

Date: November 21, 2007

To: Attendees, November 5, 2007 Port of Oakland Maritime Air Quality Improvement Plan Task Force Meeting

From: Scott McCreary, Rebecca Bryson, and Anna Rossinoff, CONCUR, Inc.

Re: Key Outcomes Memorandum – November 5, 2007 Port of Oakland Maritime Air Quality Improvement Plan Task Force Meeting

Below is a summary of the November 5, 2007, MAQIP Task Force Meeting. This summary provides a listing of the primary issues raised during the discussion. It is not intended to serve as a meeting transcript.

BACKGROUND:

This fourth meeting of the MAQIP Task Force was convened at the Jack London Aquatic Center in Oakland. Over 45 Task Force members and their alternates attended the meeting, as well as Port and Bay Area Air Quality Management District staff, Port technical consultants, and interested members of the public. The meeting was facilitated by CONCUR, Inc.

All meeting materials and handouts referenced in this document are available on both the CONCUR and Port of Oakland websites:

- CONCUR website: <http://www.concurinc.com/portofoakland/>
- Port of Oakland website: http://www.portofoakland.com/environm/prog_04c.asp

BRIEFINGS AND UPDATES:

In his welcoming introductions, Omar Benjamin briefly reported on a just-completed 15-day trip to see customers in Asia, emphasizing the Port of Oakland's effort to become the first port of call. In these meetings, the Port also emphasized its joint commitment to upgrading its facilities, and its commitment to action on air quality improvement.

Joseph Wong, Deputy Director of the Port of Oakland, presented a follow-up briefing in response to questions from the September 27th presentation about the Port's economic constraints and competitive position relative to other US ports. He also noted pending competition from new ports such as Prince Rupert, Port Colinet, MX and the Panama Canal 3rd lock.

Key questions and follow-up items:

- *In response to questions about growth strategy and why they were projecting expansion with the current debt and over capacity, the Port reiterated that in order to remain competitive, it needs to continue to expand in order to meet customer demands, especially for rail connections. One major focus is attracting more ships as the first port of call. However, Omar Benjamin stressed that there must be a clear business case for expansion or else the Port will not fund it.*
- *A Task Force member noted that repairing the rail and infrastructure would help improve competitiveness and queried what proposed items were as of yet unfunded. Unfunded*

items include the west portion of the 7th street overcrossing, Berth 21, and redevelopment of the West Oakland Army base.

Delphine Prévost and Till Stoeckenius (Port technical consultant) presented a follow-up briefing on the growth scenarios and emission forecasts, building on the presentation from the prior meeting.

Key questions and follow-up items:

- *On the emissions forecasts, there was discussion as to whether port truck emissions from the “West Oakland” emissions inventory had been allocated to the “Port of Oakland” inventory and if not why not. One suggestion was to make a working assumption, while waiting on CARB to do this. Key next steps include pursuing the CARB analysis.*

INDUSTRY, COMMUNITY, and AGENCY PRESENTATIONS

In response to requests at the September 27th meeting, industry, community, and agency representatives presented several briefings and updates to Task Force members. (These presentations can all be viewed on the websites linked above).

INDUSTRY PRESENTATIONS:

These presentations responded to three guiding questions provided by the Co-Chairs and the facilitation team:

1. *What are your legal, economic, and technological constraints relative to air quality improvements?*
2. *What is the impact of those constraints on your ability to achieve emissions reductions beyond what is required by regulations?*
3. *Are there any specific commitments you can make to going beyond regulatory requirements in order to improve public health at the Port and in West Oakland? What are the top 1-3 commitments you could make?*

The following industry representatives gave presentations in response to these questions. (A list of the top 1-3 commitments each industry felt it could make is included as an appendix to this KOM.)

- GSC Logistics: Trucking Industry
- Bay Planning Coalition
- Union Pacific: Railroad Industry
- PMSA: Marine Terminals and Shipping Lines
- American Navigation: Tugboats

Key questions and follow-up items for Industry Representatives:

- *Task Force members discussed the complexity of regulation, noting that regulations may be crafted at the state, national and international level. They noted that particularly for*

ships, trucks and trains that cross international borders, working toward standardized regulations would make it less confusing for industry operators.

- *Question for shippers: What is the thought about seeking to intervene in the design of the current ships that are already scheduled to be manufactured in the next year or two to help force the adoption of new technology? Roberta Reinstein commented that two different shipbuilding yards from outside of the country contacted the Port to find out about what standards they would need to meet, suggesting that there is an opportunity to come up with some broad recommendations for firms that are designing ships.*
- *Several industry representatives stated that giving the industry a reduction target and letting them identify the best methods for achieving the target is preferable to prescribing a technology or project.*
- *Task Force members posed questions on the efficiencies for the terminal operators and whether changes in the RFID system could result in reduced turn around time. It was noted that this depends on the size/scope of the operator and the terminal. The E-MODAL (appointment) system was designed to help address this need. It would be more efficient if everyone was on the same system, but to date certain companies have not found that it suits their needs, so they have not switched over. A representative from the trucking industry noted that they are looking to overhaul this system.*
- *There was a question on how the Port of Seattle is funding its actions and what the Task Force could learn from that Port. Joe Wong noted that they get at least \$60 million/year from the City in taxes and some of that is allocated strictly to environmental clean up. A suggestion was made to include BCDC in the MAQIP discussion in light of the agency's current work on the regional seaport plan in which the agency has expressed more interest in the linkage between its own mandate and the work of other agencies in the region.*
- *Finally, there was a question about the number of trucking-related jobs held by people living in West Oakland. Andy Garcia of GSC logistics noted that specific data is available, and that about 20% of the jobs are held by West Oakland residents and 30-35% are held by people in the local impact area. Most truck shipments are headed to destinations outside the Bay area, so it makes more sense to hire people from there so they don't have to drive home.*

COMMUNITY PRESENTATIONS:

Swati Prakash and the West Oakland Environmental Indicators Project made a multimedia and panel presentation about the effects of Port activity on the West Oakland community. The presentation addressed health impacts, presented statistics and also laid out other, non-air quality areas of interest/concern for the community such as light and noise and how those factors relate to health as well. Two West Oakland community members presented commentary on their own experiences and their hopes for what the MAQIP will do to help alleviate some of the chronic health and other problems related to Port activity.

Ray Kidd from West Oakland Neighbors talked about pitfalls to avoid on a previous Port project, Vision 2000. He explained that the settlement agreement did not include guidance as to how the community would be involved in the mitigation planning, nor was there a solid structure established for monitoring or enforcement, so these items have fallen through the cracks. Ray and his colleagues asked that the MAQIP avoid this pitfall and include the community directly in implementation as of the MAQIP.

Key questions and follow-up items for Community Representatives:

- *Several people agreed that examining the outcomes of previous Port projects,*

including the Vision 2000 Program, was an important learning tool, noting that planning with community participation has become much more standard since that time.

AGENCY PRESENTATIONS

In response to requests at the September Task Force meeting, the following agencies gave presentations in response to four guiding questions proposed by the Co-Chairs and facilitator:

- 1. What (if any) specific legal authority does your organization have relative to the Port of Oakland Seaport?*
- 2. What incentive programs do you have in place or could you mobilize (relevant to the MAQIP effort)?*
- 3. What funding sources can you potentially provide or help leverage to support new incentive programs developed in the MAQIP process?*
- 4. Will you commit to meeting with the Port and other partner agencies to discuss coordination and communication for achieving the MAQIP objectives?*

- California Air Resources Board (CARB) (also provided a handout summarizing their legal authority)
- Bay Area Air Quality Management District
- Alameda County Public Health Department
- Environmental Protection Agency

Key questions and follow-up items for Agency Representatives:

- Question for CARB: There were questions about the ARB I-Bond initiatives and who has been identified as the local agency to implement it here at the Port? CARB indicated while it does not make that decision, they are some obvious candidates and they work with them to jumpstart the process (Port, BAAQMD, MTC, etc). In the case of Port emission-related measures, the Port or Air District would have to serve as the local agency because the individual trucking/shipping companies cannot apply for I-Bond funding on their own.
- Question for CARB: Is there a requirement for a public participation process as part of the I-Bond process? Answer: While a public process is currently not formally required by statute, CARB is developing guidelines for public participation.
- Task Force members asked about the difference between overall emissions and those emissions (i.e. trucks) that have specific local health impacts in West Oakland. It was noted that an ambient air monitoring project is currently being located in West Oakland. In addition, Jean Roggenkamp noted that the Air District has started to develop a new project for local air quality monitoring in West Oakland.
- A Task Force member noted that the Air District does have some enforcement capability over the Port but does not set standards. Jean Roggenkamp noted that the regulatory approach the Air District uses is not to prescribe specific measures but rather to employ an "all feasible measures" approach. This approach has proven effective for them and public participation in this is key. The District is also initiating a new rule-making ("Green Ports").

Questions/Comments from the Public:

Margareta Lin from the East Bay Community Law Center asked about how impacted community residents can best interact with the air quality agencies in terms of complaint processes and involvement in rulemaking. Jean Roggenkamp from BAAQMD stated that any interested individual is invited to participate in the rulemaking workshops, and they do have a complaint line for odors/dust or other issues: 1-800-334-ODOR. Additionally, a "Public Participation Guidebook" is available from ARB that explains how to get involved in the air quality planning process (This document is available to download at http://www.arb.ca.gov/ch/public_participation.htm).

Task Force members noted that the CARB early grant program portion of the I-Bond provides a very good opportunity for this group to work with operators to encourage/enable them to buy the newest equipment now that already meets the MY2007 emissions levels (and skip the retrofit process).

KEY DELIBERATION ITEMS:

MAQIP Implementation, Monitoring, and Reporting

Delphine Prévost presented the Port's plan for MAQIP implementation, monitoring and reporting. Refer to slides entitled on the website. Some key themes were.

- The two primary functions of the MAQIP are: (1) Compliance with regulations expected to bring significant emission/risk reductions, and (2) Developing potential additional initiatives and strategies to achieve emissions or risk reductions that go beyond regulatory requirements.
- The list of additional actions screened by the Work Team will provide a well or pool of actions to be drawn upon.

For the regulatory actions

- Port will continue to track growth/revise emissions forecasts
- Port will continue to monitor/document its actions and require tenants to monitor/report back on any emissions-related activity.
- Tenant leases require them to meet all applicable laws and regulations. Port will continue to take an active role in communicating with tenants/partners regularly and work with them if non-compliance is identified.

For the additional emission reductions

- Port will develop estimates, monitor benefits and document actions/results. Port to partner with agencies to increase monitoring and tracking procedures to possibly create a better and timelier feedback loop.

Overall

- Port will continue to update emissions inventories and work with BAAQMD on air monitoring projects and also with other agencies on the human health risk assessments, and work with tenants and partners to implement feasible emission reductions.
- Port also proposes having a stakeholder group that meets periodically to review results, assess progress, and recommend and possibly support implementation of priority actions for the next year.

Questions and Discussion about Implementation, Monitoring and Enforcement

- Many Task Force members, including industry representatives, noted that market forces and price signals will most likely make many of actions now characterized as “voluntary actions” standard operating procedures by default due to the rising cost of fuel, etc.
- Task Force members queried if and how voluntary measures can be enforced. Other Task Force members noted analogous efforts in which voluntary measures were successful in achieving targeted goals, including environmental goals. Port staff suggested that the Port’s stormwater management plan has been quite successful and could possibly offer some useful experience and planning constructs for the MAQIP effort, particularly for monitoring and reporting.
- Several Task Force members suggested that the Port coordinate with agencies as the regulatory role is carried out.. This was further discussed later in the meeting (see below).
- Swati Prakash distributed a memo from the West Oakland Environmental Indicators Project, co authored with several Task Force members, offering suggestions for implementation, monitoring and enforcement. In particular, the authors emphasized the need for a clear quantifiable emissions reduction goal for the plan and some clear ways to track progress against that goal. They also encouraged the Port to use “creative enforcement” techniques given that it is not a regulatory body but that it does have some power it can exert.
- The Port staff noted that at first look, there seemed to be a lot of overlap between what the Port presented and what the WOEIP memo laid out.
- CONCUR noted that the discussion of implementation, monitoring, and reporting would continue into the next Task Force meeting. They suggested that it might be fruitful to lay out the set of ideas and recommendations in a side by side format. In particular, it might be useful to give more shape to a feedback or “adaptive management” loop.
- It was suggested that all Task Force members take what was presented by both the Port and the community representatives and over the next month talk to their constituencies about them.
- A Task Force member noted that the funding/incentive component of this plan will be critical and that it might be useful to have the Task Force or some sub-set thereof develop a more detailed strategic plan for the funding/incentives component.

Continuing discussion of partner agency roles and interagency coordination:

At the September 27th Task Force meeting, there was a request that the Port convene an inter-agency meeting to support implementation, funding, and enforcement of the MAQIP.

Several Task Force members inquired about the status of this interagency meeting, as many felt it would be quite beneficial to have a clearer understanding of where the regulatory agencies overlap and where gaps need to be filled. It was also suggested that there could be more creative collaboration between the Port and regulatory agencies in terms of support for, monitoring and enforcement of non-regulated activities such as voluntary measures.

The Port agreed to convene the group on or before Sept 30th. Task Force members noted that in October, CONCUR had compiled a list of guiding Task Force questions for the inter-agency group, and that the submitted answers to those should be culled for input. CONCUR noted that some of the questions had been used to frame the agency presentations earlier in the meeting, while many of the rest are still ripe for interagency discussion.

Questions/Comments from the Public:

Margaret Gordon, as a resident of West Oakland, raised several issues and comments. First, she stressed the need to maintain a strong link between of air quality and public health and stressed that the Task Force/Port cannot lose sight of the connection. She also suggested that there be some type of inter-agency agreement or MOU that comes out of this process.

Another member of the public suggested that the MAQIP consider an implementation mechanism along the lines of “the polluter pays”, using a mechanism such as a container fee. Under this scenario, once companies have demonstrated compliance with certain standards, the fee would be removed.

STATUS REPORT ON THE WORK TEAM:

Rebecca Bryson of CONCUR gave a short status report on the Screening Work Team. Work began by creating a pooled list of 355 measures compiled from the Goods Movement Action Plan, the Source Document Work Team’s list and the Task Force breakout sessions at the September meeting.

The eleven members of the Work Team then individually reviewed each of the 355 and grouped them accordingly to the Round One screening criteria of whether or not the proposed action directly reduces air emissions/health risks.

The initial result of this initial work was that:

- 95 of the 355 measures are to automatically proceed to Round 2 based on the high number of Yes’s received
- 125 measures were designated “Not to Proceed” to Round 2
- 135 measures did not fall into a clear “yes” or “no” in terms of proceeding to Round 2. Those 135 measures where there were differing opinions on how to rank them will be the focus of the Nov 6th Work Team meeting.

After the Nov 6th Work Team meeting, there will be an agreed upon list of measures to be screened for Round 2. The Work Team will then work through November to screen those measures and evaluate them with respect to the seven criteria revised and adopted at the Sept. 27th Task Force meeting. Once screened by the Work Team against those seven criteria, the resulting list will be provided to the Task Force for their review and comment at the December 14, 2007 Task Force meeting.

SUMMARY OF NEXT STEPS:

Responsible Party	Action	Timeline
Task Force Members and Alternates		
Port/Agency Task Force members	Convene inter-agency meeting to discuss how agencies and Port will work together to improve air quality. Report back to Task Force on 12/14.	By Nov 30th
Work Team	• Work Team to meet on Nov 6 th and review the results of the Round One screening; confirm list of initiatives to be moved onto Round Two	Nov 6
Work Team	• Work Team to individually review the list of initiatives slated for Round Two; evaluate them according to the seven criteria	Week of Nov 12
Work Team	• Work Team to meet and review the individual results of the Round Two rank and agree upon final list of primary and secondary interest initiatives	Nov 29
Task Force Members	• Prepare for Dec 14 meeting by reading available materials in advance of the meeting. Meeting materials will be available by Dec 10 th .	In advance of Dec 14
Port staff, Co-Chairs, and CONCUR		
CONCUR	• Finalize and distribute Key Outcomes Memorandum.	Week of Nov 19
Port staff/ CONCUR	• Prepare for Task Force deliberation of implementation, monitoring and reporting and recommend process for presentation/input from Task Force	Week of Dec 3
Co-Chairs/ CONCUR	• Discuss results of inter-agency work group deliberations and recommend process for presentation/input from Task Force.	Week of Dec 3
Co-Chairs/ CONCUR	• Review results of Work Team deliberations and recommend process for presentation/input from Task Force	Week of Dec 3

NEXT TASK FORCE MEETING

The next MAQIP Task Force meeting is scheduled for Friday, December 14, 2007. The meeting is tentatively scheduled for 10am – 3:30pm. Confirmation of the meeting time and location will be announced once a venue is reserved.

Co-Chairs will consider/agree upon agenda items in advance of the December 14th meeting. Likely topics include:

- Task Force review of the Work Team's screening of potential initiatives beyond regulatory requirements.
- Follow-up discussion on inter-agency coordination and its role in implementation.
- Continuing deliberation of implementation, monitoring, reporting framework/processes

If you would like to have an item to propose for possible inclusion added to the agenda distribution at the meeting, please contact CONCUR or the Co-Chairs well in advance of the December 14 meeting. Similarly, if you have a brief document that links to one of these agenda items, please contact CONCUR in advance of the meeting. CONCUR will strive to post all meeting materials by December 10th.

Appendix

Summary of Top 1-3 Actions/Areas to Pursue as Presented by the Industries

Trucking Industry

- Promote education and awareness to all driver and motor carriers that service the Port of Oakland. Develop a Port of Oakland drayage truck registry to make sure the information reaches all concerned.
- Provide coordinated access to financial assistance and grants to drivers and motor carriers that service the Port of Oakland.
- Provide financial incentives to drivers for early retrofit of their trucks to required standards.

Marine Terminals

- Expedited development of Tier 4 engines <2011
- Appropriate appointment systems for trucks
- Hybrid and electrified cargo handling equipment

Shipping Lines

- Cold ironing infrastructure
- Scrubber technology
- Catalytic reduction improvements
- Better accommodation of LS fuels in main engines
- Fuel cell – hydrogen power - biodiesel

Freight Rail

- Invest in Port infrastructure to increase near dock rail
- Invest in rail mainline routes to reduce capacity constraints and physical constraints/alleviate bottlenecks
- Continue to replace switch engines to reduce local impact