SPECIAL MEETING OF THE ADMINISTRATIVE COMMITTEE

Committee Members
Dr. William A. Burke, Chair
Mayor Ben Benoit, Vice Chair
Mayor Judith Mitchell
Dr. Clark E. Parker, Sr.

January 10, 2019 ♦ 10:00 a.m. ♦ Conference Room CC-8
21865 Copley Drive, Diamond Bar, CA 91765

Teleconference Locations

11461 West Sunset Boulevard       Wildomar City Hall       Rolling Hills Estates City Hall
The Brentwood Room 1             23873 Clinton Keith Rd, Ste. 201       4045 Palos Verdes Drive North
Los Angeles, CA 90049            Wildomar, CA 92595             Rolling Hills Estates, CA 90274

(The public may attend at any location listed above.)

Call-in for listening purposes only is available by dialing:
Toll Free: 866-244-8528
Listen Only Passcode: 5821432

In addition, a webcast is available for viewing and listening at:
http://www.aqmd.gov/home/library/webcasts

AGENDA

Members of the public may address this body concerning any agenda item before or during consideration of that item (Gov’t. Code Section 54854.3(a)). Please provide a Request to Address the Committee card to the Committee Secretary if you wish to address the Committee on an agenda item. If no cards are available, please notify SCAQMD staff or a Board Member of your desire to speak. All agendas for special meetings are posted at District Headquarters, 21865 Copley Drive, Diamond Bar, California, at least 24 hours in advance of the special meeting. Speakers may be limited to three (3) minutes each.

CALL TO ORDER

DISCUSSION ITEMS – Items 1 through 6:

1. Board Members’ Concerns (No Motion Required)       Dr. William A. Burke
   Any member of the Governing Board, on his or her own initiative may raise a concern to the Administrative Committee regarding any SCAQMD items or activities.
2. Chairman’s Report of Approved Travel *(No Motion Required)*
   - Dr. Burke

3. Report of Approved Out-of-Country Travel *(No Motion Required)*
   - Wayne Nastri

4. Review February 1, 2019 Governing Board Agenda
   - Wayne Nastri

5. Approval of Compensation for Board Member Assistant(s)/Consultant(s) (Any material, if submitted, will be distributed at the meeting.) *(Motion Requested if Proposal Made)*
   - Dr. Burke

6. Status Report on Major Ongoing and Upcoming Projects for Information Management *(No Motion Required)*
   - Ron Moskowitz

**ACTION ITEMS - Items 7 through 10:**

**FEBRUARY ITEMS**

7. Appropriate Funds and Amend or Execute Contracts with Outside Counsel and Specialized Legal Counsel and Services *(Motion Requested)*
   - Bayron Gilchrist

   *This action is to appropriate $450,000 from the Undesignated (Unassigned) Fund Balance to Legal’s FY 2018-19 Budget and amend or execute contracts for legal counsel for specialized, environmental, and other litigation.*

8. Annual Report on 457 Deferred Compensation Plan *(Motion Requested)*
   - John Olvera

   *SCAQMD sponsors an IRS-approved 457 deferred compensation program for its employees. The Annual Report addresses the Board’s responsibility for monitoring the activities of the Deferred Compensation Plan Committee and ensuring the Committee carries out its fiduciary duties and responsibilities under the Committee Charter. This action is to file the annual report.*

9. Issue RFP for Consultant Services for SCAQMD’s High School Air Quality Educational Outreach Program *(Motion Requested)*
   - Derrick J. Alatorre

   *SCAQMD seeks to implement an air quality educational outreach program in high schools in environmental justice communities within its jurisdiction. This action is to issue an RFP to solicit proposals from individuals and organizations to provide assistance with program development, outreach and implementation efforts related to the high school air quality educational program in an amount not to exceed $250,000.*
SCAQMD -3- January 10, 2019
Special Administrative Committee

10. **Transfer and Appropriate Funds and Authorize Purchase of Kids Making Sense Kits (Motion Requested)**

SCAQMD seeks to implement an air quality educational program at 100 high schools in environmental justice communities within its jurisdiction. The Kids Making Sense kits from Sonoma Technology, Inc. are critical to implementing the program as they integrate Science, Technology, Engineering, and Math education and California Next Generation Science Standards with air quality curriculum through hands-on learning experiences. This action is to transfer and appropriate funds from the BP ARCO Settlement Project Fund (46) to Legislative, Public Affairs and Media’s FY 2018-19 Budget and authorize the sole source purchase of 100 Kids Making Sense kits which can be reused multiple times, over multiple years in an amount not to exceed $276,875.

Derrick J. Alatorre  pgs. 98-100

11. **WRITTEN REPORT:**

**11. Local Government & Small Business Assistance Advisory Group Minutes for the November 9, 2018 Meeting (No Motion Required)**

Attached for information only are the Local Government & Small Business Assistance Advisory Group minutes for the November 9, 2018 meeting.

Derrick J. Alatorre  pgs. 101-105

OTHER MATTERS:

12. **Public Comment**

At a special meeting, no other business may be considered (Gov’t Code Section 54956). Each speaker will be afforded three minutes to address the Committee on items on this agenda. (Gov’t Code Section 54954.3).

13. **Next Meeting Date:** February 8, 2019 at 10:00 a.m.

ADJOURNMENT

Document Availability

All documents (i) constituting non-exempt public records, (ii) relating to an item on an agenda for a special meeting, and (iii) having been distributed to at least a majority of the Committee after the agenda is posted, are available prior to the meeting for public review at the South Coast Air Quality Management District, Public Information Center, 21865 Copley Drive, Diamond Bar, CA 91765.

Americans with Disabilities Act

The agenda and documents in the agenda packet will be made available, upon request, in appropriate alternative formats to assist persons with a disability (Govt. Code Section 54954.2(a). Disability-related accommodations will also be made available to allow participation in the Special Administrative Committee meeting. Any accommodations must be requested as soon as practicable. Requests will be accommodated to the extent feasible. Please contact Nancy Velasquez at 909-396-2557 from 7 a.m. to 5:30 p.m. Tuesday through Friday, or send the request to nvelasquez@aqmd.gov.
BOARD MEETING DATE: February 1, 2019

REPORT: Special Administrative Committee

SYNOPSIS: The Special Administrative Committee met January 10, 2019 and reviewed the proposed agenda for the February 1, 2019 Board meeting. The Committee also discussed various issues detailed in the Committee report. The next Administrative Committee meeting is February 8, 2019, at 10:00 a.m., in CC-8.

RECOMMENDED ACTION:
Approve this report.

Dr. William A. Burke, Chair
Administrative Committee

Attendance: [Will be inserted subsequent to the January 10, 2019 Special Administrative Committee meeting.]

Administrative Committee Discussion Items: [Will be inserted subsequent to the January 10, 2019 Special Administrative Committee meeting.]

Report on Board Member Travel Authorized by the Chairman at the January 10, 2019 Special Administrative Committee meeting:

<table>
<thead>
<tr>
<th>DATE</th>
<th>TRAVELER</th>
<th>DESTINATION</th>
<th>PURPOSE</th>
</tr>
</thead>
<tbody>
<tr>
<td>January 24, 2019</td>
<td>Mayor Judith Mitchell</td>
<td>Fresno, CA</td>
<td>Mayor Mitchell will attend the monthly CARB Board Meeting as the SCAQMD Board Representative.</td>
</tr>
</tbody>
</table>
BOARD MEETING DATE: February 1, 2019

REPORT: Special Administrative Committee

SYNOPSIS: The Special Administrative Committee met January 10, 2019 and reviewed the proposed agenda for the February 1, 2019 Board meeting. The Committee also discussed various issues detailed in the Committee report. The next Administrative Committee meeting is February 8, 2019, at 10:00 a.m., in CC-8.

RECOMMENDED ACTION:
Approve this report.

Dr. William A. Burke, Chair
Administrative Committee

Attendance:
[Will be inserted subsequent to the January 10, 2019 Special Administrative Committee meeting.]

Administrative Committee Discussion Items:
[Will be inserted subsequent to the January 10, 2019 Special Administrative Committee meeting.]

Report on Board Member and Staff Out-of-Country Travel Authorized by the Chairman subsequent to the December 14, 2018 Administrative Committee meeting:

<table>
<thead>
<tr>
<th>DATE</th>
<th>TRAVELER</th>
<th>DESTINATION</th>
<th>PURPOSE</th>
</tr>
</thead>
<tbody>
<tr>
<td>January 3-7, 2019</td>
<td>Council Member Michael Cacciotti</td>
<td>Harbin, China</td>
<td>As a Board Member, Council Member Cacciotti traveled to Harbin, China to present on air quality at the China International Ice Festival on behalf of the SCAQMD.</td>
</tr>
</tbody>
</table>
Report on Board Member Travel Authorized by the Chairman at the January 10, 2019 Special Administrative Committee meeting:

<table>
<thead>
<tr>
<th>Date</th>
<th>Participants</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>January 11-19, 2019</td>
<td>Wayne Nastri, Philip Fine, Sarah Rees and Elaine Shen</td>
<td>Shenzhen and Chengdu, China</td>
</tr>
</tbody>
</table>

Executive Officer Wayne Nastri, Deputy Executive Officer Philip Fine, Assistant Deputy Executive Officer Sarah Rees and Program Supervisor Elaine Shen are planning a visit to China to attend the MoVE Workshop, January 16-18, 2019 in Chengdu. Mr. Nastri along with SCAQMD staff will be providing presentations on the California Green Ports Program. Additional meetings on the International Vessel Incentive Program will take place in Shenzhen with representatives of their Transportation Commission/Port Authority, as well as with representatives of Yantian Terminal.
A meeting of the South Coast Air Quality Management District Board will be held at 9:00 a.m., in the Auditorium at SCAQMD Headquarters, 21865 Copley Drive, Diamond Bar, California.

The agenda and documents in the agenda packet will be made available upon request in appropriate alternative formats to assist persons with a disability. Disability-related accommodations will also be made available to allow participation in the Board meeting. Any accommodations must be requested as soon as practicable. Requests will be accommodated to the extent feasible. Please telephone the Clerk of the Boards Office at (909) 396-2500 from 7:00 a.m. to 5:30 p.m. Tuesday through Friday.

All documents (i) constituting non-exempt public records, (ii) relating to an item on the agenda, and (iii) having been distributed to at least a majority of the Governing Board after the agenda is posted, are available prior to the meeting for public review at the South Coast Air Quality Management District Clerk of the Boards Office, 21865 Copley Drive, Diamond Bar, CA 91765.

Please note: This is a draft agenda and is subject to change.
CALL TO ORDER

- Pledge of Allegiance
- Opening Comments: William A. Burke, Ed.D., Chair
  Other Board Members
  Wayne Nastri, Executive Officer

CONSENT CALENDAR (Items 1 through XX)

Note: Consent Calendar items held for discussion will be moved to Item No. XX

10360. Approve Minutes of January 4, 2019 Board Meeting
       Garzaro/2500

10363. Set Public Hearings March 1, 2019 to Consider Adoption of
        and/or Amendments to SCAQMD Rules and Regulations
       Nastri/3131

10524. Set Public Hearing March 1, 2019 to Determine that
       Nakamura/3105

Proposed amendments to Rules 110, 212, 301, 303, 306, 307.1, 309, 315, 510, 515, 518.2, 812, 1309, 1310, 1605, 1610, 1612, 1620, 1623, 1710, 1714, and 3006 will expand noticing options to include email and webpage display for public notices for Title V permit programs, rulemaking activities, and hearing board cases. California Senate Bill 1502, drafted in response to SCAQMD's initiative to modernize communication methods, and EPA Federal Register 71613 enable these changes. The option to deliver invoices to permit holders by email will also be included. This action is to adopt the Resolution: 1) Determining that the proposed amendments to Rules 110, 212, 301, 303, 306, 307.1, 309, 315, 510, 515, 518.2, 812, 1309, 1310, 1605, 1610, 1612, 1620, 1623, 1710, 1714, and 3006 are exempt from the requirements of the California Environmental Quality Act; and 2) Amending Rules 110, 212, 301, 303, 306, 307.1, 309, 315, 510, 515, 518.2, 812, 1309, 1310, 1605, 1610, 1612, 1620, 1623, 1710, 1714, and 3006. (Reviewed: Stationary Source Committee, January 18, 2019)
Budget/Fiscal Impact

10448. Execute Contract to Develop Optimal Operation Model for Renewable Electrolytic Fuel Production

The University of California, Irvine (UCI) through its Advanced Power and Energy Program is developing a roadmap for deployment of renewable electrolytic hydrogen production facilities in California. This project leverages resources to develop a hydrogen generation model to optimize dispatch and operation of facilities, including impacts on air quality. This action is to execute a contract with UCI in an amount not to exceed $100,000 from the Clean Fuels Program Fund (31). (Reviewed: Technology Committee, January 18, 2019; Recommended for Approval)

Miyasato/3249

10451. Amend Contract for Tier 4 Passenger Locomotives and Carl Moyer Program Award

Under the “Year 16” Carl Moyer Program, the Southern California Regional Rail Authority (SCRRA) requested $58.85 million to cofund the replacement of 17 and the purchase of 3 new Tier 4 locomotives. In September 2015, the Board awarded $22.85 million to SCRRA from the Carl Moyer Program AB 923 Fund (80), with a commitment to consider the remaining $36 million over four phases. In December 2016 and 2017, the Board approved $18 million of the remaining $36 million. The SCAQMD cost-share of this $129 million project is only for the replacement component of the project. This action is to amend SCRRA’s contract, adding $9 million, comprising $8.5 million from the Carl Moyer Program AB 923 Fund (80) and $500,000 from the Advanced Technology, Outreach and Education Fund (17), for a revised award total of $49.85 million. The remaining $9 million requested by SCRRA will be considered in a future Board request. This action is to also amend a “Year 19” Carl Moyer award approved in November 2017 to McMillan Farm Management for replacement of two instead of three off-road equipment. (Reviewed: Technology Committee, January 18, 2019; Recommended for Approval)

Miyasato/3249

10368. Renew SCAQMD’s Membership in CaFCP for Calendar Year 2019 and Receive and File California Fuel Cell Partnership Executive Board Meeting Agenda and Quarterly Updates

The SCAQMD has been a member of the California Fuel Cell Partnership (CaFCP) since 2000. These actions are to renew SCAQMD’s membership in the CaFCP in an amount not to exceed $70,000 for Calendar Year 2019 and cofund 50 percent of the CaFCP Regional Coordinator position located at SCAQMD in an amount not to exceed $50,000 from the Clean Fuels Program Fund (31). This action is to also receive and file the CaFCP Executive Board Meeting Agenda for October 17, 2018, and Quarterly Updates for the third and fourth quarters of 2018. (Reviewed: Technology Committee, January 18, 2019; Recommended for Approval)

Miyasato/3249
Amend Contract to Demonstrate Low NOx Combustion Technology on Refinery Boiler

In September 2017, the Board awarded a contract to ClearSign Combustion Corporation to demonstrate their Duplex™ low NOx combustion technology on a refinery boiler in an amount not to exceed $320,000 from the Rule 1118 Mitigation Fund (54). Torrance Refining Company was identified as the host site for the demonstration, but they are no longer able to act as the host site due to operational schedule changes and higher than anticipated project costs. However, ClearSign has identified an alternate in-basin refinery to serve as the host site using a smaller-sized heater for the demonstration. This action is to amend the contract with ClearSign, changing the host site to Lunday-Thagard Company dba World Oil Refining and reducing the contract value to an amount not to exceed $220,000 from the Rule 1118 Mitigation Fund (54). This action is to also authorize the Executive Officer to execute further amendments to this contract, as needed. (Reviewed: Technology Committee, January 18, 2019; Recommended for Approval)

Appropriate Funds and Amend or Execute Contracts with Outside Counsel and Specialized Legal Counsel and Services

This action is to appropriate $450,000 from the Undesignated (Unassigned) Fund Balance to Legal’s FY 2018-19 Budget and amend or execute contracts for legal counsel for specialized, environmental, and other litigation. (Reviewed: Administrative Committee; January 10, 2019; Recommended for Approval)

Issue RFP for Consultant Services for SCAQMD’s High School Air Quality Educational Outreach Program

SCAQMD seeks to implement an air quality educational outreach program in high schools in environmental justice communities within its jurisdiction. This action is to issue an RFP to solicit proposals from individuals and organizations to provide assistance with program development, outreach and implementation efforts related to the high school air quality educational program in an amount not to exceed $250,000. (Reviewed: Administrative Committee, January 10, 2019; Recommended for Approval)

Transfer and Appropriate Funds and Authorize Purchase of Kids Making Sense Kits

SCAQMD seeks to implement an air quality educational program at 100 high schools in environmental justice communities within its jurisdiction. The Kids Making Sense kits from Sonoma Technology, Inc. are critical to implementing the program as they integrate Science, Technology, Engineering, and Math education and California Next Generation Science Standards with air quality curriculum through hands-on learning experiences. This action is to transfer and appropriate funds from the BP ARCO Settlement Project Fund (46) to Legislative, Public Affairs and Media’s FY 2018-19 Budget and authorize the sole source purchase of 100 Kids Making Sense kits which can be reused multiple times, over multiple years in an amount not to exceed $276,875. (Reviewed: Administrative Committee, January 10, 2019; Recommended for Approval)
Approve Contract Awards and Modifications as Approved by MSRC

Items XX through XX - Information Only/Receive and File

10438. Legislative, Public Affairs, and Media Report

This Report highlights the December 2018 outreach activities of the Legislative, Public Affairs and Media Office, which includes: Major Events, Community Events/Public Meetings, Environmental Justice Update, Speakers Bureau/Visitor Services, Communications Center, Public Information Center, Business Assistance, Media Relations and Outreach to Business and Federal, State, and Local Government. (No Committee Review)

10527. Hearing Board Report

This reports the actions taken by the Hearing Board during the period of December 1 through December 31, 2018. (No Committee Review)

10503. Civil Filings and Civil Penalties Report

This reports the monthly penalties from December 1 through December 31, 2018, and legal actions filed by the General Counsel's Office from December 1 through December 31, 2018. An Index of District Rules is attached with the penalty report. (Reviewed: Stationary Source Committee, January 18, 2019)

10477. Lead Agency Projects and Environmental Documents Received by SCAQMD

This report provides, for the Board's consideration, a listing of CEQA documents received by the SCAQMD between December 1, 2018 and December 31, 2018, and those projects for which the SCAQMD is acting as lead agency pursuant to CEQA. (Reviewed: Mobile Source Committee, January 18, 2019)

10514. Rule and Control Measure Forecast

This report highlights SCAQMD rulemaking activities and public hearings scheduled for 2019. (No Committee Review)
10530. **Status Report on Major Ongoing and Upcoming Projects for Information Management** Moskowitz/3329

Information Management is responsible for data systems management services in support of all SCAQMD operations. This action is to provide the monthly status report on major automation contracts and planned projects. (Reviewed: Administrative Committee, January 10, 2019)

10507. **Status Report on Regulation XIII – New Source Review** Tisopulos/3123

This report presents the federal preliminary determination of equivalency for January 2017 through December 2017. As such, it provides information regarding the status of Regulation XIII – New Source Review in meeting federal NSR requirements and shows that SCAQMD’s NSR program is in preliminary compliance with applicable federal requirements from January 2017 through December 2017. (Reviewed: Stationary Source Committee, January 18, 2019)

10531. **Annual Report on 457 Deferred Compensation Plan** Olvera/2309

SCAQMD sponsors an IRS-approved 457 deferred compensation program for its employees. The Annual Report addresses the Board’s responsibility for monitoring the activities of the Deferred Compensation Plan Committee and ensuring the Committee carries out its fiduciary duties and responsibilities under the Committee Charter. This action is to file the annual report. (Reviewed: Administrative Committee, January 10, 2019; Recommended for Approval)

XX. **Items Deferred from Consent Calendar**

**BOARD CALENDAR**

10415. **Administrative Committee (Receive & File)** Chair: Burke Nastri/3131

10464. **Legislative Committee** Chair: Mitchell Alatorre/3122

10387. **Mobile Source Committee (Receive & File)** Chair: Parker Fine/2239

10532. **Stationary Source Committee (Receive & File)** Chair: Benoit Tisopulos/3123

10369. **Technology Committee (Receive & File)** Chair: Buscaino Miyasato/3249

10425. **Mobile Source Air Pollution Reduction Review Committee (Receive & File)** Board Liaison: Benoit Minassian/2641
10365. California Air Resources Board Monthly Report (Receive & File)

Board Rep: Mitchell Garzaro/2500

Staff Presentation/Board Discussion

10350. Proposed Approach to Address Hydrogen Fluoride Storage and Use at Petroleum Refineries

At the September 22, 2018 Refinery Committee meeting, staff was directed to develop a rule by May 2019, and consider utilization of a MOU with each refinery, to reduce the risk and consequences of a release of modified hydrogen fluoride (MHF). The proposed rule or MOU should include a possible phase-out of MHF if satisfactory mitigation and performance standards cannot be achieved. MHF is currently used at two refineries in the Basin: Torrance Refining Company Refinery (formally ExxonMobil Refinery) and Valero Wilmington Refinery. At the recommendation of the Refinery Committee, staff will present information on hydrogen fluoride use, health impacts, dispersion characteristics, and mitigation measures. Staff has been working with stakeholders on the development of Proposed Rule 1410 – Hydrogen Fluoride Storage and Use at Petroleum Refineries, and providing updates to the Refinery Committee since April 2017. Staff will also present concepts for mitigation requirements and a possible phase-out of MHF if proposed performance standards are not met. These concepts can be included in a rule or a MOU with each refinery. This action will seek Board direction to continue with this approach. (No Committee Review)

PUBLIC HEARINGS

10328. Determine that Proposed Amendments to Rule 1403 - Asbestos Emissions from Renovation/Demolition Activities are Exempt from CEQA and Amend Rule 1403

Rees/2856

Proposed amendments to Rule 1403 will provide revisions to further clarify existing rule requirements, enhance enforceability, and align the requirements with the applicable U.S. EPA NESHAP and with other state and local agency regulations. The proposed amendments include clarifying who is covered by the rule, standard and emergency notification procedures, specifying information to be included in survey reports, and reinforcing minimum sampling requirements for determining whether materials are asbestos-containing. This action is to adopt the Resolution: 1) Determining that the proposed amendments to Rule 1403 - Asbestos Emissions from Renovation/Demolition Activities are exempt from the requirements of the California Environmental Quality Act; and 2) Amending Rule 1403 - Asbestos Emissions from Renovation/Demolition Activities. (Reviewed: Stationary Source Committee, November 16, 2018)
Determine that Proposed Amendments to BACT Guidelines Are Exempt from CEQA and Amend BACT Guidelines and Charter for BACT Scientific Review Committee

Periodically, staff proposes amendments to the BACT Guidelines to add new or update determinations and/or policy. These actions are to add new and amended listings to Part B: Lowest Achievable Emission Rate Determinations for Major Polluting Facilities, Part D: BACT Determinations for Non-Major Polluting Facilities and update Parts A and C Policy for Major and Non-Major Polluting Facilities. Additionally, these actions are to determine that the proposed amendments to the BACT Guidelines are exempt from the California Environmental Quality Act, amend the BACT Guidelines to make them consistent with recent changes to SCAQMD rules and regulations as well as state requirements, and approve amendments to the charter for the BACT Scientific Review Committee. (Reviewed: Stationary Source Committee, January 18, 2019; Recommended for Approval)

PUBLIC COMMENT PERIOD – (Public Comment on Non-Agenda Items, Pursuant to Government Code Section 54954.3)

BOARD MEMBER TRAVEL – (No Written Material)

Board member travel reports have been filed with the Clerk of the Boards, and copies are available upon request.

CONFLICT OF INTEREST DISCLOSURES – (No Written Material)

CLOSED SESSION - (No Written Material)

ADJOURNMENT
***PUBLIC COMMENTS***

Members of the public are afforded an opportunity to speak on any agenda item before consideration of that item. Please notify the Clerk of the Board, (909) 396-2500, if you wish to do so. All agendas are posted at SCAQMD Headquarters, 21865 Copley Drive, Diamond Bar, California, at least 72 hours in advance of the meeting. At the end of the agenda, an opportunity is also provided for the public to speak on any subject within the SCAQMD’s authority. Speakers will be limited to a total of three (3) minutes for the Consent Calendar and Board Calendar and three (3) minutes or less for other agenda items.

Note that on items listed on the Consent Calendar and the balance of the agenda any motion, including action, can be taken (consideration is not limited to listed recommended actions). Additional matters can be added and action taken by two-thirds vote, or in the case of an emergency, by a majority vote. Matters raised under the Public Comment Period may not be acted upon at that meeting other than as provided above.

Written comments will be accepted by the Board and made part of the record, provided 25 copies are presented to the Clerk of the Board. Electronic submittals to cob@aqmd.gov of 10 pages or less including attachment, in MS WORD, PDF, plain or HTML format will also be accepted by the Board and made part of the record if received no later than 5:00 p.m., on the Tuesday prior to the Board meeting.

ACRONYMS

AQ-SPEC = Air Quality Sensor Performance Evaluation Center
AQIP = Air Quality Investment Program
AQMP = Air Quality Management Plan
AVR = Average Vehicle Ridership
BACT = Best Available Control Technology
BARCT = Best Available Retrofit Control Technology
Cal/EPA = California Environmental Protection Agency
CARB = California Air Resources Board
CEMS = Continuous Emissions Monitoring Systems
CEC = California Energy Commission
CEQA = California Environmental Quality Act
CE-CERT = College of Engineering-Center for Environmental Research and Technology
CNG = Compressed Natural Gas
CO = Carbon Monoxide
DOE = Department of Energy
EV = Electric Vehicle
FY = Fiscal Year
GHG = Greenhouse Gas
HRA = Health Risk Assessment
LEV = Low Emission Vehicle
LNG = Liquefied Natural Gas
MATES = Multiple Air Toxics Exposure Study
MOU = Memorandum of Understanding
MSERCs = Mobile Source Emission Reduction Credits
MSRC = Mobile Source (Air Pollution Reduction) Review Committee
NATTS = National Air Toxics Trends Station
NESHAPS = National Emission Standards for Hazardous Air Pollutants
NGV = Natural Gas Vehicle
NOx = Oxides of Nitrogen
NSPS = New Source Performance Standards
NSR = New Source Review
OEHHA = Office of Environmental Health Hazard Assessment
PAMS = Photochemical Assessment Monitoring Stations
PEV = Plug-In Electric Vehicle
PHEV = Plug-In Hybrid Electric Vehicle
PM10 = Particulate Matter ≤ 10 microns
PM2.5 = Particulate Matter ≤ 2.5 microns
RECLAIM = Regional Clean Air Incentives Market
RFP = Request for Proposals
RFQ = Request for Quotations
SCAG = Southern California Association of Governments
SIP = State Implementation Plan
SOx = Oxides of Sulfur
SOON = Surplus Off-Road Opt-In for NOx
SULEV = Super Ultra Low Emission Vehicle
TCM = Transportation Control Measure
ULEV = Ultra Low Emission Vehicle
U.S. EPA = United States Environmental Protection Agency
VOC = Volatile Organic Compound
ZEV = Zero Emission Vehicle
BOARD MEETING DATE: February 1, 2019

REPORT: Status Report on Major Ongoing and Upcoming Projects for Information Management

SYNOPSIS: Information Management is responsible for data systems management services in support of all SCAQMD operations. This action is to provide the monthly status report on major automation contracts and planned projects.

COMMITTEE: Administrative, January 10, 2019; Reviewed

RECOMMENDED ACTION:
Receive and file.

Wayne Nasti
Executive Officer

Background
Information Management (IM) provides a wide range of information systems and services in support of all SCAQMD operations. IM’s primary goal is to provide automated tools and systems to implement Board-approved rules and regulations, and to improve internal efficiencies. The annual Budget specifies projects planned during the fiscal year to develop, acquire, enhance, or maintain mission-critical information systems.

Summary of Report
The attached report identifies each of the major projects/contracts or purchases that are ongoing or expected to be initiated within the next six months. Information provided for each project includes a brief project description and the schedule associated with known major milestones (issue RFP/RFQ, execute contract, etc.).

Attachment
Information Management Status Report on Major Ongoing and Upcoming Projects During the Next Six Months
## ATTACHMENT
### February 1, 2019 Board Meeting
### Information Management Status Report on Major Ongoing and Upcoming Projects During the Next Six Months

<table>
<thead>
<tr>
<th>Project</th>
<th>Brief Description</th>
<th>Budget</th>
<th>Completed Actions</th>
<th>Upcoming Milestones</th>
</tr>
</thead>
</table>
| Implementation of Enterprise Geographic Information System (EGIS) Phase II | Continue to support accomplishment of the agency’s mission through the effective and cost-efficient implementation of EGIS and related technologies | $750,000 | • Purchased ESRI extensions for OnBase  
• Completed three prioritized EGIS projects:  
  o GIS Data Development  
  o System Documentation  
  o Portal/Mobile Development | • Complete the three prioritized EGIS projects:  
  o OnBase Expansion and GIS Integration  
  o CLASS GIS Integration  
  o One-click Site Report |
| Telecommunications Services                 | Select vendor(s) to provide local, long distance, telemetry, internet, cellular services, and phone system maintenance for a three-year period | $350,000 | • Released RFP  
  October 5, 2018  
  • Board Approval  
  January 4, 2019  
  • Executive of Office 365 | • Execute contract(s)  
  February 28, 2019 |
| Office 365 Implementation                    | Acquire and implement Office 365 for SCAQMD staff                               | $350,000 | • Pre-assessment evaluation and planning completed  
• Board action approved funding on October 5, 2018  
• Developed implementation and migration plan  
• Acquired Office 365 licenses | • Implement Office 365 email (Exchange) and migrate all users  
• Implement Office 365 file storage (OneDrive for Business) and migrate users  
• Implement Office 365 internal website (SharePoint) and migrate existing content |
<table>
<thead>
<tr>
<th>Project</th>
<th>Brief Description</th>
<th>Budget</th>
<th>Completed Actions</th>
<th>Upcoming Milestones</th>
</tr>
</thead>
</table>
| Permitting System Automation Phase 1             | New Web application to automate the filing of all permit applications with immediate processing and issuance of permits for specific application types: Dry Cleaners, Gas Stations and Automotive Spray Booths | $694,705 | • Phase 1 Automated 400A form filing, application processing, and online permit generation for Dry Cleaner module deployed to production  
• Facility ID Creation Module deployed to production  
• Phase 1.1 Automated 400A form filing, application processing, and online permit generation for Automotive Spray Booth and Gas Station Modules deployed to production | • Continue Phase 1.1 project outreach support  
• Enhance processing of school locations with associated parcels  
• Upgrade GIS Map integration and enhanced sensitive receptor identification and distance measurement work |
| Permitting System Automation Phase 2             | Enhanced Web application to automate filing process of Permit Applications, Rule 222 equipment, and registration process for IC Engines; implement electronic permit folder and workflow for internal SCAQMD users | $525,000 | • December 2017 Board action approved initial Phase 2 funding  
• May 2018 Phase 2 project startup and detail planning completed  
• Business process model approved  
• Development of Negative Air Machines, Boilers/Water Heaters/Process Heaters, Cooling Towers, Portable Heaters, and Food Ovens filing process completed | • User testing of completed Rule 222 forms including Negative Air Machines, Boilers/Water Heaters/Process Heaters, Cooling Towers, Portable Heaters, and Food Ovens  
• User testing of new set of Rule 222 forms including Tar Pots, Asphalt Tankers, Asphalt Heaters, Aqueous Urea Storage, Agricultural Engines, and Diesel Fuel Boilers |
<table>
<thead>
<tr>
<th>Project</th>
<th>Brief Description</th>
<th>Budget</th>
<th>Completed Actions</th>
<th>Upcoming Milestones</th>
</tr>
</thead>
</table>
| Permitting System Automation Phase 2 (Continued) |                                                                                  |        | • October 5, 2018 Board action approved remaining Phase 2 funding  
• Code development for Boilers, Heaters, Ovens, Baghouses, and IC Engines completed  
• Application submittals, and form filing of Char Broilers, Small Boilers, and Oil Wells processing completed  
• Wireframes and user stories for Tar Pots/Tar Kettles, Asphalt Day Tankers, and Asphalt Pavement Heaters completed  
• Development of new set of Rule 222 forms including Tar Pots, Asphalt Tankers, Asphalt Heaters, Aqueous Urea Storage, Agricultural Engines, and Diesel Fuel Boilers  | • Wireframes, user stories, and code development for Micro Turbines, Storage of Odorants, and Storage of Aqueous Urea Solutions |
| Information Technology Review Implementation | Complete Board requested Information Technology review and initiate work on implementation of key recommendations | $75,000 | • Initiated Implementation Planning and Resource Requirements for key recommendations  
• Conducted recruitment process to fill Systems & Programming Supervisor position  
• Completed Microsoft Project Plan training for all IM Managers, Supervisors and Secretaries  | • Office 365 deployment |
<table>
<thead>
<tr>
<th>Project</th>
<th>Brief Description</th>
<th>Budget</th>
<th>Completed Actions</th>
<th>Upcoming Milestones</th>
</tr>
</thead>
<tbody>
<tr>
<td>Information Technology Review Implementation (continued)</td>
<td></td>
<td></td>
<td>• Established Information Technology Steering Committee, members and charter</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Configured and deployed Project Management software for IM team</td>
<td></td>
</tr>
<tr>
<td>Permit Application Status and Dashboard Statistics</td>
<td>New Web application to allow engineers to update intermediate status of applications; create dashboard display of status summary with link to FIND for external user review</td>
<td>$100,000</td>
<td>• December 2017 Board action approved funding</td>
<td>• Code development for Release 1</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• April 2018 project startup and detail planning completed</td>
<td>• Code development for application search module</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• June 2018 wireframe and user story approved for Release 1</td>
<td>• User acceptance testing for data capture module</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• User story and wireframe approved for application search module</td>
<td>• User acceptance testing for user reports</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• User stories approved and coding completed for Dashboard Data Entry screens</td>
<td>• Internal deployment of application for engineers to populate application related data</td>
</tr>
<tr>
<td>Agenda Tracking System Replacement</td>
<td>Replace aging custom agenda tracking system with state-of-the-art, cost-effective Enterprise Content Management (ECM) system, which is fully integrated with OnBase, SCAQMD’s agency-wide ECM system</td>
<td>$86,600</td>
<td>• Released RFP December 4, 2015</td>
<td>• Identify funding source</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Awarded contract April 1, 2016</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Continued parallel testing</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Conducted survey of stakeholder satisfaction</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• As a result of the survey responses, the decision was made to develop a custom user interface for the application</td>
<td></td>
</tr>
<tr>
<td>Project</td>
<td>Brief Description</td>
<td>Budget</td>
<td>Completed Actions</td>
<td>Upcoming Milestones</td>
</tr>
<tr>
<td>-------------------------------------------------------</td>
<td>------------------------------------------------------------------------------------</td>
<td>--------</td>
<td>---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
<td>--------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Agenda Tracking System Replacement (continued)</td>
<td>• Revised project scope to include custom user interface</td>
<td></td>
<td>• Developed plan and schedule for revised scope</td>
<td></td>
</tr>
<tr>
<td>Document Conversion Services</td>
<td>Document Conversion Services to convert paper documents stored at SCAQMD facilities to electronic storage in OnBase</td>
<td>$83,000</td>
<td>• Released RFQ October 5, 2018 • Board Approved of qualified vendors January 4, 2019</td>
<td>• Execute purchase orders for scanning services</td>
</tr>
<tr>
<td>Replace Your Ride (RYR)</td>
<td>New Web application to allow residents to apply for incentives to purchase newer, less polluting vehicles</td>
<td>$301,820</td>
<td>• Phase 2 Fund Allocation, Administration and Management Reporting modules deployed and in production • Final Phase 2 user requested enhancements: VIN Number, Case Manager, Auto e-mail and document library updates deployed to production • Phase 3 Data Migration development work completed</td>
<td>• Phase 3 user approval for production • Implementation of Electric Vehicle Service Equipment and alternative mode of transportation in the RYR application • Approval of data migration • Approval of Phase 3 move to production</td>
</tr>
<tr>
<td>SCAQMD Mobile Application for iOS devices Phase 2</td>
<td>Enhancement of Mobile application with addition of Enhanced Notifications, Complaint Filing and Facility Information Detail</td>
<td>$100,000</td>
<td>• Project Charter released • Proposal received • Task order issued</td>
<td>• System design</td>
</tr>
<tr>
<td>Project</td>
<td>Brief Description</td>
<td>Budget</td>
<td>Completed Actions</td>
<td>Upcoming Milestones</td>
</tr>
<tr>
<td>----------------------------------------------</td>
<td>-----------------------------------------------------------------------------------</td>
<td>---------</td>
<td>----------------------------------------------------------------------------------</td>
<td>-----------------------------</td>
</tr>
</tbody>
</table>
| SCAQMD Mobile Application for Android devices Phase 1 | New mobile application for Android devices which will have the same functionality as the new iOS application | $75,000 | ● Project Charter released  
● Proposal received  
● Task order issued | ● System design |
| FIND System Replacement                      | Update and replace Facility Information Detail (FIND) application               | $148,150| ● Task order issued, evaluated and awarded  
● Detail project planning completed  
● Wireframe approved  
● Development completed  
● Automated Testing completed  
● Beta testing completed  
● User outreach and training completed  
● System moved to production | ● Phase 2 requirements gathering |
| Legal Division New System Development        | Develop new web-based case management system for Legal Division to replace existing JWorks System | $500,000| ● Task order issued, evaluated and awarded  
● Project initiated and project charter finalized  
● Business Process Model completed  
● Functional and system design received | ● Code development for Sprint 1 – NOV tracking and MSPAP case management  
● Data model design |
<table>
<thead>
<tr>
<th>Project</th>
<th>Brief Description</th>
<th>Budget</th>
<th>Completed Actions</th>
<th>Upcoming Milestones</th>
</tr>
</thead>
<tbody>
<tr>
<td>Flare Event Notification – Rule 1118</td>
<td>Develop new web-based application to comply with the Rule 1118 to improve current flare notifications to the public and the compliance team</td>
<td>$100,000</td>
<td>- Vision &amp; Scope issued&lt;br&gt;- Charter Document and proposal approved&lt;br&gt;- Task order issued&lt;br&gt;- Requirement gathering for Sprint 1 &amp; 2 completed&lt;br&gt;- System Design for Sprint 1 &amp; 2 completed</td>
<td>- Requirement gathering for Sprint 3&lt;br&gt;- System Design for Sprint 3</td>
</tr>
<tr>
<td>VW Environmental Mitigation Action Plan Project</td>
<td>California Air Resource Board has assigned SCAQMD to develop web applications for two projects: Zero-Emission Class 8 Freight and Port Drayage Truck Project &amp; Combustion Freight and Marine Project. It will be SCAQMD’s responsibility to develop a web application for both incentive programs, and maintain a database that will be queried for reporting perspectives for California Air Resource Board</td>
<td>$650,000</td>
<td>- Draft Charter Document issued&lt;br&gt;- Approve timeline and milestones&lt;br&gt;- Approve Charter&lt;br&gt;- Budget Transfer&lt;br&gt;- Approve qualifying vendor&lt;br&gt;- Requirement gathering&lt;br&gt;- Functional and system design</td>
<td></td>
</tr>
<tr>
<td>AQ-SPEC Cloud Platform</td>
<td>Develop a cloud-based platform to manage and visualize data collected by low-cost sensors.</td>
<td></td>
<td>- Task Order issued&lt;br&gt;- Proposals received&lt;br&gt;- Task Order to be awarded</td>
<td></td>
</tr>
</tbody>
</table>
In line with the agency’s green and paperless office initiatives, SCAQMD is implementing electronic requisition for PeopleSoft Financials. This implementation will allow individual divisions to submit their requisition online. Electronic requisition will also provide several additional benefits including tracking of multiple levels of approval, electronic archival of requisition documents, pre-encumbrance of budget, and streamlined workflow for Finance.

- Project Charter approved
- Task Order issued
- Proposal received
- Task Order awarded
- Requirement gathering for Sprint 1 completed
- Design for Sprint 1 completed
- Code Development for Sprint 1

<table>
<thead>
<tr>
<th>Project</th>
<th>Brief Description</th>
<th>Budget</th>
<th>Completed Actions</th>
<th>Upcoming Milestones</th>
</tr>
</thead>
<tbody>
<tr>
<td>PeopleSoft Electronic Requisition</td>
<td>In line with the agency’s green and paperless office initiatives, SCAQMD is implementing electronic requisition for PeopleSoft Financials. This implementation will allow individual divisions to submit their requisition online. Electronic requisition will also provide several additional benefits including tracking of multiple levels of approval, electronic archival of requisition documents, pre-encumbrance of budget, and streamlined workflow for Finance.</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Projects that have been completed are shown below.

<table>
<thead>
<tr>
<th>Completed Projects</th>
<th>Date Completed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Website &amp; Evaluation Improvements</td>
<td>January 6, 2018</td>
</tr>
<tr>
<td>Information Technology Review</td>
<td>January 31, 2018</td>
</tr>
<tr>
<td>Prequalify Vendor List for PCs, Network Hardware, etc.</td>
<td>February 3, 2018</td>
</tr>
<tr>
<td>Renewal of HP Server Maintenance &amp; Support</td>
<td>April 6, 2018</td>
</tr>
<tr>
<td>Implementation of Enterprise Geographic Information System (EGIS) Phase I</td>
<td>May 30, 2018</td>
</tr>
<tr>
<td>Fiber Cable Network Infrastructure Upgrade</td>
<td>May 30, 2018</td>
</tr>
<tr>
<td>Air Quality Index Rewrite and Migration</td>
<td>June 29, 2018</td>
</tr>
<tr>
<td>AQMD Mobile Application for iOS devices Phase 1</td>
<td>November 2, 2018</td>
</tr>
<tr>
<td>CLASS Database Software Licensing and Support</td>
<td>November 30, 2018</td>
</tr>
</tbody>
</table>
PROPOSAL: Appropriate Funds and Amend or Execute Contracts with Outside Counsel and Specialized Legal Counsel and Services

SYNOPSIS: This action is to appropriate $450,000 from the Undesignated (Unassigned) Fund Balance to Legal’s FY 2018-19 Budget and amend or execute contracts for legal counsel for specialized, environmental, and other litigation.

COMMITTEE: Administrative, January 10, 2019; Recommended for Approval

RECOMMENDED ACTIONS:
1. Appropriate $450,000 from the Undesignated (Unassigned) Fund Balance to Legal’s FY 2018-19 Budget, Services and Supplies Major Object, Professional and Special Services Account.
2. Authorize the Chairman or the Executive Officer, depending on whether the amount exceeds $75,000, to amend or execute contracts with legal counsel handling existing matters, as well as prequalified counsel approved by the Board, and specialized legal counsel and services, as the need arises.

Wayne Nastri
Executive Officer

Background
The FY 2018-19 Budget as adjusted December 7, 2018, included $279,500 for litigation expenses in environmental law and other cases and specialized legal counsel and services. The total amount currently allocated will not cover current and anticipated costs of legal counsel and specialized counsel and services.

SCAQMD will require an additional amount of up to $450,000 for these services. Monies will be expended on lawsuits and legal proceedings, including a bankruptcy case in the Exide matter; drafting legislation and advising staff regarding the proposed ballot
initiative to authorize a sales tax; the Anaplex case resulting from toxics monitoring in the Paramount area; confidentiality issues related to modified hydrogen fluoride; and defending on Appeal the challenge to SCAQMD’s environmental analysis of the Tesoro Los Angeles Refinery Integration and Compliance project. In the Tesoro case, Tesoro will reimburse the SCAQMD for attorney’s fees and other costs once the case is completed. Accordingly, staff is requesting an appropriation of funds in the amount of $450,000, for a total expected expenditure of $729,500 this fiscal year.

Proposal
In order to defend ongoing litigation, and continue other legal work, it is necessary to appropriate additional funds for expenditures by outside counsel. It is expected that ongoing lawsuits and other legal work will require an additional $450,000 for attorney’s fees and costs for prequalified counsel approved by the Board with specialized legal counsel and services, as the need arises.

Resource Impacts
Sufficient funds are available in Legal’s FY 2018-19 Budget upon approval of this Board letter. This action will bring the total amount of outside counsel costs approved by the Board in FY 2018-19 to $729,500.
Background
SCAQMD sponsors and administers a 457 deferred compensation program for its employees. The Deferred Compensation Plan (“Plan”) is administered by Massachusetts Mutual Life Insurance Company (MassMutual), a retirement services, asset management and insurance firm. State law governs the fiduciary requirement for the operation and investment of 457 plans sponsored by governmental entities. SCAQMD’s Governing Board serves a fiduciary role subject to the duties and obligations under Article XVI, Section 17 of the California Constitution.

To meet its fiduciary responsibilities, the Board, at the time it established SCAQMD’s 457 Plan, also established a Deferred Compensation Plan Committee (“Committee”) to oversee the administration of the Plan. On May 2, 2008, the Board approved the Deferred Compensation Plan Committee Charter, formalizing the fiduciary duties and responsibilities of the Committee. The four members of the Deferred Compensation Plan Committee are the Assistant Deputy Executive Officer/Finance, the Assistant
Deputy Executive Officer/Administrative and Human Resources, the Human Resources Manager over employee benefits, and the General Counsel.

In addition to the Plan administrator, SCAQMD utilizes the services of an independent, third-party consulting firm, Benefit Financial Services Group (BFSG), to provide services to the Plan as a fiduciary under a Registered Investment Advisor agreement.

**Summary of Report**
Attached is the 457 Deferred Compensation Plan Annual Report to the Board for FY 2017-18. The Committee meets on a regular basis to review the Plan’s design, investment options, asset allocation/demographics, and to make changes as necessary. During this fiscal year period the Committee placed one fund on the Watch List due to relative underperformance and removed another from the list due to improved performance, replaced several date and index funds, and added both a large and small cap value index fund.

Additionally, the Committee voted to initiate the Plan’s transition to MassMutual’s new and enhanced user platform (completed August 8, 2018), engaged MassMutual for the processing of retiree benefit payment requests (i.e., retiree distributions), adopted a fee leveling structure, and modified the Plan’s loan program to provide more options to participants.

As of June 30, 2018, the Plan has:
- 940 participants (employees and retirees)
- Over $177.5 million in assets
- An average account balance of $188,870
- Outperformed the 3-, 5- and 10-year benchmarks

The attached report provides detailed information regarding Plan Assets/Demographics and Plan Performance.

**Proposal**
Staff recommends that the Board receive and file the Plan Annual Report.

**Attachment**
457 Deferred Compensation Plan Annual Report for FY 2017-18
# Table of Contents

<table>
<thead>
<tr>
<th>Section</th>
<th>Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>Section I</td>
<td>Executive Summary</td>
</tr>
<tr>
<td>Section II</td>
<td>Year in Review</td>
</tr>
<tr>
<td>Section III</td>
<td>Plan Assets / Demographics</td>
</tr>
<tr>
<td>Section IV</td>
<td>Plan Performance</td>
</tr>
<tr>
<td>Section V</td>
<td>Appendix</td>
</tr>
<tr>
<td></td>
<td>• Meeting Minutes</td>
</tr>
</tbody>
</table>
SECTION I

EXECUTIVE SUMMARY
Executive Summary

South Coast Air Quality Management District ("SCAQMD") sponsors and administers an eligible deferred compensation program for its employees, as covered under section 457 of the Federal Internal Revenue Code. SCAQMD’s Deferred Compensation Plan ("Plan") was adopted on January 1, 1987. Employees are immediately eligible upon hire to participate in the Plan.

SCAQMD’s Deferred Compensation Plan Committee ("Committee"), officially chartered in May 2008, and whose members are appointed by SCAQMD’s Governing Board, meets on a regular basis to review the Plan’s design, investment options, asset allocation/demographics, and to make changes as necessary. Current membership includes the Assistant Deputy Executive Officer of Finance, General Counsel, the Assistant Deputy Executive Officer of Administration and Human Resources, and a Human Resources Manager.

The Plan is administered by Massachusetts Mutual Life Insurance Company ("Mass Mutual"), a retirement services, asset management and insurance firm. MassMutual provides recordkeeping and administration services to 1,577 Governmental 457 Plans, with over $14.7 billion in total assets, as of December 31, 2017. MassMutual has been administering 457 Plans since 1979, and has an S&P credit rating of AA+.

In addition to the retirement plan administrator, SCAQMD utilizes the services of Benefit Financial Services Group ("BFSG"). BFSG is a third-party consulting firm that provides services to the Plan as a fiduciary under a Registered Investment Advisor agreement. Their consulting services include investment analysis, review and recommendation of investment options offered in the Plan, fiduciary compliance assistance to Committee members and annual Plan cost benchmarking. BFSG has been providing services to the Plan since 2007.

The Plan was established to provide a retirement savings program for the employees of SCAQMD and is maintained for the exclusive purpose of benefiting the Plan participants and their beneficiaries. The Plan is also intended to operate in accordance with all applicable state and federal laws and regulations.

While Plan participants are ultimately responsible for their own investment decisions, the Committee endeavors to provide an appropriate range of investment options, allowing participants to invest in accordance with their own time horizons, risk tolerance, and retirement goals.
SECTION II

YEAR IN REVIEW
## 2017/2018 Year in Review

Items addressed and adopted by the Committee during the year are as follows:

### Plan Summary

<table>
<thead>
<tr>
<th>Meeting Date</th>
<th>Item</th>
<th>Update</th>
</tr>
</thead>
<tbody>
<tr>
<td>September 13, 2017</td>
<td>Annual Report</td>
<td>BFSG prepared and presented to the Committee the FY 2017 Annual Report.</td>
</tr>
<tr>
<td>MassMutual &quot;REFLEX&quot; Platform</td>
<td></td>
<td>The Committee unanimously agreed to begin the process of transitioning to MassMutual’s “REFLEX” platform in the second quarter of 2018 with expected completion in July.</td>
</tr>
<tr>
<td>Amendment to Administrative Services Agreement</td>
<td></td>
<td>The Committee unanimously agreed to outsource benefit payment requests to MassMutual effective November 1, 2017.</td>
</tr>
<tr>
<td>April 11, 2018</td>
<td>Fee Levelization</td>
<td>The Committee unanimously agreed to adopt a fee leveling process by which all participants will be charged an equivalent asset-based fee.</td>
</tr>
<tr>
<td>June 6, 2018</td>
<td>457 Plan Loan Refinancing</td>
<td>The Committee unanimously agreed to permit certain types of loan refinancing as well as allow for loan repayment after separation of services through ACH payment directly to MassMutual.</td>
</tr>
</tbody>
</table>
### 2017/2018 Year in Review

Items addressed and adopted by the Committee during the year are as follows:

## Investment Menu

<table>
<thead>
<tr>
<th>Meeting Date</th>
<th>Item</th>
<th>Update</th>
</tr>
</thead>
<tbody>
<tr>
<td>September 13, 2017</td>
<td>Watch List</td>
<td>The Committee unanimously agreed to remove Invesco Real Estate Fund from the watch list due to improved performance.</td>
</tr>
<tr>
<td>November 14, 2017</td>
<td>Fund Change</td>
<td>The SSgA Target Date Funds were scheduled to close on December 15, 2017. The Committee unanimously agreed to replace the SSgA Target Date Funds with T. Rowe Price, effective December 14, 2017.</td>
</tr>
<tr>
<td>December 13, 2017</td>
<td>Watch List</td>
<td>The Committee unanimously agreed to place MFS International New Discovery on the Watch List due to underperformance.</td>
</tr>
<tr>
<td>April 11, 2018</td>
<td>Share Class / Fund Changes</td>
<td>The Committee unanimously agreed to proposed share class changes and to replace the SSgA index funds with Vanguard.</td>
</tr>
<tr>
<td>June 6, 2018</td>
<td>Fund Changes</td>
<td>The Committee unanimously agreed to add DFA U.S. Large Cap Value and Vanguard Small Cap Value Index.</td>
</tr>
<tr>
<td></td>
<td>457 Plan Default Investment Selection</td>
<td>The Committee unanimously agreed to utilize the T. Rowe Price Target Date Series as the primary default investment option for non-participant directed monies in the 457 Plan. The Invesco Equity and Income was chosen as a secondary default option for participants with no date of birth on file.</td>
</tr>
</tbody>
</table>
SECTION III

PLAN ASSETS / DEMOGRAPHICS
Plan Assets / Demographics as of June 30, 2018

<table>
<thead>
<tr>
<th>Investment Option</th>
<th>% of Plan Assets</th>
<th>Participants</th>
<th>Plan Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Account</td>
<td>47.09%</td>
<td>656</td>
<td>$83,595,322</td>
</tr>
<tr>
<td>T. Rowe Price Blue Chip Growth I</td>
<td>11.84%</td>
<td>436</td>
<td>$21,024,096</td>
</tr>
<tr>
<td>American Funds Fundamental Invs R4</td>
<td>8.03%</td>
<td>233</td>
<td>$14,255,881</td>
</tr>
<tr>
<td>Hartford MidCap HLS IA</td>
<td>4.28%</td>
<td>339</td>
<td>$7,592,256</td>
</tr>
<tr>
<td>SSgA S&amp;P 500 Index Sec Lend Inv Opt I</td>
<td>4.15%</td>
<td>175</td>
<td>$7,366,490</td>
</tr>
<tr>
<td>Hartford Dividend and Growth HLS IA</td>
<td>3.66%</td>
<td>342</td>
<td>$6,496,948</td>
</tr>
<tr>
<td>Hartford International Opp HLS IA</td>
<td>2.87%</td>
<td>370</td>
<td>$5,100,798</td>
</tr>
<tr>
<td>Invesco Equity and Income A</td>
<td>2.45%</td>
<td>129</td>
<td>$4,355,018</td>
</tr>
<tr>
<td>Goldman Sachs Small Cap Gr Insights Inv</td>
<td>2.23%</td>
<td>294</td>
<td>$3,964,318</td>
</tr>
<tr>
<td>Metropolitan West Total Return Bond Plan</td>
<td>1.72%</td>
<td>227</td>
<td>$3,045,444</td>
</tr>
<tr>
<td>Hartford Healthcare HLS IA</td>
<td>1.52%</td>
<td>93</td>
<td>$2,699,961</td>
</tr>
<tr>
<td>Vanguard Selected Value Inv</td>
<td>1.35%</td>
<td>273</td>
<td>$2,393,985</td>
</tr>
<tr>
<td>T. Rowe Price Retirement 2045</td>
<td>1.26%</td>
<td>77</td>
<td>$2,244,486</td>
</tr>
<tr>
<td>American Beacon Small Cp Val Inst</td>
<td>1.14%</td>
<td>274</td>
<td>$2,023,313</td>
</tr>
<tr>
<td>SSgA US Interm Gov/Credit Bond Index SL Inv Opt I</td>
<td>1.08%</td>
<td>150</td>
<td>$1,914,460</td>
</tr>
<tr>
<td>T. Rowe Price Retirement 2035</td>
<td>0.99%</td>
<td>31</td>
<td>$1,749,420</td>
</tr>
<tr>
<td>MFS® International New Discovery A</td>
<td>0.94%</td>
<td>96</td>
<td>$1,670,983</td>
</tr>
<tr>
<td>SSgA S&amp;P MidCap Index Non-Lend Series Inv Opt I</td>
<td>0.85%</td>
<td>100</td>
<td>$1,510,880</td>
</tr>
<tr>
<td>SSgA Russell Small Cap Index Sec Lend Inv Opt I</td>
<td>0.67%</td>
<td>88</td>
<td>$1,197,945</td>
</tr>
<tr>
<td>MFS® Utilities A</td>
<td>0.65%</td>
<td>79</td>
<td>$1,149,102</td>
</tr>
<tr>
<td>SSgA International Index Sec Lend Series Inv Opt I</td>
<td>0.34%</td>
<td>44</td>
<td>$612,422</td>
</tr>
<tr>
<td>Invesco Real Estate R5</td>
<td>0.32%</td>
<td>38</td>
<td>$572,579</td>
</tr>
<tr>
<td>T. Rowe Price Retirement 2025</td>
<td>0.21%</td>
<td>15</td>
<td>$375,861</td>
</tr>
<tr>
<td>Neuberger Berman Sustainable Eq R6</td>
<td>0.19%</td>
<td>33</td>
<td>$334,175</td>
</tr>
<tr>
<td>T. Rowe Price Retirement 2040</td>
<td>0.05%</td>
<td>3</td>
<td>$91,338</td>
</tr>
<tr>
<td>T. Rowe Price Retirement 2030</td>
<td>0.04%</td>
<td>2</td>
<td>$67,711</td>
</tr>
<tr>
<td>T. Rowe Price Retirement 2050</td>
<td>0.03%</td>
<td>5</td>
<td>$57,919</td>
</tr>
<tr>
<td>T. Rowe Price Retirement 2010</td>
<td>0.03%</td>
<td>2</td>
<td>$51,468</td>
</tr>
<tr>
<td>T. Rowe Price Retirement 2015</td>
<td>0.01%</td>
<td>3</td>
<td>$13,194</td>
</tr>
<tr>
<td>T. Rowe Price Retirement 2020</td>
<td>0.01%</td>
<td>2</td>
<td>$9,252</td>
</tr>
<tr>
<td>T. Rowe Price Retirement 2060</td>
<td>0.00%</td>
<td>1</td>
<td>$1,212</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100.00%</strong></td>
<td><strong>940</strong></td>
<td><strong>$177,538,238</strong></td>
</tr>
</tbody>
</table>

Note: Total does not include Self-Directed Brokerage Account
Plan Assets / Demographics

Growth of Plan Assets

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Q2</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q4</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q2</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q4</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Plan Participants by Age

Participants (End of Fiscal Year)

<table>
<thead>
<tr>
<th>Age Group</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ages 18-34</td>
<td>111</td>
<td>132</td>
</tr>
<tr>
<td>Ages 35-49</td>
<td>202</td>
<td>215</td>
</tr>
<tr>
<td>Ages 50-64</td>
<td>415</td>
<td>401</td>
</tr>
<tr>
<td>Ages 65+</td>
<td>169</td>
<td>192</td>
</tr>
</tbody>
</table>
# Plan Assets / Demographics

## Average Account Balance by Age

### Average Account Balance (End of Fiscal Year)

<table>
<thead>
<tr>
<th>Age Group</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ages 18-34</td>
<td>$20,642</td>
<td>$23,644</td>
</tr>
<tr>
<td>Ages 35-49</td>
<td>$80,330</td>
<td>$84,729</td>
</tr>
<tr>
<td>Ages 50-64</td>
<td>$241,593</td>
<td>$260,709</td>
</tr>
<tr>
<td>Ages 65+</td>
<td>$249,763</td>
<td>$272,021</td>
</tr>
</tbody>
</table>

## Average Contributions by Age

### Average Quarterly Contribution by Age (End of Fiscal Year)

<table>
<thead>
<tr>
<th>Age Group</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ages 18-34</td>
<td>$514</td>
<td>$613</td>
</tr>
<tr>
<td>Ages 35-49</td>
<td>$545</td>
<td>$819</td>
</tr>
<tr>
<td>Ages 50-64</td>
<td>$809</td>
<td>$1,236</td>
</tr>
<tr>
<td>Ages 65+</td>
<td>$132</td>
<td>$1,251</td>
</tr>
</tbody>
</table>
# Plan Assets / Demographics

## Annual Net Cash Flow – YTD 2018

<table>
<thead>
<tr>
<th>QUARTER ENDING</th>
<th>2018</th>
<th>YTD</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>March 31st</td>
<td>June 30th</td>
</tr>
<tr>
<td><strong>Cash Flow</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Beginning Market Value</td>
<td>$171,599,211</td>
<td>$173,610,939</td>
</tr>
<tr>
<td>Contributions</td>
<td>$1,944,813</td>
<td>$2,115,481</td>
</tr>
<tr>
<td>Withdrawals</td>
<td>-$1,576,875</td>
<td>-$1,237,252</td>
</tr>
<tr>
<td>Net Loan Activity</td>
<td>$58,259</td>
<td>$124,026</td>
</tr>
<tr>
<td>Fees</td>
<td>-$1,407</td>
<td>-$1,489</td>
</tr>
<tr>
<td><strong>NET CASH FLOW</strong></td>
<td>$424,790</td>
<td>$1,000,766</td>
</tr>
<tr>
<td>Change in Value</td>
<td>$1,586,007</td>
<td>$3,495,813</td>
</tr>
<tr>
<td>Net Transfers</td>
<td>$932</td>
<td>$0</td>
</tr>
<tr>
<td><strong>Ending Market Value</strong></td>
<td>$173,610,939</td>
<td>$178,107,518</td>
</tr>
</tbody>
</table>

## Annual Net Cash Flow - 2017

<table>
<thead>
<tr>
<th>QUARTER ENDING</th>
<th>2017</th>
<th>YTD</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>March 31st</td>
<td>June 30th</td>
</tr>
<tr>
<td><strong>Cash Flow</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Beginning Market Value</td>
<td>$150,746,832</td>
<td>$155,539,416</td>
</tr>
<tr>
<td>Contributions</td>
<td>$2,016,118</td>
<td>$2,010,298</td>
</tr>
<tr>
<td>Withdrawals</td>
<td>-$2,706,288</td>
<td>-$678,735</td>
</tr>
<tr>
<td>Net Loan Activity</td>
<td>$65,945</td>
<td>$135,221</td>
</tr>
<tr>
<td>Fees</td>
<td>-$1,583</td>
<td>-$1,482</td>
</tr>
<tr>
<td><strong>NET CASH FLOW</strong></td>
<td>-$625,809</td>
<td>$1,465,302</td>
</tr>
<tr>
<td>Change in Value</td>
<td>$5,418,393</td>
<td>$3,961,673</td>
</tr>
<tr>
<td>Net Transfers</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td><strong>Ending Market Value</strong></td>
<td>$155,539,416</td>
<td>$160,966,392</td>
</tr>
</tbody>
</table>
SECTION IV

PLAN PERFORMANCE
Weighted Portfolio Return versus Custom Benchmark

<table>
<thead>
<tr>
<th>Performance as of June 30, 2018</th>
<th>3 Month</th>
<th>1 Year</th>
<th>Annualized Returns</th>
<th>3 YR Std Dev</th>
<th>3 YR Sharpe</th>
<th>Expense Ratio*</th>
</tr>
</thead>
<tbody>
<tr>
<td>SCAQMD 457 Plan</td>
<td>2.05%</td>
<td>9.73%</td>
<td>7.88% 8.78% 7.50%</td>
<td>5.29</td>
<td>1.33</td>
<td>0.68</td>
</tr>
<tr>
<td>Custom Benchmark - Index (Passive)</td>
<td>1.95%</td>
<td>8.04%</td>
<td>6.31% 7.12% 6.17%</td>
<td>4.98</td>
<td>1.11</td>
<td>N/A</td>
</tr>
<tr>
<td>Static Benchmark**</td>
<td>0.07%</td>
<td>4.06%</td>
<td>4.51% 5.34% 5.10%</td>
<td>4.46</td>
<td>0.84</td>
<td>N/A</td>
</tr>
<tr>
<td>Custom Benchmark - Category (Active)</td>
<td>1.85%</td>
<td>7.72%</td>
<td>5.44% 6.42% 5.47%</td>
<td>5.03</td>
<td>0.94</td>
<td>0.82</td>
</tr>
</tbody>
</table>

*Custom expense ratio represents the weighted expense (based upon current allocation) of Institutional and Retirement share classes in each asset category.

**Static Benchmark is comprised of 60% in Vanguard Total Bond Index and 40% in Vanguard Total World Stock Index.

---

**Annualized Returns**

- **SCAQMD 457 Plan**
- **Custom Benchmark - Index (Passive)**
- **Static Benchmark**
- **Custom Benchmark - Category (Active)**
## Individual Fund Ranking
(Per Investment Policy Statement Evaluation Criteria)

### Investment Name
- **Intermediate-Term Bond**
  - Metropolitan West Total Return Bd Plan
- **Allocation—50-70% Equity**
  - Invesco Equity and Income A
- **Large Value**
  - Hartford Dividend and Growth HLS IA
- **Large Blend**
  - American Funds Fundamental Invs R4
  - Neuberger Berman Sustainable Eq R6
- **Large Growth**
  - T. Rowe Price Blue Chip Growth I
- **Mid Value**
  - Vanguard Selected Value Inv
- **Mid Growth**
  - Hartford MidCap HLS IA
- **Small Value**
  - American Beacon Small Cp Val Inst
- **Small Growth**
  - Goldman Sachs Small Cap Gr Insights Inv
- **Foreign Large Equity**
  - Hartford International Opp HLS IA
- **Foreign Small/Mid Equity**
  - MFS® International New Discovery A
- **Healthcare**
  - Hartford Healthcare HLS IA
- **Real Estate**
  - Invesco Real Estate R5
- **Utilities**
  - MFS® Utilities A
- **Target Date Series**
  - T. Rowe Price Retirement Series

### Quarterly Ranking

<table>
<thead>
<tr>
<th>Investment Name</th>
<th>2Q18</th>
<th>1Q18</th>
<th>4Q17</th>
<th>3Q17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intermediate-Term Bond</td>
<td>6</td>
<td>7</td>
<td>5</td>
<td>3</td>
</tr>
<tr>
<td>Invesco Equity and Income A</td>
<td>43</td>
<td>34</td>
<td>29</td>
<td>27</td>
</tr>
<tr>
<td>Hartford Dividend and Growth HLS IA</td>
<td>3</td>
<td>2</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>American Funds Fundamental Invs R4</td>
<td>18</td>
<td>16</td>
<td>18</td>
<td>14</td>
</tr>
<tr>
<td>Neuberger Berman Sustainable Eq R6</td>
<td>26</td>
<td>30</td>
<td>56</td>
<td>50</td>
</tr>
<tr>
<td>T. Rowe Price Blue Chip Growth I</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Vanguard Selected Value Inv</td>
<td>16</td>
<td>7</td>
<td>6</td>
<td>10</td>
</tr>
<tr>
<td>Hartford MidCap HLS IA</td>
<td>4</td>
<td>4</td>
<td>4</td>
<td>6</td>
</tr>
<tr>
<td>American Beacon Small Cp Val Inst</td>
<td>11</td>
<td>11</td>
<td>9</td>
<td>6</td>
</tr>
<tr>
<td>Goldman Sachs Small Cap Gr Insights Inv</td>
<td>22</td>
<td>24</td>
<td>23</td>
<td>19</td>
</tr>
<tr>
<td>Hartford International Opp HLS IA</td>
<td>12</td>
<td>5</td>
<td>6</td>
<td>3</td>
</tr>
<tr>
<td>MFS® International New Discovery A</td>
<td>44</td>
<td>49</td>
<td>51</td>
<td>50</td>
</tr>
<tr>
<td>Hartford Healthcare HLS IA</td>
<td>18</td>
<td>8</td>
<td>10</td>
<td>6</td>
</tr>
<tr>
<td>Invesco Real Estate R5</td>
<td>37</td>
<td>35</td>
<td>37</td>
<td>42</td>
</tr>
<tr>
<td>MFS® Utilities A</td>
<td>78</td>
<td>78</td>
<td>83</td>
<td>80</td>
</tr>
<tr>
<td>T. Rowe Price Retirement Series</td>
<td>14</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>

### Average Rank
- 22
- 21
- 23
- 21

### Plan Weighted Rank (Reweighted)
- 13
- 11
- 12
- 11

---

**Note:** Average and Plan-Weighted Average rankings shown above reflect the actual funds offered in the Plan (and their respective weightings) during the applicable quarter.
SECTION V
APPENDIX
BOARD MEETING DATE:  September 13, 2017

REPORT:  Deferred Compensation Plan Committee

SYNOPSIS:  The Deferred Compensation Plan Committee met on Wednesday, September 13, 2017 at 2:00pm at SCAQMD headquarters in Diamond Bar. The following is a summary of that meeting.

RECOMMENDED ACTION:
Receive and file.

A. John Olvera, Chair
Deferred Compensation Plan

AJO:AM:tc
Committee Members Present
Mr. John Olvera – Asst. Deputy Executive Officer/Admin and Human Resources
Mr. Michael O’Kelly – Chief Administrative Officer
Mr. Bill Richards – Human Resources Manager

Committee Members Absent
Mr. Kurt Wiese – General Counsel

Guests
Ross Hooper, Benefit Financial Services Group (“BFSG”)
Darren Stewart, BFSG
Dario Gomez, MassMutual

Call to Order
Chair Olvera called the meeting to order at 2:00 pm.

ACTION ITEMS:

1. Approval of Prior Meeting Minutes (Administrative): The minutes from the meeting held on June 7, 2017 were reviewed and unanimously approved by the Committee members in attendance.

2. 457 and 401(a) Plans Quarterly Investment Review (Fiduciary): 2nd Quarter 2017: The Committee members in attendance reviewed and unanimously approved the 457 Deferred Compensation and 401(a) Plans Quarterly Investment Review for the quarter ending June 30, 2017. Mr. Stewart provided the Committee with an overview of current economic and market conditions including: GDP, unemployment, inflation, interest rates, exchange rates and market/sector returns. The Investment Options offered in the Plan were reviewed in accordance with the Investment Policy Statement. Additional information was provided on the following noteworthy funds:

   Metropolitan West Total Return Bond Fund has underperformed its category peers and passive benchmark on a short-term basis. The fund’s defensive stance has led to an underweight to corporate bonds, which has detracted from short-term returns. However, the fund has retained strong long-term performance results, outperforming category peers on a 3, 5 and 10-year basis.

   Neuberger Berman Socially Responsive Fund is currently on the Watch List due to performance-related issues and a change in fund management. The fund has underperformed its passive benchmark across all measured periods, returning just 2.72% for the quarter compared to 4.67% and 5.19% for the passive index and category average, respectively. The fund’s overall Evaluation Methodology score increased from 38 to 46, thus retaining a “perform” rating. The fund’s
underperformance during the quarter can be attributed to its strategy of “growth at a reasonable price”, causing the fund to have an overweight to value oriented stocks, which have underperformed their growth oriented counterparts. This led the fund to hold a very large overweight position in the poorly performing energy sector, which was the largest detractor from relative performance. After discussion, the Committee members in attendance unanimously agreed to keep the fund on the Watch List.

*Invesco Real Estate Fund* is currently on the Watch List due to underperformance. The fund outperformed its passive benchmark and category peers for the quarter, and is now beating its category peers across all measured periods. Positive stock selection in the shopping center sector was the largest contributor to relative performance during the quarter. After discussion, the Committee members in attendance unanimously agreed to remove the fund from the Watch List in lieu of the improved performance results.

*MFS Utilities Fund* was placed on the Watch List in March 2017 due to underperformance. Long-term performance measures remain well below the fund’s passive benchmark, with 3-year annualized performance returning just 0.18%, compared to 9.37% for the benchmark. This underperformance can be attributed to poor stock selection in the utilities sector coupled with a large overweight to the underperforming energy sector. However, on a short-term basis the fund is outperforming its passive benchmark and category peers. Conversely to 3-year performance, it was positive stock selection in the utilities sector, which contributed to the funds relative outperformance. After discussion, the Committee members in attendance unanimously agreed to keep the fund on the Watch List, pending further performance improvement.

*SSgA Dow Jones Target Date Series* uses a conservative strategy by being underweight equities compared to their category peers, which has detracted from performance across all measured periods. Mr. Stewart proposed carrying out a fund search to look for alternative options after the Plan transitions to the new Reflex platform, as more options will then be available. The Committee members in attendance unanimously agreed.

The Plan’s Asset Allocation Models outperformed their respective benchmarks across all measured time periods. Although 3-year standard deviations are slightly above their respective benchmarks, the 3-year Sharpe ratio highlights how this small level of increased risk has been rewarded with superior returns.

Based on participant allocations as of June 30, 2017, the Plan outperformed its custom active and passive benchmarks across all measured time periods noted in the Report. Although the Plan has a slightly higher standard deviation than its custom active benchmark, the returns show that this risk has been rewarded. The
plan weighted expense ratio remains around 20% lower than that of the custom active benchmark.

The Committee reviewed the revenue received by MassMutual. The annual revenue per participant remained at approximately $108, based on the assets as of June 30, 2017. The annual revenue per participant has been marginally increasing since the fee reduction. The Committee will continue to monitor fees on an ongoing basis.

The Committee reviewed the 401(a) Plan Quarterly Investment Review. The Plan had assets of $12,365 as of June 30, 2017. Based on participant allocations, the Plan outperformed its custom active and passive benchmarks across all measured periods. The Plan weighted expense ratio was around 23% lower than its custom active benchmark.

3. **MassMutual “REFLEX” Platform (Administrative):** Mr. Gomez provided information regarding the benefits of transitioning the 457 Deferred Compensation Plan from the Hartford platform to the Reflex platform offered by MassMutual. These benefits included: a better participant experience as a result of an improved participant website, a larger choice of investment options available for the Plan, enhanced automation to reduce SCAQMD’s administrative responsibilities, and the ability to introduce a zero revenue sharing fund lineup with fee levelization.

The transition would involve a series of administrative responsibilities. The transition would take roughly 90 days to complete and would include a week long freeze on transfers and one day in which assets would be completely out of the market. Mr. Gomez confirmed that the service agreement would need to be redrafted and that MassMutual would match the current price (6 basis points on all assets).

Due to the administrative responsibility of transitioning to the new platform, the Committee members in attendance and Mr. Gomez unanimously agreed to begin proceedings in second quarter of 2018, with a target completion date of July 1, 2018.

4. **Annual Board Report (Administrative):** The Committee members in attendance reviewed and unanimously approved the Annual Report to the Governing Board, which was provided by BFSG. The purpose of the Annual Report was to assist the Governing Board in fulfilling its responsibility to monitor the Committee, to which it has delegated fiduciary responsibility. The Committee reviewed the major decisions made during the previous year, including; share class changes in order to reduce revenue sharing, addition of the 401(a) Plan and updates to the Plan Expense Reimbursement Account Policy.
5. **Proposed Amendment to Administrative Service Agreement (Administrative):** A copy of the proposed amendment to the Administrative Service Agreement for the 457 Deferred Compensation Plan was distributed. The amendment authorizes MassMutual to process benefit payment requests as directed by employees. The benefit payment requests must be submitted in “good order”, meaning that SCAQMD will notify MassMutual in a timely fashion, about any Participant that has separated from service on account of termination of employment or retirement. After discussion, the Committee members in attendance unanimously agreed to outsource this administrative process to MassMutual. The effective date of this amendment is November 1, 2017.

**Discussion Items:**

6. **Quarterly Plan Review (Administrative):** The Committee received and filed the Retirement Plan Review (the “Review”) prepared by MassMutual. The Review included the following information for the quarter ending June 30, 2017; assets, contributions, distributions, rollovers, loans, Asset Allocation Models utilization, and plan participation. Positive net cash flow of $1,330,339 supplemented positive returns to arrive at the new plan balance. The average number of investment options utilized by participants also increased during the quarter. Over the past 5 years the number of participants in the plan is up around 12% and the average account balance is up around 14% over the same period.

7. **Quarterly Reimbursement Calculation (Fiduciary):** The Committee received and filed the quarterly reimbursement calculation provided by MassMutual.

**OTHER MATTERS:**

8. **Other Business** – Mr. Gomez confirmed that the General Account crediting rate is scheduled to be reduced from 4.0% to 3.5%, effective January 1, 2018. Mr. Gomez agreed that MassMutual will take responsibility for communicating this change to the plan’s participants. Kaitlin will put together an email template and send to the Committee for review before the next meeting.

9. **Public Comments** - There were no public comments.

**Next Meeting Date** - The next regular meeting of the Deferred Compensation Plan Committee is scheduled for December 6, 2017.

**Adjournment** - The meeting adjourned at 3:11 p.m.
SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
DEFERRED COMPENSATION PLAN COMMITTEE
MEETING MINUTES

November 14, 2017

Members Present: Mr. John Olvera – Asst. Deputy Executive Officer/Admin and Human Resources
Mr. Bill Richards – Human Resources Manager
Mr. Kurt Wiese – General Counsel

Committee Consultants: Mr. Darren Stewart – Benefit Funding Services Group (by phone)

Call to Order: The special meeting of the Deferred Compensation Plan Committee was called to order by Mr. Olvera on November 14, 2017 at 2:00 pm in Conference Room CC-7. It was noted a quorum was present.

Investment Agenda

1. Target Date Fund Search
   On November 9, 2017 MassMutual informed the Committee that the SSgA Target Date Funds are closing on December 15, 2017. Accordingly, the Committee held a special meeting on November 14, 2017 to review a Fund Search prepared by BFSG. Area reviewed included: a comparison of available target date funds, glide path, portfolio composition, performance, equity allocation, risk-adjusted returns, volatility and expense. The Committee also discussed the possibility of mapping the assets into the current balanced fund, Invesco Equity & Income. After consideration, the Committee unanimously agreed to replace the current SSgA Target Date Funds with the T. Rowe Price Retirement Funds.

2. Public Comments
   Mr. Olvera asked the attending members of the Public for comment but received no reply.

Adjournment
   With no further items to address, Mr. Olvera adjourned the meeting at 2:20 pm.
BOARD MEETING DATE: February 2, 2018

REPORT: Deferred Compensation Plan Committee

SYNOPSIS: The Deferred Compensation Plan Committee met on Wednesday, December 13, 2017 at 2:00pm at SCAQMD headquarters in Diamond Bar. The following is a summary of that meeting.

RECOMMENDED ACTION: Receive and file.

A. John Olvera, Chair
Deferred Compensation Plan
Committee Members Present
Mr. John Olvera – Asst. Deputy Executive Officer/Admin and Human Resources
Mr. Michael O’Kelly – Chief Administrative Officer
Mr. Bill Richards – Human Resources Manager
Mr. Kurt Wiese – General Counsel

Committee Members Absent
None

Guests
Dario Gomez, MassMutual
Aksana Munoz, Benefit Financial Services Group (“BFSG”)
Darren Stewart, BFSG

Call to Order
Chair Olvera called the meeting to order at 2:00 pm.

ACTION ITEMS:

1. Approval of Prior Meeting Minutes (Administrative): The minutes from the meetings held on September 13, 2017 and November 14, 2017 were reviewed and unanimously approved by the Committee.

2. 457 Plan Quarterly Investment Review (Fiduciary): 3rd Quarter 2017: The Committee reviewed and unanimously approved the Retirement Plan Quarterly Investment Review (the “Report”) for the 457 Deferred Compensation Plan (the “Plan”) for the quarter ending September 30, 2017. Mr. Stewart provided the Committee with an overview of current economic and market conditions including: GDP, unemployment, inflation, interest rates, exchange rates and market/sector returns. The investment options offered in the Plan were reviewed in accordance with the Investment Policy Statement. Additional information was reviewed in accordance with the following noteworthy funds:

Neuberger Berman Socially Responsive is currently on the Watch List due to performance-related issues and a change in fund management. The fund, which serves as a socially responsible offering for Plan participants, was noted as having trailed the Russell 1000 Growth Index and large cap growth category peers over the most periods noted in the Report. Though categorized by Morningstar as a growth fund, Neuberger Berman Socially Responsible fund management views the fund as more of a large cap blend, using the S&P 500 Index as its benchmark. As a result, the fund’s performance struggled as compared to the more growth-oriented large cap growth category peers. An underweight in technology and an overweight in
energy detracted from the fund’s overall performance for the year. After discussion, the Committee unanimously agreed to keep the fund on the Watch List.

*MFS International New Discovery* has underperformed its category peers and passive benchmark on a short-term basis. An overweight in consumer staples detracted from performance over the reporting quarter, but stock selection within the sector positively contributed. On a 3-year basis, the fund underperformed largely due to an overweight to United Kingdom and an underweight to China. After discussion, the Committee unanimously agreed to place the fund on the Watch List due to short-term underperformance.

*MFS Utilities* is currently on the Watch List due to underperformance. The fund rebounded for the quarter, returning 4.08%, compared to 2.87% for the passive benchmark. As of September 30, 2017, roughly 63% of the portfolio was in the utilities sector, one of the lowest weightings in the category and well below the 81% category average. The fund’s overweight to energy has detracted from performance for most periods measured in the Report. Although energy outperformed for the quarter, several of the fund’s holdings were negatively affected by the hurricanes. After discussion, the Committee unanimously agreed to keep the fund on the Watch List pending further performance improvement.

The Plan’s Asset Allocation Models outperformed their respective benchmarks across all measured time periods noted in the Report. Although 3-year standard deviations are slightly above their respective benchmarks, the 3-year Sharpe ratio highlights how this small level of increased risk has been rewarded with superior returns.

Plan assets increased during the quarter to approximately $165.5 million (excluding loan and Self-Directed Brokerage balances), representing 903 participants with a balance. Based on participant allocations as of September 30, 2017, the Plan outperformed its custom active and passive benchmarks across all measured time periods noted in the Report. Although the Plan has a slightly higher standard deviation than its custom active benchmark, the returns show that this risk has been rewarded. The Plan’s weighted expense ratio at 68 basis points remains below the similarly-weighted category average at 83 basis points.

The Committee reviewed the revenue received by MassMutual for recordkeeping and administrative services. The annual revenue per participant remained at approximately $110, based on the assets as of September 30, 2017. The Committee will continue to monitor fees on an ongoing basis.

**401(a) Plan Quarterly Investment Review (Fiduciary): 3rd Quarter 2017:** The Committee reviewed and unanimously approved the Retirement Plan Quarterly Investment Review (the “Report”) for the SCAQMD 401(a) Plan (the “Plan”) for
the quarter ending September 30, 2017. Based on participant allocations, the Plan outperformed its custom active and passive benchmarks across all measured periods noted in the Report. The Plan’s weighted expense ratio was around 23% lower than its custom active benchmark.

3. **2018 Meeting Schedule (Administrative).** The Committee reviewed and accepted the 2018 meeting schedule. The meetings will be held at 2:00 pm on March 14th, June 6th, September 12th and December 12th.

**DISCUSSION ITEMS:**

4. **Quarterly Plan Review (Administrative):** The Committee received and filed the Your Plan Review for the 457 and 401(a) Plans (the “Review”) prepared by MassMutual. The Review of both Plans included the following information for the quarter ending September 30, 2017: assets, contributions, distributions, rollovers, loans, Asset Allocation Models utilization and plan participation.

   To address the upcoming change in the General Account crediting rate, Mass Mutual drafted a sample communication email and presented it to the Committee. After review, the Committee unanimously approved the template. Mr. Gomez will provide a copy of the template to Mr. Richards so that he can distribute the notice to participants.

5. **Fund Change Update (Fiduciary):** Mr. Gomez informed the Committee that the SSgA Dow Jones Target Date Funds will be replaced by the T. Rowe Price Retirement Funds on December 14, 2017.

6. **Quarterly Reimbursement Calculation (Fiduciary):** The Committee received and filed the quarterly reimbursement calculation provided by MassMutual.

7. **Appointment of New Member to Committee (Fiduciary):** As Mr. O’Kelly will no longer be an employee of South Coast Air Quality and Management District, a new Committee member will soon be appointed by the Board.

**OTHER MATTERS:**

8. **Other Business** – There was no other business.

9. **Public Comments** – There were no public comments.

**Adjournment** - The meeting adjourned at 3:35 p.m.
BOARD MEETING DATE: April 11, 2018

REPORT: Deferred Compensation Plan Committee

SYNOPSIS: The Deferred Compensation Plan Committee met on Wednesday, April 11, 2018 at 2:00pm at SCAQMD headquarters in Diamond Bar. The following is a summary of that meeting.

RECOMMENDED ACTION:
Receive and file.

A. John Olvera, Chair
Deferred Compensation Plan

AJO:RH:tc
Committee Members Present
Mr. John Olvera – Asst. Deputy Executive Officer/Admin and Human Resources
Ms. Sujata Jain - Asst. Deputy Executive Officer/Finance
Mr. Bill Richards – Human Resources Manager
Mr. Bayron Gilchrist – General Counsel

Committee Members Absent
None

Guests
Dario Gomez, MassMutual
Ross Hooper, Benefit Financial Services Group (“BFSG”)
Darren Stewart, BFSG

Call to Order
Chair Olvera called the meeting to order at 2:10 pm.

ACTION ITEMS:

1. Approval of Prior Meeting Minutes (Administrative): The minutes from the meeting held on February 2, 2018, were reviewed and unanimously approved by the Committee.

2. 457 and 401(a) Plan Quarterly Investment Review (Fiduciary): 4th Quarter 2017: The Committee reviewed and unanimously approved the Retirement Plan Quarterly Investment Review (the “Report”) for the 457 Deferred Compensation Plan (the “Plan”) for the quarter ending December 31, 2017. Mr. Stewart provided the Committee with an overview of current economic and market conditions including: GDP, unemployment, inflation, interest rates, exchange rates, market/sector returns and earnings. The investment options offered in the Plan were reviewed in accordance with the Investment Policy Statement. Additional information was provided on the following noteworthy funds:

Neuberger Berman Socially Responsive is currently on the Watch List due to performance-related issues and a change in fund management. The fund, which serves as a socially responsible offering for Plan participants, was noted as having trailed the Russell 1000 Growth Index and large cap growth category peers across all time periods noted in the Report. At the time of the report, the fund was classified as a large cap growth fund, which is why it was compared to these benchmarks; however, Morningstar has subsequently reclassified the fund as large cap blend. As such, the fund will be benchmarked against the S&P 500 and large cap blend category peers in future. The fund compares more favorably to the large
blend universe. After discussion, the Committee unanimously agreed to keep the fund on the Watch List, pending improved relative performance in its new category.

*MFS International New Discovery* is currently on the Watch List due to short-term underperformance. The fund performed well during the quarter, outperforming its category peers by 1.30%, but remains well below on a 1-, 3- and 5-year basis. Management is generally cautious, reflected in their relatively large cash allocation, and tend to perform better during down markets. The fund’s current share class shares 50 basis points in revenue, which is another detractor from net performance. It was noted that this share class is the most efficient and it would not be in the best interest of participants to change to a cheaper option. For reference, the zero-revenue sharing option for this fund had an overall Evaluation Methodology rank of 25, “outperform”, compared to a rank of 51, “underperform”, for the current option. After discussion, the Committee unanimously agreed to keep the fund on the Watch List pending further performance improvement.

*MFS Utilities* is currently on the Watch List due to underperformance. The fund performed in line with its passive benchmark, but underperformed its category peers during the quarter. The fund has outperformed its benchmark on a 1-year basis but remains well below on a 3- and 5-year basis. Compared to its category peers, this fund historically allocates a much larger portion of its portfolio outside of the utilities sector, which has considerably detracted from performance. During the quarter, stock selection in the energy sector was the largest detractor from relative performance for the fund. It was noted that less than 1% of total Plan assets are currently invested in the fund, and it continues to offer an alternative for participants to improve their diversification. After discussion, the Committee unanimously agreed to keep the fund on the Watch List.

The Plan’s Asset Allocation Models outperformed their respective benchmarks across all measured time periods noted in the Report. Although 3-year standard deviations are slightly above their respective benchmarks, the 3-year Sharpe ratio highlights how this small level of increased risk has been rewarded with superior returns.

Plan assets increased during the quarter to approximately $171 million (excluding loan and Self-Directed Brokerage balances), representing 926 participants with a balance. Based on participant allocations as of December 31, 2017, the Plan outperformed its custom active and passive benchmarks across all measured time periods noted in the Report. Although the Plan has a slightly higher 3-year standard deviation than its custom active benchmark, the 3-year Sharpe ratio shows that this risk has been rewarded. The Plan’s weighted expense ratio at 68 basis points remains below the similarly-weighted category average at 83 basis points.
The Committee reviewed the revenue received by MassMutual for recordkeeping and administrative services. The annual revenue per participant increased to approximately $111, based on the assets as of December 31, 2017. It was noted that the reason the revenue per participant appears to be on the high end of the range is because the bids used to benchmark the market segment, from the 2015 RFI, were lower than the current recordkeeper, as they did not include the favorable crediting rate of the current general account. The Committee will continue to monitor fees on an ongoing basis.

The Committee reviewed and unanimously approved the Retirement Plan Quarterly Investment Review (the “Report”) for the SCAQMD 401(a) Plan (the “Plan”) for the quarter ending December 31, 2017. Based on participant allocations, the Plan’s performance was in line with its passive and active benchmarks across all measured periods noted in the Report. The Plan’s weighted expense ratio at 71 basis points remains below the similarly-weighted category average at 92 basis points.

3. **Fund Search Analysis (Fiduciary):** BFSG prepared and distributed a Fund Search Analysis to consider alternative investment options for socially responsible and foreign equity mutual funds. Each investment option was reviewed in accordance with the Plan’s Investment Policy Statement criteria, which included performance, risk-adjusted performance, style consistency, and expense, as well as qualitative criteria. After review and discussion, the Committee unanimously agreed to keep the current socially responsible fund and foreign large equity fund in the Plan. The committee decided that the foreign small/mid equity option required more analysis. BFSG will bring an updated fund search for this category to the next meeting.

In addition, the committee wished to discuss the addition of index funds across more categories. As such, BFSG will bring analysis for the committee’s consideration to the next meeting.

4. **457 Plan – Transition to new MassMutual Platform “Reflex” (Fiduciary):** BFSG prepared and distributed a Share Class Analysis to consider alternative share class options available on the new platform. The Committee reviewed and unanimously approved the proposed changes to the most efficient share classes. Changes include the replacement of all State Street index funds with their corresponding Vanguard index funds. Fund changes in the 401(a) Plan will take place at the time as the 457 Plan transition, and will have the same fund lineup, excluding target date funds, in each Plan.

BFSG prepared and distributed a Fee Analysis to consider the desired levelized fee that will be implemented on the new platform. After review and discussion, the Committee unanimously agreed that an 8 basis point fee will be applied. It was
noted that excess monies in the expense account, after qualified Plan expenses have been paid, will be automatically reallocated to participants at least annually.

Mr. Gomez highlighted some key administrative differences on the new platform and advised that the transfer process will take around 90 days to complete.

DISCUSSION ITEMS:

5. Quarterly Plan Review (Administrative): The Committee received and filed the Your Plan Review for the 457 and 401(a) Plans (the “Review”) prepared by MassMutual. The Review of both Plans included the following information for the quarter ending December 31, 2017; assets, contributions, distributions, rollovers, loans, Asset Allocation Models utilization and plan participation.

The Committee noted that they would like to see the active participation rate in future.

6. Quarterly Reimbursement Calculation (Fiduciary): The Committee received and filed the quarterly reimbursement calculation provided by MassMutual. Mr. Gomez brought the Committee’s attention to an administrative error in the third quarter 2017 reimbursement calculation. The additional revenue sharing owed to the Plan will be credited pro rata.

OTHER MATTERS:

7. Other Business – There was no other business.

8. Public Comments – There were no public comments.

Adjournment - The meeting adjourned at 4:15 p.m.
BOARD MEETING DATE: September 7, 2018

REPORT: Deferred Compensation Plan Committee

SYNOPSIS: The Deferred Compensation Plan Committee met on Wednesday, June 6, 2018 at 2:00pm at SCAQMD headquarters in Diamond Bar. The following is a summary of that meeting.

RECOMMENDED ACTION:
Receive and file.

A. John Olvera, Chair
Deferred Compensation Plan

AJO:RH:tc
Committee Members Present
Mr. John Olvera – Asst. Deputy Executive Officer/Admin and Human Resources
Ms. Sujata Jain - Asst. Deputy Executive Officer/Finance
Mr. Bill Richards – Human Resources Manager
Mr. Bayron Gilchrist – General Counsel

Committee Members Absent
None

Guests
Dario Gomez, MassMutual
Darren Stewart, Benefit Financial Services Group (“BFSG”)
Aksana Munoz, BFSG

Call to Order
Chair Olvera called the meeting to order at 2:10 pm.

ACTION ITEMS:

1. Approval of Prior Meeting Minutes (Administrative): The minutes from the meeting held on April 11, 2018, were reviewed and unanimously approved by the Committee as written.


   Mr. Stewart provided an overview of the capital markets during the quarter, followed by a quantitative and qualitative review of the funds offered in the Plan, in accordance with the Evaluation Methodology criteria set forth in the Plan’s Investment Policy Statement (“IPS”).

   It was noted the previously agreed upon fund and share class changes are scheduled to occur on July 27, 2018.

   Neuberger Berman Socially Responsive is currently on the Watch List due to performance-related issues and a change in fund management. The fund showed marked improvement relative to the large cap blend category peer group as of the quarter ending March 31, 2018. Recent performance benefited from strong stock selection, especially in industrials. During the quarter, an underweight to the technology sector was the largest detractor from relative performance for the fund.
After discussion, the Committee unanimously agreed to keep the fund on the Watch List, pending improved relative performance in its new category.

*Vanguard Selected Value* returned -4.32% during the quarter, considerably underperforming its passive benchmark and category peers. Poor stock selection in the industrials sector was the largest detractor from relative performance, with a position in Air France-KLM, which lost over 30% during the quarter. An overweight to the consumer discretionary sector also detracted from performance for the quarter. Longer-term performance remains strong, with the fund outperforming its passive benchmark and category peers over all other measured time periods noted in the Report.

*MFS International New Discovery* is currently on the Watch List due to short-term underperformance. The Report demonstrated improved performance for the quarter and one-year periods. The performance benefited from strong stock selection, especially in the consumer discretionary sector, and an overweight to emerging markets. The fund’s overall Evaluation Methodology ranking has improved quarter-over-quarter, from a rank of 51 (“underperform”) to a 49 (“perform”). As the fund continues to trail both benchmarks on a 3-and 5-year basis, BFSG proposed maintaining it on the Watch List. The Committee unanimously agreed.

*MFS Utilities* is currently on the Watch List due to performance-related issues. During the quarter, the fund’s performance benefited from its growth tilt, which helped to offset losses from its energy overweight. The fund’s one-year performance has improved significantly, but it continues to trail both benchmarks on a 3-and 5-year basis. After discussion, the Committee unanimously agreed to keep the fund on the Watch List.

The Plan’s Asset Allocation Models were noted as having outperformed their respective benchmarks over all time periods noted in the Report.

Plan assets increased during the quarter to approximately $173 million (excluding loan and Self-Directed Brokerage balances), representing 931 participants with a balance. Point-in-time Plan level performance (as weighted by participants) demonstrated outperformance relative to the custom passive and active benchmarks over all time periods noted in the Report. The funds take slightly more risk, as measured by 3-year standard deviation, though participants are rewarded for the additional risk, as measured by 3-year Sharpe ratio. The Plan-weighted expense ratio remains competitive relative to the category average, at 68 basis points versus the category at 82 basis points.

The Committee reviewed the revenue received by MassMutual for recordkeeping and administrative services. The annual revenue per participant was approximately $111, based on the assets as of March 31, 2018. It was noted that the reason the
revenue per participant appears to be on the high end of the range is because the bids used to benchmark the market segment, from the 2015 RFI, were lower than the current recordkeeper, as they did not include the favorable crediting rate of the current general account. The Committee will continue to monitor fees on an ongoing basis.

The Committee reviewed and unanimously approved the Retirement Plan Quarterly Investment Review (the “Report”) for the SCAQMD 401(a) Plan (the “Plan”) for the quarter ending March 31, 2018. Point-in-time Plan level performance (as weighted by participants) demonstrated outperformance relative to the custom active and passive benchmarks over all time periods noted in the Report. The Plan- weighted expense ratio remains competitive relative to the category average, at 71 basis points versus the category at 91 basis points.

3. **Fund Search Analysis (Fiduciary):** BFSF prepared and distributed a Fund Search Analysis to consider alternatives in the large-cap value, small-cap value, real estate, and foreign small/mid equity categories. Each investment option was reviewed in accordance with the Plan’s Investment Policy Statement criteria, which included performance, risk-adjusted performance, style consistency, and expense, as well as qualitative criteria. After review and discussion, the Committee unanimously agreed to make the following changes in the 457 and 401(a) Plans:

- Add DFA US Large Cap Value I as an additional offering in the large-cap value category;
- Add Vanguard Small Cap Value Index Admiral as a passive option in the small-cap value category.

MassMutual will facilitate these changes as soon as administratively possible.

The Committee unanimously agreed no changes shall be made at this time in the real estate and foreign small/mid equity categories.

A review of available investment options in the emerging market category was tabled to the next meeting.

4. **457 Plan Default Investment Selection (Fiduciary):** The Committee unanimously agreed to utilize the T. Rowe Price Target Date series as a primary default investment option for non-participant directed monies in the 457 Plan. Invesco Equity and Income was chosen as a secondary default investment option for participants with no date of birth on file.

5. **457 Plan Refinancing (Administrative):** The Committee agreed to permit loan refinancing in the Plan. MassMutual will be responsible for administration of loan refinance requests. Moving forward, participants will be allowed to:
- Extend term of the loan within a maximum of 5-year limit from original loan initiation date;
- Decrease term of loan;
- Change interest rate.

The Plan will also allow for loan repayment after separation from service through ACH payments directly to MassMutual.

DISCUSSION ITEMS:

6. Advisor Contacts Regarding Fees (Administrative) – The Committee unanimously agreed to table the topic to the next meeting.

7. The 457 Plan – Transition to new MassMutual Platform “Reflex” (Fiduciary): Mr. Olvera noted the transition of the 457 and OBRA Plans is now in process and is scheduled to be completed by end of July 2018.

8. Quarterly Review - 457 and 401(a) Plans (Fiduciary). The Committee was provided with a copy of the Q1 2018 Quarterly Review for both Plans. Due to time constraints, it was unanimously agreed to table the discussion to the next meeting.

9. Quarterly Reimbursement Calculation (Fiduciary): The Committee received and filed the quarterly reimbursement calculation provided by MassMutual for the quarter ending March 31, 2018. Per the discussion at the last meeting, the annual reimbursement from the 457 Plan to the SCAQMD will continue to be processed through an Expense Budget Account (“EBA”). Mr. Gomez noted the credit revenue will still be calculated on a quarterly basis and can be used to pay qualified plan-related expenses. Moving forward, any remaining balance in the EBA at the end of the year, will be reallocated by MassMutual to participants pro rata. The Committee will be notified accordingly.

OTHER MATTERS:

10. Other Business – There was no other business.

11. Public Comments – There were no public comments.

Adjournment - The meeting adjourned at 4:15 p.m.
BOARD MEETING DATE: February 1, 2019
AGENDA NO.

PROPOSAL: Issue RFP for Consultant Services for SCAQMD’s High School Air Quality Educational Outreach Program

SYNOPSIS: SCAQMD seeks to implement an air quality educational outreach program in high schools in environmental justice communities within its jurisdiction. This action is to issue an RFP to solicit proposals from individuals and organizations to provide assistance with program development, outreach and implementation efforts related to the high school air quality educational program in an amount not to exceed $250,000.

COMMITTEE: Administrative, January 10, 2019; Recommended for Approval

RECOMMENDED ACTION:
Authorize the release of RFP #P2019-11 to solicit proposals from qualified individuals and organizations with expertise conducting outreach, and implementation of educational materials related to the SCAQMD high school air quality educational program for a one-year period in an amount not to exceed $250,000 with an option for up to two one-year contract renewals, contingent on satisfactory performance, approval of subsequent budgets, and Board approval.

Wayne Nastri
Executive Officer

Background
SCAQMD has a long history of educational outreach to teachers and students in the South Coast Air Basin through programs and events, especially within environmental justice communities. These activities have been effective in raising awareness about SCAQMD and air quality issues among teachers and students, reaching several thousand program and event participants. Additionally, SCAQMD’s outreach efforts to high school students has yielded exponential benefits as participants in programs have shared information with their families, communities and peers.
In 2019, SCAQMD seeks to implement an air quality educational program at 100 high schools in environmental justice communities within its jurisdiction. The initial program would target 40 schools in Los Angeles County, and 20 schools each in Orange, Riverside, and San Bernardino Counties.

RFP #2019-11 is seeking qualified consultants to help with the implementation of the high school air quality educational program by assisting the District with program development, outreach and implementation efforts.

The general tasks under the contract pursuant to this RFP include, but are not limited to, the following:

1. Prepare an outreach plan taking into consideration the potential variations in the academic and administrative calendars for the targeted high schools;
2. Develop and implement the outreach program;
3. Create program presentation for the targeted high schools;
4. Present the program and obtain all required authorizations from the high schools, school districts, and other organizations as required;
5. Prepare and develop a checklist to ensure consistent implementation of the program;
6. Develop a consistent methodology to identify high schools for participation using specific parameters including, but not limited to, geographic location, community’s environmental justice factors, the high school’s ability to implement the curriculum, and other factors that will ensure the successful completion of the program;
7. Prepare and maintain a tracking database of all high schools contacted that contains at a minimum, justification for selection, all contact information, all required approvals or reason for non-participation, and other pertinent information;
8. Create messaging and materials necessary to educate schools on SCAQMD and air quality issues; and,
9. Prepare, distribute and collect an evaluation form for the participating high schools to provide feedback on the program and efficacy of the curriculum.

Proposal
SCAQMD staff is seeking Board approval to release an RFP to solicit proposals from qualified firms and organizations with expertise in air quality issues, educational institutions and environmental justice communities.

Outreach
Due to the desire to award a contract with Administrative Committee approval on March 8, 2019, and Board approval at the April 5, 2019 Board meeting, it is necessary to waive the Procurement Policy and Procedure’s requirement for the bidding period to be at least 30 days on this RFP. Therefore, the public notice advertising of the RFP will be 29 days instead of 30 days.

In accordance with SCAQMD’s Procurement Policy and Procedure, a public notice advertising the RFP and inviting bids will be published in the Los Angeles Times, the Orange County Register, the San Bernardino Sun, and Riverside County’s Press Enterprise newspapers to leverage the most cost-effective method of outreach to the entire South Coast Basin.

Additionally, potential bidders may be notified utilizing SCAQMD’s own electronic listing of certified minority vendors. Notice of the RFP will be emailed to the Black and Latino Legislative Caucuses and various minority chambers of commerce and business associations, and placed on the Internet at SCAQMD’s website (http://www.aqmd.gov) where it can be viewed by making the selection “Grants & Bids.”

Bid Evaluation
Proposals will be reviewed and evaluated by a diverse, qualified panel in accordance with criteria contained in the attached RFP.

Resource Impacts

Funding will be requested from the BP Arco Settlement Project Fund (46) when staff seeks Board approval to award the contract.

Attachment
RFP #P2019-11 – Consulting Services for High School Air Quality Education Outreach and Implementation Program
SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
REQUEST FOR PROPOSALS

Consulting Services for High School Air Quality Education Outreach and Implementation Program

P2019-11

South Coast Air Quality Management District (SCAQMD) requests proposals for the following purpose according to terms and conditions attached. In the preparation of this Request for Proposals (RFP) the words "Proposer," "Contractor," "Consultant," "Bidder" and “Firm” are used interchangeably.

PURPOSE
The purpose of this Request for Proposals (RFP) is to solicit qualified firms, organizations or sole practitioners to assist the SCAQMD with outreach and implementation efforts related to an air quality educational program for high school students. Work will be on an as needed basis and the Deputy Executive Officer of Legislative, Public Affairs and Media or designee, shall approve all work and/or expenditures in writing.

INDEX - The following are contained in this RFP:

Section I Background/Information
Section II Contact Person
Section III Schedule of Events
Section IV Participation in the Procurement Process
Section V Statement of Work/Schedule of Deliverables
Section VI Required Qualifications
Section VII Proposal Submittal Requirements
Section VIII Proposal Submission
Section IX Proposal Evaluation/Contractor Selection Criteria
Section X Funding
Section XI Sample Contract

Attachment A - Participation in the Procurement Process
Attachment B - Certifications and Representations

SECTION I: BACKGROUND/INFORMATION

SCAQMD has a long history of educational outreach to teachers and students in the South Coast Air Basin through programs and events, especially within environmental justice communities. These activities have been effective in raising awareness about SCAQMD and air quality issues among teachers and students reaching several thousand program and event participants. Additionally, SCAQMD's outreach efforts to high school students has yielded exponential benefits as participants in programs have shared information with their families, communities and peers.

In 2019, SCAQMD seeks to implement an air quality educational program at 100 high schools in environmental justice communities within its jurisdiction. The initial program would
target 40 schools in Los Angeles County, and 20 schools each in Orange, Riverside, and San Bernardino Counties.

This RFP is seeking qualified organizations and/or sole practitioners to assist SCAQMD’s Office of Legislative, Public Affairs and Media (LPAM) with outreach and implementation of a high school air quality educational program. Pursuant to this RFP, the work from the contractor will be comprehensive in nature to assist the SCAQMD in messaging about the agency and air quality related issues, the creation of related materials, and the development and implementation of the outreach program in high schools. The contractor will be responsible for the identification of the high schools based on approved environmental justice parameters, and other factors to ensure the successful implementation of the program. The contractor also will be responsible for the presentation of the program and obtaining all required authorizations from the high school, school district, and other organizations as required. Additionally, the Contractor will establish relationships and communication channels with the identified schools and appropriate administrative entities. The successful implementation of the Contractors’ efforts will result in SCAQMD staff training the participating high school teacher in the curriculum to be taught to students. The organization and/or consultants responding to this RFP shall submit their proposal to demonstrate their qualifications, experience, and ability to successfully develop and implement the program. The general tasks under the contract pursuant to this RFP include, but are not limited to, the following general tasks:

1. Prepare an outreach plan taking into consideration the potential variations in the academic and administrative calendars for the targeted high schools;
2. Develop and implement the outreach program;
3. Prepare and develop a checklist to ensure consistent implementation of the program;
4. Develop a consistent methodology to identify high schools for participation using specific parameters including, but not limited to, geographic location, community’s environmental justice factors, the high school’s ability to implement the curriculum, and other factors that will ensure the successful completion of the program;
5. Prepare and maintain a tracking database of all high schools contacted that contains at a minimum, justification for selection, all contact information, all required approvals or reason for non-participation, and other pertinent information;
6. Create program presentation for the targeted high schools;
7. Create messaging and materials necessary to educate schools on SCAQMD and air quality issues; and,
8. Prepare, distribute and collect an evaluation form for the participating high schools to provide feedback on the program and efficacy of the curriculum.

SECTION II: CONTACT PERSON:

Questions regarding the content or intent of this RFP or on procedural matters should be addressed to:

Anna Yoo
Legislative, Public Affairs and Media
SCAQMD
21865 Copley Drive
Diamond Bar, CA 91765-4178
(909) 396-2747
SECTION III: SCHEDULE OF EVENTS

<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>February 1, 2019</td>
<td>RFP Released</td>
</tr>
<tr>
<td>March 1, 2019</td>
<td>Proposals Due to SCAQMD - No Later Than 1:00 pm</td>
</tr>
<tr>
<td>March 1-6, 2019</td>
<td>Proposal Evaluations</td>
</tr>
<tr>
<td>March 8, 2019</td>
<td>Interviews, if required</td>
</tr>
<tr>
<td>April 5, 2019</td>
<td>Governing Board Approval</td>
</tr>
<tr>
<td>April 10, 2019</td>
<td>Anticipated Contract Execution</td>
</tr>
</tbody>
</table>

SECTION IV: PARTICIPATION IN THE PROCUREMENT PROCESS

It is the policy of SCAQMD to ensure that all businesses including minority business enterprises, women business enterprises, disabled veteran business enterprises and small businesses have a fair and equitable opportunity to compete for and participate in SCAQMD contracts. Attachment A to this RFP contains definitions and further information.

SECTION V: STATEMENT OF WORK/SCHEDULE OF DELIVERABLES

Statement of Work

Under the direction of the Deputy Executive Officer of Legislative, Public Affairs and Media, or designee, the CONTRACTOR shall:

1. Prepare an Outreach Plan (plan) for the program. The plan shall identify the parameter use in the selection of the high schools; contain a program implementation schedule, a checklist for the proper and consistent implementation of the program, and a program evaluation form for participating schools.
2. Upon approval of the plan by SCAQMD, CONTRACTOR shall implement the plan, and provide status updates to SCAQMD on a monthly basis or as requested;
3. Identify participating schools using specific parameters including, but not limited to, geographic location, community’s environmental justice factors, the high school’s ability to impart the curriculum, and other factors that will ensure the successful completion of the program;
4. Prepare and maintain a tracking database of all high schools contacted that contains at a minimum, justification for selection, all contact information, all required approvals or reason for non-participation, and other pertinent information;
5. Create program presentation for the targeted high schools;
6. Create messaging and materials necessary to educate schools on SCAQMD and air quality issues; and,
7. Prepare a final report including, but not limited to, an evaluation of each high school in the program, school contact information and all required documentation, and evaluation forms completed by the participating schools.

SECTION VI: REQUIRED QUALIFICATIONS

A. Persons or firms proposing to bid on this proposal must be qualified and experienced in representing and advising governmental agencies and must submit qualifications demonstrating this ability in cases involving as many as possible of the following areas:

- Understanding of SCAQMD environmental justice programs and initiatives;
- Understanding of air quality issues and associated health effects; and,
- Outreach and ability to work and obtain approvals from educational institutions including, high schools, school districts, and other pertinent organizations.

B. Proposer must submit the following:

1. Resumes or similar statement of qualifications of person or persons who may be designated as lead in the High School Outreach and Implementation Program.

2. List of representative clients.

3. Summary of proposer's general qualifications to meet required qualifications and fulfill statement of work, including additional personnel and resources beyond those of the designated lead person.

SECTION VII: PROPOSAL SUBMITTAL REQUIREMENTS

Submitted proposals must follow the format outlined below and all requested information must be supplied. Failure to submit proposals in the required format will result in elimination from proposal evaluation. SCAQMD may modify the RFP or issue supplementary information or guidelines during the proposal preparation period prior to the due date. Please check our website for updates (http://www.aqmd.gov/grants-bids). The cost for developing the proposal is the responsibility of the Contractor, and shall not be chargeable to SCAQMD.

Each proposal must be submitted in three separate volumes:

- Volume I - Technical Proposal
- Volume II - Cost Proposal
- Volume III - Certifications and Representations included in Attachment B to this RFP, must be completed and executed by an authorized official of the Contractor.

A separate cover letter including the name, address, and telephone number of the contractor, and signed by the person or persons authorized to represent the Firm should accompany the proposal submission. Firm contact information as follows should also be included in the cover letter:

1. Address and telephone number of office in, or nearest to, Diamond Bar, California.
2. Name and title of Firm's representative designated as contact.

A separate Table of Contents should be provided for Volumes I and II.

**VOLUME I - TECHNICAL PROPOSAL**

**DO NOT INCLUDE ANY COST INFORMATION IN THE TECHNICAL VOLUME**

**Summary (Section A)** - State overall approach to meeting the objectives and satisfying the scope of work to be performed, the sequence of activities, and a description of methodology or techniques to be used.

**Program Schedule (Section B)** - Provide projected milestones or benchmarks for completing the project (to include reports) within the total time allowed.

**Project Organization (Section C)** - Describe the proposed management structure, program monitoring procedures, and organization of the proposed team. Provide a statement detailing your approach to the project, specifically address the Firm's ability and willingness to commit and maintain staffing to successfully complete the project on the proposed schedule.

**Qualifications (Section D)** - Describe the technical capabilities of the Firm. Provide references of other similar studies or projects performed during the last five years demonstrating ability to successfully complete the work. Include contact name, title, and telephone number for any references listed. Provide a statement of your Firm's background and related experience in performing similar services for other governmental organizations.

**Assigned Personnel (Section E)** - Provide the following information about the staff to be assigned to this project:

1. List all key personnel assigned to the project by level, name and location. Provide a resume or similar statement describing the background, qualifications and experience of the lead person and all persons assigned to the project. Substitution of project manager or lead personnel will not be permitted without prior written approval of SCAQMD.

2. Provide a spreadsheet of the labor hours proposed for each labor category at the task level.

3. Provide a statement indicating whether or not 90% of the work will be performed within the geographical boundaries of SCAQMD.

4. Provide a statement of education and training programs provided to, or required of, the staff identified for participation in the project, particularly with reference to management consulting, governmental practices and procedures, and technical matters.

5. Provide a summary of your Firm's general qualifications to meet required qualifications and fulfill statement of work, including additional Firm personnel and resources beyond those who may be assigned to the project.

**Subcontractors (Section F)** - This project may require expertise in multiple technical areas. List any subcontractors that will be used, identifying functions to be performed by them, their related qualifications and experience and the total number of hours or percentage of time they will spend on the project.

**Conflict of Interest (Section G)** - Address possible conflicts of interest with other clients affected by actions performed by the Firm on behalf of SCAQMD. SCAQMD recognizes that
prospective Contractors may be performing similar projects for other clients. Include a complete list of such clients for the past three (3) years with the type of work performed and the total number of years performing such tasks for each client. Although the Proposer will not be automatically disqualified by reason of work performed for such clients, SCAQMD reserves the right to consider the nature and extent of such work in evaluating the proposal.

Additional Data (Section H) - Provide other essential data that may assist in the evaluation of this proposal.

VOLUME II - COST PROPOSAL

Name and Address - The Cost Proposal must list the name and complete address of the Proposer in the upper left-hand corner.

Cost Proposal – SCAQMD anticipates awarding a fixed price contract. Cost information must be provided as listed below:

1. Detail must be provided by the following categories:
   
   A. Labor – The Cost Proposal must list the fully-burdened hourly rates and the total number of hours estimated for each level of professional and administrative staff to be used to perform the tasks required by this RFP. Costs should be estimated for each of the components of the work plan.

   B. Subcontractor Costs - List subcontractor costs and identify subcontractors by name. Itemize subcontractor charges per hour or per day.

   C. Travel Costs - Indicate amount of travel cost and basis of estimate to include trip destination, purpose of trip, length of trip, airline fare or mileage expense, per diem costs, lodging and car rental.

   D. Other Direct Costs - This category may include such items as postage and mailing expense, printing and reproduction costs, etc. Provide a basis of estimate for these costs.

2. It is the policy of the SCAQMD to receive at least as favorable pricing, warranties, conditions, benefits and terms as other customers or clients making similar purchases or receiving similar services. SCAQMD will give preference, where appropriate, to vendors who certify that they will provide “most favored customer” status to the SCAQMD. To receive preference points, Proposer shall certify that SCAQMD is receiving “most favored customer” pricing in the Business Status Certifications page of Volume III, Attachment B – Certifications and Representations.

VOLUME III - CERTIFICATIONS AND REPRESENTATIONS (see Attachment B to this RFP)

SECTION VIII: PROPOSAL SUBMISSION

All proposals must be submitted according to specifications set forth in the section above, and this section. Failure to adhere to these specifications may be cause for rejection of the proposal.
Signature - All proposals must be signed by an authorized representative of the Proposer.

Due Date - All proposals are due no later than 1:00 P.M., Wednesday, March 6, 2019, and should be directed to:

Procurement Unit  
South Coast Air Quality Management District  
21865 Copley Drive  
Diamond Bar, CA  91765-4178  
(909) 396-3520

Submittal - Submit eight (8) complete copies of the proposal in a sealed envelope, plainly marked in the upper left-hand corner with the name and address of the Proposer and the words "Request for Proposals P2019-11."

Late bids/proposals will not be accepted under any circumstances.

Grounds for Rejection - A proposal may be immediately rejected if:

- It is not prepared in the format described, or
- It is signed by an individual not authorized to represent the Firm.

Modification or Withdrawal - Once submitted, proposals cannot be altered without the prior written consent of SCAQMD. All proposals shall constitute firm offers and may not be withdrawn for a period of ninety (90) days following the last day to accept proposals.

SECTION IX: PROPOSAL EVALUATION/CONTRACTOR SELECTION CRITERIA

A. Proposals will be evaluated by a panel of three to five SCAQMD staff members familiar with the subject matter of the project. The panel shall be appointed by the Executive Officer or his designee. In addition, the evaluation panel may include such outside public sector or academic community expertise as deemed desirable by the Executive Officer. The panel will make a recommendation to the Executive Officer and/or the Governing Board of SCAQMD for final selection of a contractor and negotiation of a contract.

B. Each member of the evaluation panel shall be accorded equal weight in his or her rating of proposals. The evaluation panel members shall evaluate the proposals according to the specified criteria and numerical weightings set forth below.

(a) R&D Projects Requiring Technical or Scientific Expertise, or Special Projects Requiring Unique Knowledge or Abilities

- Understanding the Problem 20
- Technical/Management Approach 20
- Contractor Qualifications 20
- Previous Experience on Similar Projects 10
- Cost 30
(b) Additional Points

- Small Business or Small Business Joint Venture: 10
- DVBE or DVBE Joint Venture: 10
- Use of DVBE or Small Business Subcontractors: 7
- Low-Emission Vehicle Business: 5
- Local Business (Non-Federally Funded Projects Only): 5
- Off-Peak Hours Delivery Business: 2
- Most Favored Customer: 2

The cumulative points awarded for small business, DVBE, use of small business or DVBE subcontractors, low-emission vehicle business, local business, and off-peak hours delivery business shall not exceed 15 points. Most Favored Customer status incentive points shall be added, as applicable for a total of 17 points.

Self-Certification for Additional Points
The award of these additional points shall be contingent upon Proposer completing the Self-Certification section of Attachment B – Certifications and Representations and/or inclusion of a statement in the proposal self-certifying that Proposer qualifies for additional points as detailed above.

2. To receive additional points in the evaluation process for the categories of Small Business or Small Business Joint Venture, DVBE or DVBE Joint Venture or Local Business (for non-federally funded projects), the proposer must submit a self-certification or certification from the State of California Office of Small Business Certification and Resources at the time of proposal submission certifying that the proposer meets the requirements set forth in Section IV. To receive points for the use of DVBE and/or Small Business subcontractors, at least 25 percent of the total contract value must be subcontracted to DVBEs and/or Small Businesses. To receive points as a Low-Emission Vehicle Business, the proposer must demonstrate to the Executive Officer, or designee, that supplies and materials delivered to SCAQMD are delivered in vehicles that operate on either clean-fuels or if powered by diesel fuel, that the vehicles have particulate traps installed. To receive points as a Local Business, the proposer must affirm that it has an ongoing business within the South Coast AQMD at the time of bid/proposal submittal and that 90% of the work related to the contract will be performed within the South Coast AQMD. Proposals for legislative representation, such as in Sacramento, California or Washington D.C. are not eligible for local business incentive points. Federally funded projects are not eligible for local business incentive points. To receive points as an Off-Peak Hours Delivery Business, the proposer must submit, at proposal submission, certification of its commitment to delivering supplies and materials to SCAQMD between the hours of 10:00 a.m. and 3:00 p.m. To receive points for Most Favored Customer status, the proposer must submit, at proposal submission, certification of its commitment to provide
most favored customer status to the SCAQMD. The cumulative points awarded for small business, DVBE, use of Small Business or DVBE Subcontractors, Local Business, Low-Emission Vehicle Business and Off-Peak Hour Delivery Business shall not exceed 15 points.

3. For procurement of Research and Development (R & D) projects or projects requiring technical or scientific expertise or special projects requiring unique knowledge and abilities, technical factors including past experience shall be weighted at 70 points and cost shall be weighted at 30 points. A proposal must receive at least 56 out of 70 points on R & D projects and projects requiring technical or scientific expertise or special projects requiring unique knowledge and abilities, in order to be deemed qualified for award.

4. The lowest cost proposal will be awarded the maximum cost points available and all other cost proposals will receive points on a prorated basis. For example if the lowest cost proposal is $1,000 and the maximum points available are 30 points, this proposal would receive the full 30 points. If the next lowest cost proposal is $1,100 it would receive 27 points reflecting the fact that it is 10% higher than the lowest cost (90% of 30 points = 27 points).

C. During the selection process the evaluation panel may wish to interview some proposers for clarification purposes only. No new material will be permitted at this time. Additional information provided during the bid review process is limited to clarification by the Proposer of information presented in his/her proposal, upon request by SCAQMD.

D. The Executive Officer or Governing Board may award the contract to a Proposer other than the Proposer receiving the highest rating in the event the Governing Board determines that another Proposer from among those technically qualified would provide the best value to SCAQMD considering cost and technical factors. The determination shall be based solely on the Evaluation Criteria contained in the Request for Proposal (RFP), on evidence provided in the proposal and on any other evidence provided during the bid review process.

E. Selection will be made based on the above-described criteria and rating factors. The selection will be made by and is subject to Executive Officer or Governing Board approval. Proposers may be notified of the results by letter.

F. The Governing Board has approved a Bid Protest Procedure which provides a process for a Bidder or prospective Bidder to submit a written protest to SCAQMD Procurement Manager in recognition of two types of protests: Protest Regarding Solicitation and Protest Regarding Award of a Contract. Copies of the Bid Protest Policy can be secured through a request to SCAQMD Procurement Department.

G. The Executive Officer or Governing Board may award contracts to more than one proposer if in (his or their) sole judgment the purposes of the (contract or award) would best be served by selecting multiple proposers.

H. If additional funds become available, the Executive Officer or Governing Board may increase the amount awarded. The Executive Officer or Governing Board may also select additional proposers for a grant or contract if additional funds become available.
I. Disposition of Proposals – Pursuant to SCAQMD’s Procurement Policy and Procedure, SCAQMD reserves the right to reject any or all proposals. All proposals become the property of SCAQMD, and are subject to the California Public Records Act. One copy of the proposal shall be retained for SCAQMD files. Additional copies and materials will be returned only if requested and at the proposer’s expense.

SECTION X: FUNDING

The total funding for the work contemplated by this RFP will be a maximum $250,000 for the base year with the option of two renewals upon Board approval of funding.

SECTION XI: SAMPLE CONTRACT

A sample contract to carry out the work described in this RFP is available on SCAQMD’s website at http://www.aqmd.gov/grants-bids or upon request from the RFP Contact Person (Section II).
ATTACHMENT A

PARTICIPATION IN THE PROCUREMENT PROCESS

A. It is the policy of South Coast Air Quality Management District (SCAQMD) to ensure that all businesses including minority business enterprises, women business enterprises, disabled veteran business enterprises and small businesses have a fair and equitable opportunity to compete for and participate in SCAQMD contracts.

B. Definitions:

The definition of minority, women or disadvantaged business enterprises set forth below is included for purposes of determining compliance with the affirmative steps requirement described in Paragraph G below on procurements funded in whole or in part with federal grant funds which involve the use of subcontractors. The definition provided for disabled veteran business enterprise, local business, small business enterprise, low-emission vehicle business and off-peak hours delivery business are provided for purposes of determining eligibility for point or cost considerations in the evaluation process.

1. "Women business enterprise" (WBE) as used in this policy means a business enterprise that meets all of the following criteria:

   a. a business that is at least 51 percent owned by one or more women, or in the case of any business whose stock is publicly held, at least 51 percent of the stock is owned by one or more women.

   b. a business whose management and daily business operations are controlled by one or more women.

   c. a business which is a sole proprietorship, corporation, or partnership with its primary headquarters office located in the United States, which is not a branch or subsidiary of a foreign corporation, foreign firm, or other foreign-based business.

2. "Disabled veteran" as used in this policy is a United States military, naval, or air service veteran with at least 10 percent service-connected disability who is a resident of California.

3. "Disabled veteran business enterprise" (DVBE) as used in this policy means a business enterprise that meets all of the following criteria:

   a. is a sole proprietorship or partnership of which at least 51 percent is owned by one or more disabled veterans or, in the case of a publicly owned business, at least 51 percent of its stock is owned by one or more disabled veterans; a subsidiary which is wholly owned by a parent corporation but only if at least 51 percent of the voting stock of the parent corporation is owned by one or more disabled veterans; or a joint venture in which at least 51 percent of the joint venture's management and control and earnings are held by one or more disabled veterans.
b. the management and control of the daily business operations are by one or more disabled veterans. The disabled veterans who exercise management and control are not required to be the same disabled veterans as the owners of the business.

c. is a sole proprietorship, corporation, or partnership with its primary headquarters office located in the United States, which is not a branch or subsidiary of a foreign corporation, firm, or other foreign-based business.

4. "Local business" as used in this policy means a company that has an ongoing business within geographical boundaries of SCAQMD at the time of bid or proposal submittal and performs 90% of the work related to the contract within the geographical boundaries of SCAQMD and satisfies the requirements of subparagraph H below. Proposals for legislative representation, such as in Sacramento, California or Washington D.C. are not eligible for local business incentive points.

5. “Small business” as used in this policy means a business that meets the following criteria:

   a. 1) an independently owned and operated business; 2) not dominant in its field of operation; 3) together with affiliates is either:

      • A service, construction, or non-manufacturer with 100 or fewer employees, and average annual gross receipts of ten million dollars ($10,000,000) or less over the previous three years, or

      • A manufacturer with 100 or fewer employees.

   b. Manufacturer means a business that is both of the following:

      1) Primarily engaged in the chemical or mechanical transformation of raw materials or processed substances into new products.


6. "Joint ventures" as defined in this policy pertaining to certification means that one party to the joint venture is a DVBE or small business and owns at least 51 percent of the joint venture.

7. "Low-Emission Vehicle Business" as used in this policy means a company or contractor that uses low-emission vehicles in conducting deliveries to SCAQMD. Low-emission vehicles include vehicles powered by electric, compressed natural gas (CNG), liquefied natural gas (LNG), liquefied petroleum gas (LPG), ethanol, methanol, hydrogen and diesel retrofitted with particulate matter (PM) traps.
8. “Off-Peak Hours Delivery Business” as used in this policy means a company or contractor that commits to conducting deliveries to SCAQMD during off-peak traffic hours defined as between 10:00 a.m. and 3:00 p.m.

9. “Benefits Incentive Business” as used in this policy means a company or contractor that provides janitorial, security guard or landscaping services to SCAQMD and commits to providing employee health benefits (as defined below in Section VIII.D.2.d) for full time workers with affordable deductible and co-payment terms.

10. “Minority Business Enterprise” as used in this policy means a business that is at least 51 percent owned by one or more minority person(s), or in the case of any business whose stock is publicly held, at least 51 percent of the stock is owned by one or more or minority persons.
   a. a business whose management and daily business operations are controlled by one or more minority persons.
   b. a business which is a sole proprietorship, corporation, or partnership with its primary headquarters office located in the United States, which is not a branch or subsidiary of a foreign corporation, foreign firm, or other foreign-based business.
   c. "Minority person" for purposes of this policy, means a Black American, Hispanic American, Native-American (including American Indian, Eskimo, Aleut, and Native Hawaiian), Asian-Indian (including a person whose origins are from India, Pakistan, and Bangladesh), Asian-Pacific-American (including a person whose origins are from Japan, China, the Philippines, Vietnam, Korea, Samoa, Guam, the United States Trust Territories of the Pacific, Northern Marianas, Laos, Cambodia, and Taiwan).

11. "Most Favored Customer" as used in this policy means that the SCAQMD will receive at least as favorable pricing, warranties, conditions, benefits and terms as other customers or clients making similar purchases or receiving similar services.

12. "Disadvantaged Business Enterprise" as used in this policy means a business that is an entity owned and/or controlled by a socially and economically disadvantaged individual(s) as described by Title X of the Clean Air Act Amendments of 1990 (42 U.S.C. 7601 note) (10% statute), and Public Law 102-389 (42 U.S.C. 4370d)(8% statute), respectively;
   a Small Business Enterprise (SBE);
   a Small Business in a Rural Area (SBRA);
   a Labor Surplus Area Firm (LSAF); or
   a Historically Underutilized Business (HUB) Zone Small Business Concern, or a concern under a successor program.

C. Under Request for Quotations (RFQ), DVBEs, DVBE business joint ventures, small businesses, and small business joint ventures shall be granted a preference in an amount equal to 5% of the lowest cost responsive bid. Low-Emission Vehicle Businesses shall be granted a preference in an amount equal to 5 percent of the lowest cost responsive bid.
Off-Peak Hours Delivery Businesses shall be granted a preference in an amount equal to 2 percent of the lowest cost responsive bid. Local businesses (if the procurement is not funded in whole or in part by federal grant funds) shall be granted a preference in an amount equal to 2% of the lowest cost responsive bid. Businesses offering Most Favored Customer status shall be granted a preference in an amount equal to 2 percent of the lowest cost responsive bid.

D. Under Request for Proposals, DVBEs, DVBE joint ventures, small businesses, and small business joint ventures shall be awarded ten (10) points in the evaluation process. A non-DVBE or large business shall receive seven (7) points for subcontracting at least twenty-five (25%) of the total contract value to a DVBE and/or small business. Low-Emission Vehicle Businesses shall be awarded five (5) points in the evaluation process. On procurements which are not funded in whole or in part by federal grant funds local businesses shall receive five (5) points. Off-Peak Hours Delivery Businesses shall be awarded two (2) points in the evaluation process. Businesses offering Most Favored Customer status shall be awarded two (2) points in the evaluation process.

E. SCAQMD will ensure that discrimination in the award and performance of contracts does not occur on the basis of race, color, sex, national origin, marital status, sexual preference, creed, ancestry, medical condition, or retaliation for having filed a discrimination complaint in the performance of SCAQMD contractual obligations.

F. SCAQMD requires Contractor to be in compliance with all state and federal laws and regulations with respect to its employees throughout the term of any awarded contract, including state minimum wage laws and OSHA requirements.

G. When contracts are funded in whole or in part by federal funds, and if subcontracts are to be let, the Contractor must comply with the following, evidencing a good faith effort to solicit disadvantaged businesses. Contractor shall submit a certification signed by an authorized official affirming its status as a MBE or WBE, as applicable, at the time of contract execution. SCAQMD reserves the right to request documentation demonstrating compliance with the following good faith efforts prior to contract execution.

1. Ensure Disadvantaged Business Enterprises (DBEs) are made aware of contracting opportunities to the fullest extent practicable through outreach and recruitment activities. For Indian Tribal, State and Local Government recipients, this will include placing DBEs on solicitation lists and soliciting them whenever they are potential sources.

2. Make information on forthcoming opportunities available to DBEs and arrange time frames for contracts and establish delivery schedules, where the requirements permit, in a way that encourages and facilitates participation by DBEs in the competitive process. This includes, whenever possible, posting solicitations for bids or proposals for a minimum of 30 calendar days before the bid or proposal closing date.

3. Consider in the contracting process whether firms competing for large contracts could subcontract with DBEs. For Indian Tribal, State and Local Government recipients, this will include dividing total requirements when economically feasible into smaller tasks or quantities to permit maximum participation by DBEs in the competitive process.
4. Encourage contracting with a consortium of DBEs when a contract is too large for one of these firms to handle individually.

5. Using the services and assistance of the Small Business Administration and the Minority Business Development Agency of the Department of Commerce.

6. If the prime contractor awards subcontracts, require the prime contractor to take the above steps.

H. To the extent that any conflict exists between this policy and any requirements imposed by federal and state law relating to participation in a contract by a certified MBE/WBE/DVBE as a condition of receipt of federal or state funds, the federal or state requirements shall prevail.

I. When contracts are not funded in whole or in part by federal grant funds, a local business preference will be awarded. For such contracts that involve the purchase of commercial off-the-shelf products, local business preference will be given to suppliers or distributors of commercial off-the-shelf products who maintain an ongoing business within the geographical boundaries of SCAQMD. However, if the subject matter of the RFP or RFQ calls for the fabrication or manufacture of custom products, only companies performing 90% of the manufacturing or fabrication effort within the geographical boundaries of SCAQMD shall be entitled to the local business preference. Proposals for legislative representation, such as in Sacramento, California or Washington D.C. are not eligible for local business incentive points.

J. In compliance with federal fair share requirements set forth in 40 CFR Part 33, SCAQMD shall establish a fair share goal annually for expenditures with federal funds covered by its procurement policy.
ATTACHMENT B

South Coast Air Quality Management District
21865 Copley Drive, Diamond Bar, CA 91765-4178
(909) 396-2000 • www.aqmd.gov

Business Information Request

Dear SCAQMD Contractor/Supplier:

South Coast Air Quality Management District (SCAQMD) is committed to ensuring that our contractor/supplier records are current and accurate. If your firm is selected for award of a purchase order or contract, it is imperative that the information requested herein be supplied in a timely manner to facilitate payment of invoices. In order to process your payments, we need the enclosed information regarding your account. Please review and complete the information identified on the following pages, remember to sign all documents for our files, and return them as soon as possible to the address below:

Attention: Accounts Payable, Accounting Department
South Coast Air Quality Management District
21865 Copley Drive
Diamond Bar, CA 91765-4178

If you do not return this information, we will not be able to establish you as a vendor. This will delay any payments and would still necessitate your submittal of the enclosed information to our Accounting department before payment could be initiated. Completion of this document and enclosed forms would ensure that your payments are processed timely and accurately.

If you have any questions or need assistance in completing this information, please contact Accounting at (909) 396-3777. We appreciate your cooperation in completing this necessary information.

Sincerely,

Sujata Jain
Asst. Deputy Executive Officer
Finance

DH:tm

Enclosures: Business Information Request
Disadvantaged Business Certification
W-9
Form 590 Withholding Exemption Certificate
Federal Contract Debarment Certification
Campaign Contributions Disclosure
Direct Deposit Authorization
## BUSINESS INFORMATION REQUEST

<table>
<thead>
<tr>
<th>Business Name</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Division of</td>
<td></td>
</tr>
<tr>
<td>Subsidiary of</td>
<td></td>
</tr>
<tr>
<td>Website Address</td>
<td></td>
</tr>
</tbody>
</table>

### Type of Business

- [ ] Individual
- [ ] DBA, Name _______________, County Filed in _______________
- [ ] Corporation, ID No. ________________
- [ ] LLC/LLP, ID No. ________________
- [ ] Other ________________

## REMITTING ADDRESS INFORMATION

<table>
<thead>
<tr>
<th>Address</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>City/Town</td>
<td></td>
</tr>
<tr>
<td>State/Province</td>
<td>Zip</td>
</tr>
<tr>
<td>Phone ( ) - Ext</td>
<td>Fax ( ) -</td>
</tr>
<tr>
<td>Contact</td>
<td>Title</td>
</tr>
<tr>
<td>E-mail Address</td>
<td></td>
</tr>
<tr>
<td>Payment Name if Different</td>
<td></td>
</tr>
</tbody>
</table>

All invoices must reference the corresponding Purchase Order Number(s)/Contract Number(s) if applicable and mailed to:

**Attention:** Accounts Payable, Accounting Department  
South Coast Air Quality Management District  
21865 Copley Drive  
Diamond Bar, CA 91765-4178
BUSINESS STATUS CERTIFICATIONS

Federal guidance for utilization of disadvantaged business enterprises allows a vendor to be deemed a small business enterprise (SBE), minority business enterprise (MBE) or women business enterprise (WBE) if it meets the criteria below.

- is certified by the Small Business Administration or
- is certified by a state or federal agency or
- is an independent MBE(s) or WBE(s) business concern which is at least 51 percent owned and controlled by minority group member(s) who are citizens of the United States.

Statements of certification:

As a prime contractor to SCAQMD, (name of business) will engage in good faith efforts to achieve the fair share in accordance with 40 CFR Section 33.301, and will follow the six affirmative steps listed below for contracts or purchase orders funded in whole or in part by federal grants and contracts.

1. Place qualified SBEs, MBEs, and WBEs on solicitation lists.
2. Assure that SBEs, MBEs, and WBEs are solicited whenever possible.
3. When economically feasible, divide total requirements into small tasks or quantities to permit greater participation by SBEs, MBEs, and WBEs.
4. Establish delivery schedules, if possible, to encourage participation by SBEs, MBEs, and WBEs.
5. Use services of Small Business Administration, Minority Business Development Agency of the Department of Commerce, and/or any agency authorized as a clearinghouse for SBEs, MBEs, and WBEs.
6. If subcontracts are to be let, take the above affirmative steps.

Self-Certification Verification: Also for use in awarding additional points, as applicable, in accordance with SCAQMD Procurement Policy and Procedure:

Check all that apply:

- Small Business Enterprise/Small Business Joint Venture
- Women-owned Business Enterprise
- Local business
- Disabled Veteran-owned Business Enterprise/DVBE Joint Venture
- Minority-owned Business Enterprise
- Most Favored Customer Pricing Certification

Percent of ownership: _________ %

Name of Qualifying Owner(s): ____________________________________________

State of California Public Works Contractor Registration No. _____________________________. MUST BE INCLUDED IF BID PROPOSAL IS FOR PUBLIC WORKS PROJECT.

I, the undersigned, hereby declare that to the best of my knowledge the above information is accurate. Upon penalty of perjury, I certify information submitted is factual.

_____________________________ ______________________________
NAME TITLE

_____________________________ ______________________________
TELEPHONE NUMBER DATE

Page 18 of 33 pages
Definitions

Disabled Veteran-Owned Business Enterprise means a business that meets all of the following criteria:

- is a sole proprietorship or partnership of which is at least 51 percent owned by one or more disabled veterans, or in the case of any business whose stock is publicly held, at least 51 percent of the stock is owned by one or more disabled veterans; a subsidiary which is wholly owned by a parent corporation but only if at least 51 percent of the voting stock of the parent corporation is owned by one or more disabled veterans; or a joint venture in which at least 51 percent of the joint venture’s management and control and earnings are held by one or more disabled veterans.
- the management and control of the daily business operations are by one or more disabled veterans. The disabled veterans who exercise management and control are not required to be the same disabled veterans as the owners of the business.
- is a sole proprietorship, corporation, partnership, or joint venture with its primary headquarters office located in the United States and which is not a branch or subsidiary of a foreign corporation, firm, or other foreign-based business.

Joint Venture means that one party to the joint venture is a DVBE and owns at least 51 percent of the joint venture. In the case of a joint venture formed for a single project this means that DVBE will receive at least 51 percent of the project dollars.

Local Business means a business that meets all of the following criteria:

- has an ongoing business within the boundary of SCAQMD at the time of bid application.
- performs 90 percent of the work within SCAQMD’s jurisdiction.

Minority-Owned Business Enterprise means a business that meets all of the following criteria:

- is at least 51 percent owned by one or more minority persons or in the case of any business whose stock is publicly held, at least 51 percent of the stock is owned by one or more minority persons.
- is a business whose management and daily business operations are controlled or owned by one or more minority person.
- is a business which is a sole proprietorship, corporation, partnership, joint venture, an association, or a cooperative with its primary headquarters office located in the United States, which is not a branch or subsidiary of a foreign corporation, foreign firm, or other foreign business.

“Minority” person means a Black American, Hispanic American, Native American (including American Indian, Eskimo, Aleut, and Native Hawaiian), Asian-Indian American (including a person whose origins are from India, Pakistan, or Bangladesh), Asian-Pacific American (including a person whose origins are from Japan, China, the Philippines, Vietnam, Korea, Samoa, Guam, the United States Trust Territories of the Pacific, Northern Marianas, Laos, Cambodia, or Taiwan).

Small Business Enterprise means a business that meets the following criteria:

a. 1) an independently owned and operated business; 2) not dominant in its field of operation; 3) together with affiliates is either:
   - A service, construction, or non-manufacturer with 100 or fewer employees, and average annual gross receipts of ten million dollars ($10,000,000) or less over the previous three years, or
   - A manufacturer with 100 or fewer employees.

b. Manufacturer means a business that is both of the following:

   1) Primarily engaged in the chemical or mechanical transformation of raw materials or processed substances into new products.
Small Business Joint Venture means that one party to the joint venture is a Small Business and owns at least 51 percent of the joint venture. In the case of a joint venture formed for a single project this means that the Small Business will receive at least 51 percent of the project dollars.

Women-Owned Business Enterprise means a business that meets all of the following criteria:

- is at least 51 percent owned by one or more women or in the case of any business whose stock is publicly held, at least 51 percent of the stock is owned by one or more women.
- is a business whose management and daily business operations are controlled or owned by one or more women.
- is a business which is a sole proprietorship, corporation, partnership, or a joint venture, with its primary headquarters office located in the United States, which is not a branch or subsidiary of a foreign corporation, foreign firm, or other foreign business.

Most Favored Customer as used in this policy means that the SCAQMD will receive at least as favorable pricing, warranties, conditions, benefits and terms as other customers or clients making similar purchases or receiving similar services.
Request for Taxpayer Identification Number and Certification

Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.

Business name/disregarded entity name, if different from above

Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only one of the following seven boxes:

- Individual/solo proprietor or single-member LLC
- C Corporation
- S Corporation
- Partnership
- Trust/estate
- Limited liability company. Enter the tax classification (C=L corporation, S=S corporation, P=Partnership)
- Other (see instructions)

Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is not disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.

Address (number, street, and apt. or suite no.) See instructions.

City, state, and ZIP code

List account number(s) here (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see How to get a TIN, later.

Social security number

Or

Employer identification number

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

Signature of U.S. person

Date

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to www.irs.gov/FormW-9.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following:

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding, later.
Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity, give the requester the appropriate completed Form W-8 or Form 8233.

Backup Withholding

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 26% of such payments. This is called “backup withholding.” Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, payments made in settlement of payment card and third party network transactions, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester.
2. You do not certify your TIN when required (see the instructions for Part II for details).
3. The IRS tells the requester that you furnished an incorrect TIN.
4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only),
5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See Exempt payee code, later, and the separate Instructions for the Requester of Form W-9 for more information.

Also see Special rules for partnerships, earlier.

What is FATCA Reporting?

The Foreign Account Tax Compliance Act (FATCA) requires a participating foreign financial institution to report all United States account holders that are specified United States persons. Certain payees are exempt from FATCA reporting. See Exemption from FATCA reporting code, later, and the separate Instructions for the Requester of Form W-9 for more information.

Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a G corporation that elects to be an S corporation, or if you no longer are a tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account; for example, if the grantor of a grantor trust dies.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of $50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a $500 penalty.
Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Line 1
You must enter one of the following on this line: do not leave this line blank. The name should match the name on your tax return.

If this Form W-9 is for a joint account (other than an account maintained by a foreign financial institution (FFI)), list first, and then circle, the name of the person or entity whose number you entered in Part I of Form W-9. If you are providing Form W-9 to an FFI to document a joint account, each holder of the account that is a U.S. person must provide a Form W-9.

a. Individual. Generally, enter the name shown on your tax return. If you have changed your last name without informing the Social Security Administration (SSA) of the name change, enter your first name, the last name as shown on your social security card, and your new last name.

b. Sole proprietor or single-member LLC. Enter your individual name as it was entered on your Form W-7 application, line 1a. This should also be the same as the name you entered on the Form 1040/1040A/1040EZ you filed with your application.

c. Partnership, LLC that is not a single-member LLC, C corporation, or S corporation. Enter the entity’s name as shown on the entity’s tax return on line 1 and any business, trade, or DBA name on line 2.

d. Other entities. Enter your name as shown on required U.S. federal tax documents on line 1. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on line 2.

e. Disregarded entity. For U.S. federal tax purposes, an entity that is disregarded as an entity separate from its owner is treated as a “disregarded entity.” See Regulations section 301.7701-2(c)(2)(ii). Enter the owner’s name on line 1. The name of the entity entered on line 1 should never be a disregarded entity. The name on line 1 should be the same name shown on the income tax return on which the income should be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a single owner that is a U.S. person, the U.S. owner’s name is required to be provided on line 1. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity’s name on line 2. “Business name/disregarded entity name.” If the owner of the disregarded entity is a foreign person, the owner must complete an appropriate Form W-8 instead of a Form W-9. This is the case even if the foreign person has a U.S. TIN.

Line 2
If you have a business name, trade name, DBA name, or disregarded entity name, you may enter it on line 2.

Line 3
Check the appropriate box on line 3 for the U.S. federal tax classification of the person whose name is entered on line 1. Check only one box on line 3.

<table>
<thead>
<tr>
<th>If the entity/person on line 1 is a(n)...</th>
<th>THEN check the box for...</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Corporation</td>
<td>Corporation</td>
</tr>
<tr>
<td>• Individual</td>
<td>Individual/single-member LLC</td>
</tr>
<tr>
<td>• Sole proprietor, or single-member limited liability company (LLC) owned by an individual and disregarded for U.S. federal tax purposes.</td>
<td>Limited liability company and enter the appropriate tax classification. (P= Partnership; C= C corporation; or S= S corporation)</td>
</tr>
<tr>
<td>• LLC treated as a partnership for U.S. federal tax purposes, LLC that has filed Form 8832 or 2553 to be taxed as a corporation, or LLC that is disregarded as an entity separate from its owner but the owner is another LLC that is not disregarded for U.S. federal tax purposes.</td>
<td>Partnership</td>
</tr>
<tr>
<td>• Partnership</td>
<td>Partnership</td>
</tr>
<tr>
<td>• Trust/estate</td>
<td>Trust/estate</td>
</tr>
</tbody>
</table>

Line 4, Exemptions
If you are exempt from backup withholding and/or FATCA reporting, enter in the appropriate space on line 4 any code(s) that may apply to you.

Exempt payee code.
• Generally, individuals (including sole proprietors) are not exempt from backup withholding.
• Except as provided below, corporations are exempt from backup withholding for certain payments, including interest and dividends.
• Corporations are not exempt from backup withholding for payments made in settlement of payment card or third party network transactions.
• Corporations are not exempt from backup withholding with respect to attorneys’ fees or gross proceeds paid to attorneys, and corporations that provide medical or health care services are not exempt with respect to payments reportable on Form 1099-MISC.

The following codes identify payees that are exempt from backup withholding. Enter the appropriate code in the space in line 4.
1—An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2).
2—The United States or any of its agencies or instrumentalities
3—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities
4—A foreign government or any of its political subdivisions, agencies, or instrumentalities
5—A corporation
6—A dealer in securities or commodities required to register in the United States, the District of Columbia, or a U.S. commonwealth or possession
7—A futures commission merchant registered with the Commodity Futures Trading Commission
8—A real estate investment trust
9—An entity registered at all times during the tax year under the Investment Company Act of 1940
10—A common trust fund operated by a bank under section 584(a)
11—A financial institution
12—A middleman known in the investment community as a nominee or custodian
13—A trust exempt from tax under section 664 or described in section 4947
The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 13.

<table>
<thead>
<tr>
<th>IF the payment is for . . .</th>
<th>THEN the payment is exempt for . . .</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest and dividend payments</td>
<td>All exempt payees except for 7</td>
</tr>
<tr>
<td>Broker transactions</td>
<td>Exempt payees 1 through 4 and 6 through 11 and all U corporations.</td>
</tr>
<tr>
<td>S corporations must not enter an exempt payee code because they are exempt only for sales of noncovered securities acquired prior to 2012.</td>
<td></td>
</tr>
<tr>
<td>Barter exchange transactions and patronage dividends</td>
<td>Exempt payees 1 through 4</td>
</tr>
<tr>
<td>Payments over $600 required to be reported and direct sales over $5,000</td>
<td>Generally, exempt payees 1 through 5</td>
</tr>
<tr>
<td>Payments made in settlement of payment card or third party network transactions</td>
<td>Exempt payees 1 through 4</td>
</tr>
</tbody>
</table>

1 See Form 1099-MISC, Miscellaneous Income, and its instructions.
2 However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney reportable under section 6045(f), and payments for services paid by a federal executive agency.

Exemption from FATCA reporting code. The following codes identify payees that are exempt from reporting under FATCA. These codes apply to persons submitting this form for accounts maintained outside of the United States by certain foreign financial institutions. Therefore, if you are only submitting this form for an account you hold in the United States, you may leave this field blank. Consult with the person requesting this form if you are uncertain if the financial institution is subject to these requirements. A requester may indicate that a code is not required by providing you with a Form W-9 with “Not Applicable” (or any similar indication) written or printed on the line for a FATCA exemption code.

A—An organization exempt from tax under section 501(a) or any individual retirement plan as defined in section 7701(a)(37)
B—The United States or any of its agencies or instrumentalities
C—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities
D—A corporation the stock of which is regularly traded on one or more established securities markets, as described in Regulations section 1.1472-1(c)(1)(i)
E—A corporation that is a member of the same expanded affiliated group as a corporation described in Regulations section 1.1472-1(c)(1)(i)
F—A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state
G—A real estate investment trust
H—A regulated investment company as defined in section 851 or an entity registered at all times during the tax year under the Investment Company Act of 1940
I—A common trust fund as defined in section 584(a)
J—a bank as defined in section 581
K—a broker
L—a trust exempt from tax under section 664 or described in section 4947(a)(1)

M—A tax exempt trust under a section 403(b) plan or section 457(g) plan

Note: You may wish to consult with the financial institution requesting this form to determine whether the FATCA code and/or exempt payee code should be completed.

Line 5
Enter your address (number, street, and apartment or suite number). This is where the requester of this Form W-9 will mail your information returns. If this address differs from the one the requester already has on file, write NEW at the top. If a new address is provided, there is still a chance the old address will be used until the payor changes your address in their records.

Line 6
Enter your city, state, and ZIP code.

Part I. Taxpayer Identification Number (TIN)
Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see How to get a TIN below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN.

If you are a single-member LLC that is disregarded as an entity separate from its owner, enter the owner’s SSN (or EIN, if the owner has one). Do not enter the disregarded entity’s EIN. If the LLC is classified as a corporation or partnership, enter the entity’s EIN.

Note: See What Name and Number To Give the Requester, later, for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local SSA office or get this form online at www.SSA.gov. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at www.irs.gov/Businesses and clicking on Employer Identification Number (EIN) under Starting a Business. Go to www.irs.gov/Forms to view, download, or print Form W-7 and/or Form SS-4. Or, you can go to www.irs.gov/OrderForms to place an order and have Form W-7 and/or SS-4 mailed to you within 10 business days.

If you are asked to complete Form W-9 but do not have a TIN, apply for a TIN and write “Applied For” in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note: Entering “Applied For” means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: A disregarded U.S. entity that has a foreign owner must use the appropriate Form W-8.

Part II. Certification
To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if item 1, 4, or 5 below indicates otherwise.

For a joint account: only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on line 1 must sign. Exempt payees, see Exempt payee code, earlier.

Signature requirements. Complete the certification as indicated in items 1 through 5 below.
1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or back-up withholding will apply. If you are subject to back-up withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. “Other payments” include payments made in the course of the requester’s trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments made in settlement of payment card and third party network transactions, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), ABLE accounts (under section 529A), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:

| 1. Individual | Give name and SSN: |
| 2. Two or more individuals (joint account) other than an account maintained by an FFI | The individual |
| 3. Two or more U.S. persons (joint account maintained by an FFI) | The actual owner of the account or, if combined funds, the first individual on the account |
| 4. Custodial account of a minor (Uniform Gift to Minors Act) | Each holder of the account |
| 5. a. The usual revocable savings trust (grantor is also trustee) | The minor |
| 6. Sole proprietorship or disregarded entity owned by an individual | The owner |
| 7. Grantor trust filing under Optional Form 1099 Filings Method 1 (see Regulations section 1.671-4B(2)(i)(A)) | The grantor |

For this type of account:

| 8. Disregarded entity not owned by an individual | Give name and EIN of: |
| 9. A valid trust, estate, or pension trust | The owner |
| 10. Corporation or LLC electing corporate status on Form 8832 or Form 2553 | Legal entity |
| 11. Association, club, religious, charitable, educational, or other tax-exempt organization | The corporation |
| 12. Partnership or multi-member LLC | The organization |
| 13. A broker or registered nominee | The partnership |

Secure Your Tax Records From Identity Theft

Identity theft occurs when someone uses your personal information such as your name, SSN, or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN.
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, contact the IRS Identity Theft Hotline at 1-800-909-4490 or submit Form 14039.

For more information, see Pub. 5027, Identity Theft Information for Taxpayers.

Victims of identity theft who are experiencing economic harm or a systemic problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

Protect yourself from suspicious emails or phishing schemes. Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.
The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to phishing@irs.gov. You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration (TIGTA) at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at spam@uce.gov or report them at www.ftc.gov/complaint. You can contact the FTC at www.ftc.gov/idtheft or 877-IDTHEFT (877-438-4338). If you have been the victim of identity theft, see www.IdentityTheft.gov and Pub. 5027.

Visit www.irs.gov/IdenityTheft to learn more about identity theft and how to reduce your risk.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information.

Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their laws. The information also may be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payers must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payer. Certain penalties may also apply for providing false or fraudulent information.
**TAXABLE YEAR**

**2018 Withholding Exemption Certificate 590**

The payee completes this form and submits it to the withholding agent. The withholding agent keeps this form with their records.

**Withholding Agent Information**

Name

**Payee Information**

Name

☐ SSN or ITIN ☐ FTIN ☐ CA Corp no. ☐ CA SOS fil no.

Address (apt./sta., room, PO box, or PMB no.)

City (if you have a foreign address, see instructions.)

State ZIP code

**Exemption Reason**

Check only one box.

By checking the appropriate box below, the payee certifies the reason for the exemption from the California income tax withholding requirements on payment(s) made to the entity or individual.

- ☐ Individuals — Certification of Residency:
  I am a resident of California and I reside at the address shown above. If I become a nonresident at any time, I will promptly notify the withholding agent. See instructions for General Information D, Definitions.

- ☐ Corporations:
  The corporation has a permanent place of business in California at the address shown above or is qualified through the California Secretary of State (SOS) to do business in California. The corporation will file a California tax return. If the corporation ceases to have a permanent place of business in California or ceases to do any of the above, I will promptly notify the withholding agent. See instructions for General Information D, Definitions.

- ☐ Partnerships or Limited Liability Companies (LLCs):
  The partnership or LLC has a permanent place of business in California at the address shown above or is registered with the California SOS, and is subject to the laws of California. The partnership or LLC will file a California tax return. If the partnership or LLC ceases to do any of the above, I will promptly inform the withholding agent. For withholding purposes, a limited liability partnership (LLP) is treated like any other partnership.

- ☐ Tax-Exempt Entities:
  The entity is exempt from tax under California Revenue and Taxation Code (R&TC) Section 23701 _____ (insert letter) or Internal Revenue Code Section 501(c) _____ (insert number). If this entity ceases to be exempt from tax, I will promptly notify the withholding agent. Individuals cannot be tax-exempt entities.

- ☐ Insurance Companies, Individual Retirement Arrangements (IRAs), or Qualified Pension/Profit-Sharing Plans:
  The entity is an insurance company, IRA, or a federally qualified pension or profit-sharing plan.

- ☐ California Trusts:
  At least one trustee and one noncontingent beneficiary of the above-named trust is a California resident. The trust will file a California fiduciary tax return. If the trustee or noncontingent beneficiary becomes a nonresident at any time, I will promptly notify the withholding agent.

- ☐ Estates — Certification of Residency of Deceased Person:
  I am the executor of the above-named person’s estate or trust. The decedent was a California resident at the time of death. The estate will file a California fiduciary tax return.

- ☐ Nonmilitary Spouse of a Military Servicemember:
  I am a nonmilitary spouse of a military servicemember and I meet the Military Spouse Residency Relief Act (MSRRA) requirements. See instructions for General Information E, MSRRA.

**CERTIFICATE OF PAYEE:** Payee must complete and sign below.

To learn about your privacy rights, how we may use your information, and the consequences for not providing the requested information, go to [fb.ca.gov/forms](http://fb.ca.gov/forms) and search for 1131. To request this notice by mail, call 800.852.5711.

Under penalties of perjury, I declare that I have examined the information on this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. I further declare under penalties of perjury that if the facts upon which this form is based change, I will promptly notify the withholding agent.

Type or print payee’s name and title __________________________ Telephone (_____)

Payee’s signature __________________________ Date __________
2017 Instructions for Form 590
Withholding Exemption Certificate

General Information

Registered Domestic Partners (RDP) – For purposes of California income tax, references to a spouse, husband, or wife also refer to a Registered Domestic Partner (RDP) unless otherwise specified. For more information on RDPs, get FTB Pub. 737, Tax Information for Registered Domestic Partners.

A Purpose

Use Form 590, Withholding Exemption Certificate, to certify an exemption from nonresident withholding.

Form 590 does not apply to payments of backup withholding. For more information, go to ftb.ca.gov and search for backup withholding.

Form 590 does not apply to payments for wages to employees. Wage withholding is administered by the California Employment Development Department (EDD). For more information, go to edd.ca.gov or call 888.745.3988.

Do not use Form 590 to certify an exemption from withholding if you are a Seller of California real estate. Sellers of California real estate use Form 593-C, Real Estate Withholding Certificate, to claim an exemption from the real estate withholding requirement. The following are excluded from withholding and completing this form:

- The United States and any of its agencies or instrumentalities.
- A state, a possession of the United States, the District of Columbia, or any of its political subdivisions or instrumentalities.
- A foreign government or any of its political subdivisions, agencies, or instrumentalities.

B Income Subject to Withholding

California Revenue and Taxation Code (R&T) Section 18662 requires withholding of income or franchise tax on payments of California source income made to nonresidents of California.

Withholding is required on the following, but is not limited to:

- Payments to nonresidents for services rendered in California.
- Distributions of California source income made to domestic nonresident partners, members, and S corporation shareholders and allocations of California source income made to foreign partners and members.
- Payments to nonresidents for rents if the payments are made in the course of the withholding agent's business.

C Who Certifies this Form

Form 590 is certified by the payee. California residents or entities exempt from the withholding requirement should complete Form 590 and submit it to the withholding agent before payment is made. The withholding agent is then relieved of the withholding requirements if the agent relies in good faith on a completed and signed Form 590 unless notified by the Franchise Tax Board (FTB) that the form should not be relied upon.

An incomplete certificate is invalid and the withholding agent should not accept it. If the withholding agent receives an incomplete certificate, the withholding agent is required to withhold tax on payments made to the payee until a valid certificate is received. In lieu of a completed exemption certificate, the withholding agent may accept a letter from the payee as a substitute explaining why they are not subject to withholding. The letter must contain all the information required on the certificate in similar language, including the under penalty of perjury statement and the payee's taxpayer identification number (TIN). The withholding agent must retain a copy of the certificate or substitute for at least five years after the last payment to which the certificate applies, and provide it upon request to the FTB.

If an entertainer (or the entertainer’s business entity) is paid for a performance, the entertainer’s information must be provided. Do not submit the entertainer’s agent or promoter information.

The grantor of a grantor trust shall be treated as the payee for withholding purposes. Therefore, if the payee is a grantor trust and one or more of the grantors is a nonresident, withholding is required. If all of the grantors on the trust are residents, no withholding is required. Resident grantors can check the box on Form 590 labeled “Individuals — Certification of Residency.”

D Definitions

For California nonwage withholding purposes, nonresident includes all of the following:

- Individuals who are not residents of California.
- Corporations not qualified through the California Secretary of State (CA SOS) to do business in California or having no permanent place of business in California.
- Partnerships or limited liability companies (LLCs) with no permanent place of business in California.
- Any trust without a resident grantor, beneficiary, or trustee, or estates where the decedent was not a California resident.

Foreign refers to non-U.S. For more information about determining resident status, get FTB Pub. 1031, Guidelines for Determining Resident Status.

Military service members have special rules for residency. For more information, get FTB Pub. 1032, Tax Information for Military Personnel.

E Military Spouse Residency Relief Act (MSRRA)

Generally, for tax purposes you are considered to maintain your existing residence or domicile. If a military servicemember and nonmilitary spouse have the same state of domicile, the MSRRA provides:

- A spouse shall not be deemed to have lost a residence or domicile in any state solely by reason of being absent to be with the servicemember serving in compliance with military orders.
- A spouse shall not be deemed to have acquired a residence or domicile in any other state solely by reason of being there to be with the servicemember serving in compliance with military orders.

Domicile is defined as the one place:

- Where you maintain a true, fixed, and permanent home.
- To which you intend to return whenever you are absent.
A military servicemember's nonmilitary spouse is considered a nonresident for tax purposes if the servicemember and spouse have the same domicile outside of California and the spouse is in California solely to be with the servicemember who is serving in compliance with Permanent Change of Station orders. California may require nonmilitary spouses of military servicemen to provide proof that they meet the criteria for California personal income tax exemption as set forth in the MSRRA.

Income of a military servicemember's nonmilitary spouse for services performed in California is not California source income subject to state tax if the spouse is in California to be with the servicemember serving in compliance with military orders, and the servicemember and spouse have the same domicile in a state other than California.

For additional information or assistance in determining whether the applicant meets the MSRRA requirements, visit FTB Pub. 1032.

Specific Instructions

Payee Instructions
Enter the withholding agent's name.

Enter the payee's information, including the TIN and check the appropriate TIN box. You must provide a valid TIN as requested on this form. The following are acceptable TINs: social security number (SSN); individual taxpayer identification number (ITIN); federal employer identification number (FEIN); California corporation number (CA Corp no.); or CA SOS file number.

Private Mail Box (PMB) – Include the PMB in the address field. Write “PMB” first, then the box number. Example: 111 Main Street, PMB 123.

Foreign Address – Follow the country's practice for entering the city, county, province, state, country, and postal code, as applicable, in the appropriate boxes. Do not abbreviate the country name.

Exemption Reason – Check the box that reflects the reason why the payee is exempt from the California income tax withholding requirement.

Withholding Agent Instructions
Do not send this form to the FTB. The withholding agent retains this form for a minimum of five years or until the payee's status changes, and must provide this form to the FTB upon request.

The payee must notify the withholding agent if any of the following situations occur:
- The individual payee becomes a nonresident.
- The corporation ceases to have a permanent place of business in California or ceases to be qualified to do business in California.
- The partnership ceases to have a permanent place of business in California.
- The LLC ceases to have a permanent place of business in California.
- The tax-exempt entity loses its tax-exempt status.

If any of these situations occur, then withholding may be required. For more information, get Form 592, Resident and Nonresident Withholding Statement, Form 592-B, Resident and Nonresident Withholding Tax Statement, and Form 592-V, Payment Voucher for Resident and Nonresident Withholding.

Additional Information

Website: For more information go to ftb.ca.gov and search for nonwage.

MyFTB offers secure online tax account information and services. For more information and to register, go to ftb.ca.gov and search for myftb.

Telephone: 888.792.4900 or 916.845.4900, Withholding Services and Compliance phone service.
Fax: 916.845.9512.
Mail: WITHHOLDING SERVICES AND COMPLIANCE MS F182 FRANCHISE TAX BOARD PO BOX 492867 SACRAMENTO CA 94267-9511

For questions unrelated to withholding, or to download, view, and print California tax forms and publications, or to access the TTY/TDD numbers, see the information below.

Internet and Telephone Assistance
Website: ftb.ca.gov
Telephone: 800.852.5711 from within the United States, 916.845.6500 from outside the United States.
TTY/TDD: 800.822.0208 for persons with hearing or speech impairments.

Asistencia Por Internet y Teléfono
Sito web: ftb.ca.gov
Teléfono: 800.852.5711 dentro de los Estados Unidos, 916.845.6500 fuera de los Estados Unidos.
TTY/TDD: 800.822.0208 para personas con discapacidades auditivas o de habla.
Certification Regarding
Debarment, Suspension, and Other Responsibility Matters

The prospective participant certifies to the best of its knowledge and belief that it and the principals:

(a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;

(b) Have not within a three year period preceding this proposal been convicted of or had a civil judgement rendered against them or commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction: violation of Federal or State antitrust statute or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property:

(c) Are not presently indicted for or otherwise criminally or civilly charged by a government entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (b) of this certification; and

(d) Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State, or local) terminated for cause or default.

I understand that a false statement on this certification may be grounds for rejection of this proposal or termination of the award. In addition, under 18 USC Sec. 1001, a false statement may result in a fine of up to $10,000 or imprisonment for up to 5 years, or both.

________________________________________
Typed Name & Title of Authorized Representative

________________________________________
Signature of Authorized Representative Date

☐ I am unable to certify to the above statements. My explanation is attached.
CAMPAIGN CONTRIBUTIONS DISCLOSURE

In accordance with California law, bidders and contracting parties are required to disclose, at the time the application is filed, information relating to any campaign contributions made to South Coast Air Quality Management District (SCAQMD) Board Members or members/alternates of the MSRC, including: the name of the party making the contribution (which includes any parent, subsidiary or otherwise related business entity, as defined below), the amount of the contribution, and the date the contribution was made. 2 C.C.R. §18438.8(b).

California law prohibits a party, or an agent, from making campaign contributions to SCAQMD Governing Board Members or members/alternates of the Mobile Source Air Pollution Reduction Review Committee (MSRC) of more than $250 while their contract or permit is pending before SCAQMD; and further prohibits a campaign contribution from being made for three (3) months following the date of the final decision by the Governing Board or the MSRC on a donor’s contract or permit. Gov’t Code §84308(d). For purposes of reaching the $250 limit, the campaign contributions of the bidder or contractor plus contributions by its parents, affiliates, and related companies of the contractor or bidder are added together. 2 C.C.R. §18438.5.

In addition, SCAQMD Board Members or members/alternates of the MSRC must abstain from voting on a contract or permit if they have received a campaign contribution from a party or participant to the proceeding, or agent, totaling more than $250 in the 12-month period prior to the consideration of the item by the Governing Board or the MSRC. Gov’t Code §84308(c).

The list of current SCAQMD Governing Board Members can be found at SCAQMD website (www.aqmd.gov). The list of current MSRC members/alternates can be found at the MSRC website (http://www.cleantransportationfunding.org).

SECTION I.

Contractor (Legal Name): ________________________________________________

DBA, Name ___________________________. County Filed in________________________

Corporation, ID No.__________________________

LLC/LLP, ID No. ____________________________

List any parent, subsidiaries, or otherwise affiliated business entities of Contractor: (See definition below).

____________________________________________

SECTION II.

Has Contractor and/or any parent, subsidiary, or affiliated company, or agent thereof, made a campaign contribution(s) totaling $250 or more in the aggregate to a current member of the South Coast Air Quality Management Governing Board or member/alternate of the MSRC in the 12 months preceding the date of execution of this disclosure?

☐ Yes  ☐ No  If YES, complete Section II below and then sign and date the form. If NO, sign and date below. Include this form with your submittal.

Campaign Contributions Disclosure, continued:
<table>
<thead>
<tr>
<th>Name of Contributor</th>
<th>Governing Board Member or MSRC Member/Alternate</th>
<th>Amount of Contribution</th>
<th>Date of Contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

I declare the foregoing disclosures to be true and correct.

By: ________________________________

Title: ______________________________

Date: ______________________________

**DEFINITIONS**

Parent, Subsidiary, or Otherwise Related Business Entity (2 Cal. Code of Regs., §18703.1(d).)

(1) Parent subsidiary. A parent subsidiary relationship exists when one corporation directly or indirectly owns shares possessing more than 50 percent of the voting power of another corporation.

(2) Otherwise related business entity. Business entities, including corporations, partnerships, joint ventures and any other organizations and enterprises operated for profit, which do not have a parent subsidiary relationship are otherwise related if any one of the following three tests is met:

  (A) One business entity has a controlling ownership interest in the other business entity.
  (B) There is shared management and control between the entities. In determining whether there is shared management and control, consideration should be given to the following factors:
      (i) The same person or substantially the same person owns and manages the two entities;
      (ii) There are common or commingled funds or assets;
      (iii) The business entities share the use of the same offices or employees, or otherwise share activities, resources or personnel on a regular basis;
      (iv) There is otherwise a regular and close working relationship between the entities; or
  (C) A controlling owner (50% or greater interest as a shareholder or as a general partner) in one entity also is a controlling owner in the other entity.
Direct Deposit Authorization

STEP 1: Please check all the appropriate boxes

- Individual (Employee, Governing Board Member)
- New Request
- Vendor/Contractor
- Cancel Direct Deposit
- Changed Information

STEP 2: Payee Information

<table>
<thead>
<tr>
<th>Last Name</th>
<th>First Name</th>
<th>Middle Initial</th>
<th>Title</th>
</tr>
</thead>
</table>

Vendor/Contractor Business Name (if applicable)

<table>
<thead>
<tr>
<th>Address</th>
<th>Apartment or P.O. Box Number</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>City</th>
<th>State</th>
<th>Zip</th>
<th>Country</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Taxpayer ID Number</th>
<th>Telephone Number</th>
<th>Email Address</th>
</tr>
</thead>
</table>

Authorization

1. I authorize South Coast Air Quality Management District (SCAQMD) to direct deposit funds to my account in the financial institution as indicated below. I understand that the authorization may be rejected or discontinued by SCAQMD at any time. If any of the above information changes, I will promptly complete a new authorization agreement. If the direct deposit is not stopped before closing an account, funds payable to me will be returned to SCAQMD for distribution. This will delay my payment.

2. This authorization remains in effect until SCAQMD receives written notification of changes or cancellation from you.

3. I hereby release and hold harmless SCAQMD for any claims or liability to pay for any losses or costs related to insufficient fund transactions that result from failure within the Automated Clearing House network to correctly and timely deposit monies into my account.

STEP 3:

You must verify that your bank is a member of an Automated Clearing House (ACH). Failure to do so could delay the processing of your payment. You must attach a voided check or have your bank complete the bank information and the account holder must sign below.

To be Completed by your Bank

<table>
<thead>
<tr>
<th>Name of Bank/Institution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Account Holder Name(s)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Saving</th>
<th>Checking</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Account Number</th>
<th>Routing Number</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Bank Representative Printed Name</th>
<th>Bank Representative Signature</th>
<th>Date</th>
</tr>
</thead>
</table>

ACCOUNT HOLDER SIGNATURE: __________________________________________________________________________

Account Holder Date ____________

For SCAQMD Use Only

Input By ___________________________ Date ____________
BOARD MEETING DATE: February 1, 2019

PROPOSAL: Transfer and Appropriate Funds and Authorize Purchase of Kids Making Sense Kits

SYNOPSIS: SCAQMD seeks to implement an air quality educational program at 100 high schools in environmental justice communities within its jurisdiction. The Kids Making Sense kits from Sonoma Technology, Inc. are critical to implementing the program as they integrate Science, Technology, Engineering, and Math education and California Next Generation Science Standards with air quality curriculum through hands-on learning experiences. This action is to transfer and appropriate funds from the BP ARCO Settlement Project Fund (46) to Legislative, Public Affairs and Media’s FY 2018-19 Budget and authorize the sole source purchase of 100 Kids Making Sense kits which can be reused multiple times, over multiple years in an amount not to exceed $276,875.

COMMITTEE: Administrative, January 10, 2019; Recommended for Approval

RECOMMENDED ACTIONS:
1. Transfer $276,875 from the BP ARCO Settlement Project Fund (46) to General Fund (01) Unassigned Fund Balance;
2. Appropriate $276,875 from General Fund Unassigned Fund Balance to Legislative, Public Affairs and Media’s FY 2018-19 Budget, Services and Supplies Major Object, Professional & Specialized Services account; and,
3. Authorize the Procurement Manager to issue a sole source purchase order of one hundred Kids Making Sense Kits from Sonoma Technology, Inc. at the cost of $276,875.

Wayne Nastri
Executive Officer
Background
SCAQMD has a long history of educational outreach to teachers and students in the South Coast Air Basin through programs and events, especially within environmental justice communities. These activities have been effective in raising awareness about SCAQMD and air quality issues among teachers and students, reaching several thousand program and event participants. Additionally, SCAQMD’s outreach efforts to high school students has yielded exponential benefits as participants in programs have shared information with their families, communities and peers.

In 2019, SCAQMD seeks to implement an air quality educational program at 100 high schools in environmental justice communities within its jurisdiction. The initial program would target 40 schools in Los Angeles County, and 20 schools each in Orange, Riverside, and San Bernardino Counties.

Recent advancements in low cost sensor technology, smartphones and the development of professional air quality curriculum that meets California standards will enable SCAQMD to implement an all new hands-on learning program for high school teachers and students. Sonoma Technology, Inc. has developed unique educational kits called Kids Making Sense which integrate Science, Technology, Engineering, and Math (STEM) education and California Next Generation Science Standards (NGSS) with air quality curriculum. This specific curriculum correlates well with key SCAQMD environmental justice related initiatives including, but not limited to, AQ-SPEC, Rule 1180 Refinery Fenceline Air Monitoring, Special Air Toxics Investigations and AB 617. The kits also can be reused multiple times, over multiple years and include updates to curriculum.

Additionally, the kits include access to interactive tools including, air monitoring sensors, smartphones, access to a designated website for air quality data, and materials specifically designed for high school teachers and students. Sonoma Technology Inc. also allows for the modification of the curricula to align with SCAQMD branding and messaging. The specific hands-on learning experience provided by the kits would uniquely serve SCAQMD’s objectives to raise awareness and to educate and engage high school students and teachers in disadvantaged communities on SCAQMD and air quality issues.

Sole Source Justification
Section VIII.B.2. of the Procurement Policy and Procedure identifies provisions under which a sole source award may be justified. This request for sole source award is made under provision B.2.c: The desired services are available from only the sole-source based upon one or more of the following reasons: (1) The unique experience and capabilities of the proposed contractor or contractor team.
The *Kids Making Sense* kits from Sonoma Technology, Inc. were selected to be a sole source purchase because they integrate STEM education and California NGSS standards with air quality curriculum. This specific curriculum correlates well with key SCAQMD environmental justice related initiatives including, but not limited to, AQ-SPEC, Rule 1180 Refinery Fenceline Air Monitoring, Special Air Toxics Investigations and AB 617.

**Proposal**

This action is to transfer and appropriate funds from the BP ARCO Settlement Project Fund (46) to Legislative, Public Affairs and Media’s FY 2018-19 Budget and authorize the purchase of one hundred *Kids Making Sense* kits which can be reused multiple times, over multiple years, in an amount not to exceed $276,875.

**Resource Impacts**

Sufficient funding will exist for this sole source purchase upon transfer of $276,875 from BP ARCO Settlement Projects Fund (46), and the appropriation of $276,875 from the General Funds Unassigned Fund Balance to the Legislative, Public Affairs, and Media FY 2018-19 Budget.
LOCAL GOVERNMENT & SMALL BUSINESS ASSISTANCE ADVISORY GROUP
FRIDAY, NOVEMBER 9, 2018
MEETING MINUTES

MEMBERS PRESENT:
Ben Benoit, Mayor Pro Tem, City of Wildomar and LGSBA Chairman
V. Manuel Perez, Supervisor
Janice Rutherford, Supervisor, Second District, San Bernardino County
Felipe Aguirre
Paul Avila, P.B.A. & Associates
Geoffrey Blake, Metal Finishers of Southern California
John DeWitt, JE DeWitt, Inc.
Bill LaMarr, California Small Business Alliance
Rita Loof, RadTech International
Eddie Marquez, Roofing Contractors Association
David Rothbart, Los Angeles County Sanitation District

MEMBERS ABSENT:
Dr. Clark E. Parker, Sr., Senate Rules Committee Appointee
Rachelle Arizmendi, Mayor Pro Tempore, City of Sierra Madre
Todd Campbell, Clean Energy
LaVaughn Daniel, DancoEN
Cynthia Moran, Council Member, City of Chino Hills

OTHERS PRESENT:
Mark Abramowitz, Board Member Consultant (Lyoun)
Ruthanne Taylor Berger, Board Member Consultant (Benoit)
Andy Silva, San Bernardino County

SCAQMD STAFF:
Fabian Wesson, Asst. Deputy Executive Officer/Public Advisor
Jason Low, Ph.D., Asst. Deputy Executive Officer
Nancy Feldman, Principal Deputy District Counsel
Al Baez, Program Supervisor
Vasileios Papapostolou, Program Supervisor
Tom Lee, Senior Air Quality Engineer
De Groeneveld, Sr. Information Technology Specialist
Elaine-Joy Hills, AQ Inspector II
Stacy Garcia, Secretary
Agenda Item #1 - Call to Order/Opening Remarks
Chair Ben Benoit called the meeting to order at 11:32 a.m.

Agenda Item #2 – Approval of October 12, 2018 Meeting Minutes/Review of Follow-Up/Action Items
Chair Benoit called for approval of the October 12, 2018 meeting minutes. The minutes were approved unanimously.

Agenda Item #3 – Follow Up/Action Items
Ms. Fabian Wesson stated that Mr. David Rothbart had requested a presentation on Emission Reductions Credits (ERCs). Mr. Derrick Alatorre checked with SCAQMD staff and they are not ready to present on ERCs at this time.

In response to Supervisor V. Manuel Perez’s request for a symposium in Eastern Riverside County, Ms. Wesson indicated that an AB 617 meeting will be scheduled in 2019.

Ms. Wesson stated that during the October meeting, Ms. Rita Loof requested a report on activities that SCAQMD staff is working on with California Air Resources Board (CARB), in regards to AB 617. Ms. Wesson responded that reports are given at each coordination meeting and Ms. Loof stated that she would like a recap. Ms. Wesson indicated that an AB 617 update will be given at a future meeting. Ms. Wesson further stated that the steering committees for the three AB 617 communities have been formed and each consists of approximately 30 people including residents, businesses, and community based organizations. The next AB 617 meeting is in East Los Angeles on November 28, 2018. The meeting information is posted on the AB 617 webpage (http://www.aqmd.gov/nav/about/initiatives/environmental-justice/ab617-134) and will provide LGSBA members the information via e-mail. Ms. Rita Loof asked how trade associations are going to be able to represent communities and sit on advisory committees. Ms. Wesson stated that SCAQMD staff can provide the list of the steering committee members.

- Action Item: Provide presentation on AB 617 updates.
- Action Item: Provide list of steering committee members to LGSBA members.
- Action Item: E-mail flyer for AB 617 meeting on November 28, 2018 to LGSBA members.

Mr. Bill La Marr requested that AB 617 meeting materials and presentations be posted on our website at least 24 hours in advance of a scheduled meeting. Ms. Wesson stated that it is a work in progress and staff will speak to the coordinator about it.

Ms. Loof reiterated her request on an update on outreach activities entered into with the business industry on Rule 219.

- Action Item: Provide presentation on Rule 219 updates.

Mr. Paul Avila previously inquired on SCAQMD’s involvement in the Sriracha case to which Ms. Nancy Feldman gave details in that it was a public nuisance matter. Mr. Avila stated that he would like information about SCAQMD’s policies regarding public nuisance. Ms. Feldman stated that there is no specific number of complaints and in order to find a public nuisance, a considerable number of people need to be impacted which can vary from case to case. Ms. Feldman offered to present on public nuisance policies in the future.
Action Item: Provide presentation on public nuisance by Nancy Feldman.

Supervisor Janice Rutherford requested for Agenda Item #5 to be moved up.

Agenda Item #5 – Air Quality Sensing & Monitoring in Citizen Science
Mr. Vasileios Papapostolou provided an overview on the U.S. Environmental Protection Agency (EPA) funded Science to Achieve Results grant, entitled “Engage, Educate, and Empower California Communities on the Use and Applications of Low-Cost Air Monitoring Sensors.”

Ms. Loof inquired if SCAQMD gets involved with public assistance on sensor usage. Mr. Papapostolou stated that SCAQMD is involved with community groups, community members, CAPCOA agencies, and the Bay Area AQMD.

Mr. Avila inquired about all sensors that were considered. Mr. Papapostolou said that approximately 30 pollutant-type devices have been brought in and around 15 have been tested. Mr. Avila asked about the cost of a dome-type sensor. Mr. Papapostolou responded that they cost around $200, but do have limitations.

Mr. John DeWitt asked if the sensor sites are listed publicly. Mr. Papapostolou responded that they are displayed on a map on the web. Mr. DeWitt wanted to know about the process of getting a sensor. Mr. Papapostolou indicated that the distribution of sensors are through the STAR Grant Program. Mr. Papapostolou suggested visiting AQ-SPEC webpage (http://www.aqmd.gov/aq-spec/home).

Supervisor Rutherford asked how the program will integrate with AB 617 community monitoring. Mr. Papapostolou said that local sensors will be involved and then will be proposed in AB 617 and other programs.

Mr. LaMarr inquired as to why San Bernardino does not have sensors. Mr. Papapostolou responded that there are sensors in San Bernardino, but are not part of the STAR Grant Program. Mr. LaMarr asked if the emissions data that will be made available at the AB 617 meetings could also be given to this group, to which Mr. Papapostolou responded yes.

Action Item: Provide presentation on AB 617 emissions data.

Ms. Loof stated that different sensors may give differing results on emissions and asked what standard SCAQMD is using to validate certain types of technologies. Mr. Papapostolou stated that we are involved in discussions of establishing a performance verification program at the state level. At the national level, there are discussions of a certification program, which will be led by the US EPA.

Dr. Jason Low indicated that there are limitations to the devices being used, and they are not being used for compliance targets at this point.

Mr. Rothbart asked, for anyone having a device, if they are made aware that it is a screening tool and may identify a potential area that needs to be validated by a regulatory entity. As to AB 617, Dr. Low stated that module 2 will be heavily emphasized on air monitoring.

Mr. Rothbart asked for validation of samples and how to properly sample. Mr. Papapostolou stated that guidance is provided.
Mr. LaMarr asked if data will be reliable enough, if it will be included in other studies. Mr. Papapostolou said that the local sensors are not yet approved methods. They complement existing regulatory networks. Dr. Low stated that the technology provides information, which is good enough to supplement smoke advisory.

Ms. Loof stated that it would be helpful to be part of the conversation in ongoing discussions of certification of sensors.

Supervisor Perez inquired as to what the sensors are monitoring, where they are located in his district, and requested a copy showing the locations of said sensors. He explained that nosebleeds have been reported at the schools around the Salton Sea. Mr. Papapostolou stated that the sensors that he has been discussing measure PM$_{2.5}$ and PM$_{10}$, with the numbers referring to size of particles. Supervisor Perez asked if there is any link between PM$_{10}$ and nosebleeds. Mr. Papapostolou stated that he is not aware of any association, but exposure to poor air quality can cause nosebleeds. Supervisor Perez requested meetings and further data in regards to nosebleeds at the schools in his district. Dr. Low said that there are three devices in Eastern Coachella, and agreed to facilitate a conversation about PM$_{10}$ data and nosebleeds.

**Action Item:** Send map with locations of monitors in 4th District to Supervisor Perez.

**Action Item:** Schedule meeting to discuss any correlation between nosebleeds and PM$_{10}$.

Mr. Harvey Eder commented on solar and other environmental issues.

**Agenda Item #4 – Proposed Updates to the Best Available Control Technology (BACT) Guidelines**

Mr. Al Baez presented on proposed updates on the Best Available Control Technologies (BACT) Guidelines.

Ms. Loof requested a copy of the Engineering & Permitting policy memorandum. Mr. Tom Lee indicated there is a link to the memorandum on the BACT webpage.

Mr. DeWitt and Mr. LaMarr inquired about costs per ton. Mr. Baez stated that costs were established in 2005 on a cost per ton basis and it will be in the board package. Mr. Baez indicated that in BACT, we get in touch with actual facilities, get input on costs for installation, compare to costs per ton. BACT is case specific.

Mr. Rothbart suggested that BACT should have a more formal process. Mr. Baez said a BACT public meeting for proposed updates will be scheduled and what Mr. Rothbart is suggesting would require Board action.

Mr. Blake asked if BACT guidelines pass, how long it would take for all permits to be re-written. Mr. Baez said rules are not impacted and that it only applies to anything new, modified or relocated.

Mr. Eder requested to enter into the record documents of clerk’s transcript from appellate court and commented about solar.

**Agenda Item #6 –Monthly Report on Small Business Assistance Activities**

No comments.
**Agenda Item #7 - Other Business**
Ms. Wesson stated that the December meeting will be held at Centro Basco. The item on the agenda will be regarding goals and objectives, and to submit any recommendations to Ms. Stacy Garcia.

**Agenda Item #8 - Public Comment**
Mr. Eder provided public comment on solar and other environmental issues.

**Agenda Item #9 – Next Meeting Date**
The next regular Local Government & Small Business Assistance Advisory Group meeting is scheduled for Friday, December 14, 2018 at 11:30 a.m. at Centro Basco located at 13432 Central Ave., Chino, 91710.

**Adjournment**
The meeting adjourned at 12:59 p.m.