



MINUTES

Thursday, April 1, 2010

RAQC MEMBERS PRESENT:

Debra Baskett, *City and County of Broomfield*
Melissa Chalona, *CTL/Thompson Inc.*
Martha Rudolph, *Colorado Department of Public Health and Environment*
Russell George, *Colorado Department of Transportation*
Elise Jones, *Colorado Environmental Coalition*
Susan Kirkpatrick, *Colorado Department of Local Affairs*
Ben Manvel, *City of Fort Collins*
Linda Morton, *Morton Consulting Co.*
Paul Natale, *City of Commerce City*
John Putnam, *Kaplan, Kirsch, & Rockwell, LLP*
Jennifer Schaufele, *Denver Regional Council of Governments*
Jep Seman, *Corporate Advocates*
Nancy Severson, *Denver Department of Environmental Health*
Nancy Sharpe, *City of Greenwood Village*
Skip Spensley, *Environmental Consultant*
David Stewart, *EnCana Oil & Gas (USA)*
Will Toor, *Boulder County*
Elena Wilken, *Colorado Association of Transit Agencies*

RAQC MEMBERS NOT PRESENT:

Andy Spielman, *Chairman, Hogan and Hartson, LLP*
Eric Doering, *Town of Frederick*
Bob Fitzgerald, *City of Aurora*
Rick Garcia, *Department of Urban Housing and Development (advisory)*
Darryl Jones, *Coventry Development*
Richard Long, *Citizen*

RAQC STAFF PRESENT:

Ken Lloyd; Sarah Anderson; Jerry Dilley; Misty Howell; Stephanie Lind; Steve McCannon;
Trevor Noel; Aneka Patel; Kate Riegle

OTHERS PRESENT:

Grier Bailey, *Colorado Petroleum Marketers Association*; Brad Beckham, *CDOT*; Randy Campbell, *Arapahoe County*; Don Carson, *Arapahoe County*; Wei Chen, *DRCOG*; Tom Clark, *Metro Denver Economic Development Corporation*; Cindy Cody, *EPA*; Steve Cook, *DRCOG*; Dennis Creamer; Kate Fay, *CDPHE*; Jennifer Finch, *CDOT*; Stephen Flaherty, *Noble Energy*; Rick Griffith; Randy Harrison, *Move Colorado*; Andy Hill, *DOLA*; Gail Hoffman, *CDOT*; Brock Hollingsworth, *Arapahoe County*; Peter Jacobson, *Colorado Stone Sand and Gravel Association*; Peter Kenney, *Civic Results*; James Kinney, *EPA*; Carl Larson, *RAQC/Christiansen Corporate Resources*; Catherine Marinelli, *Metro Mayors Caucus*; Maureen McDonnell, *Noble Energy*; Pam Milmoie, *Boulder County Department of Health*; Rich Muzzy, *Pikes Peak Area Council of Governments*; Vickie Patton, *Environmental Defense Fund*; Carla Perez, *Governor Ritter's Office*; Marissa Robinson, *CDOT*; Tamar Shapiro, *Governors Institute on Community Design*; Mike Silverstein, *APCD*; Natalia Swalnick, *American Lung Association*

The meeting was called to order at 9:35 a.m. by Council Member Skip Spensely. A quorum was present.

Approval of Agenda

Susan Kirkpatrick moved to approve the agenda. Seconded by Nancy Severson. Motion passed without objection.

Approval of Minutes

There was a minor change to page two, paragraph seven which corrected Executive Form to Executive Forum. Page three, paragraph seven, should be amended to indicate that efforts are underway to get RTD involved in the RAQC's process.

Russ George said that on page three, paragraph two should read that "Brad Beckham....informed Council that bills affecting transportation have been introduced..." He clarified that these bills are not CDOT bills, but rather affect CDOT's work.

David Stewart moved to approve the minutes with the above noted corrections. Seconded by Ben Manvel. Motion passed without objection.

Informational Items

Chair

Skip Spensley informed Council that Andy Spielman is out of town this week and asked Skip to chair the meeting today in his absence.

Executive Director

Ken Lloyd told Council that the AQCC confirmed the boundaries for in the North Front Range for the Inspection and Maintenance (I/M) program at a hearing in Greeley on March 18. However, the AQCC delayed the implementation of the expansion in Larimer County to Estes Park until 2011.

Members

Ben Manvel provided some background on the I/M program expansion into the North Front Range and history of the leadership changes in that area.

Martha Rudolph said the Clean Air Clean Jobs bill passed on March 31, 2010. The bill requires Xcel Energy to have an emission control plan complete by August 15, 2010, at which time it will be submitted to the Public Utilities Commission (PUC) for approval. The bill's emphasis is to convert coal powered plants to natural gas. CDPHE leadership thinks it will help with the Regional Haze SIP and ultimately with the Ozone SIP.

John Putnam inquired how the Clean Air Clean Jobs bill timing would fit with the RAQC's schedule for inventory work. Martha Rudolph said CDPHE is evaluating the plan and expect to have emissions reduction expectations by mid to late summer. She expressed that the timing should be a good fit with the RAQC's work.

Susan Kirkpatrick reminded everyone that it was Census Day and urged them to return the Census and to encourage others to do the same.

Russ George informed Council that there is a Transportation Environmental Resource Council, which includes state, federal, regional and local agencies, that works to predict intersects before issues arise. There is a subcommittee meeting on April 22 at 1:30 pm at the CDOT offices at 4201 E Arkansas Avenue. He invited Board Members to attend.

Skip Spensley introduced Linda Morton and welcomed her to her first meeting. Linda gave Council a brief overview of her experience.

Kate Fay informed Council that Colorado's application to the National Governor's Association Policy Academy was accepted along with four other states. Jennifer Schaufele and Kate, both members of the core team, were able to attend the opening convening in Washington D.C, which provided an opportunity to listen and interact with experts in the areas of economic development, transportation and air quality from around the country. She stated the core team will be coordinating a "home team" whose key job will be to define the need and acquire NGA technical assistance for specific areas. She invited interested Council members to participate. Kate will provide the presentations to the Council once they become available.

Kate also introduced Tamar Shapiro, Director of the Governors Institute on Community Design, who will be observing today's meeting. The June RAQC meeting will be sponsored and facilitated by the Governors Institute on Community Design.

Ken Lloyd informed Council that two letters of comment from national and regional air quality organizations on EPA's proposed new Ozone standards have been distributed as information. The State's comments were previously emailed to Council.

Public Comment

None.

Consent Agenda

Consent agenda items included approval of:

- Revised RAQC Articles of Incorporation
- Revised RAQC Bylaws
- Revised RAQC Clean Air Fund Bylaws
- Diesel equipment contract

Paul Natale moved to approve the Consent Agenda. Seconded by Nancy Sharpe. Motion passed without objection.

Facilitated Panel and RAQC member discussion of additional perspectives and recommendations for upcoming Ozone SIP

Ken Lloyd introduced Peter Kenney from Civic Results who facilitated the panel discussion. Peter informed Council of his background and explained that each panel member will provide a 10

minute presentation and then Council and panel members will have discussion. He then introduced panel members.

Tom Clark, Executive Vice President, Metro Denver Economic Development Corporation, provided a narration of how the Chamber and RAQC have worked together in the past. He also shared the affect air quality can have on businesses coming to the Denver area. He noted that “business services” is the largest industry in the nine-county metropolitan area. This group is made up of small, highly responsive operations that are not necessarily located near transit. The advent of the “New Energy Economy” has created new markets for job creation. The Metro Denver Economic Development Corporation looks at employment clusters, the groups that drive the economics. Since most of the jobs are with small establishments located in business parks, dealing with air quality issues can be very tricky from a business stand point. Mr. Clark pointed out that air quality has become an economic problem and affects how businesses consider the metro area for their business location.

Stephen Flaherty, Director of Government Relations, Noble Energy, said Noble Energy’s work in the DJ Basin employs approximately 300 people. Noble has 500 wells in Weld County and in the 10 years of projects Noble Energy has been heavily involved in emission controls. In the last several years Noble has spent approximately \$27 million on these controls. He indicated that Noble Energy recognizes and embraces that creative solutions and collaborations are necessary. He used House Bill 1365, Clean Air Clean Jobs, as an example of the type of collaboration that needs to continue to occur to achieve emissions and public policy goals.

He informed Council that Noble Energy also recognized that mobile source emissions need to be addressed, which led to Noble working to convert its fleet to Compressed Natural Gas (CNG) vehicles. As part of the conversion, Noble has been working with other oil and gas suppliers and the Weld County Smart Energy Program to invest in the needed infrastructure to support CNG vehicles. These business practices are also shared with the contractors that work with the oil and gas industry. Additionally, Noble Energy, along with other oil and gas companies, is in the early stages of looking what level of order would be necessary to get major auto makers in Detroit to manufacture CNG vehicles and sales directly to the industry.

Russ George, Executive Director, Colorado Department of Transportation, presented CDOT’s role, transportation impacts and CDOT’s work as it relates to air quality. He indicated to make a sustainable change, more VMT and fuel use reductions will be needed to achieve a corresponding change in emissions. He said reductions in VMT, fuel use, and emissions of both ozone precursors and greenhouse gases (GHG) are possible using land use planning, transportation pricing policies and investment priorities.

He indicated that CDOT is installing diesel retrofits and promoting alternative fueled vehicles in its fleet; increasing its fleet diversification by augmenting the number of hybrid and flex-fuel vehicles in the fleet and; investigating cost-effectiveness of retrofit technologies on its off-road heavy equipment. If its programs are successful, CDOT plans to promote them statewide and to other large heavy fleets such as oil and gas and construction equipment. He said that while local governments make land use decisions, those decisions have an impact on state agencies. For this reason CDOT has worked with and will continue to work with local governments on land use issues. He concluded that CDOT’s on-road mobile source emissions reduction strategies include collaborative land use planning, growth controls, transit, and pricing. The net transportation related air quality improvement will result from VMT reduction, fuel use reduction, and future vehicle technologies.

Jennifer Schaufele, Executive Director, Denver Regional Council of Governments (DRCOG), provided an overview of DRCOG's position on sustainability. She outlined the air quality conformity collaboration between DRCOG, the State, the RAQC, RTD, the Upper Front Range Transportation Planning Region (UFRTPR), and the North Front Range Metropolitan Planning Organization (NFRMPO). There is an Interagency Consultation Group which is a review team defined by AQCC regulations. DRCOG hosts EPA, FHWA, APCD, CDOT, RAQC, RTD, NFRMPO. This group provides consultation on conformity and planning assumptions, determines regionally significant and exempted projects, provides consultation on the development and implementation of SIP transportation control measures (TCMs), and shares news and schedules pertaining to air quality work. She outlined the triggers for conformity determinations and the steps for the conformity process.

Vickie Patton, Deputy General Counsel, Environmental Defense Fund, gave an overview of how the 23-member Clean Air Scientific Advisory Committee unanimously advised the EPA Administrator that the current 1997 ozone standard was inadequate and recommended the standard be set between 60-70 ppb. She provided details on the studies used by the committee to make its recommendations. In 2008, the Administrator set the standard at 75 ppb, which prompted the Clean Air Scientific Advisory Committee to write a letter to the Administrator indicating it was the considered scientific judgment of the Committee that he veered outside his responsibility to protect human health by setting the standard at 75 ppb. Ms. Patton stated that the National Academy of Science's National Research Council, who was entrusted to examine the controversy surrounding the linkage between ozone and mortality, issued a report that indicated there is strong evidence to support the link between ozone and mortality. She said that the new Administrator, as obligated under the law, reconsidered the adequacy of the standard which is why the new proposed standard will be set between 60-70 ppb.

She expressed agreement with the collaboration and creative comments included in the Governor's letter to the RAQC. It is important to take risks and consider creative innovative measures that may or may not succeed. Ms. Patton said we should take risks for human health not with human health. She stated there are air quality challenges, but there are also enormous opportunities to delivery healthy air to citizens.

Council and Panel Discussion:

Peter Kenney facilitated the discussion.

Discussion included:

- Transportation choices, land use, and social pricing associated with choices. It was noted there is a need for a cultural shift. Most people believe "government is free", which highlights the need to educate citizens on how the costs for choices interact. Building a cultural collaboration is a very complex exercise in group dynamics. It is important to get people to understand that personal behaviors and choices matter.
- The need to change land use planning to encourage local governments to consider the air quality implications and transportation costs associated with land use decisions. Implications of shifting costs and paying in different ways (point of service rather than taxes).
- How to ask local governments to do business differently when it affects the tax base. Using incentives to get businesses and local government make changes to the way they do business and make choices.
- Concern regarding the accuracy of data to make decisions. Council members stressed the importance of having confidence in the data and to understand how

outside areas affect Colorado. Concern was expressed about how the economy will affect the ability to make changes that are used as strategies in the modeling. It was noted that it is important that the data set include the cost of “doing nothing”.

- Continued discussion on the importance of collaboration and creativity in meeting the challenges.

Follow-up Items from April 1 Meeting

Mike Silverstein, Deputy Director for the Air Pollution Control Division (APCD), reviewed emissions control strategies for ozone that have been considered and whether they were included in a SIP, State-only plan or postponed for later evaluation. He provided Council with a chart that outlined the status of each strategy. Mike explained that the work to evaluate strategies on the table was collaboration from RAQC, APCD, and DRCOG staff.

In response to a question, Mike explained that individual strategies are not modeled because of the cost. Instead, the State models strategies that are bundled together.

There was discussion regarding whether the Denver metro area is NO_x or VOC limited. Mike indicated that through the modeling it has become apparent that NO_x is becoming more important and provides substantial ozone reductions.

Kate Fay indicated the responsive plan to involve Council in the modeling efforts includes the following:

- One-hour on the May agenda to discuss the how and why of modeling.
- A modeling technical meeting in June or July (outside of Board meeting schedule) with the purpose of having modeling experts, staff and interested Council members interact and discuss technical details. There will be no public comment on the modeling results during this meeting.
- Agenda item to update Board on the modeling results at its regular meeting following the technical meeting.
- A modeling forum to present the modeling results and accept public comment. This should occur in early fall.

Meeting Wrap Up and Overview of Next Meeting

Kate Fay provided an overview of agenda items for the May meeting which included:

- Presentation from the State Demographer
- Modeling discussion
- Drill down from the big picture to start expanding on some transportation-related control measures

Adjournment

There being no further business before the Council, the meeting was adjourned at 12:45 p.m.