

**AIR QUALITY ADVISORY BOARD
REGULAR MEETING
MONDAY, JANUARY 27, 2014**

DATE: MONDAY, JANUARY 27, 2014
LOCATION: Community Room, 215 N. Mason Street
TIME: 5:30–8:00 pm

For Reference:

Rich Fisher, Chair	970-221-4389
Ross Cunniff, Council Liaison	970-420-7398
Melissa Hovey, Staff Liaison	970-221-6813

Present:

Dave Dietrich
Scott Groen
Rich Fisher
Tom Moore (via phone)
Jim Dennison (late)
Richard (Dick) Thomas
Tom Griggs

Absent:

Michael Lynn
John Shenot

Staff Present:

Melissa Hovey, Staff Liaison
Dianne Tjalkens, Admin/Board Support
Lucinda Smith, Environmental Services Director
John Phelan, Energy Services Manager
Ross Cunniff, Councilmember
Mary Pat Aardrup, Volunteer Coordinator

Guests:

Nancy York, former AQAB member
Citizen, name unknown

Call meeting to order: Rich Fisher called to order at 5:34pm.

Public Comments:

None

Member Comments:

None

Review and Approval of December 16, 2013 minutes

Dave moved and Scott seconded a motion to approve the December 16, 2013 AQAB minutes as presented.

Motion passed unanimously, 6-0-0.

AGENDA ITEM 1: Welcome and Introduction of New Members

Rich Fisher, Chair welcomed new board members, Richard Thomas and Tom Griggs

Current and new members introduced themselves and discussed their interest in air quality issues.

AGENDA ITEM 2: Update on Planning of Public Forum for Air Quality Issues

Tom Moore and Nancy York gave an update on the Air Forum subcommittee meeting and draft agenda

Tom, Nancy and John Shenot have formed a subcommittee to plan a public air quality forum. Melissa provided a handout with the subcommittee's outline of the agenda and planning process. They would like to invite a speaker from the American Lung Association and John Volckens from CSU. The second part of the forum would be to have a staff member give an overview of air quality trends, sources and transport. The third part would be to invite a presenter from the Environmental Defense Fund from Boulder. This section would provide an opportunity to discuss programs that Fort Collins already has around air quality. Finally, there would be time for questions and one-on-one discussion. They are discussing possible facilitators. The focus will be on what residents are being exposed to and what are the possible effects are. They are getting away from regulatory issues and focusing on health. They need to tie down a venue for late April and commit speakers and facilitators. The date could be within a few days of Earth Day and use the City's marketing efforts for that event to distribute information. Nancy added that she is concerned about the Environmental Defense Fund and their stance on fracking. Someone like that should be involved. She asked for suggestions. She also asked for suggestions for a moderator.

Comments/ Q & A:

- Rich said he anticipates specific questions around oil and gas, ozone and transportation issues. Max will be imminent. We should talk about specific things we can anticipate, instead of going too broad-brush.
- Nancy said priority pollutants will be discussed within the context of the presentation.
- Dave asked if Volckens would be done with his study by then. Nancy said it would. Dave said Volckens could use a half hour and it would be very specific to Fort Collins. That may hold more interest than a panel. During the last forum, there was a State of the Atmosphere presentation, then a speaker on environmental health. If Volckens could present how and what he found, that may take more time and be of specific interest to the people attending. We wouldn't cover Max and fracking, but what Fort Collins citizens are exposed to.
- Tom Griggs asked if the 1 hour time frame was solid. He thinks the agenda is too full for 1 hour. He would suggest 90 minutes.
- Rich said people who show up are those most interested in air quality. They may have general interest, but may also have specific interests that they would like City movement on.
- Tom Moore asked for more specificity on the format input. Written questions, ad hoc?

- Rich said if the facilitator could pull questions, we could determine greatest interest, or we could use a form. By next month we need to have this fairly solidified. We should begin the marketing in March.
- Nancy added that the last time it was held in Council Chambers. Members agreed that was a good location.
- Dave added that one keynote speaker with information specifically on the study on Fort Collins could be promoted.
- Dick added that you may draw public interest if you say you will reveal the chemicals in the West Nile virus spray.
- Dave said there will be a public forum on that topic in February.
- Melissa said the Volckens study is mostly concerned with pollutants from auto exhaust (“commuter emissions”).
- Dave said if John would be the featured speaker, the board would need to discuss the focus with him beforehand.
- Tom Moore said the subcommittee will come back with more details at the next board meeting. They will set a date for the forum.
- Rich suggested deciding topics that will not be addressed as well, such as greenhouse gasses, to keep the focus.
- Nancy said the discussion on priority pollutants will give focus. She hopes we will have specific information on the health effects of priority pollutants.
- Lucinda clarified that in 2011 there was a study that identified four priority pollutants: ozone, particulate matter, greenhouse gasses, and indoor air pollution.
- Melissa suggested a more structured format for a certain period, with a less formal open house style format following so people can learn more in their areas of interest at tables.
- Dave said if you go to an open house format you will need to change the location.
- Lucinda suggested booking the CIC for the open house.

AGENDA ITEM 3: Update on 5 Board Meeting on GHG Goals and Input to Council

Rich Fisher, Chair, provided an update on the recent meeting of 5 board chairs to discuss GHG goals and Climate Action Planning. The board considered drafting a statement to Council on reviewing and revising the City’s greenhouse gas goals.

Rich said the AQAB initiated collaboration with four other boards. The Energy Board took up the Energy Policy. This board’s interest is in making sure other boards have an ability to provide input. He and Dave have been reps and have invited chairs and co-chairs from the other boards. They have agreed to address the greenhouse gas goal objectives and how they should be revised. They would like to bring a single voice to Council. They have drafted a memo that has been taken back to each board. Included in the packet was the Natural Resources Advisory Board memo to Council. They would like to see measurable and specific goals. Having interim concepts accompanied with Climate Action Plan revision. We, at the City, are good at planning. The board would like to see more implementation.

Comments/ Q & A:

- Ross said he was involved in the Energy Board when it began. Having a coordinated input consensus from many boards would be very useful. Having interim goals is also useful. Regarding Road to Zero

Waste, no one disagreed that zero waste is good, but having timeframes, costs, and impacts is important. These interim steps can be developed. They don't need to be in the initial memo, but need to be brought to Council, with the time and cost of each step.

- Tom Griggs said it makes sense to have boards that have overlapping areas of concern to work together for coordinated plans and recommendations.
- Dick said he is more action oriented. He would like to see benchmarks that must be reached, with the goals. He will have suggestions at the next meeting.
- Ross said what will come out at the work session are questions on the actions. The memo would be useful to Council.
- Rich asked Lucinda to give her presentation, and it would help the board generate and approve a memo to Council.
- Tom Moore added that it is good to have a plan and milestones. He thinks it will require effort from City staff to coordinate fully across the organization of the City. It is a big, complex activity to track these things. In the work session there could be discussion about how the organization can work to provide the information necessary.
- Ross said Council is committed to supporting heavy staff involvement.
- Melissa said with regard to specific actions for greenhouse gas reductions and Climate Action Plan, there has been a large effort from staff already in identifying the three main contributors to greenhouse gas emissions and there has been incredible coordination between various departments. It is encouraging to hear that Council supports this. She thinks there is a concerted effort to coordinate among staff and departments.
- Ross said the 2015/16 BFO process will be moving along a similar timeline and hopefully as the actions are identified they can be funded.
- Dave added that it is imperative to continue funding of current programs that are already working on these issues.

AGENDA ITEM 4: Presentation on GHG Goals Review

Lucinda Smith, Environmental Services Director and John Phelan, Energy Services Manager presented alternatives for revising the City's greenhouse gas goals and requested feedback from the board on which values or principles to emphasize in upcoming Climate Action Planning and a preferred direction for future community greenhouse gas emissions reduction..

Lucinda said there has been great collaboration with her department and Utilities. This presentation is a high level analysis; it will not show the costs, impacts and who pays. She knows Council is looking for that. They would like direction from Council and they have some information to share, but it's a process that will include Platte River Power Authority (PRPA) and other stakeholders. Lucinda presented her PowerPoint, including information on the multiple benefits of GHG reduction actions. She discussed the reasons for looking at the greenhouse gas goals, including new scientific findings, advanced technology, etc. John discussed PRPA's newly released strategic plan and said they have taken a new direction toward collaboration, reducing their own carbon footprint, diversifying their supply portfolio, increasing renewables, and remaining the lowest cost provider in Colorado. Lucinda talked about the emissions sources, including electricity, ground transportation, and natural gas use.

Comments/ Q & A:

- Rich asked what are we going to do and what do we need to do? We've talked about the fact that for someone to put PV on their roof, the opportunity to do so is very short. Why aren't we opening more incentives year round? Why aren't we facilitating a process to bring solutions on board more quickly?
- Lucinda said she understands the importance of "doing" and with the BFO process we have the opportunity to look at additional strategies to reduce GHG. There is value in planning and discussing goals. Having goals and the magnitude of the goal and the ensuing plan will drive the action. Goals can raise awareness, build buy-in, and attract resources to achieve the goals. We are not at the point of having the Climate Action Plan strategies, but we will later this year. The boards will be able to look at what programs to do.
- John Phelan said Council is setting the community greenhouse gas goals, the Energy Policy layers some specific goals around buildings, electricity supply and transportation, and the Climate Action Plan will describe the strategies to get there. How we frame the goals matters in how we frame this for the community. When we don't have specific numbers to shoot for, it is hard to determine what we need to do. Council approves the goal, policy and plan in that order and we've seen this process work really well.
- Tom Moore said looking at the largest percentage of GHG from electricity use doesn't show that that is because it comes from fossil fuel sources. If we use electricity at this rate, how do we change the current distribution—generation, efficiency, incentives for efficiency, price structures, building with solar generating units. The police station has a south facing roof but doesn't have solar panels. We need to walk the talk. Utilities is doing a great job at restricting. Transportation suffers from the same challenges. How do you change what people do? Maybe we don't close bike paths for months at a time? We shouldn't bet the whole farm that PRPA is going to be progressive.
- Dave asked John about the process this time and whether he thought it was effective.
- John said we have gotten better at planning and focusing on metrics up front. There is more support for being more progressive. We realize now that efficiencies are not enough; we must also look at the supply side.
- Nancy said she is interested in carbon offsets. If there could be carbon weight translations on utility bills the City could offer a carbon offset plan to consumers. Right now purchasing offsets means sending it to plant trees in Belize. If there was a place for people to contribute to offset, even if they did not chose to offset, it would bring home the concept of what they are emitting.
- Lucinda said bringing local investments to local initiatives is something that could come up.
- Nancy said this would be a first step toward a carbon tax.
- Dick asked if they were discussing solar farms.
- John Phelan said there is a contract pending for the first solar garden that is planned to get up and running this year. Budget-wise it is not enormous, 300 kilowatts, and will serve 40 or 50 customers who want to sign up. We have a solar rebate program that is oversubscribed. We have a feed-in tariff program that is three times oversubscribed. We'll have a solar garden with a lot of interest. There is interest and demand. What are we going to do about it? We can offer programs and see what the response is. We've also discussed shared solar farms with other communities at a utility scale. Some of the land use codes are trickier here to get lower pricing and scale up.

Lucinda continued the presentation. She said that in the process they identified 3 scenarios with a 2005 baseline year: achieve carbon neutrality by 2050, achieve 80% by 2030, or continue with the current goal of 80% reduction by 2050. She showed a graph of projected emissions growth, historical emissions trends, and the reduction tracks of the three alternatives, as well as a graph with varying trajectories of decent of

emissions. They are trying to determine how far and how fast. She discussed the work of the Brendle Group and Rocky Mountain Institute (RMI), and is working with these two groups and PRPA on perceptions.

- Tom Moore said thinking about the narrow window in the shorter term is better because it is focused on half of the emissions, which are from the generation of electricity. What are the consultants doing to identify what the City is doing around transportation, the rebuilding of the mall, and other similar projects? He would like to see how all three legs (transportation, building, and electricity), come to the table.
- John Phelan said all analyses deal with all of those elements, including growth assumptions.
- Tom said he read the RMI report and it's not clear when a project like the mall or Woodward comes to the City how to have a net reduction of emissions through those activities.
- Lucinda said these are high level assumptions that don't go down to the level of detail of the impact of specific projects. That will be in the next round of planning, in the step of Climate Action Planning. The reports are assumptions of how we can achieve the goals.
- Melissa clarified that these graphs and charts are based on models. There is budget for refining the process and projections.
- Tom Moore said we need effective practices that the City will employ so that when a development comes to the City we can make sure it is on track.
- John Phelan added that the implication of setting these policies means we will need to address these large developments.
- Rich said there are transportation issues that have escaped air quality assessments, like the Lincoln Corridor. There could be a process implemented now, by having the contractors do what is available now anyway.
- Melissa said we need a greenhouse gas goal and "budget," with criteria to weigh it against.
- Scott said that by 2050 the population is going to double. He was in Denver discussing the Café standards and 1/2 of new light duty vehicles will be electric in the near future. He asked if staff had considered these things.
- Lucinda said both have been considered in the modelling.
- Nancy said in transportation she sees driving less, but also adding more cars. She said when you support more cars, you support the expensive infrastructure for cars.
- Lucinda said the models include all aspects of transportation including vehicles and roads.

Lucinda presented slide 12 with reduction wedges' estimations, showing how Alternative A could be achieved. She presented the carbon neutral scenario, which would assume we would still use a small amount of fossil fuels. We would need to look at a carbon offset program, such as having investment in local ecosystem services. John Phelan presented the chart for Alternative C. Some key findings from the RMI report are that it is based on existing technologies, uptake rates that have been proven, and assume full uptake in all sectors at all times. He showed an analysis of net reductions in the categories of buildings, electricity, and transportation. He explained that there would be higher costs through 2030, then the curve would turn and net savings would occur. Lucinda added that all three scenarios assume electricity emissions go to zero. She discussed other similarities, such as the need for community buy-in and near-term investments. She explained the differences including leadership positioning, innovation opportunity, and cost impacts. She showed a preliminary cost-benefit assessment for each alternative. All require up front investments. However, the social impacts are not factored in, such as health benefits. John Phelan added that all alternatives offer net savings in the long run.

- Rich added that the upfront investment would be significant.
- Dave said if you maintain the status quo, is there a cost analysis for that?
- Lucinda said they have a baseline and can identify incremental costs for each alternative, which they would like to have soon.
- Tom Griggs asked for clarification around social costs.
- Lucinda said there is a risk, or likelihood that there will be a carbon tax. The social cost includes the indirect costs, quantifying inaction.
- Tom Griggs asked if that could be increased health care costs.
- John Phelan said there could be job generation, and health benefits to moving to walking and biking.
- Tom Moore these alternatives propose dramatic reductions over the next 40 years. It's hard to turn away from our carbon use. Could we ask the Brendle group to plot the growth in Fort Collins? We're building high density buildings, with no solar power. How much effort does it take to change those profiles to encourage solar?
- Lucinda said there is uncertainty in expecting behavior change; creating goals and programs that require behavior change are different from investing in source changes. We need to determine how much we want to invest in certainty. You are suggesting analyses use historical data for programs and uptake rates.
- Jim asked whether any other boards had taken action.
- Lucinda said Natural Resources supported a carbon neutral by 2050 goal. The Economic Advisory Commission (EAC) and Transportation Board chose not to make resolutions. EAC discussed return on investment criteria and impacts on the business community and utility rates. The Transportation Board wanted a discussion at a higher level around mobility options and the social aspects of the transportation system.
- Tom Moore asked if scope three emissions would be included in Brendle Groups analysis.
- Lucinda said all of the embodied energy is not fully included using the ICLEI protocol.
- John Phelan said as we make our priorities important to PRPA, we put some onus on them to follow through.
- Tom Moore said converting coal to natural gas plants could give us substantial benefits, but if we don't account for the leakage in production, we aren't accounting for the air quality. They are on PRPA's docket. It's a real alternative but we have to account for the leakage.
- John Phelan said he is learning about leakage, but also PRPA would not be running the plant the same. The surplus generation would go away. They could add more alternatives and use the natural gas as a balance for the renewables.
- Tom Moore said when he sees big increases in renewables, there needs to be transmission lines to get it to the grid. There needs to be a clear definition with PRPA that they will have transmission.
- Lucinda said regarding scope three emissions, if we don't quantify them, we could list them and raise the issue.
- Scott said he is curious what is the staff's position on nuclear energy? That takes us right to zero. We live in a geographically stable area. Lift technology is amazing. We could put in one the size of a trailer that could power a quarter of Fort Collins. Why are we worrying about cutting coal when we can go straight to zero?
- John Phelan said no one will finance a nuclear power plant right now.
- Rich asked the board to look at the draft statement and suggest revisions. Dave asked if there were interim goals for Alternative B. Lucinda said there were not. He is concerned that this implies a straight line, or does it imply a straight line until 2040.

- Lucinda said the board could add specifics for interim goals.
- Melissa said John Shenot sent an email with his input and read it to the board.
- Board members suggested edits and Rich made changes to the memo.

Dave moved to adopt the memo as a recommendation to Council with edits provided by the board.

Dick seconded.

Motion passed unanimously 7-0-0.

AGENDA ITEM 5: Discussion of Oil and Gas Proposed Regulations

Melissa Hovey, staff liaison, led a discussion on proposed revisions to air quality regulations affecting oil and gas development and the City's involvement. The board considered forming a sub-committee to develop board comments on the regulations prior to the February 19 hearing.

Melissa showed a timeline of what has happened in relation to proposed modifications to oil and gas regulations. Regulations 3, 6, and 7 would have impacts on our community. The City joined other local communities to form a government coalition. The Local Government Coalition (LGC) has attended a prehearing status conference, and submitted a draft compromise proposal. Environmental Defense Fund and three oil and gas companies have formed a group and the LGC has been working with them. Public comment is scheduled for February 19. Written testimony is due February 5. She discussed Regulation 3 and the issues around thresholds for hazardous air pollutants and when permits are required. Regulation 6 is to fully adopt NSPS Quad O. Regulation 7 is where we are negotiating. These deal with volatile organic compounds related to oil and gas production. They have added hydrocarbons to expand the regulation to capture methane. From a GHG and leakage standpoint, that is a great thing. There are different control devices that will be required, and monitoring for storage tanks. She showed a chart of man-made volatile emissions and how most are from oil and gas. Tanks are the largest single source of VOCs. She showed a graph of oil trends and said that Weld County is the largest oil producer in the state and Garfield is the largest producer of gas. Another major modification is including produced water and crude oil as well as condensate. A significant part of the regulation is a new program called LDAR (leak detection and repair), which requires operators to check for leaks and repair them. The time frame will depend on the size of the tank and when it was installed. This can be done with many techniques, one of which is an infrared camera.

Comments/ Q & A:

- Dave asked if venting from trucks was discussed. He thinks they are all venting while driving.
- Melissa said no, and that is a category that was not captured. She asked Tom Moore for clarification.
- Tom Moore said he doubts the accuracy, but it is included in the on-road mobile category.
- Rich asked about gas stations. Melissa said they would be area sources.
- Tom Moore said many gas stations are permitted.
- Jim asked if there were things staff wanted and didn't get.
- Melissa said the LDAR program started as listen and look. So they negotiated to technology based monitoring. One of the requirements of attaching to a pipeline within a particular amount of time didn't survive.
- Jim asked if the oil and gas industry fought hard against the changes or went along with them.
- Melissa said somewhere in between. There are three large companies that have put forth a good faith effort at negotiating. There is a contingent of producers that is still fighting.

- Rich said the action for this topic is to have a subcommittee write a letter and submit it before the hearing. He asked for participants.
- Dave, Rich and Tom agreed to meet to draft this letter.
- Melissa said she was asked to remind the board that they are an advisory board to Council. The board can write a recommendation to Council that they write a letter, or they can send letters as individuals.
- Rich said the board will do this the right way.
- Tom Moore asked who was making this advisement. He thinks this can be seen as an education piece.
- Melissa clarified that educational pieces are different than providing testimony at a hearing.
- Dave asked if there was anything about additional inspectors in any of the regulations. The transportation of goods is not included either.

AGENDA ITEM 6: 2013 Annual

The board discussed the draft 2013 Annual Report and finalized the report for submittal.

Comments/ Q & A:

- Tom Moore asked what happens to the statements we send through Council liaisons. What is the outcome of that effort?
- Rich said that the board has had a frustration that we send statements to the Council and do not hear whether they received them and have no feedback on what they do with them. We send them with the idea they have an impact. At minimum we'd like to know what they do with the recommendations.
- Tom said this is the Annual Report and we have eight formal actions that were taken. We have heard nothing. Is there a way to communicate that in our report? Can we mention that no response has been forthcoming? What is the point of advising if we never get a response?
- Rich suggested inserting a statement in the Annual Report to address this.
- Melissa suggested that because this is a report to Council on how the board met its Work Plan, it is not an appropriate place for that commentary. She does not think it is accurate that Council has not taken action on any of the recommendations.
- Rich asked which recommendations have had responses.
- Melissa said the URA policy recommendation was considered in the revised policies. The fugitive dust control issue has gone to Council's Work Plan and is now on Melissa's Work Plan. For the Harmony Road Enhanced Corridor Study, all of the boards' comments were taken under consideration when voting for the preferred package with modifications.
- The board had no changes to the Annual Report.

Scott moved and Dave seconded a motion to adopt the Annual Report.

Motion passed unanimously, 7-0-0

AGENDA ITEM 6: Announcements and Future Agenda Items

Melissa gave the following announcements:

- Board contact sheet is available. Members gave edits.

- Transfort is making changes to their routes. Tuesday-Thursday of this week they are giving presentations. They are scheduled to present to AQAB in February.
- Transfort is looking for answers to a survey. She sent the link.
- Lincoln Corridor has a new survey as well.
- Natural Areas are doing their master plan this year and are having an open house January 30.
- February 8 is the Poudre River forum; she has sent a link to the board.
- Gerry Horak was appointed to National League of Cities Energy, Environment, and Natural Resources (EENR) Steering Committee. He is available to talk to the public often. Board members are encouraged to take advantage of this opportunity.

Member announcements:

- Rich said in February the board will have officer elections.
- Dick said he would like to know why the Lincoln and Lemay intersection plan doesn't have a round-about.
- Melissa said she will provide Dick with the staff names to contact.
- Dick is interested in the West Nile spraying. Rich said we are looking for a representative from this board to the West Nile panel and wondered if Dick would take that role. Dick agreed.
- Dick asked if the board would be interested in a presentation on the carbon footprint of the new stadium. The presenter is active in the SOSH committee. Members agreed to have Melissa vet the speaker and schedule if appropriate.
- Dick presented a hand out on the Land Use Code. Rich asked to hold this topic for the next board meeting due to time.

Adjournment

Scott moved to adjourn. Rich seconded. Meeting adjourned at 8:26pm.

Approved by the Board on February 24, 2014

Signed



 Dianne Tjalkens, Administrative Clerk II

2/25/14

 Date