can keep the rates up  
13 to where we need.

14           My accountant and I yesterday got together, and  
15 we done a spreadsheet. My first nine months of my fiscal  
16 year with all the money we had to spend on extra payments,  
17 retrofits and all the stuff we had done in the first  
18 nine months, I'm \$13,000 in the hole. We refinanced my  
19 whole company last year to be able to even try to survive  
20 this ruling.

21           So these other people -- and we had trouble  
22 getting credit. We had to hock everything we got, me and  
23 my wife did, to get our company restructured.

24           And we're trying to stay in business. I have 60  
25 employees. I have to worry about them, too. These one to

1 three truck guys. I'm an owner-operator myself. I  
2 started with one truck like Thomas did from Gardner in  
3 1988. I started with my first truck.

4 These people need to get in line to get this  
5 stuff done. They should have been hustling earlier to get  
6 this done. They should have got in compliance so we can  
7 get the rates up to where we can afford this. With the  
8 rates where they're at now, with the difference in the  
9 market, we're up here with their debt. They're down here.  
10 That's where the rates are at. It needs to be a level  
11 playing field to get the rates up to where everybody can  
12 survive this. It's here. It's going to happen. It needs  
13 to stay this way.

14 I'm opposed for the amendments, because we need  
15 to get the rates up. Everybody needs to be on a level  
16 playing field to get the rates up to where we can all  
17 survive this. Thank you.

18 CHAIRPERSON NICHOLS: Mr. Hessler.

19 MR. HESSLER: Thank you, Chairman Nichols,  
20 members of the Board.

21 My name is Chris Hessler. The firm I work for,  
22 AJW, supports both of the trade associations that work in  
23 the emissions control industry. MECA is the technical arm  
24 of the industry and AESI is the new policy arm of the  
25 industry.

1           There are four simple points I want to leave with  
2 you today.

3           Number one: Emission control technologies work.  
4 The evidence is in operation right now on every highway in  
5 the country and every major construction site in the  
6 country. The retrofit devices that are required by the  
7 truck and bus rule are no different than the devices that  
8 have been sold on new diesel engines since 2007. The  
9 devices work. And failures, when they happen, are most  
10 often caused by poor engines maintenance.

11           Number two: It's important to be fair to those  
12 that have complied. Why should a driver who has already  
13 complied with your rule have to compete against another  
14 driver who is being given a new extension? ARB should be  
15 careful not to take an action that makes timely compliance  
16 with ARB rules seem like a poor business decision.

17           Number three: ARB needs anti-backsliding  
18 measures. Strong anti-backsliding will help ensure that  
19 the promised and paid for emissions reductions are  
20 actually delivered. An inspection and maintenance program  
21 will help reduce the potential for engine maintenance  
22 issues to interfere with the operation of emissions  
23 controls. A more rigorous aftermarket certification  
24 protocol will ensure that replacement of emissions devices  
25 meet the appropriate performance standards.

1           Number four: ARB's actions influence investment  
2 in future technologies. The next generation of emission  
3 control and efficiency technologies is nearing commercial  
4 readiness. These emerging technologies for cars and  
5 trucks are needed to continue to meet California's  
6 economic growth while addressing the challenges posed by  
7 ozone non-attainment and climate change. These new  
8 technologies will reduce greenhouse gas emissions and  
9 conventional emissions caused by transporting cargo and  
10 people around California.

11           But investment in the innovative technologies  
12 will slow to the extent the companies that are developing  
13 these technologies become concerned and question ARB's  
14 commitment to maintaining its own adopted standards.

15           Again, four simple points: Emission control  
16 technologies work. Be fair to those that have already  
17 complied. Strong anti-backsliding is an important  
18 component. And your decisions, your actions will  
19 influence the future availability of technology.

20           Thank you very much.

21           CHAIRPERSON NICHOLS: Thank you.

22           Mr. Anair.

23           MR. ANAIR: Good morning, Chairman Nichols,  
24 members of the Boards. Thank you for the opportunity to  
25 comment.

1           My name is Don Anair. I'm the Deputy Director of  
2 the Clean Vehicles Program at the Union of Concerned  
3 Scientists.

4           I just want to say it's really -- taking stock  
5 today, it's impressive to see the level of progress we  
6 have made in California the last 13 years since this Board  
7 adopted the Diesel Risk Reduction Plan which was aimed at  
8 protecting Californians from the harmful effects of diesel  
9 pollution in terms of the increased cancer risk as well as  
10 increased rates of asthma, heart disease, and other health  
11 impacts that we heard about earlier today.

12           This progress has really been due to the  
13 investments from the industry in terms of cleaner  
14 technology and cleaner trucks, as well as public -- a  
15 large amount of public investment in this same technology  
16 in terms of grant programs, incentives, Prop. 1B funding,  
17 et cetera. And I think it's important to recognize that  
18 this effort is working. We're cleaning the air.  
19 Measurements after the port truck rule was established in  
20 2010, it showed greater than 50 percent reduction in areas  
21 where those trucks were operating. So we're achieving  
22 levels of improvement. We're helping reduce air pollution  
23 and we're improving the health of people in these  
24 communities who are most impacted.

25           We haven't reached the finish line yet. We're



1 not there. And the communities who are most impacted,  
2 those by ports and rail yards, industrial areas, freeways,  
3 they continues to face elevated risks of air pollution.  
4 So we strongly support the Board continuing to implement  
5 the truck and bus regulations and ask that you minimize  
6 any changes that are going to reduce the projected health  
7 benefits of this regulation.

8 A couple of key points. In terms of the loan  
9 denial proposal that's on the table, I think that's has  
10 the potential for a loophole. And I think if you're going  
11 to move forward with that option, make sure that the level  
12 of rigor on that is to a level that does not allow a  
13 gaming of that proposal. Particularly, there are many  
14 ways to comply with this regulation in terms of buying  
15 used trucks or new trucks or retrofitting. And a loan  
16 denial for a brand-new truck is not sufficient to say that  
17 that company did everything they could to comply.

18 In addition, I just wanted to note as well that  
19 your staff has proposed in the air quality improvement  
20 program discussion draft that was released last month to  
21 provide an additional \$10 million for the Truck loan  
22 Program next year. I just wanted to indicate that USC  
23 strongly supports continuing investment in the truck loan  
24 program to assist with cleaning up additional trucks.

25 And then finally, the whole -- getting the rule

1 right is extremely important. But also enforcing the rule  
2 is extremely important for making sure there is a level  
3 playing field. I encourage the Board to continue their  
4 efforts on the enforcement side of the regulation.

5 Thank you very much.

6 CHAIRPERSON NICHOLS: Mr. Britten.

7 MR. BRITTEN: Thank you, Chairman.

8 I assume most of you got my letter that I wrote.  
9 I'm a little fired up. I ditto Ron Faulkner. Whether  
10 it's 55 million for Gardener or two million for him or my  
11 figure is 600,000 -- and it would be 600,000 that I borrow  
12 now that I would probably be at zero debt right now if it  
13 weren't for this stupid rule. I've complied.

14 I got people telling me I'm going to wait until  
15 they catch me. In the mean time, my trucks are parked  
16 while their trucks are going in and out of the port. That  
17 sucks for me. This is non-sense that these people say  
18 they just heard about this rule a couple days ago or a  
19 couple weeks ago. This rule has been in progress since  
20 2006. In 2008, you had your first Board meetings. We  
21 fought it then. By 2010, we knew we had to comply. So we  
22 did comply. It's like a stick in the eye to people like  
23 me that you allow people to go forward and not be able to  
24 comply. My trucks are Heavier now. I could lose 1500  
25 pounds on every load. That costs me 30 to \$40 a day over

1 the people that are not complying because their trucks are  
2 lighter. You bet I'm fired up. They've had their time,  
3 too. They actually had more time than me as it is.

4 Thank you.

5 CHAIRPERSON NICHOLS: Ms. Holmes-Gen.

6 MS. HOLMES-GEN: Chairman Nichols and Board  
7 members, Bonnie Holmes-Gen of the American Lung  
8 Association in California. And pleased to be here on  
9 behalf of the Lung Association, other health and medical  
10 organizations in support of this life-saving diesel truck  
11 and bus regulation.

12 Some of the other groups that are supporting this  
13 regulation and our letter to you include the California  
14 Thoracic Society, numerous medical associations, and  
15 asthma coalitions. We are calling the diesel truck and  
16 bus regulation a critical public health measure and  
17 emphasizing this regulation not only saves lives every  
18 year it's implemented, but protects vulnerable  
19 populations. And you've heard that discussion this  
20 morning. Children, the elderly, those with asthma,  
21 emphysema, chronic bronchitis, other respiratory and  
22 cardiac illnesses, all in that vulnerable population.

23 You've had a very clear explanation of the health  
24 dangers. And we had Dr. Calhoun, a lung cancer surgeon  
25 was here this morning. He couldn't stay -- to remind us

1 again of the cancer risk from mobile sources in  
2 California. And he brought the message that diesel soot  
3 is linked to lung cancer. And lung cancer is the number  
4 one cancer killer of both men and women, more than all  
5 other major cancers combined. And that thousands of  
6 people each year are diagnosed with lung cancer who never  
7 smoked. So there are clearly environmental causes at work  
8 and lung cancer rates in women are rising.

9 We need these dramatic reductions in diesel soot  
10 that are occurring now because of this truck and bus  
11 regulation to meet our federal health-based standards and  
12 ensure clean and healthy air, especially for those living  
13 in impacted communities. We have, as you've seen, had  
14 tremendous reductions already. The great studies in L.A.  
15 and Oakland regions that demonstrate thousands of tons of  
16 particles that have been cleared from the air.

17 Your leadership is important today to continue  
18 this important effort. We believe this rule is fair and  
19 balanced. It does include flexibility and compliance  
20 choices already. We do applaud and appreciate all the  
21 fleets that have complied. You've heard some powerful  
22 testimony today. We appreciate the investments that have  
23 been made. And we need to have a fair and consistent  
24 application of the rule and level playing field as we move  
25 forward.

1           We urge you to be cautious and limit any  
2 additional revisions. Number one, we don't want to  
3 undermine the emission benefits of the rule. And we want  
4 to ensure again a level playing field. So we ask you to  
5 take a hard look.

6           While your charts show this overall your revision  
7 do not reduce the overall health benefits, there are some  
8 near-term reductions in health benefits. That does  
9 concern us.

10          We also urge you to ensure a ramped-up  
11 compliance, outreach, and enforcement efforts. This is  
12 important as you continue.

13          Just in closing, I would say that we have an  
14 asthma sufferer who comments that there are retrofits for  
15 trucks and buses, but there are no retrofits for human  
16 lungs. So we must continue this program. Thank you.

17          CHAIRPERSON NICHOLS: Mr. Johnston.

18          MR. JOHNSTON: Good morning. I'm Larry Johnston.  
19 I'm the Chairman of the Board of Supervisors of Mono  
20 County.

21          And I'm also a member of the Great Basin Unified  
22 Air Pollution Control District and former Chairman.

23          Just a note, I live at 8000 feet in Mono County  
24 and we are at high altitude training area. We sent six  
25 Olympians to the Sochi Olympics. Deena Kastor is the

1 women's record holder in the half marathon. And the  
2 Boston marathon winner Meb Keflezighi trains in Mammoth  
3 Lakes, just for your information.

4 CHAIRPERSON NICHOLS: And many, many years ago  
5 Andrea Lawrence as well, the ski champion.

6 MR. JOHNSTON: And Andrea Lawrence as well.  
7 Thank you.

8 We obviously are in favor of this. It exempts  
9 our county, Inyo County, to be a no NOx area. We have no  
10 NOx. But I want to say we do have PM issues. And one of  
11 them is the Owens Dry Lake. And we are diligent in  
12 pursuing reductions of that particular issue. It's been a  
13 David and Goliath assault. And we appreciate the staff  
14 and ARB for supporting us with that.

15 Again, thank you for your efforts in public  
16 service and for the citizens of California and your time  
17 today at this hearing. Thank you.

18 CHAIRPERSON NICHOLS: Thank you for making the  
19 trip. Appreciate it very much.

20 Bryn Burke.

21 MS. BURKE: Good morning, Madam Chair, Board  
22 members and staff.

23 My name is Bryn Burke. I'm a licensed contractor  
24 and a crane owner. I'm here today on behalf of California  
25 mobile crane owners groups in support of the proposed

1 amendments, which we believe will provide real relief to  
2 our economically battered construction industry.

3 My involvement and interest working with ARB  
4 happened quite by chance. But that chance meeting led to  
5 months of interaction with your staff. And I now stand  
6 here today to acknowledge our appreciation for their  
7 recommendations.

8 Mr. White, Ms. White, Mr. Brasil, along with  
9 their team have worked tirelessly and with a lot of  
10 patients delving deep into the crane, issues data loggers,  
11 contacting the crane manufacturers, reading OSHA  
12 regulations, ANSE regulations, taking field trips to job  
13 sites, among multiple other items requiring a great deal  
14 of attention and time. I can assure you, it has been no  
15 small feat.

16 We wholly support the proposed changes  
17 recommended by your staff as they will significantly  
18 assist crane fleets. Specifically the work truck  
19 provisions will provide relief in the short-term and the  
20 heavy crane provisions will provide crane-specific relief  
21 from 2018 onwards. The relief is paramount for the  
22 construction industry who, in addition to the truck and  
23 bus rule, must also grapple with the requirements of the  
24 offroad rule, portable diesel engine control measure,  
25 portable equipment registration program, as well as

1 project specific mitigation requirements imposed by the  
2 California Environmental Quality Act. While the proposed  
3 changes do not alleviate the cumulative impacts of so many  
4 rules, they will increase the flexibility of this one key  
5 rule and make compliance planning incrementally easier.

6           During the October 2013 meeting as well as today,  
7 I'm quite surprised to hear testimony from stakeholders  
8 who oppose any relief based on their ability for early  
9 investments to comply. While they look upon your rules as  
10 an opportunity to eliminate smaller competitors, their  
11 position is not there to the vast majority of California  
12 trucking and crane companies. The changes provided much  
13 needed relief for California contractors that do not have  
14 the option of selectively bringing only new equipment into  
15 the state while continuing to operate dirtier equipment  
16 out of state.

17           The current changes help restore some equity to  
18 the situation. As a mother, I'm morally obligated to  
19 teach my children. One of the more difficult concepts for  
20 my children to grasp is that to be fair does not always  
21 mean being equal. We all have spent money trying to bring  
22 our fleets into compliance. We have all made difficult  
23 business decisions that impact our cash flow, our debt  
24 schedules, and our ability to grow our businesses. We do  
25 not feel that our industry's investment in air quality has



1 been wasted.

2 Madam Chair and members of the Board, the staff  
3 recommendations are fair, are relevant, and significant.  
4 The crane industry supports the work trucks and heavy  
5 crane provisions. Most crane fleets have made significant  
6 investments in retrofits PM filters, replacement engines,  
7 and new vehicles. Construction fleets are still grappling  
8 with multiple rules. The best of the best have an  
9 incredibly difficult time distinguishing one from another.  
10 It would be fair to conclude these amendments may not be  
11 the last you will consider. I didn't consciously set out  
12 on this path --

13 CHAIRPERSON NICHOLS: Excuse me. Your time is  
14 up. If you could wrap up quickly, please.

15 MS. BURKE: I just want to thank you for your  
16 time. The amendment process worked as it will work again  
17 in the future. You can count on us to be a willing  
18 partner in that.

19 CHAIRPERSON NICHOLS: Thank you for your work on  
20 this issue.

21 MS. DE GRAFF: Good morning, Madam Chair and  
22 members of the Board.

23 My name is Joanna deGraaf, and my husband and I  
24 are both owner-operators and run two compliant livestock  
25 trucks for hire for deGraaf Ranch Trucking in Manteca.

1 It's been a family-run business for over 48 years in the  
2 San Joaquin Valley. Third generation that I hope to pass  
3 on to the only deGraaf son for a fourth generation.

4 I also have two children that are massive  
5 asthmatics and have willed both of them to breathe in ICU  
6 in the hospital in Manteca.

7 We are CARB compliant and strongly oppose the  
8 proposal to delay the rules for the four higher livestock  
9 haulers until 2023. We ask CARB for a compromise allowing  
10 ranchers with their own trucks not hauling for hire to be  
11 exempt, but that CARB enforce the rule for the for-hire  
12 carriers. Our company has spent over \$600,000 over the  
13 last ten years to comply while supporting a family of six.

14 It is not a fair playing field for those of us  
15 who complied. The non-compliant trucks have done nothing  
16 but sit on their hands and ignore their rules. They  
17 charge the same rate per mile as compliant trucks do.  
18 They should not be rewarded for ignorance and defiance.

19 How will you enforce this provision? The CCA and  
20 their representatives speak on behalf of the livestock  
21 industry, and they are not being honest with you and they  
22 are not being honest with the trucking. No one said they  
23 had to buy a new truck. They can buy a used one and  
24 retrofit it. We chose to buy new. And due to issues on  
25 retrofitting, that was a personal and business decision

1 that my husband and I both made.

2 Out of state trucks will not register with CARB  
3 because they don't think it's any of your business what  
4 they're doing. A lot of out of state trucks are  
5 compliant, plus 150 California livestock haulers have  
6 already complied. And there are more.

7 The truth is that there are more livestock trucks  
8 now in California than there was 20 years ago. There are  
9 economics involved in the trucking side as well. We have  
10 to purchase more expensive trucks, pay for four dollar a  
11 gallon fuel. And we are not against ranchers whom we haul  
12 for to survive. But the trucking end has been divided  
13 into compliant versus not compliant. Even Dwayne Martin,  
14 one of the largest cattle ranchers in California in our  
15 area didn't know about this, or Ed Rocha. They are  
16 members of the CCA and have compliant fleets. Truckers  
17 will do what they have and what's necessary to survive.  
18 Cattle hauling is seasonal, but there are other things to  
19 haul. Don't punish us for the millions of dollars we all  
20 spent to comply. There are more compliant trucks in  
21 California than not.

22 You gave us ten years to comply, and you're  
23 ignoring -- letting the ignorant and defiant borrow more  
24 and have 20. Please enforce the rule as it stands.

25 CHAIRPERSON NICHOLS: Thank you.

1 Ms. Ferrari.

2 MS. FERRARI: Hi. I've scratched this thing and  
3 changed it a few times.

4 My name is Debbie Ferrari. I've been involved  
5 with dump truck management for 32 years. I work at MAG  
6 Trucking out of hayward as an estimate and manager, and we  
7 utilize over 100 owner-operators. Our company managers  
8 have spoken with CARB personnel several times. Every time  
9 we receive the same clear instructions. We were told it's  
10 our responsibility to make sure that all of the  
11 owner-operators that work for us are in compliance or we  
12 would be severely penalized. We cooperated and acted as  
13 an agent for CARB in this regard, not only out of fear,  
14 but also because we wanted to operate in a legal and  
15 proper manner.

16 We took many steps and spent many hours and days  
17 helping the owner-operators. When some drivers said to  
18 me, "I heard there will be a postponement," I called a  
19 very high level manager at CARB and passed on the concern.  
20 The manager told me in no uncertain terms there will not  
21 be any extension. So I dutifully informed the truck  
22 owners they would have to comply immediately and many have  
23 already.

24 We would have preferred a postponement for all,  
25 especially given that there have been a lot of holes in

1 the grant distribution and the unequal applications of the  
2 law to date. Even some of the proposal extensions makes  
3 some sense. But the proposal that doesn't make any sense  
4 at all is the "I can't get a loan proposal," I'll call it.  
5 You claim that you can't get a loan for whatever reason.  
6 And in the mean time, the people that stepped up and went  
7 out and scratched and scraped and got the loan, they have  
8 already complied or they're willing and potentially able  
9 to comply, now they're on an uneven playing field. And  
10 now their business expenses are much higher. And now they  
11 risk losing their business because they have to pay so  
12 much more, as compared to their competitors.

13           It's been stated by important executives at CARB  
14 that the reason for proposing this "I can't get a loan  
15 four-year extension" is for that more grants will become  
16 available for single truck owner-operators as they are not  
17 available now and that more slightly used trucks will  
18 become available. In order to qualify for a slightly used  
19 truck or a grant, you must be able to get a loan. You  
20 cannot get a grant without getting a loan.

21           If you're going to go through with the "I can't  
22 get a loan proposal," there needs to be some reimbursement  
23 tax credits, cash reimbursements for these people that  
24 have already put on a very expensive and difficult to deal  
25 with filter on the truck, or I would say you need to put

1 that particular proposal on hold and sit down and have  
2 some serious round table discussions to discuss the facts  
3 from people that really understand the trucking industry  
4 and try to make some very strong changes or amendments to  
5 that proposal. That proposal needs to be discussed. It  
6 just doesn't work. And it isn't fair to all.

7 Thank you.

8 CHAIRPERSON NICHOLS: Thank you.

9 DR. BREZNY: Good morning, Chairman Nichols and  
10 members of the Board. I'm Rasto Brezny with the  
11 Manufacturers of Emission Controls Association. In  
12 addition to manufacturers of emission controls for new  
13 vehicles, MECA also represents the majority of the  
14 retrofit manufacturers that are on ARB's verified list.

15 So today I want to focus on three main issues.  
16 One is filter reliability. The other is the impact of  
17 repeated regulatory changes. And finally, the importance  
18 of maintenance and enforcement.

19 So I want to first commend the staff for their  
20 very hard work that they put in over the last six months  
21 and not just putting this together, this proposal, but  
22 also in the filter reliability investigation that they  
23 conducted. I think although it only had two slides in the  
24 presentation, I think it took a lot of work. I'm sure of  
25 that.

1           But their conclusion I think supports many of the  
2 other studies that have been done on filter reliability  
3 and performance done on thousands of vehicles operated for  
4 millions of miles that showed that the underlying issue is  
5 really is that to get reliable performance out of your  
6 filter, you need to maintain your engine and maintain your  
7 filter.

8           These devices, they're not new. The technology  
9 has been around. It's operating on over 300,000 in use  
10 vehicles around the world, as well as tens of millions of  
11 new diesel engines that are operating around the world as  
12 well.

13           The same filter technology is being considered  
14 for gasoline vehicles in the future to meet particulate  
15 matter standards in Europe as well as your one milligram  
16 standard under your LEV III regulation.

17           We heard from a number of stakeholders that  
18 repeated changes to the regulation send the wrong message  
19 to the industry, not just the industry affected by this  
20 rule, but also the companies that are going to be asked to  
21 invest in developing green technology in the future to  
22 meet California's future emissions and climate change  
23 objectives.

24           So we understand why the Board is considering  
25 these flexibilities, however, we urge you to consider the

1 impacts and also resist making any further changes in the  
2 future.

3 And finally, we certainly welcome the proposal by  
4 staff on investigating the importance of maintenance. And  
5 we think that we will certainly be working together with  
6 them to develop a stronger robust maintenance program,  
7 inspection and maintenance program that goes along with  
8 enforcement and other requirements.

9 Thank you very much.

10 CHAIRPERSON NICHOLS: Thank you.

11 Mr. Torres.

12 MR. TORRES: Madam Chairman, Board, staff, thank  
13 you for your time.

14 Chris Torres, F&L Farms Trucking. And I not only  
15 represent myself and my company, but G Farms Transport,  
16 Palmer Trucking, several other individuals that have  
17 posted remarks in the 45-day comment period. So please  
18 refer to those besides what I'm here to say today.

19 We are not comfortable with the proposals to  
20 extend the time for these folks that can't get loans.  
21 It's not enforceable, we feel. We're having a hard time  
22 with enforcement now it seems. We can run down the road  
23 today and look and see a lot of trucks that don't have  
24 filters.

25 This all has created a lot of unfair competition



1 out there. I personally have spent a million dollars on  
2 15 trucks we have. I have 15 employees. Those employees  
3 would like to be here today to testify to you that this  
4 needs to be a level playing field. They would like to  
5 receive more money and benefits for themselves and their  
6 families.

7 I don't believe that some of these amendments are  
8 good for the public. This is not in the best interest of  
9 the public at all. We need -- there are people that are  
10 going to lose on this. We knew that. You knew that.  
11 Staff knew that when this was going to happen, when you  
12 implemented this rule. It's going to effect everybody.

13 But some people have to not be able to continue  
14 on. Some people are going to have to be employees.  
15 They're not going to be able to be owner-operators  
16 anymore. I tear my hair out since 2006 on this. I was  
17 here in '08 when you passed this the first time. These  
18 folks have had six years. Can you honestly tell me after  
19 six years I'm on your Advisory Committee? We've sent out  
20 information to everybody with heavy-duty trucks. You mean  
21 to tell me you don't have a licensed truck, you received  
22 something and didn't know? All you have to do is save a  
23 little money every month and you can get a down payment on  
24 a truck. All you have to do. But it's not happening.  
25 There's some people that aren't going to make it.

1 I'm going to go onto something else from that.  
2 There's some parts of the modifications I agree with. The  
3 ag parts, I agree with the agricultural parts. I also  
4 agree with extending out these folks that have put filters  
5 on and let those trucks run until 2023. Please consider  
6 in installing or putting in there that these early  
7 technology trucks that came out from the factory in '07  
8 through '09, put those in there. Let those trucks run out  
9 20 years. When you sunset those trucks in '23, it's going  
10 to be adieu for those. If you keep those trucks in,  
11 these little guys might be able to buy those.

12 In closing, please link the registration into the  
13 truck and bus rule with the DMV. Very easy to do. We  
14 have a 2290 we have to submit from the federal government  
15 every year that has our VIN numbers of our trucks on it.  
16 The same thing is involved with the truck and bus rule.  
17 You have to put the VIN numbers on the truck and bus rule.  
18 Takes no time for the DMV to look at one paper, look at  
19 the other, and you get your license. If you don't have a  
20 licensed truck, the highway patrol is going to catch you  
21 and shut you down. Thank you for your time.

22 CHAIRPERSON NICHOLS: Thank you.

23 MR. MATLEN: I'm Joe Matlen from Valley Farm  
24 Transport.

25 I'd like to recap a familiar scenario. An

1 environmental problem is identified. A panel of experts  
2 is assembled. A set of regulations are implemented by a  
3 set of bureaucrats. The regulations threaten the very  
4 existence of smaller communities and industries. The rule  
5 makers know very little about the real issues of those  
6 effected by the regulations.

7 After implementation, questions about the  
8 validity of the studies that identified the initial  
9 problem are persistent. But after a while, the  
10 regulations are left intact. Protests from the local  
11 leaders of affected communities and leaders follow on deaf  
12 ears. As a result, they are ravished economically.

13 Well, this might sound a lot like the air quality  
14 regulations today, it's actually how the spotted owl  
15 controversy played out about 25 years ago. The parallels  
16 are amazingly similar.

17 Back to the present day, we have 140 trucks. We  
18 have invested about \$10 million in compliance, with  
19 another two to three million to go. We do not support  
20 extensions for those who have done nothing to be compliant  
21 to date. We would support extended life for investment in  
22 technology that was required, like the 2007 to 2009  
23 engines. We also support the extension of retirement  
24 credits, because those are things that are -- companies  
25 have taken actions to comply. Any extensions should be

1 limited to those who have already taken meaningful actions  
2 to comply.

3           There have also been several comments about the  
4 possibility of legal action by compliant carriers if the  
5 amendments are approved as is. And I cannot believe this  
6 Board would be so cavalier about putting the state at risk  
7 of a lawsuit that has an excellent chance of success. As  
8 a taxpayer, I find it to be irresponsible.

9           Reading some of the comments online, I do support  
10 the recommendations made by the California Trucking  
11 Association, which are very on point, reasonable, and  
12 responsible.

13           If I could circle back for just 15 seconds to the  
14 spotted owl for those curious about it, it is still  
15 considered endangered, but not so much from a lack of old  
16 growth forests but from another owl called the burrow owl.  
17 So the government has ordered the burrow owl to be shot to  
18 help the spotted owl.

19           So my point of this is that sometimes when going  
20 after the initial problem, the final government solution  
21 can sometimes be a lot more radical than originally  
22 intended.

23           Thank you for your time.

24           MR. GREENE: Larry Greene. I'm the Air Pollution  
25 Control Officer to Sacramento. Interesting to follow the

1 owls.

2 Thanks to the staff for the hard work they've  
3 done on this rule. We know firsthand the many meetings  
4 that you've been in and how hard you've worked. We know  
5 that it's a difficult issue trying to balance the air  
6 quality, the business needs, and fairness as we've heard a  
7 lot about today.

8 We do support the rule, but with the following  
9 comments. We again note how close we are in attainment in  
10 the Sacramento region. Very important to us that there  
11 not be any other extensions and that we stay to course as  
12 to where we are with this rule.

13 And in that regard, enforcement is very  
14 important. We need to ensure that those people who are  
15 out there who aren't intending to comply are caught and  
16 that they be forced to comply in some manner.

17 So moving forward, we will certainly work with  
18 you in that regard as we try to implement whatever the  
19 Board approves today. Thank you very much.

20 CHAIRPERSON NICHOLS: Thank, Larry.

21 Now we have a group of students with their  
22 leader, Jill Ratner. We've seen some of these folks  
23 before. We certainly have seen Ms. Ratner before. They  
24 are a group called New Voices are Rising. And I'm going  
25 to let Ms. Ratner and group introduce themselves.

1           How much time are you asking for for the whole  
2 presentation?

3           MS. RATNER: I think we're asking for five  
4 minutes for the group.

5           CHAIRPERSON NICHOLS: Great. That's terrific.  
6 Thank you.

7           MS. RATNER: My name is Jill Ratner. I'm the  
8 Project Direct for the New Voices are Raising project at  
9 the Rose Foundation for communities and the environment.

10           We are here to support the speedy implementation  
11 of the rule. You have seen us before, at least some of  
12 us. You've seen me before. And I think you've seen one  
13 of the students before. And I'm just going to ask the  
14 students to come up. And those who aren't going to speak  
15 will just state their name and their school and if they  
16 have something in particular and very short to say,  
17 they'll say that.

18           MR. MIXON: My name is Kaelin Mixon. I'm a  
19 senior at Fremont High School and --

20           CHAIRPERSON NICHOLS: Can you speak a little  
21 louder?

22           MR. MIXON: My name is Kaelin Mixon. I'm a  
23 senior at Fremont High School. I have asthma. I just  
24 wanted to say that.

25           CHAIRPERSON NICHOLS: Thank you.

1 MS. MOYD: My name is Charlene Moyd. I'm a  
2 senior at Fremont High School.

3 MS. CHAPPELL: My name is Patricia Chappell. I'm  
4 a senior at Fremont High School.

5 MR. MC ALROY: Malcolm McAlroy. I'm a senior at  
6 Street Academy.

7 One thing I do want to say is that I do agree  
8 with everyone else that the economy is very bad, that a  
9 lot of people cannot afford the filters or have the money  
10 to put in for the filters. But yeah.

11 MR. WILLIS: My name is Robert Willis. I'm also  
12 a senior at Street Academy Oakland. I actually live in  
13 the area of the Port of Oakland, so I see trucks like  
14 maybe once or twice a day normal. So if they were to  
15 implement this whole filter thing quickly, then the whole  
16 environment around my house would be better.

17 MR. GREENE: My name is Emmanuel Greene. I'm a  
18 senior at Street Academy.

19 MR. MENDOZA: Hello, everyone. My name is Miguel  
20 Mendoza. I'm also a senior at Street Academy.

21 MR. REYES: My name is Ahiezer Reyes. I'm a  
22 senior at Street Academy.

23 MR. SHIELDS: My name is Zion Shields. I attend  
24 Fremont High School. I will actually speak on these  
25 situations.

1           We all withhold the knowledge that we all have to  
2 share the same air, but unfortunately, we can't control  
3 the things that go into the air. Everybody is putting the  
4 responsibility of truck drivers as the reason why there is  
5 so much pollution. But there is some positives to truck  
6 drivers being out there. They get the products out there  
7 and the goods. But unfortunately, the effects of it is  
8 pollution. And that could effect us.

9           I have six siblings who have asthma and I've  
10 witnessed two of them have asthma attacks. That's very  
11 emotional to go through and witness. So to see them be  
12 effected that way, I would like to see something take  
13 place in order to help them out so other people aren't  
14 affected by these types of situations.

15           We do need truck filters on trucks so that it  
16 would better help people with asthma because people's  
17 health should come first. And if anything, health should  
18 be first. Thank you.

19           CHAIRPERSON NICHOLS: Thank you.

20           MS. TAPIA: My name is Pamela Tapia. I'm a  
21 graduate at tap yeah a graduate in West Oakland, which is  
22 an area that has the third highest asthma hospitalization  
23 rates in the state of California, which is attributed to  
24 four surrounding freeways, truck routes, and the port, all  
25 of which are major contributors to diesel pollution.



1           My sister and my mother have moved to the central  
2 valley, another area with high asthma rates. I have  
3 asthma. A month into living in West Oakland, I suffered  
4 my first asthma attack. I was rushed to the emergency  
5 room. And when the medical staff couldn't hear my lungs,  
6 they decided to hospitalize me. I've been hospitalized  
7 five times, for several weeks at a time, which has  
8 affected my attendance and my performance at school.

9           My experience with asthma is what motivated me to  
10 speak to you to the Board about diesel pollution the first  
11 time five years ago and to come back in 2012 to support  
12 the bus and truck rule.

13           This rule is important. It's making a change. A  
14 U.C. Berkeley study found black smoke and NOx emissions in  
15 West Oakland was reduced by half when the port truck was  
16 implemented in 2010. This is great, but it's not enough.  
17 It's time to implement the truck rule all over California.  
18 We understand that cleaning up trucks is expensive, but  
19 somebody has to pay it. Right now, we're paying with out  
20 health. That's not right. Thank you.

21           MS. RATNER: And I also have some postcards here  
22 that were written by students and also some of them were  
23 collected by students at another event. So I'd like to  
24 submit those for the record.

25           The postcards urge the steady adoption of the

1 rule. Thank you.

2 CHAIRPERSON NICHOLS: Thank you all for making  
3 the trip and for the work you do organizing your own  
4 community.

5 MR. MAGAVERN: Good morning, Madam Chair and  
6 Board members.

7 Bill Magavern with the Coalition for Clean Air.

8 You all know this Board's number one job is to  
9 protect public health. And like many millions of  
10 Californians, I live very close to a freeway. In fact,  
11 two freeways in my case. So this morning's update on  
12 health effects was another reminder of how important it is  
13 the work that you have done supported by your excellent  
14 staff over the years of reducing diesel emissions.

15 And I you think that the choice in front of you  
16 today really goes to the core of everything that you do,  
17 because everything that this Board does relies on  
18 environmental laws and rules and enforcement. And when  
19 you have a situation where you have set those rules and  
20 now are faced with a decision of whether to delay them  
21 after you have a whole majority of an industry that's come  
22 into compliance, I think it raises a lot of questions  
23 about what would be the impact in the future when you set  
24 rules.

25 I've been involved with environmental law and

1 regulation and enforcement since I got out of law school  
2 26 years ago. And I think one of the most important  
3 things I've learned is that what everybody's looking for  
4 is some certainty, that you set rules that are clear and  
5 fair, and then you enforce them consistently and fairly.

6 And in this case, of course, you adopted the rule  
7 in 2008, and it's a tough rule. I don't think there's any  
8 doubt about that. You came back two years later when we  
9 were in the depths of the recession and you relaxed that.  
10 And we did not oppose that.

11 But now four years later and you have all these  
12 people who are complying and coming to you and saying we  
13 went into debt in order to comply with this rule and to  
14 help clean up the air in this state. And I would be very  
15 concerned if those folks were ignored and that if we let  
16 drive the process the complaints of the non-compliant  
17 minority, most of whom I think are not going to be happy  
18 with anything that you do. So for us, it's important that  
19 we stay the course. We absolutely support more funding  
20 for the loans, and we support a strong and fair  
21 enforcement program. And we urge that you keep your eye  
22 on the ball of reducing diesel emissions. Thank you very  
23 much.

24 CHAIRPERSON NICHOLS: Thank you.

25 Mr. Mangalindan.

1 MR. MANGALINDAN: Madam Chair, members of the  
2 Board, my name is Alvan Mangalindan. I'm here as a  
3 representative of the Crane Owners Association, an  
4 association of crane rental contractors based out of the  
5 Northern California Bay Area.

6 On behalf of our members, I'd like to echo the  
7 sentiments that were expressed earlier by Bryn Burke of  
8 the mobile crane operators group. Our members currently  
9 own equipment that is covered by the truck and bus rule.  
10 And the proposed amendments would afford our members  
11 additional time to achieve compliance. And as a result,  
12 we are in support of the proposed rule changes regarding  
13 heavy cranes and work trucks. Thank you.

14 CHAIRPERSON NICHOLS: Thank you.

15 Mr. Faris.

16 MR. FARIS: Good morning. And thank you for  
17 allowing me this opportunity.

18 I'm been on record numerous times with my  
19 opinions the way I would have liked to have seen this  
20 gone, consulting more people that are actually in the  
21 field. I've been trucking since the early 60s. And I was  
22 forced by the Board to take the small fleet option because  
23 of the economy and other things. And I've complied with  
24 that.

25 And I would just like to say that I appreciate

1 what is being done. I'm in favor of everything that  
2 you're proposing. And there have been some very good  
3 things brought up today about the funding, the  
4 enforcement, et cetera, et cetera. But I just want you to  
5 know I'm in favor of your proposals. Thank you.

6 CHAIRPERSON NICHOLS: Thank you, sir. Okay.

7 Now for a slight shift. We have a group of  
8 gentlemen who have bonded together. They are all  
9 gentlemen I guess banded together marching towards the  
10 front here led by Justin Oldfield from the California  
11 Cattlemen's Association, I believe. And they've asked to  
12 speak as a group. And I think there is eleven of them.  
13 And they want about 18 minutes.

14 MR. OLDFIELD: We'll attempt to finish that  
15 sooner. I know it's a busy day.

16 CHAIRPERSON NICHOLS: That's great. So I'm just  
17 going to say I think we should do. And then after the  
18 group speaks, we should take our lunch break, if that's  
19 okay with everybody.

20 MR. OLDFIELD: Okay. I will begin. Thank you  
21 very much.

22 Chair Nichols, members of the Board, my name is  
23 Justin Oldfield with the California Cattlemen Association  
24 here in Sacramento.

25 And first off, I'll let the gentlemen behind me

1 introduce themselves as they come up. We'll have a few  
2 speakers that will follow me. But all are here today in  
3 support of the proposed amendment for livestock trucks as  
4 proposed by the staff.

5 And briefly, I would like to begin by voicing my  
6 appreciation for the willingness of your staff to address  
7 the concerns brought forward by CCA ranchers and the beef  
8 cattle industry.

9 As I mentioned, we're here to speak in strong  
10 support of the amendments proposed related to livestock  
11 trucks. I want to be -- I first want to ensure there was  
12 a clear understanding of what is being proposed.

13 1. This proposal uses the compliance mechanism  
14 already established in 2008.

15 2. Trucks must be used exclusively to haul  
16 livestock.

17 3. Eligible trucks must be reported no later  
18 than January 1 of 2015 and report every year thereafter.

19 And 4. Trucks not compliant with either  
20 component will be required to comply immediately.

21 Given the debate here today, I want to make one  
22 thing absolutely clear. The relief sought by this change  
23 is to benefit California's beef cattle industry, period.  
24 Not to favor one hauler over the other.

25 The need for this amendment is clear. Our state

1 is experiencing the worst drought in California's history,  
2 which has left ranchers with two challenging options;  
3 liquidate cattle or attempt to feed hay that has doubled  
4 and tripled in price. The magnitude of the economic  
5 impact that drought has had on our state's ranchers cannot  
6 be overlooked.

7 Even without adverse weather, government  
8 regulation, and other economic challenges, ranching is a  
9 very tough business of slim margins set by global markets  
10 and world events all outside of our control.

11 Transportation is a critical component of our  
12 industry. Trucks typically operate seasonally and serve  
13 as the sole mechanism to move cattle from one forage to  
14 another and transport calves to market.

15 Our transportation needs before the  
16 implementation of the truck and bus regulation, especially  
17 during the spring and fall, were already tight. And  
18 moving forward, there will simply not be enough compliant  
19 trucks to meet our hauling needs.

20 Ranchers continue to report from all over the  
21 state that many of their haulers have either hung up their  
22 hat permanently or have indicated they will no longer work  
23 in California. Regardless of what some may argue here  
24 today, this is a real challenge that we face. Our  
25 California fleets are tremendously important to the

1 livelihood of our industry. However, ranchers must be  
2 able to access additional trucks, including those from out  
3 of state.

4 Of all beef calves marketed annually, we can  
5 estimate that roughly one-third remain in California while  
6 the rest are sold to out-of-state buyers who contract with  
7 their own haulers to move cattle east.

8 Our ranchers must stay competitive to compete  
9 with competitors in other states. This does not account  
10 for the over 200,000 cows, probably more, that are  
11 annually moved to other states and back just for summer  
12 forage.

13 A very telling example of this predicament is our  
14 additional transportation needs replicating from the  
15 closure of California's largest beef processor in Brawley.  
16 To maintain the hundreds of jobs created by beef producers  
17 in the Imperial Valley, the 380,000 head of cattle  
18 previously harvested annually just a few miles down the  
19 road will now have to head east to Texas, Nebraska, Kansas  
20 and Colorado.

21 Trucks historically back-hauling calves out of  
22 northern California are already being diverted to haul  
23 cattle out of the Imperial Valley. And this alone will  
24 have an impact on our already short supply of trucks.

25 While this is no silver bullet, staff's proposed



1 amendments will go a long way in helping to address this  
2 disparity, and we urge your swift approval.

3 Thank you very much.

4 CHAIRPERSON NICHOLS: Thank you.

5 MR. LEWIS: My name is Tim Lewis. I'm a small  
6 operator here in Sacramento County. I'm in a very small  
7 bubble under a large blanket which you guys have proposed,  
8 and it's very difficult for me to try to ask for any type  
9 of leniency on these rules as I'm CARB compliant. And I  
10 have personally spent hundreds of thousands of dollars to  
11 ensure that I keep up with your regulations and what  
12 professionally needs to be done with our industry and what  
13 we do.

14 I have one truck that is coming up in 2016 that  
15 will need to be replaced. And I plan to do that either  
16 with buying a newer truck or putting a filter on it.  
17 Haven't decided yet. I still have a year to do it.

18 But on the other end, I have livestock. I run a  
19 few thousand head every year. I own trucks. I can't find  
20 trucks to ship them all at once. When north wind comes in  
21 April and May, you have a few days to really make a  
22 decision, get those trucks lined up, get the buyers,  
23 everybody on board to get these cattle out. And I stand  
24 to lose personally thousands of dollars a day if I can't  
25 do it. And I have, like I say, my own trucks.

1 I know a lot of us face that same issue. I have  
2 drivers that driver. I try to keep them busy. Now that I  
3 upgraded my personal equipment, these guys -- I've gone  
4 out of state, which I've never really done before, Oregon,  
5 Nevada, California is where I'm based. Now I'm going  
6 Mississippi River west, and which is fine. It's pushed me  
7 to do a better job and go further and create a bigger  
8 business.

9 It's kind of the American dream, I guess. I am  
10 sympathetic for those who have already spent all the money  
11 on their equipment and have upgraded with their  
12 professional responsibility, of which our industry should  
13 do on the commercial end. Thank you.

14 MR. BATTEATE: Hello. Good morning. I'll Albert  
15 Batteate. I'm a livestock producer in California. I'm a  
16 livestock transporter as well. And without the  
17 regulations I strongly believe it will not be enough  
18 trucks to meet the needs to move the cattle in a timely  
19 manner.

20 As you previously heard, there is not a lot of  
21 time. So you just can't put them on hold and wait until  
22 you get somebody to come and do it. And as myself, I have  
23 trouble myself getting trucks to move these cattle during  
24 the spring and fall season. Off season, it's not a big  
25 issue. But the problem is the season is when they all

1 have to be moved. So thank you.

2 MR. AZEVEDO: Good morning.

3 CHAIRPERSON NICHOLS: Still morning.

4 MR. AZEVEDO: Yes, it is.

5 My name is Bill Azevedo. I've been a beef  
6 producer for about 30-years-plus in California. My  
7 business is a one-man operation to ensure I get my cattle  
8 moved twice a year to summer and winter pasture. I also  
9 have a semi cattle truck and trailer.

10 I exclusively haul cattle. I don't haul anything  
11 else. Part of my business is subsidized by hauling cattle  
12 for hire. I've been doing that for other folks that are  
13 friends of mine and helping them out over the years.

14 The drought and the economic impact on inadequate  
15 grazing grounds and the rising cost due to fuel is also  
16 another problem in our industry. Thank you for your time.

17 Happy trails.

18 MR. PEEK: My name is Brad Peek, and I don't own  
19 a truck, nor do I want to own a truck.

20 But we are -- my family has one of the largest  
21 cattle marketing operations in California. We have a  
22 brick and mortar auction yard. We also buy and sell  
23 cattle direct to and from ranchers throughout the state of  
24 California. And we also have a satellite Internet video  
25 auction business. We are drastically effected by all the

1 regulations that are in the effect.

2 I'm here in support of the extension or the  
3 amendment being proposed. However, I would be one ticked  
4 off son of a gun if I was one of the guys who have paid  
5 for upgrades or new trucks. So I definitely sympathize  
6 with you. Before I got here today, I did not know all  
7 that was going on.

8 So that being said, I'm going to speak as a  
9 marketer in the state of California. We receive cattle in  
10 from probably eight to ten different states. These cattle  
11 are not just in the state of California that we market.  
12 So they come into our state from eight to ten different  
13 western states. We sen cattle out of the state of  
14 California probably up to 16 to 18 states, all the way to  
15 Missouri and Iowa and states further west. So definitely  
16 in the busy times of the year, the spring and the fall,  
17 there are not enough trucks to go around at a competitive  
18 rate.

19 So that being said, I want to talk about a large  
20 amount of the truckers that we have in this state are not  
21 exclusively cattle truck drivers. Some of those people  
22 also haul other commodities. Therefore, they can afford  
23 to do some of these upgrades better than the cowboy  
24 rancher trucker that hauls exclusively cattle truck and in  
25 a seasonal time of the year.

1           The other thing that we're affecting here as  
2 truckers and ranchers is already high cost of fuel  
3 obviously. And the freight costs are a great decision  
4 making part of a buyer. When he buys cattle from out  
5 here, he's not buying them just at the price you're  
6 seeing. He's factoring what his delivered cost is from  
7 whatever that point is he's going to, whether it be to  
8 another point in California or as far east as Nebraska or  
9 Iowa. He's factoring in that delivered cost. With fuel  
10 already being high and the added regulations with the  
11 upgrades of the trucks, these deliberate costs will be  
12 more. Our producers lose out on their net profit.

13           So with that being said, I appreciate your time  
14 and good luck. You have a tough job.

15           CHAIRPERSON NICHOLS: Yes, we know.

16           MR. OLDFIELD: I think we're done, ma'am. Thank  
17 you very much.

18           CHAIRPERSON NICHOLS: Thank you. You took less  
19 than your time than you asked for, which is always  
20 appreciated. If you wanted to say another word, if  
21 anybody wants to sing a chorus of Happy Trails, that would  
22 be okay too.

23           UNIDENTIFIED SPEAKER: You don't want me to sing.

24           Thank you for this time. I'm also a producer and  
25 a livestock hauler. We are all interested in clean air,

1 clean water, pristine environments. We all want it. And  
2 what you're asking us to do is financially impossible. I  
3 haven't heard anybody that said that the particulate  
4 filter is the best thing that ever happened to them.  
5 Nobody. They work great on the ranch, but they don't work  
6 on the trucks. They're making these particulate filters  
7 to fit a certain area, but they don't have the motor to  
8 fit the particulate filter.

9           The cost that you're asking us to take on are  
10 huge. That one guy that was talking about he has 16  
11 drivers and \$13,000 in the hole, that knocks me down. How  
12 do you do that? How would anybody do that?

13           The picture of the preemie baby, heart wrenching.  
14 But what we do with the end product of what we give you,  
15 look around you. Everybody is benefiting from it. We're  
16 trying to do the best we can do. But we are based on what  
17 we can operate on. What are our costs. What our rates  
18 are. These guys that say they're worried about the rates  
19 and how you're going to compete with guys that aren't  
20 complying, what are you waiting for? Raise your rates. I  
21 fight every day to raise my rates. I fight these guys. I  
22 fight these guys out here that are compliant. And most of  
23 them put a lot of miles on. And they also do something  
24 else. So they can be compliant where we're not.

25           We've got two jobs here. We run cattle. We got

1 our truck. We're doing our own maintenance. We got 14  
2 jobs. I appreciate this. I thank you.

3 To the guy that spoke about the spotted owl, I  
4 was wondering if we're the burrowed owl.

5 CHAIRPERSON NICHOLS: That was very good.  
6 Appreciate the fact that you all came in and were so  
7 organized. It really is helpful.

8 All right, ladies and gentlemen, it is now,  
9 depending on which clock you look at, I'm going to say  
10 it's five past 12:00. We'll try to be back here a few  
11 minutes past 1:00. Thank you.

12 (Whereupon a lunch recess was taken.)

13 CHAIRPERSON NICHOLS: We're back in session.  
14 We're at 56, Patrick Smith.

15 MR. SMITH: Good afternoon, Madam Chair, Board  
16 members, and staff. My name is Patrick Smith,  
17 Transportation Manager for Harris Ranch.

18 I feel like I'm in a state of confusion today. I  
19 don't know whether I'm with Harris Ranch or I've been up  
20 here so often I feel like I'm a CARB employee.

21 I went to sign up to speak on the issues today, I  
22 didn't know whether it was for or against, so I signed up  
23 neutral.

24 But I'd like to make some comments today. I've  
25 been in the two Ds in life, diesel and dirt, since I was

1 15. That's been 62 years.

2 I sympathize with Ms. Archer and her issues  
3 making tremendous capital investment. I really haven't  
4 seen anything that offsets or rewards those that have made  
5 that capital investment to comply on time, especially with  
6 truck replacement where you've gotten the benefit of  
7 particulate reduction and NOx reduction, probably four or  
8 five years before these proposed amendments go into  
9 effect.

10 I don't envy any of you in your decision making  
11 process. You're at probably the most treacherous cross  
12 roads you've ever been at. It's almost double jeopardy.  
13 You've got health issues, diesel particulate. But as your  
14 ex-Board member Dr. Tellis felt, loss of one's job is a  
15 more serious health issue than diesel particulate. And  
16 that's what we're faced with today, loss of jobs, reduced  
17 emissions. How do we do all of that?

18 Well, mitigation. That's the word this agency  
19 likes to use quite a bit. How are we going to mitigate  
20 this?

21 Let's look at the facts first. You know, in our  
22 situation, we had to replace 50 percent of our fleet in  
23 the last two years. In this last 2013, we replaced 85  
24 percent of our refer units. We are CARB compliance. So  
25 from these amendments that are being proposed and



1 approved, we would have a lot of issues that here we've  
2 complied on time, but what I've seen for the offset for  
3 those who haven't complied, there is no reward for those  
4 who have complied. We've seen 50 percent loss in our  
5 bottom line the last year because of CARB compliance and  
6 maintenance issues.

7 Now, I can sympathize with the particulate trap  
8 manufacturers and the installers. And in certain  
9 applications, they work great. But you better have a  
10 standard duty cycle. But if you have an irregular duty  
11 cycle, you have a host of maintenance problems if you can  
12 even keep your vehicle running.

13 How do we mitigate this? I don't know. But I  
14 think there's got to be serious economic offset for all of  
15 those who have complied. I thank you for your time.

16 CHAIRPERSON NICHOLS: Thank you.

17 Robert Van Dyke.

18 MR. VAN DYKE: Hello, Madam Chair and members of  
19 the Board.

20 CHAIRPERSON NICHOLS: Pardon me. Excuse me. I  
21 must stop for just a second.

22 We have over 100 people signed up to testify.  
23 Maybe they're not all here, so it may not be quite so  
24 many. But just be aware of the fact that I think we're  
25 going to hear a certain number of the same comments and to

1 the extent that people can curtail their comments further,  
2 it will prevent me from having to reduce it to two minutes  
3 or one minute.

4 Also, I'm going to give you five minutes. If  
5 you're thinking you want to testify, thinking you might  
6 want to testify, sign up now or I'm going to cut off the  
7 list in five minutes because I think at that point  
8 everybody who has something to say will have had a chance  
9 to be heard. So that's it. Thank you.

10 MR. VAN DYKE: Thank you, Madam Chairman. I will  
11 do my best.

12 I'm Bob Van Dyke, VA farms. We are a  
13 family-owned farming and trucking company. We are  
14 compliant. We have 22 trucks of our own and utilize as  
15 many as 50 sub-haulers owner-operators at our peak time,  
16 rice harvest.

17 I believe you realize the decisions and rules  
18 that you've made in the past have created disastrous  
19 economic hardship on the trucking industry. But you're  
20 six years too late. This is not a fair thing to do to  
21 change a mandatory program when the deadlines are up.

22 I complained to the ARB about the impact this  
23 would have on the owner-operators that pull for us that  
24 most would not be able to update their trucks, let alone  
25 put a particulate filter on them.

1 I stated it will hurt the trucking and ag  
2 products industry, moving transportation, and there would  
3 be a transportation shortage. Their response was that  
4 there would be fewer trucks on the road, helping the  
5 environment, and those remaining we would be able to raise  
6 our trucking rates to pay for the new equipment.

7 We are a small company, and we were able at first  
8 to participate in assistance programs. Thank you very  
9 much, but still have spent over a million dollars to be  
10 compliant with ARB and the drayage truck regulations.

11 Out of necessity, a majority of our sub-haulers,  
12 owner-operators, have also gone deep into debt, borrowing  
13 against their houses, their friends and family, trying to  
14 stay in the business, the only business most of them know.  
15 These changes are not right. I never want to see a  
16 business fail or employees lose their jobs. But people  
17 that have procrastinated and claimed ignorance should not  
18 be rewarded by this new amendment.

19 A lot of us that borrowed and have gone deep into  
20 debt to be compliant with the current laws aren't  
21 interested in credits or extensions. But give me a tax  
22 break, a no interest loan, or an economic rebate for the  
23 good job we've done to clean up the air so that you can  
24 consider these changes and amendments. Thank you very  
25 much.

1 MR. WICK: Chair Nichols, Board members, thank  
2 you.

3 Bruce Wick, California Professional Association  
4 of Specialty Contractors. Our contractors operate all  
5 across the state as you know construction faces multiple  
6 CARB rules.

7 So one area I'd like you to really consider in  
8 this proposal are the low use, low mileage vehicle  
9 operations that would really help the construction  
10 industry. And Mike Lewis in the CIAQC letter April 17  
11 laid that out pretty well for that particular issue. And  
12 I thank you for considering that.

13 CHAIRPERSON NICHOLS: Great. Thanks.

14 Mr. MacDonald. Ian MacDonald?

15 Mr. Beachler.

16 Mr. BEACHLER: Thank you, Chairman, for letting  
17 me talk.

18 I have never been in front of public in my life  
19 so my heart is pounding out of my chest. But I've got a  
20 passion that this is wrong. 1948, my father bought his  
21 first truck. I'm second generation. Today, I have two  
22 boys. My grandson.

23 Don't ask me why I'm emotional. I'm sorry.

24 CHAIRPERSON NICHOLS: Take your time.

25 MR. BEACHLER: I think about my kids. I think

1 about them in the trucking business. I have 15 trucks.  
2 Guess what? I'm complaint today. I have ten trucks that  
3 have filters on them. And for the people that down here  
4 in front that had a Committee that went around and checked  
5 on these filters, let me tell you what. They don't work.  
6 They don't work, guys. Come to my fleet and look at the  
7 money that I put into these filters. I can't afford to  
8 buy new trucks. Can't afford it. Even if I take your  
9 government money, I still got to pay \$100,000 for a new  
10 truck.

11 We don't want the money. I never took the money.  
12 I was approved. I don't want the money. I want to make  
13 this on my own. This is America. But if you going to --

14 (Applause)

15 MR. BEACHLER: Come to my first meeting, CARB  
16 meeting, in 2005. Didn't talk. I haven't talked. I  
17 don't want to talk now. But let me tell you what. I love  
18 owner-operators. I love these onsies and twosies and  
19 three-ies trucks. They're what makes America go around.

20 (Applause)

21 MR. BLEACHER: But I'm sorry for them. I've  
22 complied. I spent five or \$600,000 and I'm \$700,000 in  
23 debt. And you expect me to stay in business with a family  
24 business. And I'm a penny pincher. I look for the cheap  
25 deals, the good deals. I buy used stuff. I don't buy new

1 stuff. I can't afford it.

2 So anyway, if you checked out those, the CARB --  
3 these filters, they don't work. Also your 80 percent  
4 compliant ain't true. I'm a trucker. I used to go up the  
5 Grapevine at 16 miles an hour. There was black smoke  
6 blowing out of the stacks. There was a problem back then.  
7 Today, we don't have the problem.

8 But it's like there is not 80 percent. Those  
9 truckers in this room, they drive up and down the roads.  
10 We know there is not 80 percent trucks compliant. There's  
11 not.

12 There are people in this room right now that are  
13 scared to death that you might find out their name because  
14 they haven't turned themselves in in 2012.

15 My time is up.

16 Let me tell you what. Four years ago, I said I'm  
17 not complying. You know why. Because I thought you would  
18 change your mind. And two a half years ago I thought,  
19 they might be serious. You better be serious because you  
20 can't keep changing.

21 With my kids, I told them a rule. If I broke  
22 that rule, I lost their confidence. And let me tell you  
23 what. You need to stick with the rules you made and go  
24 with the rules because you're going to break the rest of  
25 us.

1 CHAIRPERSON NICHOLS: Is Mr. MacDonald here? Did  
2 we just miss him?

3 MR. MAC DONALD: Thank you. My apologies.

4 Madam Chair and members of the Board, appreciate  
5 this opportunity to share our comments.

6 My name is Ian MacDonald. I'm the Vice President  
7 of Sales and Marketing with CDTI, also known as Clean  
8 Diesel Technologies.

9 CDTI is headquartered in Ventura, California, and  
10 has supplied over 11 million catalysts to customers and  
11 car manufacturers in over 35,000 diesel retrofits systems  
12 throughout North America and Europe since 2000.

13 CDTI has made significant investments in support  
14 of California's truck and bus rule. And since its  
15 inception, it supported many of the preceding ARB  
16 programs.

17 Many of the written comments and actually many of  
18 the oral comments so far have indicated these amendments  
19 destabilize the highly competitive trucking industry,  
20 effectively penalizing those who have already complied  
21 with the rule and forcing them to compete with  
22 higher-polluting non-compliant truck owners who are  
23 afforded with a lower business cost due to their failure  
24 to comply.

25 We understand the intention of the amendments,

1 but we would urge the ARB to add further safeguards to  
2 certain of these amendments to ensure that relief is  
3 provided only to the intended areas and stakeholders.

4 We also feel that it is essential to continue an  
5 ideally increased enforcement action to ensure the air  
6 quality objectives are made and flagrant disregard for  
7 this rule is not rewarded.

8 We also caution the path that used trucks can  
9 provide a panacea in the loan denial amendment. Most used  
10 trucks have minimal, if any, warranty coverage at the time  
11 of their purchase. In the event they are found to be  
12 deficient, a truck owner who uses their financial  
13 resources to purchase the used truck prematurely may not  
14 be able to afford the necessary repairs to the function of  
15 the truck or simply the emission-related components.

16 We feel the better solution might be to provide  
17 loan assistance or seed funding to initiate a loan for a  
18 distressed trucker to allow the truck to extend through  
19 its normal useful life at expected maintenance costs while  
20 providing compliant emissions levels.

21 Ultimately, the long-term attainment of air  
22 quality objectives will be directly dependant on the  
23 ongoing performance of retrofit devices in in-use 2007 and  
24 newer model year trucks. We believe it is imperative that  
25 the Board work with the Legislature to implement a robust



1 heavy-duty inspection and maintenance program to ensure  
2 all vehicles remain emissions compliant throughout their  
3 service lives. Such a program ensures air quality and a  
4 level playing field for the trucking industry.

5 We propose a simple cost effective step might be  
6 to implement an opacity level of two percent or less for  
7 retrofitted trucks and 2007 and newer model year trucks.

8 In closing, we encourage the Board to direct  
9 staff to leverage our industry, our distributors, our  
10 service entities by complimenting an effective heavy-duty  
11 inspection and maintenance program with a fair and  
12 competitive heavy-duty aftermarket parts program for  
13 emission control components for heavy-duty diesel trucks.  
14 Thank you.

15 CHAIRPERSON NICHOLS: Okay. Mr. Vaughn.

16 MR. VAUGHN: Richard Vaughn from Lake View,  
17 Oregon. I have ten trucks. I complied. I bought 2010  
18 and newer trucks.

19 The problem is this emission system does not  
20 work. I can't pay to have a particulate filter boiled out  
21 and lose two days of profit. I was in Stockton. The  
22 engine light came on. They wanted \$300 just to plug in  
23 the computer. They cleaned the doser valve. It was  
24 plugged up. It was \$890 bill to get that one truck out  
25 for this. And I've paid the money get these newer trucks.

1 And now I can't afford to run them because of the cost of  
2 these failure of these filters. And that's one of my big  
3 concerns.

4 If you can -- if I can send you a bill when I get  
5 these bills and you pay for it like you should, then we  
6 can run here. I do agricultural products with belt  
7 trailers. We haul in and out potatoes and apples and  
8 fertilizer and everything that the farmers need, and we  
9 can't do it, bills like that. If you can't step up and  
10 help us, then I don't know what we can do. Thank you.

11 CHAIRPERSON NICHOLS: Bill Allen.

12 MR. ALLEN: Thank you, Madam Chairman.

13 My name is William Allen. I'm President of  
14 Amador Stage Lines, a local Sacramento bus company. We've  
15 been here since 1852 when we were run by horses and stage  
16 coaches, which might be what we'll go back to eventually.

17 CHAIRPERSON NICHOLS: Could you speak into the  
18 mike, please?

19 MR. ALLEN: Local company here in Sacramento.  
20 We've been here 160 years. Today I'm representing the  
21 California Bus Association, which has over 64 members and  
22 approximately 2600 buses in their membership.

23 CBA wants to thank their staff. They've been  
24 very accommodating in everything they've done. We had  
25 them at multiple seminars, our convention every year they

1 come. I do think that they've done an outstanding job of  
2 educating our members in what's coming up and what the  
3 needs are and so forth.

4 In that case, we do feel the majority of our  
5 members are ready. They're ready to go because they are  
6 interested in clean air and also newer equipment.

7 We feel we are part of the solution because we  
8 take people off the road. We get them in our buses and  
9 out of their cars. And the demographics of our riders are  
10 people that are less apt to have a new car, so to speak.  
11 So I think it's a double whammy there because we're  
12 getting older cars off the road and into the buses.

13 You can figure about 25 cars off the road for a  
14 full bus. 56 is the biggest one we have now, and 50s and  
15 so forth. So we can figure them two to a car, you know,  
16 25 cars off the road.

17 Our industry is really pretty small. There's  
18 only I think 5200 charter buses in California. And we've  
19 been talking about millions of trucks. So when you think  
20 of that, we're very small little potatoes in this mix. So  
21 less than one percent obviously.

22 The bus configuration is not set up for the DPF  
23 filters, the add-on aftermarkets. The engine compartment  
24 is very small, very congested with turbans and all the  
25 other parts in there that go in there. And so what

1 happens is they stuff these things in that don't fit. And  
2 then they generate so much heat, they create a fire  
3 danger. As we saw a couple weeks ago what a bus and a  
4 fire will do, it's very dangerous. We're carrying people,  
5 not tomatoes. It's just a real bad situation.

6 So what we would like to see -- we would like to  
7 see for the people that have to have these faulty devices  
8 forced upon them that they've already paid the money in  
9 good faith and now they don't work. So what we would  
10 suggest is that those people have the opportunity not to  
11 have to pay for them again and again and again, but give  
12 them a waiver so that they paid once, a lot of money,  
13 about 18,000 a piece. And then if the bus is in good  
14 order, the engine is in good order, everything else is  
15 right but the machine doesn't work, it doesn't work. I  
16 don't think they should be penalized.

17 CHAIRPERSON NICHOLS: You are over your time. We  
18 do have your letter. I think we understand your proposal.

19 MR. ALLEN: Thank you for the opportunity to  
20 speak.

21 CHAIRPERSON NICHOLS: Thank you. Sorry. Three  
22 minutes does go by fast.

23 Is Chris Miller here? Or is that -- I don't know  
24 why we have a line through the name. Sorry.

25 Gayle is next. I apologize.

1 MS. LOPOPOLO: My name is Gayle Lopopolo. I'm a  
2 partner with Jim Ganduglia and Ganduglia Trucking, a 75  
3 year old trucking company in Fresno, California. We have  
4 20 trucks and 17 drivers.

5 And I'm here to tell you folks that we are  
6 frustrated. If we're not battling federal rules and  
7 regulations, it's state rules and regulations, part of  
8 which is replacement costs for CARB truck and bus. We've  
9 got stormwater sampling. We've got hazardous waste  
10 issues. You name it. And now CARB would have us truckers  
11 battling each other with the two small carrier extensions  
12 that are included in your total amendments. And those are  
13 the amendments that I would like -- that I'm speaking  
14 about today.

15 And I have not heard this brought up in this way  
16 yet. Small carriers, one to three, that sounds very  
17 harmless. And I love the small carriers, too. But the  
18 problem becomes when those small carriers in the aggregate  
19 form a large pool. They have small -- they have lower  
20 cost. They farm a large pool of low rate competition that  
21 the rest of the folks previous to me have attested to.  
22 And therein is the problem is, in the aggregate, they form  
23 that downward pressure on our rates.

24 A lot of the small carriers work for brokers. In  
25 this day and age, our biggest competitor is the broker.

1 And because they are hiring the small carriers and the  
2 independent owner-operators.

3 Customers, I just had another customer last week  
4 totally ignore us. We've asked for a rate increase to  
5 offset our costs, as we have been complying since 2008.  
6 And we have more trucks to add in the next year,  
7 especially.

8 And they're just ignoring us because there's  
9 brokers out there they can reply on. Why pay more when  
10 there's somebody else out there who will do it for three  
11 year old rates. We've had rates in effect three years and  
12 all of our costs have gone up, not just for replacement  
13 cost. And they're totally ignoring us.

14 And passage of these two amendments would allow  
15 the small carriers to just prolong this inequity for up to  
16 three more years. That's just not fair.

17 CHAIRPERSON NICHOLS: Your time is up.

18 MS. LOPOPOLO: Have I gone through three minutes  
19 already?

20 CHAIRPERSON NICHOLS: Please, I'm going to ask  
21 everybody, pay attention to the lights if you could  
22 shorten your testimony. We have your letter also.

23 MS. LOPOPOLO: Okay. Thank you very much.

24 CHAIRPERSON NICHOLS: You're on record. Thank  
25 you.

1           Now Christopher Miller.

2           MR. MILLER: Madam Chair, members of the Board,  
3 thank you for the opportunity to speak today.

4           My name is Chris Miller. I'm the Executive  
5 Director of the Advanced Engine Systems Institute, or  
6 AESI. AESI is a nonprofit trade association of emissions  
7 control and efficiency products and technologies.

8           We believe the Board should be fair in making the  
9 additional changes to the truck and bus rule. ASI  
10 companies strongly support the air quality goals of the  
11 original rule. These companies are key members of an  
12 innovative industry that has delivered affordable,  
13 reliable, and effective products to help reduce pollution  
14 in California and across the nation. They've invested  
15 substantial time and money and effort in developing and  
16 testing emission control devices to help ensure that  
17 heavy-duty trucks can meet the rule's requirements on  
18 time.

19           Thousands of truckers registered in California  
20 and operating in the state have also made a similar large  
21 and effective investment. Retrofit filters are  
22 essentially identical to the filters in use on all new  
23 diesel engines sold since 2007. Diesel filters can remove  
24 more than 95 percent of the particulate emissions from the  
25 engine's exhaust. That saves lives and improves air

1 quality. These devices are in operation today and  
2 millions of engines around the world. Yet, some have  
3 wrongly attempted to blame the filters for failures that  
4 occurred in poorly maintained vehicles.

5 There is overwhelming evidence that emission  
6 control systems work well. They are in operation right  
7 now on every highway in the nation. We certainly  
8 understand the need for ARB to address the reasonable  
9 challenges facing small businesses. However, ARB should  
10 be concerned about the signal that the latest proposal  
11 sentenced to the truckers and companies that have already  
12 complied. They have spent money to comply with the  
13 regulation now. Delaying the compliance deadlines for  
14 others who have been slower to comply can place the actors  
15 at a real competitive disadvantage.

16 ARB should not tilt the playing field in a way  
17 that simply shifts cost to the truckers that have already  
18 invested in compliance or against the public's health.  
19 California leads the way nationally and globally on  
20 setting strong health-based standards, and ASI companies  
21 have followed by developing the best control products  
22 available. The Board would be wise to disregard the  
23 unfounded and inaccurate charges about the reliability and  
24 performance of retrofit devices. Instead, the Board  
25 should focus on ways to improve maintenance and the



1 marketing and eliminate the marketing of sub-standard  
2 unapproved devices.

3 I strongly urge the Board to stay the course and  
4 reward, not penalize, the truckers and companies that have  
5 already complied with the regulation. Thank you.

6 CHAIRPERSON NICHOLS: Gary Gannini. Susan Jones  
7 is not here.

8 MR. NANNINI: I can't see the button, right.

9 Good afternoon. My name is Gary Nannini, owner  
10 of Gary Nannini and company, a fleet of one out of  
11 Oakdale, California. I'm 39 years an owner-operators, 29  
12 years a livestock hauler. And I'm the last of the  
13 procrastinators. I'm good faith at this moment. But as  
14 of June, I'll have a new truck.

15 I was going to retire, but things have changed a  
16 little bit. But anyway, I'm making a big investment to  
17 stay in business. You must say progressive and  
18 professional in our business. If you change the rules now  
19 would be just totally lop-sided for everybody.

20 And my friends in the other room, I apologize  
21 because we all work together. The cattle will be moved.  
22 Everybody will get the money they want. And if they don't  
23 like the rates, that's their problem. They have to adjust  
24 it to make it accordingly.

25 Thank you very much.

1 CHAIRPERSON NICHOLS: Mr. DeVries.

2 MR. DE VRIES: Hi. Thank you. I am Ronnie  
3 DeVries from Bakersfield, California. I got seven  
4 livestock trucks. Been in business for 18 years. I got  
5 six brand-new ones here. Got two more next month. And I  
6 have no help with them. I bought them all myself. No  
7 grant money. It's all about working hard and staying  
8 compliant. We've all got to stick together. We can't  
9 change this now. We worked too hard for this.

10 That's all I've got to say. Thank you.

11 CHAIRPERSON NICHOLS: Mr. Slater.

12 MR. SLATER: Madam Chair, Board members, my name  
13 is James Slater with West Coast Sand and Gravel. We're a  
14 large California construction material transporter with  
15 the sub-hauler network of over 150 California motor  
16 carriers, most of which are small fleets primarily  
17 independently owned single truck operators.

18 I'm here today to represent their collective  
19 voice. According to the rule and due to the inability to  
20 enforce the rule, our company is responsible to ensure  
21 that all of our sub-haulers are registered with CARB and  
22 complying carriers. Our companies spent considerable time  
23 and resources educating these carriers on the truck and  
24 bus and went through the process in helping them get  
25 registered and inform them in many cases of their

1 compliance options. These carriers have gone out and  
2 spent considerable dollars, increased their monthly  
3 overhead just to comply with the rule.

4 Any delay is going to cause irreparable harm to  
5 these companies. And given the uneven playing field, many  
6 are concerned if they're going to be able to remain in  
7 business, let alone compete.

8 My company, along with these, were early  
9 compliers this agency want and need. I urge you on behalf  
10 of the independents, as well as the over 500 employees of  
11 West Coast to abandon any proposed amendments to future  
12 delays. Thank you for your time.

13 CHAIRPERSON NICHOLS: Mr. VanDyk.

14 MR. VAN DYK: Thank you. I'm a small two-truck  
15 owner-operator of like I said, a little company. All we  
16 haul is cattle 36 years. That's all I know how to haul.  
17 Never hauled anything else.

18 This word compliancy up until about 2006 I never  
19 heard that word before. Now it's all we hear. It makes  
20 us sick to hear it, believe me. The last thing we wanted  
21 to do was comply.

22 We did though. \$319,000 I've spent to comply.  
23 One of the trucks -- my very first truck I complied with  
24 has been nothing but trouble. 2008, first year they came  
25 out with the particulate filter on it from the factory, I

1 spent another 27,000 to keep it on the road. It's killing  
2 us to have to compete with all these non-compliant trucks.

3 I'm here speaking specifically for the livestock  
4 part of this, the cattle part. You have a special thing  
5 for the cattle that you want to make all cattle trucks  
6 exempt. That's a broad stroke. All cattle trucks, that's  
7 all cattle trucks in North America, that's a lot of  
8 trucks. There are thousand of cattle trucks. There is no  
9 specific -- all cattle trucks. How do we compete against  
10 that? We're compliant. We're going to stay compliant.

11 I have kids. I have grandkids. I see this  
12 testimony showing these poor little kids. And you think  
13 of your grandkids. So we want to stay that way. We want  
14 to stay compliant. I'm sorry I'm emotional.

15 I don't have a problem if we change the wording  
16 on this to say not for-hire carriers for cattle. All  
17 these farmers were here earlier, the cowboy hat guys, I'm  
18 friends with most of those. Let's change the wording not  
19 for-hire carriers. Let these ranchers have their own  
20 trucks, haul their own cattle. Not a problem.

21 It's the for-hire carriers I have to compete  
22 against them daily. They say there is a shortage of  
23 trucks. There is a shortage of trucks. I wouldn't call  
24 it a shortage of trucks. It's tight for two months out of  
25 the year. Every ag industry is like that. There is a

1 season. Two months out of the year gets a little tight.

2 36 years I've been in business. Every year for  
3 two months out of the year, it gets like that. That's  
4 nothing new. They're trying to make it sound like it's  
5 new because of all these new laws. It's not. It's the  
6 same. We're always going to have trucks. We will always  
7 supply trucks for the ranchers. That's our only thing.  
8 If we did anything, we'd like to change the wording to  
9 show not for-hire carriers be exempt. For-hire carriers  
10 need to comply. We had to comply. They need to comply.  
11 No more extensions. Thank you.

12 CHAIRPERSON NICHOLS: Thank you. Greg Smith.

13 MR. SMITH: Madam Chairman, thank you very much.

14 My name is Greg Smith. I'm an owner of Maxx Air  
15 or a DPF retrofit distributor. We've put on in the last  
16 twelve months about 600 DPF retrofits. Since 2009, close  
17 to 1500. Here to tell you that they do work. They work  
18 well when the trucks and the pics are done. The retrofits  
19 work.

20 Hearing a lot about cost as well. It is a big  
21 cost. But 95 percent of the retrofits that we put on  
22 range from about \$9,500 up to about \$13,500. That's 95  
23 percent of what we put on is in that price range for the  
24 filter and the installation. I hear 20,000, 30,000,  
25 40,000. That's not an average by any means. There are

1 filters that can get up that high for speciality cases.  
2 But in most cases, the costs are lower, which is still a  
3 huge cost.

4 The other side is we hear a lot of passionate  
5 people here today. I talk to them every single ay. For  
6 the last few years, they're asking me what are we supposed  
7 to do to be compliant? We tell them what you need to do.  
8 They tell me, no, I don't have to do it. I'm not going to  
9 do it. They're going to change it. We hear crazy things.  
10 Just last week, no, they repealed the law. This law has  
11 gone away. We explained to them, no, it doesn't. We lose  
12 all credibility with our customers every time this gets  
13 put back. And CARB loses all credibility as well. And I  
14 don't believe that by pushing this back we're going to  
15 then see a smoother graduation of people over the next few  
16 years slowly doing this. They're all going to wait again  
17 until after the next deadline passes to see what CARB is  
18 going to do again. Thank you very much.

19 CHAIRPERSON NICHOLS: Thank you. If I could just  
20 put up an applause meter, we could save ourselves an hour  
21 at least, you know, everybody who agrees will just agree.  
22 It would be great.

23 MR. COATES: Hello, Chair Nichols, Board members.  
24 Michael Coates representing the Diesel Technology  
25 Forum. On behalf of the Diesel Technology Forum, we'd

1 like o add these comments. And we submitted a more  
2 detailed version to the Board's Clerk.

3 While we do not take a formal position in favor  
4 or opposed to the amendments, we believe the Board's  
5 decision making would be further informed by the latest  
6 information on clean diesel technology specific for  
7 California. Clean diesel is a success story in  
8 California. The state's a leader in adopting new clean  
9 diesel technologies is the number two state in the country  
10 with 209,000 clean diesel trucks on the road and number  
11 three in heavy-duty clean diesels. These modern clean  
12 vehicles are improving air quality, reducing petroleum  
13 use, and there are options available for modernizing and  
14 upgrading older diesel vehicles as you've heard.

15 Heavy-duty truck owners are adopting the new  
16 clean diesel technology. According to the latest vehicle  
17 registration for data 2013 compiled by RL Polk, 25 percent  
18 of all heavy-duty vehicles registered in California have  
19 an engine that meets or exceeds the ARB's and EPA  
20 standards for 2007. And ten percent of those have engines  
21 that meet the 2010 emissions standards. Growing adoption  
22 of clean diesel technology by vehicle owners in California  
23 demonstrates that the technology is being accepted.

24 You can see the attraction. For example, Class A  
25 line haul driver driving 100,000 miles a year will save

1 876 gallons of fuel or \$3500 in fuel costs over the year.  
2 Class five delivery truck in service for 35,000 miles will  
3 save \$640 in fuel cost compared to the older diesels.  
4 These savings compound over the life of the vehicles.

5 While the owners benefit financially, California  
6 benefits from improved air quality from the advanced  
7 emissions controls and other technologies to reduce the  
8 emissions to near zero levels.

9 The same Class A line haul truck reduces NOx by  
10 1.1 metric tons, carbon emissions by 8.9 metric tons, and  
11 PM by 26 kilograms. In California, an estimated 100,000  
12 tons of NOx and 2700 tons of PM have been eliminated from  
13 the growing population of Class III to VIII clean diesel  
14 trucks and vehicles on the road.

15 Meanwhile, those vehicles have saved 56 million  
16 gallons of diesel fuel and 570,000 tons of carbon  
17 emissions. This reduction is equivalent to removing  
18 roughly 120,000 light duty cars and pickups from the road  
19 for a year.

20 I thank you for the opportunity to present this  
21 information. I'd be glad to answer any questions you  
22 might have.

23 CHAIRPERSON NICHOLS: Just going back to the  
24 beginning of your testimony, you said California was  
25 number two or number three in clean trucks?



1 MR. COATES: Number two in Class 3 through 8 and  
2 number three in the heavy-duty Class 8.

3 CHAIRPERSON NICHOLS: Who is ahead of us?

4 MR. COATES: In the overall truck market, Texas.

5 CHAIRPERSON NICHOLS: Sorry?

6 MR. COATES: Texas.

7 CHAIRPERSON NICHOLS: All right. Thank you.

8 Tony Fisher and Terry Rapoza.

9 MR. FISHER: Good afternoon, Madam Chair and  
10 members of the Air Resources Board. I'm Tony Fisher  
11 representing the Coalition for Clean Air.

12 We appreciate the opportunity to comment on the  
13 proposed amendments to your truck and bus regulation. As  
14 some of you may know, I had previous experience in  
15 controlling air pollution while manager of Numi's  
16 environmental affairs, which included an environmental air  
17 permitting along with regulatory involvement in vehicle  
18 end-of-line emission testing.

19 While controlling air pollution at stationary  
20 sources can be done with a combination of technology,  
21 reducing diesel emissions on existing vehicles is  
22 primarily done through abatement. We support a cost  
23 effective effort to require that older diesel trucks be  
24 either replaced with newer models or retrofitted with  
25 particulate filters because this will cause significant

1 reductions to top priority air pollutants like PM2.5 and  
2 many carcinogens.

3 Also, we appreciate the past effort ARB has made  
4 in securing the estimated 650 million in public funding in  
5 assisting companies to clean up their diesel trucks. And  
6 we recommend that ARB continue to find measures -- find  
7 moneys rather to help fund cost effective diesel truck  
8 replacements and retrofit technologies that will be  
9 required in the future, especially for those truckers  
10 which are financially struggling.

11 Finally, we would like to emphasize that reducing  
12 diesel emissions is not only important because of their  
13 associated harmful particulate matter and carcinogenic  
14 pollutants, but also because of the sizable population who  
15 were adversely effected by inhaling such contaminants.  
16 The estimated percentages of -- the estimate percentage of  
17 those in the US who have asthma, non allergic rhinitis  
18 and/or chronic obstructive pulmonary diseases is around 20  
19 percent. This extrapolates to approximately 7.5 million  
20 people in California.

21 Also, if diesel emissions are not properly  
22 controlled, many truckers who do not have such respiratory  
23 disorders now may in time due to the inhaling of diesel  
24 fumes acquire or be affected by any of these three  
25 incurable medical conditions or lung cancer itself. Thank

1 you very much.

2 CHAIRPERSON NICHOLS: Thank you.

3 Terry Rapoza.

4 MR. SMITH: Terry had to leave. I'm RJ Smith,  
5 number 91 on the list. I'm taking his spot.

6 I own Solid Rock construction out of Redding,  
7 California. I have met with the Board, came up to Redding  
8 and met us. And I do appreciate them taking an ear and  
9 listening to our complaints about that. I'm friends with  
10 a lot of the local truck drivers that are for hire in  
11 Redding. The exemptions, all for having exemptions put in  
12 there, because I'm anxiety not for hire. And my trucks  
13 barely turn 5,000 to 10,000 miles a year.

14 I'm a low use contractor. I'm a directional  
15 drilling contractor. My trucks show up to the job site  
16 with a drill on the back. They drill across the highway.  
17 They may be there four or five days, even three or four  
18 weeks on one job site and never move. So the trucks don't  
19 turn that.

20 I understand there are competition with the rates  
21 and all that stuff, but that doesn't apply to us  
22 non-not-for-hire drivers. I've got three vac trucks that  
23 to replace those to get them CARB compliant right now is  
24 about \$300,000 a piece. And we cannot afford to buy --  
25 it's not like you can go down and buy a fifth wheel truck

1 and for \$120,000 put it onto a trailer and pull it. We  
2 have specialized trucks for specialized jobs just like the  
3 crane people do.

4 It's critical we keep the low use exemption in  
5 there for especially for us not-for-hire contractors and  
6 truck drivers.

7 Also, we're all pretty much adults here I think.  
8 That guy that put that picture up there with that baby on  
9 that thing pissed me off. And that to me had nothing to  
10 do with this issue. That was political crap that we have  
11 to hear all the time.

12 Keep it above board. Keep that guy out of here  
13 because we don't want to listen to him anymore. Like I  
14 said, these other truck drivers have expenses they put out  
15 of there. I understand that. I understand it with my  
16 whole heart. I can't afford to go out there. My trucks  
17 do not meet the compliant.

18 I'm registered with it. We put our trucks on the  
19 registry. But my trucks are not old enough to even they  
20 can't have the filters on them. But they don't travel  
21 over 5,000 miles in the year. We need to keep this part  
22 of it in there. It needs to be 10,000 miles. That was my  
23 recommendation before. That's all I have to say.

24 CHAIRPERSON NICHOLS: Thank you.

25 Syliva Milligan.

1 MS. MILLIGAN: Yes. My name is Sylvia Milligan,  
2 and thank you for hearing me today. And I like clean air.  
3 I like clean water. I like all of that. I have  
4 grandkids. I taught school. I know how important clean  
5 air is. And I appreciate the fact that you guys have gone  
6 so far out to take care of this.

7 But living in northern California, I don't own a  
8 truck. I don't operate a truck. I do however use goods  
9 delivered by trucks. I'm a retired senior. I cannot  
10 afford any more increases in rates and costs for the goods  
11 and services that we get. And my heart goes out to these  
12 people that have spent all of this money to either  
13 retrofit their trucks or buy new ones.

14 And then when they call those that have not gone  
15 to this expense rogues, that breaks my heart too. Because  
16 being from northern California, we have many, many  
17 families up here that have trucks that are busting their  
18 fannies to keep food on their table. They're not rogue.  
19 They don't have the money to do it.

20 So this extension is a God send. And I wish you  
21 would look at attrition. Attrition for them is the only  
22 way to survive.

23 Also I've listened how many times today to people  
24 say that these filters are safe. Where I live within a  
25 seven-mile span of highway, we had three of them burn up

1 in November. You just had a tour bus burn up on I-80 down  
2 here by Fairfield. We don't know yet if that FedEx truck  
3 and that bus was the cause of a filter fire. If it is --  
4 we don't know that. If it is, with all those children  
5 that were burned, let me tell you, each one of you can be  
6 sued individually. And I would be concerned.

7 I just hope that you take into consideration the  
8 rural areas that don't have the kind of the money that you  
9 have down here. We don't have the economy. We don't have  
10 the jobs. But we still have the people that are trying to  
11 stay off the welfare rolls and they're trying to support  
12 their families. And I hope you take that into  
13 consideration.

14 And it also makes me realize the more I heard all  
15 of this thing to date how important it is for us in the  
16 north state from Sacramento northward to get the state of  
17 Jefferson. Thank you.

18 CHAIRPERSON NICHOLS: Sally Rapoza.

19 MS. CRAMER: Sally had to leave. I'm Pat Cramer.

20 CHAIRPERSON NICHOLS: Are you signed up?

21 MS. CRAMER: Yes, I am signed up.

22 CHAIRPERSON NICHOLS: Okay. Somewhere else.

23 Okay

24 MS. CRAMER: 126. I think I was here about 15.  
25 Somehow I got to be next to last?

1 I'm Pat Cramer. A lot of you know who I am.  
2 I've been involved with this since December 5th, 2007,  
3 when Mr. Brasil came to my office in Anderson, California.  
4 At that time, I told him this will not work, Tony. It  
5 cannot work. You cannot devastate this state like this.  
6 Oh, yes, we can. And this is the way it's going to be,  
7 Pat.

8 So now, here we are seven years later, folks, and  
9 now you've got it so convoluted, so screwed up. You got  
10 the trucks fighting each other. You got nobody knowing  
11 anything about anything. You don't even know what your  
12 rules are. There is no way that our trucks can be  
13 compliant.

14 One construction truck is exempt. The next one  
15 is not. One cow truck is exempt. The other one isn't.  
16 We get a million dollars in Shasta County for log trucks  
17 and say Sierra Pacific Industry gets seven out of them out  
18 of 16.66. Fair? Absolutely not. There is nothing fair.

19 So I'm really on the fence about the amendments.  
20 A lot of the people who spoke here are my clients. I do  
21 business with them every day. The guys who have spent the  
22 money deserve tax credits. The guys who have no money  
23 need help. But not when you're giving the money to huge  
24 companies. You don't set it aside for the little guy who  
25 can't help himself, who doesn't have the money, who's

1 barely making it and then give it away to Sierra Pacific  
2 or companies who have 150 trucks. It isn't fair. It  
3 isn't right. None of us can stay in this business.

4 Like I said, I know a lot of these guys. Seven  
5 years ago, the cart got way before the horse. You didn't  
6 have your numbers. You didn't have the information.  
7 Today, I listen to these numbers that are absurd.  
8 Absolutely absurd. Where the heck they come from is  
9 beyond me. 270,000 trucks in California? Give me a  
10 break. 670,000 trucks from out of California. Give me a  
11 break. They're absurd they're so ridiculous. 250 trucks  
12 a day run up and down I-5 past the Cottonwood scales, and  
13 you're going to tell me there's only 67 out of state  
14 trucks in this state. Where do you guys get these  
15 numbers?

16 The gentleman before said we got my numbers from  
17 the DMV. We know 25 percent of trucks are 2010 and are  
18 compliant. He doesn't know that. There is nothing at the  
19 DMV that tells you whether that truck is complying with  
20 anything. I deal with the DMV. I do registration for  
21 trucks. And I know their numbers are wrong. What are we  
22 going to do guys? You've got these guys fighting each  
23 other. The rates have not gone up. They're in trouble.  
24 Please do something. And I don't know what to tell you to  
25 do.



1 CHAIRPERSON NICHOLS: All right. Then thank you.  
2 Your time is up.

3 Bob Ramorino.

4 MR. RAMORINO: Good afternoon, Madam Chair, Board  
5 members. I'm Bob Ramorino, President of Roadstar Trucking  
6 in Hayward, California, a third generation family company  
7 started in 1959. We have 21 company trucks about ten  
8 independent owner-operators, about 40 employees.

9 We have financed four retrofits long mile, which  
10 are not operational anymore. The rest all new equipment.

11 In our experience, the new equipment has  
12 performed very well. We had a few censor problems. But  
13 other than that, our reliability is outstanding and fuel  
14 economy is better.

15 The financial side has been more difficult. I  
16 testified to that back in the 2008 hearings I thought it  
17 was going to be a problem. In our case, we had to  
18 refinance properties in effect spreading the cost over 25  
19 years on property for an asset we're going to run seven,  
20 maybe ten years. From an economic standpoint, not too  
21 good of a decision, but we're truckers.

22 In addition, we are about midway in a six figure  
23 credit line and dangerously close uncomfortably close to  
24 the limit. Until four years ago in our 55 year history,  
25 we never even had a credit line.

1           We've done a lot of work with our shippers trying  
2 to educate them on this. And I'm going to bet there is no  
3 shippers represented here, which I find very strange. As  
4 a major stakeholder in goods movement, I think they should  
5 have been more involved in the process. They don't  
6 understand anything as far as their responsibility I think  
7 to help truckers, and they're not going to increase rates  
8 until they can't get a cheaper rate somewhere else.

9           So I'm opposed to the loan denial exemption. I'm  
10 opposed to the small truck exemption. There is a shortage  
11 in our industry, a pretty serious shortage, of classified  
12 truck drivers, qualified truck drivers. There is not a  
13 shortage of clean trucks.

14           And the truckers that can't make it now, if you  
15 give them an extension, they're going to be in the same  
16 financial position 12 or 24 months out. They should come  
17 and work for companies like mine, and they would possibly  
18 be better. So I thank you for your time.

19           CHAIRPERSON NICHOLS: Mr. de Carbonel.

20           MR. CARBONEL: I've been here before. I'll  
21 probably be here again.

22           Two things. You have a cap on the working truck  
23 category of 20,000 miles annual. That's not enough. It  
24 should be 30,000 because 20,000 is not workable. And by  
25 your own numbers, you estimate 40,000 is the actual miles

1 used. So giving us 20 is splitting the baby. I don't  
2 think that's a very good idea. We need to go higher than  
3 20. I know it got moved up another five from 15, but 20  
4 is not enough.

5 The other thing I'd like to address is I'm with  
6 the concrete pumpers. We're kind of like snowflakes.  
7 We're unique. We always seem to get left out in these  
8 categorizations. Now you talked about cranes here, but  
9 you haven't talked about concrete pumps. We have the same  
10 issues on safety and OSHA and everything else the crane  
11 guys do with stability. We have the same issues in terms  
12 of value of the chassis where you have chassis that run  
13 over a million and a half dollars. We don't have real  
14 estate or enclosure space to handle a new truck or a new  
15 engine. We have computerization between the concrete pump  
16 and the truck. So we're not people who buy used  
17 equipment. We're people who buy new latest available  
18 technology. We can't afford to do that in this economy.  
19 You can claim it's increased our projections are no more  
20 than seven percent increase in the California economy over  
21 the next three years.

22 So I do want to be I guess sort of included in  
23 the crane thing, but we have one additional problem, which  
24 I've made on more than one occasion I made it very clear  
25 to everybody we do not operate our equipment nearby. We

1 are operated entirely off of a radio remote for any number  
2 of safety reasons. So we're not around to watch a little  
3 light change in the cab for a filter problem. And that  
4 has not yet been addressed.

5 So I'm assuming that I'm going to have it  
6 addressed very soon because this is not going to be a  
7 condition that we can live were or people that work with  
8 us will live with. Thank you.

9 CHAIRPERSON NICHOLS: Elizabeth.

10 MS. SANCHEZ: Good afternoon, Chairman Nichols  
11 and Board members.

12 My name is Liz Sanchez, a Senior Vice President  
13 for First Student, the largest school bus contractor in  
14 California.

15 First student has already submitted comments.  
16 However, I want to talk to you about a couple things in  
17 particular. When considering our comments, the Board  
18 should be aware of two factors. First, private school bus  
19 contractors operate under dramatically different business  
20 model than do most other mobile sources regulated under  
21 this rule. We typically have to bid on requests for  
22 proposals written by school districts and our locked into  
23 contracts that generally run five years but sometimes even  
24 longer, up to ten years.

25 Once we are locked into these contracts, it is

1 contractually difficult and almost economically impossible  
2 to change buses or emission control device systems,  
3 particularly when we are down to the last two years of a  
4 contract. There simply is no time to pay off the capital  
5 investment, and we have no guarantee that our contracts  
6 will be renewed.

7           Second, the economic hurdles and issues that are  
8 driving your staff's recommendation to extend regulatory  
9 flexibility to the trucking industry apply equally if not  
10 more so to the private school bus industry. Here, I'm  
11 particularly referencing two staff proposals to extend  
12 credits until January 2018 for: A, fleets that have  
13 downsized from their 2006 baseline; and, B. companies that  
14 have invested in fuel efficient, alternative fuel, and  
15 electric vehicles.

16           First Student is not asking for special treatment  
17 on these extensions, only treatment equal to what staff is  
18 proposing for the trucking industry. As we estimate,  
19 there are approximately 6,000 private school bus operators  
20 in California. And that most of the buses are already in  
21 compliance with the rule. Providing this equal treatment  
22 to a small but important sector of our economy will not  
23 significantly impact your overall environmental goals.

24           To elaborate on this point, the costs associated  
25 with retrofitting a school bus are at least as great if

1 not greater than trucks for numerous reasons, including  
2 but not limited to the following two quick examples.  
3 First, large rear engine buses require a dual remote  
4 system with one in the back of the bus for maintenance and  
5 the other in the driver compartment.

6 Second, the smaller A and B type buses that are  
7 commonly used to transport special education students have  
8 less lateral space and vertical ground clearance under the  
9 bus to accommodate the filter. Because of these different  
10 physical configurations, it took longer for the  
11 aftermarket industry to develop some compliant that were  
12 certified by the agency. By the time they were approved,  
13 we had already signed contracts.

14 In short, we believe that the private school bus  
15 industry operates on a different type of contract model  
16 with most other trucks and buses and ask that the Board  
17 recognize and accommodate our circumstances.

18 It really makes no sense for us to install  
19 filters on a bus when we're going to replace them in a  
20 couple of years. If we did that, we're going to keep them  
21 longer. And it doesn't satisfy really what we want to do  
22 here and that's clean up the air.

23 So I really appreciate your time. And I look  
24 forward to answering any questions.

25 CHAIRPERSON NICHOLS: Thank you. We are coming

1 down to the last 40 or so witnesses. We have about an  
2 hour really allocated for all of this. So I'm either  
3 going to have to shorten the time to two minutes, which I  
4 probably should do anyway, or ask people if you're going  
5 to be -- if you're one of the folks who wants to tell us  
6 that you complied and that you don't think that we should  
7 be amending the rule to give other people more time, if  
8 you could indicate that that is what your message is.

9           You know, we've heard a lot of different stories  
10 about why and how people complied. We understand that  
11 most people did it not cheerfully, although some did. But  
12 generally it was a hardship in any event. And they don't  
13 think that others should be allowed to get more time or  
14 other consideration. If that's the position you're  
15 advocating for, can you raise your hand and let me know?  
16 Can you give us a show of hands of how many of those folks  
17 are out there? I only see two. So we may have heard from  
18 most of those people already.

19           So then the rest of you who want to speak have  
20 other parts of the rule that you want to talk about?  
21 Other aspects.

22           (Inaudible audience speaker)

23           CHAIRPERSON NICHOLS: That's really effective.  
24 That's going to make a big difference.

25           We're going to have a two minute limit then that

1 we'll adjust the time limit down to two minutes. Sorry.  
2 You're caught under the new rules. Next.

3 MR. DORSA: Madam Chairman and members of the  
4 Board, my name is Tony Dorsa. I'm here today on behalf of  
5 the Unified Contractors Association. This is a group of  
6 400 contractors and contractor associated companies in the  
7 Bay Area and Central California and Northern California.

8 And first of all, we'd like to commend staff for  
9 the effort that they've made, number one, in making the  
10 distinction between long haul trucking and construction  
11 trucks. The work truck provisions that are being proposed  
12 are very agreeable to us, and we thank you for making that  
13 distinction because they are different. We don't use --  
14 we don't generate the emissions that the long haulers do.  
15 We simply don't.

16 And the other thing that I would like to bring up  
17 here today without dropping a bomb is we would like to  
18 make sure we have our emissions numbers correct. We don't  
19 think that the estimates represent the factual basis what  
20 the emissions actually are. And we would like staff to  
21 tell us what they are, because we don't know. And if we  
22 are below the emissions levels that were projected or  
23 estimated, then I think that as compliant contractors, we  
24 should be entitled to a dividend or a credit or something  
25 going forward for keeping the emissions from the millions



1 of dollars we've spent and bringing our fleets into  
2 compliance.

3 And I thank you very much for the time.

4 CHAIRPERSON NICHOLS: Okay. Great. Lisa Grote.

5 By the way, people, if you could look up on the  
6 Board there and be ready when it's your turn. It's taking  
7 us at least three to ten seconds and sometimes more to  
8 make the transition between people. So if you could be  
9 ready to get up when your time comes, that would help.  
10 Thank you for doing that. Appreciate it.

11 MS. GROTE: Good afternoon, Madam Chair and  
12 Board. My name is Lisa Grote. I'm the President of Be  
13 CARB compliant. We are a consulting company that manage  
14 over 400 fleets. I'm happy to say they are all compliant.

15 I would like to shift the focus onto enforcement.  
16 Most of the complaints that I receive from stakeholders  
17 are that city and county entities continue to hire  
18 non-compliant contractors. I really think this needs to  
19 change. These people are spending a lot of money on being  
20 compliant. And to lose contracts to someone that is not  
21 compliant obviously is not right. I would be happy to  
22 even come back up here on my own dime to help put some  
23 kind of a program in place.

24 CHAIRPERSON NICHOLS: Thank you. Good and new  
25 point.

1 I'm going to ask people to line up now. This is  
2 the only thing that's going to help us. So next after  
3 Lisa, Skip Brown, Fred DeBoer, Doug Rocha, Kathryn  
4 Phillips, Zack David, if you could be waiting in line when  
5 your time comes, this is going to help us a lots. Thanks.

6 Mr. Brown.

7 MR. DE BOER: Fred DeBoer.

8 CHAIRPERSON NICHOLS: What happened to Skip  
9 Brown?

10 MR. DE BOER: He's not here.

11 CHAIRPERSON NICHOLS: Yes, he is.

12 MR. DE BOER: Anyway, just real quick. We're  
13 compliant 30, 60, 90 percent all that good stuff. You  
14 don't want to hear about that anymore.

15 I just have a real small thing about the  
16 livestock. That's all we do, 17 trucks hauling livestock.  
17 I have a little bit of an issue over this allowing all the  
18 livestock haulers to not be compliant as to then every  
19 different truck in a different part of the trucking  
20 industry could essentially take their truck that is  
21 non-compliant and turn it into a livestock hauling truck  
22 then be compliant. And the Cattlemen's Association has a  
23 situation where they say there is a shortage of trucks.  
24 And I think due to that point, there may be a livestock  
25 truck for every cow in the state of California. Thank

1 you.

2 CHAIRPERSON NICHOLS: Thank you.

3 MR. ROCHA: Good afternoon. My name is Doug  
4 Rocha. I'm a third generation trucker. My grandfather  
5 started in 1924. We've been doing this for 90 years. We  
6 put our heart and soul into everything we do. We do it  
7 right. And we always have. And it's really disturbing --  
8 my father, I'm sure you know Ed Rocha, a lot of people  
9 know, he couldn't be here today so I'm speaking for him.

10 We've done everything we needed to do. There is  
11 not a shortage of cattle trucks. These guys that say they  
12 can't put a filter on or they can't afford to put a filter  
13 on, we've been doing this -- we've known this is coming  
14 for six years. If you put \$300 a month away for six  
15 years, you got a filter. I pay \$2500 a month for a new  
16 truck. So you have to look at the situation we're in.  
17 You pitted us -- we're battling each other. We all work  
18 together. We've always worked together. Everybody has a  
19 good relationship. But now you've pitted us together and  
20 it's turn into a battle. And I don't know how you're  
21 going to straighten it out. You guys have to look at  
22 yourself in the mirror and make the right decision. And  
23 it's going to be a tough one.

24 These amendments, they're bad for business.  
25 They're bad for California and they're bad for the

1 environment, which you guys are trying to protect. Thank  
2 you.

3 CHAIRPERSON NICHOLS: Kathryn Phillips -- is Zack  
4 David here? Zack David? I'm going to cross you off the  
5 list if you don't speak up or raise your hand or  
6 something.

7 Diane Bailey, Steve Weitekamp, Tim Smith.

8 MS. PHILLIPS: Kathryn Phillips with Sierra Club  
9 California.

10 I'm actually the daughter of a trucker, but I  
11 also represent about 150,000 Californians who live in  
12 every part of the state. The thing we're concerned about  
13 is that this new proposal would suggest that now people  
14 who live in some rural areas where they can still have  
15 exposure to air pollution are suddenly going to have to  
16 wait a couple more years before their exposure is reduced.  
17 I want to urge you to reconsider your proposal to weaken  
18 this rule.

19 On a personal note, I think I'm one of a lot of  
20 people in this room who gone through this rulemaking and  
21 the diesel improvement rules over the last decade or more  
22 and are very anxious and understand that we need to do  
23 something now to reduce emissions to especially reduce  
24 exposure to particulate matter and other pollutants. And  
25 it is the right thing to do for us, but it's the right

1 thing to do for our kids and future generations. So thank  
2 you.

3 CHAIRPERSON NICHOLS: Thanks, Katherine.

4 Zack David, Diane Bailey.

5 MS. BAILEY: Good afternoon, Chairman Nichols,  
6 members of the Board, and staff.

7 My name is Diane Bailey, a senior scientist at  
8 the Natural Resources Defense Council.

9 Like Kathryn Phillips said, I, too, along with  
10 other many advocates in this room have worked very hard  
11 with all of you from the beginning of this rule when it  
12 was just a rulemaking back in 2007 and onto  
13 implementation. And we're very pleased with the progress  
14 of the rule. And that's why we're here today asking you  
15 to continue your commitment to implementing this very  
16 important rule.

17 This is really a pillar of public health for all  
18 of California. The diesel truck reg cuts toxic diesel  
19 soot by 80 percent from the very largest source of  
20 pollution in the state. So it's a priority for us.

21 And I want to point out as you've heard so many  
22 times today the vast majority of trucks in California  
23 already are complying and we salute them. We appreciate  
24 their efforts.

25 We're concerned about truck driver health. Truck

1 drivers are at the front lines of exposure to toxic diesel  
2 pollution from trucks. Back in 2007, NRDC did a study  
3 where we placed air monitors into the cab of trucks to  
4 look at what their exposure was like. And we found  
5 exposure levels up to four time higher for the truck  
6 drivers in those trucks versus the average urbanized  
7 levels that we were picking up of diesel soot.

8 So we'r concerned about their health, and they  
9 will not see improvements to their health until all of the  
10 fleet cleans up. We have seen a lot of improvements in  
11 air quality over the last decade, thanks to this agency's  
12 rulemakings, but we have a long way to go.

13 We need to stay on track to eliminate diesel  
14 pollution as quickly as possible. We would like to see a  
15 continued commitment and more vigorous enforcement and  
16 outreach to truck owners. We've seen a lot of studies  
17 that have shown air pollution in some of the most polluted  
18 areas in the study cut by half over the past few years.  
19 That is tremendous improvement.

20 But I want to draw your attention to a cigarette.  
21 If you cut it in half, it is still harmful to your health  
22 to smoke.

23 I thank you for your continued commitment to this  
24 rulemaking.

25 CHAIRPERSON NICHOLS: Thank you. Okay.

1 Steve Weitekamp, Tim Smith.

2 MR. WEITEKAMP: Good afternoon, Steve Weitekamp,  
3 California Moving and Storage Association.

4 First of all, I'd like to thank staff for their  
5 listening sessions and for actually listening and  
6 adjusting what was previously an unfair construction only  
7 extension to more broadly encompass other vocational  
8 trucking options.

9 And I'd ask that you look further at that to  
10 include Class 8 trucks for moving and storage industry as  
11 we, like construction, are permitted by the state of  
12 California through a licensing process and have been  
13 equally impacted by the economic conditions. If you don't  
14 built it, we cannot move you into it.

15 We are in favor of increasing the mileage  
16 exemption and the flexibility option. And like others  
17 have said, our industry is ripe with scofflaws. I would  
18 encourage you to have strong enforcement of any  
19 regulations that you move forward with to protect the  
20 legal and licensed operators within the state of  
21 California. Thank you.

22 CHAIRPERSON NICHOLS: Thank you.

23 Tim Smith.

24 MR. SMITH: Thank you, Board. Tim Smith from the  
25 Central Sierra Mining Association. I haven't heard much

1 from the mines today. There are two fundamental  
2 industries in the United States and in the world:  
3 Agriculture and mining. Trucks move both of those  
4 commodities from both industries. They're critical to the  
5 industries.

6 My main reason to be here today is to ask for the  
7 exemption for those foothill counties that do not produce  
8 pollutants to the extent the other counties do. I did the  
9 research. We have not had one issue of unhealthy air in  
10 any of those counties, except for a small area in Kern  
11 County from 2002 to 2009. We do not have unhealthy air up  
12 there. There is no reason to punish those small trucking  
13 outfits which are critical to our small miners up there to  
14 move their materials and we need to get exemptions for  
15 them.

16 I think a classic example of what has happened  
17 here is unintended -- well-intentioned unintended  
18 consequences of bureaucracy getting involved in a private  
19 business when they didn't know what they were doing to  
20 begin with and then imploding that industry and that  
21 business by continued -- not dictum. I won't say that.  
22 But dithering is the word I'm looking for. Continued  
23 dithering with the rules. People that have paid should  
24 not have be punished with the competition of people who  
25 haven't paid. But those who haven't paid, haven't paid



1 for a good reason. I know a lot of those truckers. I  
2 know the loggers. I know the cattle haulers. And I know  
3 the miners that cannot afford the price that you're asking  
4 them for small businesses.

5 So I ask you again to exempt those foothill  
6 counties, Nevada, Amador, Calaveras, Mariposa, Tuolumne,  
7 Imperial Valley, Mono, Kern, and Inyo.

8 CHAIRPERSON NICHOLS: Good memory. All right.

9 Larry Alegre, Tony Luiz, RJ Smith, come on down.

10 MR. ALEGRE: My name is Larry Alegre, Lawrence  
11 Alegre Trucking, 24 truck operation out of French Camp.

12 I'm opposed the amendment. Not because they  
13 didn't do it and I did it. Because I have to be compete  
14 against them.

15 And I questioned there is a bunch of money out  
16 there on the cap and trade. Why can't we get some of  
17 that?

18 And then in addition to that, I just think you  
19 guys are really trying to keep the attorneys busy.

20 MR. LUIZ: Ms. Nichols, I'm for the amendment.  
21 I'm against the regulations. Since 2007, I've been coming  
22 up here and talking to you guys about it. It wasn't right  
23 then. It ain't right now.

24 As far as the reliability of these filters,  
25 they're unsafe. They're unreliable.

1 I have a question for you since you only gave me  
2 two minutes. Last time you I was up here, you guys  
3 reduced it again. I took offense then. I'm taking  
4 offense again today because, you know, after 30 years of  
5 being in business, you're giving me two minutes. I spent  
6 overnight, money coming over here and you give me two  
7 minutes to talk.

8 I have a question for you. These filters, have  
9 they been okayed from DOT? Have they gone through the  
10 review of safety and the transportation, the federal  
11 Highway Transportation Department? Have they been okayed,  
12 the placement of these filters, the heating?

13 CHAIRPERSON NICHOLS: The answer is yes.

14 MR. LUIZ: Where did you find that? Because I've  
15 looked. And I have not found any place where they've gone  
16 through a peer review or accident review or anything on  
17 the safety of these filters.

18 CHAIRPERSON NICHOLS: All I'm telling you is they  
19 have whatever certification they need for state and  
20 federal agencies. And I'll have to refer you to staff for  
21 any underlying studies.

22 MR. LUIZ: They don't know, because I've asked.  
23 That's why I'm asking you.

24 CHAIRPERSON NICHOLS: I just told you.

25 MR. LUIZ: Well, there is no place. There is no

1 place that anywhere that I can find or anybody can tell  
2 me, not even your staff, can tell me if they've gone  
3 through peer review for safety. Not for how well they  
4 work for cleaning the air, but for safety.

5 CHAIRPERSON NICHOLS: You couldn't use it if it  
6 hadn't received its permission to be used. That's the  
7 law.

8 MR. LUIZ: Really?

9 CHAIRPERSON NICHOLS: Yes.

10 MR. LUIZ: I hope you're right because if it  
11 comes down -- if it comes down --

12 CHAIRPERSON NICHOLS: You're going to sue me. I  
13 know.

14 MR. LUIZ: -- any of these fires is committed,  
15 you know, you know. But you know, I want to tell you  
16 everything that's going on now, the controversy between  
17 everybody in here fighting among themselves. I told you  
18 so and other people told you so in 2007. So I'm going to  
19 tell you the same thing my dad told me when I made bad  
20 mistakes when I was a kid. I told you so. And you're  
21 going to keep having problems.

22 CHAIRPERSON NICHOLS: Thank you. Moving on.

23 MR. SCHRAP: I figured three minutes was actually  
24 too good to be true.

25 Thank you, Board, Madam Chairman. My name is

1 Matt Schrap. I'm with California Fleet Solutions.

2 CHAIRPERSON NICHOLS: The mistake I made was I  
3 should have made it two minutes earlier. That was a  
4 mistake.

5 MR. SCHRAP: I took some bets and I lost. But  
6 now the time has passed.

7 As my time ticks away here, I would like to bring  
8 something to the Board's attention that, you know, these  
9 rules have been going on for quite some time. And  
10 clearly, there is a lot of controversy surrounding these  
11 changes at this point in time.

12 The one issue that we've taken away from this is  
13 a truck isn't a truck isn't a truck. When you're talking  
14 about a construction truck in a specific vocation as  
15 opposed to a for-hire commodity over-the-road type of guy,  
16 the economics are different. I think staff has done a  
17 good job in differentiating between the two in the latest  
18 amendments.

19 There are a couple provisions that go too far. I  
20 will tell you from my colleagues at the CTA and NATA and  
21 the YMCA, everybody feels the same way about one provision  
22 in particular. The loan denial provision is being used to  
23 put together folks who generally cannot afford to achieve  
24 this compliance level and those who just don't care.  
25 We've all experienced that. We've all heard from folks

1 out there that I'm competing with guys on a daily basis.  
2 I'm watching my loads being taken by other carriers.

3 The one thing that sticks out to me about the  
4 loan provision, granted, we've had discussions with staff.  
5 We understand there needs to be a high bar for entry. The  
6 problem is that allowing folks to just opt into it through  
7 truckers by January 31st, 2015, gives us another eight  
8 months or so of people who could be skirting the system  
9 and don't necessarily deserve any type of consideration.

10 I know there are enforcement provisions that  
11 exist for financial hardship, and I think trying to put  
12 the chicken before the egg, especially coming from a  
13 finance company perspective, it might need a little more  
14 thought out perspective. So we're looking forward to the  
15 15-day changes. It's a tough market out there.

16 As a top Cal Cap lender, we have over 1550 loans  
17 enrolled in Cal Cap, far eclipsing our closest competitor.  
18 Seventy-one percent of those guys are single truck  
19 operators who are competing with folks who haven't done  
20 anything.

21 So we assure you that we can back up those  
22 numbers. And we look forward to 15-day changes when we  
23 testify or at least submit our comments as well.

24 Thank you, Madam Chair.

25 MS. BOILEN: I'm Leona Boilen, but I want to

1 yield my time to Betty here because I think she has  
2 something more prevalent. She might not have time.

3 MS. PLOWMAN: I don't mean to confuse you. I  
4 yielded mine to Joe later. So I'll get it over with  
5 quickly.

6 Thank you all for this opportunity and these  
7 amendments. Todd, you went through some hell, didn't you,  
8 at those workshops. But I'm glad where we're at.

9 The people that haven't been able to afford them  
10 were not all the deadbeats. We've been through tough  
11 times.

12 I'm going to veer off completely and give you  
13 another example of something that's happening now. And  
14 that is with our water trucks. As you know, California's  
15 been declared a disaster because of the draught. It's  
16 going to be critical that we're able to use recycled water  
17 to job sites for dust control or we're not going to have  
18 any construction projects.

19 So I would ask that at some point we can work  
20 together with staff to see what we can do to increase  
21 perhaps in an emergency situation extra mileage it is  
22 going to take those water trucks to be able to get to the  
23 nearest water recycling plant. That's all I have to say.  
24 Thank you.

25 CHAIRPERSON NICHOLS: Thank you. And thanks for

1 having stuck with us all this time. We're already looking  
2 at that draught issue. So appreciate your mentioning it.

3 Garren Fain, Chris Baker.

4 MR. FAIN: My name is Garren Fain, owner of G.  
5 Fain Trucking. I'm here with my dad, Don Fain. Single  
6 owner of one truck. My dad has two.

7 I'm not here to comment on who's compliant and  
8 who's not compliant. I'm here to simply ask for the  
9 extension. I've been in trucking my whole entire life,  
10 same with my father.

11 Since the 1970s, my family has done nothing but  
12 help build the state of California. We used to be the big  
13 guy with all the trucks in the '70s and '80s and '90s  
14 building the highways and the airports and the jails and  
15 the prisons and the stores and the churches and the  
16 preschools and fire stations, highway parole stations, the  
17 sheriff stations. We've done nothing but help built this  
18 state of California.

19 We sold off all the trucks and now we have a  
20 single truck and two trucks. I'll asking for the  
21 extension because I was denied the loan. I was denied a  
22 loan. I don't have 1700 trucks. I don't have 500 trucks.  
23 Our carbon footprint on the state of California is minimal  
24 compared to what I've heard today. So all I ask is to  
25 give the extension for those that actually need it.

1 I've been around the diesel engine for 25 year --  
2 I've been working for diesel engines for 25 years of my  
3 life. And I'm really glad -- I'm glad I get to tell you  
4 to your face, Ms. Nichols, that I don't appreciate your  
5 trumped up science to get all of this to pass. Whether  
6 it's all crap is what I'm going to tell you. Okay. I've  
7 been around diesel engines my whole life. I don't  
8 appreciate what you guys are trying to do to something  
9 what my family has always done and that is help build the  
10 state of California. All the trumped science and all your  
11 fake scientists and all that, that's effecting guys like  
12 me.

13 I have three teenage kids I'm trying to put food  
14 on the table for. I'm not trying to run 1700 trucks.  
15 There's a lot of safety issues at that. I chose to be  
16 safe rather than big. Thank you.

17 CHAIRPERSON NICHOLS: Are you Chris Baker?

18 MR. BAKER: Yep.

19 I just would like to say I've been in business  
20 for 32 years. Small trucking company. I have two trucks.  
21 I buy and sell hay and haul hay. That's all I you do.  
22 Agricultural products.

23 You know, we're in a lot of dry fields where we  
24 have a lot of high fire danger with these filters mounted  
25 under our trucks that can cause a lot of problems.



1           The cost of these filters give us an additional  
2 ten years to run these trucks. And then we have to  
3 reinvest 350, \$450,000 at the end of that period of time,  
4 which is five to six years before I retire. That's not an  
5 investment I really want to take on.

6           You know, the impact of what I do is going to be  
7 into the feed industry, cattle, sheep, horses and other  
8 type of livestock. We travel 70 percent of our time out  
9 in exempt counties, not in the non-exempt counties.

10           I own very specialized equipment. They're  
11 cab-over trucks. Not available anymore. We cannot put  
12 the retrofit motors in them and keep them cool. Everybody  
13 I've talked to says it's just not available on their  
14 technology.

15           These trucks would normally last until I retire  
16 15 years from now. You know, the suppliers that I deal  
17 with have told me they won't sell me their hay now because  
18 I'm not compliant. So I'm out of business on two sides.  
19 Not just one.

20           I see rates actually lower by a lot of the larger  
21 companies than the smaller. The smaller guy needs more to  
22 survive. We don't usually work cheaper than the larger  
23 trucking companies. You know, this is a financial impact  
24 on me. For over 15 years, if I start today, by the time I  
25 get done paying for the filters, I run these trucks until

1 their life is over when you allow me to get rid of them,  
2 give them away basically. And then I have to start over  
3 for five to six years of life in those new trucks that I  
4 have to then get rid of when I retire. And I move for ag  
5 exemption.

6 CHAIRPERSON NICHOLS: Okay. Heather Grass.

7 Are the other people all not here?

8 MS. ROGERS: My name is Doreen Rogers. I'm with  
9 Jeff Rogers Trucking. And I'm here to ask for the  
10 30,000-mile exemption that will allow me to continue to  
11 make some dollars so I can get compliant and do what you  
12 ask me to do.

13 CHAIRPERSON NICHOLS: Thank you.

14 Anybody else in that group? If not, let's hear  
15 from Ms. Moritz.

16 MR. WRIGHT: Hi. My name is Richard Wright from  
17 Redding, California.

18 I'd like to address an underlying issue that has  
19 not been brought up today.

20 In August of 2013, the Health Science and  
21 Technology Committee issued a subpoena to the EPA to the  
22 administrator to produce the data that their original  
23 particulate designation 2.5 was based on. They have been  
24 trying for two years to get the data. Finally, very  
25 recently, Administrator McCarthy fessed up to what many of

1 us in this room have believed for years in that not only  
2 can the EPA not produce that data, they never had the data  
3 to begin with. And this is the Harbor Six Cities Study  
4 and the American Cancer data that the particulate 2.5  
5 science was -- so-called science was originally based on.

6 The diesel particulate rules that you have  
7 promulgated are based on that same science. I, for one,  
8 would like to know how these regulations are going to be  
9 allowed to stand when the science is totally in question,  
10 if not fraudulent to begin with.

11 In my opinion, at the very least, you owe the  
12 people of California an apology. And implementation of  
13 these regulations I believe should be frozen until the  
14 science can be publicly peer reviewed.

15 CHAIRPERSON NICHOLS: We'll have some  
16 conversation about this at the end of the meeting. But  
17 we're trying to get through all the witnesses. So we're  
18 going to let all these comments go, whether we agree,  
19 disagree, whether they're polite or whatever. It doesn't  
20 matter. Just go ahead and say your peace.

21 I think we're now up to number 100.

22 MS. MORITZ-ERB: My name is Stacy Erb. For 27  
23 years, we have transported horses. We have gone to all  
24 your meetings down south.

25 Beth White, December, you were supposed to call

1 me because you didn't want to talk publicly about what was  
2 going on. I still haven't got that call.

3 December, four days before you guys decided that  
4 you were going to give the extension we signed the paper  
5 on our house. It was more important for us to have our  
6 business than our house. We lived in that house 28 years.  
7 Raised three kids. So now we're in a rental house.

8 You people can't make up your mind what you're  
9 going to do. Yeah, I know it's funny, isn't it? I don't  
10 find it that entertaining.

11 Now we got to worry about if we're going to have  
12 a business or not? The EPA doesn't even stand behind you  
13 guys. And you want to push this crap through? How much  
14 more are the people of California supposed to take? We  
15 have almost lost everything because of you. And you've  
16 got these big companies in here sitting here saying how  
17 many millions of dollars they've spent. You gave it to  
18 them. You wouldn't give us a damn dime. How much more  
19 are we supposed to take? Where do you think we're going  
20 to get the funds from?

21 Unemployment is 8.3 here in California. There is  
22 no way in hell me and my husband are ever going to work  
23 for these companies that are promising needing drivers.  
24 There is a reason why they need drivers. I'm done.

25 CHAIRPERSON NICHOLS: Joe Varozza, Tina Comer.

1 MR. VAROZZA: Thank you for hearing our questions  
2 today.

3 I'm like with many others. My truck is a 2006.  
4 Has the sticker on the side of the motor that says it is  
5 CARB compliant. So I feel that my motor is CARB  
6 compliant. When they implemented the smog on the  
7 automobiles in the late '70s, early '80s, they didn't go  
8 back to the cars that were built in the '40s and '50s and  
9 the '60s and make all these people put catalytic  
10 converters on their cars. They grandfathered them in.

11 The bulk majority of the trucks that run up and  
12 down the road, Swift, Warner, Schneider, Hunt, they turn  
13 their trucks over every two, three years anyways. They're  
14 always going to be updating their trucks.

15 When you take people have speciality trucks, I  
16 transport heavy equipment. We run beef cattle on our  
17 farm. I can haul gravel with my belly dump. I have  
18 several things I can do. I'm not just a cattle truck. I  
19 can do -- any fifth wheel truck, any fifth wheel semi is  
20 not a cattle truck. You can do anything with it. Maybe  
21 that's all they do is haul cattle. But it's not  
22 designated to that.

23 So I think you need to take a look at the  
24 science. I'm 39 years old. I've been around trucks since  
25 I was four years old. We bought our first truck in

1 Stockton, California. Brand-new Kenworth. I've been  
2 around them. I've worked on them. I can do a wheel seal.  
3 I can do brakes, put a rear-end in them, drive line. When  
4 I break down on the side of the road, I don't call a  
5 mechanic. I can usually do whatever it takes to get home  
6 myself.

7 So if they found the levels in the cab of the  
8 trucks, the diesel, the drivers to be four times more  
9 susceptible then if you know a lot of these truck drivers  
10 you see going up and down the road are 60, 65 years old,  
11 they're older guys ready to retire, how come they're not  
12 dead? That should mean the kids -- if it's four times  
13 less likely, that should mean the children should live to  
14 be, what, 280 years old? So until there is proof in the  
15 science, I don't understand it. Thank you.

16 CHAIRPERSON NICHOLS: Tina Comer. Are you here?  
17 Debbie Bacigalupi, are you here?  
18 Joshua Stilwell.

19 MR. STILWELL: I guess I drove 15 hours and all  
20 night for two minutes. All of us truckers, we work 14, 16  
21 hours a day overtime. Why can't you guys work a little  
22 overtime to hear us properly?

23 CHAIRPERSON NICHOLS: Take your time, sir. What  
24 do you want to say?

25 MR. STILWELL: Anyway, I'm a product of just

1 throwing my hands up and saying screw you guys. I'm not  
2 coming to California. I grew up in Eureka, California.  
3 Own a company called Redwood Auto Transport and I just  
4 said, I'm not going to deal with it. I'm not going to  
5 comply. I'm moved to Idaho. I haven't been back to  
6 California since. Said you're not going to get my tax  
7 dollars. You're not going to get my road tax or anything.

8 And actually, I should thank you guys because  
9 2012 when I was running 75 percent of my time in  
10 California, I grossed \$130,000 on 90,000 miles. And now  
11 that I moved, I grossed \$135,000 on 50,000 miles. So you  
12 guys are killing yourselves.

13 This is another auto transporter -- independent  
14 auto transporter from Humboldt County. The only thing we  
15 have to export is weed. And so anything else that's legal  
16 to export has to come down through to -- everything goes  
17 to Southern California. We can't compete with Southern  
18 California trucks. So he shut down. Went to work for  
19 somebody else. I moved out of state. I'm going to let  
20 him speak because he's a little more graceful about it.

21 MR. COMER: I'm a California trucker for last 25  
22 years. I was owner-operator for two and a half years. I  
23 just went out of business because of the particulate  
24 matter filter issue regulation.

25 I just want to commend everybody that was able to

1 comply, that's great. But for those that could not afford  
2 it, you know, you go out of business. And I just want to  
3 say I'm not the only one that's directly effected.  
4 There's also other people that I employed and other  
5 businesses that are suffering because they don't get my  
6 services anymore.

7 I was a small time auto operator, auto transport  
8 operator. And now there are these dispatchers are on --  
9 central dispatch are having a tough time getting cars in  
10 and out of Humboldt County. And it's costing people more  
11 money, dealers more money, which in turn is going to  
12 reflect on the consumer.

13 That's all I've got to say. Thank you.

14 CHAIRPERSON NICHOLS: Eric Carleson, and then  
15 Aubrey Freedman and Eddie Hernandez.

16 MR. CARLESON: Hello. Eric Carleson, Associated  
17 California Loggers.

18 We have submitted extensive written comments.  
19 This will condense them into some spoken comments as well.

20 First, I'd like to note my comments reflect the  
21 work not only of your association, Association of  
22 California Loggers, but also the California Forestry  
23 association, which is land owners who employ our loggers,  
24 log truckers, and log road builders.

25 We had a working group of over seven years



1 duration. I think some of the members of this Board were  
2 here six or seven years ago will recall when we traveled  
3 the state. Met with you individually to basically educate  
4 you about the unique nature of our industry, the seasons  
5 in which we operate, the air quality in the areas in which  
6 we operate, and of course the very unique nature of our  
7 trucks. So we are back.

8 Second, while we appreciate and recognize the  
9 Board's considering some flexibility proposed to you by  
10 staff, we believe that this is the most recent opportunity  
11 for you to review this most historic but obviously  
12 burdensome of California regulations. It's a good time to  
13 consider its impact and always what you might make the  
14 rule more compatible for the future.

15 Key points. One, in 2008, and we remain grateful  
16 about the statement made by Chair Nichols indicated the  
17 rule was creating a problem money can solve and access to  
18 State and federal funds has been part of the relief to our  
19 industry on this. I see the clock running out, so I'll  
20 mention we do see there's 200 million in cap and trade  
21 funds to CARB for low emission vehicles, so we're  
22 recommending \$100 million of it be put into work so both  
23 you can purchase trucks and raise vouchers for those of  
24 our members who have not able to comply and certainly  
25 provide tax credits for those who have complied and have

1 obviously indicated their burdens and difficulties in  
2 competing.

3 We don't see this as a day in which we have to  
4 chose with the kind of money that's coming in. This is  
5 still a problem that money can solve. And I suggest we're  
6 only about midway through the process of making this rule  
7 work. Thank you very much.

8 CHAIRPERSON NICHOLS: Thank you.

9 Mr. Hernandez. Is Mr. Hernandez here?

10 Mr. Freedman was next.

11 MR. FREEDMAN: Hi. Aubrey Freedman, Libertarian  
12 Returning party of California.

13 I just want to make a point. The cost of all  
14 these regulations is -- does anybody think about why is  
15 California the most expensive state in the union? I mean,  
16 these rules are -- we're already getting diminishing  
17 returns. Is there any point in having -- causing all this  
18 misery, pinning one group against another and people  
19 losing their jobs, losing their livelihood. Is the air  
20 going to get that much cleaner? It's already fairly  
21 decent.

22 I want to talk about the science, too. This  
23 thing about the American Cancer Society, why are they not  
24 releasing -- I know their basis -- their studies have been  
25 used as -- cited for the justification for all these rules

1 and regulations. And they're not giving up that -- where  
2 is the data on that? The public taxpayers and the people  
3 who live here deserve to see this real information. It's  
4 becoming unbelievable how expensive California and these  
5 rules and regulations are just going to make it more  
6 expensive, which hurts everybody. So I just think this  
7 Board actually should be disbanded and that's it.

8 CHAIRPERSON NICHOLS: Is Eddie Hernandez here?

9 Is Jaime Rodriguez here?

10 Mitch Lopez. Cynthia Crist.

11 MR. LOPEZ: Good afternoon, staff. My name Mitch  
12 Lopez from Lopez Ag Service, Inc., and A&M Organic  
13 Solutions.

14 I got compliant with you guys about five years  
15 ago when I had my whole facility over on Florin Road  
16 electrified. It ran me about 200,000 to do that because I  
17 was trying to get my residential green waste permit.

18 After I did that and complied with you staff here  
19 and ARB, I had to pay another 250,000 on consultant fees  
20 and lawyer fees. I never could get residential green  
21 waste, because now I'm fighting the City of Rancho  
22 Cordova. And so I just gave up on it.

23 So on the whole compliant with the truck thing, I  
24 bought two 2012s two years ago. I have a -- in the last  
25 year, in 2013, and this year, I have \$32,000 of money I

1 spent at Kenworth. The DF don't work. That's straight  
2 BS. If you guys would like to pay this between all of  
3 you, I'd appreciate that.

4           Going back to Kenworth, numerous times I have  
5 both of my new trucks in the shop. They tell me they have  
6 to call Paccar to get what they need to get fixed. I  
7 thought they were mechanics. They are charging me \$140 an  
8 hour. I'm done with Kenworth. I went right to the  
9 source. Called Mark McClane at Paccar. Now he's got one  
10 of my trucks in the shop he's doing 15 things on, and it  
11 took me to go through that to get my truck worked on.  
12 Once that truck is done, my other truck is going to go in  
13 the shop and they're going to fix that for free.

14           Both of those trucks water an energy plant  
15 24 hours a day, seven days a week, 365 days a year. So  
16 basically when one of those trucks go down, I have to  
17 deplete my fleet and do another, put a driver into that to  
18 take place of that truck.

19           So all I'm telling you is if you guys would like  
20 to get a call at 2:00 a.m., I'll give all my drivers your  
21 number so they can call you and tell you that the DPF is  
22 freakin failing again. Thank you.

23           CHAIRPERSON NICHOLS: Thank you.

24           Ms. Crist. Yes

25           MS. CRIST: Good afternoon. I'd like to first

1 thank you for allowing me to speak.

2 I'm here today on behalf of Dr. James Enstrom.  
3 He has sent a statement to CARB requesting immediate  
4 suspension of the truck and bus regulations for five  
5 reason.

6 The first reason is overwhelming evidence from  
7 more than 25 doctoral level scientists that PM2.5 is not  
8 associated with premature death in California. Key  
9 scientific experts relied upon by CARB have deliberately  
10 misrepresented the health effects evidence published since  
11 2000.

12 My detailed CARB public comment describes massive  
13 scientific misconduct by Doctors Arden Pope, Michael  
14 Jared, and Daniel Crusky, as well as the American Cancer  
15 Society.

16 The second reason is the failure of EPA to comply  
17 with the August 1st, 2013, subpoena by the U.S. House  
18 Science Committee, which requested American Cancer Society  
19 Prevention Study II data, thus has not been possible to  
20 properly verify the 2009 ACS findings used by EPA and CARB  
21 to justify the truck and bus regulations. The Secret  
22 Science Reform Act, HR 4012, proposes to prohibit EPA from  
23 basing its regulations on unverifiable secret sciences.

24 The third reason is illegal process used by CARB  
25 Scientific Review Panel to identify diesel PM as a toxic

1 air contaminant in 1998. This illegal process is fully  
2 described in my December 13th, 2011, letter to the  
3 California Office of Administrative Law.

4 Reason four is the overwhelming evidence that the  
5 California -- most of Californians already in compliance  
6 with the EPA and NAAQS for PM2.5. Numerous air pollution  
7 control districts in California have submitted evidence to  
8 CARB that the truck and bus regulation is not justified in  
9 their counties.

10 And the fifth and final reason is a scientific  
11 evidence that up to 30 percent of the PM2.5 in California  
12 originates from China, whereas only about five percent  
13 originates from diesel vehicles. It is unjust and immoral  
14 for CARB to impose diesel vehicle regulations on  
15 California businesses when it does nothing to reduce the  
16 PM2.5 originating --

17 CHAIRPERSON NICHOLS: Ms. Crist, thank you. Do  
18 you have a letter that you're reading from?

19 MS. CRIST: Yes.

20 CHAIRPERSON NICHOLS: Was it submitted to us  
21 already?

22 MS. CRIST: Yes.

23 CHAIRPERSON NICHOLS: Thank you.

24 MR. HUTNICK: I'm Loren Hutnick. I run a small  
25 Facebook page. I'm a single owner truck driver.

1           As far as I'm concerned, when you guys stamp a  
2 motor that says this motor meets the emissions for CARB  
3 and EPA, you accepted it. You cannot go back and change  
4 the rules. That would be no different than the tax board  
5 going back 50 years and saying we're going to change the  
6 rules. This state would empty out.

7           I have talked to people at count of hours.  
8 They're refusing to come to California. They're saying  
9 we're leaving. We're not dealing with California. And  
10 the ones that are coming into California are getting  
11 astronomical prices to come across the border. Those  
12 people are the brokers and the shippers that you handed  
13 money out to. And I know has gotten grants. And you  
14 restricted those trucks to go across the border, but those  
15 JB Hunt and Schneider and all them, they get to run across  
16 state line and you don't stop them. Alone.

17           I have yet seen you guys stop your Board and your  
18 people from throwing fluff up. We're just going to blow  
19 this up, blow that up. The American Lung Association,  
20 blow it up. They didn't tell fact. They just blew it up.  
21 This just gave you false, blowing smoke. I don't like  
22 having smoke blown up my tail. I don't like being lied  
23 to.

24           Also I got to remind this group and you as a  
25 Board that you guys stated this thing and started this

1 thing on the Tram report, and you covered it up. You  
2 cannot -- and you kept the guy employed, I heard. You can  
3 not keep this going on lies. And you have. I'm tired of  
4 the lies and you need to straighten it up.

5 CHAIRPERSON NICHOLS: Mr. Young, Stanley Young,  
6 you're down there right. Now would you please explain who  
7 those guys are that filming this whole thing? Or would  
8 they explain?

9 UNIDENTIFIED SPEAKER: Hi. I'm John. This is  
10 Aiden.

11 CHAIRPERSON NICHOLS: Where are you from?

12 UNIDENTIFIED SPEAKER: The public.

13 CHAIRPERSON NICHOLS: Sorry?

14 UNIDENTIFIED SPEAKER: The public.

15 CHAIRPERSON NICHOLS: You're just members of the  
16 public --

17 UNIDENTIFIED SPEAKER: Yes.

18 CHAIRPERSON NICHOLS: -- who are here to film.  
19 Great. Someone told me it was a film school. Did you  
20 tell somebody you were a film school?

21 UNIDENTIFIED SPEAKER: Yeah, but we're also  
22 members of the public, too.

23 CHAIRPERSON NICHOLS: Okay.

24 UNIDENTIFIED SPEAKER: Double tasking.

25 CHAIRPERSON NICHOLS: Right. So you're media



1 self-appointed. Got it. Where is your film school?

2 UNIDENTIFIED SPEAKER: In Ventura.

3 CHAIRPERSON NICHOLS: Name?

4 UNIDENTIFIED SPEAKER: Brooks Institute.

5 CHAIRPERSON NICHOLS: Okay. Thank you.

6 We'll hear from Brent Drew if he's here.

7 Bud Caldwell, are you here?

8 MR. CALDWELL: I am. I'm just here because I  
9 like to hang out with Erik and Tony. I don't feel good if  
10 I don't see them.

11 CHAIRPERSON NICHOLS: We like them, too.

12 MR. CALDWELL: They've done a great job. I have  
13 to hand it to them. They've done a good job.

14 But my problem, not unlike a lot of my brothers  
15 back here, is my problem is I'm trying to compete with  
16 three competitors that have been funded and one that has  
17 not and was turned down. So I'm fully compliant, as you  
18 know. I don't see how that's fair. They run all over the  
19 place. And they brought trucks from Sacramento. They  
20 brought trucks from Stockton. They brought funding from  
21 you. And I was denied.

22 Anyway, my biggest complaint, as you know, is  
23 your filters. I think I'm living proof that they are not  
24 dependable. They're unsafe. They're dangerous. And  
25 they're very expensive. And thank you.

1 CHAIRPERSON NICHOLS: Okay.

2 Myles Anderson.

3 MR. ANDERSON: Myles Anderson, Anderson Logging,  
4 family-owned business, Fort Bragg, California.

5 You know, trucking is just a necessary evil of  
6 ours to get our product to market, sold on a global  
7 marketplace. I guess it would really help if the people  
8 of California that want all these rules and regulations  
9 would at least buy the products we produce instead of  
10 importing 70 percent of it from other states and  
11 countries. That would be a good place to start.

12 But the way I see these amendments, they just are  
13 moving the brick walls around a little bit. I don't see a  
14 great benefit. Might give guys a couple more years. But  
15 if you're not on a line of compliance now, I really don't  
16 think you're going to get there with these amendments.

17 I want to thank staff. They've really worked  
18 with the logging industry to help us. But at the same  
19 time, when I look around at our industry and different  
20 areas of the state, I don't see I'm in a very good  
21 position to get through this rule, even with the ten  
22 percent rule that was put in place. There have been some  
23 funding mechanisms put in place. But it's not getting us  
24 where we need to be.

25 You know, one thing. In rural parts of the

1 state, we still have a lot of mechanical filters. You  
2 can't put a filter on these things that will work. We're  
3 putting low mileage. If there was some way that we could  
4 come up with an upgrade to an electronic motor and that  
5 would be good for the life or, you know -- for into  
6 eternity, that might be able to get some of this rule  
7 trucking fleet to stay in business when you're putting 30,  
8 40,000 miles a year on your truck, it's extremely  
9 difficult to comply with this regulation.

10 That's an 83 percent reduction in PM for the NOx  
11 exempt areas. 10,000 miles or less ag exemption. If you  
12 can prove you're only going to run the truck 10,000 miles  
13 for the next ten years, how are you going to pay for that  
14 truck moving forward if you're only going to run it 10,000  
15 miles a year. If it's allowed exempt now, leave it alone.

16 MR. MOHLER: They spelled my name wrong. It's  
17 M-o-h-l-e-r, the last name. Thomas Mohler. I go by Tom.  
18 And I'm from Tehama County. You probably know where it  
19 is. I've been to some air pollution control meetings in  
20 Redding.

21 I would address all of you as probably the enemy  
22 of the state of California. And pretty soon, if this  
23 state of Jefferson is initiated and we become a state, you  
24 will all be fired. We used to have the eighth largest  
25 economy in California. You guys are destroying it. Wake

1 up. You're doing it on purpose. Thank you.

2 CHAIRPERSON NICHOLS: Thank you.

3 Michael Anderson.

4 Kirk Blackburn.

5 MR. ANDERSON: Thank you. First, I'd like to  
6 thank the staff. They have done a remarkable job and give  
7 a whole new meaning to being between a rock and a hard  
8 place.

9 I'm from Mendocino County, the eleven cleanest  
10 air in the nation. Our company's invested over \$2 million  
11 in getting on a trajectory towards ultimate compliance  
12 with the rule.

13 These amendments will do nothing to help us, but  
14 I fully support them. I think we all have to realize that  
15 all businesses aren't created equal and some need  
16 additional help. I won't get into any more of that.

17 This compliance with this rule package is going  
18 to be tough for people in rural California. Completely  
19 different situation there than it is in the urban areas.  
20 Four or five years ago -- maybe it was seven -- we came  
21 before you and talked about a couple studies that we've  
22 done, one in Mendocino and one in Nevada County. And the  
23 end result was 70 percent of the trucks in Mendocino  
24 County were the old mechanical engines, the dirtiest ones  
25 in existence. Nevada County was 71 percent. Well, since

1 then, I'm sure there's -- we're down to probably  
2 50 percent of those trucks are mechanical engines. I know  
3 there's newer trucks out there now. The problem is what  
4 are we going to do with them. Those are dependable  
5 trucks. Their business models resolve around holding onto  
6 a truck for a long time. They're worth about a fraction,  
7 maybe 25 percent of what they were before this rule came  
8 into existence.

9 Bottom line is these people in rural California  
10 are going to have a tough time becoming compliant. And I  
11 think they need your help. Eric Carleson mentioned the  
12 comment that Chair Nichols made about this is nothing that  
13 money won't solve. I remember that very well. And  
14 nothing has changed. I think in some of these areas in  
15 rural California, they really are going to need some help.

16 One last comment, if I could. We heard a lot of  
17 comments about how the truckers won't become compliant. I  
18 don't believe it's won't. I think it's can't. In rural  
19 California, they can't become compliant. Thank you.

20 MR. BLACKBURN: Good afternoon. Kirk Blackburn  
21 here on behalf of the California Tow Truck Association.

22 Want to thank staff for working with us to try to  
23 find some relief for a small segment of the tow industry,  
24 heavy-duty tow trucks. These are big trucks, operate very  
25 few miles per year, cost hundreds of thousands of dollars

1 to replace and are designed to clean up the most  
2 disastrous accidents on our roadways.

3 While it wouldn't provide complete relief, the  
4 proposed changes to the low use vehicle exemption, which  
5 would essentially increase from 1,000 to 5,000 miles per  
6 year to operate as well as to eliminate the hours  
7 threshold would provide some relief for these heavy-duty  
8 tow trucks.

9 As such, we are in support of the proposed  
10 changes to the low use vehicles exemption and urge you to  
11 adopt those provisions.

12 CHAIRPERSON NICHOLS: Thank you. Okay.

13 Is there a Ms. Farley here who signed up?

14 If not, we'll hear from Michael Lewis who I know  
15 is here.

16 MR. LEWIS: Good afternoon, members of the Board.  
17 I'm Mike Lewis with the Construction Industry Air Quality  
18 Coalition.

19 I don't know what's more numb, my ears or my  
20 butt. Thank you for your patience.

21 As I told you before, you owe it to us to get the  
22 numbers right. And although we're not there yet, I think  
23 we're moving in the right direction. We believe there are  
24 some phantom emissions accounted for in your assumptions  
25 in this adjustment to the rule. And they only exist on

1 paper. And it's not really fair to ask us to spend money  
2 to reduce those emissions that never existed in the first  
3 place.

4 I'm a little bit offended these changes are being  
5 characterized as easing or relaxing the rule somehow. The  
6 fact is when you overestimate the emissions and then you  
7 go back and make the changes to acknowledge and update the  
8 numbers, as limited as they are, you're not relaxing the  
9 rule.

10 I think it's unfortunate that the staff has not  
11 prepared to talk about the filter reliability today. It  
12 is a critical component of this regulation. And the issue  
13 of filter performance, both retrofit and OEM, is  
14 significant as you heard from others. And we look forward  
15 to that discussion in the fall, along with perhaps some  
16 more amendments.

17 Let's be honest. This rule isn't about  
18 emissions. It's about model year. This regulation  
19 requires that every truck in California to be 2010 or  
20 newer by 2023, regardless of its emissions. It is 2014.  
21 Less than ten percent of the fleet is 2010 or newer. That  
22 means that 90 percent of the fleet has to turn over in the  
23 next nine years. We don't believe that there is the  
24 economic or the manufacturing capacity to replace that  
25 many trucks in that period of time. So we're going to be

1 back here revisiting this matter again and again before  
2 then.

3 We submitted a comment letter with four or five  
4 items on it. Let me just say in summary for those items,  
5 our members are not out of compliance. This isn't a  
6 question of ignoring the rule and asking for relief. The  
7 question is what do we have to do next? When do we have  
8 to do it? And how necessary is it?

9 The first thing we ask for was some relief in  
10 recognition for those who did have early compliance and  
11 that you perhaps give them some credit similar to the PM  
12 phase in requirement for those who did take the early  
13 steps. I believe you have our comment letter so you can  
14 look at those other items. Thank you.

15 Gary Cadd.

16 MR. CADD: Madam Chairman, member of the Board  
17 and staff, I come forward on a lot of different issues. I  
18 can probably stand and talk to you and debate you for over  
19 a couple hours on some of the issues you've got here. But  
20 seeing as I have two minutes, I'll have to keep it to  
21 that.

22 First of all, when the US Department of EPA made  
23 their announcement within the last ten days you folks's  
24 information and the Cancer Society's information went  
25 away. You have no basis for doing what you're doing. And



1 I mean, you can sit and you can smile all you want to  
2 smile. You can. You can. Well, I'll tell you what.  
3 You're going to have a push back in this state that you  
4 are not going to believe. It's coming.

5 The only thing that's really happened here that  
6 is hurting the state that people in the state is the  
7 truckers, because you've got them divided now. Those that  
8 have the money that went ahead and made the changes and  
9 those that just flat can't afford to make the changes is  
10 where it's coming from.

11 The filters you got, they're a piece of junk.  
12 They catch on fire. They cause all kinds of problems to  
13 the motors. They have to take them in and have them  
14 worked on. You can get them so hot and drive them so far  
15 then you have to shut them down.

16 You have cement mixers up in Redding that had to  
17 shut down. They had a heck of a problem because they had  
18 to shut it down. It was all the filter. So you've got  
19 filters that don't work. You've got science that is not  
20 there. We've asked you for the science. We've never  
21 gotten the science. Finally, federal EPA comes out. They  
22 don't have the science.

23 This stuff -- what you're doing is just to me and  
24 to the people of California is a rogue agency that's unto  
25 itself. No way that we can vote on you folks who are

1 sitting on this Board. I mean, there's been people on  
2 this Board that talked about the filter.

3 I know my two minutes are up. But you get the  
4 drift of what I'm saying.

5 CHAIRPERSON NICHOLS: Mr. Akaba.

6 MR. AKABA: Good afternoon. My name is Azibuike  
7 Akaba with the Regional Asthma Management and Prevention,  
8 part of the Public Health Institute.

9 So the people who aren't represented here today  
10 are people who actually have asthma, people who live near  
11 the ports and warehouses that are impacted by the air  
12 quality. Seems like one of the key things here is that we  
13 need to have some workshops to educate people about why  
14 you're doing this work.

15 And then the second thing is I actually have  
16 friends who are truck drivers in the port near the port of  
17 Oakland, and they said they can't afford to put the  
18 filters on. And they understand why that needs to happen  
19 because we need to improve the air quality. They can't  
20 afford it. They can't afford to take time off. They  
21 don't make that much money.

22 So I got a real education today from the truck  
23 drivers about the challenges that they're having and the  
24 people who are larger fleets that are able to afford to  
25 make the changes and be in compliance. Early adopters

1 should be incentivized and rewarded. That's clear. And  
2 there should be some type of compensation to help the  
3 small truck drivers who are impacted economically not  
4 being able to afford to make these types of changes.

5 My mission is to focus on public health and air  
6 quality. And I don't think that an extension is going to  
7 improve the air quality. That needs to be a priority  
8 because you're a public health agency. That's your  
9 mission. So somebody has to stand up. It's a tough job.  
10 You guys got the job. That's the deal.

11 Thank you very much.

12 CHAIRPERSON NICHOLS: Thank you.

13 Mr. Rajkovacz.

14 MR. RAJKOVACZ: It's Joe Rajkovacz. I'm the  
15 Director of Governmental Affairs for the California  
16 Construction Trucking Association. Been here before over  
17 the years.

18 And, you know, there is a divide within the  
19 trucking industry. We are certainly hearing it today.  
20 One of the things that I've heard about small business  
21 truckers and owner-operators in particular is we ar bottom  
22 feeders and rate cutters. I've trucked 30 years and owned  
23 one truck. So I guess I'm proud to be here as a bottom  
24 feeder and rate cutter.

25 A bottom feeder and rate cutter who put two

1 daughters through college, one who is a public school  
2 teacher, another is a Navy pilot. My other son serves in  
3 the Air Force. So I guess, you know, just like many other  
4 small business truckers, we use this business to support  
5 our families. Did we all at one time have a dream of  
6 becoming the next JB Hunt? Yeah. But reality smacks you  
7 down pretty hard in this industry and reality has smacked  
8 down a lot of truckers pretty hard in this industry.

9           With that said, one of the things that's a  
10 constant that I hear through a lot of the conversation  
11 today, it did have to do with the equity. The equity in  
12 how public funding was distributed in the state. It was  
13 never means tested. UPS just got \$2.2 million from South  
14 Coast Air Quality Management District. Who believes they  
15 deserve our public tax dollars? That is the issue with  
16 how these funds have been disbursed. Some very large  
17 players who have revenues in multiples of very successful  
18 American corporations have gotten public money, in the  
19 tens of millions of dollars.

20           One other thing -- I see my lights going. I have  
21 to say this. I am so grateful that NRDC cares about my  
22 health as a truck driver. I don't believe that for a  
23 minute. Cherry picked. I was on the radio with  
24 Ms. Bailey earlier this week in Southern California, and I  
25 referenced a NIOSH study we put in the docket, National

1 Institute of Occupational Safety and Health on truck  
2 driver mortality. It ain't there. If anybody is dying at  
3 increased rates from exposure to diesel exhaust, it's the  
4 men and women behind the wheel and it isn't there. Was a  
5 cohort of 150,000 truckers and it's being ignored. You  
6 know, another study, more studies. We can study ad  
7 infinitum. NIOSH, government agency, CDC, it ain't there.

8 That's my comments. Thank you.

9 MR. EDGAR: Chair Nichols and Board members, Sean  
10 Edgar. I'm the director of Cleanfleets.net. I've spent  
11 the last 14 years working on diesel fleet rule  
12 implementation, first on behalf of the refuse companies in  
13 California and more recently in contract with the Board  
14 doing training and outreach for this regulation.

15 So I've personally stood in rooms with over 5,000  
16 people in six western states affected by your regulations  
17 describing the regulation content. So I wanted to share a  
18 couple things that might work toward better  
19 implementation.

20 First, we heard a lot of concern about how to pay  
21 for the program. And my suggestion would be that this  
22 Board could help sell the program more effectively by  
23 providing -- putting the supply chain on notice that clean  
24 trucks are being used. And what I mean by that is you  
25 have a how-to verify policy. And it's on the Board

1 website. Within the body of the regulation itself, you  
2 might want to tell folks like Caltrans who issue  
3 multi-billion dollar contracts that they're required,  
4 public agencies, developers and pick up that language and  
5 put it directly into the regulation. I think that could  
6 help sell the program.

7 With regard to common sense for common owners, we  
8 know it's patently wrong to take a 30-truck fleet and  
9 divide it into three fleets for the purpose of getting  
10 more time under the regulation. But there seems to be a  
11 barrier on pooling clean trucks for multiple business  
12 entities. I ask you to look at that. That's contained in  
13 our comment letter.

14 I appreciated the work truck fleet flexibility.  
15 Several of those fleet owners have asked us to clarify the  
16 go-forward provision that you be able to opt in on January  
17 1 of this next year. I'd like you to confirm that.

18 As a time sensitive matter, under the regulation,  
19 you've provided some additional time for fleets effected  
20 by VDECS recalls. And you've done that for this  
21 regulation. But you haven't given the same comfort zone  
22 to public agency utility fleets or solid waste fleets or  
23 off-road fleets effected. So they have an issue that will  
24 expire at the end of this year. We'd ask you to look  
25 toward expanding that same coverage. And of course,

1 prompt reporting and outreach is going to be an important  
2 component, and Clean Fleets would like to play a role in  
3 that.

4 We thank you for your time.

5 CHAIRPERSON NICHOLS: Amy Gladen.

6 Theresa Cannatta. Angela Caster.

7 MS. CASTER: Good afternoon. Thank you very much  
8 for making so many provisions to offer the credits for  
9 those that have complied to be able to offer extensions  
10 for exempt areas. And also to offer that one-year  
11 extension for the NOx exempt areas for the construction  
12 and crane industry and separating some of those trucks due  
13 to those different functions that they do.

14 One of the things that hopefully we could discuss  
15 during our closed door meetings is moving forward on this  
16 regulation as well as we are getting the Board together.  
17 The one-year extensions are extremely helpful. Very  
18 helpful. But as you've heard from many speakers today,  
19 Northern California and those others non-exempt areas need  
20 more time for the economy to recover.

21 One of the best things to actually talk about is  
22 to actually rid the requirement to add the DPF all  
23 together and perhaps go with just the 2010 engine  
24 compliance because of unintended consequences. So they  
25 will occur due to this regulation. The filters, they run

1 from 1200 to 1400 degrees Fahrenheit. Just imagine  
2 pulling something out of your oven and burning your hand  
3 at 350 degrees.

4 So your engine light goes off. Your filter light  
5 goes off. You have to pull over to the side of the road.  
6 What might happen? You may experience a grass fire or  
7 your driver might get burned. Or it becomes a public  
8 safety hazard. Or you burn up your engine or you burn up  
9 your turbo. So all of these things will happen on the  
10 side of the road. Hopefully, you have been hearing public  
11 comments about this already, which I'm sure you have.

12 Risk two, driver safety. Basically the stress of  
13 this, having a fire on the side of the road, having your  
14 engine light go off, trying to determine whether or not  
15 you get to the nearest maintenance station before your  
16 truck shuts down. These are all very difficult for  
17 drivers to deal with. So we have higher heart attacks and  
18 things of that.

19 You might have heard about the molten metal from  
20 the rooftop, one that came through the cab on top of the  
21 driver. It's very dangerous. We're going to have to  
22 lawsuits.

23 Please protect us also when we go to court for  
24 felony convictions for starting fires and creating  
25 hazardous conditions for our employees. Thank you.



1 CHAIRPERSON NICHOLS: Is Chris Wortman here?

2 MR. WORTMAN: I have a small dump truck business.  
3 I operate three trucks and work in the construction  
4 industry. I've owned and operated this business for over  
5 30 years and have been through just about every challenge  
6 and difficulty that's come along. However, the difficulty  
7 presented to our small business with the compliance is  
8 without a doubt the most difficult one so far. The cost  
9 to repower and replace our small fleet might be too big of  
10 a challenge. And after 30 years in the business of making  
11 a fairly decent living, all of that's in serious jeopardy.

12 I've looked into loans and grants. And based on  
13 the current debt to income ratio with the rates and amount  
14 of work that's out there, compliance at this time and in  
15 the very near future doesn't look too good. I've looked  
16 into the grant program. And based on the current  
17 guidelines for grant money, based on the mileage that we  
18 run, we're only eligible for about 15 to \$20,000 per truck  
19 of grant money. And considering a truck is upwards of  
20 \$150,000, it just doesn't pan out money wise.

21 Since our work is seasonal, there's virtually no  
22 way of making this payment in the rainy season or the off  
23 season. Basically when it rains, we don't work. And  
24 because we run low miles, we may show up to the job site,  
25 pull up, shut the truck off, and sit there for hours with

1 the motor off. So we're not generating miles. We're not  
2 polluting the air at that time. And so therefore, we  
3 don't qualify for the grant money. Since we're not -- we  
4 don't have 1700 trucks, we don't really qualify for the  
5 types of loans that we need.

6 At some point in time, I imagine the 2010 trucks  
7 or newer will be based -- we'll be able to afford that.  
8 The guys that I got working for me are between 58 and 62  
9 years old. They've been with me for 10, some of them  
10 20 years. If our company goes under, who is going to hire  
11 these guys at 58, 62 years old? When I'm done I think  
12 they're probably done, too, which I'm sure they're not  
13 real happy about. And for every guy like me that shows  
14 up, there's a thousand more out there that you don't see  
15 and you don't hear from.

16 MR. HUNTER: Good afternoon, Madam Chair, Board.

17 My name is Chuck Hunter. I represent Pacific  
18 Enterprise Bank. And I want to talk to you very briefly  
19 about the lending aspect. I've provided several hundred  
20 loans for many of the truckers in the state of California,  
21 and it is very difficult for them. Over the last three to  
22 four years, the incomes are not going up for most of these  
23 drivers. They are having a very difficult time. When  
24 talking about DFPS and providing loans for them, I don't  
25 think that the Board maybe has considered that the value

1 of the truck, the resale value of the truck unfortunately  
2 in many cases is far less than the cost of a new DPF.  
3 Most lending institutions won't lend on that type of a  
4 fiscal situation.

5 So just consider as many options as you possibly  
6 can it's very difficult for many of these operators to  
7 move forward, we've provided many loans, especially at the  
8 port of Oakland. And they're finding it very difficult  
9 with the cost of the trucks.

10 I think in the overall scheme of things today, I  
11 think the number one thing that everybody is asking for in  
12 the room is compromise. Thank you.

13 CHAIRPERSON NICHOLS: Mr. Shimoda, you get a last  
14 word.

15 MR. SHIMODA: What a day. Chris Shimoda,  
16 California Trucking Association.

17 First, we'd like to voice our strong support for  
18 several of the proposed changes, including the extension,  
19 the early action, and fleet size reduction credits.

20 We'd also like you to take a second look at that  
21 Cleaire long mile provision, grant those owners up to  
22 ten years from the date of the recall. That way, these  
23 long mile owners don't have to pay for compliance twice.

24 We suggested some additional relief in our  
25 written comments, very non-controversial stuff for TRUs in

1 2007 engines. I would please urge the Board to take a  
2 look at those.

3 On the majority of the other amendments, CTA has  
4 taken a neutral stance. We think staff was in a pretty  
5 tough position trying to find additional flexibility for  
6 the north state, central coast, some of the industry  
7 sub-groups. And we think that staff did a pretty good job  
8 in their proposal.

9 The exceptions are really three: The livestock  
10 exemption, the loan denial provision, and the delay for  
11 the second and third truck in small fleets. You know on  
12 the livestock exemption, I'm not going to repeat what you  
13 heard from the law, the for-hire livestock haulers you  
14 heard today. I'll say we're proposing a compromise to  
15 limit that exemption to not for-hire cattle and ranching  
16 operations.

17 Secondly, on the loan denial provision, this  
18 provision needs to be completely rethought, thrown out, or  
19 retooled, because we've done some analysis and gotten a  
20 lot of feedback on it. You're creating a massive  
21 loophole. There is no way to tell a legitimate denial  
22 from one sought specifically to circumvent the rule.

23 And last, delays for the second and third trucks  
24 and smaller fleets. This being considered to grant these  
25 guys funding. You know, I'd like to say there is a really

1 obvious compromise here. And that would be to simply  
2 change the rules of the funding. The incentive funding  
3 was supposed to get early action. It's not. You know,  
4 even if this staff's proposal goes through today, the  
5 audience needs to know there is still a lot of people who  
6 cannot be funded because they're ineligible for 1B and  
7 Moyer. They do too few out of state miles, travel just in  
8 the north state and the central coast where they want to  
9 retrofit rather than replace. There is no money for them.

10 So these are the fleets that need the compliance  
11 assistance the most. They have not received any to date  
12 and will receive none. It's entirely within ARB's  
13 capacity to assist these fleets. You may need some  
14 statutory changes, and CTA is definitely willing to help  
15 you get those done. Thank you.

16 CHAIRPERSON NICHOLS: Thank you. Very good  
17 comments.

18 Clearly, we need to have some more discussion  
19 here. Well, first of all, the public hearing is closed.  
20 There will be no more public comment on this item. So  
21 we're now bringing this back for Board discussion,  
22 comment, and possibly a vote.

23 We have options because this is a two-day Board  
24 meeting. If people want to reflect overnight on what  
25 they've heard today before having further discussion, we

1 are entitled to do that. And it could be that that would  
2 be the better part of valor because we've spent many hours  
3 here listening.

4 I understand that people in the audience would be  
5 quite upset because they would like to hear immediately  
6 what our answer is going to be on all the points. But the  
7 fact is we've heard a lot of different comments on a lot  
8 of different aspects of this rule and what should be  
9 accepted, what should be changed, et cetera. So I'm  
10 comfortable going either way with this, but I think it's  
11 just worthwhile to have the Board give some consideration  
12 to the process here because I don't want to do anything  
13 hastily. I think it's important that we really give it  
14 time.

15 We have scheduled, ourselves, not that we can't  
16 ask the indulgence of the people we're giving awards to.  
17 We had scheduled a time of 3:30 for recognition of the  
18 three recipients of the Haagen-Schmidt award named after  
19 an eminent atmospheric scientist who was the first  
20 Chairman of this Board and who started a great tradition  
21 of science at the Air Resources Board. So we have that to  
22 look forward to a little bit later. I wouldn't want to  
23 postpone that very long. It was scheduled for 3:30.

24 So what's the pleasure of the Board? I don't  
25 want to just make a decision here.

1 Yes, Supervisor Serna.

2 BOARD MEMBER SERNA: Thank you, Chair.

3 I suggest perhaps maybe a hybrid of what you  
4 suggested. There are probably other members of this Board  
5 like myself that have questions for staff. So maybe if we  
6 use the time to ask questions today and then use the time  
7 overnight to think harder about it and come back tomorrow.

8 CHAIRPERSON NICHOLS: Fair enough.

9 Is that acceptable to others?

10 Ms. Berg.

11 BOARD MEMBER BERG: Well, I think what I'd like  
12 the members of the audience to know is that we have taken  
13 a lot of your testimony to heart. I think some of us -- I  
14 can speak for myself -- has worked many hours on this  
15 truck and bus rule. I have been here from the very  
16 beginning. And these are very, very difficult decisions.  
17 So I would support conversation with the staff in clearing  
18 up some questions and then coming back in the morning and  
19 resuming maybe with some further questions if --

20 CHAIRPERSON NICHOLS: Well, that would be okay,  
21 just as long as we don't take any further testimony or  
22 consider any additional information.

23 BOARD MEMBER BERG: That's right.

24 CHAIRPERSON NICHOLS: Obviously, we can't talk  
25 about this. That would be the end until we resumed.

1           BOARD MEMBER BERG: That's right. I think it is  
2 important to remind the audience we are governed by the  
3 Brown Act. And certainly maybe Ms. Peters could just  
4 remind us of that.

5           And but we're taking these comments very  
6 seriously. And it's very difficult when you're hearing so  
7 many different opinions and looking at so many different  
8 industries and trying to do the right thing. I understand  
9 in the heat of the moment that it appears that we're a  
10 bunch of morons up here, not thinking. But I can tell you  
11 personally, I have 17 trucks. I have retired two. I have  
12 retrofitted one. And I have purchased nine, for a total  
13 of \$823,924.

14           So I think that this Board has a little more  
15 understanding of the difficult decisions that need to be  
16 made. Sometimes it's easy to assume that we don't. And  
17 so I would support Supervisor Serna's suggestion.

18           CHAIRPERSON NICHOLS: Well, I don't think we  
19 actually need to take a vote. We can do this if it's  
20 acceptable to others.

21           I think that should work. I was reminded a  
22 moment ago that for people who can't come back tomorrow or  
23 don't want to come become tomorrow, they can actually  
24 watch the proceedings on the California channel. It is  
25 web cast so that anyone can actually see us as we



1 deliberate as opposed to just reading about it after the  
2 fact. I think that could be -- that might be helpful.

3 Well, why don't we start with some questions and  
4 comments for the staff. And I'll just go in order  
5 starting with you, Mr. Serna.

6 BOARD MEMBER SERNA: Thank you, Chair.

7 First of all, I'd like to certainly express my  
8 thanks to everyone that took the time out of their busy  
9 schedules out of their business schedules to be here  
10 today. It's not trivial. We don't treat it that way.

11 I certainly want to echo the comments that were  
12 made by Ms. Berg, my colleague, up here who has some very  
13 personal experience on the subject.

14 But with that, I do have some questions for staff  
15 and they may be similar to some of the other questions  
16 other Board members have.

17 The first one is we heard quite a bit about the  
18 prospect of loan denial shopping or kind of working the  
19 system in that regard. I'd like to understand better what  
20 we could -- what our options might be if that was not part  
21 of the proposed amendment.

22 I'd like to know what would be the implications  
23 of maybe further specifying the cattle trucks, the  
24 livestock trucks for-hire versus those that are owned and  
25 operated by the people that are actually raising the

1 cattle. What the implications of that would be if that  
2 were excluded.

3 And then I think there as been plenty of  
4 discussion, rightly so today, about incentive funding and  
5 what prospect for pursuing that in the future. This Board  
6 might take advantage of, because I do think there are some  
7 very valid statements that have been made today about  
8 those that have -- those that have complied and those that  
9 haven't yet. There is no question that we all want to see  
10 more resources available, whether it be the commercial  
11 lending market or incentives that would be provided by the  
12 state of California. But I'd like to have staff be  
13 prepared to come back tomorrow and give us kind of a menu  
14 of options in that regard.

15 CHAIRPERSON NICHOLS: Okay. And rather than  
16 answering the questions now, we're just going to collect  
17 them.

18 Okay. Dr. Sperling.

19 BOARD MEMBER SPERLING: One of the issues that  
20 really struck me is this one of fairness. And so the  
21 question I have for dealing with that on the enforcement  
22 side, and that is to what extent can we work with the DMV,  
23 as several people suggested, to make sure that there  
24 really is enforcement.

25 So as I understand it and the idea would be that

1 we issue a certificate to anyone that is in compliance and  
2 then they bring it to DMV. They need it to bring it to  
3 DMV to register, which is basically what individuals do  
4 with the smog tests. And is that something we have the  
5 authority to do? Is that something that's doable?

6 CHAIRPERSON NICHOLS: Ms. Mitchell.

7 BOARD MEMBER MITCHELL: Yes, I would absolutely  
8 agree that we need to take a look at the loan denial  
9 excerpt of the amendments and possibilities of omitting  
10 that or how do we deal with that.

11 But I know that staff has tightened it up. But I  
12 think it is still maybe a situation where it's ripe for  
13 fraudulent exercise. And we should be mindful of that and  
14 do we keep it in or take it out. Those are the issues I  
15 think Board members are grappling with.

16 The other thing with heard is how do we get  
17 financial assistance to many of these entities that are  
18 not in a position to get it? They mention the South Coast  
19 District. And because it's not attainment, there are  
20 opportunities there. But in other areas, some of those  
21 opportunities don't exist.

22 So let's think about that. Someone suggested cap  
23 and trade moneys, can we look at that? Is there a  
24 possibility for that? It's something for us to consider.  
25 We do make recommendations to the Governor on cap and

1 trade money. We don't control it, as you know. But we do  
2 have the opportunity to make recommendations.

3 The other thing is the enforcement issues. It  
4 was suggested by one of our speakers that could we employ  
5 an opacity test. And I don't know if that's viable or  
6 not. But it's something to look at.

7 Also tying this to DMV or perhaps to insurance so  
8 that when the truck owner goes in to get his DMV  
9 registered, can we verify compliance in that way. Or when  
10 he gets insurance for that truck, can we verify  
11 compliance.

12 And what's within the capacity of the Board to do  
13 what is going to require legislative action. So those are  
14 kind of the key things that come to mind as I took notes  
15 while we were listening to the testimony.

16 CHAIRPERSON NICHOLS: Okay. Mr. Eisenhut.

17 BOARD MEMBER EISENHUT: Yeah, thank you, Chairman  
18 Nichols.

19 I had two issues that I wanted to address. And  
20 they both have been raised already. But just so folks can  
21 have an understanding of how prevalent or how frequently  
22 these issues occur to Board members, I'll address both of  
23 them.

24 The first is in order to provide -- well, the  
25 comment was made more than once and Dr. Sperling addressed

1 this, the DMV registration question. I'd like to hear our  
2 options explored there.

3 And secondly, I understand there is -- that the  
4 additional funding -- I think I have an understanding of  
5 it, but I would like that explored publicly so that  
6 everyone in the audience has an understanding of what's  
7 possible and what's not possible.

8 I think the approach that -- the reason for these  
9 questions is folks deserve certainty and closure on this  
10 issue. And if we move forward, whatever direction we move  
11 forward, we need to provide certainty. So that's the  
12 purpose of the questions.

13 CHAIRPERSON NICHOLS: Thank you.

14 BOARD MEMBER RIORDAN: My questions would be kind  
15 of zeroing around early actions and recognition of early  
16 actions. And I know staff has proposed a number of  
17 things.

18 But after hearing the testimony, would staff make  
19 any other recommendations that might be helpful to people  
20 who have taken the early actions?

21 And then secondly, I'd like to also say that I'm  
22 interested in understanding the issue of separating and  
23 defining cattle trucks and how that might effect those who  
24 are hauling and farmers and ranchers versus those who haul  
25 other commodities, along with cattle.

1           And I think, Madam Chairman, that concludes mine.

2           CHAIRPERSON NICHOLS: All right, Mrs. Riordan,  
3 skipping myself, I'll move to Supervisor Gioia.

4           BOARD MEMBER GIOIA: Can I ask the staff to put  
5 up the slide? I guess it's 25. Do you have the ability  
6 to do that right now? It shows amendments meet PM  
7 emissions goals. So -- thanks.

8           I just wanted to make a brief comment. I know  
9 there are a number of folks here who won't be here  
10 tomorrow. I appreciate there's been a lot of thoughtful  
11 comments by other members of the Board.

12           I think it is important to understand or  
13 recognize that this has been a very long and complex  
14 process and the attempt -- I think it's important to state  
15 what the thinking and intent has been here -- is to find a  
16 fine balance here, to still achieve the health goals and  
17 the reductions with some adjustment for those who came  
18 today to express their concern.

19           And this is a tough issue. There have been many  
20 companies that have made many truckers that have made  
21 investments -- substantial investments. And they're not  
22 happy that there may be a relaxation or a changed time  
23 frame for implementation. And likewise, those small  
24 trucking companies understand and have the burden on them  
25 as well. So we're trying to balance all of that.

1           And in looking at this chart, I think what's  
2 overall significant clearly if the rule did not exist, the  
3 emissions would be up at the business as usual level.  
4 Under the adopted regulation, it's of course the lower  
5 line. And with the proposed amendments, we're still  
6 achieving substantially most of the emission goals we want  
7 to achieve, but delayed by couple of years.

8           This the heart of the chart. How do we come up  
9 with a fair balance here? The same thing applies with the  
10 chart on NOx, which you can show. That doesn't mean we  
11 can't continue to think how we in the context of this  
12 decision fine tune. But I think there's also concern of  
13 not to delay things further than what's proposed out of  
14 fairness for those who already made the investment. So I  
15 just wanted to note that.

16           And I think taking that time, asking the  
17 questions today, and then having a reasoned conclusion  
18 tomorrow makes sense. But I just wanted to at least make  
19 that observation while many of you were still here today.

20           CHAIRPERSON NICHOLS: Thank you.

21           Mr. De La Torre.

22           BOARD MEMBER DE LA TORRE: Thank you.

23           Thank you everybody for coming out today and  
24 being with us all these hours. Very much appreciate all  
25 of the viewpoints, all of the testimony.

1 I think most of my questions have been touched on  
2 by my colleagues. I'm going to -- and if staff wants to  
3 think about it in this way as well for our conversation  
4 tomorrow, I'm going to go back through all of the  
5 recommendations and separate out the ones that are dates  
6 versus definitions and categories. And I shared that with  
7 staff during the briefing. But I want to break out those  
8 two separately and look at them separately because I think  
9 there are two issues going on here.

10 One is any number of affected parties in certain  
11 industries, certain types of trucks, et cetera, that are  
12 requesting some tweaks. And then there is proposals to  
13 tweak the definitions or categories. And then there is a  
14 whole other set, which are just based on the deadlines,  
15 moving the dates around. And so I'm going to be -- that's  
16 how I'm going to filter for tomorrow in addition to  
17 listening to what the answers are to my colleagues'  
18 questions. Thank you.

19 CHAIRPERSON NICHOLS: Okay. Dr. Sherriffs.

20 BOARD MEMBER SHERRIFFS: Thank you. Again want  
21 to thank staff for their hard work over the last few  
22 months and everyone who testified with such passion and  
23 shared their concerns and information with us. This is  
24 obviously very difficult.

25 We're dealing with a very complicated state and



1 this highlights the differences, the different needs  
2 between different sections. It highlights how, as has  
3 been pointed out, a truck is not a truck. This is very  
4 complicated. And a truck is not a truck in a different  
5 area. The same truck in a different area has a very  
6 different meaning. So to come up with a simple solution  
7 is probably impossible. Probably impossible.

8 I had similar questions in terms of tightening up  
9 the loan issues, what the options are in terms of  
10 financial assistance for the willing. And maybe a little  
11 clarity in terms of what flexibility we do have with 1B  
12 funds, how those can be directed to local control, if you  
13 will. And obviously, I think clarifying the enforcement  
14 and making that cleaner for people. And I like very much  
15 the idea about the DMV, that will take some time, but  
16 clearly could be much plainer for people. And the  
17 transparency is obviously apparent on this.

18 CHAIRPERSON NICHOLS: Okay. Ms. Berg.

19 BOARD MEMBER BERG: Thank you.

20 You know, I'm taken back a little bit to when we  
21 started in 2008 and many of these various category  
22 questions came up, the variety of businesses, the truck is  
23 not a truck. And one of the things we committed to as a  
24 Board was to be open to new information and to hear  
25 concerns and to make adjustments as necessary.

1 Considering how difficult and how complicated this rule  
2 is, although it circles back at us and we feel like we  
3 could be here again, not after today though. This will be  
4 the last time, right, Chairman?

5 CHAIRPERSON NICHOLS: Yes. That was going to be  
6 my comment when it got back to me.

7 BOARD MEMBER BERG: You and I, we'll be someplace  
8 else won't we for sure.

9 But if you look at how complicated this rule is,  
10 this is the second time we've been back since it's been  
11 adopted. And each time, groups have come back to us and  
12 said we didn't get it right. So I'm really torn on the  
13 fact that I passionately hear the concerns today and  
14 trying to stay true to the fact that we were going to  
15 receive additional information, truly look at it, and try  
16 to do the right thing.

17 So with that, I'm very interested in hearing back  
18 from staff on the air district's request, specifically San  
19 Joaquin Valley's request, to be able to spend their Prop.  
20 1B money on trucks. I think you already had on your list  
21 that issue on larger engines and lighter engines and what  
22 works, you're already going to follow up on that.

23 I thought some of the fairness issues that Sean  
24 Edgar brought up would really be worthy to pull his  
25 letter, especially about companies breaking up into

1 smaller pieces. And the broker issue, we've heard that  
2 really almost for seven years. So maybe we could just  
3 touch on that.

4 Also I have the school bus request on my list.  
5 They had requested the school buses in the rural areas be  
6 included in the 5,000 low mileage. And also Ms. Sanchez  
7 also talked about getting recognition for the compliance.  
8 I'd be very interested on comments since we haven't spent  
9 very much time on the school bus.

10 I'm also interested in clarifying the cattle  
11 trucks for not-for-hire, if we decide to keep that in the  
12 regulation. And again, remembering that the for-hire and  
13 the vocation, this is what makes this so very complicated  
14 is we really are talking about very different types of  
15 businesses. And so it's difficult to truly understand the  
16 competitive advantage, the fair playing field, which I  
17 know is important to all of us up here.

18 And finally, the emergency issue on things like  
19 the water truck. I would like staff to clarify that as  
20 well. And Chairman that's my list.

21 Thank you very much.

22 CHAIRPERSON NICHOLS: Thank you.

23 Dr. Balmes.

24 BOARD MEMBER BALMES: Well, one advantage of  
25 being on this end is my colleagues have said everything I

1 really wanted to say, other than to reiterate that it's  
2 hard to sit up here and listen to all the testimony that's  
3 coming at us both positively and negatively -- I guess  
4 today was mostly negatively -- and to try to balance  
5 different interest groups with regard to the regulations.  
6 And that includes, as has been pointed out today,  
7 different sides within the trucking industry as well as  
8 the public health advocates.

9 But I would just reiterate what my colleague Ms.  
10 Berg has said is that we are trying to do this the best  
11 way we can. I'm glad we're taking tonight to think about  
12 it carefully.

13 The specific issues that I have on my list that  
14 have already been mentioned were linking the CARB  
15 compliance with DMV registration, the school bus, the low  
16 mileage school bus exemption that was requested that Ms.  
17 Berg already mentioned. And to clarify the cattle hauler  
18 situation not-for-hire versus hire.

19 And with regard to the loan provision, I do think  
20 that we have to think that through carefully, as other  
21 Board members have said.

22 CHAIRPERSON NICHOLS: Okay. So I am the last to  
23 speak on this issue before we adjourn on this item. I  
24 endorse all of the questions and comments that have come  
25 before. I want to add a couple of thoughts. One have

1    them perhaps the smallest issue that was raised although  
2    very important, one entity at least that was the Catalina  
3    Island issue. I don't believe we could do what they want  
4    us to do in any case, given the notice on this meeting.  
5    But I would not support it given they are part of Los  
6    Angeles County and that pollution on Catalina does, in  
7    fact, impact air quality on shore.

8            But I was very pleased to hear that South Coast  
9    is willing to look at whether there might be some possible  
10   funding assistance for them to convert. I would like to  
11   really encourage the new owners to look at having an  
12   all-electric fleet on Catalina Island. There couldn't be  
13   a better place for that to exist. So that's the local  
14   comment.

15           I would be moved -- the one thing that would move  
16   me to want to change this rule again or hear it again  
17   would be if we were convinced based on substantial  
18   evidence that the filters really didn't work. And  
19   although it's true the staff report wasn't complete on  
20   that issue, I did spend a lot of time reviewing the  
21   information that was there and cross-examining them about  
22   the stories about trucks that were having problems. And I  
23   think the answers they came back with were decent answers.  
24   Now I'm not saying that I'm convinced that every filter is  
25   a good filter or that every installation has been done

1 properly. But in terms of the overall impact of the rule,  
2 that would be something I think would be very important to  
3 keep watching.

4 Third, this may be an example of the Stockholm  
5 effect at work, but I actually am pretty close to where  
6 the CTA testimony was at the end. That is the three items  
7 that they raised are exactly what I think the three items  
8 are that are the ones that we should be focused on. And I  
9 would be inclined to go in the direction they're  
10 suggesting, unless we get some further thoughts on those  
11 items. So that's what I'm going to be mulling about.

12 Last, I'm not going to let this issue go without  
13 underscoring the fact that we're because we're dealing  
14 with a real air quality problem, as well as an issue of  
15 greenhouse gas emissions. And I have already been  
16 fingered by at least one of the people who spoke today, so  
17 I'm going to respond to this. The issue of the  
18 particulate science, the science that says that diesel  
19 particulate is not good for your health, is very robust  
20 and is getting stronger all the time. That doesn't mean  
21 we haven't made progress on cleaning it up.

22 But I was at U.S. EPA when the national ambient  
23 air quality standard was set for fine particles, and I did  
24 review the science in the Six Cities Study and the  
25 American Cancer Society studies and dealt with the push

1 back in Congress then about why they couldn't get the raw  
2 data, which was because the owners of the data wouldn't  
3 consider it to be public data and we had to devise a  
4 process for peer review that included EPA doing referral  
5 to the Health Effects Institute, which convened a panel of  
6 scientists, including scientists representing diesel  
7 manufacturers as well as academics and others that did a  
8 full peer review of all the science at that point and  
9 concluded that the basis for the fine particle standard  
10 was quite sound. It's been reviewed again, once by EPA  
11 with a full Clean Air Scientific Advisory Committee review  
12 and this Board convened a full-day session and invited  
13 scientists from all over the country, including U.S. EPA,  
14 that was attended by several people who were here today at  
15 which the diesel science was discussed and reviewed and  
16 which concluded once again that the evidence about diesel  
17 particulate as a carcinogen, the evidence about human  
18 health effects of diesel was very strong and a good basis  
19 for actions.

20 So people can keep on raising these issues if  
21 they want to. They can keep threatening if they want to.  
22 I presume they will various kinds of actions. But this is  
23 one of those situations where attacking the science is not  
24 going to get the answer that people want. It's just not  
25 going to make this problem go away.

1           So I guess it's good that we have to keep on  
2 re-discussing it just because that's -- science has to be  
3 prepared to defend itself. But on the basic issue of why  
4 are we here and why are we doing this, we are doing this  
5 because the Board has to. We are required to take action  
6 to meet federal air quality standards. And that is what  
7 we're doing. But we're trying to do it in a way that  
8 honors the best information that we have about technology  
9 and about the people that are affected by these  
10 regulations.

11           So I think if there is nothing else that you've  
12 heard today, you've heard a lot of very thoughtful people  
13 who have no vested interest in this issue grappling with  
14 these questions and we'll be back tomorrow to do more of  
15 it.

16           So with that, this item is adjourned. The  
17 meeting is formally adjourned. And we're going to take  
18 a very brief recess. And then we're going to go to the  
19 Haagen-Schmidt awards.

20           (Whereupon the Air Resources Board recessed  
21 at 3:55 PM)  
22  
23  
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