



# South Coast Air Quality Management District

21865 Copley Drive, Diamond Bar, CA 91765-4178  
(909) 396-2000 • [www.aqmd.gov](http://www.aqmd.gov)



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## A G E N D A

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### MEETING, FEBRUARY 1, 2013

A meeting of the South Coast Air Quality Management District Board will be held at 9:00 a.m., in the Auditorium at AQMD Headquarters, 21865 Copley Drive, Diamond Bar, California.

#### Questions About an Agenda Item

- The name and telephone number of the appropriate staff person to call for additional information or to resolve concerns is listed for each agenda item.
- In preparation for the meeting, you are encouraged to obtain whatever clarifying information may be needed to allow the Board to move expeditiously in its deliberations.

#### Meeting Procedures

- The public meeting of the AQMD Governing Board begins at 9:00 a.m. The Governing Board generally will consider items in the order listed on the agenda. However, any item may be considered in any order.
- After taking action on any agenda item not requiring a public hearing, the Board may reconsider or amend the item at any time during the meeting.

#### Questions About Progress of the Meeting

- During the meeting, the public may call the Clerk of the Board's Office at (909) 396-2500 for the number of the agenda item the Board is currently discussing.

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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 Board's Office, 21865 Copley Drive, Diamond Bar, CA 91765.

The Agenda is subject to revisions. For the latest version of agenda items herein or missing agenda items, check the District's web page ([www.aqmd.gov](http://www.aqmd.gov)) or contact the Clerk of the Board, (909) 396-2500. Copies of revised agendas will also be available at the Board meeting.

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*Cleaning the air that we breathe...™*

## **CALL TO ORDER**

- Pledge of Allegiance
- Opening Comments: William A. Burke, Ed.D., Chair  
Other Board Members  
Barry R. Wallerstein, D. Env., Executive Officer

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Staff/Phone (909) 396-

## **CONSENT CALENDAR (Items 1 through 18)**

Note: Consent Calendar items held for discussion will be moved to Item No. 19

1. Approve Minutes of January 4, 2013 Board Meeting **McDaniel/2500**
  
2. Set Public Hearings March 1, 2013 **Wallerstein/3131**
  - (A). Receive Public Input on Executive Officer's Priority Goals for FY 2013-14 **Wallerstein/3131**

A set of priority goals for the FY 2013-14 Budget has been developed. The Executive Officer wishes to receive public and Board Member input on these priority goals as they serve as the foundation of AQMD's Work Program.
  
  - (B). Amend Rule 102 - Definition of Terms **Tisopulos/3123**

The proposed amendment would exempt two compounds from the VOC definition of the rule. The U.S. EPA has already exempted these compounds from the federal VOC definition because of their negligible photochemical reactivity levels. (Reviewed: Stationary Source Committee, January 18, 2013)
  
  - (C). Adopt Proposed Rule 1148.2 - Notification and Reporting Requirements for Oil and Gas Wells and Chemical Suppliers **Chang/3186**

Proposed Rule 1148.2 establishes requirements for owners or operators of onshore oil and gas wells within AQMD's jurisdiction to notify the Executive Officer when conducting activities such as well drilling, well reworking, hydraulic fracturing, and other well production stimulation activities. The proposed rule also proposes reporting requirements on the chemicals used as well as air quality-related operations involved in the well activities. This proposed rule will also impact suppliers of chemicals and additives used in drilling, rework, and well completion fluids. (Reviewed: Stationary Source Committee, January 18, 2013)

**Budget/Fiscal Impact**

3. Execute Contract for 12-Month Radio and Internet Campaign for Air Alert and Check Before You Burn Reports **Atwood/3687**

On October 5, 2012, the Board approved release of an RFP to solicit proposals from advertising agencies, public relations firms or other organizations with the expertise to plan and execute a 12-month radio and Internet campaign of the Air Alert and Check Before You Burn programs. Six proposals were received by the RFP deadline and were evaluated based on the criteria stated in the RFP. The Administrative Committee reviewed this item on January 11, 2013 and recommended executing a contract with Ark Marketing for \$169,516 for a 12-month radio and Internet campaign, with an option to renew for two additional one-year contracts. (Reviewed: Administrative Committee, January 11, 2013; Recommended for Approval)

4. Execute Contract to Plan and Execute Latino Advertising and Outreach Initiative **Atwood/3687**

On October 5, 2012, the Board approved release of an RFP to solicit proposals from advertising agencies, public relations firms or other organizations with expertise to plan and execute the Latino advertising and outreach initiative approved by the Board in May 2012. Six proposals were received by the RFP deadline and were evaluated based on the criteria stated in the RFP. The Administrative Committee reviewed this item on December 14, 2012 and January 11, 2013, and recommended executing a contract with Alpunto for \$375,000 to plan and execute the Latino advertising and outreach campaign. (Reviewed: Administrative Committee, December 14, 2012 and January 11, 2013; Recommended for Approval)

5. Execute Contract for Tier 4 Passenger Locomotives Under Carl Moyer Program and Approve Workplan for LNG Locomotive Development **Liu/2105**

On June 5, 2012, proposals were received in response to the Program Announcements issued for the Carl Moyer Program. A proposal was received from the Southern California Regional Rail Authority (SCRRA) for the replacement of Tier 0 passenger locomotive engines with Tier 4 locomotive engines over a three-year period. On December 14, 2012, the SCRRA Board approved the purchase of up to 20 new Tier 4 locomotives contingent upon AQMD cofunding and to work with AQMD for the development of an LNG locomotive. This action is to execute a contract with SCRRA in an amount not to exceed \$34.66 million from the Carl Moyer Program. The remainder of funds requested by SCRRA is contingent upon reauthorization of AB 923 and will be considered in a future Board action. (Reviewed: Technology Committee, January 18, 2013; Recommended for Approval)

6. Recognize Revenue from Department of Water and Power, Appropriate Funds for PM2.5, and Authorize Purchases **Liu/2105**

AQMD's Los Angeles Main Street monitoring site has been located on the roof of a Department of Water and Power (DWP) building since September 1979. DWP required AQMD's current roof deck, which houses particulate monitors, to be moved in April 2012 due to a solar farm installation on the building for the construction of a new platform meeting DWP and City of Los Angeles approval. DWP offered in-kind assistance with design, electrical and roofing work, City of Los Angeles plan checks, and inspections of the deck. U.S. EPA funds were also used to fund the construction of the deck. This action is to: (1) recognize revenue of \$71,250 from DWP in the FY 2012-2013 Budget; (2) appropriate \$48,750 from the Undesignated Fund balance to the Capital Outlays Major Object in Science & Technology Advancement's FY 2012-13 Budget for the PM2.5 Monitoring Program; and (3) authorize the Procurement Manager to issue a sole source purchase order for three sequential or up to six manual PM2.5 Partisol air monitors from the PM2.5 Program award. (Reviewed: Administrative Committee, January 11, 2013; the Committee did not have time to consider this item and therefore recommended that it be forwarded to the full Board for consideration.)

7. Amend Awards under Carl Moyer Program **Liu/2105**

On October 5, 2012, the Board awarded two contracts to replace older off-road vehicles with new Tier-3 and Tier-4 vehicles. Since then, staff has worked with the awardees and has located new and cleaner Tier-4 vehicles for use instead of the proposed Tier-3 replacement vehicles. This action is to increase the funding amount for the two existing awards under the Carl Moyer Program. (Reviewed: Technology Committee, January 18, 2013. Less than a quorum was present; the Committee Members concurred that this item be forwarded to the full Board for consideration.)

8. Authorize Acquisition of Five Advanced Technology Vehicles for AQMD's Alternative Fuel Vehicle Demonstration Program **Liu/2105**

The AQMD tests and demonstrates new vehicles with low- and zero-emission technologies as they become available. This action is to lease three Chevrolet Volt extended-range electric vehicles, one Ford C-Max Energi, and one Toyota Rav4 EV for three years. Total cost to the AQMD for these five vehicles will not exceed \$115,000 from the Clean Fuels Fund (31). (Reviewed: Technology Committee, January 18, 2013; Recommended for Approval)

9. Transfer Funds from Clean Fuels, Carl Moyer AB 923, and Proposition 1B Funds for Administrative Support and Related Activities **Liu/2105**

The demonstration and incentive programs execute hundreds of contracts annually, which require ongoing administrative, outreach, education and other related activities which require resources and support. This action is to transfer an additional \$450,000 from the Clean Fuels Program Fund (31), \$150,000 from the Carl Moyer AB 923 Program Fund (80), and \$200,000 from the Proposition 1B Program Fund (81) for FY 2012-13 to the Budget of Science & Technology Advancement, Services and Supplies Major Object, Professional and Special Services Account to support directly-related activities. (Reviewed: Technology Committee, January 18, 2013; Recommended for Approval)

10. Approve Contract Awards and Modifications Approved by MSRC **Winterbottom**

The MSRC approved three new contracts and two modifications under the FY 2011-12 Work Program. These include contracts for rideshare incentive programs to be implemented in conjunction with the Rideshare Thursday public awareness campaign, a contract modification providing additional funds for an alternative fuel school bus, and a contract modification adjusting the operational period of Anaheim Transportation Network's Circulator Service. At this time, the MSRC seeks Board approval of these contract awards and modifications. (Reviewed: Mobile Source Air Pollution Reduction Review Committee, January 17, 2013; Recommended for Approval)

**Action Item/No Fiscal Impact**

11. Approve Official AQMD Logo **Smith/3242**

Staff is seeking approval of the official AQMD logo that will be used henceforth on all South Coast AQMD materials, collateral, documentation and social media, including the recent website redesign project. (Reviewed: Administrative Committee, January 11, 2013; the Committee did not have time to consider this item and therefore recommended that it be forwarded to the full Board for consideration.)

**Items 12 through 18 - Information Only/Receive and File**

12. Legislative and Public Affairs Report **Smith/3242**

This report highlights the December 2012 outreach activities of Legislative & Public Affairs, which include Environmental Justice Update, Community Events/Public Meetings, Business Assistance, and Outreach to Business and Federal, State and Local Government. (No Committee Review)

13. **Hearing Board Report** **Camarena/2500**

This reports the action taken by the Hearing Board during the period of December 1 through December 31, 2012. (No Committee Review)
14. **Civil Filings and Civil Penalties Report** **Wiese/3460**

This reports the monthly penalties from December 1 through December 31, 2012, and legal actions filed by the District Prosecutor during December 1 through December 31, 2012. An Index of District Rules is attached with the penalty report. (Reviewed: Stationary Source Committee, January 18, 2013)
15. **Lead Agency Projects and Environmental Documents Received by AQMD** **Chang/3186**

This report provides, for the Board's consideration, a listing of CEQA documents received by the AQMD between December 1, 2012 and December 31, 2012, and those projects for which the AQMD is acting as lead agency pursuant to CEQA. (Reviewed: Mobile Source Committee, January 18, 2013)
16. **Report of RFPs and RFQs Scheduled for Release in February** **O'Kelly/2828**

This report summarizes the RFPs and RFQs for budgeted services over \$75,000 scheduled to be released for advertisement for the month of February. (Reviewed: Administrative Committee, January 11, 2013; Recommended for Approval)
17. **Rule and Control Measure Forecast** **Chang/3186**

This report highlights AQMD rulemaking activity and public workshops potentially scheduled for the year 2013. (No Committee Review)
18. **Status Report on Major Projects for Information Management Scheduled to Start During Last Six Months of FY 2012-13** **Marlia/3148**

Information Management is responsible for data systems management services in support of all AQMD operations. This action is to provide the monthly status report on major automation contracts and projects to be initiated by Information Management during the last six months of FY 2012-13. (No Committee Review)
19. **Items Deferred from Consent Calendar**

**BOARD CALENDAR**

20. Administrative Committee (Receive & File) **Chair: Burke** **Wallerstein/3131**

21. Legislative Committee **Chair: Gonzales** **Smith/3242**

Receive and file; and adopt the following positions as recommended:

<b>Agenda Item</b>	<b>Recommended Action</b>
AB 39 (Skinner and Perez) Proposition 39 Implementation	Support
SB 39 (DeLeon and Steinberg) Clean Energy Employment and Student Advancement Act of 2013	Support
SB 4 (Pavley) Oil and gas: Hydraulic Fracturing	Support with Amendments
AB 7 (Wieckowski) Oil and Gas: Hydraulic Fracturing	Support with Amendments
AB 14 (Lowenthal) State Freight Plan	Support with Amendments

22. Mobile Source Committee (Receive & File) **Chair: Loveridge** **Chang/3186**

23. Stationary Source Committee (Receive & File) **Chair: Yates** **Nazemi/2662**

24. Technology Committee (Receive & File) **Chair: Benoit** **Liu/2105**

25. Mobile Source Air Pollution Reduction  
Review Committee (Receive & File) **Board Liaison: Antonovich** **Hogo/3184**

26. California Air Resources Board Monthly  
Report (Receive & File) **Board Rep: Loveridge** **McDaniel/2500**

**Staff Presentation/Board Discussion**

27. Status Report on 2012 Priority Projects **Greenwald/2111**

Staff will report on the status of 2012's three Priority Projects: (1) Permit Modernization, (2) Development of an Overhead Catenary System, and (3) Information Management Upgrade(s). (No Committee Review)

28. Status Report on Regulation XIII - New Source Review

Nazemi/2662

This report presents the federal preliminary determination of equivalency for January 2011 through December 2011, as required pursuant to Rule 1315. As such, it provides information regarding the status of Regulation XIII – New Source Review in meeting federal NSR and other Rule 1315 requirements and shows that AQMD’s NSR program is in compliance with applicable federal and other Rule 1315 requirements from January 2011 through December 2011. (Reviewed: Stationary Source Committee, January 18, 2013)

**PUBLIC HEARING**

29. Approve Control Measure IND-01, Backstop Measure for Indirect Sources of Emissions from Ports and Port-Related Facilities, for Inclusion in Final 2012 Air Quality Management Plan

Chang/3186

The Final 2012 Air Quality Management Plan (AQMP) was adopted by the Board on December 7, 2012, with a motion to continue the hearing on the approval of Control Measure IND-01 (Backstop Measure for Indirect Sources of Emissions from Ports and Port-Related Facilities) to the Board's February 1, 2013 public meeting. The Board directed that during the interim period, staff will prepare a detailed presentation on the need and legal basis for IND-01 to the Marine Port Committee and continue to seek input on the control measure from interested parties such as the Ports of Los Angeles and Long Beach. (Reviewed: Marine Port Committee, January 18, 2013)

**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.

**CLOSED SESSION - (No Written Material)**

Wiese/3460

It is necessary for the Board to recess to closed session pursuant to Government Code section 54956.9(a) to confer with its counsel regarding pending litigation which has been initiated formally and to which the District is a party. The actions are:

- Communities for a Better Environment, et al. v. U.S. EPA, et al., U.S. Court of Appeals, Ninth Circuit, Case No. 13-70167 (Sentinel);



- Communities for a Better Environment, California Communities Against Toxics, Desert Citizens Against Pollution, Natural Resources Defense Council, Inc., and Physicians for Social Responsibility-Los Angeles v. U.S. EPA, United States Court of Appeals, Ninth Circuit, Case No. 12-71340 (8-hr ozone SIP);
- CBE, CCAT v. EPA, U.S. Court of Appeals, Ninth Circuit, Case No. 12-72353 (1315);
- Flashberg, et al. v. Dublin, et al., Los Angeles Superior Court Case No. BC463159;
- Abayan, et al. v. SCAQMD, Los Angeles Superior Court Case No. BC499729;
- Physicians For Social Responsibility, et al. v. U.S. EPA, U.S. Court of Appeals, Ninth Circuit, Case No. 12-56175 (1-hour ozone);
- Physicians for Social Responsibility, et al. v. U.S. EPA, U.S. Court of Appeals, Ninth Circuit, Case No. 12-70016 (Monitoring);
- Physicians for Social Responsibility, et al. v. U.S. EPA, U.S. Court of Appeals, Ninth Circuit, Case No. 12-70079 (PM2.5);
- State of Alaska v. Clinton; U.S. EPA, No. 3:12-cv-00142 (D. AK. Filed July 16, 2012);
- Medical Advocates for Healthy Air v. EPA, U.S. Court of Appeals, Ninth Circuit, Case No. 12-73386 (San Joaquin §185 Fees); and
- Friedman Marketing Corp. dba EZ Flo Nozzle & Equipment Co. v. SCAQMD, Los Angeles Superior Court Case No. BC495521.

It is also necessary for the Board to recess to closed session under Government Code section 54956.9(c) to consider initiation of litigation (two cases).

In addition, it is also necessary for the Board to recess to closed session pursuant to Government Code section 54957.6 to confer regarding upcoming labor negotiations with:

- designated representatives regarding represented employee salaries and benefits or other mandatory subjects within the scope of representation [Negotiator: William Johnson; Represented Employees: Teamsters Local 911];

and to confer with:

- labor negotiators regarding unrepresented employees [Agency Designated Representative: William Johnson; Unrepresented Employees: Designated Deputies and Management and Confidential employees].

## **ADJOURNMENT**

**\*\*\*PUBLIC COMMENTS\*\*\***

Members of the public are afforded an opportunity to speak on any listed item before or during 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 AQMD 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 AQMD's authority. Speakers may be limited to three (3) minutes each.

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 Public Comments 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](mailto:cob@aqmd.gov) of 10 pages or less including attachment, in MS WORD, 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**

AQIP = Air Quality Investment Program	NESHAPS = National Emission Standards for Hazardous Air Pollutants
AVR = Average Vehicle Ridership	NGV = Natural Gas Vehicle
BACT = Best Available Control Technology	NO <sub>x</sub> = Oxides of Nitrogen
Cal/EPA = California Environmental Protection Agency	NSPS = New Source Performance Standards
CARB = California Air Resources Board	NSR = New Source Review
CEMS = Continuous Emissions Monitoring Systems	PAMS = Photochemical Assessment Monitoring Stations
CEC = California Energy Commission	PAR = Proposed Amended Rule
CEQA = California Environmental Quality Act	PHEV = Plug-In Hybrid Electric Vehicle
CE-CERT =College of Engineering-Center for Environmental Research and Technology	PM <sub>10</sub> = Particulate Matter ≤ 10 microns
CNG = Compressed Natural Gas	PM <sub>2.5</sub> = Particulate Matter ≤ 2.5 microns
CO = Carbon Monoxide	PR = Proposed Rule
CTG = Control Techniques Guideline	RFP = Request for Proposals
DOE = Department of Energy	RFQ = Request for Quotations
EV = Electric Vehicle	SCAG = Southern California Association of Governments
FY = Fiscal Year	SIP = State Implementation Plan
GHG = Greenhouse Gas	SO <sub>x</sub> = Oxides of Sulfur
HRA = Health Risk Assessment	SOON = Surplus Off-Road Opt-In for NO <sub>x</sub>
IAIC = Interagency AQMP Implementation Committee	SULEV = Super Ultra Low Emission Vehicle
LEV = Low Emission Vehicle	TCM = Transportation Control Measure
LNG = Liquefied Natural Gas	ULEV = Ultra Low Emission Vehicle
MATES = Multiple Air Toxics Exposure Study	U.S. EPA = United States Environmental Protection Agency
MOU = Memorandum of Understanding	VMT = Vehicle Miles Traveled
MSERCs = Mobile Source Emission Reduction Credits	VOC = Volatile Organic Compound
MSRC = Mobile Source (Air Pollution Reduction) Review Committee	ZEV = Zero Emission Vehicle
NATTS =National Air Toxics Trends Station	

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BOARD MEETING DATE: February 1, 2013

AGENDA NO. 1

MINUTES: Governing Board Monthly Meeting

SYNOPSIS: Attached are the Minutes of the January 4, 2013 meeting.

**RECOMMENDED ACTION:**

Approve Minutes of the January 4, 2013 Board Meeting.

Sandra McDaniel,  
Clerk of the Boards

SM:dp

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**FRIDAY, JANUARY 4, 2013**

Notice having been duly given, the regular meeting of the South Coast Air Quality Management District Board was held at District Headquarters, 21865 Copley Drive, Diamond Bar, California. Members present:

William A. Burke, Ed.D., Chairman  
Speaker of the Assembly Appointee

Mayor Dennis R. Yates, Vice Chairman  
Cities of San Bernardino County

Supervisor Michael D. Antonovich (left at 10:20 a.m.)  
County of Los Angeles

Supervisor John J. Benoit  
County of Riverside

Councilmember Michael A. Cacciotti  
Cities of Los Angeles County – Eastern Region

Supervisor Josie Gonzales  
County of San Bernardino

Ronald O. Loveridge  
Cities of Riverside County

Supervisor Shawn Nelson (left at 10:40 a.m.)  
County of Orange

Dr. Clark E. Parker  
Senate Rules Committee Appointee

Councilmember Jan Perry (arrived at 9:45 a.m.)  
City of Los Angeles

Mayor Miguel A. Pulido (left at 9:40 a.m.)  
Cities of Orange County

**Member Absent:**

Dr. Joseph K. Lyou  
Governor's Appointee

Mayor Pro Tem Judith Mitchell  
Cities of Los Angeles County – Western Region

**CALL TO ORDER:** Chairman Burke called the meeting to order at 9:10 a.m.

- Pledge of Allegiance: Led by Mayor Pulido.

**CONSENT CALENDAR**

1. Approve Minutes of December 7, 2012 Board Meeting


**Budget/Fiscal Impact**

2. Execute Contract for Janitorial Services at Diamond Bar Headquarters

**An errata sheet modifying the text on page 2 under Proposal Evaluation, was provided to the Board Members and copies made available to the public.**

3. Execute Contract for Replacement of Heating, Ventilation, and Air Conditioning Black Steel Piping at AQMD Headquarters

4. Issue RFP to Conduct Engineering Analysis of Existing Cooling Tower Support Structures at Diamond Bar Headquarters

5. Execute Contracts for School Bus Replacements and Retrofits in Coachella Valley 

6. Appropriate Funds for Hydrogen Sulfide Monitoring Network Near Salton Sea Area and Release RFQ for Sulfur Speciation Analysis System

7. *This item was withdrawn by staff.*

**Items 8 through 14 - Information Only/Receive and File**

8. Legislative and Public Affairs Report

9. Hearing Board Report

10. Civil Filings and Civil Penalties Report

11. Lead Agency Projects and Environmental Documents Received by AQMD

12. Report of RFPs and RFQs Scheduled for Release in January
13. Rule and Control Measure Forecast
14. Report on Major Projects for Information Management Scheduled to Start During Last Six Months of FY 2012-13

Supervisor Antonovich announced his abstention on Item No. 2 because of campaign contributions from Servicon Systems.

Agenda Item No. 6 was withheld for discussion.

MOVED BY CACCIOTTI, SECONDED BY PULIDO, AGENDA ITEMS 1 THROUGH 5 AND 7 THROUGH 14 APPROVED AS RECOMMENDED, WITH THE MODIFICATION TO ITEM NO. 2 AS STATED IN THE ERRATA SHEET AND SET FORTH BELOW, BY THE FOLLOWING VOTE:

AYES: Antonovich (*except Item #2*), Benoit, Burke, Cacciotti, Gonzales, Loveridge, Nelson, Parker, Pulido and Yates.

NOES: None.

ABSTAIN: Antonovich (*Item #2 only*).

ABSENT: Lyou, Mitchell and Perry.

**Modification to Agenda Item No. 2**

On page 2 of the Board letter, in the section titled **Proposal Evaluation**, replace the words, security guard, as follows:

Santa Fe Building Maintenance was the firm that submitted the highest-rated qualified bid, which included excellent references for comparable public-sector ~~security guard~~ **janitorial** services.

15. Items Deferred from Consent Calendar

6. Appropriate Funds for Hydrogen Sulfide Monitoring Network Near Salton Sea Area and Release RFQ for Sulfur Speciation Analysis System

Supervisor Benoit commented on the importance of having a baseline for analysis and continued monitoring at the Salton Sea.

MOVED BY BENOIT, SECONDED BY PULIDO,  
AGENDA ITEM 6 APPROVED AS  
RECOMMENDED, BY THE FOLLOWING VOTE:

AYES: Antonovich, Benoit, Burke, Cacciotti,  
Gonzales, Loveridge, Nelson, Parker,  
Pulido and Yates.

NOES: None.

ABSENT: Lyou, Mitchell and Perry.

**BOARD CALENDAR**

16. Administrative Committee

17. Legislative Committee

18. California Air Resources Board Monthly Report

MOVED BY LOVERIDGE, SECONDED BY  
CACCIOTTI, AGENDA ITEMS 16 THROUGH 18  
APPROVED, AS RECOMMENDED, RECEIVING  
AND FILING THE BOARD COMMITTEES AND  
CARB REPORTS AND ADOPTING THE POSITIONS  
ON LEGISLATION AS SET FORTH BELOW, BY THE  
FOLLOWING VOTE:

AYES: Antonovich, Benoit, Burke, Cacciotti,  
Gonzales, Loveridge, Nelson, Parker,  
Pulido and Yates.

NOES: None.

ABSENT: Lyou, Mitchell and Perry.

<b>Agenda Item</b>	<b>Recommended Action</b>
AB 8 (Perea) Alternative Fuel and Vehicle Technologies: Funding Programs	Support
SB 11 (Pavley) Alternative Fuel and Vehicle Technologies: Funding Programs	Support
2013 Federal and State Legislative Goals and Objectives	Approve

19. Report on Final Rule on National Ambient Air Quality Standard for Particulate Matter

Dr. Philip Fine, Planning and Rules Manager, gave the staff presentation.

Councilman Cacciotti questioned whether the reduction in business activity related to the economic downturn after 2008 was taken into consideration when developing the strategy.

Dr. Fine replied that the latest economic projections developed by SCAG were utilized along with an analysis of the effects of control programs that have been initiated.

Supervisor Gonzales expressed additional concern whether the projections have truly taken into account the impact that an improvement in economic conditions back to the level achieved in 2007 will have on emissions levels in the future.

Dr. Wallerstein emphasized that the agency is growth accommodating and does not intend to cap business activity. He added that under the Federal Clean Air Act, the U.S. EPA is required to reevaluate the standards every 5 years and the medical data over recent years has led to additional tightening of those standards so the District must continue to initiate methods to achieve those standards.

Mayor Pulido commented that it would be prudent for staff to continue working with the business community as further measures are taken to make necessary reductions.

RECEIVED AND FILED; NO ACTION NECESSARY.

(Mayor Pulido left the meeting at 9:40 a.m.)



20. Execute Contracts for Emission Reduction Projects in Coachella Valley with Mitigation Fees from CPV Sentinel Project Provided Pursuant to AB 1318 (V.M. Perez)

Dr. Philip Fine, Planning and Rules Manager, gave the staff presentation.

(Councilwoman Perry arrived at 9:45 a.m.)

The following individuals addressed the Board on Agenda Item 20.

ROBERT TERRY, People Over Pollution

Contended that there was a conflict of interest with Supervisor Benoit's previous involvement with AB1318 and the promotion of the potential bike pathway.

CAROLYN E. KRAUSE, People Over Pollution

Alerted the Board to an article that appeared in the Desert Sun that morning regarding the power plant already emitting particulates during test firing.

Dr. Wallerstein noted that AQMD inspectors and engineering staff will go out and evaluate the facility when the project is ready to operate; and to ensure they are in compliance with their permitted conditions as well as all applicable rules and regulations of the agency, the facility is required to provide emissions reports.

NIKOHL VANDEL, Resident

Noted that the fulltime residents of Coachella Valley are aware of the environmental conditions there and have to live with the negative effects of the Sentinel project.

RICHARD CROMWELL III, Clean Cities Coachella Valley Region

Expressed appreciation for the AQMD's efforts throughout the proposal process to make it fair while staying focused on the benefits that will be realized in the region.

CATHERINE RIPS, Angel View

Thanked the Board for their consideration of their proposal to replace five high-mileage diesel trucks with new CNG vehicles which will offer the benefit of emission reductions as well as allowing them to continue to improve the lives of the people they serve.

KAY HAZEN, Desert Healthcare District

Explained their role in promoting health and wellness in the Coachella Valley by creating and providing access to healthy infrastructure to address obesity and related illnesses; and stressed the importance of the proposed

CVAG parkway which will connect many communities in the Valley and serve as an iconic health and wellness corridor.

TOM KIRK, Coachella Valley Association of Governments

Acknowledged the transparency and staff dedication that was evident throughout the process and expressed thanks for the long-term partnership that will now allow a pivotal Coachella Valley parkway to be built.

BRUCE RAY, Johns Manville

Explained the Quality Interiors project which will provide cost-effective, energy-efficiency upgrades to homes both in the vicinity of the power plant as well as in the environmental justice area in the Valley.

MANUELA RAMIREZ and NANCY GONZALES, Lideres Compesinas  
PERLA SANTOS, Resident

Expressed support for projects that will reduce air pollution and asked that the AQMD closely monitor pollution from the Sentinel Power plant.

EDUARDO GUEVARA and CLAUDIA FIGUEROA, Promotores Comunitarios del Desierto

Thanked the AQMD for the extensive outreach campaign conducted in the Coachella Valley and although their proposal for charging stations did not qualify, they believe it will have a significant impact on the area once the project comes to be.

LUIS OLMEDO, Comite Civico  
ROSIE NAVA, Children's health advocate

Expressed appreciation for the community outreach and the enormous benefits these projects will bring to the environmental justice community.

(Supervisor Antonovich left the meeting at 10:20 a.m.)

JACK PRYOR and ALEX MCINTOSH, Access Solar

Noted their strong disappointment and objection to the points system that excluded their various projects that would have direct mitigation benefits for those residents most impacted by the plant from being considered.

Dr. Burke asked Dr. Wallerstein to meet with representatives from Access Solar to address how their proposals might be improved in the event additional funding opportunities become available.

(Supervisor Nelson left the meeting at 10:40 a.m.)

AUDEN WALLUM, Mission Springs Water District

Explained that their project will continue to provide mitigation benefits year after year and requested the Board consider those projects that are partially funded in the event funds remain unused as opposed to the staff recommendation which calls for selecting another project further down the list.

Councilman Cacciotti asked staff to give further detail about the CVAG parkway project and its intended benefits.

Dr. Wallerstein explained that the project will create a parkway for pedestrians, bicyclists, and potentially small battery-electric vehicles that connects one end of the valley to the other and runs parallel to Highway 111.

In response to Councilwoman Perry's questioning about what process is in place for the allocation of unspent monies, Dr. Wallerstein responded that the staff recommendation in that instance is to select the next highest-scoring proposal that falls within the percentages set out for the various areas and any selection would be presented to the Administrative Committee for review.

Supervisor Benoit thanked all of the stakeholders who endured the long process which included various community meetings, review of a large breadth of proposals and multiple meetings of the Administrative Committee. He noted his investment in realizing the need to bring mitigation funds to the region when the much needed plant was in the planning stages. He encouraged those proposers who were not awarded funds, to continue to seek additional opportunities to bring their projects to light.

Mr. Loveridge suggested instituting a three-year evaluation of the specific and the general impacts of these projects toward their intended purpose of cleaner air.

Supervisor Gonzales acknowledged the difficult work of all those involved.

Dr. Parker commented that he enjoyed being involved in the review process where the objective was to be fair and appropriately allocate the funds to positively impact the majority of residents.

MOVED BY BENOIT, SECONDED BY LOVERIDGE,  
AGENDA ITEM 20 APPROVED, AS  
RECOMMENDED WITH ADDITIONAL DIRECTION  
TO STAFF TO RETURN TO THE BOARD IN THREE  
(3) YEARS WITH AN EVALUATION OF THE  
GENERAL AND SPECIFIC IMPACTS OF THE  
APPROVED PROJECTS, BY THE FOLLOWING  
VOTE:

AYES: Benoit, Burke, Cacciotti, Gonzales, Loveridge, Parker, Perry and Yates.

NOES: None.

ABSENT: Antonovich, Lyou, Mitchell, Nelson and Pulido.

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

PASTOR CARL MCPETERS, Kyriakos Christian Center

Noted that he missed the public comment period for Item No. 20 due to car trouble and expressed significant concern regarding the flawed point system used to rank the submitted projects.

**CLOSED SESSION**

The Board recessed to closed session at 11:20 a.m. to confer with its counsel, pursuant to Government Code sections:

- 54956.9(c) to consider initiation of litigation (one case);
- 54956.9(b)(3)(C) because there is a significant exposure to litigation based on existing facts and circumstances, i.e., a letter dated December 17, 2012 from Pastor Carl McPeters of Kyriakos Christian Center.
- 54957.6 to confer regarding upcoming labor negotiations with:  
designated representatives regarding represented employee salaries and benefits or other mandatory subjects within the scope of representation [Negotiator: William Johnson; Represented Employees: Teamsters Local 911 and SCAQMD Professional Employees Association];  
and to confer with:  
labor negotiators regarding unrepresented employees [Agency Designated Representative: William Johnson; Unrepresented Employees: Designated Deputies and Management and Confidential employees].

General Counsel Kurt Wiese announced that a report of any reportable actions taken in closed session will be filed with the Clerk of the Board and made available upon request.

**ADJOURNMENT**

There being no further business, the meeting was adjourned by Kurt Wiese at 11:55 a.m.

The foregoing is a true statement of the proceedings held by the South Coast Air Quality Management District Board on January 4, 2013.

Respectfully Submitted,

Denise Pupo  
Senior Deputy Clerk

Date Minutes Approved: \_\_\_\_\_

\_\_\_\_\_  
Dr. William A. Burke, Chairman

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**ACRONYMS**

AQMP = Air Quality Management Plan  
CARB = California Air Resources Board  
FY = Fiscal Year  
NOx = Oxides of Nitrogen  
PAMS = Photochemical Assessment Monitoring Stations  
RFP = Request for Proposals  
RFQ = Request for Quotations  
SCAG = Southern California Association of Governments  
U.S. EPA = United States Environmental Protection Agency

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BOARD MEETING DATE: February 1, 2013

AGENDA NO. 2

PROPOSAL: Set Public Hearings March 1, 2013:

- (A) Receive Public Input on Executive Officer's Priority Goals for FY 2013-14. A set of priority goals for the FY 2013-14 Budget has been developed. The Executive Officer wishes to receive public and Board Member input on these priority goals as they serve as the foundation of AQMD's Work Program.
- (B) Amend Rule 102 - Definition of Terms. The proposed amendment would exempt two compounds from the VOC definition of the rule. The U.S. EPA has already exempted these compounds from the federal VOC definition because of their negligible photochemical reactivity levels. (Reviewed: Stationary Source Committee, January 18, 2013)
- (C) Adopt Proposed Rule 1148.2 - Notification and Reporting of Pre-Production Operations of Oil and Gas Wells. Proposed Rule 1148.2 establishes requirements for owners or operators of onshore oil and gas wells within AQMD's jurisdiction to notify the Executive Officer when conducting activities such as well drilling, well reworking, hydraulic fracturing, and other well production stimulation activities. The proposed rule also proposes reporting requirements on the chemicals used as well as air quality-related operations involved in the well activities. This proposed rule will also impact suppliers of chemicals and additives used in drilling, rework, and well completion fluids. (Reviewed: Stationary Source Committee, January 18, 2013)

The complete text of the proposed rule and amendments, staff reports and other supporting documents will be available from the District's Public Information Center, (909) 396-2550 and on the Internet ([www.aqmd.gov](http://www.aqmd.gov)) on January 30, 2013.

**RECOMMENDED ACTION:**

Set Public Hearings March 1, 2013 to receive public input on the Executive Officer's Priority Goals for FY 2013-14, amend Rule 102, and adopt Proposed Rule 1148.2

Barry R. Wallerstein, D.Env.  
Executive Officer

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BOARD MEETING DATE: February 1, 2013

AGENDA NO. 3

**PROPOSAL:** Execute Contract for 12-Month Radio and Internet Campaign for Air Alert and Check Before You Burn Reports

**SYNOPSIS:** On October 5, 2012, the Board approved release of an RFP to solicit proposals from advertising agencies, public relations firms or other organizations with the expertise to plan and execute a 12-month radio and Internet campaign of the Air Alert and Check Before You Burn programs. Six proposals were received by the RFP deadline and were evaluated based on the criteria stated in the RFP. The Administrative Committee reviewed this item on January 11, 2013 and recommended executing a contract with Ark Marketing for \$169,516.00 for a 12-month radio and Internet campaign, with an option to renew for two additional one-year contracts.

**COMMITTEE:** Administrative, January 11, 2013, Recommended for Approval

**RECOMMENDED ACTIONS:**

1. Appropriate \$169,516.00 from the Undesignated Fund Balance and transfer to the Media Office FY 2012-13 Budget, Services and Supplies Major Object, Media Relations/Outreach account.
2. Authorize the Executive Officer to execute a contract with Ark Marketing, in an amount not to exceed \$169,516.00, to implement a 12-month radio and Internet campaign with an option to renew for two additional one-year contracts.

Barry R. Wallerstein, D.Env.  
Executive Officer



## **Background**

Over the past two years, AQMD has sponsored three short-term TV partnerships that were designed to promote either summer or winter air quality messages and encourage viewers to sign up to receive daily air quality or no-burn alerts.

In May 2012, AQMD's Governing Board approved the release of an RFP to solicit proposals from local TV stations for a one-year partnership to provide daily air quality forecasts. In September 2012, the Board awarded a contract for this TV partnership to KABC-7.

## **Proposal**

To help broaden the reach of the air quality message and complement the local TV partnership, staff proposed a year-round advertising campaign with local radio stations and Internet media to provide daily Air Alerts and Check Before You Burn reports.

In September 2012 the Board approved the release of RFP #2013-08 to solicit proposals for a 12-month radio and Internet campaign. Partnering with radio stations and other non-TV media outlets will help spread the air quality message

The RFP required that proposals include:

- An overall strategy for the campaign
- A detailed plan for the campaign including a budget and milestones
- Campaign themes, messages and slogans
- A proposal for a 12-month advertising buy for radio and Internet media

## **Outreach**

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

Additionally, potential bidders may have been notified utilizing AQMD's own electronic listing of certified minority vendors. Notice of the RFP/RFQ has been e-mailed to the Black and Latino Legislative Caucuses and various minority chambers of commerce and business associations, and placed on the Internet at AQMD's website (<http://www.aqmd.gov>). Information is also available on AQMD's bidder's 24-hour telephone message line (909) 396-2724.

**Bid Evaluation**

Six proposals were received before the bidding closed at 5 p.m. on November 7, 2012. The bids were reviewed by a diverse panel in accordance with criteria contained in the RFP. The panel was composed of three AQMD employees – the Media Relations Manager, a Principal Deputy District Counsel, and a Senior Public Affairs Manager – as well as one outside expert, a Communications Manager with the Bay Area Air Quality Management District. The panel breakdown was as follows: two Caucasian, two Hispanic; one female, three male.

The panel scored the proposals according to the criteria outlined in the RFP, without an oral interview, and forwarded a ranking of the proposals to the Administrative Committee for review. The Administrative Committee reviewed the proposal recommendations at its meeting on January 11, 2013 and interviewed the top three proposers. The committee is recommending the award of the contract to Ark Marketing and is forwarding this recommendation to the full Board for consideration.

Attachment A reflects the top three proposals, ranked by the panel in order by score.

**Resource Impacts**

Funding for these services will be provided for in AQMD's FY 2012-13 Budget, and the FY 2013-14 and FY 2014-15 Budgets, if additional one-year contracts are subsequently approved by the Board.

**Attachment**

A- Scores and Ranking of Top Three Proposals for RFP #2013-08 for Administrative Committee Review

**ATTACHMENT A**  
**SCORES AND RANKING OF TOP THREE PROPOSALS**  
**FOR RFP #2013-08**

<b>Rank</b>	<b>Name</b>	<b>Cost</b>	<b>Technical Score</b>	<b>Cost Points</b>	<b>Small Business Points</b>	<b>Local Business Points</b>	<b>Final Score</b>
1.	MOB Media Inc.	\$170,000	66.3	9.5	10	5	90.8
2.	CSI Communication Solutions Inc.	\$162,000	63.3	10	10	0	83.3
3.	Ark Marketing & Media Solutions	\$169,516	73	9.5	0	0	82.5

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BOARD MEETING DATE: February 1, 2013

AGENDA NO. 4

**PROPOSAL:** Execute Contract to Plan and Execute Latino Advertising and Outreach Initiative

**SYNOPSIS:** On October 5, 2012, the Board approved release of an RFP to solicit proposals from advertising agencies, public relations firms or other organizations with expertise to plan and execute the Latino advertising and outreach portion of AQMD's Latino and Korean Advertising and Outreach Initiative approved in May 2012. Six proposals were received by the RFP deadline and were evaluated based on the criteria stated in the RFP. The Administrative Committee reviewed this item on December 14, 2012 and January 11, 2013, and recommended executing a contract with Alpunto Advertising for \$375,000.00 to plan and execute the Latino advertising and outreach campaign.

**COMMITTEE:** Administrative, January 11, 2013; Recommended for Approval

**RECOMMENDED ACTION:**

Authorize the Executive Officer to execute a contract with Alpunto Advertising, in an amount not to exceed \$375,000.00, to plan and execute the Latino advertising and outreach campaign.

Barry R. Wallerstein, D.Env.  
Executive Officer

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**Background**

In 2010, AQMD carried out a 52-week advertising initiative in African-American newspapers. In 2011, AQMD implemented a 26-week advertising and outreach initiative targeting Chinese-American residents. The Latino and Korean initiatives

represent the next step in AQMD's ongoing outreach to ethnic minorities within its jurisdiction.

In May, the Board appropriated \$450,000 from the Undesignated Fund Balance for the Latino and Korean initiatives to be transferred on an as-needed basis to the Media Office's FY 2012-13 Budget. The Board in May also authorized the Executive Officer to execute contracts to implement these initiatives.

The objective of the Latino and Korean initiative is to increase awareness of AQMD; increase awareness of the Southland's air quality problem and solutions; and promote a call to action consisting of ways that individuals can help reduce air pollution in their communities.

### **Proposal**

In September 2012, as the next step in AQMD's ongoing outreach to ethnic minorities within its jurisdiction, the Board approved the release of RFP #2013-07 to seek proposals from advertising agencies, public relations firms or other organizations with the necessary expertise to plan and execute a six-month integrated marketing campaign for the Latino advertising and outreach initiative. The campaign would target Spanish-dominant and bilingual Spanish Latino residents aged 18 and older living predominantly in environmental justice areas in AQMD's jurisdiction. To assist potential bidders in the development of campaign proposals, results of two focus groups conducted in early September with Spanish-dominant and bilingual Spanish residents were provided with the RFP.

The RFP required that the proposals include:

- An overall strategy for the campaign
- A detailed plan for the campaign including a budget and milestones
- Campaign themes, messages and slogans
- A plan for low-cost pre- and post-campaign surveys
- A proposal for a six-month advertising buy for Spanish-language media
- A community outreach component

Additional consideration was given to proposals with added-value elements such as additional ads, discounted contractor rates, etc.

### **Bid Evaluation**

Six proposals were received before the bidding closed at 5 p.m. on November 6, 2012. The bids were reviewed by a diverse panel in accordance with criteria contained in the RFP. The panel was composed of three AQMD employees – the Media Relations Manager, a Principal Deputy District Counsel, and a Senior Public Affairs Manager – as

well as one outside expert, a Communications Manager with the Bay Area Air Quality Management District. The panel breakdown was as follows: two Caucasian, two Hispanic; one female, three male.

The panel scored the proposals according to the criteria outlined in the RFP, without an oral interview, and forwarded a ranking of the proposals to the Administrative Committee for review. The Administrative Committee reviewed the proposal recommendations at its meetings on December 14, 2012 and January 11, 2013 and interviewed the top three proposers. The committee is recommending the award of the contract to Alpunto Advertising and is forwarding this recommendation to the full Board for consideration.

Attachment A reflects the top three proposals, ranked by the panel in order by score.

**Resource Impacts**

Funding for these services is provided for in AQMD's FY 2012-13 Budget.

**Attachment**

A- Scores and Ranking of Top Three Proposals for RFP #2013-07 for Administrative Committee Review

**ATTACHMENT A**  
**SCORES AND RANKING OF TOP THREE PROPOSALS**  
**FOR RFP #2013-07**

<b>Rank</b>	<b>Name</b>	<b>Cost</b>	<b>Technical Score</b>	<b>Cost Points</b>	<b>Small Business Points</b>	<b>Local Business Points</b>	<b>Final Score</b>
<b>1.</b>	Alpunto Advertising	\$375,000	69	10	10	5	94
<b>2.</b>	Phelps Total Market	\$374,977	77.5	10	0	0	87.5
<b>3.</b>	Sensis	\$374,925	58	10	10	5	83

### ERRATA SHEET FOR AGENDA #4

Execute Contract to Plan and Execute Latino Advertising and Outreach Initiative

<b>Rank</b>	<b>Name</b>	<b>Cost</b>	<b>Technical Score</b>	<b>Cost Points</b>	<b>Small Business Points</b>	<b>Local Business Points</b>	<b>Final Score</b>
<b>1.</b>	Alpunto Advertising	\$375,000	69	10	10	5	94
<b>2.</b>	Phelps Total Market*	\$374,977	77.5	10	0	0	87.5
<b>3.</b>	Sensis	\$374,925	58	10	10	5	83

\*Phelps Total Market is being removed from consideration because of non-submission of required campaign contribution disclosure form.



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BOARD MEETING DATE: February 1, 2013

AGENDA NO. 5

**PROPOSAL:** Execute Contract for Tier 4 Passenger Locomotives Under Carl Moyer Program and Approve Workplan for LNG Locomotive Development

**SYNOPSIS:** On June 5, 2012, proposals were received in response to the Program Announcements issued for the Carl Moyer Program. A proposal was received from the Southern California Regional Rail Authority (SCRRA) for the replacement of Tier 0 passenger locomotive engines with Tier 4 locomotive engines over a three-year period. On December 14, 2012, the SCRRA Board approved the purchase of up to 20 new Tier 4 locomotives contingent upon AQMD cofunding and to work with AQMD for the development of an LNG locomotive. This action is to execute a contract with SCRRA in an amount not to exceed \$34.66 million from the Carl Moyer Program. The remainder of funds requested by SCRRA is contingent upon reauthorization of AB 923 and will be considered in a future Board action.

**COMMITTEE:** Technology, January 18, 2013, Recommended for Approval

**RECOMMENDED ACTIONS:**

1. Authorize the Chairman to execute a contract with SCRRA to replace up to 20 Tier 0 diesel locomotives with Tier 4 locomotives, in an amount not to exceed \$34.66 million from the Carl Moyer Program AB 923 Fund (80). The remainder of the funds requested (\$17.33 million) is contingent upon reauthorization of AB 923 and will be considered by the Board in a future meeting.
2. Approve the workplan as provided in Table 2 and provide an update on the development of LNG locomotives to Technology Committee within 180 days.

Barry R. Wallerstein, D.Env.  
Executive Officer

## **Background**

On June 5, 2012, proposals were received in response to the Program Announcements that were issued for the “Year 14” Carl Moyer Program and the SOON Provision. A proposal was received from the SCRRA for either the rebuild of approximately 30 existing Tier 0 passenger locomotives or the replacement of around 21 Tier 0 passenger locomotives with Tier 4 locomotive engines. SCRRA indicated that the decision to either rebuild or replace the existing Tier 0 locomotives will depend upon the responses to a RFP that SCRRA issued on June 12, 2012.

SCRRA’s RFP process consisted of several stages. In the first stage, five firms, Electro-Motive Diesel, Inc. (EMD), MotivePower, Inc. (MPI), Transportation Technology, Inc. (TTI), Brookville Equipment Corporation and Siemens Industry, Inc. submitted proposals. The five proposals were evaluated by a team which included members from SCRRA’s Equipment Department, a SCRRA technical advisory committee member from the Riverside County Transportation Commission, one outside technical consultant experienced with locomotives. An AQMD staff member participated in an advisory and technical support role as part of the team, but did not participate in the scoring of the proposals. All five firms met the minimum technical score required to proceed to the submission of Stage 2 technical and cost proposals.

By the August 17, 2012 deadline, three firms submitted proposals for either rebuilding the existing Tier 0 locomotive engines or replacing the existing locomotives with new Tier 4 locomotives. EMD submitted a proposal for new locomotives; MPI submitted proposals for either new and/or rebuilt locomotives, and TTI submitted a proposal to rebuild locomotives. Technical and cost clarifications were requested and received from all three proposers. Interviews were held the week of September 10, 2012 with all firms. Following the interviews, the evaluation team met and scored the proposals received. EMD’s proposal for new locomotives received the highest score. Negotiations were held between SCRRA staff and the highest ranking firms at the end of November on final costs.

On December 14, 2012, SCRRA staff recommended to their Board to procure 20 new Tier 4 passenger locomotives from EMD at a cost of \$6.295 million each. As part of the recommendation, SCRRA staff provided a table showing the funding resources for the procurement (Table 1). The funding sources included a potential award of the Carl Moyer Program grant application of \$52 million submitted on June 5, 2012 to the AQMD.

Table 1. Proposed Funding for New Tier 4 Locomotives  
(Source: Page 34, SCCRA Staff Report to SCRRA Board – October 14, 2012)

**NEW LOCOMOTIVE PROCUREMENT & RAIL CAR READINESS (\$000)**

	Qty	Prior	FY 12-13	FY 13-14	FY 14-15	FY 15-16	FY 16-17	TOTAL
<b>New Tier-4 Locomotives (EMD)</b>	<b>20</b>	(\$6.295M base cost per locomotive + System Support + 9% Agency Costs + Spare Parts + Contingency + UDS)						<b>\$150,010<sup>(3)</sup></b>
Member Agency share			\$5,280	\$2,000				\$7,280
HSR Prop 1A			\$30,862	\$19,449	\$17,333			\$67,644
R/S Rehab Carryover - Prior		\$7,442						\$7,442
PTMISEA		\$1,000	\$12,528	\$2,115				\$15,644
Incentives (AQMD)			\$17,333	\$17,333	\$17,333			\$52,000
<b>TOTAL FUNDING</b>		<b>\$8,442</b>	<b>\$66,003</b>	<b>\$40,898</b>	<b>\$34,667</b>	<b>\$0</b>	<b>\$0</b>	<b>\$150,010</b>

(3)

	Qty	Prior	FY 12-13	FY 13-14	FY 14-15	FY 15-16	FY 16-17	TOTAL
<b>Rail Car Readiness</b>	<b>42</b>	(Assume \$1.25M per car + 9% Agency Cost)						<b>\$57,225</b>
Member Agency share				\$3,000	\$5,000	\$7,400	\$6,328	\$21,728
HSR Prop 1A				\$3,272	\$7,387	\$9,787	\$617	\$21,063
PTMISEA				\$272	\$2,387	\$2,387	\$2,387	\$7,433
Gen-2 Rail Car Sale				\$0	\$7,000			\$7,000
<b>TOTAL FUNDING</b>		<b>\$0</b>	<b>\$0</b>	<b>\$6,544</b>	<b>\$21,774</b>	<b>\$19,574</b>	<b>\$9,333</b>	<b>\$57,225</b>
<b>TOTAL LOCOMOTIVE &amp; CAR FUNDING (5)</b>		<b>\$8,442</b>	<b>\$66,003</b>	<b>\$47,441</b>	<b>\$56,441</b>	<b>\$19,574</b>	<b>\$9,333</b>	<b>\$207,235</b>
Total Prop 1A Funding				<b>\$88,707</b>	Total Prop 1A Request			<b>\$88,707</b>

Notes:

- (1) Member Agency funds match AQMD Incentive funding & Prop 1A
- (2) PTMISEA & AQMD Incentive funds match Prop 1A
- (3) Total project includes \$11.3M Agency Cost & \$1.2M for the UDS.

UDS = Urea Delivery System

As part of the SCRRA staff recommendation, funding for the Tier 4 locomotive procurement would come from several sources including Proposition 1A funds and potentially from any awards through the Carl Moyer Program. In addition, funding would be recognized over a three-year period. The SCRRA Board approved the purchase of up to 20 new Tier 4 locomotives contingent upon AQMD’s consideration of their Carl Moyer Program grant application. With the SCRRA Board’s approval to proceed with the procurement, it is anticipated that the first three Tier 4 locomotives will be delivered in the third quarter of 2015 depending on the final contract negotiations with the locomotive manufacturer. After a thorough “burn-in” or shakedown period, SCRRA will decide on taking delivery of the remaining 17 locomotives.

During SCRRA’s evaluation process, AQMD staff and SCRRA staff were approached separately to consider passenger locomotives fueled with LNG. The LNG locomotive would meet Tier 4 locomotive emission standards. In addition, one technology proponent discussed the concept of LNG hybrid locomotives that could achieve emissions levels below the Tier 4 emission standards. AQMD staff has been aware of the use of LNG-powered locomotives to transport freight, but not for passenger service. In addition, Caterpillar (parent company to EMD and Progress Rail) announced its intent to offer

natural gas locomotive engines within the next five years. More recently, Westport Innovations, manufacturer of on-road natural gas engines and off-road natural gas engines used in mining equipment, and stationary gensets, indicated its desire to develop and demonstrate a LNG passenger locomotive with the objective of achieving emissions levels that are at least twice as clean as the Tier 4 emission standards. Lastly, a LNG-powered locomotive demonstration is currently underway in Canada and the locomotive emissions are anticipated to achieve Tier 3 emission levels.

At this time, neither the AQMD nor SCRRA have received specific proposals for the commercialization of a LNG passenger locomotive. However, staff did receive a proposal in concept for a demonstration of a LNG passenger locomotive to achieve cleaner than Tier 4 emission standards. SCRRA was identified as a potential partner in the proposed project. Given the desire to evaluate alternative sources of cleaner locomotive engines, the SCRRA Board as part of its decision to procure the 20 new Tier 4 locomotives, committed to testing and demonstrating alternative fuel sources for future possible use in the commuter rail operating environment. As such, SCRRA will make the first five locomotives, taken out of service as a result of the procurement, available for demonstration of various alternative fuel technologies expected to be commercially available in the next decade, including but not limited to, LNG. The commitment is contingent upon a SCRRA Board-approved fully-funded research and demonstration program and working in partnership with AQMD. Staff believes that several technologies can potentially achieve emission levels much lower than Tier 4 and has a prepared a workplan outlining a schedule of activities that staff will pursue to determine what efforts will be needed to conduct a LNG locomotive demonstration in the South Coast Air Basin.

## **Proposal**

### Procurement of New Tier 4 Locomotives

This action is to execute a contract with SCRRA for the replacement of 20 existing Tier 0 diesel passenger locomotives with new Tier 4 diesel passenger locomotives in an amount not to exceed \$34.66 million from the Carl Moyer Program AB 923 Fund (80). Staff has identified available funds from the Carl Moyer Program to cover two-thirds of the requested \$52 million (\$34.66 million) over the next two years. Under Moyer Guidelines, funds are distributed upon delivery of the locomotives, which is anticipated to begin in the last quarter of 2015. The remaining funds requested would most likely be needed in the 2016 timeframe. At this time, AB 923 will sunset at the end of 2014. As such, staff recommends that the remaining \$17.33 million would be made available if AB 923 is reauthorized. Staff will ask for Board approval at that time to amend the existing contract for the remainder of the requested funding. The remainder may reflect a reduced amount based on the final procurement cost quotes to be negotiated between SCRRA and the locomotive manufacturer. In addition, SCRRA should continue to assess the viability and cost of cleaner than Tier 4 passenger locomotive engine technologies should such technologies become commercially available. Staff will provide an update on the final

price quotes to the Technology Committee as part of the discussions on LNG locomotives.

The SCRRA application was evaluated according to CARB’s Carl Moyer Program guidelines released on June 6, 2011. Total NOx and PM reductions from the replacement of the Tier 0 locomotives will result in around 231.2 tons/year and 7.3 tons/year, respectively. The emission reductions associated with the proposed project and the requested funding are within the cost-effectiveness criteria of the Carl Moyer Guidelines. In addition, based on the location of the rail tracks, 53% of the locomotive operations will be in disproportionately impacted areas defined under AQMD’s Carl Moyer Program criteria.

Workplan for LNG Locomotive Development

As discussed above, staff has been investigating the development of LNG-powered locomotives in the freight and passenger sector. Staff has initiated discussions with the various LNG locomotive developers on the potential to develop LNG-powered locomotives that can achieve better than Tier 4 emission standards. In addition, such development should lead to an ultimate commercialization. Commercialization of a product for passenger transportation requires coordination among several entities who either certify or verify the emission levels associated with the locomotive engines and must include the Federal Railroad Administration and National Transportation Safety Board to ensure that the use of LNG as a transportation fuel meet all safety requirements. As such, staff believes that in order to move forward in demonstrating LNG passenger locomotives, a coordinated effort will be required among all stakeholders. Staff has prepared a workplan outlining activities to pursue to ensure a successful demonstration of LNG locomotives. The activities are summarized in Table 2.

Table 2. Schedule of Staff Activities to Assess LNG Locomotive Demonstrations

<b>Activity</b>	<b>Schedule</b>
Assess Current State of Technology	Ongoing
Meet with LNG Locomotive Engine Developers/ Manufacturers to Assess Development/ Commercialization Schedules (Tier 4 Locomotives)	Within 3 months
Visit Field Demonstration Programs Underway	3 – 12 months
Develop Statement of Work Outlining Specific Tasks to Demonstrate LNG Locomotive in the South Coast Air Basin (in Partnership with SCRRA/Other Stakeholders)	3 – 6 months
Provide Progress Update to AQMD Technology Committee	6 months

## **Outreach**

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

Additionally, potential bidders may have been notified utilizing AQMD's own electronic listing of certified minority vendors. Notice of the RFP/RFQ has been e-mailed to the Black and Latino Legislative Caucuses and various minority chambers of commerce and business associations, and placed on the Internet at AQMD's website (<http://www.aqmd.gov>). Information is also available on AQMD's bidder's 24-hour telephone message line (909) 396-2724.

## **Benefits to AQMD**

The replacement of older Tier 0 diesel locomotives with new Tier 4 locomotives will help the South Coast Air Basin meet federal air quality standards. The procurement of Tier 4 locomotives has been identified in the recently U.S. EPA-approved 2007 8-hour Ozone SIP for the South Coast Air Basin. In addition, SCRRA locomotives travel throughout the South Coast Air Basin. As such, the cleaner Tier 4 locomotives will result in reduced exposure to diesel particulate emissions.

## **Resource Impact**

Funding for the Carl Moyer Program shall not exceed \$34.66 million from the Carl Moyer Program AB 923 Fund (80). The remainder of the SCRRA-requested funding (\$17.33 million) is contingent upon reauthorization of AB 923 and will be recommended for consideration in a future Board action.

BOARD MEETING DATE: February 1, 2013

AGENDA NO. 6

**PROPOSAL:** Recognize Revenue from Department of Water and Power, Appropriate Funds for PM2.5, and Authorize Purchases

**SYNOPSIS:** AQMD's Los Angeles Main Street monitoring site has been located on the roof of a Department of Water and Power (DWP) building since September, 1979. DWP required AQMD's current roof deck, which houses particulate monitors, to be moved in April, 2012 due to a solar farm installation on the building for the construction of a new platform meeting DWP and City of Los Angeles approval. DWP offered in-kind assistance with design, electrical and roofing work, City of Los Angeles plan checks, and inspections of the deck. U.S. EPA funds were also used to fund the construction of the deck. This action is to: (1) recognize revenue of \$71,250 from DWP in the FY 2012-2013 Budget; (2) appropriate \$48,750 from the Undesignated Fund balance to the Capital Outlays Major Object in Science & Technology Advancement's FY 2012-13 Budget for the PM2.5 Monitoring Program; and (3) authorize the Procurement Manager to issue a sole source purchase order for three sequential or up to six manual PM2.5 Partisol air monitors from the PM2.5 Program award.

**COMMITTEE:** Administrative, January 11, 2013; the Committee did not have time to consider this item and therefore recommended that it be forwarded to the full Board for consideration.

**RECOMMENDED ACTIONS:**

1. Recognize revenue of \$71,250 from DWP in the FY 2012-2013 Budget.
2. Appropriate \$48,750 from the Undesignated Fund balance to the Capital Outlays Major Object in Science & Technology Advancement's FY 2012-13 Budget for the PM2.5 Monitoring Program.
3. Authorize the Procurement Manager to issue a sole source purchase order with Thermo Scientific for three sequential or up to six manual PM2.5 Partisol air monitors at a total cost not to exceed \$48,750 from the PM2.5 Program award.

Barry R. Wallerstein, D.Env.  
Executive Officer

## **Background**

### Los Angeles Air Monitoring Site

AQMD's Los Angeles Main Street air monitoring site has been located on the roof of a Department of Water and Power (DWP) building since September 1979. DWP required AQMD's current roof deck, which houses particulate monitors, be moved by April 2, 2012 due to a solar farm installation on the building. As a result, a new location and platform were needed. DWP agreed to a new adjacent site and designed a new platform that met DWP and City of Los Angeles approval. In order to assist AQMD, DWP offered in-kind funding for installation in the amount of \$71,250 for the new monitoring platform.

### PM2.5 Program

Since 1998, U.S. EPA has provided funds under a Section 103 Grant for a comprehensive PM2.5 Air Monitoring Program. To date, there are 20 ambient monitoring stations operating 23 PM2.5 samplers under U.S. EPA funding. In addition, U.S. EPA has supported the expansion of the network to collect continuous PM2.5 mass and chemical speciation at several sites within the South Coast Air Basin. This substantially adds to the fine particulate data which will help in the characterization of PM2.5 sources, current air quality conditions, and health impacts.

## **Proposal**

### Los Angeles Air Monitoring Site Funding

In April 2012, the AQMD Governing Board authorized the execution of a \$142,500 contract with Lacy Construction for the construction of a new monitoring platform at the Los Angeles Main Street monitoring site. U.S. EPA provided funding of \$120,000 as part of AQMD's current PM 2.5 grant award to apply to the cost of constructing the new monitoring platform and DWP provided \$71,250 for this effort. \$71,250 of the \$120,000 in U.S. EPA funds will be used toward the monitoring platform construction. \$48,750 will be used for PM 2.5 air monitors with U.S. EPA approval. This Board letter includes actions to 1.) recognize revenue of \$71,250 from DWP in the FY 2012-13 Budget, and 2.) appropriate \$48,750 to the Capital Outlays Major Objects in the Science and Technology Advancement FY 2012-13 Budget. The \$120,000 of U.S. EPA revenue was recognized in a July, 2012 Board action.

### Issue Purchase Order for PM2.5 Monitoring Equipment

Since 1998, U.S. EPA has provided funds under a Section 103 Grant for a comprehensive PM2.5 Air Monitoring Program. To date, there are 20 ambient monitoring stations operating 23 PM2.5 samplers under U.S. EPA funding. Many of the monitors have been in operation since the inception of the PM2.5 air monitoring program and are in need of replacement. This action is to authorize the Procurement Manager to issue a sole source purchase order with Thermo Scientific for three sequential or up to six manual PM2.5 Partisol air monitors at a total cost not to exceed \$48,750 from the PM2.5 Program award.



**Sole Source Justifications**

Section VIII, B.3 of the Procurement Policy and Procedure identifies four major provisions under which a sole source award may be justified for federally funded procurement.

The requests for sole source purchase of the three sequential or up to six manual PM2.5 air monitors are made under Section VIII, B.3.a of the Procurement Policy and Procedure which states: For contracts funded in whole or in part with federal funds, written justification for sole source award must be provided documenting that awarding a contract is infeasible under small purchase procedures, sealed bids or competitive proposals and that one of the following circumstances applies: (a) The item is available only from a single source; (b) The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation; (c) The awarding federal agency authorizes noncompetitive proposals; or (d) After solicitation of a number of sources, competition is determined inadequate.

Thermo Scientific is the sole company which manufactures the PM2.5 Partisol air monitor.

**Resource Impacts**

U.S. EPA Section 103 Grant funding will be used to fund the PM2.5 air monitors.

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BOARD MEETING DATE: February 1, 2013

AGENDA NO. 7

PROPOSAL: Amend Awards under Carl Moyer Program

SYNOPSIS: On October 5, 2012, the Board awarded two contracts to replace older off-road vehicles with new Tier-3 and Tier-4 vehicles. Since then, staff has worked with the awardees and has located new and cleaner Tier-4 vehicles for use instead of the proposed Tier-3 replacement vehicles. This action is to increase the funding amount for the two existing awards under the Carl Moyer Program.

COMMITTEE: Technology, January 18, 2013. Less than a quorum was present; the Committee Members concurred that this item be forwarded to the Board for consideration.

**RECOMMENDED ACTIONS:**

Authorize the Chairman to amend the following awards under the Carl Moyer Program with funds from the Carl Moyer Program SB 1107 Fund (32):

1. Richard Bagdasarian, Inc. originally approved on October 5, 2012, for an increased amount of \$35,362 and a total contract amount of up to \$1,928,641; and
2. Thermiculture Management, LLC originally approved on October 5, 2012, for an increased amount of \$93,733 and a total contract amount of up to \$177,610.

Barry R. Wallerstein, D.Env.  
Executive Officer

CSL:MMM:FM:RP:AAO:FM1

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**Background**

On October 5, 2012, the Board awarded grants to 67 companies for off-road repower, retrofit, and replacement projects under the Carl Moyer Program. One of the grants was awarded to Richard Bagdasarian, Inc. to replace 32 off-road vehicles with new Tier-3 and

Tier-4 vehicles for \$1,893,279, and another was awarded to Thermiculture Management, LLC to replace five off-road vehicles with Tier-3 and Tier-4 vehicles for \$83,877. Because very few Tier-3 vehicles are available, staff has worked with the applicants to locate new cleaner Tier-4 vehicles to replace the proposed Tier-3 vehicles. As such, the awards will need to be modified to reflect the vehicles with cleaner engines that will require increased funding and will achieve higher emission reductions than anticipated during the initial review process.

### **Proposals**

Staff recommends the Board's approval to increase the Carl Moyer Program awards approved on October 5, 2012, to Richard Bagdasarian, Inc. and Thermiculture Management LLC, by \$35,362 and \$93,733, respectively, from the Carl Moyer Program SB 1107 Fund (32), to reflect the increased costs of the Tier 4 engines compared to the originally approved Tier 3 engines.

### **Benefits to AQMD**


The successful implementation of the Carl Moyer Program will provide direct emissions reductions for both NOx and PM as required by the programs. Since the vehicles and equipment funded under this program will operate for many years, the emissions reductions will provide long-term benefits.

### **Resource Impacts**

Funding for the proposed amendments shall not exceed \$129,095 from the Carl Moyer Program SB 1107 Fund (32).

BOARD MEETING DATE: February 1, 2013

AGENDA NO. 8

**PROPOSAL:** Authorize Acquisition of Five Advanced Technology Vehicles for AQMD's Alternative Fuel Vehicle Demonstration Program 

**SYNOPSIS:** The AQMD tests and demonstrates new vehicles with low- and zero-emission technologies as they become available. This action is to lease three Chevrolet Volt extended-range electric vehicles, one Ford C-Max Energi, and one Toyota Rav4 EV for three years. Total cost to the AQMD for these five vehicles will not exceed \$115,000 from the Clean Fuels Fund (31).

**COMMITTEE:** Technology, January 18, 2013, Recommended for Approval

**RECOMMENDED ACTIONS:**

1. Authorize the transfer of \$115,000 from the Clean Fuels Fund (31) to the FY 2012-13 Budget of Science & Technology Advancement, Services and Supplies Major Object, Rents and Leases Equipment Account; and
2. Authorize the Procurement Manager to waive publication requirements and lease three 2013 Chevrolet Volt extended-range electric vehicles, one Ford C-Max Energi, and one Toyota Rav4 EV for three years at a cost not to exceed \$115,000.

Barry R. Wallerstein, D.Env.  
Executive Officer

CSL:MMM:DS:LHM

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**Background**

The AQMD demonstrates a number of advanced technology vehicles to help support the development and deployment of cleaner advanced technology and educate consumers at public outreach events. There are currently a variety of plug-in hybrid electric, electric, and fuel cell vehicles in the AQMD Alternative Fuel Vehicle Demonstration Program.

In September 2012, the Board approved funding for two Chevrolet Volts which were acquired. Based on initial feedback, the Chevrolet Volt is well-suited to meet AQMD's needs, so staff requests three additional Volts for education and outreach activities.

Additional new models, the Ford C-Max Energi plug-in hybrid and the Toyota Rav4 EV, are now available and also recommended by staff.

### Chevrolet Volt

The Chevrolet Volt is a full performance four-passenger electric sedan with extended range. It has the longest electric range of any plug-in hybrid vehicles that are CARB-certified as an enhanced ATPZEV. The 2013 Volt is designed to travel about 38 miles (improved from 35 miles for previous model years) at speeds up to 100 mph using the on-board battery pack exclusively, and the gasoline engine serves as a range extender providing several hundred miles of travel. The Volt powertrain includes a 150 hp electric motor which produces 273 lb-ft torque and a 1.4L, 80 hp four-cylinder gasoline engine. Energy is stored on board in a 16-kWh, T-shaped lithium-ion battery, which is currently supplied by Compact Power (LG Chem).

When the Volt is plugged in routinely and used for short trips, the engine may not need to start for extended periods of time. The Volt will fully recharge in 10 – 15 hours using a standard 120V household outlet and the power cord supplied by GM. Using a dedicated 240V Level 2 charger, the Volt will fully recharge in about 4 hours. The charging can be scheduled for off-peak hours, which can provide additional environmental benefits and lower cost. The Volt uses the SAE J1772 connector, which was adopted as the recommended practice for Level 1 and Level 2 charging for passenger vehicles in the U.S. in January 2011. CARB-certified enhanced ATPZEVs, including 2012 and newer Volts, qualify for solo-driver carpool lane use (except HOV lanes on the 110 and 10 freeways) with green decals until January 1, 2015.

Additional features recommended for demonstration include navigation to assist with locating charging stations, front seat heaters for improved overall efficiency, and back-up camera for better visibility and safety. Bluetooth capability plus three years of OnStar service are provided standard on all new Volts.

### Ford C-Max Energi

The Ford C-Max Energi is a full performance five-passenger plug-in hybrid electric sedan. It is designed to travel about 20 miles at speeds up to 85 mph using the on-board battery pack exclusively, then the gasoline engine provides hybrid operation for several hundred miles of travel. The powertrain includes a 68 kW electric motor and a 2.0L, 141 hp four-cylinder gasoline engine. Energy is stored on board in a 7.6-kWh lithium-ion battery. Driver controls battery usage with an EV mode button: EV Now, EV Later, and EV Auto.

When the C-Max Energi is plugged in routinely and used for short trips, the engine may not need to start for extended periods of time. The C-Max Energi will fully recharge in about seven hours using a standard 120V household outlet and the power cord supplied by Ford. Using a dedicated 240V Level 2 charger, the Energi will fully recharge in about 2.5 hours. The charging can be scheduled for off-peak hours, which can provide additional environmental benefits and lower cost. The C-Max Energi uses the SAE J1772 connector, which was adopted as the recommended practice for Level 1 and Level 2 charging for passenger vehicles in the U.S. in January 2011. CARB-certified enhanced ATPZEVs, including Ford C-Max Energi, qualify for solo-driver carpool lane use (except HOV lanes on the 110 and 10 freeways) with green decals until January 1, 2015.

Additional features recommended for demonstration include navigation to assist with locating charging stations, front seat heaters for improved overall efficiency, back-up camera for better visibility and safety, Bluetooth capability plus three years of SYNC Traffic Service and MyFord Mobile application service.

#### Toyota Rav4 EV

The Toyota Rav4 EV is a full performance five-passenger electric SUV. It has a U.S. EPA rated drive range of 92 miles in normal-charge mode and 113 miles in extended-charge mode. There are two driving modes; normal and sport. In sport mode, top speed is 100 mph, with acceleration of 0 – 60 mph in 7.0 seconds. The Rav4 EV has a 40 kWh advanced lithium-ion battery pack provided by Tesla and a 154 hp (115 kW) electric motor.

The Rav4 EV will fully recharge in about six hours using a dedicated 240V Level 2 charger. Using a standard 120V household outlet and the power cord supplied by Toyota, full recharge will take about two days. The charging can be scheduled for off-peak hours, which can provide additional environmental benefits and lower cost. The Rav4 EV uses the SAE J1772 connector, which was adopted as the recommended practice for Level 1 and Level 2 charging for passenger vehicles in the U.S. in January 2011. CARB-certified ZEVs, including Toyota Rav4 EV, qualify for solo-driver carpool lane use (except HOV lanes on the 110 and 10 freeways) with silver decals until January 1, 2015.

Additional features recommended for demonstration include navigation with EV applications to assist with locating charging stations, front seat heaters for improved overall efficiency, back-up camera for better visibility and safety, Bluetooth capability plus three years of Entune Traffic and Weather Service and Emergency Roadside Service.

**Proposal**

This action is to lease three Chevrolet Volt California low-emission extended-range electric vehicles, one Ford C-Max Energi plug-in hybrid, and one Toyota Rav4 EV for AQMD's Alternative Fuel Vehicle Demonstration Program at a cost not to exceed \$115,000 from the FY 2012-13 Budget of Science & Technology Advancement, Services and Supplies Major Object, Rents & Leases Equipment Account. Lease terms are typically more favorable than purchase, especially since the federal tax credit can be included to reduce the cost of leasing. The total cost includes 9.00 percent Los Angeles County sales/use tax and all other fees.

**Benefits to AQMD**

The proposed project is included in the *Technology Advancement Office 2012 Plan Update* under "Electric and Hybrid Technologies." The purpose of including a variety of advanced technology passenger vehicles in AQMD's Alternative Fuel Vehicle Demonstration Program is to showcase them and illustrate AQMD's own commitment to develop and deploy these advanced technologies. The AQMD supports CARB's zero-emission-vehicle requirement and strives to educate public and private organizations regarding the benefits and characteristics of zero and near-zero emission vehicles.

**Procurement Process**

Section VIII B(2) of the Procurement Policy and Procedure identifies six provisions under which detailed specifications or obtaining of bids may be waived by the Executive Officer or his designee. This request is made under provision B.2.c.(2): "The desired services are available from only the sole-source based upon one or more of the following reasons: The project involves the use of proprietary technology;" The request to waive publication requirements in Section VII.A of the Procurement Policy and Procedure is because new 2013 Chevrolet Volts are currently available only from Chevrolet dealers that meet General Motor's criteria for selling Volts. Due to limited availability of these new vehicles, an informal request for quotes from regional Chevrolet Volt dealers using selection criteria of 2013 California ATPZEV emissions certification, timely response, and favorable lease pricing will be solicited. The availability of the new Ford C-Max Energi and Toyota Rav4 EV is also very limited, so informal requests for quotes from regional Ford C-Max Energi and Toyota Rav4 EV dealers using comparable selection criteria will be solicited.

**Resource Impact**

The total cost of these five vehicles will not exceed \$115,000 from the FY 2012-13 Budget of Science & Technology Advancement, Services & Supplies Major Object, Rents & Leases Equipment Account. In order to lease the Volts, C-Max Energi, and Rav4 EV, multiple quotes will be solicited from regional Chevrolet, Ford, and Toyota dealers.

The lease costs for the vehicles are listed in the table below:

<b>Vehicle</b>	<b>Cost</b>	<b>No. of Vehicles</b>	<b>Total*</b>
2013 Chevrolet Volts (with Navigation package, seat heaters, and back-up camera)	\$499/mo	3	\$60,000
Ford C-Max Energi	\$549/mo	1	\$22,000
Toyota Rav4 EV	\$799/mo	1	\$33,000
<b>Total</b>			<b>\$115,000</b>

\*includes tax and all fees (for a three year period)

Sufficient funds are available in the Clean Fuels Fund, established as a special revenue fund resulting from the state-mandated Clean Fuels Program. The Clean Fuels Program, under Health and Safety Code Sections 40448.5 and 40512 and Vehicle Code Section 9250.11, establishes mechanisms to collect revenues from mobile sources to support projects to increase the utilization of clean fuels, including the development of the necessary advanced enabling technologies. Funds collected from motor vehicles are restricted, by statute, to be used for projects and program activities related to mobile sources that support the objectives of the Clean Fuels Program.



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BOARD MEETING DATE: February 1, 2013

AGENDA NO. 9

**PROPOSAL:** Transfer Funds from Clean Fuels, Carl Moyer AB 923, and Proposition 1B Funds for Administrative Support and Related Activities

**SYNOPSIS:** The demonstration and incentive programs execute hundreds of contracts annually, which require ongoing administrative, outreach, education and other related activities which require resources and support. This action is to transfer an additional \$450,000 from the Clean Fuels Program Fund (31), \$150,000 from the Carl Moyer AB 923 Program Fund (80), and \$200,000 from the Proposition 1B Program Fund (81) for FY 2012-13 to the Budget of Science & Technology Advancement, Services and Supplies Major Object, Professional and Special Services Account to support directly-related activities.

**COMMITTEE:** Technology, January 18, 2013, Recommended for Approval

**RECOMMENDED ACTIONS:**

Authorize the transfer of funds identified below to the Budget of Science & Technology Advancement, Services and Supplies Major Object, Professional and Special Services Account to support directly-related activities for each Program for FY 2012-13. Any unspent funds will be transferred back to the appropriate special revenue fund.

1. \$450,000 from the Clean Fuels Program Fund (31);
2. \$150,000 from the administrative portion of the Carl Moyer AB 923 Program Fund (80); and
3. \$200,000 from the administrative portion of the Proposition 1B Program Fund (81).

Barry R. Wallerstein, D.Env.  
Executive Officer

## **Background**

The Technology Advancement Office (TAO) conducts the agency's research, development, demonstration and deployment (RD3) activities through the Technology Demonstrations group and administers the on- and off-road incentive activities through the Technology Implementation group. The funding authorization associated with these activities are the Clean Fuels Fund for the RD3 program and the Carl Moyer AB 923 and Proposition 1B Funds for the Incentives program. Overall, TAO administers and monitors thousands of contracts annually.

The Clean Fuels, Carl Moyer and Proposition 1B Programs allow up to 5% for administrative activities. The AQMD has been directing revenues from these special Programs to their own Funds rather than to an account within the AQMD's General Fund budget. This is done to clearly delineate the program-operation revenues, which have statutory constraints imposed on their use from the AQMD's other revenues and its general budget. In order to support these activities, it is necessary to transfer some of the administrative funds to the General Fund to allow management flexibility and expediency in addressing program-implementation issues related to the Programs.

In June 2012, a transfer of funds was approved to the FY 2012-13 Budget of Science & Technology Advancement, Services and Supplies Major Object, Professional and Special Services Account from the Clean Fuels Fund (31), the Carl Moyer AB 923 Program Fund (80), and the Proposition 1B Program Fund (81) to support directly-related activities for each Program.

## **Proposal**

Funds transferred as authorized in the June 2012 Board action were used for program administration expenditures such as travel, temporary agency services, postage, advertising, memberships. Due to continued program requirements, additional funds are needed to facilitate support for various activities related to achieving the objectives of the Programs. These activities are expected to include, but not be limited to, the following areas:

### *Technical Assistance*

Technical assistance is needed to provide source testing services and testing and analyses of emissions including, but not limited to, particulate matter, air toxics, and other pollutants from new and existing liquid fuels, natural gas, and fuel blends used in alternative fuel motor vehicles for the RD3 program. Technical assistance is also needed for evaluation of different types of mobile source vehicles and equipment to determine their eligibility and the amount of incentive funding that can be provided in compliance with the requirements of the Incentives program guidelines and the applicable rules and regulations.

### *Expert Consultation*

Consultants provide expertise on new and emerging technologies, development of emission control technologies, and analyses of demonstration projects including alternative fuels, fuel cells, hydrogen infrastructure, microturbine technology, hybrid electric vehicles, renewable energy, and particulate control technology for the RD3 program. Consultants provide expertise on availability of new and emerging technologies and commercialization potential of lower-emitting vehicles and related infrastructure for the Incentives program. Assignments for these consultants are expected to be short-term and time-sensitive.

### *Public Outreach & Conference Sponsorship*

AQMD is often asked to provide support for technical conferences and other outreach activities related to the Programs. These conferences provide opportunities for the AQMD to inform the public, communicate its programs to broad audiences and receive input from public and private organizations. Public outreach is important for commercialization of new technologies. AQMD staff participates in conferences, and does extensive outreach activities to enhance public awareness for the Programs.

### *Advanced Technology Vehicle Purchases and Leases*

In order to showcase and demonstrate advanced, low-emission technologies, the AQMD often purchases and leases such clean vehicles to educate public and private organizations on the benefits of advanced technologies, as well as provide valuable in-use test data to the manufacturers.

### *Administrative & Other Costs*

Funding is also required to support the operation of the Clean Fuels, the Carl Moyer and Proposition 1B Programs. Administrative costs can include, but are not limited to, postage and public notice advertisements for RFPs, Program Announcements, and other project-related mailings. Other costs include costs associated with augmentation or modification of previously approved projects; and costs necessary to enhance or expand existing program-related activities; and costs associated with performing or meeting program objectives.

### **Resource Impacts**

In June 2012, transfers in the amounts of \$700,000 from the Clean Fuels Fund (31), \$250,000 from the Carl Moyer AB 923 Program Fund (80), and \$250,000 from the Proposition 1B Program Fund (81) were authorized to support directly-related activities. Previously transferred funds were used for program administration expenditures such as travel, temporary agency services, postage, advertising, and memberships.

This proposed action is to transfer an additional \$450,000 from the Clean Fuels Fund (31), \$150,000 from the administrative portion of the Carl Moyer AB 923 Program Fund (80), and \$200,000 from the Proposition 1B Program Fund (81) for FY 2012-13 to

the Budget of Science & Technology Advancement, Services and Supplies Major Object, Professional and Special Services Account to support Program activities. Any unspent funds will be transferred back to the appropriate special revenue funds.

Sufficient funds are available from the Clean Fuels Fund (31), established as a special revenue fund resulting from the state-mandated Clean Fuels Program. The Clean Fuels Program, under Health and Safety Code Sections 40448.5 and 40512 and Vehicle Code Section 9250.11, establishes mechanisms to collect revenues from mobile sources to support projects to increase the utilization of clean fuels, including the development of the necessary advanced enabling technologies. Funds collected from motor vehicles are restricted, by statute, to be used for projects and program activities related to mobile sources that support the objectives of the Clean Fuels Program.

Sufficient funds are available from the Carl Moyer AB 923 Program Fund (80) and from the Proposition 1B Program Fund (81).



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BOARD MEETING DATE: February 1, 2013

AGENDA NO. 10

PROPOSAL: Approve Contract Awards and Modifications Approved by MSRC

SYNOPSIS: The MSRC approved three new contracts and two modifications under the FY 2011-12 Work Program. These include contracts for rideshare incentive programs to be implemented in conjunction with the Rideshare Thursday public awareness campaign, a contract modification providing additional funds for an alternative fuel school bus, and a contract modification adjusting the operational period of Anaheim Transportation Network's Circulator Service. At this time the MSRC seeks Board approval of these contract awards and modifications.

COMMITTEE: Mobile Source Air Pollution Reduction Review, January 17, 2013, Recommended for Approval

**RECOMMENDED ACTIONS:**

1. Approve three sole-source contracts totaling \$500,000 for development and implementation of rideshare incentive programs to be implemented in conjunction with the Rideshare Thursday public awareness campaign as part of approval of the FY 2011-12 Work Program, as described in this letter and as follows:
  - a. A \$125,000 contract with Los Angeles County Metropolitan Transportation Authority (Metro);
  - b. A \$125,000 contract with Orange County Transportation Authority (OCTA); and
  - c. A \$250,000 contract with Riverside County Transportation Commission;
2. Approve a funding augmentation in an amount not to exceed \$45,000 as part of approval of the FY 2011-12 Work Program, to existing contract #MS11002 with A-Z Bus Sales under the Alternative Fuel School Bus Incentives Program, using funds previously allocated to this Program but not yet awarded, as described in this letter;
3. Approve modified award to Anaheim Transportation Network to provide transit service from three destination points in the Anaheim Resort to the Honda Center,

Angel Stadium, and City National Grove of Anaheim, delaying the initiation of service until April 2013 and extending service through April 2014, under the Event Center Transportation Program as part of approval of the FY 2011-12 AB 2766 Discretionary Fund Work Program, as described in this letter;

4. Authorize MSRC the authority to adjust contract awards up to five percent, as necessary and previously granted in prior work programs; and
5. Authorize the Chairman of the Board to execute contracts under FY 2011-12 AB 2766 Discretionary Fund Work Program, as described above and in this letter.

Greg Winterbottom  
Chair, MSRC

CSL:HH:CR

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### **Background**

In September 1990 Assembly Bill 2766 was signed into law (Health & Safety Code Sections 44220-44247) authorizing the imposition of an annual \$4 motor vehicle registration fee to fund the implementation of programs exclusively to reduce air pollution from motor vehicles. AB 2766 provides that 30 percent of the annual \$4 vehicle registration fee subvended to the AQMD be placed into an account to be allocated pursuant to a work program developed and adopted by the MSRC and approved by the Board.

For the FY 2011-12 Work Program, the MSRC selected categories and targeted funding amounts in December 2011. In June 2012, the MSRC directed that the \$500,000 allocated towards the development of rideshare incentive programs to augment the Rideshare Thursday public awareness campaign should be split equally between the four County Transportation Commissions (CTCs), with each CTC to submit a proposed work plan for evaluation. The MSRC's Technical Advisory Committee (MSRC-TAC) has developed award recommendations with respect to the CTCs' rideshare incentive work plans. The MSRC also received a request for additional incentive funding from one of the qualified school bus vendors, and the proponent of a previously awarded event center transportation project requested schedule changes. At their January 17, 2013 meeting, the MSRC considered these requests and recommended awards. Details are provided below in the Proposals section.

### **Proposals**

At its January 17, 2013 meeting, the MSRC considered recommendations from its MSRC-TAC and unanimously approved the following:

#### **FY 2011-12 Rideshare Thursday Incentive Programs**

As part of the FY 2011-12 Work Program, the MSRC allocated \$500,000 towards the

implementation of one or more Rideshare Incentive Programs to augment the Rideshare Thursday public awareness campaign planned for implementation during 2013. The incentive programs were to be implemented coincidentally with the public awareness campaign, in order to develop a synergistic effect between the message and motivating incentives. During subsequent MSRC-TAC discussions, it was noted that a “one size fits all” incentive program structure might not be appropriate for all areas within the AQMD jurisdiction. In June 2012 the MSRC-TAC recommended, and the MSRC approved, an approach in which the \$500,000 would be distributed equally between the four CTCs. The CTCs were each requested to submit concise work plans for review, with the MSRC-TAC to develop award recommendations based on these work plans.

A total of three work plans were submitted for review, with RCTC and San Bernardino Associated Governments (SANBAG) proposing to partner in their efforts. Metro proposes to implement a program for Los Angeles County for employees at participating worksites who have rideshared with other working adults, at least eight workdays per month, for at least three months. Such participants would earn a Metro Rewards Entertainment Book. OCTA proposes to implement a program which would provide Orange County participants the option of either \$2 in gift cards per day of ridesharing, up to a maximum of \$60, or the purchase of an OCTA bus or Metrolink pass for 50% off the normal purchase price. RCTC and SANBAG jointly propose a program with two elements: \$2 in gift cards per day of ridesharing for a three-month period (for new rideshare arrangements) and an Entertainment Book for those who have been ridesharing a minimum of three months. The MSRC approved a \$125,000 award to Metro, a \$125,000 award to OCTA, and a \$250,000 award to RCTC, with RCTC charged to implement the Rideshare Thursday Incentive program on behalf of both RCTC and SANBAG for both Riverside and San Bernardino Counties. The award to RCTC is also conditioned upon any direct labor and/or indirect subcontractor labor costs being specific to the Rideshare Thursday Incentive Program, and evidenced through either a new or modified contractual agreement with RCTC’s subcontractor, delineating the specific scope and budget associated with the program.

#### FY 2011-12 Alternative Fuel School Bus Incentives Program

The MSRC allocated \$1.5 million under the FY 2011-12 Work Program to continue its Alternative Fuel School Bus Incentive Program. This Program offers buydown incentives ranging from \$15,000 to \$45,000 per bus, depending upon model. School bus models qualified under the FY 2010-11 Program remain qualified under the FY 2011-12 Program. The MSRC approved a request from A-Z Bus Sales for an additional \$45,000 to incentivize one full-sized CNG bus ordered by Murrieta Valley Unified School District.

#### FY 2011-12 Event Center Transportation Program

As part of the FY 2011-12 Work Program, the MSRC allocated \$2.0 million for event center transportation programs and released a Program Announcement to solicit projects for traffic-impacted centers. The MSRC approved a total of eight awards under the FY 2011-12 Event Center Transportation Program. One of the approved projects,

proposed by Anaheim Transportation Network (ATN), would provide transit service from three destination points in the Anaheim Resort to the Honda Center, Angel Stadium, and City National Grove of Anaheim. The Circulator Service was originally scheduled to provide service from January through October, 2013, covering the latter half of the 2012-13 National Hockey League (NHL) season and all of the 2013 Major League Baseball season. Due to the uncertainty associated with the NHL labor dispute, ATN requested to delay the initiation of service until April 2013, coinciding with the start of the baseball season, and to extend service through April 2014. This would cover the entire 2013-14 NHL season with no change in the award amount. The MSRC considered and approved ATN's schedule change request.

At this time the MSRC requests the AQMD Board to approve the contract awards and modifications as part of approval of the FY 2011-12 Work Program as outlined above. The MSRC also requests the Board to authorize the AQMD Chairman of the Board the authority to execute all agreements described in this letter. The MSRC further requests authority to adjust the funds allocated to each project specified in this Board letter by up to five percent of the project's recommended funding. The Board has granted this authority to the MSRC for all past Work Programs.

### **Sole-Source Justification**

As an element of its FY 2011-12 Work Program, the MSRC allocated \$500,000 for rideshare incentive programs. As discussed in Proposals above, this program will be implemented by initiating three sole-source contracts with the entities responsible for rideshare programs. While the MSRC and AQMD strive to retain technical services on a competitive basis, the AQMD Procurement Policy and Procedure recognizes that, at times, the required services are available from only one source, making the pursuit of a competitive procurement futile. Metro, OCTA, and RCTC are the responsible entities for the design, development and implementation of commuter services and rideshare incentive programs within their respective sub-regions of the South Coast AQMD jurisdiction. Metro, OCTA and RCTC solely possess the requisite technical knowledge relative to the design and operation of their respective rideshare incentive programs that is essential to the successful development and integration of a Rideshare Thursday incentive program.

This request for sole source awards to Metro, OCTA and RCTC is made under provision VIII.B.2.c.(1): The desired services are available from only the sole source due to the unique experience and capabilities of the proposed contractor or contractor team; and (3) The contractor has ownership of key assets required for project performance.

### **Resource Impacts**

The AQMD acts as fiscal administrator for the AB 2766 Discretionary Fund Program (Health & Safety Code Section 44243). Money received for this program is recorded in a special revenue fund (Fund 23) and the contracts specified herein, as well as any contracts awarded in response to the solicitations, will be drawn from this fund.



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BOARD MEETING DATE: February 1, 2013

AGENDA NO. 11

PROPOSAL: Approve Official AQMD Logo

SYNOPSIS: Staff is seeking approval of the official AQMD logo that will be used henceforth on all South Coast AQMD materials, collateral, documentation and social media, including the recent website redesign project.

COMMITTEE: Administrative, January 11, 2013; the Committee did not have time to consider this item and therefore recommended that it be forwarded to the full Board for consideration.

**RECOMMENDED ACTION:**

Approve official AQMD logo that will be used henceforth on all South Coast AQMD materials, collateral, documentation and social media, including the recent website redesign project.

Barry R. Wallerstein, D.Env.  
Executive Officer

LS:WS:jf

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**Background**

An organization's logo is its key identifier with the public. It promotes instant recognition and establishes the organization's "brand."

As early as 1977 the South Coast Air Quality Management District used the "AQMD Bird" to identify itself. In January 1994, AQMD Style Manual described the AQMD logo as the stylized white dove across a circle of cyan blue with the AQMD's official name printed in two lines to the right of dove (see attachment).

In June of that same year the AQMD registered the "AQMD Bird" with the United States Patent and Trademark Office. Since that time, several variants have been developed and used on the AQMD's stationary, business cards, and other printed materials as well as in

several web designs and video productions. With advances in electronic communication, social media and desktop publishing further decentralizing graphics production, the use of variants will continue to expand absent a clear directive.

### **Proposal**

Staff recommends that the Board officially adopt the AQMD logo and henceforth require its consistent use in all print, web, video and electronic media.

The assertion of an official AQMD logo will build a consistent, recognizable “brand” image of the AQMD, to be used in all administrative, media and public affairs outreach, to reinforce the agency’s identity with the public and important stakeholders.

### **Resource Impacts**

Should it be approved, this proposal would have minimal, absorbable costs.

### **Attachment**

AQMD Style Manual Design and Sample of Logo Variants

Attachment

AQMD Style Manual Design



Sample of Logo Variants



Proposed Logo



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BOARD MEETING DATE: February 1, 2013

AGENDA NO. 12

PROPOSAL: Legislative and Public Affairs Report

SYNOPSIS: This report highlights the December 2012 outreach activities of Legislative and Public Affairs, which include: Environmental Justice Update, Community Events/Public Meetings, Business Assistance, and Outreach to Business and Federal, State, and Local Government.

COMMITTEE: No Committee Review

RECOMMENDED ACTION:  
Receive and file.

Barry R. Wallerstein, D.Env.  
Executive Officer

LBS:DJA:WS:DM

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## **BACKGROUND**

This report summarizes the activities of Legislative and Public Affairs for December 2012. The report includes four major areas: Environmental Justice Update, Community Events/Public Meetings (including the Speakers Bureau/Visitor Services, Communications Center, and Public Information Center), Business Assistance and Outreach to Business and Federal, State, and Local Governments.

## **ENVIRONMENTAL JUSTICE UPDATE**

The following are key environmental justice-related activities in which staff participated during December 2012. These events involve communities that suffer disproportionately from adverse air quality impacts.

- On December 5, staff participated in the Eastern Coachella Valley Environmental Justice Task Force meeting. There was discussion on Western

Environmental and a proposed Environmental Leadership Summit in February 2013.

- On December 12, staff assisted with the public workshop in Wilmington for Proposed Rule 1114 related to refineries. Members of the community expressed concerns about emissions from refineries and their effect on air quality and public health.
- On December 18, staff attended a community meeting on the Omnitrans sbX project in San Bernardino. The meeting provided a review of the planned facility upgrades to support the bus rapid transit line between northern San Bernardino and Loma Linda.

### **COMMUNITY EVENTS/PUBLIC MEETINGS**

Each year, thousands of residents engage in valuable information exchanges through events and meetings that SCAQMD sponsors either alone or in partnership with others. Attendees typically receive the following information:

- Tips on reducing their exposure to smog and its health effects.
- Clean air technologies and their deployment.
- Invitations or notices of conferences, seminars, workshops and other public events.
- Ways to participate in SCAQMD rule and policy development.
- Assistance in resolving air quality-related problems.

The events that SCAQMD staff attended and/or provided information and updates include:

- December 1 Youth Technology Conference for Middle and High School Students, SCAQMD's Headquarters, Diamond Bar.
- December 3 2012 State of Riverside County Event, Morongo Casino, Resort & Spa, Cabazon.

### **SPEAKERS BUREAU/VISITOR SERVICES**

SCAQMD regularly receives requests for staff to speak on air quality-related issues from a wide variety of organizations, such as: trade associations, chambers of commerce, community-based groups, schools, hospitals and health-based organizations. SCAQMD also hosts visitors from around the world who meet with staff on a wide range of air quality issues.

- On December 4, staff provided an overview presentation on SCAQMD, and gave a tour of the laboratory and cleaner alternative fueled vehicles at SCAQMD's

Diamond Bar Headquarters to 55 students from John Muir High School Business Ethics Class in Pasadena.

**COMMUNICATION CENTER STATISTICS**

The Communication Center handles calls on the SCAQMD main line, 1-800-CUT-SMOG<sup>®</sup> line and Spanish line. Calls received in the month of December 2012 are summarized below:

Main Line Calls	2,143
1-800-CUT-SMOG <sup>®</sup> Line	1,324
After Hours Calls*	724
Spanish Line Calls	<u>26</u>
<i>Total Calls</i>	4,217

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\* Saturdays, Sundays, holidays and after 7:00 p.m., Monday through Friday.

**PUBLIC INFORMATION CENTER STATISTICS**

The Public Information Center (PIC) handles phone calls and walk-in requests for general information. Information for the month December 2012 is summarized below:

Visitor Transactions	170
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Calls Received by PIC Staff	23
Calls to Automated System	<u>1,326</u>
<i>Total Calls</i>	1,349

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E-mail Advisories Sent	432,889
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**BUSINESS ASSISTANCE**

SCAQMD assists businesses by notifying them of proposed regulations so they can participate in the development of these rules. SCAQMD also works with other agencies and governments to identify efficient, cost-effective ways to reduce air pollution and shares that information broadly. Additionally, staff provides personalized assistance to small businesses both over the telephone and by on-site consultation. The information is summarized below.

- Conducted two free on-site consultations
- Provided permit application assistance to 115 companies

- Issued three clearance letters

Types of business assisted:

- |                               |                       |
|-------------------------------|-----------------------|
| ✓ Coffee roasting             | ✓ Metal plating       |
| ✓ Animal clinic               | ✓ Restaurants         |
| ✓ Auto body shops             | ✓ Juice manufacturing |
| ✓ Clothing rack manufacturing | ✓ Dry cleaners        |
| ✓ Gas stations                | ✓ Glass etching       |

## **OUTREACH TO BUSINESS AND FEDERAL, STATE, AND LOCAL GOVERNMENTS**

Field visits and communications were conducted with elected officials or staff from the following cities:

Alhambra	Chino Hills	Grand Terrace
Agoura Hills	Claremont	Hawaiian Gardens
Aliso Viejo	Coachella	Hawthorne
Anaheim	Colton	Hemet
Arcadia	Commerce	Hermosa Beach
Artesia	Compton	Hidden Hills
Avalon	Corona	Highland
Azusa	Costa Mesa	Huntington Beach
Baldwin Park	Covina	Huntington Park
Banning	Cudahy	Indian Wells
Beaumont	Culver City	Indio
Bell	Cypress	Industry
Bell Gardens	Dana Point	Inglewood
Bellflower	Desert Hot Springs	Irvine
Beverly Hills	Diamond Bar	Irwindale
Big Bear Lake	Downey	Jurupa Valley
Bradbury	Duarte	La Cañada Flintridge
Brea	Eastvale	La Habra
Buena Park	El Monte	La Habra Heights
Burbank	El Segundo	La Mirada
Calabasas	Fontana	La Palma
Calimesa	Fountain Valley	La Puente
Canyon Lake	Fullerton	La Quinta
Carson	Garden Grove	La Verne
Cathedral City	Gardena	Laguna Beach
Cerritos	Glendale	Laguna Hills
Chino	Glendora	Laguna Niguel

Laguna Woods	Palm Springs	Santa Clarita
Lake Elsinore	Palos Verdes Estates	Santa Fe Springs
Lake Forest	Paramount	Santa Monica
Lakewood	Pasadena	Seal Beach
Lawndale	Perris	Sierra Madre
Loma Linda	Pico Rivera	Signal Hill
Lomita	Placentia	South El Monte
Long Beach	Pomona	South Gate
Los Alamitos	Rancho Cucamonga	South Pasadena
Los Angeles	Rancho Mirage	Stanton
Lynwood	Rancho Palos Verdes	Temecula
Malibu	Rancho Santa Margarita	Temple City
Manhattan Beach	Redlands	Torrance
Maywood	Redondo Beach	Tustin
Menifee	Rialto	Upland
Mission Viejo	Riverside	Vernon
Monrovia	Rolling Hills	Villa Park
Montclair	Rolling Hills Estates	Walnut
Montebello	Rosemead	West Covina
Monterey Park	San Bernardino	West Hollywood
Moreno Valley	San Clemente	Westlake Village
Murrieta	San Dimas	Westminster
Newport Beach	San Fernando	Whittier
Norco	San Gabriel	Wildomar
Norwalk	San Jacinto	Yorba Linda
Ontario	San Juan Capistrano	Yucaipa
Orange	San Marino	
Palm Desert	Santa Ana	

Visits and/or communications were conducted with elected officials or staff from the following state and federal offices:

- State Senator Lou Correa
- Assembly Member Bob Blumenfield
- Assembly Member Sharon Quirk-Silva
- Assembly Member Don Wagner
- Assembly Member Allan Mansoor

Staff represented SCAQMD and/or provided a presentation to the following groups:



American Jewish Committee, Los Angeles  
Arcadia Senior Center  
Association of California Cities, Orange County  
Bolsa Chica Conservancy, Huntington Beach  
California Contact Cities Association  
Eastern Coachella Valley Environmental Justice Enforcement Task Force  
Five Mountain Communities Chamber of Commerce, Lake Arrowhead  
Foothill Volunteer Center, Monrovia  
Glendora Chamber of Commerce  
Hemet Unified School District  
Independent Cities Association of California  
Lake Elsinore Unified School District  
League of California Cities, Los Angeles County Division  
Los Angeles County Office of Education  
Los Angeles Unified School District  
Malibu Chamber of Commerce  
Mary Phillips Senior Center, Temecula  
Menifee Union School District  
Murrieta Chamber of Commerce  
Murrieta Senior Center  
Murrieta Valley Unified School District  
Orange Chamber of Commerce  
Perris Union High School District  
Pomona Chamber of Commerce  
Redlands Chamber of Commerce  
Riverside County Office of Education  
San Bernardino Association of Governments  
San Dimas Chamber of Commerce  
San Jacinto Senior Community Center  
San Jacinto Unified School District  
South Pasadena Senior Center  
Temecula Valley Chamber of Commerce  
Temecula Valley Unified School District  
Torrance Memorial Hospital  
Walnut Chamber of Commerce  
Western Riverside Council of Governments

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BOARD MEETING DATE: February 1, 2013

AGENDA NO. 13

REPORT: Hearing Board Report

SYNOPSIS: This reports the actions taken by the Hearing Board during the period of December 1 through December 31, 2012.

COMMITTEE: No Committee Review

RECOMMENDED ACTION:

Receive and file this report.

Edward Camarena  
Chairman of Hearing Board

DP

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Two summaries are attached: **Rules From Which Variances and Orders for Abatement Were Requested in 2012** and **December 2012 Hearing Board Cases**.

The total number of appeals filed during the period December 1 to December 31, 2012 is 0; and total number of appeals filed during the period of January 1 to December 31, 2012 is 5.











**Rules from which Variances and Order for Abatements were Requested in 2012**

	2012	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total Action
1133.2(d)(8)														0
1134(c)														0
1134(c)(1)														0
1134(d)														0
1134(d)(1)														0
1134(d)(2)(B)(ii)														0
1134(f)														0
1134(g)(2)														0
1135(c)(3)														0
1135(c)(3)(B)														0
1135(c)(3)(C)														0
1135(c)(4)														0
1135(c)(4)(D)														0
1136														0
1145(c)(2)														0
1136(c)(1)(A)(i)														0
1137(d)(2)														0
1145(c)(1)														0
1145(c)(2)														0
1145(g)(2)														0
1145(h)(1)(E)														0
1146(c)(2)(A)								1						1
1146.1(e)(1)														0
1150.1(d)(5)														0
1150.1(d)(12)								1						1
1150.1(e)														0
1150.1(e)(1)(C)														0
1150.1(e)(2)														0
1150.1(e)(2)(C)														0
1146					1									1
1146(c)(2)(A)												1		1
1146(c)(5)														0
1146(c)(1)(I)										1	1		5	7
1146.1														0
1146.1(a)(2)														0
1146.1(a)(8)														0
1146.1(b)														0
1146.1(c)(1)(G)													1	1
1146.1(c)(2)													2	2
1146.1(c)(3)														0
1146.1(e)														0
1146.1(e)(1)(B)														0
1146.2														0
1146.2(c)(3)														1
1146.2(c)(5)													1	1
1146.2(e)														1
1147(c)(1)										1		1		2





**Rules from which Variances and Order for Abatements were Requested in 2012**

	2012	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total Action
1171														0
1171(c)														0
1171(c)(1)														0
1171(c)(1)(A)(i)														0
1171(c)(1)(b)(i)														0
1171(c)(4)														0
1171(c)(5)														0
1171(c)(5)(A)(i)														0
1171(c)(6)														0
1173														0
1173(c)														0
1173(d)														0
1173(e)(1)														0
1173(f)(1)(E)												1		1
1173(g)														0
1175														0
1175(c)(2)														0
1175(c)(4)(B)														0
1175(c)(4)(B)(i)														0
1175(c)(4)(B)(ii)														0
1175(c)(4)(B)(ii)(I)														0
1175(b)(1) (C)														0
1175(d)(4)(ii)(II)														0
1176														0
1176(e)														0
1176(e)(1)														0
1176(e)(2)														0
1176(e)(2)(A)														0
1176(e)(2)(A)(ii)														0
1176(e)(2)(B)(v)														0
1178(d)(1)(A)(xiii)														0
1178(d)(1)(A)(xiv)														0
1178(d)(1)(B)														0
1176(f)(3)														0
1178(d)(1)(C)														0
1178(d)(3)(C)														0
1178(d)(3)(D)														0
1178(d)(3)(E)														0
1178(d)(4)(A)(i)														0
1178(g)														0
1186.1														0
1186.1														0
1189(c)(3)														0
1195														0
1195(d)(1)(D)														0
1303						1								1
1303(a)(1)												1		1

**Rules from which Variances and Order for Abatements were Requested in 2012**

	2012	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total Action
1303(a)(2)														0
1401														0
1401(d)(1)														0
1401(d)(1)(A)														0
1401(d)(1)(B)														0
1405(d)(3)(C)														0
1407(d)														0
1407(d)(1)														0
1407(d)(2)														0
1407(d)(4)														0
1407(f)(1)														0
1415(d)(3)														0
1418(d)(2)(A)														0
1420							2							2
1420.1(g)(4)								1						1
1421(d)														0
1421(d)(1)(C)														0
1421(d)(1)(G)														0
1421(d)(3)(A)														0
1421(e)(2)(c)														0
1421(e)(1)(A)(vii)														0
1421(e)(3)(B)														0
1421(h)(1)(A)														0
1421(h)(1)(B)														0
1421(h)(1)(C)														0
1421(h)(1)(E)														0
1421(h)(3)														0
1421(i)(1)(C)														0
1425(d)(1)(A)														0
1469														0
1469(c)														0
1469(c)(8)														0
1469(c)(11)(A)														0
1469(d)(5)														0
1469(e)(1)														0
1469(e)(2)														0
1469(g)(2)														0
1469(h)														0
1469(l)														0
1469(j)(4)(A)														0
1469(j)(4)(D)														0
1469(k)(3)(A)														0
1470		1	1	2										4
1470(c)(2)(C)(i)(l)						1								1
1470(c)(2)(C)(iv)														0
1470(c)(3)(B)														0
1470(c)(3)(C)(iii)			1	1					2					4







## Report of December 2012 Hearing Board Cases

Case Name and Case No.	Rules	Reason for Petition	District Position/ Hearing Board Action	Type and Length of Variance or Order	Excess Emissions
1. City of Los Angeles, Department of Airports Case No. 4703-8 (K. Manwaring)	203(b) 2004(f)(1) 3002(c)(1)	Emergency ICE for powering runway approach lighting at LAX likely to exceed annual operating time limit.	Not Opposed/Granted	IV granted commencing 12/13/12 and continuing through 12/31/12 or until the SV hearing currently scheduled for 12/20/12, whichever comes first.	PM: TBD by 12/27/12
2. City of Los Angeles, Department of Airports Case No. 4703-8 (M. Reichert)	203(a) 2004(f)(1) 3002(c)(1)	Emergency ICE for powering runway approach lighting at LAX likely to exceed annual operating time limit.	Not Opposed/Granted	SV granted commencing 12/20/12 and continuing through 12/31/12.	PM: TBD by 1/4/13
3. Crockett Packaging Case No. 5913-1 M. Reichert)	1146(c)(1)(I)	Corrugated packaging company operates noncompliant boiler.	Not Opposed/Granted	SV granted commencing 1/1/13 and continuing through 2/28/13.	NO <sub>x</sub> : 0.5 lb/day
4. Hydro Systems Inc. Case No. 5563-4 (T. Barrera)	203(b)	Thermal oxidizer does not meet 95% destruction efficiency and system does not meet overall 85.5% efficiency.	Opposed/Denied	Ex Parte EV denied.	N/A
5. SCAQMD vs. Javier Paz Alcala dba Uruapan Body Shop Case No. 5910-1 (E. Marquez/N. Sanchez)	203a	Respondent operates paint spray booth without permit to operate.	Not Stipulated/Issued	O/A issued commencing 12/12/12 and continuing through 2/28/13. The Hearing Board shall retain jurisdiction over this matter until 5/31/13.	N/A
6. SCAQMD vs. Physicians for Healthy Hospitals, Inc., dba Hemet Valley Medical Center Case No. 5901-2 (N. Sanchez)	1146(c)(1)(I)	Hospital operates noncompliant boilers.	Stipulated/Issued	O/A issued commencing 1/1/13 and continuing through 8/31/13. The Hearing Board shall retain jurisdiction over this matter until 8/31/13.	N/A
7. SFPP, L.P. Case No. 4215-12 (N. Sanchez)	1146(c)(1)(I)	Petroleum product bulk loading terminal operates noncompliant heater and oxidizer.	Not Opposed/Granted	SV granted commencing 1/1/13 and continuing through 3/31/13.	NO <sub>x</sub> : 7.7 lbs/day

Case Name and Case No.	Rules	Reason for Petition	District Position/ Hearing Board Action	Type and Length of Variance or Order	Excess Emissions
8. Terrible Herbst Inc #285 Case No. 5914-1 (K. Manwaring)	203(b) 461	Petitioner operates GDF with blocked vent line.	Not Opposed/Granted	Ex Parte EV granted commencing 12/7/12 and continuing for 30 days or until the EV hearing currently scheduled for 12/13/12, whichever comes first.	VOC: TBD by 12/21/12
9. Terrible Herbst Inc. #285 Case No. 5914-1 (K. Manwaring)	203(b) 461	Petitioner operates GDF with blocked vent line.	Opposed/Denied	EV denied.	N/A
10. U.C. Regents – University of California Case No. 5708-2 (N. Sanchez)	202(a) 203(b), 1146(c)(1)(I) 3002(c)(1)	Petitioner operates noncompliant boiler.	Not Opposed/Granted	Ex Parte EV granted commencing 12/13/12 and continuing for 30 days or until the EV hearing currently scheduled for 12/19/12, whichever comes first.	VOC: 75 lbs/day
11. UC Regents – University of California Case No. 5708-2 (T. Barrera)	202(a) 203(b) 1146(c)(1)(I) 3002(c)(1)	Petitioner operates noncompliant boiler.	Not Opposed/Granted	EV granted commencing 12/19/12 and continuing through 1/12/13.	NO <sub>x</sub> : 2.54 lbs/hr CO: 112.92 lbs/hr VOC: 1.12 lbs/hr PM10: 1.68 lbs/hr SO <sub>x</sub> : .132 lb/hr
12. Ultramar, Inc., dba Valero Wilmington Refinery Case No. 3845-85 (T. Barrera)	202(a) 203(b) 401(b) 407(a) 2004(f)(1) 3002(c)(1) CH&S §41701	Malfunction in alky unit required shut down of various units to avoid damage to equipment. Shutdown, idling and start-up of FCCU will result in violation of opacity limit and permit conditions.	Not Opposed/Granted	Ex Parte EV granted commencing 12/27/12 and continuing for 30 days or until the EV hearing currently scheduled for 1/9/13, whichever comes first.	NO <sub>x</sub> : 33 lbs/day ROG: 31 lbs/day CO: 352 lbs/day PM: 11 lbs/day

## Acronyms

CO: Carbon Monoxide

EV: Emergency Variance

FCCU: Fluid Catalytic Cracking Unit

FCD: Final Compliance Date

GDF: Gasoline Dispensing Facility

H&S: Health & Safety Code

ICE: Internal Combustion Engine

I/P: Increments of Progress

IV: Interim Variance

MFCD/EXT: Modification of a Final Compliance Date and Extension of a Variance

Mod. O/A: Modification of an Order for Abatement

NH<sub>3</sub>: Ammonia

NOV: Notice of Violation

NO<sub>x</sub>: Oxides of Nitrogen

O/A: Order for Abatement

PM: Particulate Matter

ROG: Reactive Organic Gas

RV: Regular Variance

SO<sub>2</sub>: Sulfur Dioxide

SO<sub>x</sub>: Oxides of Sulfur

SV: Short Variance

TBD: To be determined

VOC: Volatile Organic Compounds

VRS: Vapor Recovery System



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BOARD MEETING DATE: February 1, 2013

AGENDA NO. 14

REPORT: Civil Filings and Civil Penalties Report

SYNOPSIS: This reports the monthly penalties from December 1 through December 31, 2012, and legal actions filed by the District Prosecutor during December 1 through December 31, 2012. An Index of District Rules is attached with the penalty report.

COMMITTEE: Stationary Source, January 18, 2013, Reviewed

RECOMMENDED ACTION:  
Receive and file this report.

Kurt R. Wiese  
General Counsel

KRW:lc

Violations

Civil Actions Filed

- |   |  |
|---|--|
| 1 | ALI YASIN dba QWICK STOP<br>Superior Court of California, San Bernardino Central Courthouse<br>Court Case No. SMCD1204324; Filed: 12.6.12 (PH)*<br>P57789<br>R. 203 – Permit to Operate<br>R. 461 – Gasoline Transfer and Dispensing |
| 1 | A.J. ACOSTA CO., INC.<br>Los Angeles Superior Court – Pomona Courthouse North<br>Court Case No. 12S01362; Filed: 12.7.12 (PH)*<br>P55393<br>R. 203 – Permit to Operate   |
| 1 | MISRK INC. PLAYA VISTA SHELL<br>Los Angeles Superior Court – Pomona Courthouse North<br>Court Case No. 12S0134; Filed: 12.4.12 (PH)*<br>P58527<br>R. 461 – Gasoline Transfer and Dispensing  |

- 2 MUKHTIAR KAMBOJ dba LOS ANGELES ARCO, MAMU INC  
M FOR K INC./ARCO AM/PM  
Los Angeles Superior Court – Pomona Courthouse North  
Court Case No. 12S01348; Filed: 12.6.12 (PH)\*  
P56146, P56149  
R. 461 – Gasoline Transfer and Dispensing
- 1 RIVERSIDE MAGNUM RANGE INC.  
Los Angeles Superior Court – Riverside Moreno Valley Branch  
Court Case No. MVS1204456; Filed: 12.18.12 (PH)\*  
P55909  
R. 203 – Permit to Operate
- 1 COLOR’S FINEST FINISHES  
Los Angeles Superior Court – West Covina Courthouse  
Court Case No. 12J02270; Filed: 12.13.12 (PH)\*  
P58669  
R. 203 – Permit to Operate
- 1 CLAUSTIRO REFINISHING  
Los Angeles Superior Court – Pomona Courthouse North  
Court Case No. 12S01350; Filed: 12.6.12 (PH)\*  
P59457  
R. 203 – Permit to Operate  
R. 109 – Recordkeeping for Volatile Organic Compound Emissions
- 1 KBS INVESTMENTS, INC.  
Los Angeles Superior Court – Pomona Courthouse North  
Court Case No. 12S1349; Filed: 12.6.12 (PH)\*  
Hearing Board Case No. 5886-1  
R. 461 – Gasoline Transfer and Dispensing

9 Violations

8 Cases Filed

\*Small Claims Court Filing

Attachments  
December 2012 Penalty Report  
Index of District Rules and Regulations

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT  
District Prosecutor's Office

December 2012 Penalty Report

Total Penalties

Civil Penalties:	\$85,450.00
MSPAP Penalties:	\$24,380.00
Hearing Board Penalties:	\$2,000.00
Miscellaneous Penalties:	\$159,065.32 *

\*payment of back emission fees not applied as a penalty

Total Cash Penalties:	\$270,895.00
Total SEP Value:	\$10,000.00

Fiscal Year through December 2012 Cash Total:	\$5,290,527.37
Fiscal Year through December 2012 SEP Value Only Total:	\$176,661.00

FAC ID	COMPANY NAME	RULE NUMBER	RECLAIM ID	SETTLED DATE	ATTY INT	NOTICE NO	TOTAL SETTLEMENT
<u>CIVIL PENALTIES:</u>							
160916	FXI FOAMEX INNOVATIONS, INC.	203 (B)		12/26/2012	KCM	P56083	\$16,600.00
158146	HERMETIC SEAL CORP/AMETEK	203 (B)		12/5/2012	NAS	P57131	\$4,000.00
16338	KAISER ALUMINUM FABRICATED PRODU	2004 2004, 2012	Y	12/27/2012	KCM	P57366 P57365	\$17,700.00
158622	NBTY MANUFACTURING, LLC	2202 2202 2202		12/7/2012	KCM	P55891 P55889 P55890	\$2,700.00
6163	OHLINE	1,093,002 109		12/21/2012	NSF	P57973	\$7,500.00

FAC ID	COMPANY NAME	RULE NUMBER	RECLAIM ID	SETTLED DATE	ATTY INT	NOTICE NO	TOTAL SETTLEMENT
151602	OXY USA, INC.	203(B), 463		12/27/2012	JMP	P50697	\$1,500.00
12182	PARK LA BREA	3002, 3002(C)(1)		12/5/2012	KCM	P57944	\$3,500.00
800416	PLAINS WEST COAST TERMINALS LLC	2004	Y	12/11/2012	NAS	P51976	\$6,000.00
25965	RAINBOW TRANSPORT TANK CLEANERS,	402		12/20/2012	KCM	P53784	\$1,900.00
13920	SAINT JOSEPH HOSPITAL	3003		12/21/2012	KCM	P58919	\$1,200.00
140073	SHEEBA & SONS INC Small Claims Case	203(B), 461(C)(2)(B) 203(B), 461		12/7/2012	NAS	P57012 P56148	\$2,500.00
156002	SRJ MARKETING INC Small Claims Case	461		12/20/2012	PH3	P54043	\$750.00
150604	SWEISS PETROL Small Claims Case	461 (E) (1) 461(C)(2)(B)		12/19/2012	NAS	P56493	\$1,000.00

FAC ID	COMPANY NAME	RULE NUMBER	RECLAIM ID	SETTLED DATE	ATTY INT	NOTICE NO	TOTAL SETTLEMENT
18452	UNIVERSITY OF CALIFORNIA, LOS ANGELES		1146	12/6/2012	KCM	P57946	\$3,600.00

TOTAL CIVIL PENALTIES: \$70,450.00

SUPPLEMENTAL ENVIRONMENTAL PROJECTS:

24209	GEORGE INDUSTRIES		1147	12/20/2012	TRB	P58681	\$25,000.00
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TOTAL SUPPLEMENTAL ENVIRONMENTAL PROJECTS: \$25,000.00

MSPAP SETTLEMENTS:

138740	21ST CENTURY OIL DYER,LLC/CIRC K		461 (E) (1)	12/27/2012		P58148	\$1,000.00
170516	3227 W 54TH LLC		461(C)(2)(B)	12/4/2012		P58531	\$900.00
130707	ARCO FAC #09510 - PERFECT FUEL I		203(B), 41960.2 461(C)(2)(B)	12/4/2012		P59040	\$3,400.00

FAC ID	COMPANY NAME	RULE NUMBER	RECLAIM ID	SETTLED DATE	ATTY INT	NOTICE NO	TOTAL SETTLEMENT
157819	ASHDON DEVELOPMENT, LAGUNA HILLS	203		12/12/2012		P59865	\$550.00
167174	BEVERLY PLACE, L.P., TISHMAN	203 (A)		12/13/2012		P53946	\$550.00
104307	CHANDLER AGGREGATES INC	203(A)		12/4/2012		P44861	\$1,560.00
25591	COUNTY OF RIVERSIDE (BA176)	1146.1		12/12/2012		P59818	\$300.00
61470	COUNTY OF RIVERSIDE (PG1101)	1146.2		12/19/2012	KCM	P60012	\$300.00
61470	COUNTY OF RIVERSIDE (PG1101)	1146.2		12/19/2012	KCM	P58345	\$300.00
171999	DE LANDHOLDINGS, LP	203(A)		12/12/2012		P53947	\$550.00
119165	DESERT SANDS UNI SCH DIST; LA QU	1470		12/12/2012		P58332	\$400.00

FAC ID	COMPANY NAME	RULE NUMBER	RECLAIM ID	SETTLED DATE	ATTY INT	NOTICE NO	TOTAL SETTLEMENT
119167	DESERT SANDS UNI SCH DIST;INDIO	1470		12/12/2012		P58330	\$400.00
169819	DESERT SANDS UNIFIED SCHOOL DIST	203		12/12/2012		P58335	\$1,000.00
169820	DESERT SANDS UNIFIED SCHOOL DIST	203, 1470		12/12/2012		P58333	\$1,000.00
169831	DESERT SANDS UNIFIED SCHOOL DIST	203		12/12/2012		P58336	\$1,000.00
13854	EAST LOS ANGELES COLLEGE	3002		12/19/2012		P48491	\$400.00
119409	GOOSE CREEK GOLF CLUB	461 (E) (2)		12/4/2012		P57135	\$800.00
79321	GRIFFITH COMPANY	461		12/12/2012		P57279	\$1,400.00
157150	JOHN & SON'S QUALITY FINISHING	203 (A)		12/19/2012		P58836	\$1,100.00
156663	LINKS AT SUMMERLY	461		12/13/2012		P58045	\$375.00



FAC ID	COMPANY NAME	RULE NUMBER	RECLAIM ID	SETTLED DATE	ATTY INT	NOTICE NO	TOTAL SETTLEMENT
146390	RITeway AUTO PAINT AND BODY WORK	109, 203(A)		12/6/2012		P58920	\$1,650.00
152177	SAN PEDRO CHEVRON	461, 41960.2		12/4/2012		P59969	\$535.00
31201	SEMPRA ENERGY (THE GAS CO)	203(B), 461		12/5/2012		P57948	\$825.00
800278	SFPP, L.P. (NSR USE)	1173		12/27/2012		P57728	\$1,100.00
169984	SWEDA	203		12/5/2012		P59401	\$1,700.00
127999	THE HIDEAWAY	461		12/13/2012		P60005	\$700.00
155911	VICS UNION 76	461		12/5/2012		P58537	\$585.00

TOTAL MSPAP SETTLEMENTS: \$24,380.00

FAC ID	COMPANY NAME	RULE NUMBER	RECLAIM ID	SETTLED DATE	ATTY INT	NOTICE NO	TOTAL SETTLEMENT
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**MISCELLANEOUS SETTLEMENTS:**

800386	LA CO., SHERIFF DEPT Under payment of Annual Emission Fees for Fiscal Years 01/02, 02/03, 03/04, 04/05, 05/06, 06/07 and 07/08 and Calendar Years 2008, 2009, 2010, and 2011. (not included in penalty totals)			12/11/2012		MIS150	\$159,065.32
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**TOTAL MISCELLANEOUS SETTLEMENTS: \$159,065.32**

**HEARING BOARD SETTLEMENTS:**

171772	ELSINORE VALLEY MUNICIPAL WATER Hearing Board Case No. 5742-2 Facility agreed to pay \$1,000/month for operating a portable ICE commencing 10/1/12.	203		12/12/2012	NAS	HRB2091	\$1,000.00
147371	INLAND EMPIRE UTILITIES AGENCY Hearing Board Case No. 5209-4 IEUa agrees to pay \$1,000 per month until final compliance			12/1/2012	KCM	HRB2090	\$1,000.00

FAC ID	COMPANY NAME	RULE NUMBER	RECLAIM ID	SETTLED DATE	ATTY INT	NOTICE NO	TOTAL SETTLEMENT
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with the Order is achieved. Penalty period covers December 2012

TOTAL HEARING BOARD SETTLEMENTS: \$2,000.00

## DISTRICT RULES AND REGULATIONS INDEX FOR DECEMBER 2012 PENALTY REPORTS

### REGULATION I - GENERAL PROVISIONS

Rule 109 Recordkeeping for Volatile Organic Compound Emissions (*Amended 5/2/03*)

### REGULATION II – PERMITS

List and Criteria Identifying Information Required of Applicants Seeking A Permit to Construct from the South Coast Air Quality Management - District (*Amended 4/10/98*)

Rule 203 Permit to Operate (*Amended 12/3/04*)

### REGULATION IV - PROHIBITIONS

Rule 402 Nuisance

Rule 461 Gasoline Transfer and Dispensing (*Amended 6/15/01*)

Rule 463

### REGULATION XI - SOURCE SPECIFIC STANDARDS

Rule 1146 Emissions of Oxides of Nitrogen from Industrial, Institutional and Commercial Boilers, Steam Generators, and Process Heaters (*Amended Rule*)

Rule 1146.1 Emissions of Oxides of Nitrogen from Small Industrial, Institutional, and Commercial Boilers, Steam Generators, and Process Heaters (*Amended 5/13/94*)

Rule 1146.2 Emissions of Oxides of Nitrogen from Large Water Heaters and Small Boilers (*Adopted 1/9/98*)

Rule 1147 NOx Reductions from Miscellaneous Sources

Rule 1173 Fugitive Emissions of Volatile Organic Compounds (*Amended 5/13/94*)

### REGULATION XIV - TOXICS

Rule 1470 Requirements for Stationary Diesel-Fueled Internal Combustion and Other Compression Ignition Engines

**REGULATION XX - REGIONAL CLEAN AIR INCENTIVES MARKET (RECLAIM)**

Rule 2004 Requirements (*Amended 4/6/07*)

Rule 2012 Requirements for Monitoring, Reporting, and Recordkeeping for Oxides of Nitrogen (NO<sub>x</sub>) Emissions  
(*Amended 5/11/01*)

**REGULATION XXII - ON-ROAD MOTOR VEHICLE MITIGATION**

Rule 2202 On-Road Motor Vehicle Mitigation Options (*Amended 10/9/98*)

**REGULATION XXX - TITLE V PERMITS**

Rule 3002 Requirements (*Amended 11/14/97*)

Rule 3003 Applications (*Amended 3/16/01*)

**CALIFORNIA HEALTH AND SAFETY CODE § 41700**

41960 Gasoline Vapor Recovery

[↑ Back to Agenda](#)

BOARD MEETING DATE: February 1, 2013

AGENDA NO. 15

REPORT: Lead Agency Projects and Environmental Documents Received by the AQMD

SYNOPSIS: This report provides, for the Board's consideration, a listing of CEQA documents received by the AQMD between December 1, 2012, and December 31, 2012, and those projects for which the AQMD is acting as lead agency pursuant to CEQA.

COMMITTEE: Mobile Source, January 18, 2013, Reviewed

RECOMMENDED ACTION:  
Receive and file.

Barry R. Wallerstein, D.Env.  
Executive Officer

EC:LT:SN:SS:IM:AK

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## Background

**CEQA Document Receipt and Review Logs (Attachments A and B)** – Each month, the AQMD receives numerous CEQA documents from other public agencies on projects that could adversely affect air quality. A listing of all documents received during the reporting period of December 1, 2012 through December 31, 2012, is contained in Attachment A. A list of active projects from previous reporting periods for which AQMD staff is continuing to evaluate or prepare comments is included as Attachment B.

The Intergovernmental Review function, which consists of reviewing and commenting on the adequacy of the air quality analysis in CEQA documents prepared by other lead agencies, is consistent with the Board's 1997 Environmental Justice Guiding Principles and Initiative #4. Consistent with the Environmental Justice Program Enhancements for FY 2002-03 approved by the Board in September 2002, each of the attachments notes those proposed projects where the AQMD has been contacted regarding potential air quality-related environmental justice concerns. The AQMD has established an internal central contact to receive information on projects with potential air quality-related

environmental justice concerns. The public may contact the AQMD about projects of concern by the following means: in writing via fax, e-mail, or standard letters; through telephone communication; as part of oral comments at AQMD meetings or other meetings where AQMD staff is present; or submitting newspaper articles. The attachments also identify for each project the dates of the public comment period and the public hearing date, if known at the time the CEQA document is received by the AQMD.

At the January 6, 2006 Board meeting, the Board approved the Workplan for the Chairman's Clean Port Initiatives. One action item of the Chairman's Initiatives was to prepare a monthly report describing CEQA documents for projects related to goods movement and to make full use of the process to ensure the air quality impacts of such projects are thoroughly mitigated. In response to describing goods movement CEQA documents, Attachments A and B were reorganized to group projects of interest into the following categories: goods movement projects; schools; landfills and wastewater projects; airports; and general land use projects; etc. In response to the mitigation component, guidance information on mitigation measures were compiled into a series of tables relative to the following equipment: off-road engines, on-road engines, harbor craft, ocean-going vessels, locomotives, and fugitive dust. These mitigation measure tables are on the CEQA webpages portion of the AQMD's website. Staff will continue compiling tables of mitigation measures for other emission sources including airport ground support equipment, etc.

As resources permit, staff focuses on reviewing and preparing comments for projects: where the AQMD is a responsible agency; that may have significant adverse regional air quality impacts (e.g., special event centers, landfills, goods movement, etc.); that may have localized or toxic air quality impacts (e.g., warehouse and distribution centers); where environmental justice concerns have been raised; and those projects for which a lead or responsible agency has specifically requested AQMD review.

During the period December 1, 2012, through December 31, 2012, the AQMD received 36 CEQA documents. Of the total of 61 documents listed in Attachments A and B:

- 17 comment letters were sent;
- 17 documents were reviewed, but no comments were made;
- 26 documents are currently under review;
- 1 documents did not require comments (e.g., public notices, plot plans, Final Environmental Impact Reports); and
- 0 documents were not reviewed.

Copies of all comment letters sent to lead agencies can be found on the AQMD's CEQA webpage at the following internet address: [www.aqmd.gov/ceqa/letters.html](http://www.aqmd.gov/ceqa/letters.html).

**AQMD Lead Agency Projects (Attachment C)** – Pursuant to CEQA, the AQMD periodically acts as lead agency for stationary source permit projects. Under CEQA, the lead agency is responsible for determining whether an Environmental Impact Report (EIR) or a Negative Declaration (ND) is appropriate for any proposal considered to be a “project” as defined by CEQA. An EIR is prepared when the AQMD, as lead agency, finds substantial evidence that the proposed project may have significant adverse effects on the environment. A ND or Mitigated Negative Declaration (MND) may be prepared if the AQMD determines that the proposed project will not generate significant adverse environmental impacts, or the impacts can be mitigated to less than significance. The ND and MND are written statements describing the reasons why proposed projects will not have a significant adverse effect on the environment and, therefore, do not require the preparation of an EIR.

Attachment C to this report summarizes the active projects for which the AQMD is lead agency and is currently preparing or has prepared environmental documentation. Through the end of December, the AQMD two new requests to be the lead agency for stationary source permit application projects. Two CEQA documents for permit application projects were certified in December. As noted in Attachment C, through the end of December 2012, the AQMD continued working on the CEQA documents for five active projects.

In 2012, AQMD staff has been responsible for preparing or having prepared CEQA documents for ten permit application projects, five continuing from 2011. One project was withdrawn by the project proponent in January. Through the end of December 2012, four CEQA documents have been certified for permit application projects.

### **Attachments**

- A. Incoming CEQA Documents Log
- B. Ongoing Active Projects for Which AQMD Has or Will Conduct a CEQA Review
- C. Active AQMD Lead Agency Projects



**ATTACHMENT A\*\* INCOMING CEQA  
DOCUMENTS LOG DECEMBER 1, 2012 TO  
DECEMBER 31, 2012**

<u>SCAQMD LOG-IN NUMBER</u> PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<i>General Land Use (residential, etc.)</i> <u>LAC121205-02</u> T5 Data Expansion Project	The proposed project consists of a 63,666 square-foot expansion to an existing 116,756 square-foot unoccupied data center. The proposed project involves construction of a two-story building addition along the northern portion of the property, and partial demolition of a building and construction of a two-story building addition along the western portion of the property.  Comment Period: 12/3/2012 - 1/2/2012 Public Hearing: N/A	Mitigated ND	City of El Segundo	Document reviewed - No comments sent
<i>General Land Use (residential, etc.)</i> <u>LAC121211-04</u> Boyle Heights Mixed-Use Community Project	The proposed project consists of redevelopment of an approximately 68.8-acre site including up to 4,400 residential units, 3,200 condominium units and 325,000 square feet of neighborhood serving retail, office and civic uses.  Comment Period: N/A Public Hearing: 1/9/2012	FEIR	City of Los Angeles	Document reviewed - No comments sent
<i>General Land Use (residential, etc.)</i> <u>LAC121213-03</u> 5th and Colorado Hotels Project	The proposed project consists of the development of two hotels on two sites of approximately 22,500 square feet; the Hampton Inn & Suites hotel and Courtyard by Marriott hotel.  Comment Period: 12/13/2012 - 1/28/2013 Public Hearing: N/A	DEIR	City of Santa Monica	Document reviewed - No comments sent
<i>General Land Use (residential, etc.)</i> <u>ORC121207-02</u> Vesting Tentative Tract Map 17388 (Saddle Crest Homes)	This document consists of a public hearing notice for the creation of 68 numbered lots and 21 lettered lots for the development of 65 single-family residential lots and 3 nonresidential lots on 113.7 acres.  Comment Period: N/A Public Hearing: 12/18/2012	Other	County of Orange	Document reviewed - No comments sent
<i>General Land Use (residential, etc.)</i> <u>RVC121204-02</u> Menifee Heights	This document consists of a notice of public hearing for a subdivision of 158.75 acres into 359 residential lots.  Comment Period: N/A Public Hearing: N/A	Other	City of Menifee	Document reviewed - No comments sent

\*\*Sorted by Land Use Type (in alpha order), followed by County, then date received.

DEIR - Draft Environmental Impact Report

NOI - Notice of Intent to prepare an EIS

FONSI - Finding of No Significant Impact

FEIR - Final Environmental Impact Report  
ORDEIR - Revised Draft Environmental Impact Report

NOP - Notice of Preparation

ND - Negative Declaration

IS - Initial Study

Other - Typically notices of public meetings

SEIR - Subsequent Environmental Impact Report

DEA - Draft Environmental Assessment

N/A - Not Applicable

SupEIR - Supplemental EIR

EIS - Environmental Impact Statement

# - Project has potential environmental justice concerns due to the nature and/or location of the project.

**ATTACHMENT A  
INCOMING CEQA DOCUMENTS LOG  
DECEMBER 1, 2012 TO DECEMBER 31, 2012**

SCAQMD LOG-IN NUMBER PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<i>General Land Use (residential, etc.)</i> <u>RVC121211-05</u> Mira Loma Apartments	The proposed project consists of a General Plan Amendment to change the land use designation from Medium Density Residential to High Density Residential; a Zoning Test Amendment to revise the text for Planned Development Overlay and a Development Plan to construct 120 apartment units on a 7.24 acre site.  Comment Period: 12/12/2012 - 1/11/2013 Public Hearing: N/A	Mitigated ND	City of Temecula	Document reviewed - No comments sent
<i>General Land Use (residential, etc.)</i> <u>RVC121212-01</u> Bella Linda Residential Project	The proposed project consists of a two-phase residential project. Phase one will consist of 325 apartment units totaling 462,622 square feet. Phase two consists of creating lots for 49 single-family units for seniors.  Comment Period: N/A Public Hearing: N/A	DEIR	City of Temecula	Currently under review
<i>General Land Use (residential, etc.)</i> <u>RVC121214-01</u> Wake Rider Beach Resort	The proposed project consists of a commercial mixed use project which includes construction of a 4,327 square-foot retail/office building, three buildings 18,303 square feet, 19,274 square feet and 13,511 for a proposed hotel and a 7,022 square-foot restaurant.  Comment Period: 12/13/2012 - 1/14/2013 Public Hearing: N/A	Mitigated ND	City of Lake Elsinore	Currently under review
<i>General Land Use (residential, etc.)</i> <u>RVC121218-03</u> Professional Auto Transport	The proposed project consists of constructing a two-story, 14,120 square-foot truck repair building, 1,792 square-foot fuel canopy, parking area for 28 trucks and trailers, parking area for 30 passenger vehicles and related site improvements such as paving, landscaping and lighting.  Comment Period: 12/18/2012 - 1/3/2013 Public Hearing: 1/10/2012	Mitigated Negative Declaration	City of Jurupa Valley	Document reviewed - No comments sent
<i>General Land Use (residential, etc.)</i> <u>SBC121220-03</u> Jonathan C. Curtis	The proposed project consists of subdividing three parcels into 19 single-family residential lots and two lettered lots on 12.93 acres of land and a request to allow for an 8-foot tall wall on Lot 2 and a request to reduce the minimum lot depth from 150 feet to 124 feet on proposed Lot 9.  Comment Period: 12/17/2012 - 1/9/2013 Public Hearing: N/A	Mitigated ND	City of Rancho Cucamonga	Document reviewed - No comments sent

DEIR - Draft Environmental Impact Report  
FEIR - Final Environmental Impact Report  
RDEIR - Revised Draft Environmental Impact Report  
SEIR - Subsequent Environmental Impact Report  
SupEIR - Supplemental EIR

NOI - Notice of Intent to prepare an EIS  
NOP - Notice of Preparation  
IS - Initial Study  
DEA - Draft Environmental Assessment  
EIS - Environmental Impact Statement

FONSI - Finding of No Significant Impact  
ND - Negative Declaration  
Other - Typically notices of public meetings  
N/A - Not Applicable  
# - Project has potential environmental justice concerns due to the nature and/or location of the project.



**ATTACHMENT A  
INCOMING CEQA DOCUMENTS LOG  
DECEMBER 1, 2012 TO DECEMBER 31, 2012**

SCAQMD LOG-IN NUMBER PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<i>Institutional (schools, government, etc.)</i> <u>ORC121218-05</u> Former Marine Corps Air Station Tustin	This document consists of a Fact Sheet to update the community on remedial actions at the former Marine Corps Air Station. The selected remedy for the Operable Unit 4B low concentration sites is institutional controls; the selected remedy for the operable Unit 4B moderate concentration sites is In-Situ Bioremediation, monitored natural attenuation, and institutional controls. Comment Period: N/A Public Hearing: N/A	Other	Department of the Navy	Currently under review
<i>Institutional (schools, government, etc.)</i> <u>SBC121228-02</u> Level II Infill Correctional Facilities Project	The proposed project consists of up to three, new 792-bed level II prison dormitory correctional facilities at one or more of seven existing institutional facilities located in Solano, Sacramento, Amador, San Bernardino, and San Diego counties. Comment Period: 12/28/2012 - 2/4/2013 Public Hearing: N/A	NOP (No IS Attached)	California Department of Corrections and Rehabilitation	Currently under review
<i>Medical Facility</i> <u>LAC121218-02</u> Lot Line Adjustment No. LLA 12-03; CUP NO. 11-18; Modification No. MP 12-10; and Architectural Design Review No. ADR 11-29	The proposed project consists of merging two parcels into one parcel; approval of a CUP, Zoning Modifications, and Architectural Design Review to construct a 163,468 square-foot, four-level parking structure, a 19,995 square-foot, three-story medical office building; a 19,441 square-foot three-story medical office building with 3,000 square-feet of ground floor restaurant area, and a 24,819 square-foot, three-story general office building with 1,600 square-feet of ground floor restaurant area. Comment Period: N/A Public Hearing: 1/8/2013	Mitigated Negative Declaration	City of Arcadia	Currently under review
<i>Plans and Regulations</i> <u>LAC121204-03</u> Local Coastal Program Amendment No. 12-004	This document consists of a notice of public hearing including an amendment to the Local Coastal Program Land Use Plan to Update the City's Public Access Map. Comment Period: N/A Public Hearing: N/A	Other	City of Malibu	Document reviewed - No comments sent
<i>Plans and Regulations</i> <u>ORC121228-03</u> Esperanza Hills Specific Plan	The proposed project consists of constructing 340 single-family residential units on 468.9 acres in the unincorporated portion of Orange County adjacent to the City of Yorba Linda. Comment Period: 12/22/2012 - 2/1/2013 Public Hearing: N/A	NOP/IS	County of Orange	Currently under review

DEIR - Draft Environmental Impact Report  
FEIR - Final Environmental Impact Report  
RDEIR - Revised Draft Environmental Impact Report  
SEIR - Subsequent Environmental Impact Report  
SupEIR - Supplemental EIR

NOI - Notice of Intent to prepare an EIS  
NOP - Notice of Preparation  
IS - Initial Study  
DEA - Draft Environmental Assessment  
EIS - Environmental Impact Statement

FONSI - Finding of No Significant Impact  
ND - Negative Declaration  
Other - Typically notices of public meetings  
N/A - Not Applicable

# - Project has potential environmental justice concerns due to the nature and/or location of the project.

**ATTACHMENT A  
INCOMING CEQA DOCUMENTS LOG  
DECEMBER 1, 2012 TO DECEMBER 31, 2012**

<u>SCAQMD LOG-IN NUMBER</u> PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<b><i>Plans and Regulations</i></b> <u>RVC121205-01</u> City of La Quinta General Plan	The document consists of response to comments. The proposed project consists of updates to the La Quinta General Plan, to encompass all mandated Elements, and add a Sustainable Community and an Economic Development Element. The Update will not significantly change land use patterns in the City. The Update also includes planning and land use designations for the City's Sphere of Influence. Comment Period: N/A Public Hearing: 12/18/2012	FEIR	City of La Quinta	Document reviewed - No comments sent
<b><i>Plans and Regulations</i></b> <u>RVC121218-07</u> North Hemet Specific Plan	The Specific Plan would permit a maximum of 525 multi-family residential units; 118,919 square feet of commercial uses; and 16,335 square feet of office uses. Comment Period: N/A Public Hearing: N/A	FEIR	City of Hemet	Currently under review
<b><i>Retail</i></b> <u>SBC121221-01</u> New Retail Building/ General Plan Amendment 12-07-0010, Development Plan Review 12-07-0011	The proposed project consists of constructing a single tenant 12,406 square-foot retail grocery store on a vacant 1.43-acre site with associated parking, landscaping and water quality features. Comment Period: 12/21/2012 - 1/8/2013 Public Hearing: 1/8/2013	Mitigated ND	City of Perris	AQMD commented 12/27/2012
<b><i>Transportation</i></b> <u>LAC121204-05</u> North Atwater Crossing Project	The proposed project consists of the construction of a 325 foot long multi-modal, cable-stay bridge over the Los Angeles River to facilitate crossings for bicycles, pedestrians and equestrians. Comment Period: 11/29/2012 - 12/28/2012 Public Hearing: N/A	Mitigated ND	City of Los Angeles	Document reviewed - No comments sent
<b><i>Transportation</i></b> <u>LAC121207-01</u> Agoura Road Widening and Canwood Street Improvements Project	This document consists of a notice of public hearing for the widening of Agoura Road as identified in the City's General Plan 2035 from two lanes to four lanes. Comment Period: N/A Public Hearing: 12/19/2012	Other	City of Agoura Hills	Document reviewed - No comments sent

DEIR - Draft Environmental Impact Report  
 FEIR - Final Environmental Impact Report  
 RDEIR - Revised Draft Environmental Impact Report  
 SEIR - Subsequent Environmental Impact Report  
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NOI - Notice of Intent to prepare an EIS  
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 N/A - Not Applicable

# - Project has potential environmental justice concerns due to the nature and/or location of the project.

**ATTACHMENT A  
INCOMING CEQA DOCUMENTS LOG  
DECEMBER 1, 2012 TO DECEMBER 31, 2012**

<u>SCAQMD LOG-IN NUMBER</u> PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<b>Transportation</b> <u>RVC121218-04</u> Crystal View Terrace/Green Orchard Place/Overlook Parkway Project	The proposed project consists of four scenarios, each of which represent an alternative set of actions intended to help resolve potential vehicular circulation issues associated with the gates on Crystal View Terrace and Green Orchard Place; address the connection of Overlook Parkway easterly to Alessandro Boulevard; and potentially provide for a future connection to the SR-91.  Comment Period: 12/4/2012 - 2/1/2013 Public Hearing: N/A	DEIR	City of Riverside	Currently under review
<b>Utilities</b> <u>RVC121213-02</u> Garnet Solar Power Plant	The proposed project includes construction and operation of a solar power plant on 39.7 acres on a portion of the existing Granite Mine. The project also includes construction of a new 30-foot wide access road.  Comment Period: 12/13/2013 - 1/2/2013 Public Hearing: N/A	Mitigated ND	City of Palm Springs	Document reviewed - No comments sent
<b>Warehouse &amp; Distribution Centers</b> <u>RVC121206-01</u> First Inland Logistics Center II (Plot Plan PA12-0023)	The proposed project consists of a site layout, architectural plans, and landscape design for the one building that is proposed to be constructed on the property. A building consisting of 400,130 square feet of floor space is proposed, consisting of 394,130 square feet of warehouse space and 6,000 square feet of office and mezzanine space.  Comment Period: 12/3/2012 - 1/14/2012 Public Hearing: N/A	NOP	City of Moreno Valley	AQMD commented 12/20/2012
<b>Waste and Water-related</b> <u>LAC121204-01</u> Upper Mesa Solar Power Generation Facility at the Castaic Lake Water Agency's (CLWA) Rio Vista Water Treatment Plan	The proposed project consists of installing a 3.5 megawatt photovoltaic solar project on 19.5 acres of Castaic Lake Water Agency (CLWA) owned land and would generate enough electricity annually to partially meet the electrical demands for 44 of 82 off-site meters owned by CLWA and its retail division, the Santa Clarita Water Division.  Comment Period: 12/1/2012 - 12/31/2012 Public Hearing: 1/23/2012	ND	Castaic Lake Water Agency	Document reviewed - No comments sent
<b>Waste and Water-related</b> <u>LAC121204-04</u> Phase II of the Murrieta Creek Flood Control	This document consists of a request for comments on the proposed project which extends from just upstream of Winchester Road to 1,000 feet downstream of 1st Street, approximately 2.5 miles in length to construct features to reduce the impact of flooding, while also providing opportunities for recreation.  Comment Period: N/A Public Hearing: 1/16/2012	Other	Riverside County Flood Control and Water Conservation District	Document reviewed - No comments sent

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Other - Typically notices of public meetings  
N/A - Not Applicable

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**ATTACHMENT A  
INCOMING CEQA DOCUMENTS LOG  
DECEMBER 1, 2012 TO DECEMBER 31, 2012**

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<i>Waste and Water-related</i> <u>RVC121228-01</u> Temescal Canyon and Dawson Canyon Pipelines and Non-Potable Water Tank Project	The proposed project consists of the construction of 6,700 linear feet of non-potable water pipeline beginning at the intersection of Dawson Canyon Road and Temescal Canyon Road, construction of a 1.5 million gallon water tank and construction of a 11,800 linear feet non-potable water pipeline beginning at the intersection of Temescal Canyon Road and Dawson Canyon Road to supply non-potable recycled water to irrigation customers in the Lee Lake Water District area.  Comment Period: 12/19/2012 - 1/18/2013 Public Hearing: N/A	Mitigated ND	Lee Lake Water District	Currently under review

**TOTAL DOCUMENTS RECEIVED THIS REPORTING PERIOD: 36**

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**ATTACHMENT B  
ONGOING ACTIVE PROJECTS FOR WHICH AQMD HAS  
OR WILL CONDUCT A CEQA REVIEW**

SCAQMD LOG-IN NUMBER PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<b><i>Airports</i></b> <u>LAC121031-03</u> LAX Master Plan Mitigation Monitoring and Reporting Program 2011 Annual Progress Report	This document consists of the availability of the 2011 Annual Progress Report.  Comment Period: N/A Public Hearing: N/A	Other	Los Angeles World Airports	Currently under review
<b><i>Industrial and Commercial</i></b> <u>RVC120824-06</u> Eagle Valley Quarry	This document consists of a reclamation plan for the Eagle Valley Quarry. The proposed project consists of revising the existing Surface Mining Permit to extend the life of the permit and to amend the reclamation plan to address the modified design slope grading details that were approved.  Comment Period: 8/24/2012 - 9/13/2012 Public Hearing: 9/13/2012	Other	County of Riverside	Currently under review
<b><i>Plans and Regulations</i></b> <u>LAC121109-04</u> Ponte Vista Project	The proposed project consists of developing a residential community comprised of 1,135 dwelling units featuring a combination of for-sale and rental single-family homes, duplexes, townhomes, and flats.  Comment Period: 11/8/2012 - 1/7/2013 Public Hearing: N/A	DEIR	City of Los Angeles	Currently under review
<b><i>Plans and Regulations</i></b> <u>LAC121114-03</u> Burbank 2035	This document consists of responses to comment as well as changes to the Draft EIR. The proposed project consists of a General Plan update which includes the Greenhouse Gas Reduction Plan.  Comment Period: N/A Public Hearing: N/A	FEIR	City of Burbank	Currently under review
<b><i>Plans and Regulations</i></b> <u>ORC121127-07</u> Anchor Live/Work Project	This document consists of a Notice of Availability of a Mitigated Negative Declaration. The proposed project consists of the development of 40 live/work units with a total gross density of 21 units per acre.  Comment Period: 11/21/2012 - 12/21/2012 Public Hearing: N/A	Other	City of Costa Mesa	Currently under review
<b><i>Plans and Regulations</i></b> <u>RVC120920-03</u> Keller Crossing (SP No. 380, GPA 951, CZ 7723)	This document consists of a notice of public hearing and intent to certify an environmental impact report. The proposed project consists of a Specific Plan which proposes eight land use planning areas, ranging from 8.8 acres to 61.1 acres. The Specific Plan proposes up to 400,000 square feet of commercial retail uses and up to 200,000 square feet of commercial office uses on 13.9 acres, medium-density retail uses on 36.4 acres, 21.6 acres for mixed use, 61,228.1 acres for open space conservation, and 20.2 acres for master plan roadways.  Comment Period: N/A Public Hearing: N/A	Other	County of Riverside	Currently under review

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**ATTACHMENT B  
ONGOING ACTIVE PROJECTS FOR WHICH AQMD HAS  
OR WILL CONDUCT A CEQA REVIEW**

SCAQMD LOG-IN NUMBER PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<b><i>Plans and Regulations</i></b> <u>RVC121108-02</u> EIR No. 531 for SP No. 382, GPA No. 1113, GPA No. 1113, GPA No. 1013, GPA NO. 1014, CZ No. 7775	This document consists of a notice of a scoping meeting for the Specific Plan proposing residential, commercial, park, and open space uses; a General Plan Amendment proposing to create a Specific Plan which will revise the land use designation according to the Land Use exhibit in the proposed Specific Plan; a Change of Zone proposing to create a site specific zoning ordinance, and to change the zoning on the site.  Comment Period: N/A Public Hearing: 12/17/2012	Other	County of Riverside	Currently under review
<b><i>Plans and Regulations</i></b> <u>RVC121121-01</u> Keller Crossing	This document consists of a Final EIR that includes response to comments. The proposed project consists of a Specific Plan which proposes eight land use planning areas, ranging from 8.8 acres to 61.1 acres. The Specific Plan proposes up to 320 residential units and 650,000 square feet of commercial space.  Comment Period: N/A Public Hearing: N/A	FEIR	County of Riverside	Currently under review
<b><i>Transportation</i></b> <u>SBC121106-04</u> Interstate 10 Corridor	This document consists of an invitation to become a participating agency on the Interstate 10 Corridor Project. The proposed I-10 Corridor Project proposes to improve and widen a 35-mile segment of the I-10 freeway from 2 miles west of the Los Angeles/San Bernardino County Line in the City of Pomona to the City of Redlands.  Comment Period: N/A Public Hearing: N/A	Other	Department of Transportation	Currently under review
<b><i>Waste and Water-related</i></b> <u>LAC120612-01</u> East Los Angeles Recycling and Transfer Station	This document consists of the Air Quality Impact Analysis and Air Toxics Risk Assessment remodeled and revised in response to SCAQMD comments.  Comment Period: N/A Public Hearing: N/A	Other	County of Los Angeles	Currently under review
<b><i>Waste and Water-related</i></b> <u>LAC121004-01</u> Community Recycling and Resource Recover	The proposed project consists of constructing an approximately 107,000 square-foot enclosure building with air filtration system to be located over the existing source-separated green waste, supermarket trim and cull, and wood waste areas, with 40 parking spaces, and a revised Solid Waste Facilities Permit for the entire facility.  Comment Period: N/A Public Hearing: N/A	FEIR	City of Los Angeles	Currently under review
<b><i>Airports</i></b> <u>SBC121031-08</u> Chino Airport Master Plan Update	The proposed project consists of updating the Airport Master Plan that guides development of the Airport to meet aviation demand over a 20-year period.  Comment Period: 11/2/2012 - 12/7/2012 Public Hearing: N/A	Mitigated ND	Department of Airports	AQMD commented 12/11/2012

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ONGOING ACTIVE PROJECTS FOR WHICH AQMD HAS  
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<u>SCAQMD LOG-IN NUMBER</u> PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<i>General Land Use (residential, etc.)</i> <u>LAC121018-03</u> Sea Breeze Apartments	The proposed project consists of developing two six-story structures containing residential uses and parking. The project site comprises two lots totaling 222,906 square feet; Lot 2 comprises 112,804 square feet and Lot 3 comprises 110,102 square feet. The project would include a total development of 661,168 gross square feet, including 379,920 gross square feet of residential floor area and 231,248 gross square feet of parking and circulation area.  Comment Period: 10/18/2012 - 12/3/2012 Public Hearing: N/A	DEIR	City of Los Angeles	AQMD commented 12/6/2012
<i>General Land Use (residential, etc.)</i> <u>LAC121106-06</u> D.R. Horton Residential Project	The proposed project consists of redeveloping the 2.41-acre project site in the City of Claremont with 54 single-family detached residential units adjacent to the SR-210 freeway. Development of the proposed project requires demolition of the existing buildings, structures, parking area and drive aisles, and other site improvements, and removal/relocation of a number of mature ornamental trees.  Comment Period: 11/6/2012 - 12/5/2012 Public Hearing: N/A	Mitigated ND	City of Claremont	AQMD commented 12/12/2012
<i>General Land Use (residential, etc.)</i> <u>LAC121107-01</u> Millennium Hollywood Project	The proposed project consists of constructing approximately 1,052,667 net square feet of new residential and commercial space. The historic Capitol Records Building and Gogerty Building are within the Project Site and would be preserved and maintained to continue to operate as office and music facility.  Comment Period: 10/25/2012 - 12/10/2012 Public Hearing: N/A	DEIR	Millennium Hollywood Project	AQMD commented 12/7/2012
<i>General Land Use (residential, etc.)</i> <u>LAC121127-03</u> Malibu Institute	The proposed project would create a sports-oriented educational retreat affiliated with the University of Southern California, all located within the existing Malibu Golf Club. The proposed project consists of the development of educational and meeting facilities, along with visitor-serving overnight accommodations consisting of 40 bungalow structures, a clubhouse, golf pro shop and grill, and support facilities including a maintenance building, warehouse, a golf cart storage barn and security building.  Comment Period: 11/21/2012 - 12/24/2012 Public Hearing: N/A	NOP	County of Los Angeles	AQMD commented 12/4/2012
<i>Institutional (schools, government, etc.)</i> <u>LAC121127-01</u> Pomona High School Athletic Fields Renovation	The proposed project consists of switching the locations of the track and football field with the varsity softball/soccer field. The proposed project would include a new concession/restroom building and a new stormwater drainage system.  Comment Period: 11/27/2012 - 12/26/2012 Public Hearing: N/A	NOP	Pomona Unified School District	AQMD commented 12/4/2012
<i>Institutional (schools, government, etc.)</i> <u>LAC121127-02</u> Garey High School Track and Field Renovations	The proposed project consists of renovating the track and field, and constructing a new restroom/concession building.  Comment Period: 11/27/2012 - 12/26/2012 Public Hearing: N/A	NOP	Pomona Unified School District	AQMD commented 12/4/2012

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ONGOING ACTIVE PROJECTS FOR WHICH AQMD HAS  
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<u>SCAQMD LOG-IN NUMBER</u> PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<i>Waste and Water-related</i> <u>SBC121130-02</u> Pacific Gas & Electric Company Topock Compressor Station Soil Investigation Project	The proposed project involves consideration of the Soil Resource Conservation Recovery Act Facility Investigation/Remedial Investigation Work Plan. This Work Plan would enable further investigation of the extent of contamination of the site located approximately 12 miles outside of the City of Needles.  Comment Period: N/A  Public Hearing: N/A	NOP	Department of Toxic Substances Control	AQMD commented 12/4/2012

<p><b>TOTAL NUMBER OF REQUESTS TO AQMD FOR DOCUMENT REVIEW THIS REPORTING PERIOD: 36</b></p> <p><b>TOTAL NUMBER OF COMMENT LETTERS SENT OUT THIS REPORTING PERIOD: 17</b></p> <p><b>TOTAL NUMBER OF DOCUMENTS REVIEWED, BUT NO COMMENTS WERE SENT: 17</b></p> <p><b>TOTAL NUMBER OF DOCUMENTS CURRENTLY UNDER REVIEW: 26</b></p> <p><b>TOTAL NUMBER OF DOCUMENTS THAT DID NOT REQUIRE COMMENTS: 1</b></p> <p><b>TOTAL NUMBER OF DOCUMENTS THAT WERE NOT REVIEWED: 0</b></p>
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**ATTACHMENT C**  
**ACTIVE AQMD LEAD AGENCY PROJECTS**  
**THROUGH DECEMBER 31, 2012**

Project Description	Proponent	Type of Document	Status	Consultant
Shell Carson Terminal operators are proposing a permit modification to base throughput on ethanol and gasoline, not just ethanol.	Shell Carson Distribution Terminal	EIR	The Final EIR was certified on December 20, 2012	AECOM
Petro Diamond operators are proposing to change current permit conditions to allow an increase in the number of annual marine vessel visits to the terminal, but limit ship visits per month.	Petro Diamond Terminal Company	Not Yet Determined	Consultant preparing Initial Study.	SABS Environmental Services
Operators of the Ultramar Wilmington Refinery are proposing to construct and install a 49 MW cogeneration unit to reduce the Refinery's reliance on electricity from the Los Angeles Department of Water and Power and produce steam to meet internal needs. No other refinery modifications are proposed.	Ultramar Wilmington Refinery	ND	Notice of Preparation/Initial Study circulated for a 30-day public comment period on April 3, 2012. Comment period ended May 3, 2012. Preparation of the Draft EIR did not identify any significant adverse environmental impacts. Therefore, the consultant is revising the CEQA document as an ND.	Environmental Audit, Inc.
The operators of the Chevron Products El Segundo Refinery are proposing to remove six old coke "drums" and replace them with new coke drums that will meet best available control technology requirements.	Chevron Products Company, El Segundo Refinery	EIR	The Final EIR was certified on November 16, 2012.	Environmental Audit, Inc.
The Phillips 66 (formerly ConocoPhillips) Los Angeles Refinery Ultra Low Sulfur Diesel project was originally proposed to comply with federal state, and SCAQMD requirements to limit the sulfur content of diesel fuels. Litigation against the CEQA document was filed. Ultimately the California Supreme Court concluded that the SCAQMD had used an inappropriate baseline and directed the SCAQMD to prepare an EIR, even though the project has been built and has been in operation since 2006. The purpose of this CEQA document is to comply with the Supreme Court's direction to prepare an EIR.	Phillips 66 (formerly ConocoPhillips), Los Angeles Refinery	EIR	Notice of Preparation circulated for a 30-day public comment period on March 26, 2012. Comment period ended April 26, 2012. Consultant is preparing administrative Draft EIR.	Environmental Audit, Inc.
The Carpenter company is proposing to install one 10,000 gallon bulk tank for storage of methyl formate, a flammable substance that may also have non-cancer acute health risks to humans.	Carpenter Company Storage Tank Installation Project	ND	The Final ND was certified on December 20, 2012.	Environmental Audit, Inc.
The Phillips 66 Los Angeles Refinery operators are proposing to install two new 500,000-barrel crude oil storage tanks with geodesic domes to accommodate larger marine vessels delivering crude oil. The proposed project also includes increasing the throughput on two existing tank and adding geodesic domes to these tanks and installing one new 10,000-barrel water drain surge tank.	Phillips 66 Los Angeles Refinery Carson Plan	NYD	Consultant preparing Initial Study.	Environmental Audit, Inc.
The Tesoro Refining and Marketing Los Angeles Refinery operators are proposing to replace two existing tanks with two new larger tanks with fixed roofs and internal floating roofs. The proposed project also includes replacing an onsite eight-inch pipeline to the new tanks with a 24-inch diameter pipeline.	Tesoro Refining and Marketing Company Los Angeles Refinery	NYD	Consultant preparing Initial Study.	Environmental Audit, Inc.

A shaded row indicates a new project.

# = AQMD was contacted regarding potential environmental justice concerns due to the natural and/or location of the project.

 Back to Agenda

BOARD MEETING DATE: February 1, 2013

AGENDA NO. 16

PROPOSAL: Report of RFPs and RFQs Scheduled for Release in February

SYNOPSIS: This report summarizes the RFPs and RFQs for budgeted services over \$75,000 scheduled to be released for advertisement for the month of February.

COMMITTEE: Administrative, January 11, 2013; Recommended for Approval

RECOMMENDED ACTION:

Approve the release of RFPs/RFQs for the month of February.

Barry R. Wallerstein, D.Env.  
Executive Officer

MBO:lg

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### **Background**

At its January 8, 2010 meeting, the Board approved a revised Procurement Policy and Procedure. Under the revised policy, RFPs and RFQs for budgeted items over \$75,000, which follow the Procurement Policy and Procedure, no longer require individual Board approval. However, a monthly report of all RFPs and RFQs over \$75,000 is included as part of the Board agenda package and the Board may, if desired, take individual action on any item. The report provides the title and synopsis of the RFP or RFQ, the budgeted funds available, and the name of the Deputy Executive Officer/Asst. Deputy Executive Officer responsible for that item. Further detail including closing dates, contact information, and detailed proposal criteria will be available online at <http://www.aqmd.gov/rfp/index.html> following Board approval on February 1, 2013.

### **Outreach**

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

Additionally, potential bidders may be notified utilizing AQMD's own electronic listing of certified minority vendors. Notice of the RFP/RFQ will be e-mailed to the Black and Latino Legislative Caucuses and various minority chambers of commerce and business associations, and placed on the Internet at AQMD's website (<http://www.aqmd.gov> where it can be viewed by making menu selections "Inside AQMD"/"Employment and Business Opportunities"/"Business Opportunities" or by going directly to <http://www.aqmd.gov/rfp/index.html>). Information is also available on AQMD's bidder's 24-hour telephone message line (909) 396-2724.

### **Proposal Evaluation**

Proposals received will be evaluated by applicable diverse panels of technically qualified individuals familiar with the subject matter of the project or equipment and may include outside public sector or academic community expertise.

### **Attachment**

Report of RFPs and RFQs Scheduled for Release in February



**February 1, 2013 Board Meeting  
Report on RFPs and RFQs Scheduled for Release on February 1, 2013**

**(For detailed information visit AQMD's website at  
<http://www.aqmd.gov/rfp/index.html> following Board approval on February 1, 2013)**

**STANDARDIZED SERVICES**

RFP #P2013-20    Issue RFP for Replacement of Two Cooling Towers                      JOHNSON/3018  
at AQMD Headquarters

The current FY 2012-13 Budget includes funds for the purchase and replacement of two aging cooling towers used in the hydronics, heating, ventilation, and air conditioning system at AQMD's Diamond Bar headquarters. This action is to issue an RFP to solicit proposals from qualified contractors interested in performing this work. The anticipated cost of this contract is not to exceed \$500,000. Funds for this contract are available in the FY 2012-13 Budget.

**RESEARCH AND DEVELOPMENT OR SPECIAL TECHNICAL EXPERTISE**

NONE

**REQUESTS FOR QUALIFICATIONS - Prequalified Vendor List**

NONE

**REQUEST FOR QUOTATIONS – Commercial Off-the-Shelf Equipment**

NONE

BOARD MEETING DATE: February 1, 2013

AGENDA NO. 17

REPORT: Rule and Control Measure Forecast

SYNOPSIS: This report highlights AQMD rulemaking activity and public workshops potentially scheduled for the year 2013.

COMMITTEE: No Committee Review

RECOMMENDED ACTION:  
Receive and file.

Barry R. Wallerstein, D.Env.  
Executive Officer

EC:LT:cg

The Rule and Control Measure Forecast Report provides the Board with a monthly update of AQMD's rulemaking and control measure implementation schedule.

219	Equipment Not Requiring a Written Permit Pursuant to Regulation II
222	Filing Requirements for Specific Emission Sources Not Requiring a Written Permit Pursuant to Regulation II
Rules 219 & 222 are being moved to April from March to allow for additional consideration and input on the environmental impacts of the proposed amendments.	
1114	Control of Emissions from Refinery Coking Operations (MCS-07)
Proposed Rule 1114 is moved to April from March to allow additional time to assess environmental impacts and for stakeholder feedback.	
1148	Thermally Enhanced Oil Recovery Wells
1148.1	Oil and Gas Production Wells
Proposed Rules 1148 & 1148.1 are being move to TBD to allow AQMD staff to collect additional information on oil and gas wells and to assess the need for amendments.	
1304.1	Electrical Generating Facility Annual Fee for Use of Offset Exemption
Proposed Rule 1304.1 is being moved to April from March to provide for additional input from impacted stakeholders.	

## 2013 MASTER CALENDAR (continued)

Below is a list of all rulemaking activity scheduled for the year 2013. The last four columns refer to the type of rule adoption or amendment. A more detailed description of the proposed rule adoption or amendment is located in the Attachments (A through D) under the type of rule adoption or amendment (i.e. AQMP, Toxics, Other and Climate Change).

*\*An asterisk indicates that the rulemaking is a potentially significant hearing.*

*+This proposed rule will reduce criteria air contaminants and assist toward attainment of ambient air quality standards.*

*<sup>1</sup>Subject to Board approval*

*California Environmental Quality Act shall be referred to as "CEQA."*

*Socioeconomic Analysis shall be referred to as "Socio."*

### 2013

March		AQMP	Toxics	Other	Climate Change
102	Definition of Terms			√	
1148.2	Notification and Reporting Requirements for Oil and Gas Wells and Chemical Suppliers		√		
April					
219 <sup>1</sup>	Equipment Not Requiring a Written Permit Pursuant to Regulation II			√	
222 <sup>1</sup>	Filing Requirements for Specific Emission Sources Not Requiring a Written Permit Pursuant to Regulation II			√	
1114 <sup>*+1</sup>	Control of Emissions from Refinery Coking Operations (MCS-07)	√			
1304.1 <sup>1</sup>	Electrical Generating Facility Annual Fee for Use of Offset Exemption			√	
May					
Reg. III	Fees			√	
444	Open Burning (BCM-02)	√			
445	Wood Burning Devices (BCM-01)	√			

**2013 MASTER CALENDAR (continued)**

**2013**

<b>June</b>		<b>AQMP</b>	<b>Toxics</b>	<b>Other</b>	<b>Climate Change</b>
2301	Control of Emissions from New or Redevelopment Projects (EGM-01)	√			
<b>July</b>					
1123	Improved Start-up, Shutdown and Turnaround Procedures (MCS-03)	√			
<b>September</b>					
Reg. XX	Regional Clean Air Incentives Market (RECLAIM)(CMB-01)	√			
<b>October</b>					
1168	Adhesive and Sealant Applications			√	
1420	Emissions Standard for Lead		√		
1420.2	Emission Standards for Lead from Medium Sources		√		
4010 <sup>*+</sup>	General Provisions and Requirements for Ports of Los Angeles and Long Beach (IND-01)	√	√		
4020 <sup>*+</sup>	Backstop Requirements for Ports of Los Angeles and Long Beach (IND-01)	√	√		
<b>November</b>					
1130	Graphic Arts (CTS-02)	√			
1146	Emission of Oxides of Nitrogen from Industrial, Institutional and Commercial Broilers, Steam Generators, and Process Heaters			√	
1146.1	Emissions of Oxides of Nitrogen from Small Industrial Institutional, and Commercial Boilers, Steam Generators and Process Heaters			√	
2305	Indirect Sources		√	√	
<b>December</b>					
415	Odors from Rendering Plants			√	

**2013 MASTER CALENDAR (continued)**

**2013 TO-BE DETERMINED**

<b>TBD</b>		<b>AQMP</b>	<b>Toxics</b>	<b>Other</b>	<b>Climate Change</b>
314	Fees for Architectural Coatings			√	
463	Storage of Organic Liquids			√	
1107 <sup>+</sup>	Coating of Metal Parts and Products	√			
1118	Control of Emissions from Refinery Flares			√	√
1144	Metalworking Fluids and Direct-Contact Lubricants			√	
1147	NOx Reductions from Miscellaneous Sources			√	
1148 <sup>1</sup>	Thermally Enhanced Oil Recovery Wells		√		
1148.1 <sup>1</sup>	Oil and Gas Production Wells		√		
1151 <sup>*+</sup>	Motor Vehicle and Mobile Equipment Non-Assembly Line Coating Operations			√	
1153.1	Emissions of Oxides of Nitrogen from Commercial Food Ovens			√	
1155	Particulate Matter (PM) Control Devices			√	
1166	Volatile Organic Compound Emissions from Decontamination of Soil			√	
1171	Solvent Cleaning Operations(CTS-02)			√	
1173	Control of Volatile Organic Compound Leaks And Releases From Components At Petroleum Facilities And Chemical Plants			√	√
1190 Series	Fleet Vehicle Requirements			√	
Reg. XIII	New Source Review			√	

**2013 MASTER CALENDAR (continued)**

**2013 TO-BE DETERMINED**

<b>TBD</b>	<b>(continued)</b>	<b>AQMP</b>	<b>Toxics</b>	<b>Other</b>	<b>Climate Change</b>
1469	Hexavalent Chromium Emissions From Chromium Electroplating And Chromic Acid Anodizing Operations		√		
1469.1	Spraying Operations Using Coatings Containing Chromium		√		
1902	Transportation Conformity	√			
Reg. XX	Regional Clean Air Incentives Market (RECLAIM)			√	
2511	Credit Generation Program for Locomotive Head End Power Unit Engines			√	
2512	Credit Generation Program for Ocean-Going Vessels at Berth			√	
Reg. XXVII	Climate Change				√
Reg. IV, IX, X, XI, XIV, XX and XXX Rules	Various rule amendments may be needed to meet the requirements of state and federal laws, address variance issues/technology-forcing limits, or to seek additional reductions to meet the SIP short-term measure commitment. The Clean Communities Plan (CCP) has been updated to include new measures to address toxic emissions in the basin. The CCP includes a variety of measures that will reduce exposure to air toxics from stationary, mobile, and area sources. Rule amendments may include updates to provide consistency with CARB Statewide Air Toxic Control Measures.	√	√	√	√

Note: AQMD may add control measures necessary to satisfy federal requirements, to abate a substantial endangerment to public health or welfare, state regulatory requirements or SIP commitment.

# ATTACHMENT A

## AQMP Rule Activity Schedule

This attachment lists those control measures that are being developed into rules or rule amendments for the Governing Board consideration that are designed to implement the amendments to the 2007 Air Quality Management Plan.

**2013**

<b>April</b>	
1114 <sup>*+1</sup>	<p><b>Control of Emissions from Refinery Coking Operations (MCS-07)</b>  <i>[Projected Emission Reduction: TBD]</i>                      Proposed Rule 1114 will establish emission limits and other requirements for the operation of coking units at petroleum refineries.  <i>Naveen Berry 909.396.2363 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>
<b>May</b>	
444	<p><b>Open Burning (BCM-02)</b>  <i>[Projected Emission Reduction: 4.6 tons per day (episodic)]</i></p>
445	
	<p><b>Wood Burning Devices (BCM-01)</b>  <i>[Projected Emission Reduction: up to 7.1 tons PM2.5 per day based on winter emissions inventory]</i>                      Proposed amendments to Rule 444 (Open Burning) would implement control measure BCM-02 from the 2012 AQMP by aligning burn day restrictions to be consistent with AQMD Rule 445 residential burning restrictions in the winter. Additional revisions are intended to improve rule clarity and effectiveness.                      Proposed amendments to Rule 445 (Wood-Burning Devices) would implement control measure BCM-01 from the 2012 AQMP by lowering the ambient PM2.5 concentration threshold used for forecasting wood burning curtailment days and would also establish the criteria used to forecast a Basin-wide curtailment day. Additional revisions are intended to improve rule clarity and effectiveness.  <i>Phil Fine 909.396.2239 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>

# ATTACHMENT A

## AQMP Rule Activity Schedule (continued)

**2013**

<b>June</b>	
2301	<p><b>Control of Emissions from New or Redevelopment Projects (EGM-01)</b>  <i>[Projected Emission Reduction: Committed to reduce 0.5 tons per day of VOC, 0.8 tons per day of NOx, and 0.5 tons per day of PM2.5 in 2023.]</i></p> <p>The proposed rule will implement the 2007 AQMP Control Measure EGM-01 – Emission Reductions from New or Redevelopment Projects. Since the initial proposal was released for PR2301, CARB in compliance with an SB 375 requirement has set greenhouse gas emission reduction targets for each metropolitan planning organization (MPO). SCAG’s 2012 Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS) contains the plan for how these target emission reductions will be met. In light of this development, PR2301 will be drafted as a backstop/contingency measure to ensure that the co-benefits of VOC, NOx, and PM 2.5 emission reductions from the SCS will meet the 2007 AQMP targets.  <i>Carol Gomez 909.396.3264 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>
<b>July</b>	
1123	<p><b>Improved Start-up, Shutdown and Turnaround Procedures (MCS-03)</b>  <i>[Projected Emission Reduction: TBD]</i></p> <p>Proposed Rule 1123 will, if needed, implement Phase 1 of control measure MCS-03 of the 2012 AQMP by establishing procedures that better quantify emission impacts from start-up, shutdown or turnarounds.  <i>Naveen Berry 909.396.2363 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>
<b>September</b>	
Reg. XX	<p><b>Regional Clean Air Incentives Market (RECLAIM)</b>  <i>[Projected Emission Reduction: 3-5 TPD]</i></p> <p>Proposed amendments to Regulation XX will seek to implement a minimum contingency measure CMB-01 of the 2012 AQMP and possibly Phase II of the control measure if the technology assessment can be completed within the allotted time for this rule making.  <i>Joe Cassmassi 909.396.3155 909.396.3155 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>



# ATTACHMENT A

## AQMP Rule Activity Schedule (continued)

**2013**

<b>October</b>	
4010 <sup>*+</sup>	<b>General Provisions and Requirements for Ports of Los Angeles and Long Beach (IND-01)</b>
4020 <sup>*+</sup>	<p><b>Backstop Requirements for Ports of Los Angeles and Long Beach (IND-01)</b>  <i>[Projected Emission Reduction: TBD]</i>                      If triggered, the proposed rules will address cost-effective NO<sub>x</sub>, SO<sub>x</sub>, and PM<sub>2.5</sub> emission reduction strategies from port-related sources to ensure emission reductions claimed or emission targets assumed in the AQMP are maintained.  <i>Susan Nakamura 909.396.3105 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>
<b>November</b>	
1130	<p><b>Graphic Arts (CTS-02)</b>  <i>[Projected Emission Reduction: TBD]</i>                      The proposed amendment will review fountain solutions and other technologies to align requirements with existing rules and U.S. EPA's CTG recommendations.  <i>Naveen Berry 909.396.2363 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>

## To-Be Determined 2013

<b>To-Be Determined</b>	
1107 <sup>+</sup>	<p><b>Coating of Metal Parts and Products</b>  <i>[Projected Emission Reduction: TBD]</i>                      Amendments to Rule 1107 would further reduce VOC emissions and improve rule clarity and enforceability.  <i>Naveen Berry 909.396.2363 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>
1902	<p><b>Transportation Conformity</b>  <i>[Projected Emission Reduction: TBD]</i>                      Amendments to Rule 1902 will bring the District's Transportation Conformity rule in line with current U.S. EPA requirements.  <i>Carol Gomez 909.396.3264 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>
Reg. IV, IX, X, XI, XIV, XX and XXX Rules	<p>Various rule amendments may be needed to meet the requirements of state and federal laws, address variance issues/technology-forcing limits, or to seek additional reductions to meet the SIP short-term measure commitment.</p>

# ATTACHMENT B

## Toxics Rule Activity Schedule

This attachment lists those rules or rule amendments for the Governing Board consideration that are designed to implement the Air Toxics Control Plan.

**2013**

<b>March</b>	
1148.2	<p><b>Notification and Reporting Requirements for Oil and Gas Wells and Chemical Suppliers</b>  <i>[Projected Emission Reduction: TBD]</i>                      Proposed Rule 1148.2 will propose reporting and public notification requirements for oil and gas production activities when hydraulic fracturing is used.  <i>Susan Nakamura 909.396.3105 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>
<b>October</b>	
1420 1420.2	<p><b>Emissions Standard for Lead</b>  <b>Emission Standards for Lead from Medium Sources</b>  <i>[Projected Emission Reduction: TBD]</i>                      In October 2008, U.S. EPA lowered the National Ambient Air Quality Standard for lead from 1.5 to 0.15 ug/m3. Proposed Amended Rule 1420 and Proposed Rule 1420.2 will apply to lead sources and will include requirements to ensure the Basin meets the new lead standard.  <i>Susan Nakamura 909.396.3105 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>
4010 <sup>*+</sup> 4020 <sup>*+</sup>	<p><b>General Provisions and Requirements for Ports of Los Angeles and Long Beach (IND-01)</b>  <b>Backstop Requirements for Ports of Los Angeles and Long Beach (IND-01)</b>  <i>[Projected Emission Reduction: TBD]</i>                      If triggered, the proposed rules will address cost-effective NO<sub>x</sub>, SO<sub>x</sub>, and PM<sub>2.5</sub> emission reduction strategies from port-related sources to ensure emission reductions claimed or emission targets assumed in the AQMP are maintained.  <i>Susan Nakamura 909.396.3105 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>
<b>November</b>	
2305 <sup>*</sup>	<p><b>Indirect Sources</b>  <i>[Projected Emission Reduction: TBD]</i>                      Proposed Rule 2305 will identify approaches to reduce exposure to diesel particulate emissions and localized NO<sub>2</sub> emissions from facilities associated with large indirect sources (i.e. facilities that attract mobile sources).  <i>Susan Nakamura 909.396.3105 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>

## ATTACHMENT B

### Toxics Rule Activity Schedule (continued)

#### To-Be Determined 2013

<b>To-Be Determined</b>	
<p>1148<sup>1</sup> 1148.1<sup>1</sup></p>	<p><b>Thermally Enhanced Oil Recovery Wells</b> <b>Oil And Gas Production Wells</b> <i>[Projected Emission Reduction: TBD]</i> Rules 1148 and 1148.1 will be evaluated to determine if additional requirements need to be added to address hydraulic fracturing activities. <i>Susan Nakamura 909.396.3105 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>
<p>1469 1469.1</p>	<p><b>Hexavalent Chromium Emissions From Chromium Electroplating And Chromic Acid Anodizing Operations</b> <b>Spraying Operations Using Coatings Containing Chromium</b> <i>[Projected Emission Reduction: TBD]</i> Staff will evaluate opportunities for reducing chrome emissions from various spray coating operations. <i>Susan Nakamura 909.396.3105 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>
<p>Reg. IV, IX, X, XI, XIV, XX and XXX Rules</p>	<p>Various rule amendments may be needed to meet the requirements of state and federal laws, address variance issues/technology-forcing limits. Rule amendments may include updates to provide consistency with CARB Statewide Air Toxic Control Measures.</p>

# ATTACHMENT C

## Other Rule Activity Schedule

This attachment lists those rules or rule amendments for the Governing Board consideration that are designed to improve rule enforceability, SIP corrections, or implementing state or federal regulations.

**2013**

<b>March</b>	
102	<p><b>Definition of Terms</b>  <i>[Projected Emission Reduction: N/A]</i>                      Proposed amendments to Rule 102 to include compounds exempted by the U.S. EPA with consideration for health risks as defined by the Office of Environmental Health Hazard Assessment (OEHHA).  <i>Naveen Berry 909.396.2363 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>
<b>April</b>	
219 <sup>1</sup>	<p><b>Equipment Not Requiring a Written Permit Pursuant to Regulation II</b></p> <p><b>Filing Requirements for Specific Emission Sources Not Requiring a Written Permit Pursuant to Regulation II</b>  <i>[Projected Emission Reduction: N/A]</i>                      Staff will consider exempting low emitting processes/equipment that require written permits, and include them under the Rule 222 Filing Program, thus streamlining the permitting process and reducing the cost for facilities and clarify permitting requirements for several other processes.  <i>Naveen Berry 909.396.2363 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>
222 <sup>1</sup>	
1304.1 <sup>1</sup>	<p><b>Electrical Generating Facility Annual Fee for Use of Offset Exemption</b>  <i>[Projected Emission Reduction: N/A]</i>                      The proposed rule will establish an approach to assess fees for equipment, facilities, and processes currently exempted from the New Source Review Program offset requirements under Rule 1304, paragraph (a)(2).  <i>Naveen Berry 909.396.2363 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>
<b>May</b>	
Reg. III	<p><b>Fees</b>  <i>[Projected Emission Reduction: N/A]</i>                      Proposed amendments to Reg III are intended to align fee revenues to recover AQMD program costs.  <i>Naveen Berry 909.396.2363 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>

## ATTACHMENT C

### Other Rule Activity Schedule (continued)

**2013**

<b>October</b>	
1168	<p><b>Adhesive and Sealant Applications (CTS-02)</b>  <i>[Projected Emission Reduction: N/A]</i>                      Amendments to Rule 1168 will partially implement CTS-02 and reflect improvements in adhesive and sealants technology.  <i>Naveen Berry 909.396.2363 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>
<b>November</b>	
1146 1146.1	<p><b>Emission of Oxides of Nitrogen from Industrial, Institutional and Commercial Broilers, Steam Generators, and Process Heaters</b>  <b>Emissions of Oxides of Nitrogen from Small Industrial, Institutional and Commercial Boilers, Steam Generators, and Process Heaters</b>  <i>[Projected Emission Reduction: unknown]</i>                      Proposed amendments will address expected U.S. EPA comments on compliance issues.  <i>Joe Cassmassi 909.396.3155 909.396.3155 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>
2305*	<p><b>Indirect Sources</b>  <i>[Projected Emission Reduction: TBD]</i>                      Proposed Rule 2305 will identify approaches to reduce exposure to diesel particulate emissions and localized NO2 emissions from facilities associated with large indirect sources (i.e. facilities that attract mobile sources).  <i>Susan Nakamura 909.396.3105 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>
<b>December</b>	
415	<p><b>Odors from Rendering Plants</b>  <i>[Projected Emission Reduction: TBD]</i>                      Proposed Rule 415 will address odors from rendering plants.  <i>Susan Nakamura 909.396.3105 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>

### To-Be Determined 2013

<b>To-Be Determined</b>	
314	<p><b>Fees of Architectural Coatings</b>  <i>[Projected Emission Reduction: TBD]</i>                      The proposed amendments would improve clarity and reporting requirements as well as consider an exemption from fees for small manufacturers.  <i>Naveen Berry 909.396.2363 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>

# ATTACHMENT C

## Other Rule Activity Schedule (continued)

### To-Be Determined 2013

To-Be Determined	(continued)
463	<p><b>Storage of Organic Liquids</b>  <i>[Projected Emission Reduction: TBD]</i>                      Staff will evaluate the opportunity of harmonizing Rules 463 and 1178 into one and be prepared to address any stakeholder feedback in response to recent amendments to Rule 463.  <i>Susan Nakamura 909.396.3154 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>
1118	<p><b>Control of Emissions from Refinery Flares</b>  <i>[Projected Emission Reduction: TBD]</i>                      Amendments may be necessary to address results of the additional analysis required by the adopting resolution for the last amendment. Amendments may also be necessary to implement an AB 32 measure.  <i>Naveen Berry 909.396.2363 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>
1144	<p><b>Metalworking Fluids and Direct-Contact Lubricants</b>  <i>[Projected Emission Reduction: N/A]</i>                      Proposed amendments may be necessary to incorporate results from ongoing technology assessments for specific facilities.  <i>Naveen Berry 909.396.2363 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>
1147	<p><b>NOx Reductions from Miscellaneous Sources</b>  <i>[Projected Emission Reduction: N/A]</i>                      Proposed amendments will provide ongoing staff reports to committee relative to impacts to less-than-one-ton-per-day sources.  <i>Joe Cassmassi 909.396.3155 909.396.3155 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>
1151 <sup>*+</sup>	<p><b>Motor Vehicle and Mobile Equipment Non-Assembly Line Coating Operations</b>  <i>[Projected Emission Reduction: N/A]</i>                      Amendments to the rule may be necessary to reflect further findings relative to recordkeeping requirements for tertiary butyl acetate (TBAC).  <i>Naveen Berry 909.396.2363 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>
1153.1	<p><b>Emissions of Oxides of Nitrogen from Commercial Food Ovens</b>  <i>Projected Emission Reduction: N/A]</i>                      Proposed Rule 1153.1 will establish equipment specific nitrogen oxides emission limits and other requirements for the operation of commercial food ovens.  <i>Joe Cassmassi 909.396.31553 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>
1155	<p><b>Particulate Matter (PM) Control Devices</b>  <i>[Projected Emission Reduction: TBD]</i>                      With the implementation Rule 1155, amendments may be necessary to address the potential exemption of small PM emitters to minimize adverse impacts of the rule requirements where there is no real impact on visible emissions.  <i>Philip Fine 909.396.2239 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>

# ATTACHMENT C

## Other Rule Activity Schedule (continued)

### To-Be Determined 2013

<b>To-Be Determined</b>	<b>(continued)</b>
1166	<p><b>Volatile Organic Compound Emissions from Decontamination of Soil</b>  <i>[Projected Emission Reduction: N/A]</i>                      Amendments to Rule 1166 may be necessary to clarify certain elements of the rule.  <i>Naveen Berry 909.396.2363 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>
1171	<p><b>Solvent Cleaning Operations</b>  <i>[Projected Emission Reduction: N/A]</i>                      The proposed amendment may consider technology assessments for the cleanup of affected equipment.  <i>Naveen Berry 909.396.2363 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>
1173	<p><b>Control of Volatile Organic Compound Leaks and Releases from Components at Petroleum Facilities and Chemical Plants</b>  <i>[Projected Emission Reduction: TBD]</i>                      Amendment to Rule 1173 may be necessary to address greenhouse gas emissions from petroleum facilities and chemical plants and clarify other provisions of the rule.  <i>Naveen Berry 909.396.2363 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>
1190 Series	<p><b>Fleet Vehicle Requirements</b>  <i>[Projected Emission Reduction: TBD]</i>                      Amendments to Rule 1190 series fleet rules may be necessary to address remaining outstanding implementation issues and in the event the court's future action requires amendments. In addition, the current fleet rules may be expanded to achieve additional air quality and air toxic benefits.  <i>Dean Saito 909.396.2647 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>
Reg. XIII	<p><b>New Source Review</b>  <i>[Projected Emission Reduction: TBD]</i>                      Proposed amendments will address U.S. EPA comments on SIP approvability issues and/or requirements that may result from U.S. EPA amendments, legislation or CARB requirements. Amendments may also be proposed for clarity and improved enforceability.  <i>Naveen Berry 909.396.2363 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>
Reg. XX	<p><b>Regional Clean Air Incentives Market (RECLAIM)</b>  <i>[Projected Emission Reduction: N/A]</i>                      Staff will explore opportunities to improve the administrative efficiency of the program.  <i>Joe Cassmassi 909.396.3155 909.396.3155 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>

## ATTACHMENT C

### Other Rule Activity Schedule (continued)

#### To-Be Determined 2013

To-Be Determined	(continued)
2511	<p><b>Credit Generation Program for Locomotive Head End Power Unit Engines</b>  <i>[Projected Emission Reduction: TBD]</i>            Develop a rule to allow generation of PM mobile source emission reduction credits from Locomotive Head End Power Unit Engines. Credits will be generated by retrofitting engines with PM controls or replacing the engines with new lower-emitting engines.  <i>Randall Pasek 909.396.2251 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>
2512	<p><b>Credit Generation Program for Ocean-Going Vessels at Berth</b>  <i>[Projected Emission Reduction: TBD]</i>            Develop a rule to allow generation of PM, NOx and SOx emission reduction credits from ocean-going vessels while at berth. Credits will be generated by controlling the emissions from auxiliary engines and boilers of ships while docked.  <i>Randall Pasek 909.396.2251 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>
Reg. IV, IX, X, XI, XIV, XX and XXX Rules	<p>Various rule amendments may be needed to meet the requirements of state and federal laws, address variance issues/technology-forcing limits.</p>



# ATTACHMENT D

## Climate Change

This attachments lists rules or rule amendments for the Governing Board consideration that are designed to implement South Coast Air Quality Managements District’s Climate Change Policy or for consistency with state or federal rules.

### To-Be Determined 2013

<b>To-Be Determined</b>	
1118	<p><b>Control of Emissions from Refinery Flares</b>  <i>[Projected Emission Reduction: TBD]</i>                      Amendments may be necessary to address findings from the additional analysis required by the adopting resolution for the last amendment. Amendments may also be necessary to implement an AB 32 measure.  <i>Naveen Berry 909.396.2363 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>
1173	<p><b>Control of Volatile Organic Compound Leaks and Releases from Components at Petroleum Facilities and Chemical Plants</b>  <i>[Projected Emission Reduction: TBD]</i>                      Amendment to Rule 1173 may be necessary to address greenhouse gas emissions from petroleum facilities and chemical plants and clarify other provisions of the rule.  <i>Naveen Berry 909.396.2363 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>
Reg. XXVII	<p><b>Climate Change</b>  <i>[Projected Emission Reduction: TBD]</i>                      Additional protocols may be added to Rules 2701 and 2702.  <i>Philip Fine 909.396.2239 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>
Reg. IV, IX, X, XI, XIV, XX and XXX Rules	<p>Various rule amendments may be needed to meet the requirements of state and federal laws to address variance issues/technology-forcing limits.</p>

BOARD MEETING DATE: February 1, 2013

AGENDA NO. 18

**PROPOSAL:** Status Report on Major Projects for Information Management Scheduled to Start During Last Six Months of FY 2012-13

**SYNOPSIS:** Information Management is responsible for data systems management services in support of all AQMD operations. This action is to provide the monthly status report on major automation contracts and projects to be initiated by Information Management during the last six months of FY 2012-13.

**COMMITTEE:** No Committee Review

**RECOMMENDED ACTION:**  
Receive and file.

Barry R. Wallerstein, D.Env.  
Executive Officer

JCM:MAH:OSM:nv

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### **Background**

Information Management (IM) provides a wide range of information systems and services in support of all AQMD 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 expected to come before the Board between January 1 and June 30, 2013. Information provided for each project includes a brief project description, FY 2012-13 Budget, and the schedule associated with known major milestones (issue RFP/RFQ, execute contract, etc.).

### **Attachment**

Information Management Major Projects for Period January 1 through June 30, 2013

**ATTACHMENT**  
**February 1, 2013 Board Meeting**  
**Information Management Major Projects**  
**for the Period of January 1 through June 30, 2013**

Item	Brief Description	Budgeted Funds	Schedule of Board Actions	Status
Auditorium Audio-Visual System Upgrade	Select vendor to upgrade the audio-visual equipment in the auditorium and conference center.	TBD	Release RFP December 7, 2012; Award Contract May 3, 2013	On Schedule
Phone Switch Upgrade	Select vendor to upgrade the Nortel legacy PBXs phone systems (Diamond Bar and Long Beach office) to the new Avaya Aura phone systems. Provide enhancements for: <ul style="list-style-type: none"> <li>• Communications SIP based hardware</li> <li>• Replacement Contact Center server hardware</li> <li>• SIP based voice mail for the Communication Manager</li> <li>• One-X client Unified Communications - Mobility, Communicator, Portal</li> </ul> VoIP telephone sets	\$163,000	Release RFQ March 1, 2013; Award Contract June 7, 2013	On Schedule
Phone Switch Maintenance	Select vendor to provide high quality and reliable phone switch maintenance services to the AQMD in the most cost-effective manner. Phone switch maintenance services will include phone switch maintenance and any related maintenance cost associated with the voice communication network system.	\$69,330	Award Contract April 5, 2013	On Schedule
Systems Maintenance and Enhancements	Provide enhancements for: <ul style="list-style-type: none"> <li>• CLASS Systems</li> <li>• eGovernment Applications &amp; Infrastructure</li> <li>• Software, Server &amp; Database Version Upgrades</li> </ul>	TBD	April 5, 2013	On Schedule

Double-lined Rows - Board Agenda items current for this month
Shaded Rows - activities completed

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BOARD MEETING DATE: February 1, 2013

AGENDA NO. 20

REPORT: Administrative Committee

SYNOPSIS: The Administrative Committee met on Friday, January 11, 2013. The Committee discussed various issues detailed in the Committee report. The next Administrative Committee meeting is scheduled for Friday, February 8, 2013, at 10 a.m.

RECOMMENDED ACTION:

Receive and file.

Dr. William A. Burke, Chair  
Administrative Committee

Dennis Yates, Vice Chair  
Administrative Committee

drw

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**Attendance:** Attending the January 11, 2013 meeting were Committee Members Chairman William Burke via teleconference and Mayor Dennis Yates, Supervisor Josie Gonzales and Mayor Ron Loveridge at AQMD. In Dr. Wallerstein's absence, Lisha Smith, Deputy Executive Officer/Legislative & Public Affairs, was requested to oversee the first four items.

**ACTION/DISCUSSION ITEMS:**

1. **Board Members' Concerns:** None.
2. **Chairman's Report of Approved Travel:** Supervisor Josie Gonzales met with Senator Rubio on January 9, 2013, in Sacramento, CA.

3. **Approval of Compensation for Board Member Assistant(s)/Consultant(s):**  
None.
4. **Report of Approved Out-of-Country Travel:** None.
5. **Discussion of Potential Policy for Soliciting Conference Sponsorships:**  
Barbara Baird, District Counsel, explained that, as the Governing Board authorized funding for a 2013 high school student conference during the November Governing Board Meeting, Dr. Lyou questioned whether the AQMD had or should develop a policy similar to that of the Los Angeles Unified School District (LAUSD) on ethical solicitations. Thus, the matter was referred to the Administrative Committee to consider development of a similar policy. Ms. Baird added that it is currently staff policy to be careful to solicit sponsorships in a manner that does not give an impression that businesses providing sponsorship would receive special treatment, benefit or endorsement; this practice would be the basis of any formal policy to be developed.

Dr. Burke commented that District Counsel staff currently reviews sponsorships on a case-by-case basis, whereupon Mayor Yates inquired as to the guidance provided to staff in reviewing these solicitations. Ms. Baird advised that staff has several similar guiding principles as contained in the LAUSD policy, such as the sponsorship solicitations must be made in a consistent and transparent manner, they are strictly voluntary and have no bearing on any official decision, any vendor recognition must be made so as not to suggest endorsement or preference, and any gifts received by a District official must be recorded in accordance with the gifts policy, all of which AQMD already does. Ms. Baird cautioned that she does not support the LAUSD policy requirement that funds be designated to the general fund rather than in support of a specific activity.

Discussion followed, with Dr. Burke and Committee Members commenting that they had neither been offered nor received gifts, that they receive specific FPPC training on a regular basis pertaining to gifts and conflicts policies, and that the District has a “gifts policy” currently in place. Ms. Baird further commented that most policies on the internet were much narrower than LAUSD’s. Mayor Loveridge inquired whether these policies are common, and Ms. Baird stated that there were no known policies for cities, counties or air districts, but there are several school districts and college foundations having such a policy where funding is sought via sponsorship or solicitation. Dr. Burke remarked that a formal policy on sponsorships is not necessary, given the existing gifts policy and the FPPC restrictions.

Mayor Loveridge inquired how adoption of these guidelines would make conference sponsorship solicitations any different than what is being done currently, and Ms. Baird answered there would no difference other than having an explicit policy in place. Mayor Yates reminded the Committee that Board Members and local elected officials receive ethics training every two years. Supervisor Gonzales agreed that such training would address these issues. Dr. Burke recommended the matter be tabled until such time as an issue arises which causes the need for a formal policy.

Moved by Yates; seconded by Loveridge; unanimously approved.

## **FEBRUARY AGENDA ITEMS**

6. **Execute Contract to Plan and Execute Latino Advertising and Outreach Initiative:** Sam Atwood, Media Relations Manager, reintroduced this matter to the Committee, advising that the Committee's requested input had been provided in the form of the firms' references and supplemental responses, as recommended by Supervisor Gonzales at the December 14 Administrative Committee in narrowing the selection to two firms, Sensis and Alpunto; and, that Sensis Project Manager Melissa Hart was available for interview by the Committee in making the final selection, as requested by Mayor Loveridge.

Prior to introduction of Ms. Hart, Supervisor Gonzales remarked that the firms responded to the same set of questions, which she used to evaluate how interested and invested they were in managing the District's account. Supervisor Gonzales indicated she was not interested in having Ms. Hart return for interview by the Committee, although that was the recommendation and request of Mayor Loveridge. Mayor Loveridge responded that both firms were highly qualified and requested that Ms. Hart, the Sensis Project Manager, be allowed to provide further insight into the firm.

The Committee then briefly interviewed Ms. Hart, giving her the opportunity to review the services to be provided, strategies proposed, and Sensis' proposed use of polls and aftermarket surveys to gauge program effectiveness. Upon Mayor Loveridge's inquiry, Ms. Hart also reviewed her professional resume and provided information on accounts she had managed on behalf of Sensis. In response to Mayor Yates' inquiries, Ms. Hart replied that approximately 70% of Sensis' staff speak Spanish, but she was unable to identify San Bernardino County as a region highly impacted by air pollution. The interview concluded and Dr. Burke thanked Ms. Hart for her time and attendance.

Dr. Burke advised he would abstain from this item, as he was absent from the December 14 Administrative Committee meeting when it was introduced.

Upon the Committee's request, Mr. Atwood reported on the references of each firm stating that both firms received glowing references, and commenting on the national emphasis of Sensis' experience versus the local experience of Alpunto. In further evaluating the firms, Mayor Yates offered his disappointment that Ms. Hart had not adequately researched the District prior to her interview to become familiar with its jurisdiction and regional pollution impacts. Supervisor Gonzales commented that she observed differences in the two firms' interviews, in that Alpunto had a strong leader with softer support staff, while Sensis' back-up staff was stronger with a deferential leader. Therefore, inasmuch as she believed the primary contact for the account would be the firms' leaders, Supervisor Gonzales advised she preferred the Committee select Alpunto for the contract.

Mayor Loveridge commented that both are impressive, outstanding firms with two distinct emphases, local versus national/international. He further appreciated Sensis' ability to gauge effectiveness and provide measurable results via aftermarket surveys. In addition, Mayor Loveridge agreed with Mayor Yates that staff would not be dealing with the outstanding firm, but with the project manager and that Ms. Hart was able to comment on the firm's successes, but not on air quality issues it would be addressing. Thus while his initial preference was for Sensis, Mayor Loveridge indicated he found Mayor Yates' point persuasive.

Mayor Yates recommended Alpunto be awarded the contract based on the Committee's observations. Upon inquiry by Dr. Burke on the contract amount, Mr. Atwood responded this is a one-year contract in the sum of \$375,000, with 80-85% of the money being spent on the media buy. Dr. Burke advised of his preference that the Administrative Committee subsequently approve the media buy, and any future media buys, given his recent disappointment with the display of AQMD's logo on the Channel 7 weather banner, which he believes was poorly executed.

Accordingly, Mayor Yates amended his motion to provide the Administrative Committee with approval of the media buy, which Mr. Atwood advised was already the recommended course of action. Supervisor Gonzales agreed to the amendment as the motion's second.

Mayor Loveridge offered a dissenting vote for the record, inasmuch as he wanted to acknowledge the outstanding quality of both firms, and he reiterated that he was intrigued by the national/international credentials of Sensis and the emphasis on measurable survey of success and emphasis on outcome. Dr. Burke suggested

there may be benefits from launching a smaller, national/international-emphasis advertising effort using the Sensis firm. The Committee agreed, and Supervisor Gonzales remarked that it might challenge the firms to create a contrast between the local marketing outreach efforts and exposure versus the national efforts with which the District is less familiar. Upon Mayor Loveridge's inquiry of Mr. Atwood on the Committee's direction, Mr. Atwood stated that he would be in touch with Committee Members for further clarification as appropriate. The Committee voted 2-1 for Apunto so the matter will be forwarded to the full Board for its consideration.

7. **Execute Contract for 12-Month Radio and Internet Campaign for Air Alert and Check Before You Burn Reports:** Mr. Atwood stated this item is for a 12-month radio and internet campaign, and indicated that three firms would be interviewed in evaluating the campaign and awarding the contract.

Dr. Burke left the meeting at 10:35 a.m., due to a previous commitment, whereupon Mayor Yates chaired the meeting for the remaining items. Mayor Loveridge left the meeting at 10:36 a.m. and returned shortly thereafter.

The Committee interviewed the three firms, MOB Media Inc., CSI Communications Solutions Inc., and Ark Marketing & Media Solutions. Each firm was given the opportunity to provide a brief introduction, review their respective campaign strategy, and respond to several questions posed by the Committee. Mob Media Inc., a local firm specializing in government, healthcare, transportation and private sector work in radio and social marketing, with 24 years of experience, had difficulty naming the leading regional Hispanic radio station/program. CSI Communications Solutions Inc., a Canadian-based firm had a lengthy and creative presentation which detailed several innovative approaches to radio and web campaigns to prompt thought about air quality and health impacts. However, the Committee expressed concern over granting the contract to an out-of-country firm in view of their lack of local contacts. Ark Marketing & Media Solutions, a firm based in San Diego, emphasized their educational outreach campaigns and community partnerships, and indicated the ability to work collaboratively in partnership with District staff and their CBS partners. After lengthy presentations and brief discussion of the merits of each firms' proposals, the Committee selected Ark Marketing & Media Solutions to receive the contract.

Moved by Gonzales; seconded by Loveridge; unanimously approved.



8. **Recognize Revenue from Department of Water and Power, Appropriate Funds for PM2.5, and Authorize Purchases:**

Moved by Gonzales; seconded by Loveridge; unanimously approved.

9. **Interview and Recommend Execution of Contract for Public Opinion Survey Research:** Mayor Yates asked that this item be postponed to the February 8<sup>th</sup> Administrative Committee where each interviewing individual or firm will have similar amounts of time to make their presentations.

10. **Approve Official AQMP Logo:**

Moved by Gonzales; seconded by Loveridge; unanimously approved to be forwarded to the full Board for its consideration.

11. **Local Government and Small Business Assistance Advisory Group Minutes from July 20 and September 14, 2012 Meetings:** The attached are for information only from the Local Government & Small Business Advisory Group minutes for the July 20 and September 14, 2012 meetings.

Moved by Gonzales; seconded by Yates; unanimously approved.

12. **Report of RFPs and RFQs Scheduled for Release in February:**

Moved by Gonzales; seconded by Yates; unanimously approved.

13. **Review February 1, 2013 Governing Board Agenda**

14. **Other Business:** None.

15. **Public Comment:** None.

Meeting adjourned at 11:53 a.m.

**Attachment**

Local Government and Small Business Assistance Advisory Group Minutes from July 20 and September 14, 2012 Meetings



# South Coast Air Quality Management District

21865 Copley Drive, Diamond Bar, CA 91765-4178  
(909) 396-2000 • www.aqmd.gov

## LOCAL GOVERNMENT & SMALL BUSINESS ASSISTANCE ADVISORY GROUP FRIDAY, JULY 20, 2012 MEETING MINUTES

### MEMBERS PRESENT:

Dennis Yates, Mayor, City of Chino and LGSBA Chairman  
Greg Adams, L.A. County Sanitation District  
Felipe Aguirre, Councilmember, City of Maywood  
Geoffrey Blake, Metal Finishers of Southern California/All Metals  
Daniel Cunningham, Metal Finishing Association of Southern California  
Jacob Haik, Office of Councilmember Joe Buscaino  
Maria Elena Kennedy, Kennedy Communications  
Rita Loof, RadTech International  
Mary Ann Lutz, City of Monrovia  
Steve Mugg, South Orange County Representative, City of Mission Viejo

### MEMBERS ABSENT:

Ronald Loveridge, Mayor, City of Riverside and LGSBA Vice Chairman  
Paul Avila, P.B.A. & Associates Todd Campbell, Clean Energy  
Lucy Dunn, Orange County Business Council  
Angelo Logan, East Yard Communities for Environmental Justice  
Kelly Moulton, Paralegal

### OTHERS PRESENT:

Earl Elrod, Board Member Assistant (*Yates*)  
Mark Abramowitz, Board Member Assistant (*Lyou*)

### AQMD STAFF:

Derrick Alatorre, Assistant Deputy Executive Officer/Public Advisor  
Marc Carrel, Program Supervisor  
Elaine Chang, Deputy Executive Officer  
Francis Goh, Systems & Programming Supervisor  
Lori Langrell, Secretary  
John Olvera, Principal Deputy District Counsel  
William Sanchez, Sr. Public Affairs Manager  
Greg Ushijima, Air Quality Engineer II  
Jill Whynot, Assistant Deputy Executive Officer

**Agenda Item #1 - Call to Order/Opening Remarks**

Mayor Dennis Yates called the meeting to order at 11:39 a.m.

**Agenda Item #2 – Approval of May 11, 2012 Meeting Minutes/Review of Follow-Up/Action Items**

Mayor Yates called for approval of the meeting minutes. The May 11, 2012 meeting minutes were approved.

There were no follow-up/action items arising out of the May 11, 2012 meeting.

**Agenda Item #3 – Update on 2012 Air Quality Management Plan**

Dr. Elaine Chang provided an update on the 2012 AQMP development efforts and associated activities.

Ms. Maria Elena Kennedy asked why the AQMP states that Mira Loma is more impacted by dairy-related operations than San Jacinto, where it appears there are more cows. Dr. Chang replied that Mira Loma is downwind of the primary dairy production areas in Chino, and that the readings in Mira Loma reflect the impact of PM2.5 on air quality.

Ms. Rita Loof also asked about a proposal by staff on a basin-wide versus localized approach to the residential wood burning ban. Dr. Chang indicated that staff initially looked at two to three surrounding areas near Mira Loma, since the standard will not be met at the Mira Loma station by 2014. After further evaluation the draft plan takes the basin-wide containment approach to move up attainment date and to provide needed contingency measures.

Mr. Todd Campbell asked whether distribution centers in Mira Loma are considered part of the backstop measure for ports and port-related sources. Dr. Chang replied that port-related sources include ships, cargo handling equipment, drayage trucks, and trains. Mr. Campbell asked if the measure is related to Rule 1450 looking at hot spot NOx emissions. Dr. Chang replied that Rule 1450 is separate, mainly looking at toxic and NOx hot spots for potential 1-hour NOx standard violations.

Mr. Greg Adams asked why an additional regulation of the Concentrated Animal Feeding Operations (CAFOs) is a priority instead of a study measure. Dr. Chang replied that the submitted proposal makes a commitment to the SIP, as opposed to a technical assessment. She added that they want to work with dairies to attain the new PM2.5 standards.

Ms. Loof asked where the 200,000 cows are concentrated on the map. Dr. Chang replied that they are in the Chino area.

Ms. Kennedy asked if the majority of cows are in San Jacinto. Dr. Chang replied that the cows in San Jacinto do not have an impact on Mira Loma because San Jacinto is downwind of Mira Loma.

Ms. Loof asked how much the category of architectural coatings and consumer products contribute to ozone. Dr. Chang replied that architectural coatings add approximately 22 tons, and consumer products less than 100 tons.

Mr. Campbell asked whether hybrids are being paired with conventional diesel or alternative fueled vehicles. Dr. Chang indicated that it can be any fuel or blend of fuels (natural gas and

hydrogen blend) to achieve the same emission targets (i.e. 80-90% cleaner than the current standards). Mr. Campbell also asked if AQMD is offering any alternative low-NOx standard. Dr. Chang confirmed that staff are working with CARB regarding the optional standards for heavy duty trucks.

Ms. Loof asked whether incentive proposals can be mirrored over to stationary VOC sources similar to funding for mobile sources. Dr. Chang replied that there is a big need on NOx reductions from both stationary and mobile sources. If there is additional money, other programs will be considered.

Mr. Adams asked if there is a 2012 AQMP CD available. Dr. Chang confirmed this.

#### **Agenda Item #4 – AQMD Online Air Quality Complaint Reporting System**

Ms. Jill Whynot discussed the AQMD's new, online air quality complaint reporting system and Mr. Francis Goh provided a demonstration of the online complaint system.

Mr. Adams asked if the AQMD will confirm that all complaints received are investigated. Ms. Whynot replied all complaints received during the day are sent to an inspector. Mr. Adams then asked if the after hours process is enhanced if multiple complaints on a specific site/event are received. Ms. Whynot replied for that situation an alert is sent to a stand-by supervisor to have an inspector go out.

Mr. Geoff Blake asked what happens on a complaint of a car with smelly exhaust. Ms. Whynot replied that there is a process similar to someone calling the 1-800-CUT-SMOG line where a letter is sent out to the car owner advising them of the complaint, and offering options on what they can do to fix the problem.

Ms. Loof asked if the system can help when an industry complaint comes into the District about a business three doors down. Ms. Whynot indicated it can help as an inspector will check out the cause of the complaint.

Mr. Campbell asked if anonymous complaints reduce the seriousness of the investigation. Ms. Whynot replied no.

Ms. Loof asked where on the online form, can someone indicate anonymous. Mr. Goh indicated there is no specific check box, but in the mandatory fields of phone number and email, you can always insert an alias phone number and fake email. Ms. Whynot added that you can indicate in the description field to remain anonymous.

Mr. Stephen Mugg asked whether we have received any complaints from the smart phone apps yet. Mr. Goh confirmed this, and added that they come to staff in email format.

#### **Agenda Item #5 – Overview of the new Federal Surface Transportation Authorization Law, MAP 21**

Mr. Marc Carrel provided an overview of the recently enacted federal surface transportation reauthorization law, known as MAP-21 ("Moving Ahead for Progress in the 21<sup>st</sup> Century").

Mr. Adams asked if modeling is required. Mr. Carrel indicated he was not sure, but if a project is in the Regional Transportation Plan (RTP), modeling is required.

Mr. Campbell asked who is overseeing goods movement at the District. Mr. Carrel indicated that it would be Peter Greenwald and/or Henry Hogo.

Mr. Adams asked what percentage of the \$500 billion is Congestion Mitigation and Air Quality Improvement (CMAQ) Program funding. Mr. Carrel indicated approximately 5-7% is CMAQ.

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

No comments.

**Agenda Item #7 - Other Business**

No comments.

**Agenda Item #8 - Public Comment**

No comments.

**Adjournment**

The meeting adjourned at 12:48 p.m.



# South Coast Air Quality Management District

21865 Copley Drive, Diamond Bar, CA 91765-4178  
(909) 396-2000 • www.aqmd.gov

## LOCAL GOVERNMENT & SMALL BUSINESS ASSISTANCE ADVISORY GROUP FRIDAY, SEPTEMBER 14, 2012 MEETING MINUTES

### MEMBERS PRESENT:

Dennis Yates, Mayor, City of Chino and LGSBA Chairman  
Greg Adams, L.A. County Sanitation District  
Paul Avila, P.B.A. & Associates Todd Campbell, Clean Energy  
Geoffrey Blake, Metal Finishers of Southern California/All Metals  
Daniel Cunningham, Metal Finishing Association of Southern California  
Jacob Haik, Office of Councilmember Joe Buscaino  
Maria Elena Kennedy, Kennedy Communications  
Rita Loof, RadTech International

### MEMBERS ABSENT:

Ronald Loveridge, Mayor, City of Riverside and LGSBA Vice Chairman  
Felipe Aguirre, Vice Mayor, City of Maywood  
Lucy Dunn, Orange County Business Council  
Angelo Logan, East Yard Communities for Environmental Justice  
Mary Ann Lutz, City of Monrovia  
Kelly Moulton, Paralegal  
Steve Mugg, South Orange County Representative, City of Mission Viejo

### OTHERS PRESENT:

Mark Abramowitz, Board Member Assistant (*Lyou*)  
Marisa Perez, Board Member Assistant (*Mitchell*)  
David Rothbart, Los Angeles County Sanitation Department

### AQMD STAFF:

Derrick Alatorre, Assistant Deputy Executive Officer/Public Advisor  
Aaron Katzenstein, Program Supervisor  
Lori Langrell, Secretary  
Matt Miyasato, Assistant Deputy Executive Officer  
John Olvera, Principal Deputy District Counsel  
William Sanchez, Sr. Public Affairs Manager  
Greg Ushijima, Air Quality Engineer II  
Jill Whynot, Assistant Deputy Executive Officer

**Agenda Item #1 - Call to Order/Opening Remarks**

Mayor Dennis Yates called the meeting to order at 11:31 a.m.

**Agenda Item #2 – Approval of May 11, 2012 Meeting Minutes/Review of Follow-Up/Action Items**

The approval of the July 20, 2012 meeting Minutes is held over until the next meeting.

There were no follow-up/action items arising out of the July 20, 2012 meeting.

**Agenda Item #3 – Status of Hydrogen Infrastructure for Fuel Cell Vehicles in California**

Dr. Matt Miyasato presented activities supporting the implementation of hydrogen fueling for fuel cell vehicles in the state, including the status of the vehicles and stations in the South Coast Basin.

Ms. Maria Elena Kennedy asked why Silicon Valley was not identified as a cluster to construct additional stations. Dr. Miyasato replied that the decisions are made on a consensus, and that the auto makers look to areas the market is solid and the cars will be sold. For example, Sacramento was chosen because of the proximity to legislators, and San Francisco utilizes hydrogen for some of their busses.

Mr. Greg Adams asked if hydrogen is stored at the station site, or is it being generated as needed. Dr. Miyasato replied that it is less costly to have the hydrogen trucked and stored. The stations have infrared detectors onsite.

**Agenda Item #4 – Legislative Update**

Mr. William Sanchez provided an overview of the Legislative Session which ended on August 31, 2012.

Ms. Rita Loof asked what actions have staff taken since the passage of the intellectual property bill (SB 170). Mr. Sanchez replied that he was not sure, but would inquire and report back to the Advisory Group.

*Action Item: Check into actions by AQMD staff relating to intellectual property rights.*

Mr. Adams asked if the pension reforms allowed existing employee contracts to be modified. Mr. Sanchez replied that the reforms apply to new employees as of January 1, 2013. Existing employees will start contributing 50% of pension costs beginning in 2018. Mr. Adams then asked if there is a presumption that current employee jobs are sacrosanct. Mr. Sanchez responded that none of the current jobs were cut, but legislators are aware of the public's perception surrounding those positions.

Ms. Kennedy asked if the fire parcel tax did in fact pass. Mr. Sanchez replied that as far as he knows it did pass. Ms. Kennedy then asked if this parcel tax would apply to municipalities with their own fire department, or only to unincorporated areas that fall under Cal Fire. Mr. Sanchez responded that he will get back to the group with a definitive answer.

*Action Item: Check into the passage of the Fire Parcel Tax, and the parameters that fall under it.*

Mr. Paul Avila asked for the status of redevelopment funds. Mr. Sanchez replied that it is dead for now, and there does not look like there is a move to look at it again. He added that the hope is Proposition 30 will pass in November.

Mr. Adams asked when the Carl Moyer program will sunset. Mr. Sanchez responded that the Carl Moyer program sunsets in 2015, and AB 118 sunsets in 2016.

**Agenda Item #5 – Update on Climate Change Activities**

Mr. Aaron Katzenstein provided an update on activities in support of greenhouse gas (GHG) reductions and AB 32 implementation.

Mr. Adams asked if the .1 quad increase in 2023 covers projected increases transportation fuel economy from the Basin's population. Mr. Katzenstein responded that this is incorporated since the projections are based on planning documents from other government agencies such as CEC and EIA. Mr. Adams then asked what the status of the lawsuit on the validity of offsets in cap and trade. Mr. Katzenstein advised that he is not following it.

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

No comments.

**Agenda Item #7 - Other Business**

No comments.

**Agenda Item #8 - Public Comment**

No comments.

**Adjournment**

The meeting adjourned at 12:28 p.m.



BOARD MEETING DATE: February 1, 2013

AGENDA NO. 21

REPORT: Legislative Committee

SYNOPSIS: The Legislative Committee held a meeting on Friday, January 11, 2013. The next Legislative Committee is scheduled for Friday, February 8, 2013, at 9 a.m. in Conference Room CC8.

The Committee deliberated on agenda items for Board consideration and recommended the following actions:

<b>Agenda Item</b>	<b>Recommendation Action</b>
AB 39 (Skinner and Perez) Proposition 39 Implementation	Support
SB 39 (DeLeon and Steinberg) Clean Energy Employment and Student Advancement Act of 2013	Support
SB 4 (Pavley) Oil and gas: Hydraulic Fracturing	Support with Amendments
AB 7 (Wieckowski) Oil and Gas: Hydraulic Fracturing	Support with Amendments
AB 14 (Lowenthal) State Freight Plan	Support with Amendments

**RECOMMENDED ACTION:**

Receive, file this report, and approve agenda items as specified in this letter.

Josie Gonzales  
Chair  
Legislative Committee

### **Attendance [Attachment 1]**

The Legislative Committee met on January 11, 2013. Committee Chair Supervisor Josie Gonzales was present at SCAQMD's Diamond Bar headquarters. Committee Members Supervisor Michael Antonovich, and Dr. Clark Parker, Sr. also attended, via videoconference.

### **Update on Federal Legislative Issues**

Mark Kadesh of Kadesh & Associates, SCAQMD federal legislative consultant, updated the Committee on key Washington D.C. legislative issues. Mr. Kadesh reported that Congress averted the "fiscal cliff," but that only postponed the sequestration battle for two months. Sequestration refers to the automatic cuts to discretionary defense and non-defense spending. For the foreseeable future, members will be preoccupied with ongoing negotiations over spending, entitlement cuts and the debt ceiling.

Mr. Kadesh also noted that U.S. EPA Administrator Lisa Jackson announced her departure from the Administration and her replacement nomination is expected soon. The State of the Union has been postponed to February 12.

In regards to Committee assignments, the Senate remains relatively stable. Senator Boxer remains as Chair of the Environment and Public Works Committee. Senator Feinstein continues as Chair of the Senate Energy and Water Appropriations Committee. With the December passing of Senator Inouye (Hawaii), Senator Mikulski (Maryland) will become the new Chair of Senate Appropriations.

On the House side, our delegation lost significant seniority in the committees. Among the freshman members from our region, the following initial committee appointments were made:

- Representatives Ruiz and Cardenas were appointed to the House Resources Committee.
- Representatives Takano, Brownley and Negrete-Mcleod were appointed to Veteran's Affairs.
- Representative Negrete-Mcleod was also appointed to Agriculture.
- Representative Lowenthal was appointed to Foreign Affairs.

### **Update on Sacramento Legislative Issues**

Will Gonzalez, SCAQMD state legislative consultant, reported that he expects SCAQMD interests to be well received by key Committees, particularly in the Senate. Senator Kevin De Leon will chair Senate Appropriations where he will be joined by Senators Padilla and Lara. Senator Padilla will continue to chair the Energy, Utilities and Communications Committee. Senator De Saulnier, former Bay Area AQMD Board Member and former CARB Board Member, is Chair of the Transportation Committee.

Senator Michael Rubio is Chair of the Senate Environmental Quality (EQ) Committee and is taking the lead on reforming the California Environmental Quality Act (CEQA) in the legislature. No language has been introduced yet, but the Sacramento stakeholders are already positioning themselves in support or against any CEQA reform. Mr. Gonzalez reported that Supervisor Gonzales had a successful meeting with Senator Rubio. Their main topic of discussion was CEQA reform. Senator Rubio invited Supervisor Gonzales to participate on both his external and internal CEQA reform working groups. The larger group is a broader gathering of stakeholders, while the latter is a more select group.

SCAQMD Executive Officer Barry Wallerstein noted for the Committee that Senator Pavley will serve on the Senate EQ Committee alongside Senator Rubio and that they are the joint authors of SB 11 which would reauthorize the Carl Moyer program as expanded by AB 923 (Firebaugh, 2004) as well as the AB 118 (Nuñez, 2007) Alternative & Renewable Fuel & Vehicle Technology (ARFVT) Program.

Legislative Committee Member Dr. Clark Parker informed the Committee that Senator Rod Wright invited him to participate in a meeting with the local refineries to discuss the Clean Fuels Outlet (CFO) regulation and the reauthorization of the Carl Moyer and ARFVT programs as proposed by AB 8 (Perea and Skinner) and SB 11 (Pavley and Rubio). Dr. Wallerstein will coordinate with Dr. Parker to have this meeting and will endeavor to include the car manufacturers in the meeting.

Jason Gonsalves, SCAQMD state legislative consultant, reported that stakeholder meetings are about to begin regarding the implementation of AB 1532 (Perez) and SB 535 (De Leon). The bills were double joined last session and signed into law by the Governor. AB 1532 (Perez) creates the Greenhouse Gas Reduction Fund and SB 535 (De Leon) directs the Department of Finance to develop a three year investment plan in which at least 25% of the Fund must benefit disadvantaged communities. Mr. Gonsalves' firm will monitor these meetings and report back to staff and the Committee.

The Governor's budget calls for \$300 to \$500 million in additional revenues generated by Proposition 39 to be dedicated to education projects.

The Governor has set March 12, 2013 as the special election date to fill the vacancies left by Senators Vargas and Negrete-McLeod. If no candidate achieves over 50% of the vote, the runoff election is scheduled for May 14. It is anticipated that filling the Senate seats will trigger further special elections to fill the potentially vacant Assembly seats.

### **Recommend General Position on States Bills [Attachment 2]**

Ms. Lisha Smith, Deputy Executive Officer for Legislative and Public Affairs, presented AB 39 (Skinner and Perez) and SB 39 (De Leon and Steinberg) for the Committee's consideration. Both bills implement Proposition 39 as passed by the voters this past

November by directing funds primarily to the k-12 school system, establishing guidelines as to how to prioritize funding and implement accountability measures. The ultimate goal is to fund energy efficiency projects that will reduce energy consumption and emissions, while creating long term cost savings for schools and maximize job creation.

***The Legislative Committee approved staff's recommendation to SUPPORT AB 39 (Skinner and Perez) and SB 39 (De Leon and Steinberg)***

Guillermo Sánchez, Public Affairs Senior Manager for Legislative and Public Affairs, presented AB 7 (Wieckowski) and SB 4 (Pavley) for the Committee's consideration. The two virtually identical bills are the successor legislation to SB 1054 and AB 591 which were introduced by the same authors last year and which the SCAQMD Governing Board supported. SB 4 and AB 7 are comprehensive hydraulic fracturing (fracking) bills directing the Division of Oil, Gas, and Geothermal Resources (DOGGR) to promulgate regulations and to consult with other regulatory entities that may have jurisdiction over different parts of the fracking process. SB 4 further provides a statutory framework for how fracking – including the disclosure of fracking fluid composition – should become part of the existing well history, requires advance notice to the public and specified agencies and affords trade secret protection.

Consistent with the Board's prior position and our current rulemaking efforts pertaining to hydraulic fracturing, staff recommended a position of SUPPORT WITH AMENDMENTS to:

1. Require consultation with the local air districts during the rulemaking process.
2. Allow DOGGR to release trade secret information to air district employees in connection with their duties.
3. Require disclosure of fracturing fluid composition (including trade secrets) from out-of-state suppliers and in-state suppliers who are outside of our jurisdiction.

***The Legislative Committee approved staff's recommendation to adopt a position of SUPPORT WITH AMENDMENTS on AB 7 (Wieckowski) and SB 4 (Pavley).***

Mr. Sánchez also presented on AB 14 (Lowenthal) State Freight Plan. Pursuant to MAP 21, the new federal surface transportation reauthorization act, AB 14 requires the development of a state freight plan and the establishment of a state freight advisory committee.

Under MAP 21, for a freight movement project to be eligible for federal funding, it first must be identified in a state freight plan. Thus, the bill is a necessary first step to position California to address its goods movement infrastructure needs with federal funding. However, to ensure that local air quality concerns are considered when the state freight plan is crafted and periodically updated, the bill should also

require that at least one regional air quality agency from a densely populated non-attainment area be included as a member of the freight advisory committee.

*The Legislative Committee approved staff's recommendation to adopt a position of SUPPORT WITH AMENDMENTS on AB 14 (Lowenthal).*

**Other Businesses:** None

**Public Comment Period:** None

**Attachments**

1. Attendance Record
2. Recommend General Position on States Bills

## Attachment 1

### ATTENDANCE RECORD – January 11, 2013

#### **DISTRICT BOARD MEMBERS:**

Supervisor Josie Gonzales, Committee Chair  
Supervisor Michael D. Antonovich  
Clark E. Parker, Ph.D.

#### **STAFF TO COMMITTEE:**

Lisha B. Smith, Deputy Executive Officer  
Derrick Alatorre, Assistant Deputy Executive Officer/Public Advisor  
Guillermo Sánchez, Senior Public Affairs Manager  
Julie Franco, Senior Administrative Secretary

#### **DISTRICT STAFF:**

Barry Wallerstein, Executive Officer  
Barbara Baird, District Counsel  
Elaine Chang, Deputy Executive Officer  
Peter Greenwald, Senior Policy Advisor  
Chung Liu, Deputy Executive Officer  
Mohsen Nazemi, Deputy Executive Officer  
Michael O’Kelly, DEO/Chief Financial Officer  
Philip Crabbe, Community Manager  
Kim White, Public Information Specialist  
Patti Whiting, Staff Specialist  
Paul Wright, Audio Video Specialist

#### **OTHERS PRESENT:**

Mark Abramowitz, Board Member Assistant (Lyou)  
Greg Adams, LACD  
Tricia Almiron, SANBAG  
Jeff Cataleno, Board Member Assistant (Perry)  
Jason Gonsalves, Gonsalves & Son (teleconference)  
Paul Gonsalves, Gonsalves & Son (teleconference)  
Will Gonzalez, Gonzalez, Quintana & Hunter (teleconference)  
Stewart Harris, Carmen Group (teleconference)  
Gary Hoitsma (teleconference)  
Mark Kadesh, Kadesh & Associates  
Chris Kierig, Kadesh & Associates  
Vlad Kogan, Orange County Sanitation District  
Rita Loof, RadTech  
Chris Mardis, Board Member Assistant (Gonzales)  
Daniel McGivney, So. Cal Gas  
Mia O’Connell, Carmen Group (teleconference)  
Angela Ovalle, Los Angeles County CEO’s Office  
Max Pike, CEA  
David Rothbart, LACSD  
Bob Ulloa, Board Member Assistant (Yates)  
Warren Weinstein, Kadesh & Associates

## **Attachment 2a**

### **AB 39 (Skinner and Perez) Proposition 39: Implementation.**

**Summary:** This bill would require the State Energy Resources Conservation and Development Commission (Energy Commission) to administer grants, no-interest loans, or other financial assistance to eligible public schools (K-12) for the purpose of projects that create jobs in California by reducing energy demand and consumption.

**Background:** The California Clean Energy Jobs Act (Proposition 39), approved by the voters on November 6, 2012 made changes to corporate income taxes and provides for the transfer of \$550,000,000 annually from the General Fund to the Clean Energy Job Creation Fund (Job Creation Fund) for 5 fiscal years beginning with the 2013–14 fiscal year. Moneys in the Job Creation Fund are available for the funding of eligible projects that create jobs in California improving energy efficiency and expanding clean energy generation. Existing law provides for the allocation of available funds to public school facilities, university and college facilities, other public buildings and facilities, as well as job training and workforce development, and public-private partnerships, for eligible projects. Existing law establishes criteria that apply to all expenditures from the Job Creation Fund. Existing law creates the Citizens Oversight Board with responsibilities relative to the review of expenditures from the Job Creation Fund, including the submission of an evaluation to the Legislature.

**Status:** Introduced December 3, 2012

**Specific Provisions:** Specifically, this bill would:

- 1) Require the Energy Commission to:
  - For 2013–14 fiscal year, fund “shovel-ready” clean energy projects with guidelines for future expenditures to be developed thereafter.
  - Administer the grants, no-interest loans, or other financial assistance to ensure that projects satisfy specified criteria.
  - Establish a system to prioritize eligible institutions for grants, no-interest loans, and other financial assistance through this section in consultation with the Superintendent of Public Instruction.
  - Ensure that adequate energy audit, measurement, and verification procedures are employed to ensure that energy savings and greenhouse gas emissions reductions occur as a result of any grants, no-interest loans, or other financial assistance provided.
  - Use a net present value analysis or life cycle cost analysis when determining eligible measures for energy savings.
- 2) Require recipients receiving a grant, no-interest loan, or other financial assistance to annually report the amount of energy saved to the Energy Commission and to compute the cost of energy saved as a result of implementing energy efficiency retrofit and clean energy installation projects.
- 3) Require moneys for eligible colleges and universities, and other public buildings and facilities to be available from the Job Creation Fund for projects that meet the requirements

of Division 16.3. Eligible projects are projects that create jobs in California by improving energy efficiency, installing clean energy technologies, or making other energy system improvements.

- 4) Require eligible facilities to be prioritized based in part on the following criteria:
  - The potential for job creation within California.
  - The potential for energy demand reduction.
  - The extent to which the project is coordinated with the Energy Commission or the Public Utilities Commission, or both, to achieve the maximum amount of job creation within California and energy benefits from available funds.
- 5) Require moneys for public-private partnerships to be available from the Job Creation Fund for assistance in establishing and implementing Property Assisted Clean Energy (PACE) programs or similar financial and technical assistance for cost-effective retrofits and installations that include repayment requirements.
- 6) Require that no later than one year after a person or entity receives a grant, loan, or other assistance from the Job Creation Fund, that recipient must submit a report to the Citizens Oversight Board including the following information:
  - Number of jobs created.
  - Amount of new clean energy generation installed.
  - Portion of financial assistance provided used for administrative costs.
  - Amount of time between awarding of the financial assistance and the completion of the project or training activities.

**Impacts on AQMD's Mission, Operations or Initiatives:** This bill has the potential to reduce air pollution in the South Coast region by replacing older, more polluting equipment. Replacing older heaters and boilers with more efficient and lower emitting NOX and/or CO equipment would not only reduce emissions but, in many cases, would also lower the operating costs for many businesses. Such a result from the investment of Proposition 39 funds could potentially help spur the economy and create jobs in the South Coast region.

**Recommended Position: SUPPORT**



## **Attachment 2b**

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

**ASSEMBLY BILL**

**No. 39**

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**Introduced by Assembly Members Skinner and John A. Pérez**

December 3, 2012

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An act to add Division 16.4 (commencing with Section 26225) to the Public Resources Code, relating to energy efficiency, and making an appropriation therefor.

### LEGISLATIVE COUNSEL'S DIGEST

AB 39, as introduced, Skinner. Proposition 39: implementation.

The California Clean Energy Jobs Act, an initiative approved by the voters as Proposition 39 at the November 6, 2012, statewide general election, made changes to corporate income taxes and, except as specified, provides for the transfer of \$550,000,000 annually from the General Fund to the Clean Energy Job Creation Fund (Job Creation Fund) for 5 fiscal years beginning with the 2013–14 fiscal year. Moneys in the Job Creation Fund are available, upon appropriation by the Legislature, for purposes of funding eligible projects that create jobs in California improving energy efficiency and expanding clean energy generation. Existing law provides for the allocation of available funds to public school facilities, university and college facilities, other public buildings and facilities, as well as job training and workforce development, and public-private partnerships, for eligible projects, as specified. Existing law establishes prescribed criteria that apply to all expenditures from the Job Creation Fund. Existing law creates the Citizens Oversight Board with specified responsibilities relative to the review of expenditures from the Job Creation Fund, including the submission of an evaluation to the Legislature.

This bill would require the State Energy Resources Conservation and Development Commission (Energy Commission) to administer grants, no-interest loans, or other financial assistance to an eligible institution, defined as a public school providing instruction in kindergarten or grades 1 to 12, inclusive, for the purpose of projects that create jobs in California by reducing energy demand and consumption at eligible institutions. This bill would continuously appropriate for prescribed fiscal years an unspecified amount to the Energy Commission for this purpose in each year that at least that amount of money is transferred to the Job Creation Fund. This bill would require the Energy Commission to administer the grants, no-interest loans, or other financial assistance program to ensure that projects satisfy the prescribed criteria that apply to all expenditures from the Job Creation Fund. This bill would require an eligible institution that receives a grant, no-interest loan, or other financial assistance to report the amount of energy saved to the Energy Commission and to compute the cost of energy saved as a result of implementing projects funded by the grant, as prescribed.

This bill would set forth certain criteria to be used to prioritize projects to be funded from moneys in the Job Creation Fund relative to public schools, school districts, public colleges and universities, and other public buildings and facilities. This bill would require moneys for job training and workforce development to be available from the Job Creation Fund, upon appropriation by the Legislature, to the California Conservation Corps, Certified Community Conservation Corps, Youth Build, and other existing workforce development programs, as specified, consistent with the requirements of the California Clean Energy Jobs Act. This bill would require moneys for public-private partnerships to be available from the Job Creation Fund, upon appropriation by the Legislature, for assistance to certain local governments to establish and implement Property Assisted Clean Energy programs or similar financial and technical assistance consistent with the requirements of the California Clean Energy Jobs Act.

The bill would require a person or entity receiving financial assistance from the Job Creation Fund to report certain information to the Citizens Oversight Board. The bill would require this information to be included in an annual report by the board to the Legislature.

Vote: majority. Appropriation: yes. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. The Legislature finds and declares all of the  
2 following:

3 (a) With the passage of Proposition 39 at the November 6, 2012,  
4 statewide general election, the people of California declared their  
5 intent to have multistate businesses treated equally under the  
6 Revenue and Taxation Code and to establish a path forward for  
7 schools and clean energy jobs.

8 (b) Between the 2013–14 and 2017–18 fiscal years, Proposition  
9 39 will dedicate up to \$550,000,000 annually to the Clean Energy  
10 Job Creation Fund.

11 (c) Proposition 39 establishes objectives for clean energy job  
12 creation, including funding energy efficiency projects and  
13 renewable energy installations in public schools, universities, and  
14 other public facilities.

15 (d) Proposition 39 identifies energy efficiency retrofits and clean  
16 energy installations at public schools as one way to promote  
17 private-sector jobs to save energy and money.

18 (e) The United States Environmental Protection Agency  
19 estimates that schools waste 30 percent of their energy  
20 unnecessarily through inefficiencies. The financial savings from  
21 more efficient buildings would provide schools with the flexibility  
22 to pay for other upgrades and programs that enhance student  
23 learning.

24 (f) In California, more than 70 percent of the state’s kindergarten  
25 and grades 1 to 12, inclusive, public school classrooms are over  
26 25 years old and schools account for approximately 12 percent of  
27 all commercial energy consumption. This represents a significant  
28 cost to public schools and to California taxpayers.

29 (g) With the passage of Proposition 39, the state will be able to  
30 reduce energy demand at public schools and provide long-term  
31 savings and budgetary flexibility so schools can concentrate their  
32 limited resources on education and not utility bills.

33 (h) Proposition 39 also establishes a Citizens Oversight Board  
34 to review expenditures, audit the Clean Energy Job Creation Fund,  
35 and maintain accountability of the fund.

36 (i) It is the intent of the Legislature to establish guidelines for  
37 clean energy expenditures from the Clean Energy Job Creation  
38 Fund.

1 (j) It is further the intent of the Legislature, during the 2013–14  
2 fiscal year, to ensure that expenditures from the Clean Energy Job  
3 Creation Fund go toward “shovel-ready” clean energy projects  
4 with guidelines for future expenditures to be developed thereafter.

5 SEC. 2. Division 16.4 (commencing with Section 26225) is  
6 added to the Public Resources Code, to read:

7

8 DIVISION 16.4. PROPOSITION 39 IMPLEMENTATION:  
9 UPGRADING OUR SCHOOLS AND CREATING CLEAN  
10 ENERGY JOBS

11

12 26225. For purposes of this division, the following terms have  
13 the following meanings:

14 (a) “Commission” means the State Energy Resources  
15 Conservation and Development Commission.

16 (b) “Eligible institution” means a public school or school district  
17 providing instruction in kindergarten or grades 1 to 12, inclusive.

18 (c) “Job Creation Fund” means the Clean Energy Job Creation  
19 Fund established in Section 26205.

20 (d) “Public buildings” has the same meaning as in subdivision  
21 (k) of Section 4217.11 of the Government Code.

22 26230. (a) The commission shall administer grants, no-interest  
23 loans, or other financial assistance to eligible institutions for the  
24 purpose of projects that create jobs in California by reducing energy  
25 demand and consumption at eligible institutions in accordance  
26 with this section.

27 (b) Notwithstanding Section 13340 of the Government Code,  
28 for the purposes of this section, \_\_\_\_\_ dollars (\$\_\_\_\_\_) is  
29 continuously appropriated for fiscal years 2013–14 through  
30 2017–18, inclusive, from the Job Creation Fund to the commission  
31 in each year that money in at least that amount is transferred to  
32 the Job Creation Fund pursuant to Section 26205.

33 (c) To implement this section, the commission shall do all of  
34 the following:

35 (1) Administer the grants, no-interest loans, or other financial  
36 assistance to ensure that projects satisfy the criteria in Section  
37 26206.

38 (2) Utilize existing resources, programs, and expertise to the  
39 extent possible.

1 (3) Establish a system to prioritize eligible institutions for grants,  
2 no-interest loans, and other financial assistance through this section  
3 in consultation with the Superintendent of Public Instruction.  
4 Prioritization shall take into consideration circumstances that shall  
5 include, but not be limited to, the following:

- 6 (A) The age of the school facilities.
- 7 (B) The proportion of students receiving free and reduced-price  
8 meals.
- 9 (C) Whether the facilities have been recently modernized.
- 10 (D) Whether the facilities are operated as a year-round school.
- 11 (E) The potential for demand reduction.
- 12 (F) The school's score from an energy rating system such as  
13 the United States Environmental Protection Agency's Energy Star  
14 system.

15 (d) (1) Any eligible institution may submit an application to  
16 the commission for a grant, no-interest loan, or other financial  
17 assistance. The commission shall award moneys pursuant to this  
18 section only to eligible institutions.

19 (2) Each year, in accordance with a schedule established by the  
20 commission, an eligible institution that receives a grant, no-interest  
21 loan, or other financial assistance pursuant to this section shall  
22 report the amount of energy saved to the commission and compute  
23 the cost of energy saved as a result of implementing energy  
24 efficiency retrofit and clean energy installation projects funded by  
25 this section. The cost shall be calculated in a manner established  
26 by the commission.

27 (e) The commission shall ensure that adequate energy audit,  
28 measurement, and verification procedures are employed to ensure  
29 that energy savings and greenhouse gas emissions reductions occur  
30 as a result of any grants, no-interest loans, or other financial  
31 assistance provided pursuant to this section.

32 (f) The commission shall use a net present value analysis or life  
33 cycle cost analysis when determining eligible measures for energy  
34 savings.

35 (g) This section shall not affect the eligibility of any eligible  
36 entity awarded a grant, no-interest loan, or other financial assistance  
37 pursuant to this section to receive other incentives available from  
38 federal, state, and local government, or from public utilities or  
39 other sources, or to leverage the grant from this section with any  
40 other incentive.

1 (h) It is the intent of the Legislature that monetary savings at  
 2 eligible institutions from retrofit and installation projects pursuant  
 3 to this section be used to benefit students and learning at those  
 4 institutions.

5 26235. (a) Moneys for eligible colleges and universities, and  
 6 other public buildings and facilities shall be available from the Job  
 7 Creation Fund, upon appropriation by the Legislature, for projects  
 8 that meet the requirements of Division 16.3 (commencing with  
 9 Section 26200). Eligible projects are projects that create jobs in  
 10 California by improving energy efficiency, installing clean energy  
 11 technologies, or making other energy system improvements.

12 (b) Eligible facilities shall be prioritized based on the  
 13 requirements of Section 26206 and all of the following criteria:

- 14 (1) The potential for job creation within California.
- 15 (2) The potential for energy demand reduction.
- 16 (3) The extent to which the project is coordinated with the  
 17 commission or the Public Utilities Commission, or both, to achieve  
 18 the maximum amount of job creation within California and energy  
 19 benefits from available funds.

20 26240. Moneys for job training and workforce development  
 21 shall be available from the Job Creation Fund, upon appropriation  
 22 by the Legislature, to the California Conservation Corps, Certified  
 23 Community Conservation Corps, Youth Build, and other existing  
 24 workforce development programs to train and employ  
 25 disadvantaged youth, veterans, and others on energy efficiency  
 26 and clean energy projects, consistent with the requirements of  
 27 Division 16.3 (commencing with Section 26200).

28 26245. Moneys for public-private partnerships shall be  
 29 available from the Job Creation Fund, upon appropriation by the  
 30 Legislature, for assistance in establishing and implementing  
 31 Property Assisted Clean Energy (PACE) programs or similar  
 32 financial and technical assistance for cost-effective retrofits and  
 33 installations that include repayment requirements, consistent with  
 34 the requirements of Division 16.3 (commencing with Section  
 35 26200).

36 26250. (a) No later than one year after a person or entity  
 37 receives a grant, loan, or other assistance from the Job Creation  
 38 Fund, the person or entity shall submit a report to the Citizens  
 39 Oversight Board created pursuant to Chapter 3 (commencing with

1 Section 26210) of Division 16.3 containing the following  
2 information, to the extent applicable:

- 3 (1) The number of jobs created.
- 4 (2) The amount of energy saved.
- 5 (3) The amount of new clean energy generation installed.
- 6 (4) The number of trainees.
- 7 (5) The portion of financial assistance provided that was used  
8 for administrative costs.

9 (6) The amount of time between awarding of the financial  
10 assistance and the completion of the project or training activities.

11 (b) The Citizens Oversight Board shall report the information  
12 it receives pursuant to subdivision (a) to the Legislature as part of  
13 its responsibilities pursuant to subdivision (d) of Section 26210.  
14 The board's report shall be submitted annually. The report shall  
15 also be posted on a publically accessible Internet Web site.

16 26255. Funding for clean energy, energy efficiency, or job  
17 creation programs from sources other than the Job Creation Fund  
18 shall not be reduced or eliminated as a result of the availability of  
19 moneys from the fund.

## **Attachment 2c**

### **SB 39 (De Leon and Steinberg) Clean Energy Employment and Student Advancement Act of 2013**

#### **Summary:**

Senate Bill 39 – (De Leon-Steinberg) Clean Energy Employment and Student Advancement Act of 2013 seeks to award energy efficiency upgrade grants to the most economically disadvantaged school communities in need of modernization to create long-term energy cost savings for schools, maximize job creation, direct more money to classroom needs, reduce the carbon footprint of academic institutions in the state, and provide a healthier learning environments for students and staff.

#### **Background:**

In November 2012, California voters passed Proposition 39 – the California Clean Energy Jobs Act, which closed a corporate loophole that benefited out-of-state companies operating within the state. According to the California Franchise Tax Board, Proposition 39 will raise \$300 million dollars in FY 2012/13 and \$1 billion per year by FY 2014/15.

Senate Bill 39 will direct Proposition 39 funds to the modernization of California’s school facilities by providing energy efficiency grants to deal with deferred maintenance and perform capital improvements to bring school facilities in line with modern energy efficiency and building codes. California’s public school system is the largest in the country. There are 10,569 public schools and 1,068 charter schools in California organized into 1,251 school districts, housing over 6.2 million students. It is estimated that over 70 percent of school facilities in California are over 25 years old and are in critical need of maintenance and capital improvements.

The Center for the Next Generation, a nonpartisan think tank, estimates that California’s public schools spend approximately \$700 million per year on energy, almost equal the amount that is spent on all books and supplies. The grant program under Senate Bill 39 is estimated to save approximately 30 percent in energy cost per school, saving a total of \$230 million across the entire California public school system. Further, the Center for the Next generation, also estimates that the program can generate approximately 11,000 jobs per year in California. Most importantly, according to the author, retrofitting school facilities can significantly improve the indoor air quality of the state’s oldest classrooms and provide students, teachers and staff with a better healthier environment for learning.

**Status:** Introduced December 5, 2012.

#### **Specific Provisions:**

Senate Bill 39 eligible energy efficiency upgrade projects would include, but not be limited to, one or a combination of the following type of projects:

- Ventilation
- Lighting and other system controls
- Air Filtration
- Water use



- Windows and doors (fenestration)
- Heating and cooling (HVAC)
- Electrical Systems
- Insulation

Under Senate Bill 39, upon approval by the State Allocation Board, the office of Public Schools Construction would award grants to school districts for energy efficiency upgrade projects. Prerequisites would include all of the following:

- Compliance with the required workforce and contractor qualification standards;
- Auditing with all expenditures made with grant funds;
- School districts tracking and reporting of the number of jobs created due to the energy efficiency upgrade project; and,
- School districts reporting of the operational cost savings resulting from the projects, both at the district and school facility site levels.

Under Senate Bill 39, higher priority would be given to applications that meet the following criteria:

- Location of energy efficiency upgrade project at a school facility site with an above average energy consumption;
- Location of the project in an economically disadvantage school community, based on the percentage of students eligible for the federal free and reduced price lunch program;
- Location of the project in an area with an above average unemployment rate;
- School district involvement of students at the school facility site in the planning and design of the project;
- Enhancement of workforce development and employment opportunities; utilization of the California Conservation Corps or certified local conservation corps, and learning opportunities for students or at-risk youth in the community; and,
- Partnership with other agencies or nonprofit organizations to maximize the investment and benefit for the public.

Senate Bill 39 requires the Office of Public School Construction to offer technical assistance to school districts applicants for grant preparation to encourage full participation in the program.

**Impacts on AQMD’s Mission, Operations or Initiatives:**

The objectives set forth in Senate Bill 39 are consistent and benefit the District’s objective by reducing the amount of energy needed by a school district thus reducing the emissions from power generation.

**Recommended Position: SUPPORT**

**Introduced by Senators De León and Steinberg  
(Coauthors: Senators Beall, Block, Calderon, Corbett, DeSaulnier,  
Evans, Galgiani, Hancock, Hernandez, Hill, Jackson, Lara, Leno,  
Lieu, Liu, Negrete McLeod, Padilla, Pavley, Price, Roth, Rubio,  
Vargas, Wolk, and Yee)**

(Coauthors: Assembly Members Skinner and Torres)

December 5, 2012

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An act to add Chapter 5 (commencing with Section 26230) to Division 16.3 of the Public Resources Code, relating to energy.

LEGISLATIVE COUNSEL'S DIGEST

SB 39, as introduced, De León. Energy: school facilities: energy efficiency upgrade projects.

The California Clean Energy Jobs Act, an initiative measure enacted by voters at the November 6, 2012, statewide general election, establishes the Clean Energy Job Creation Fund and requires moneys in the fund to be available for appropriation during specified fiscal years for, among other things, the purposes of funding energy efficiency projects in school facilities.

This bill would enact the Clean Energy Employment and Student Advancement Act of 2013 and would require the Office of Public School Construction to establish a school district assistance program to distribute grants, on a competitive basis, for energy efficiency upgrade projects pursuant to the California Clean Energy Jobs Act. The bill would require the office, upon the approval of the State Allocation Board, to award a school district grants for energy efficiency upgrade projects meeting specified criteria. The bill would require the office to give priority applications meeting specified criteria.

This bill would state the intent of the Legislature to appropriate moneys to the Office of Public School Construction from the fund for the purposes of awarding energy efficiency grants to the most disadvantaged schools in need of modernization for the purposes of energy efficiency upgrades.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. (a) The Legislature finds and declares all of the  
2 following:

3 (1) The people of the State of California voiced their strong  
4 support for the California Clean Energy Jobs Act by enacting  
5 Proposition 39 at the November 6, 2012, statewide general election.  
6 The voters closed an egregious corporate tax loophole that only  
7 benefitted out-of-state companies at the expense of expanded  
8 employment in our state.

9 (2) It is the duty of the Legislature to put these dollars to work  
10 in a manner that voters can see and experience the benefit.  
11 Proposition 39 enumerated the following key principles in guiding  
12 the expenditure of the revenues raised through the California Clean  
13 Energy Jobs Act (Division 16.3 (commencing with Section 26200)  
14 of the Public Resources Code):

- 15 (A) Maximize job creation.
- 16 (B) Shrink our carbon footprint.
- 17 (C) Minimize bureaucratic costs.
- 18 (D) Create full transparency.
- 19 (E) Demand rigorous accountability.
- 20 (F) Create measurable results.

21 (3) Since the recession began in late 2007, California has lost  
22 nearly 1.4 million jobs, including 400,000 in the construction  
23 industry alone. Investing in energy efficiency will maximize job  
24 creation and will help the state regain a sense of economic security  
25 and sustainability at a time when unemployment remains high.  
26 The state can further stimulate its economy by putting the industry  
27 segment back to work that is most in need – the construction trades.

28 (4) Studies show the continuing high cost of energy and utilities  
29 due to inefficient lighting, insulation, heating, ventilation, and air  
30 conditioning systems, plumbing, windows, and irrigation systems

1 take local money away from educational programs. For example,  
2 the Los Angeles Unified School District spends \$105,000,000  
3 annually on electricity. Energy efficiency improvements for public  
4 schools will reduce long-term energy costs and the savings can be  
5 directed to the classroom.

6 (5) Substandard physical environments are strongly associated  
7 with truancy and other behavior problems in pupils. Lower pupil  
8 attendance leads to lower scores on standardized tests in  
9 English-language arts and math. Schools with better building  
10 conditions have up to 14 percent lower pupil suspension rates.  
11 Improving a school's health and safety standards can lead to a  
12 36-point increase in California Academic Performance Index  
13 scores.

14 (6) Several studies have determined that children suffer  
15 significant health consequences from excessive heat, inadequate  
16 heating, ventilation, and air conditioning systems, mold and other  
17 biological hazards, pest infestations, lead and other toxic hazards,  
18 and overcrowding beyond the stated capacity of the school  
19 structure. Research repeatedly shows the detrimental impact to the  
20 health of pupils due to poor indoor air quality in classrooms.  
21 Increasing energy efficiency will reduce air pollution that causes  
22 asthma and lung disease.

23 (7) Economically disadvantaged school communities are often  
24 the same areas that suffer most from high unemployment and  
25 destructive or unlawful conduct by youth. The program funded by  
26 revenues generated by the California Clean Energy Jobs Act will  
27 encourage community participation in, and a greater sense of  
28 responsibility toward, educational, environmental, and fiscal  
29 benefits of modernizing facilities, which will enhance community  
30 pride and sustain neighborhood vitality.

31 (b) It is the intent of the Legislature that:

32 (1) The funds made available through the California Clean  
33 Energy Jobs Act be used to award competitive grants statewide to  
34 economically disadvantaged school communities that are  
35 accomplished by delivering project funds to neighborhoods in  
36 areas of highest need, while offering technical assistance to all  
37 applicants and potential applicants for grant preparation to  
38 encourage full participation in the grant program.

39 (2) The grant program funded by revenues generated by the  
40 California Clean Energy Jobs Act will finance competitive grants

1 for energy efficiency upgrade projects that provide operational  
2 cost-savings improvements in K-12 school facilities.

3 (3) Energy efficiency upgrade projects create long-term benefits  
4 and cost savings for school districts by significantly reducing  
5 energy operational costs, creating a healthy indoor environment  
6 for our pupils and staff and reducing the impact that energy creation  
7 and consumption has on our natural environment.

8 (4) Energy efficiency upgrade projects also provide short-term  
9 benefits, including the creation of prevailing-wage paying jobs in  
10 communities around the state, and stimulate local economies.

11 SEC. 2. It is the intent of the Legislature to make moneys  
12 available to the Office of Public School Construction, upon  
13 appropriation, from the Clean Energy Job Creation Fund to award  
14 energy efficiency upgrade grants to the most disadvantaged schools  
15 in need of modernization for the purposes of energy efficiency  
16 upgrades pursuant to the California Clean Energy Jobs Act  
17 (Division 16.3 (commencing with Section 26200) of the Public  
18 Resources Code).

19 SEC. 3. Chapter 5 (commencing with Section 26230) is added  
20 to Division 16.3 of the Public Resources Code, to read:

21

22 CHAPTER 5. CLEAN ENERGY EMPLOYMENT AND STUDENT  
23 ADVANCEMENT ACT OF 2013  
24

25 26230. This chapter shall be known, and may be cited, as the  
26 Clean Energy Employment and Student Advancement Act of 2013.

27 26231. As used in this chapter, the following terms shall have  
28 the following meanings:

29 (a) "Energy efficiency upgrade project" means a school facility  
30 project that reduces energy consumption and operational costs  
31 through means that include, but are not limited to, improvements  
32 to one or a combination of the following:

- 33 (1) Ventilation.
- 34 (2) Lighting and other system controls.
- 35 (3) Air infiltration.
- 36 (4) Water use.
- 37 (5) Windows and doors (fenestration).
- 38 (6) Heating and Cooling (HVAC).
- 39 (7) Electrical System.
- 40 (8) Insulation.

1 (b) “Office” means the Office of Public School Construction.

2 (c) “School district” means a school district or a county office  
3 of education.

4 26232. The office shall establish a school district assistance  
5 program to distribute grants, on a competitive basis, prioritizing  
6 economically disadvantaged school communities for energy  
7 efficiency upgrade projects that offer the highest energy efficiency  
8 saving, pursuant to this division.

9 26233. (a) The office shall offer technical assistance to all  
10 applicants and potential applicants for grant preparation to  
11 encourage full participation in the grant program.

12 (b) The office shall use existing benchmarking tools to determine  
13 present average energy consumption for a school facility by size  
14 and type.

15 26234. Upon approval by the State Allocation Board, the office  
16 shall award to a school district a grant pursuant to this chapter only  
17 for an energy efficiency upgrade project that meets all of the  
18 following criteria:

19 (a) The proposed project meets the qualifications of an energy  
20 efficiency upgrade project.

21 (b) The school district complies with the required labor  
22 compliance and contractor qualification standards.

23 (c) The amount of the grant applied for, together with any  
24 matching contribution, will meet all of the costs of implementing  
25 the energy efficiency upgrade project.

26 (d) The school district allows the office to audit all expenditures  
27 made with grant funds.

28 (e) The school district agrees to track and report to the office  
29 the number of jobs created as a result of the energy efficiency  
30 upgrade project.

31 (f) The school district reports to the office the operational cost  
32 savings resulting from the energy efficiency upgrade project, both  
33 at the district level, in aggregate, and school facility site level.

34 26235. In evaluating applications for grants that meet the  
35 requirements of Section 26234, the office shall assign higher  
36 priority to applications that meet each of the following criteria:

37 (a) The energy efficiency upgrade project is located at a school  
38 facility with an above average energy consumption, as determined  
39 by the benchmark pursuant to subdivision (b) of Section 26233.

1 (b) The energy efficiency upgrade project is located in an  
2 economically disadvantaged school community, based on the  
3 percentage of pupils eligible for the federal free and reduced price  
4 lunch program.

5 (c) The energy efficiency project is located in an area with an  
6 above average unemployment rate as compared to the statewide  
7 unemployment rate.

8 (d) The school district has actively involved pupils at the school  
9 facility site in the planning and design of the energy efficiency  
10 upgrade project.

11 (e) The energy efficiency upgrade project will enhance  
12 workforce development and employment opportunities, utilize  
13 members of the California Conservation Corps or certified local  
14 conservation corps, if available, or accommodate learning  
15 opportunities for school pupils or at-risk youth in the community.

16 (f) The energy efficiency upgrade project is a joint partnership  
17 between two or more agencies, including, but not limited to, other  
18 school districts, nonprofit organizations, and local government  
19 agencies to maximize the investment and benefit to the public.

## **Attachment 2e**

### **SB 4 (Pavley) Oil and gas: hydraulic fracturing**

#### **Summary:**

Senate Bill 4 requires the Division of Oil, Gas, and Geothermal Resources (DOGGR) in the Department of Conservation to adopt rules and regulations specific to hydraulic fracturing and requires a hydraulic fracturing services supplier to disclose information including a list of chemicals used in hydraulic fracturing, to be posted on a publicly available Internet Web site. Starting in 2016, this bill would also require an annual report for the Legislature on hydraulic fracturing in the exploration and production of oil and gas resources in California.

#### **Background:**

Hydraulic fracturing (“fracking”) involves the underground injection of water, chemical additives, and proppants (such as sand or ceramic beads) at extremely high pressure to induce fractures in underground geologic formations. This stimulates the flow of gas or oil and increasing the volume that can be recovered from shales and other formations with low permeability.

Fracking has been conducted in various locations throughout the state including Kern, Santa Barbara, Ventura, and Los Angeles. In these counties, it is done as a means to “restimulate” older wells to increase or regenerate production. Industry publications indicate that fracking is likely to increase significantly in the future as rising oil and gas prices drive this technology forward

Fracking uses a variety of chemicals, some of which are known toxins, as well as large volumes of water. According to the author, these chemicals include diesel fuel and ethylbenzene (known carcinogens) and ethylene glycol (a chemical associated with birth defects, female and male infertility, and menstrual disorders).

In California, DOGGR located in the Department of Conservation, is the oil and gas industry regulator. DOGGR has repeatedly stated that it has little information available on fracking, despite its extensive use here. DOGGR has also acknowledged that its existing authority is sufficient to regulate fracking. It has not done so to date, despite three years of legislative approval of additional funding and personnel in the budget that may be used on fracking. Finally, in response to legislative pressure, DOGGR in the late spring and summer of 2012 called for voluntary disclosure of fracking operations in California and began a series of public workshops across the state to gather input on fracking regulations.

On December 18, 2012, DOGGR released a “discussion draft” of regulations for hydraulic fracturing that is intended as a starting point for discussion ahead of the formal rulemaking process to begin early in 2013. These “discussion draft” regulations include provisions for pre-fracturing well testing; advance notification; monitoring during and after fracturing operations; disclosure of materials used in fracturing fluid; trade secrets; and storage and handling of hydraulic fracturing fluids.

**Status:** Introduced December 3, 2012



**Related Legislation:** Senate Bill 4 is virtually identical to Assembly Bill 7 (Wieckowski) which was also introduced on December 3, 2012.

**Specific Provisions:**

- Requires DOGGR, in consultation with the Department of Toxic Substances Control, the State Air Resources Board, and the State Water Resources Control Board, DOGGR is to adopt rules and regulations specific to hydraulic fracturing on or before January 1, 2015.
- Requires 30 day notice filed with the State Oil and Gas Supervisor prior to the commencement of any hydraulic fracturing treatment.
- Requires specifically notifying DOGGR 72 hours ahead of the scheduled job in order for DOGGR to witness the procedure, if needed.
- Within 10 days of receipt, DOGGR to make notice publicly available, publish it on its Internet Web site and notify the regional water quality control board.
- Within 60 days of the cessation of the hydraulic fracturing treatment the operator is to have posted on a publicly available Internet Web site the following information:
  - The name of the owner or operator of the well;
  - The well name, depth, number and location;
  - A complete list of names and maximum concentration in % of mass of each chemical;
  - The trade name, supplier and purpose of each additive;
  - Any radiological components or tracers injected into the well and a description of the recovery method, if any, for those elements or tracers, the recovery rate, and disposal method for recovered components or tracers;
  - The total volume of water used and its source.

**Impacts on SCAQMD's Mission, Operations or Initiatives:**

The EPA reports air quality impacts in areas with active natural gas development have increased emissions of volatile organic compounds (VOCs), hazardous air pollutants, and methane, the main component of natural gas and a potent contributor to climate change. Similarly, a recent study by the Colorado School of Public Health indicated that air pollution may contribute to "acute and chronic health problems for those living near natural gas drilling sites."

This bill's requirements to make the information regarding hydraulic fracturing in the exploration and production of oil and gas resources in California, and the specific chemicals used in the process, accessible to the public would be consistent with the goals and priorities of SCAQMD. This would allow the public and the SCAQMD to be better equipped to combat the emissions that these wells produce within the South Coast region.

**Recommended Position: SUPPORT WITH AMENDMENTS**

The bill language requires that regulations regarding fracking be developed in conjunction with the State Air Resources Board and other agencies. As the local air districts have primary jurisdiction over stationary sources, the bill should be amended to require consultation with the local air districts during the rulemaking process.

South Coast Air Quality Management District  
Legislative Analysis Summary – AB 7 (Wieckowski)  
Version: As introduced on December 3, 2012  
Analyst: *WS*

The bill should also be amended by inserting “any air pollution control or air quality management district” on page 8, line 7 after the words “the state”. This would allow DOGGR to release trade secret information to air district employees in connection with their duties.

**Introduced by Senator Pavley**

December 3, 2012

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An act to amend Section 3213 of, and to add Article 3 (commencing with Section 3150) to Chapter 1 of Division 3 of, the Public Resources Code, relating to oil and gas.

LEGISLATIVE COUNSEL'S DIGEST

SB 4, as introduced, Pavley. Oil and gas: hydraulic fracturing.

Under existing law, the Division of Oil, Gas, and Geothermal Resources (DOGGR) in the Department of Conservation regulates the drilling, operation, maintenance, and abandonment of oil and gas wells in the state. The State Oil and Gas Supervisor supervises the drilling, operation, maintenance, and abandonment of wells and the operation, maintenance, and removal or abandonment of tanks and facilities related to oil and gas production within an oil and gas field regarding safety and environmental damage. Existing law requires an operator of a well, before commencing the work of drilling the well, to obtain approval from the State Oil and Gas Supervisor or a district deputy. Existing law requires the operator of a well to keep, or cause to be kept, a careful and accurate log, core record, and history of the drilling of the well. Within 60 days after the date of cessation of drilling, rework, or abandonment operations, the owner or operator is required to file with the district deputy certain information, including the history of work performed.

This bill would define, among other things, hydraulic fracturing and hydraulic fracturing fluid. The bill requires an operator of a well to record and include all data on hydraulic fracturing treatment, including names and locations of all known seismic faults, as a part of the history of the drilling of the well. The bill would require DOGGR, in

consultation with the Department of Toxic Substances Control, the State Air Resources Board, and the State Water Resources Control Board, on or before January 1, 2015, to adopt rules and regulations specific to hydraulic fracturing, including governing the construction of wells and well casings and full disclosure of the composition and disposition of hydraulic fracturing. The bill would require an operator to file with the supervisor or a district deputy, at least 30 days prior to the commencement of a hydraulic fracturing treatment, a notice of intention to commence hydraulic fracturing treatment containing specified information. The bill would require the hydraulic fracturing to be completed within one year of the filing of the notice of intention. The bill would require DOGGR, within 10 days of the receipt of the notice of intention, to make the notice publicly available, to post it on the division's Internet Web site, and to notify the appropriate regional water quality control board. The bill would require the supplier, as defined, of the hydraulic fracturing treatment to provide to the operator, within 30 days following the conclusion of the hydraulic fracturing, certain information regarding the hydraulic fracturing fluid. The bill would require the operator, within 60 days of the cessation of hydraulic fracturing treatment, to post or cause to have posted on an Internet Web site accessible to the public specified information on the fracturing and fluid, as specified. The bill would require a supplier claiming trade secret protection for the chemical composition of additives used in the hydraulic treatment to disclose the composition to DOGGR, but would, except as specified, prohibit those with access to the trade secret to disclose it, and a person who violates this prohibition would be guilty of a misdemeanor. Because this bill would create a new crime, it would impose a state-mandated local program.

This bill would require the supervisor, on or before January 1, 2016, and annually thereafter, to transmit to the Legislature and make available publicly a comprehensive report on hydraulic fracturing in the exploration and production of oil and gas resources in the state.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: yes.

*The people of the State of California do enact as follows:*

1 SECTION 1. Article 3 (commencing with Section 3150) is  
2 added to Chapter 1 of Division 3 of the Public Resources Code,  
3 to read:

4  
5 Article 3. Hydraulic Fracturing  
6

7 3150. “Additive” means a substance or combination of  
8 substances added to a base fluid for purposes of preparing a  
9 hydraulic fracturing fluid. An additive may, but is not required to,  
10 serve additional purposes beyond the transmission of hydraulic  
11 pressure to the geologic formation. An additive may be of any  
12 phase and includes proppants.

13 3151. “Base fluid” means the continuous phase fluid used in  
14 the makeup of a hydraulic fracturing fluid. The continuous phase  
15 fluid may include, but is not limited to, water, and may be a liquid  
16 or a gas.

17 3152. “Carrier fluid” means a base fluid into which additives  
18 are mixed to form a hydraulic fracturing fluid.

19 3153. “Hydraulic fracturing” means a treatment used in  
20 stimulating a well that involves the pressurized injection of  
21 hydraulic fracturing fluid and proppant into an underground  
22 geologic formation in order to fracture the formation, thereby  
23 causing or enhancing, for the purposes of this division, the  
24 production of oil or gas from a well.

25 3154. “Hydraulic fracturing fluid” means a carrier fluid mixed  
26 with physical and chemical additives for the purpose of hydraulic  
27 fracturing. A hydraulic fracturing treatment may include more than  
28 one hydraulic fracturing fluid.

29 3155. “Proppants” means materials inserted or injected into  
30 the underground geologic formation that are intended to prevent  
31 fractures from closing.

32 3156. “Supplier” means an entity performing hydraulic  
33 fracturing or an entity supplying an additive or proppant directly  
34 to the operator for use in hydraulic fracturing.

35 3157. (a) The Legislature finds and declares that hydraulic  
36 fracturing of oil and gas wells in combination with technological  
37 advances in oil and gas well drilling are spurring oil and gas  
38 extraction, as well as oil and gas exploration, in California.

1 (b) (1) On or before January 1, 2015, the division, in  
2 consultation with the Department of Toxic Substances Control,  
3 the State Air Resources Board, and the State Water Resources  
4 Control Board, shall adopt rules and regulations specific to  
5 hydraulic fracturing. The rules and regulations shall include, but  
6 are not limited to, revisions, as needed, to the rules and regulations  
7 governing construction of wells and well casings to ensure integrity  
8 of wells, well casings, and the geologic and hydrologic isolation  
9 of the oil and gas formation during and following hydraulic  
10 fracturing, and full disclosure of the composition and disposition  
11 of hydraulic fracturing fluids.

12 (2) Full disclosure of the composition and disposition of  
13 hydraulic fracturing fluids shall, at a minimum, include:

14 (A) The date of the hydraulic fracturing.

15 (B) A complete list of the names, Chemical Abstract Service  
16 (CAS) numbers, and maximum concentration, in percent by mass,  
17 of each and every chemical constituent of the hydraulic fracturing  
18 fluids used. If a CAS number does not exist for a chemical  
19 constituent, the well owner or operator may provide another unique  
20 identifier, if available. Chemical information claimed as a trade  
21 secret, pursuant to subdivision (h), shall be identified as such and  
22 reported as described in subdivision (h).

23 (C) The trade name, the supplier, and a brief description of the  
24 intended purpose of each additive contained in the hydraulic  
25 fracturing fluid.

26 (D) The total volume of carrier fluid used during hydraulic  
27 fracturing, and the identification of whether the carrier fluid is  
28 water suitable for irrigation or domestic purposes, water not  
29 suitable for irrigation or domestic purposes, or a fluid other than  
30 water.

31 (E) The total volume of base fluid, if not reported as a carrier  
32 fluid, used during hydraulic fracturing, and the identification of  
33 whether the base fluid is water suitable for irrigation or domestic  
34 purposes, water not suitable for irrigation or domestic purposes,  
35 or a fluid other than water.

36 (F) The source, volume, and disposition of all water, including,  
37 but not limited to, all water used as base and carrier fluids, used  
38 during hydraulic fracturing and recovered from the well following  
39 hydraulic fracturing that is not otherwise reported as produced  
40 water pursuant to Section 3227.

1 (G) The disposition of all hydraulic fracturing fluids other than  
2 water.

3 (H) Any radiological components or tracers injected into the  
4 well as part of the hydraulic fracturing process, a description of  
5 the recovery method, if any, for those components or tracers, the  
6 recovery rate, and the disposal method for recovered components  
7 or tracers.

8 (I) The radioactivity of the recovered hydraulic fracturing fluids.

9 (J) The location of the portion of the well subject to the hydraulic  
10 fracturing treatment and the extent of the fracturing surrounding  
11 the well induced by the treatment.

12 (c) (1) Notwithstanding any other law or regulation, at least 30  
13 days prior to commencing a hydraulic fracturing treatment on a  
14 well, the operator shall file a written notice of intention to  
15 commence the hydraulic fracturing treatment with the supervisor  
16 or district deputy. The notice shall contain the pertinent data the  
17 supervisor requires on printed forms supplied by the division or  
18 on other forms acceptable to the supervisor. The hydraulic  
19 fracturing treatment shall be completed within one year of filing  
20 the notice of intention. The information provided in the notice  
21 shall include, but is not limited to, the following:

22 (A) The well identification number and location.

23 (B) The time period during which the hydraulic fracturing  
24 treatment is planned to occur.

25 (2) Within 10 days of receipt of the notice of intention, the  
26 division shall make the notice of intention publicly available, post  
27 it on the publicly accessible portion of the division's Internet Web  
28 site, and notify the appropriate regional water quality control board  
29 or boards as determined by where the well, including its subsurface  
30 portion, is located.

31 (3) The operator shall provide notice to the division 72 hours  
32 prior to the actual start of the hydraulic fracturing treatment in  
33 order for the division to witness the treatment.

34 (d) If hydraulic fracturing is performed on a well, a supplier  
35 that performs any part of hydraulic fracturing or provides additives  
36 directly to the operator for hydraulic fracturing shall furnish the  
37 operator with information needed for the operator to comply with  
38 subdivision (e). If a supplier claims trade secret protection pursuant  
39 to subdivision (h), the supplier shall notify the operator and provide  
40 to the operator substitute information, as described in subdivision

1 (h), suitable for public disclosure. This information shall be  
2 provided as soon as possible but no later than 30 days following  
3 the conclusion of the hydraulic fracturing.

4 (e) (1) Within 60 days following cessation of hydraulic  
5 fracturing on a well, the operator shall post or cause to have posted  
6 to an Internet Web site designated or maintained by the division  
7 and accessible to the public, all of the hydraulic fracturing fluid  
8 composition and disposition information required to be collected  
9 pursuant to rules and regulations adopted under subdivision (b),  
10 including well identification number and location.

11 (2) The division may designate a publicly accessible Internet  
12 Web site, developed by the Ground Water Protection Council and  
13 the Interstate Oil and Gas Compact Commission for the posting  
14 of the data pursuant to paragraph (1), if all of the following  
15 requirements are met:

16 (A) The information is organized on that Internet Web site in a  
17 format such as a spreadsheet that allows the public to easily search  
18 and aggregate, to the extent practicable, each type of information  
19 required to be collected pursuant to subdivision (b) using search  
20 functions on that Internet Web site.

21 (B) The Internet Web site permits any person to export, copy,  
22 or otherwise obtain in electronic format the data submitted pursuant  
23 to subdivision (b) from that Internet Web site. Once obtained, there  
24 shall be no restrictions on the possession or further distribution,  
25 modification, transmission, or reproduction of any information  
26 submitted pursuant to this section in any form and by any means  
27 and no prior authorization shall be required.

28 (3) If an Internet Web site is not designated by the division  
29 pursuant to paragraph (2), the division shall maintain a publicly  
30 accessible Internet Web site, in compliance with subparagraphs  
31 (A) and (B) of paragraph (2), for the posting of the data required  
32 pursuant to paragraph (1).

33 (f) The operator is responsible for compliance with this section.

34 (g) The names and locations of all known seismic faults within  
35 a distance from the well bore in any direction equal to five times  
36 the fracture zone length and the names and locations of seismic  
37 faults whose movement is reasonably anticipated to impact the  
38 integrity of the well, well casing, and oil and gas formation shall  
39 be added to the well history. The fracture zone length is defined



1 as the distance from the well bore to the maximum extent of any  
2 induced fracture.

3 (h) (1) The supplier may claim trade secret protection for the  
4 chemical composition of additives pursuant to Section 1060 of the  
5 Evidence Code, or the Uniform Trade Secrets Act (Title 5  
6 (commencing with Section 3426) of Part 1 of Division 4 of the  
7 Civil Code).

8 (2) If a supplier believes that information regarding a chemical  
9 constituent of a hydraulic fracturing fluid is a trade secret, the  
10 supplier shall nevertheless disclose the information to the division  
11 within 30 days following cessation of hydraulic fracturing on a  
12 well, and shall notify the division in writing of that belief.

13 (3) The supplier is not required to disclose trade secret  
14 information to the operator.

15 (4) This subdivision does not permit a supplier to refuse to  
16 disclose the information required pursuant to this section to the  
17 division.

18 (5) To comply with the public disclosure requirements of this  
19 section, the supplier shall indicate where trade secret information  
20 has been withheld and the specific name of a chemical constituent  
21 shall be replaced with the chemical family name or similar  
22 descriptor associated with the trade secret chemical information.

23 (6) Except as provided in subparagraph (B) of paragraph (8),  
24 the division shall protect from disclosure any trade secret  
25 designated as such by the supplier, if that trade secret is not a public  
26 record.

27 (7) The supplier shall notify the division in writing within 30  
28 days of any changes to information provided to the division to  
29 support a trade secret claim.

30 (8) Upon receipt of a request for the release of information to  
31 the public, which includes information the supplier has notified  
32 the division is a trade secret and is not a public record, the  
33 following procedure applies:

34 (A) The division shall notify the supplier of the request in  
35 writing by certified mail, return receipt requested.

36 (B) The division shall release the information to the public, but  
37 not earlier than 60 days after the date of mailing the notice of the  
38 request for information, unless, prior to the expiration of the 60-day  
39 period, the supplier obtains an action in an appropriate court for a  
40 declaratory judgment that the information is subject to protection

1 or for a preliminary injunction prohibiting disclosure of the  
2 information to the public and provides notice to the division of  
3 that action.

4 (9) Except as provided in subparagraph (B) of paragraph (8),  
5 trade secret information is not a public record and shall not be  
6 disclosed to anyone except to an officer or employee of the  
7 division, the state, or the United States, in connection with the  
8 official duties of that officer or employee, to a health professional,  
9 under any law for the protection of health, or to contractors with  
10 the division or the state and its employees if, in the opinion of the  
11 division, disclosure is necessary and required for the satisfactory  
12 performance of a contract, for performance of work, or to protect  
13 health and safety.

14 (10) Except as provided in subparagraph (B) of paragraph (8),  
15 an officer or employee of the division or former officer or employee  
16 who, by virtue of that employment or official position, has  
17 possession of, or has access to, any trade secret subject to this  
18 section, and who, knowing that disclosure of the information to  
19 the general public is prohibited by this section, knowingly and  
20 willfully discloses the information in any manner to any person  
21 not entitled to receive it, is guilty of a misdemeanor. A contractor  
22 of the division and any employee of the contractor who has been  
23 furnished information as authorized by this section shall be  
24 considered an employee of the division for purposes of this section.

25 (11) In the event of exposure to hydraulic fracturing fluids  
26 necessitating medical care, the person receiving the care shall have  
27 the right to petition the division to disclose relevant trade secret  
28 information in order to receive appropriate medical care.

29 (i) This section does not apply to routine tests to monitor the  
30 integrity of wells and well casings.

31 (j) A well granted confidential status pursuant to Section 3234  
32 shall comply with this section, with the exception of the disclosure  
33 of hydraulic fracturing fluids pursuant to subdivision (e) which  
34 shall not be required until the confidential status of the well ceases.

35 3158. (a) Within 60 days after the date of cessation of  
36 hydraulic fracturing, the operator shall file with the district deputy,  
37 in a form approved by the supervisor, true copies of the log, core  
38 record, and history of work performed, and, if made, true and  
39 reproducible copies of all electrical, physical, or chemical logs,  
40 tests, or surveys. Upon a showing of hardship, the supervisor may

1 extend the time within which to comply with this section for a  
2 period not to exceed 60 additional days.

3 (b) The supervisor shall include information provided pursuant  
4 to subdivision (e) of Section 3157 on existing publicly accessible  
5 maps on the division's Internet Web site, and make the information  
6 available such that hydraulic fracturing and related information  
7 are associated with each specific well. If data are reported on an  
8 Internet Web site not maintained by the division pursuant to  
9 paragraph (2) of subdivision (e) of Section 3157, the division shall  
10 provide electronic links to that Internet Web site. The public shall  
11 be able to search and sort the hydraulic fracturing and related  
12 information by at least the following criteria:

- 13 (1) Geographic area.
- 14 (2) Additive.
- 15 (3) Chemical constituent.
- 16 (4) Chemical Abstract Service number.
- 17 (5) Time period.
- 18 (6) Operator.

19 (c) Notwithstanding Section 10231.5 of the Government Code,  
20 on or before January 1, 2016, and annually thereafter, the  
21 supervisor shall, in compliance with Section 9795 of the  
22 Government Code, prepare and transmit to the Legislature a  
23 comprehensive report on hydraulic fracturing in the exploration  
24 and production of oil and gas resources in California. The report  
25 shall include aggregated data of all of the information required to  
26 be reported pursuant to Section 3157 reported by district, county,  
27 and operator. The report also shall include relevant additional  
28 information, as necessary, including, but not limited to, all the  
29 following:

- 30 (1) Aggregated data detailing the disposition of any produced  
31 water from wells that have undergone hydraulic fracturing.
- 32 (2) Aggregated data detailing the names and locations of seismic  
33 faults within a distance from the well bore in any direction equal  
34 to five times the fracture zone length and the names and locations  
35 of seismic faults whose movement is reasonably anticipated to  
36 impact the integrity of the well, well casing, and oil and gas  
37 formation.
- 38 (3) The number of emergency responses to a spill or release.

1 (4) Aggregated data detailing the number of times trade secret  
2 information was not provided to the public, by county and by each  
3 company, in the preceding year.

4 (5) Data detailing the loss of well and well casing integrity in  
5 the preceding year for wells that have undergone hydraulic  
6 fracturing treatment. For comparative purposes, data detailing the  
7 loss of well and well casing integrity in the preceding year for all  
8 wells shall also be provided. The cause of each well and well casing  
9 failure, if known, shall also be provided.

10 (d) The report shall be made publicly available and an electronic  
11 version shall be available on the division’s Internet Web site.

12 SEC. 2. Section 3213 of the Public Resources Code is amended  
13 to read:

14 3213. The history shall show the location and amount of  
15 sidetracked casings, tools, or other material, the depth and quantity  
16 of cement in cement plugs, the shots of dynamite or other  
17 explosives, and the results of production and other tests during  
18 drilling operations. *All data on hydraulic fracturing treatments*  
19 *pursuant to Section 3157 shall be recorded in the history.*

20 SEC. 3. No reimbursement is required by this act pursuant to  
21 Section 6 of Article XIII B of the California Constitution because  
22 the only costs that may be incurred by a local agency or school  
23 district will be incurred because this act creates a new crime or  
24 infraction, eliminates a crime or infraction, or changes the penalty  
25 for a crime or infraction, within the meaning of Section 17556 of  
26 the Government Code, or changes the definition of a crime within  
27 the meaning of Section 6 of Article XIII B of the California  
28 Constitution.

## **Attachment 2g**

### **AB 7 (Wieckowski) Oil and gas: hydraulic fracturing**

#### **Summary:**

Assembly Bill 7 requires the Division of Oil, Gas, and Geothermal Resources (DOGGR) in the Department of Conservation to adopt rules and regulations specific to hydraulic fracturing and requires a hydraulic fracturing services supplier to disclose information including a list of chemicals used in hydraulic fracturing, to be posted on a publicly available Internet Web site. Starting in 2016, this bill would also require an annual report for the Legislature on hydraulic fracturing in the exploration and production of oil and gas resources in California.

#### **Background:**

Hydraulic fracturing (“fracking”) involves the underground injection of water, chemical additives, and proppants (such as sand or ceramic beads) at extremely high pressure to induce fractures in underground geologic formations. This stimulates the flow of gas or oil and increasing the volume that can be recovered from shales and other formations with low permeability.

Fracking has been conducted in various locations throughout the state including Kern, Santa Barbara, Ventura, and Los Angeles. In these counties, it is done as a means to “restimulate” older wells to increase or regenerate production. Industry publications indicate that fracking is likely to increase significantly in the future as rising oil and gas prices drive this technology forward

Fracking uses a variety of chemicals, some of which are known toxins, as well as large volumes of water. According to the author, these chemicals include diesel fuel and ethylbenzene (known carcinogens) and ethylene glycol (a chemical associated with birth defects, female and male infertility, and menstrual disorders).

DOGGR, located in the Department of Conservation, is the oil and gas industry regulator. DOGGR has repeatedly stated that it has little information available on fracking, despite its extensive use here. DOGGR has also acknowledged that its existing authority is sufficient to regulate fracking. It has not done so to date, despite three years of legislative approval of additional funding and personnel in the budget that may be used on fracking. Finally, in response to legislative pressure, DOGGR in the late spring and summer of 2012 called for voluntary disclosure of fracking operations in California and began a series of public workshops across the state to gather input on fracking regulations.

On December 18, 2012, DOGGR released a “discussion draft” of regulations for hydraulic fracturing that is intended as a starting point for discussion ahead of the formal rulemaking process to begin early in 2013. These “discussion draft” regulations include provisions for pre-fracturing well testing; advance notification; monitoring during and after fracturing operations; disclosure of materials used in fracturing fluid; trade secrets; and storage and handling of hydraulic fracturing fluids.

**Status:** Introduced December 3, 2012

**Related Legislation:** Assembly Bill 7 is virtually identical to Senate Bill 4 (Pavley) which was also introduced on December 3, 2012.

**Specific Provisions:**

- Requires DOGGR, in consultation with the Department of Toxic Substances Control, the State Air Resources Board, and the State Water Resources Control Board, DOGGR is to adopt rules and regulations specific to hydraulic fracturing on or before January 1, 2014.
- Requires 30 day notice filed with the State Oil and Gas Supervisor prior to the commencement of any hydraulic fracturing treatment.
- Requires specifically notifying DOGGR 72 hours ahead of the scheduled job in order for DOGGR to witness the procedure, if needed.
- Within 10 days of receipt, DOGGR to make notice publicly available, publish it on its Internet Web site and notify the regional water quality control board.
- Within 60 days of the cessation of the hydraulic fracturing treatment the operator is to have posted on a publicly available Internet Web site the following information:
  - The name of the owner or operator of the well;
  - The well name, depth, number and location;
  - A complete list of names and maximum concentration in % of mass of each chemical;
  - The trade name, supplier and purpose of each additive;
  - Any radiological components or tracers injected into the well and a description of the recovery method, if any, for those elements or tracers, the recovery rate, and disposal method for recovered components or tracers;
  - The total volume of water used and its source.

**Impacts on SCAQMD's Mission, Operations or Initiatives:**

The EPA reports air quality impacts in areas with active natural gas development have increased emissions of volatile organic compounds (VOCs), hazardous air pollutants, and methane, the main component of natural gas and a potent contributor to climate change. Similarly, a recent study by the Colorado School of Public Health indicated that air pollution may contribute to "acute and chronic health problems for those living near natural gas drilling sites."

This bill's requirements to make the information regarding hydraulic fracturing in the exploration and production of oil and gas resources in California, and the specific chemicals used in the process, accessible to the public would be consistent with the goals and priorities of SCAQMD. This would allow the public and the SCAQMD to be better equipped to combat the emissions that these wells produce within the South Coast region.

**Recommended Position: SUPPORT WITH AMENDMENTS**

The bill language requires that regulations regarding fracking be developed in conjunction with the State Air Resources Board and other agencies. As the local air districts have primary jurisdiction over stationary sources, the bill should be amended to require consultation with the local air districts during the rulemaking process.

South Coast Air Quality Management District  
Legislative Analysis Summary – AB 7 (Wieckowski)  
Version: As introduced on December 3, 2012  
Analyst: *WS*

The bill should also be amended by inserting “any air pollution control or air quality management district” on page 8, line 12 after the words “the state”. This would allow DOGGR to release trade secret information to air district employees in connection with their duties.

## Attachment 2h

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

**ASSEMBLY BILL**

**No. 7**

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**Introduced by Assembly Member Wieckowski**

December 3, 2012

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An act to amend Section 3213 of, and to add Article 3 (commencing with Section 3150) to Chapter 1 of Division 3 of, the Public Resources Code, relating to oil and gas.

#### LEGISLATIVE COUNSEL'S DIGEST

AB 7, as introduced, Wieckowski. Oil and gas: hydraulic fracturing. Under existing law, the Division of Oil, Gas, and Geothermal Resources (DOGGR) in the Department of Conservation regulates the drilling, operation, maintenance, and abandonment of oil and gas wells in the state. The State Oil and Gas Supervisor supervises the drilling, operation, maintenance, and abandonment of wells and the operation, maintenance, and removal or abandonment of tanks and facilities related to oil and gas production within an oil and gas field regarding safety and environmental damage. Existing law requires an operator of a well, before commencing the work of drilling the well, to obtain approval from the State Oil and Gas Supervisor or a district deputy. Existing law requires the operator of a well to keep, or cause to be kept, a careful and accurate log, core record, and history of the drilling of the well. Within 60 days after the date of cessation of drilling, rework, or abandonment operations, the owner or operator is required to file with the district deputy certain information, including the history of work performed.

This bill would define, among other things, hydraulic fracturing and hydraulic fracturing fluid. The bill would require an operator of a well to record and include all data on hydraulic fracturing treatment,



including the risk posed by potential seismicity, as a part of the history of the drilling of the well. The bill would require DOGGR, in consultation with the Department of Toxic Substances Control, the State Air Resources Board, and the State Water Resources Control Board, on or before January 1, 2014, to adopt rules and regulations specific to hydraulic fracturing, including governing the construction of wells and well casings and full disclosure of the composition and disposition of hydraulic fracturing. The bill would require an operator to file with the supervisor or a district deputy, at least 30 days prior to the commencement of a hydraulic fracturing treatment, a notice of intention to commence hydraulic fracturing treatment containing specified information. The bill would require the hydraulic fracturing to be completed within one year of the filing of the notice of intention. The bill would require DOGGR, within 10 days of the receipt of the notice of intention, to make the notice publicly available, to post it on the division's Internet Web site, and to notify the appropriate regional water quality control board. The bill would require the supplier, as defined, of the hydraulic fracturing treatment to provide to the operator, within 30 days following the conclusion of the hydraulic fracturing, certain information regarding the hydraulic fracturing fluid. The bill would require the operator, within 60 days of the cessation of hydraulic fracturing treatment, to post or cause to have posted on an Internet Web site accessible to the public specified information on the fracturing and fluid, as specified. The bill would require a supplier claiming trade secret protection for the chemical composition of additives used in the hydraulic treatment to disclose the composition to DOGGR, but would, except as specified, prohibit those with access to the trade secret to disclose it, and a person who violates this prohibition would be guilty of a misdemeanor. Because this bill would create a new crime, it would impose a state-mandated local program.

This bill would require the supervisor, on or before January 1, 2016, and annually thereafter, to transmit to the Legislature and make available publicly a comprehensive report on hydraulic fracturing in the exploration and production of oil and gas resources in the state.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: yes.

*The people of the State of California do enact as follows:*

1 SECTION 1. Article 3 (commencing with Section 3150) is  
2 added to Chapter 1 of Division 3 of the Public Resources Code,  
3 to read:

4

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Article 3. Hydraulic Fracturing

6

7 3150. "Additive" means a substance or combination of  
8 substances added to a base fluid for purposes of preparing a  
9 hydraulic fracturing fluid. An additive may, but is not required to,  
10 serve additional purposes beyond the transmission of hydraulic  
11 pressure to the geologic formation. An additive may be of any  
12 phase and includes proppants.

13 3151. "Base fluid" means the continuous phase fluid used in  
14 the makeup of a hydraulic fracturing fluid. The continuous phase  
15 fluid may include, but is not limited to, water, and may be a liquid  
16 or a gas.

17 3152. "Carrier fluid" means a base fluid into which additives  
18 are mixed to form a hydraulic fracturing fluid.

19 3153. "Hydraulic fracturing" means a treatment used in  
20 stimulating a well that involves the pressurized injection of  
21 hydraulic fracturing fluid and proppants into an underground  
22 geologic formation in order to fracture the formation, thereby  
23 causing or enhancing, for the purposes of this division, the  
24 production of oil or gas from a well.

25 3154. "Hydraulic fracturing fluid" means a carrier fluid mixed  
26 with physical and chemical additives for the purpose of hydraulic  
27 fracturing. A hydraulic fracturing treatment may include more than  
28 one hydraulic fracturing fluid.

29 3155. "Proppants" means materials inserted or injected into  
30 the underground geologic formation that are intended to prevent  
31 fractures from closing.

32 3156. "Supplier" means an entity performing hydraulic  
33 fracturing or an entity supplying an additive or proppant directly  
34 to the operator for use in hydraulic fracturing.

1 3157. (a) The Legislature finds and declares that hydraulic  
2 fracturing of oil and gas wells in combination with technological  
3 advances in oil and gas well drilling are spurring oil and gas  
4 extraction, as well as oil and gas exploration, in California.

5 (b) (1) On or before January 1, 2014, the division, in  
6 consultation with the Department of Toxic Substances Control,  
7 the State Air Resources Board, and the State Water Resources  
8 Control Board, shall adopt rules and regulations specific to  
9 hydraulic fracturing. The rules and regulations shall include, but  
10 are not limited to, revisions, as needed, to the rules and regulations  
11 governing construction of wells and well casings to ensure integrity  
12 of wells, well casings, and the geologic and hydrologic isolation  
13 of the oil and gas formation during and following hydraulic  
14 fracturing, and full disclosure of the composition and disposition  
15 of hydraulic fracturing fluids.

16 (2) Full disclosure of the composition and disposition of  
17 hydraulic fracturing fluids shall, at a minimum, include:

18 (A) The date of the hydraulic fracturing.

19 (B) A complete list of the names, Chemical Abstract Service  
20 (CAS) numbers, and maximum concentration, in percent by mass,  
21 of each and every chemical constituent of the hydraulic fracturing  
22 fluids used. If a CAS number does not exist for a chemical  
23 constituent, the well owner or operator may provide another unique  
24 identifier, if available. Chemical information claimed as a trade  
25 secret, pursuant to subdivision (h), shall be identified as such and  
26 reported as described in subdivision (h).

27 (C) The trade name, the supplier, and a brief description of the  
28 intended purpose of each additive contained in the hydraulic  
29 fracturing fluid.

30 (D) The total volume of carrier fluid used during hydraulic  
31 fracturing, and the identification of whether the carrier fluid is  
32 water suitable for irrigation or domestic purposes, water not  
33 suitable for irrigation or domestic purposes, or a fluid other than  
34 water.

35 (E) The total volume of base fluid, if not reported as a carrier  
36 fluid, used during hydraulic fracturing, and the identification of  
37 whether the base fluid is water suitable for irrigation or domestic  
38 purposes, water not suitable for irrigation or domestic purposes,  
39 or a fluid other than water.

1 (F) The source, volume, and disposition of all water, including,  
2 but not limited to, all water used as base and carrier fluids, used  
3 during hydraulic fracturing and recovered from the well following  
4 hydraulic fracturing that is not otherwise reported as produced  
5 water pursuant to Section 3227.

6 (G) The disposition of all hydraulic fracturing fluids other than  
7 water.

8 (H) Any radiological components or tracers injected into the  
9 well as part of the hydraulic fracturing process, a description of  
10 the recovery method, if any, for those components or tracers, the  
11 amount recovered, if any, and the disposal method for recovered  
12 components or tracers.

13 (I) The radioactivity of the recovered hydraulic fracturing fluids.

14 (J) The location of the portion of the well subject to the hydraulic  
15 fracturing treatment and the extent of the fracturing surrounding  
16 the well induced by the treatment using the methodology  
17 determined by the division.

18 (c) (1) Notwithstanding any other law or regulation, at least 30  
19 days prior to commencing a hydraulic fracturing treatment on a  
20 well, the operator shall file a written notice of intention to  
21 commence the hydraulic fracturing treatment with the supervisor  
22 or district deputy. The notice shall contain the pertinent data the  
23 supervisor requires on printed forms supplied by the division or  
24 on other forms acceptable to the supervisor. The hydraulic  
25 fracturing treatment shall be completed within one year of filing  
26 the notice of intention. The information provided in the notice  
27 shall include, but is not limited to, the following:

28 (A) The well identification number and location.

29 (B) The time period during which the hydraulic fracturing  
30 treatment is planned to occur.

31 (2) Within 10 days of receipt of the notice of intention, the  
32 division shall make the notice of intention publicly available, post  
33 it on the publicly accessible portion of the division's Internet Web  
34 site, and notify the appropriate regional water quality control board  
35 or boards as determined by where the well, including its subsurface  
36 portion, is located.

37 (3) The operator shall provide notice to the division 72 hours  
38 prior to the actual start of the hydraulic fracturing treatment in  
39 order for the division to witness the treatment.

1 (d) If hydraulic fracturing is performed on a well, a supplier  
2 that performs any part of hydraulic fracturing or provides additives  
3 directly to the operator for hydraulic fracturing shall furnish the  
4 operator with information needed for the operator to comply with  
5 subdivision (e). If a supplier claims trade secret protection pursuant  
6 to subdivision (h), the supplier shall notify the operator and provide  
7 to the operator substitute information, as described in subdivision  
8 (h), suitable for public disclosure. This information shall be  
9 accurate and shall be provided as soon as possible but no later than  
10 30 days following the conclusion of the hydraulic fracturing.

11 (e) (1) Within 60 days following cessation of hydraulic  
12 fracturing on a well, the operator shall post or cause to have posted  
13 to an Internet Web site designated or maintained by the division  
14 and accessible to the public, all of the hydraulic fracturing fluid  
15 composition and disposition information required to be collected  
16 pursuant to rules and regulations adopted under subdivision (b),  
17 including well identification number and location.

18 (2) The division may designate a publicly accessible Internet  
19 Web site, developed by the Ground Water Protection Council and  
20 the Interstate Oil and Gas Compact Commission for the posting  
21 of the data pursuant to paragraph (1), if all of the following  
22 requirements are met by January 1, 2015:

23 (A) The information is organized on that Internet Web site in a  
24 format such as a spreadsheet that allows the public to easily search  
25 and aggregate, to the extent practicable, each type of information  
26 required to be collected pursuant to subdivision (b) using search  
27 functions on that Internet Web site.

28 (B) The Internet Web site permits any person to export, copy,  
29 or otherwise obtain in electronic format the data submitted pursuant  
30 to subdivision (b) from that Internet Web site. Once obtained, there  
31 shall be no restrictions on the possession or further distribution,  
32 modification, transmission, or reproduction of any information  
33 submitted pursuant to this section in any form and by any means  
34 and no prior authorization shall be required.

35 (3) If an Internet Web site is not designated by the division  
36 pursuant to paragraph (2), the division shall maintain a publicly  
37 accessible Internet Web site, in compliance with subparagraphs  
38 (A) and (B) of paragraph (2), for the posting of the data required  
39 pursuant to paragraph (1).

40 (f) The operator is responsible for compliance with this section.

1 (g) In developing regulations for hydraulic fracturing pursuant  
2 to subdivision (b), the supervisor shall take into consideration and  
3 document the risk posed by potential seismicity.

4 (h) (1) The supplier may claim trade secret protection for the  
5 chemical composition of additives pursuant to Section 1060 of the  
6 Evidence Code, or the Uniform Trade Secrets Act (Title 5  
7 (commencing with Section 3426) of Part 1 of Division 4 of the  
8 Civil Code).

9 (2) If a supplier believes that information regarding a chemical  
10 constituent of a hydraulic fracturing fluid is a trade secret, the  
11 supplier shall nevertheless disclose the information to the division  
12 within 30 days following cessation of hydraulic fracturing on a  
13 well, and shall notify the division in writing of that belief.

14 (3) The supplier is not required to disclose trade secret  
15 information to the operator.

16 (4) This subdivision does not permit a supplier to refuse to  
17 disclose the information required pursuant to this section to the  
18 division.

19 (5) To comply with the public disclosure requirements of this  
20 section, the supplier shall indicate where trade secret information  
21 has been withheld and the specific name of a chemical constituent  
22 shall be replaced with the chemical family name or similar  
23 descriptor associated with the trade secret chemical information.

24 (6) (A) Except as provided in subparagraph (B) of paragraph  
25 (8), the division shall protect from disclosure any trade secret  
26 designated as such by the supplier, if that trade secret is not a public  
27 record.

28 (B) Except as provided in subparagraph (B) of paragraph (8),  
29 information claimed as trade secret is not a public record for  
30 purposes of Chapter 9.6 (commencing with Section 3250) of  
31 Division 4 of Title 1 of the Government Code.

32 (7) The supplier shall notify the division in writing within 30  
33 days of any changes to information provided to the division to  
34 support a trade secret claim.

35 (8) Upon receipt of a request for the release of information to  
36 the public, which includes information the supplier has notified  
37 the division is a trade secret and is not a public record, the  
38 following procedure applies:

39 (A) The division shall notify the supplier of the request in  
40 writing by certified mail, return receipt requested.

1 (B) The division shall release the information to the public, but  
2 not earlier than 60 days after the date of mailing the notice of the  
3 request for information, unless, prior to the expiration of the 60-day  
4 period, the supplier obtains an action in an appropriate court for a  
5 declaratory judgment that the information is subject to protection  
6 or for a preliminary injunction prohibiting disclosure of the  
7 information to the public and provides notice to the division of  
8 that action.

9 (9) Except as provided in subparagraph (B) of paragraph (8),  
10 trade secret information is not a public record and shall not be  
11 disclosed to anyone except to an officer or employee of the  
12 division, the state, or the United States, in connection with the  
13 official duties of that officer or employee, to a health professional,  
14 under any law for the protection of health, or to contractors with  
15 the division or the state and its employees if, in the opinion of the  
16 division, disclosure is necessary and required for the satisfactory  
17 performance of a contract, for performance of work, or to protect  
18 health and safety.

19 (10) Except as provided in subparagraph (B) of paragraph (8),  
20 an officer or employee of the division or former officer or employee  
21 who, by virtue of that employment or official position, has  
22 possession of, or has access to, any trade secret subject to this  
23 section, and who, knowing that disclosure of the information to  
24 the general public is prohibited by this section, knowingly and  
25 willfully discloses the information in any manner to any person  
26 not entitled to receive it, is guilty of a misdemeanor. A contractor  
27 of the division and any employee of the contractor who has been  
28 furnished information as authorized by this section shall be  
29 considered an employee of the division for purposes of this section.

30 (11) In the event of exposure to hydraulic fracturing fluids  
31 necessitating medical care, the person receiving the care shall have  
32 the right to petition the division to disclose relevant trade secret  
33 information in order to receive appropriate medical care.

34 (i) This section does not apply to routine tests to monitor the  
35 integrity of wells and well casings.

36 (j) A well granted confidential status pursuant to Section 3234  
37 shall not be required to comply with the public disclosure of  
38 hydraulic fracturing fluids pursuant to subdivision (e) until the  
39 confidential status of the well ceases.

1 (k) (1) Whenever it appears that any person is violating or  
2 threatening to violate any provision of this section, the supervisor  
3 may bring suit against the person in the superior court of any  
4 county where the violation occurs or is threatened, to restrain the  
5 person from continuing the violation or from carrying out the threat  
6 of violation. Upon the filing of the suit, summons issued to the  
7 person may be directed to the sheriff or his or her deputies. In the  
8 suit, the court has jurisdiction to grant to the supervisor any final  
9 prohibitory and mandatory injunctions that the facts warrant.

10 (2) If the supervisor fails to bring suit to enjoin a violation or  
11 threatened violation of any provision of this section, or any rule,  
12 regulation, or order of the supervisor within 30 days after receipt  
13 of written request to do so by any person who is or will be  
14 adversely affected by the violation, the person making the request  
15 may bring suit in the person's own behalf to restrain the violation  
16 or threatened violation in any court in which the supervisor might  
17 have brought suit. If in the suit, the court holds that injunctive  
18 relief should be granted, the supervisor shall be made a party and  
19 shall be substituted for the person who brought the suit, and the  
20 injunction shall be issued as if the supervisor had at all times been  
21 the plaintiff.

22 (3) A civil action for damages shall not lie against any person  
23 for the violation of this section or any rule, regulation, or order of  
24 the supervisor issued to implement or enforce this section. If the  
25 supervisor brings a suit or action pursuant to paragraph (1), a  
26 defendant or intervenor shall not cross-complain or otherwise bring  
27 an action in the same proceeding against any other person for  
28 damages or for any other purpose.

29 3158. (a) Within 60 days after the date of cessation of  
30 hydraulic fracturing, the owner or operator shall file with the  
31 district deputy, in a form approved by the supervisor, true copies  
32 of the log, core record, and history of work performed, and, if  
33 made, true and reproducible copies of all electrical, physical, or  
34 chemical logs, tests, or surveys. Upon a showing of hardship, the  
35 supervisor may extend the time within which to comply with this  
36 section for a period not to exceed 60 additional days.

37 (b) The supervisor shall include information provided pursuant  
38 to subdivision (e) of Section 3157 on existing publicly accessible  
39 maps on the division's Internet Web site, and make the information  
40 available such that hydraulic fracturing and related information



1 are associated with each specific well. If data are reported on an  
2 Internet Web site not maintained by the division pursuant to  
3 paragraph (2) of subdivision (e) of Section 3157, the division shall  
4 provide electronic links to that Internet Web site. The public shall  
5 be able to search and sort the hydraulic fracturing and related  
6 information by at least the following criteria:

- 7 (1) Geographic area.
- 8 (2) Additive.
- 9 (3) Chemical constituent.
- 10 (4) Chemical Abstract Service number.
- 11 (5) Time period.
- 12 (6) Operator.

13 (c) On or before January 1, 2016, and annually thereafter, the  
14 supervisor shall prepare and transmit to the Legislature a  
15 comprehensive report on hydraulic fracturing in the exploration  
16 and production of oil and gas resources in California. The report  
17 shall include aggregated data of all of the information required to  
18 be reported pursuant to Section 3157 reported by district, county,  
19 and operator. The report also shall include relevant additional  
20 information, as necessary, including, but not limited to, all the  
21 following:

- 22 (1) Aggregated data detailing the disposition of any produced  
23 water from wells that have undergone hydraulic fracturing.
- 24 (2) Aggregated data detailing the names and locations of seismic  
25 faults within a distance from the well bore in any direction equal  
26 to five times the fracture zone length and the names and locations  
27 of seismic faults whose movement is reasonably anticipated to  
28 impact the integrity of the well, well casing, and oil and gas  
29 formation.
- 30 (3) The number of emergency responses to a spill or release.
- 31 (4) Aggregated data detailing the number of times trade secret  
32 information was not provided to the public, by county and by each  
33 company, in the preceding year.
- 34 (5) Data detailing the loss of well and well casing integrity in  
35 the preceding year for wells that have undergone hydraulic  
36 fracturing treatment. For comparative purposes, data detailing the  
37 loss of well and well casing integrity in the preceding year for all  
38 wells shall also be provided. The cause of each well and well casing  
39 failure, if known, shall also be provided.

1 (d) The report shall be made publicly available and an electronic  
2 version shall be available on the division's Internet Web site.

3 (e) (1) The requirement for submitting a report imposed under  
4 subdivision (c) is inoperative on January 1, 2020, pursuant to  
5 Section 10231.5 of the Government Code.

6 (2) A report to be submitted pursuant to subdivision (c) shall  
7 be submitted in compliance with Section 9795 of the Government  
8 Code.

9 SEC. 2. Section 3213 of the Public Resources Code is amended  
10 to read:

11 3213. The history shall show the location and amount of  
12 sidetracked casings, tools, or other material, the depth and quantity  
13 of cement in cement plugs, the shots of dynamite or other  
14 explosives, and the results of production and other tests during  
15 drilling operations. *All data on hydraulic fracturing treatments*  
16 *pursuant to Section 3157 shall be recorded in the history.*

17 SEC. 3. No reimbursement is required by this act pursuant to  
18 Section 6 of Article XIII B of the California Constitution because  
19 the only costs that may be incurred by a local agency or school  
20 district will be incurred because this act creates a new crime or  
21 infraction, eliminates a crime or infraction, or changes the penalty  
22 for a crime or infraction, within the meaning of Section 17556 of  
23 the Government Code, or changes the definition of a crime within  
24 the meaning of Section 6 of Article XIII B of the California  
25 Constitution.

## **Attachment 2i**

### **AB 14 (Lowenthal) State freight plan.**

#### **Summary:**

This bill would mandate the development of a state freight plan and the establishment of a state freight advisory committee.

#### **Background:**

Pursuant to recently enacted federal law, Moving Ahead for Progress in the 21st Century (MAP-21), states are encouraged, but not required, to develop and submit individual state freight plans to the Federal Highway Administration. Additionally, states are encouraged, but not required, to establish freight advisory committees to aid in the development of state goods movement plans. Going beyond federal law, this bill would mandate California to develop a state freight plan and to establish a freight advisory committee, consistent with federal requirements.

MAP-21 is the first long-term federal highway authorization enacted since 2005. The new law provides over \$105 billion in funding for surface transportation programs for federal fiscal years 2013 and 2014. Additionally, MAP-21 includes provisions designed to enhance freight movement in support of national goals. MAP-21 calls for the development of national policies that improve the condition and performance of a National Freight Network by identifying network components. It includes incentives to prioritize projects that advance freight performance targets. The U.S. Department of Transportation, in consultation with partners and stakeholders, is required to develop a national freight strategic plan. MAP-21 gives prioritization to projects that improve freight movement by increasing the federal share to 95 percent for projects located on the Interstate Highway System and 90 percent for projects not located on the system. To qualify, projects must be identified in the respective state's freight plan.

The author indicates that this bill will ensure that the state is well-positioned to inform federal policy decision-makers of California's goods movement infrastructure needs. The author also claims that with a comprehensive freight plan in hand, California will be placed at the front of the line for available federal money.

**Status:** Introduced December 3, 2012

**Specific Provisions:** Specifically, this bill would:

- 1) Require the California Business, Transportation and Housing Agency (BT&H) to prepare a state freight plan that complies with MAP-21;
- 2) Specify the elements of the state freight plan which includes a plan to govern the immediate and long-range planning activities and capital investments of the state with respect to freight movement;
- 3) Require BT&H to establish a freight advisory committee consisting of stakeholders to be involved in the development of the state freight plan.

- 4) Require the state freight plan to be submitted to the Legislature, the Governor, and certain state agencies including the State Air Resources Board (CARB) by December 31, 2014, and to be updated every five years thereafter.

**Impacts on AQMD’s Mission, Operations or Initiatives:** This bill represents the important process of federal and state implementation of MAP-21. The District was actively involved in providing input at the federal level during the crafting of MAP-21 in an attempt to ensure that air quality concerns were taken into consideration and given a higher priority than in previous legislation. One key concern was to ensure that regional air quality agencies have a seat at the table to provide important input and information when goods movement policies, programs and projects are being created, planned and/or constructed in order to reduce air pollution and protect public health. The current provisions of the bill do not ensure that regional air quality agencies, including SCAQMD, are included as a member of the state freight advisory committee. This could jeopardize the ability of the bill to adequately meet the local air quality needs of the South Coast region.

This bill would be improved if it added a provision to allow at least one regional air quality agency in a highly polluted and densely populated area to be included as a member of the freight advisory committee, to ensure that local air quality concerns are considered when the state freight plan is crafted and updated periodically. Priority for such a committee selection would be given based on severity of air pollution and level of population exposure to such pollution.

**Recommended Position: SUPPORT WITH AMENDMENTS**

## Attachment 2j

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

**ASSEMBLY BILL**

**No. 14**

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**Introduced by Assembly Member Lowenthal**

December 3, 2012

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An act to add Section 13978.8 to the Government Code, relating to transportation.

### LEGISLATIVE COUNSEL'S DIGEST

AB 14, as introduced, Lowenthal. State freight plan.

Existing law creates the Business, Transportation and Housing Agency in state government, consisting of various departments, including the Department of Transportation, which, among other things, is responsible for the state highway system. Existing law also requires the department to prepare a state rail plan, which contains a freight element. Existing law provides for the state and regional agencies to engage in various transportation planning activities, including goods movement planning activities. Existing federal law provides certain incentives to the states for developing a state freight plan consistent with federal guidelines.

This bill would require the Business, Transportation and Housing Agency to prepare a state freight plan with specified elements to govern the immediate and long-range planning activities and capital investments of the state with respect to the movement of freight. This bill would require the agency to establish a freight advisory committee with various responsibilities in that regard. The initial state freight plan would be submitted to the Legislature, the Governor, and certain state agencies by December 31, 2014, and updated every 5 years thereafter.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 13978.8 is added to the Government  
2 Code, to read:

3 13978.8. (a) The Business, Transportation and Housing  
4 Agency shall prepare a state freight plan. The state freight plan  
5 shall comply with the relevant provisions of the federal Moving  
6 Ahead for Progress in the 21st Century Act (MAP-21), Public Law  
7 112-141. The agency shall develop a state freight plan that provides  
8 a comprehensive plan to govern the immediate and long-range  
9 planning activities and capital investments of the state with respect  
10 to the movement of freight.

11 (b) (1) The agency shall establish a freight advisory committee  
12 consisting of a representative cross section of public and private  
13 sector freight stakeholders, including representatives of ports,  
14 shippers, carriers, freight-related associations, the freight industry  
15 workforce, the California Transportation Commission, the  
16 Department of Transportation, the Public Utilities Commission,  
17 the State Lands Commission, the State Air Resources Board,  
18 regional and local governments, and environmental, safety, and  
19 community organizations.

20 (2) The freight advisory committee shall do all of the following:

21 (A) Advise the agency on freight-related priorities, issues,  
22 projects, and funding needs.

23 (B) Serve as a forum for discussion for state transportation  
24 decisions affecting freight mobility.

25 (C) Communicate and coordinate regional priorities with other  
26 organizations.

27 (D) Promote the sharing of information between the private and  
28 public sectors on freight issues.

29 (E) Participate in the development of the state freight plan.

30 (c) The state freight plan shall include, at a minimum, all of the  
31 following:

32 (1) An identification of significant freight system trends, needs,  
33 and issues.

34 (2) A description of the freight policies, strategies, and  
35 performance measures that will guide freight-related transportation  
36 investment decisions.

1 (3) A description of how the state freight plan will improve the  
2 ability of California to meet the national freight goals established  
3 under Section 167 of Title 23 of the United States Code.

4 (4) Evidence of consideration of innovative technologies and  
5 operational strategies, including intelligent transportation systems,  
6 that improve the safety and efficiency of freight movement.

7 (5) In the case of routes on which travel by heavy vehicles,  
8 including mining, agricultural, energy cargo or equipment, and  
9 timber vehicles, is projected to substantially deteriorate the  
10 condition of roadways, a description of improvements that may  
11 be required to reduce or impede the deterioration.

12 (6) An inventory of facilities with freight mobility issues, such  
13 as truck bottlenecks within California, and a description of the  
14 strategies California is employing to address those freight mobility  
15 issues.

16 (d) Notwithstanding Section 10231.5, the state freight plan shall  
17 be submitted to the Legislature, the Governor, the California  
18 Transportation Commission, the Public Utilities Commission, and  
19 the State Air Resources Board on or before December 31, 2014,  
20 and every five years thereafter. The state freight plan shall be  
21 submitted pursuant to Section 9795.

22 (e) The state freight plan required by this section may be  
23 developed separately from, or incorporated into, the statewide  
24 strategic long-range transportation plan required by Section 135  
25 of Title 23 of the United States Code.

26 (f) The freight element of the state freight plan may be  
27 developed separately from, or incorporated into, the state rail plan  
28 prepared by the Department of Transportation pursuant to Section  
29 14036.

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32 **CORRECTIONS:**

33 **Heading—Authors—Page 1.**

34 **Digest—Page 1.**

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BOARD MEETING DATE: February 1, 2013

AGENDA NO. 22

REPORT: Mobile Source Committee

SYNOPSIS: The Mobile Source Committee met Friday, January 18, 2013  
Following is a summary of that meeting.

RECOMMENDED ACTION:  
Receive and file.

Ronald O. Loveridge, Chair  
Mobile Source Committee

EC:fmt

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### **Attendance**

The meeting began at 9:07 a.m. Mayor Ronald Loveridge was present. Present via videoconference were Supervisor John J. Benoit, Dr. Clark E. Parker, Sr., Supervisor Shawn Nelson (*arrived at 9:30 a.m.*) and Councilwoman Jan Perry (*arrived at 9:50 a.m.*).

Dr. Parker announced that Dr. James Enstrom and Professor Matthew Malkan were present via videoconference to provide comments on Agenda Item #1.

The following items were presented:

### **INFORMATIONAL ITEMS:**

#### **1) Recent Court Decision on PM2.5 Implementation Rule**

Ms. Barbara Baird, District Counsel, reported on a recent decision of the D.C. Circuit Court of Appeals, NRDC & Sierra Club v EPA. The court ruled that EPA's PM2.5 implementation rule should have been issued under Subpart 4 Clean Air Act Part D, specific to particulate matter, rather than Subpart 1, which is general nonattainment planning. EPA had argued that Subpart 4 frequently referred specifically to PM10, so it did not apply to PM2.5. The court ruled that in 1990 when Subpart 4 was adopted, PM10 included PM2.5, so it applies.

The practical effects of this decision are as follows: If the attainment date is extended beyond five years, the SIP must include the "most stringent measures" in a state's SIP. (This is not likely an issue here.) If the area fails to attain on time, it



must submit a plan achieving five percent per year. (We expect to attain the current standards on time, but this could be an issue for the new annual standard.) The agency must implement the RACM (reasonably available control measures) four years after designation, and BACM (best available control measures) must be implemented four years after classification as “serious”. The AQMD should be able to comply with these requirements.

Most significantly, the major source definition EPA issued for PM<sub>2.5</sub> under Subpart 1 is 100 tons per year (tpy). AQMD staff presented evidence that even an 800 mega watt power plant could comply with this limit and not need offsets. Under Subpart 4, the PM<sub>10</sub> threshold is 70 tpy, which would make it harder to meet.

Dr. James Enstrom requested that the Board comply with all provisions of the California Health and Safety Code §40471(b), in particular that at least one Board hearing be specifically devoted to the report and peer review of the health impacts of particulate matter on air pollution. Dr. Enstrom expressed his belief that the 2012 AQMP, which was adopted in December, 2012, misrepresents and exaggerates the health effects and health impacts of particulate matter in the South Coast, and does not recognize the overwhelming evidence that there is no relationship between particulate matter and total mortality in the South Coast. He added that the socioeconomic report contains serious flaws because it assumes that there are premature deaths in the South Coast despite evidence that there is no premature mortality occurring in the South Coast at the current time. Dr. Enstrom stated that these concerns must be addressed before the adoption of any new regulations based on the 2012 AQMP, and urged that the Board hold a hearing on the health impacts of particulate matter.

Professor Matthew Malkan of UCLA also expressed his concern with the peer review and hearing process on the health impacts of particulate matter. Professor Malkan also noted that AQMD staff has not addressed the tremendous amount of evidence presented, which shows that there is no measureable effect between premature deaths and PM<sub>2.5</sub>. He also urged the Board to not adopt regulations that may have the reverse effect of decreasing public health.

Dr. Barry Wallerstein, Executive Officer, noted that these issues were raised as part of the public record relative to the adoption of the 2012 AQMP, and were also fully addressed by staff in their written responses in the 2012 AQMP. He also noted that after extensive review, including peer review with experts across the country and an opportunity for public comment, the federal government has established particulate health-based standards. The AQMD is obligated to achieve the federal standards, and the prevailing view nationwide is that particulate matter causes very serious health effects, including in the South Coast.

Supervisor Benoit and Dr. Parker asked whether the legal requirements have been met relative to a public hearing on the health impacts of particulate matter. Dr. Wallerstein responded that as part of the 2012 AQMP adoption, four regional hearings were conducted. At the regional hearings, staff presented information on the health effects of particulate matter and provided an opportunity for public comment and input. In addition, Appendix I of the Plan contained a discussion of health effects of particulate matter. Dr. Wallerstein also noted that Appendix I was sent out for peer review, and staff took comments, including from Dr. Enstrom, and addressed those comments. The Board when it conducted the hearing to adopt the 2012 AQMP also conducted a joint hearing to fulfill the requirements cited in the Health & Safety Code.

Mr. Kurt Wiese, General Counsel, also expressed his view that the Board has met the Health & Safety Code requirement raised by the commentors.

- 2) **Status Report on U.S. EPA's 1-hour Ozone State Implementation Plan Call**  
Dr. Philip Fine, Planning and Rules Manager, updated the committee on U.S. EPA's Final Rule on the 1-hour ozone SIP call. The Ninth Circuit U.S. Court of Appeals remanded U.S. EPA's previous action on California's 1-hour ozone attainment plan for South Coast Air Basin, which is classified as an extreme nonattainment area. The ruling directed the U.S. EPA to ensure the South Coast has an approved plan demonstrating attainment of the revoked 1-hour ozone standard. U.S. EPA proposed a "SIP call" on September 19, 2012, and issued the Final Rule on December 19, 2012. The rule becomes effective when published in the Federal Register scheduled for February 6, 2013. The revision to the SIP correcting the deficiencies is required no more than 12 months after the final rule effective date, thus, February 6, 2014. The South Coast has already conducted a 1-hour ozone attainment demonstration requiring a full 10-year extension period to comply by 2022. The 1-hour ozone attainment demonstration has been included as Appendix VII in the 2012 AQMP, which has been locally approved by the Board. The 1-hour ozone attainment demonstration as part of the 2012 AQMP will be submitted on an accelerated schedule to the U.S. EPA in advance to the 2014 deadline. No changes were made in the final rule that affects the contents of the 1-hour ozone attainment demonstration.

Eleven comment letters were submitted to the U.S. EPA regarding the Final Rule from government agencies, environmental groups, industry groups, a tribal band and private citizen. Notable comments were highlighted: The AQMD and CARB commented that they will rely on Section 182(e)(5) control measures to demonstrate attainment. Alternatively, environmental groups commented that the CAA does not provide for Section 182(e)(5) control measures for the attainment

demonstration. U.S. EPA responded that the review of the attainment demonstration will consider the approvability of the control strategy including the need for Section 182(e)(5) measures.

The same industry groups that commented on the 2012 AQMP also commented that VOC reductions should not be included as part of the 1-hour ozone attainment demonstration. U.S. EPA responded that it is at the state's discretion as to whether to impose further VOC reductions on sources in order to demonstrate attainment.

Mayor Loveridge asked about the purpose of bringing this item to the Mobile Source Committee. Staff noted that this item is to inform the committee that the 1-hour ozone attainment demonstration approved by the Board as part of the 2012 AQMP will not need to change with this publication of the final rule.

**3) 2012 Ozone Season and Ongoing Air Quality Trends**

Dr. Fine provided the latest information regarding the air quality data in 2012 and the trends from previous years. For 8-hour ozone, the number of days exceeding the 2008 standard (75 ppb) is higher than previous years, 2011 and 2010, but the level of ozone has decreased. The location of the air quality monitoring station with the peak concentration was Crestline. When reviewing the data for the single-year design value (4<sup>th</sup> highest in a year), the 8-hour ozone concentration has also decreased over the years, but the location of the air quality monitoring station with peak concentration can change, with Redlands and Fontana as the highest station in 2011. Similarly, the ozone concentration based on the 3-year design value (the 3-year average of the annual 4<sup>th</sup> highest levels) has been decreasing but at a slower rate. The data demonstrated how more work needs to be done to bring those ozone concentration levels down to meet the 8-hour ozone standard.

Dr. Barry Wallerstein reminded the committee that the ozone in the Coachella Valley is primarily from the pollutants transported from the South Coast Air Basin.

Dr. Fine showed data for the revoked 1-hour ozone standard that is trending similar to 8-hour ozone concentration levels, decreasing over the years. However, the design value peak air quality monitoring station varies from year to year. For the Coachella Valley, only one day exceeded in 2012 and no days exceeded the 1-hour ozone standard in 2010 or 2011. Dr. Fine highlighted that the 1-hour ozone standard will be met in Coachella Valley given that the emissions reductions must be achieved upwind to achieve attainment in the Basin.

Supervisor John Benoit questioned why the air quality data charts also included emissions from the Houston area. Staff responded that Houston has the worst ozone in the nation outside California.

Mayor Ronald Loveridge was reminded that the “design value” is a metric that puts local air quality data in a form to compare to the EPA standard for attainment demonstration purposes.

For annual PM2.5 data in 2012, all air quality monitoring stations are compliant with the current annual PM2.5 standard of 15  $\mu\text{g}/\text{m}^3$  but a number of stations currently exceed the new annual PM2.5 standard of 12  $\mu\text{g}/\text{m}^3$ . The 3-year average from 2010 to 2012 is 15.19  $\mu\text{g}/\text{m}^3$ , just slightly above the existing annual PM2.5 standard of 15  $\mu\text{g}/\text{m}^3$ .

#### **WRITTEN REPORTS:**

- 4) **Rule 2202 Activity Report**  
Written report submitted. No comments.
- 5) **Monthly Report on Environmental Justice Initiatives – CEQA Document Commenting Update**  
Written report submitted. No comments.

#### **OTHER BUSINESS:**

Mayor Loveridge announced that this was his last meeting and thanked staff for their efforts over the years.

#### **PUBLIC COMMENT:**

None

The meeting was adjourned at 10:06 a.m.

#### **Attachment**

Attendance Roster

**SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT  
MOBILE SOURCE COMMITTEE MEETING  
Attendance Roster- January 18, 2013**

NAME	AFFILIATION
Chair Ronald O. Loveridge	AQMD Governing Board
Committee Member John J. Benoit	AQMD Governing Board ( <i>via videoconference</i> )
Committee Member Shawn Nelson	AQMD Governing Board ( <i>via videoconference</i> )
Committee Member Clark E. Parker	AQMD Governing Board ( <i>via videoconference</i> )
Committee Member Jan Perry	AQMD Governing Board ( <i>via videoconference</i> )
Board Consultant/Asst Ron Ketchum	AQMD Governing (Cacciotti)
Ron Wilkniss	Consultant to WSPA
Curtis Coleman	Southern California Air Quality Alliance
Bill Pearce	Boeing
Daniel McGivney	Southern California Gas Company
James Enstrom	Independent Scientist ( <i>via videoconference</i> )
Matthew Malkan	UCLA ( <i>via videoconference</i> )
Barry Wallerstein	AQMD Staff
Elaine Chang	AQMD Staff
Kurt Wiese	AQMD Staff
Barbara Baird	AQMD Staff
Chung Liu	AQMD Staff
Henry Hogo	AQMD Staff
Peter Greenwald	AQMD Staff
Nancy Feldman	AQMD Staff
Philip Fine	AQMD Staff
Joe Cassmassi	AQMD Staff
Carol Gomez	AQMD Staff
Mike Krause	AQMD Staff
Sam Atwood	AQMD Staff
Patti Whiting	AQMD Staff
Kim White	AQMD Staff

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BOARD MEETING DATE: February 1, 2013

AGENDA NO. 23

REPORT: Stationary Source Committee

SYNOPSIS: The Stationary Source Committee met Friday, January 18, 2013. Following is a summary of that meeting. The next meeting will be February 15, at 10:30 a.m., in Conference Room CC8.

RECOMMENDED ACTION:  
Receive and file.

Dennis Yates, Chair  
Stationary Source Committee

MN:am

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### **Attendance**

The meeting began at 10:30 a.m. Present were Mayor Dennis Yates, Dr. Joseph Lyou, Dr. William Burke (VT), Supervisor Shawn Nelson (VT) and Mayor Pro Tem Judith Mitchell (listen by phone only, location was not noticed). Absent was Mayor Ronald Loveridge.

### **INFORMATIONAL ITEM**

#### **1. Proposed Rule 1148.2 - Notification of Reporting of Pre-Production Operations of Oil and Gas Wells**

Susan Nakamura, Planning and Rules Manager, presented the proposal for PR 1148.2 – Notification and Reporting Requirements for Oil and Gas Wells and Chemical Suppliers. The proposed rule is the first step in a two-step rulemaking process. PR 1148.2 is intended to gather information regarding drilling, well completion, and reworks. After gathering information regarding these processes, staff will analyze the data to determine if any air quality impacts are present, and if so, make recommendations to the Board regarding any further rulemaking, if needed.

Mayor Yates asked if staff is following the proposed State hydraulic fracturing legislation and if these proposed bills could affect the rulemaking. Ms. Nakamura replied that staff is following the proposed legislation and that if passed, parts of the proposed bills could be beneficial for this rulemaking. Mayor Yates also expressed concerns about proprietary information of the material; however, Dr. Burke indicated that if there are poisonous materials, it shouldn't be considered confidential or proprietary. Mayor Yates suggested that we do our own testing to verify the content of chemicals in the materials used for fracking.

There were several public comments regarding this item. Suzanne Noble (WSPA/CIPA) noted four main concerns regarding the proposed rule: 1) What is the actual objective the PR 1148.2? WSPA/CIPA believes that the current scope of PR1148.2 goes beyond the Board's original directive to investigate hydraulic fracturing operations. Also, WSPA/CIPA believes that if the intent of the proposed rule is to gather data, then a formal rule is not necessary. They feel that the necessary information can be collected without the need for a new rule. She also cited a comment from Tim Kustic at the last Working Group meeting, in which the suggestion was made to explore other data gathering efforts instead of a formal rulemaking process; 2) WSPA/CIPA believes that District staff may benefit from information sessions/seminars/site visits hosted by industry experts and WSPA/CIPA members; 3) Expressed concerns regarding PR 1148.2 being consistent with other state regulations. They believe that DOGGR/CARB already require recordkeeping/reporting for much of the information required by PR 1148.2. She also urged staff to review the EPA NSPS for hydraulic fracturing to ensure that PR 1148.2 requirements are not duplicative; 4) she requested the Board and staff to reconsider the current proposed timeframe for the rule. Ms. Noble expressed concern that many comments made at a recent stakeholder meeting were not incorporated into the proposed rule because the rulemaking process has been moving forward so quickly.

Next Bill Pearce (Boeing) indicated that there are several oil/gas wells on their property and urged staff to ensure that property owners are not negatively affected by the rule. Supervisor Nelson indicated that the District should regulate sources where known emissions are present, but expressed concern about a rule which requires data gathering. Indicated that he would be more comfortable if the District was aware of an issue, then developed a rule to mitigate the issue. Dr. Lyou indicated that the District should be ready and willing to amend the rule in order to be consistent with the proposed state legislation for hydraulic fracturing. Recommended including Environmental Working Group, Baldwin Hills Community group, CAPCOA, and CARB in discussions regarding PR 1148.2. Dr. Lyou supported staff's recommendation to broaden the scope of the proposed rule relative to the Board's original directive. Mayor Yates added that there are many oil wells in Lost Hills and asked whether these could possibly be fractured at some point. Dr. Lyou and Susan Na-

kamura stated that these could very possibly be fractured in the future based on news surrounding increased fracturing activity in the state.

## **2. Status Report on Reg. XIII – New Source Review**

Mohsen Nazemi, Deputy Executive Officer of Engineering and Compliance, gave a presentation on the history and current status of the District's compliance with federal New Source Review (NSR) offset requirements. The presentation covered some of the history of the District's NSR Tracking and the current and projected balances, as well as the trends, of the District's internal offset accounts. Both the preliminary Calendar Year (CY) 2011 and the projected CY 2012-2013 federal offsets account balances are determined to remain positive thus indicating continued compliance with federal NSR offset requirements. Mr. Nazemi also explained that this is a preliminary determination of equivalency, and therefore includes only debits not credits, and that credits will be included in the final determination of equivalency, which will be presented in September 2013.

Dr. Lyou asked where the projected credits come from. Mr. Nazemi explained that Rule 1315 states that projected credits as well as projected debits are determined by the average of the last five years of credits and debits. Dr. Lyou asked where credits generally come from, and Mr. Nazemi explained that they generally come from orphan shutdowns, which are shutdowns of equipment for which the equipment owner have not received any emission reduction credits (ERCs). Dr. Lyou asked if the credits are discounted, and Mr. Nazemi explained that the discount is as described in one of the slides, as referred to BARCT surplus adjustment. Dr. Lyou also asked if the recent recession accounted for a lot of shutdowns, and Mr. Nazemi explained that there were shutdowns, and that larger sources applied for ERCs but that some smaller sources may not have received ERCs and therefore those would contribute to orphan shutdowns.

## **3. Rule 102 – Definition of Terms**

Naveen Berry, Planning & Rules Manager, presented a summary of the proposed amendments to the Stationary Source Committee meeting held on January 18, 2013, including public comments pertaining to the inclusion of tertiary butyl acetate and dimethyl carbonate to the proposed list of exempt compounds. Mr. Berry explained that both compounds cannot be included in the proposed amendment at this time because of concerns about potential worker exposure. AQMD staff plans to work with health experts and other agencies to address the review of worker exposure issues.

## **WRITTEN REPORTS**

All written reports were acknowledged by the Committee.



## **PUBLIC COMMENTS**

Dr. James Enstrom, UCLA, was at Dr. Burke's residence and provided comments, similar to those he provided at the December 7, 2012 AQMP hearing, on the health impacts of particulate matter in the South Coast Basin. He expressed concerns and requested that the District Governing Board or Board Committees should hold a hearing to get input from those scientists whose views are different than those of District, ARB and EPA. He asked that the Governing Board listen to such views before taking any further actions on any particulate matter rules. Dr. Enstrom provided a copy of a handout relative to his comments.

### **Attachments**

Attendance Roster

**SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT  
STATIONARY SOURCE COMMITTEE  
January 18, 2013  
ATTENDANCE ROSTER (Voluntary)**

NAME	AFFILIATION
Mayor Dennis Yates	AQMD Governing Board
Dr. Joseph Lyou	AQMD Governing Board
Supervisor Shawn Nelson	AQMD Governing Board
Dr. William Burke	AQMD Governing Board
Mayor Pro Tem Judith Mitchell	AQMD Governing Board
Marisa Perez	AQMD Governing Board (Mitchell)
Mark Abramowitz	AQMD Governing Board (Lyou)
Barry Wallerstein	AQMD Staff
Mohsen Nazemi	AQMD Staff
Jill Whynot	AQMD Staff
Elaine Chang	AQMD Staff
Barbara Baird	AQMD Staff
Joe Cassmassi	AQMD Staff
Philip Fine	AQMD Staff
Danny Luong	AQMD Staff
William Thompson	AQMD Staff
George Illes	AQMD Staff
Gary Turner	AQMD Staff
Tina Cherry	AQMD Staff
Patti Whiting	AQMD Staff
Kim White	AQMD Staff
Tim Kobata	AQMD Staff
Eugene Kang	AQMD Staff

**SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT  
STATIONARY SOURCE COMMITTEE  
January 18, 2013  
ATTENDANCE ROSTER (Voluntary)**

Ben Benoit	Riverside Cities
Bill Quinn	CCEEB
Mike Lewis	
Ron Wilkniss	Consultant to Western States Petroleum Assoc.
Danielle Fasse	Southern California Edison
Candice Gantt	Southern California Edison
Bill Pearce	Boeing
Daniel McGivney	Southern California Gas
Noel Muyco	Southern California Gas
Curtis Coleman	Southern California AQ Alliance
Rita Loof	Rad Tech

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BOARD MEETING DATE: February 1, 2013

AGENDA NO. 24

REPORT: Technology Committee

SYNOPSIS: The Technology Committee met on January 18, 2013. Major topics included Technology Advancement items reflected in the regular Board Agenda for the February Board meeting. A summary of these topics with the Committee's comments is provided. The next Technology Committee meeting will be on February 15, 2013 at 12 p.m. in CC-8.

RECOMMENDED ACTION:  
Receive and file.

John J. Benoit  
Technology Committee Chair

CSL:pmk

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**Attendance:** Mayor Dennis Yates was in attendance at District headquarters. Supervisor John Benoit, Dr. Clark Parker, and Mayor Miguel Pulido participated by videoconference. Mayor Pro Tem Judith Mitchell listened to, but did not participate in, the meeting because her location was not listed on the meeting agenda. Councilwoman Jan Perry was absent due to a conflict with her schedule.

## **FEBRUARY BOARD AGENDA ITEMS**

### **1. Transfer Funds from Clean Fuels, Carl Moyer AB 923, and Proposition 1B Funds for Administrative Support and Related Activities**

The demonstration and incentive programs execute hundreds of contracts annually, which require ongoing administrative, outreach, education and other related activities which require resources and support. This action is to transfer an additional \$450,000 from the Clean Fuels Program Fund (31), \$150,000 from the Carl Moyer AB 923 Program Fund (80), and \$200,000 from the Proposition 1B Program Fund (81) for FY 2012-13 to the Budget of Science & Technology Advancement, Services and Supplies Major Object, Professional and Special Services Account to support directly-related activities.

*Moved by Yates; seconded by Parker; unanimously approved.*

## **2. Amend Awards under Carl Moyer Program**

On October 5, 2012, the Board awarded two contracts to replace older off-road vehicles with new Tier-3 and Tier-4 vehicles. Since then, staff has worked with the awardees and has located new and cleaner Tier-4 vehicles for use instead of the proposed Tier-3 replacement vehicles. This action is to increase the funding amount for the two existing awards under the Carl Moyer Program.

*Supervisor Benoit recused himself from this item due to a campaign contribution from Bagdasarian, Inc.*

*Public Comment – George Garcia indicated he would like more LNG/CNG projects.*

*Less than a quorum was present; the Committee Members concurred that this item be forwarded to the Board for consideration.*

## **3. Authorize Acquisition of Five Advanced Technology Vehicles for AQMD's Alternative Fuel Vehicle Demonstration Program**

The AQMD tests and demonstrates new vehicles with low- and zero-emission technologies as they become available. This action is to lease three Chevrolet Volt extended-range electric vehicles, one Ford C-Max Energi, and one Toyota Rav4 EV for three years. Total cost to the AQMD for these five vehicles will not exceed \$115,000 from the Clean Fuels Fund (31).

*Unanimously approved.*

## **4. Execute Contract for Tier 4 Passenger Locomotives under Carl Moyer Program and Approve Workplan for LNG Locomotive Development**

On June 5, 2012, proposals were received in response to the Program Announcements issued for the Carl Moyer Program. A proposal was received from the Southern California Regional Rail Authority (SCRRA) for the replacement of Tier 0 passenger locomotive engines with Tier 4 locomotive engines over a three-year period. On December 14, 2012, the SCRRA Board approved the purchase of up to 20 new Tier 4 locomotives contingent upon AQMD cofunding and to work with AQMD for the development of an LNG locomotive. This action is to execute a contract with SCRRA in an amount not to exceed \$34.66 million from the Carl Moyer Program. The remainder of funds requested by SCRRA is contingent upon reauthorization of AB 923 and will be considered in a future Board action.

*Mayor Pulido joined the meeting at 12:23 p.m.*

*Public Comment – Dr. Woodrow Clark asked whether other forms of alternative clean technologies such as maglev or linear synchronous motor will be considered when staff evaluates LNG locomotive technologies. Staff indicated that the primary*

*focus is LNG, but will look at other technologies. One technology developer provided an LNG/hybrid concept. Staff also indicated SCRRA needs to replace their higher emitting Tier 0 locomotives in the near future. The Committee members commented that procuring the cleanest locomotives is a good starting point.*

*Moved by Yates; seconded by Pulido; unanimously approved.*

## **Items for Discussion/Presentation**

### **5. CARB's Program Review Report of AQMD's Incentive Funding Programs for Fiscal Years 2005-06 through 2008-09**

In September 2010, CARB staff commenced the auditing of the AQMD's incentive funding programs including the Carl Moyer Memorial Air Quality Standards Attainment, the Lower-Emission School Bus, and the Proposition 1B-Goods Movement Emission Reduction Programs. CARB also reviewed projects funded with AB 923 motor vehicle fees that are used for State Implementation Plan credits, and Diesel Emissions Reduction Act (DERA)-funded Lower Emission School Bus retrofit projects. The audit encompassed \$416 million in state grants, and AQMD provided matching funds for a period of four fiscal years from FY 2005-06 through FY 2008-09. The final audit report including the AQMD's response was published by CARB on November 16, 2012. Staff presented an overview of the audit report including AQMD's staff response.

**Public Comment Period** - *Dr. Woodrow Clark mentioned that he has extensive experience in hydrogen fueling infrastructure, other new low-emission technologies and that he worked in the Governor Davis administration during the energy crisis. Dr. Clark stated that the AQMD should focus on renewable hydrogen for fuel cell vehicles. He stated that countries like Norway and China have been using electrolyzers to produce hydrogen for many years and that hydrogen produced by electrolysis could cost less than that produced from fossil fuels such as natural gas because the stranded costs are lower in the long term. He also mentioned that CEC is in the process of releasing a solicitation for hydrogen fueling infrastructure in March 2013. He encouraged the AQMD to focus on renewable energy sources such as wind and solar.*

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

The next meeting will be February 15, 2013.

## **Attachments**

Attendance

## Attachment A – Attendance

Supervisor John Benoit.....	AQMD Governing Board (via VT)
Dr. Clark Parker.....	AQMD Governing Board (via VT)
Mayor Miguel Pulido .....	AQMD Governing Board (via VT)
Mayor Dennis Yates .....	AQMD Governing Board
Mark Abramowitz .....	Board Assistant (Lyou)
Allis Druffel.....	Board Assistant (Cacciotti)
Marisa Perez .....	Board Assistant (Mitchell)
Barry Wallerstein, Executive Officer .....	AQMD
John Olvera, Principal Deputy District Counsel .....	AQMD
Ruby Fernandez, Senior Deputy District Counsel .....	AQMD
Chung Liu, STA .....	AQMD
Henry Hogo, STA.....	AQMD
Matt Miyasato, STA .....	AQMD
Fred Minassian, STA.....	AQMD
Lourdes Cordova Martinez, STA .....	AQMD
Randall Pasek, STA.....	AQMD
Dean Saito, STA.....	AQMD
Dipankar Sarkar, STA .....	AQMD
Connie Day, STA .....	AQMD
Ranji George, STA .....	AQMD
Joseph Impullitti, STA.....	AQMD
Lisa Mirisola, STA .....	AQMD
Frank Motavassel, STA .....	AQMD
Larry Watkins, STA .....	AQMD
Vicki White, STA.....	AQMD
Paul Wright, IM.....	AQMD
Isabel Aguilar, STA .....	AQMD
Pat Krayser, STA.....	AQMD
Ben Benoit .....	Riverside Cities
Woodrow Clark .....	Clark Strategic Partners
Anne Louse Rice .....	SCRRA/Metrolink
Mayor Pro Tem Judith Mitchell .....	AQMD Governing Board*

\*Listening only, via telconference

BOARD MEETING DATE: February 1, 2013

AGENDA NO. 25

REPORT: Mobile Source Air Pollution Reduction Review Committee

SYNOPSIS: Below is a summary of key issues addressed at the MSRC's meeting on January 17, 2013. The MSRC's next meeting is scheduled for Thursday, February 21, 2013, at 2:00 p.m. in Conference Room CC8.

RECOMMENDED ACTION:  
Receive and file.

Henry Hogo  
Assistant Deputy Executive Officer  
AQMD Liaison to the MSRC

CSL:HH:DAH/CR

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### **Meeting Minutes Approved**

The MSRC unanimously approved the minutes from its November 15, 2012 meeting. Those approved minutes are attached for your information (*Attachment 1*).

### **Awards to Implement Rideshare Incentive Programs**

As part of their FY 2011-12 Work Program, as a companion to the Rideshare Thursday public awareness campaign, the MSRC allocated \$500,000 towards the implementation of one or more programs to provide incentives for the use of alternative commute modes. The MSRC subsequently directed that the \$500,000 be distributed equally between the four County Transportation Commissions (CTCs). Three Work Plans were submitted, one by Metro, one by OCTA, and a third by RCTC who proposed to administer a joint RCTC/SANBAG incentive program. At its January 17, 2013 meeting, the MSRC unanimously awarded \$125,000 each to Metro and OCTA and \$250,000 to RCTC for the joint program. The AQMD Board will consider these awards at its February 1, 2013 meeting.



### **FY 2012-14 Work Program**

At its fall retreat the MSRC directed its Technical Advisory Committee to begin development of a two-year Work Program combining resources and AB 2766 revenues of FYs 2012-13 and 2013-14. At its January 17, 2013 meeting, the MSRC received an update that five Technical Advisory Committee Subcommittees have been formed and the development process is underway. The MSRC also considered one potential Work Program category in greater detail. A number of event centers have been inquiring as to whether the MSRC's 2012-14 Work Program would include an Event Center Transportation Program. Due to the timing of some major events, substantial benefits and promotional opportunities could be lost if the MSRC elects to include such a category but releases the funding opportunity later in the year. The MSRC directed its MSRC-TAC to commence development of a proposed Event Center Transportation RFP, and bring the RFP back for MSRC consideration in February. As additional elements of this two-year program come together, further updates will be provided and when ready for implementation will be brought forward to the AQMD Board for consideration.

### **Alternative Fuel School Bus Incentives Awarded**

The MSRC set aside \$1.5 million in its FY 2011-12 Work Program to continue its Alternative Fuel School Bus Incentives Program, providing incentives ranging from \$15,000 to \$45,000 per bus, depending on model. Three pre-qualified school bus vendors, one of which is A-Z Bus Sales, participate in the program offering incentives for alternative fuel school buses. Of the \$1.5 million, \$75,000 remains available for the program. At its January 17, 2013 meeting, the MSRC unanimously awarded A-Z Bus Sales an additional \$45,000 to fulfill an order for Murrieta Valley Unified School District. The MSRC also approved a three-month contractual term extension to allow time for the bus to be delivered and placed into service before contract expiration. This item will be considered by the AQMD Board at its February 1, 2013 meeting.

### **Contract Modification Requests**

The MSRC considered two contract modifications as follows:

1. For City of Los Angeles, Bureau of Sanitation, Contract #MS07080, which provides \$63,192 to implement a retrofit demonstration program, approval of an 18-month contractual term extension; and
2. For Anaheim Transportation Network Contract #MS12064, which is not yet executed but would provide \$127,296 for implementation of an Anaheim Event Centers Circulator Service, approval of a modified implementation schedule delaying the service schedule by a few months.

### **Received and Approved Final Report**

The MSRC received and approved one final report summary for Enterprise Rent-A-Car Contract #MS10007, which provided \$18,976 towards the purchase of two shuttle buses

equipped with advanced natural gas engines. A two-page summary of each closed project can be viewed in the electronic library on the MSRC's website at [www.CleanTransportationFunding.org](http://www.CleanTransportationFunding.org).

### **Contracts Administrator's Report**

The MSRC's AB 2766 Contracts Administrator provides a written status report on all open contracts from FY 2003-04 through the present. The Contracts Administrator's Report for January 2013 is attached (*Attachment 2*) for your information.

### **Attachments**

Attachment 1 – Approved November 15, 2012 Meeting Minutes

Attachment 2 – January 2013 Contracts Administrator's Report



**MEETING OF THE  
MOBILE SOURCE AIR POLLUTION REDUCTION REVIEW COMMITTEE  
THURSDAY, NOVEMBER 15, 2012 MEETING MINUTES  
21865 Copley Drive, Diamond, Bar, CA 91765- Conference Room CC-8**

**MEMBERS PRESENT:**

(Chair) Greg Winterbottom, representing OCTA,  
Temecula Council Member Ron Roberts, representing SCAG  
Jon Taylor (Alt.), representing California Air Resources Board  
Ric Teano (Alt.), rep. Orange County Transportation Authority  
San Fernando Council Member Steve Veres, rep. LA County MTA (via v/c)  
County of LA Supervisor Michael Antonovich, representing SCAQMD

**MSRC MEMBERS ABSENT:**

(Vice Chair) Cathedral City Council Member Greg Pettis, rep. RCTC  
Earl Withycombe, representing CARB

**MSRC-TAC MEMBERS PRESENT:**

MSRC-TAC Chair Gretchen Hardison, representing City of Los Angeles  
MSRC-TAC Vice Chair Tanya Love, representing RCTC  
Rongsheng Luo (Alt.), Southern California Association of Governments  
Kelly Lynn, San Bernardino Associated Governments  
Dean Saito, representing SCAQMD

**OTHERS PRESENT:**

Debra Mendelsohn, AQMD Board Asst. (Antonovich)  
Charlotte Whitney, Strategic Solutions

**AQMD Staff**

Ray Gorski, MSRC Technical Advisor  
John Kampa, Financial Analyst  
Matt MacKenzie, MSRC Contracts Assistant  
Veera Tyagi, Senior Deputy District Counsel  
Ana Ponce (Alt.) MSRC Administrative Liaison  
Cynthia Ravenstein, MSRC Contracts Administrator  
Rachel Valenzuela, MSRC Contracts Assistant  
Paul Wright, Audio-Visual Specialist

**CALL TO ORDER**

- Opening Comments

MSRC Chair Greg Winterbottom called the meeting to order at 2:12 p.m., as a committee of the whole, due to lack of a quorum.

**PUBLIC COMMENT PERIOD**

Public comments were allowed during the discussion of each agenda item. No comments were made on non-agenda items.

The MSRC skipped to Agenda Item #11, to accommodate a member of the public wishing to speak on this item.

**CONSENT CALENDAR (Items 1 through 7)****Receive and Approve Items****Agenda Item #1 – Approval of Meeting Minutes for September 17 and October 18, 2012**

[The Consent Calendar was considered out of order to allow for a member of the public to speak on Agenda Item #11.]

The minutes of the September 17, 2012 meeting were not yet available. The minutes of the October 18, 2012 MSRC meeting were distributed at the meeting.

ON MOTION BY MSRC MEMBER RON ROBERTS, AND  
SECONDED BY MSRC CHAIRMAN GREG WINTERBOTTOM,  
UNDER APPROVAL OF THE CONSENT CALENDAR ITEMS 1  
THROUGH 7, THE MSRC UNANIMOUSLY APPROVED THE  
OCTOBER 18, 2012 MINUTES.

**ACTION:** AQMD staff will include the October 18, 2012 minutes in the MSRC Committee Report for the December 7, 2012 AQMD Board meeting, as well as on the MSRC's website.

**Agenda Item #2 – Summary of Final Reports by MSRC Contractors**

The agenda package included five final report summaries as follows: 1) EDCO, Contract #MS10019, which provided \$379,549 for the purchase of 11 refuse trucks equipped with advanced natural gas engines; 2) Republic Services, Inc., Contract #MS10008, which provided \$123,354 for the purchase of four trucks equipped with advanced natural gas engines; 3) Frito-Lay North America, Contract #MS10024, which provided \$47,444 for the purchase of 5 trucks with all-electric drive systems; 4) Los Angeles County Metropolitan Transportation Authority, Contract #MS11004, which provided \$450,000 to

implement clean fuel transit service to Dodger Stadium; and 5) Orange County Transportation Authority, Contract #MS11006, which provided \$268,207 to implement special Metrolink service to Angels Stadium.

ON MOTION BY MSRC MEMBER RON ROBERTS, AND  
SECONDED BY MSRC CHAIRMAN GREG WINTERBOTTOM,  
UNDER APPROVAL OF THE CONSENT CALENDAR ITEMS 1  
THROUGH 7, THE MSRC UNANIMOUSLY APPROVED THE FINAL  
REPORTS ABOVE.

**ACTION:** MSRC staff will file the final reports and release any retention on these contracts.

### **Agenda Item #3 – Consider Adoption of 2013 Meeting Schedule**

The agenda package included the proposed 2013 meeting schedule. The schedule continues with meetings on the first and third Thursdays, respectively, for the MSRC-TAC and MSRC. Two exceptions are proposed for the January and July MSRC-TAC meetings; staff recommends the meetings be held on the second Thursday of the month to avoid holiday conflicts.

ON MOTION BY MSRC MEMBER RON ROBERTS, AND  
SECONDED BY MSRC CHAIRMAN GREG WINTERBOTTOM,  
UNDER APPROVAL OF THE CONSENT CALENDAR ITEMS 1  
THROUGH 7, THE MSRC UNANIMOUSLY APPROVED THE 2013  
MSRC AND MSRC-TAC MEETING SCHEDULE, AS PROPOSED.

**ACTION:** AQMD staff will include the 2013 meeting schedule in the MSRC Committee Report for the December 7, 2012 AQMD Board meeting, as well as on the MSRC's website.

### **Receive and File Items**

#### **Agenda Item #4 – MSRC Contract Administrator's Report**

The MSRC AB 2766 Contract Administrator's Report for November 2012 was included in the agenda package.

ON MOTION BY MSRC MEMBER RON ROBERTS, AND  
SECONDED BY MSRC CHAIRMAN GREG WINTERBOTTOM,  
UNDER APPROVAL OF THE CONSENT CALENDAR ITEMS 1  
THROUGH 7, THE MSRC UNANIMOUSLY APPROVED THE  
CONTRACT ADMINISTRATOR'S REPORT FOR NOVEMBER 2012.

**ACTION:** AQMD staff will include the MSRC Contract Administrator's Report in Supervisor Antonovich's MSRC Committee Report for the December 7, 2012 AQMD Board meeting.

**Agenda Item #5 – Financial Report on AB 2766 Discretionary Fund**

A financial report on the AB 2766 Discretionary Fund for the period ending October 30, 2012, was included in the agenda package.

ON MOTION BY MSRC MEMBER RON ROBERTS, AND  
SECONDED BY MSRC CHAIRMAN GREG WINTERBOTTOM,  
UNDER APPROVAL OF THE CONSENT CALENDAR ITEMS 1  
THROUGH 7, THE MSRC UNANIMOUSLY APPROVED THE  
FINANCIAL REPORT ABOVE.

No further action is required.

**For Approval – As Recommended****Agenda Item #6 – Consider Modified Statement of Work by City of Hawthorne,  
Contract #MS11064 (\$175,000 – Install New Limited Access CNG Station)**

The City of Hawthorne requests to decrease the amount of CNG storage, but increase the compression capability of the station.

ON MOTION BY MSRC MEMBER RON ROBERTS, AND  
SECONDED BY MSRC CHAIRMAN GREG WINTERBOTTOM,  
UNDER APPROVAL OF THE CONSENT CALENDAR ITEMS 1  
THROUGH 7, THE MSRC UNANIMOUSLY APPROVED THE CITY  
OF HAWTHORNE TO REDUCE THE AMOUNT OF STORAGE  
CAPACITY TO BE INCORPORATED INTO THEIR STATION,  
WHILE INCREASING THE AMOUNT OF COMPRESSION  
CAPABILITY, AS PART OF THE FY 2010-11 ALTERNATIVE FUEL  
INFRASTRUCTURE PROGRAM.

**ACTION:** AQMD staff will include this item in Supervisor Antonovich's MSRC Committee Report for the December 7, 2012 AQMD Board meeting.

**Agenda Item #7 – Consider Contract Modification Regarding Throughput  
Requirement by Clean Energy, Contracts #MS08061 and #MS08072 (\$400,000 and  
\$400,000 – Install New CNG Stations in Los Angeles and Burbank)**

Clean Energy requests that the annual fuel throughput requirement and related penalty provision in their contracts be modified.

ON MOTION BY MSRC MEMBER RON ROBERTS, AND SECONDED BY MSRC CHAIRMAN GREG WINTERBOTTOM, UNDER APPROVAL OF THE CONSENT CALENDAR ITEMS 1 THROUGH 7, THE MSRC MEMBERS PRESENT RECOMMEND APPROVING CLEAN ENERGY'S ANNUAL FUEL THROUGHPUT REQUIREMENT AND RELATED PENALTY PROVISION IN THEIR CONTRACTS TO BE MODIFIED; AS PART OF THE FY 2007-08 ALTERNATIVE FUEL INFRASTRUCTURE PROGRAM. MSRC MEMBER MICHAEL ANTONOVICH ABSTAINED; THEREBY LOSING A QUORUM ON THIS ITEM.

**ACTION:** AQMD staff will include this item in Supervisor Antonovich's MSRC Committee Report for the December 7, 2012 AQMD Board meeting.

**ACTION CALENDAR (Items 8 through 12)**

**FY 2011-12 WORK PROGRAM**

**Agenda Item #8 – Consider Funding for Application Received Under the Showcase III – Off-Road Emission Reduction Technology Program**

Cynthia Ravenstein, MSRC Contracts Administrator, reported that part of the 2011-12 Work Program was for a follow-up Showcase III program for demonstration of emission reduction technologies on off-road vehicles. Part of the reason for doing this is that off-road vehicles provide some of the best opportunities for getting emission benefits.

The Showcase II program was oversubscribed. This time around, however, there was only one application from a fleet to do retrofits on their vehicles. This was a "package" application which specified the type of technology that they want to put on to their vehicles—Baumot's BA-B device, a particulate trap. This technology is qualified to participate in the program. The MSRC-TAC reviewed the proposal and recommended approval of an award to Leatherwood Construction in an amount not to exceed \$122,719 to retrofit six of their vehicles with the Baumot BA-B device. If the MSRC approves this award, the remaining \$1.377 million would revert to the AB 2766 Discretionary Fund.

ON MOTION BY MSRC MEMBER ALTERNATE JON TAYLOR, AND SECONDED BY MSRC MEMBER STEVE VERES, THE MSRC UNANIMOUSLY APPROVED AN AWARD OF \$122,719 TO LEATHERWOOD CONSTRUCTION FOR THE RETROFIT OF SIX OFF-ROAD VEHICLES WITH THE BAUMOT BA-B DIESEL PARTICULATE FILTER, AS PART OF THE SHOWCASE III PROGRAM UNDER THE FY 2011-12 WORK PROGRAM.

**ACTION:** This award will be considered by the AQMD Board at its December 7, 2012 meeting.

**Agenda Item #9 – Consider Funding for Proposals Received Under the Major Event Center Transportation Program**

MSRC-TAC Member Kelly Lynn indicated that this is a request for approval of a number of proposals received by the deadline for the Major Event Center Transportation Program for the 2011-12 Work Program. This has been a very popular program. Four additional proposals were received prior to the deadline. Applications were accepted from March 2, 2012 to September 28, 2012.

The first proposal for consideration is from Metrolink for the Auto Club Speedway. This would bring in dedicated trains for the NASCAR Sprint Series on March 24, 2013. They are requesting an award of \$57,363, and they will co-fund with \$128,500 to help offset the operating and marketing costs for this special dedicated train service. The trains would originate out of Oceanside, Oxnard, and Lancaster, and they would arrive at the Auto Club Speedway platform. There, passengers would get off the train and take trams to the ticket gates to be able to get into the event. The dedicated trains would wait 45 minutes after the conclusion of the event before departing. The proposed ticket price is \$19 for the roundtrip fare.

[At 2:38 p.m. MSRC Member Michael Antonovich arrived at the Los Angeles videoconference site and a quorum was achieved.]

MSRC Chair Greg Winterbottom, recognizing a quorum, briefed Mr. Antonovich on the actions taken for Consent Calendar Items #1-7, and Item #11, by a committee of the whole, and called for his ratification of the motions. Mr. Antonovich indicated his consent, but abstained on Item #7, and MSRC Chair Greg Winterbottom deemed the remainder of the actions ratified.

The second proposal received was from the Orange County Great Park in partnership with the City of Irvine. The Solar Decathlon 2013 event, in conjunction with a Clean+Renewable+Efficient Energy Exposition, will be held at the Orange County Great Park. The event will run for several days, including the two weekends of October 5 and 6; as well as October 12 and 13, 2013. They are requesting an award of \$45,000 for shuttle service between the Irvine Metrolink Amtrack Station to the Orange County Great Park. The shuttle service would run from 10 a.m. to 8 p.m. continuously on the weekends. Their co-funding towards operating and marketing of the project is an additional \$45,000 for a total project cost of \$90,000. They are expecting between 300,000 and 400,000 visitors. The TCM Subcommittee recommends approval of this proposal.

The third proposal comes from a company called Valley Music Travel. They have provided local hotel shuttle services for the Coachella Music Festival. In 2013, the Festival will be held on two weekends, April 12-14 and April 19-21. Valley Music Travel originally requested \$600,000 for a long-distance transit service. They had a number of locations they wanted the service to come out of: LAX, Union Station, the Los Angeles Greyhound Station and the W Hotel in San Diego. When the TCM



Subcommittee reviewed the proposal, there were a few concerns about the unknown level of demand. The other issue was that in the original proposal, the buses or shuttles they were suggesting were older vehicles that were not that clean. In addition, the buses would be “deadheading” back to those points of origin with no passengers; therefore, there was an emission concern. Cynthia Ravenstein, MSRC Contracts Administrator, talked to Valley Music Travel and they were agreeable to a scaled-down, demonstration version of the project with a single origination point. They submitted a revised proposal requesting an award for \$99,000. The origin they would like to use is LAX, and the buses will stay in Indio until the conclusion of the event. They would pick people up on April 12 and 13, and return them to LAX on April 15; and then the following weekend, they would do the same thing. They also would be contributing \$99,797 for marketing and for the operation of the program. The TCM Subcommittee is recommending approval of Valley Music Travel’s revised proposal, contingent upon the use of buses meeting 2010 Federal emissions standards.

The fourth proposal is from Sunline. Their request was for an award of \$186,471 to expand the weekend services of an already existing service. Even though there were some weekends that had events, the Sunline proposal was for an entire year. The TCM Subcommittee felt that it did not meet the qualifications, or the true purpose, of this work program. They are recommending that Sunline’s request not be awarded, since it is basically expanding their weekend service for a year.

ON MOTION BY MSRC MEMBER RON ROBERTS, AND  
SECONDED BY MSRC MEMBER MICHAEL ANTONOVICH, THE  
MSRC UNANIMOUSLY APPROVED 1) AN AWARD TO SOUTHERN  
CALIFORNIA REGIONAL RAIL AUTHORITY, NOT TO EXCEED  
\$57,363, TO IMPLEMENT SPECIAL METROLINK SERVICE TO  
AUTO CLUB SPEEDWAY; 2) AN AWARD TO VALLEY MUSIC  
TRAVEL, NOT TO EXCEED \$99,000, CONTINGENT UPON USE OF  
BUSES MEETING 2010 FEDERAL EMISSIONS STANDARDS, TO  
IMPLEMENT LONG-DISTANCE SHUTTLE SERVICE TO THE  
COACHELLA MUSIC FESTIVAL; 3) AN AWARD TO THE CITY OF  
IRVINE, NOT TO EXCEED \$45,000, TO IMPLEMENT SHUTTLE  
SERVICE TO ORANGE COUNTY GREAT PARK FOR THE SOLAR  
DECATHLON; AND 4) DENIAL OF SUNLINE TRANSIT’S  
APPLICATION; AS PART OF THE FY 2011-12 EVENT CENTER  
TRANSPORTATION PROGRAM.

**ACTION:** These awards will be considered by the AQMD Board at its December 7, 2012 meeting.

**Agenda Item #10 – Consider Funding for Applications Received Under the Alternative Fuel Infrastructure Program**

MSRC-TAC Vice Chair Tania Love reported that this item is under the FY 2011-12 Work Program for Alternative Fuel Infrastructure for both new and expanded CNG and

LNG stations, as well as for modifications of maintenance facilities. A total of \$4 million was allocated for this work effort and 12 projects were previously approved.

Ms. Love indicated that for a total of \$1.8 million dollars is being requested for 15 additional applications. They were reviewed by the Subcommittee. They all met the requirements. The MSRC-TAC'S recommendation is to approve the 15 applications, and to have staff follow up with First CNG on the required MOU that is needed from the property owner.

ON MOTION BY MSRC MEMBER RON ROBERTS, AND  
SECONDED BY MSRC MEMBER MICHAEL ANTONOVICH, THE  
MSRC UNANIMOUSLY APPROVED 15 APPLICATIONS, FOR A  
TOTAL OF \$1,770,454 IN TOTAL FUNDING, WITH THE AWARD  
TO FIRSTCNG CONTINGENT UPON PROVIDING A  
SATISFACTORY MOU WITH THE PROPERTY OWNER; AS PART  
OF THE FY 2011-12 ALTERNATIVE FUEL INFRASTRUCTURE  
PROGRAM.

**ACTION:** These awards will be considered by the AQMD Board at its December 7, 2012 meeting.

**Agenda Item #11 – Consider Funding for the Applications Received Under the “Near-Zero Emission” Medium-Duty and Medium-Heavy-Duty Vehicles Program**

Ray Gorski, MSRC Technical Advisor, presented this item on behalf of MSRC-TAC Member Randall Pasek, Chairman of the Vehicles & Advanced Technologies Subcommittee, who was unable to attend today's meeting. Today's action brought before the MSRC for consideration is to close out the 2011-12 Work Program relative to incentives for near-zero and medium-duty vehicles. The MSRC allocated \$2.54 million to this Work Program category. To date, there have already been projects funded and today the MSRC-TAC is presenting the remainder of the applications which were submitted prior to the closing deadline. On Superpage 89 is the list of proposals which have been received subsequent to the MSRC's last action. The recommendation from the MSRC-TAC is to fund one project, for SuperShuttle, to help them purchase between 22 and 23 Ford E350 Vans. This would be at a funding award of \$225,000 at a per vehicle funding level of \$10,000. This would bring the MSRC up to the program cap of \$2.54 million.

Mr. Gorski referred the MSRC to the backup list. Below the SuperShuttle entry are other projects which have submitted applications. These projects were submitted within the timeframe required by the program announcement. However, the MSRC-TAC is not recommending that additional moneys be applied toward this backup list. The total requested on the backup list is \$4,226,600. However, the MSRC-TAC is recommending that the maximum award that the MSRC fund today is \$225,000, for SuperShuttle, and that would bring the MSRC up to their program cap.

The rationale for not recommending that the backup list be considered at this time is as follows: 1) The MSRC is at the beginning stages of the 2012-2014 Work Program. During the Subcommittee and MSRC-TAC discussions, because the backup list is so large, and it would take a substantial amount of the available funding, it was felt that it would probably be better to go and re-look at the solicitation's requirements to ensure that the MSRC is maximizing their investment. It is believed that there have been substantive changes in the environment relative to technology, vehicle availability and cost, that warrant further evaluation of the requirements and constraints of a future program announcement and it is not deemed desirable to make a large investment into a program which is believed to have substantially changed over the last 12 months.

Secondly, there were some proposals which had not had adequate information provided at the time that the application was submitted. It is not suggested, necessarily, that this was the fault of the applicant, as some of the information is yet to be available from CARB, however, it is believed that there would be a relatively substantial period required to bring these applications to the point where they actually could enter into a contractual agreement and that would put the MSRC well into the timeframe for the 2012-2014 program.

[MSRC Member Steve Veres arrived during the discussion of this item, at approximately 2:18 p.m.]

MSRC Chair Greg Winterbottom informed MSRC Member Steve Veres that Item #11 was taken out of order to allow a member of the public to speak on this item. Mr. Gorski brought Mr. Veres up to speed on the item being discussed.

**PUBLIC COMMENT:** Charlotte Whitney explained that she is a grant consultant who has written about \$35 million worth of grants in air quality. She has written a sizable number of grants for AQMD and is experienced in this area. She has six clients that applied and were funded on the first-day applications; and three clients on the current backup list. One is a repeat client, Fox Transportation, who was on the initial list of projects funded and they submitted a second application. She has two other clients: Empire Transportation and California Home Spas. She is present today representing them. She is urging MSRC to take a slightly different approach on not putting additional money into the program. She would like to see the MSRC direct that the 13 original applicants be polled to see which are going to go forward with their project and which, if any, are not. She thinks that there are projects on the initial list that are not going to go forward. That money could then be available to fund additional projects on the backup list. She thinks that the fact that the MSRC is so oversubscribed in this program shows that there is a need for this program. She represents funding all kinds of grants, not just the MSRC grants, and they look thoroughly at all the other grants that are available and there isn't anything that would fund these kinds of vehicles. There is a big push right now to fund zero-emission vehicles and there are additional grants that are have come out subsequent to this RFP that are targeted toward electric vehicles, but there are not electric vehicles that would fill the role of the vehicles that are being applied for in these applications. She would like to at least see the full amount of the \$225,000 go to this

program, and one way to put additional funding is to ask the ones that have been allocated funding if they do intend to go forward; at least for them to sign their contract with the AQMD. There are some contracts that are outstanding; some because they haven't gone out, but others because they are not providing their insurance requirements, or they may not have true intentions of going forward. A lot of time passes between when these applications are due and go through the approval process and legal process, and by the time they get to the end there has been a change at the client level. She knows there is a backup list and in the past the MSRC provides funding and closes it out, or it is dropped. In this case, again, she can only speak to the ones that she represents. These are clients that would truly go forward with the purchase of these vehicles and that there are not electric vehicles that they can turn to as a way to have a cleaner engine. These are the cleanest of the LNG and CNG that are available. She doesn't anticipate anything cleaner in the near future. She would appreciate MSRC consideration for the benefit of her clients.

MSRC Chair Greg Winterbottom commented on Mr. Gorski's observation that the MSRC is close to the end of this Work Program and the oversubscription will be addressed in the next program, perhaps with even more stringent requirements to meet. He supports staff's recommendation of just funding SuperShuttle. He asked counsel's opinion if a motion could be taken as a committee of the whole. Veera Tyagi, Senior Deputy District Counsel indicated that that would be appropriate.

ON MOTION BY MSRC MEMBER RON ROBERTS, AND  
SECONDED BY MSRC MEMBER STEVE VERES, THE MSRC  
UNANIMOUSLY APPROVED AN AWARD OF \$225,000 TO  
SUPERSHUTTLE FOR THE PURCHASE OF 23 CNG SHUTTLE  
VEHICLES; WITH THE FLEXIBILITY TO REDUCE THE NUMBER  
OF VEHICLES PURCHASED TO 22, WITH A SUBSEQUENT  
CONTRACT VALUE REDUCTION OF \$5,000.

**ACTION:** This award will be considered by the AQMD Board at its December 7, 2012 meeting.

### **FYs 2012-14 WORK PROGRAM**

#### **Agenda Item #12 – Discuss Development of FYs 2012-14 AB 2766 Discretionary Fund Work Program**

Due to an evacuation of the building at one of the teleconference locations, a quorum was going to be lost, so this item was not heard.

### **OTHER BUSINESS**

#### **Item #13 – Other Business**

Ray Gorski, MSRC Technical Advisor, reported that there are no actionable items in December; therefore, he is proposing that the next MSRC meeting be in January. MSRC

Chair Greg Winterbottom presented this proposal to the MSRC, and the members agreed. Therefore, the next meeting of the MSRC will be on January 17, 2013.

**ADJOURNMENT**

THERE BEING NO FURTHER BUSINESS, THE MSRC MEETING  
ADJOURNED AT 2:52 P.M.

**NEXT MEETING**

Thursday, January 17, 2013, at 2 p.m., Conference Room CC-8

[Minutes prepared by Ana Ponce]



MSRC Agenda Item No. 3

**DATE:** January 17, 2013

**FROM:** Cynthia Ravenstein

**SUBJECT:** AB 2766 Contracts Administrator's Report

**SYNOPSIS:** This report covers key issues addressed by MSRC staff, status of open contracts, and administrative scope changes from October 25, 2012 through January 2, 2013.

**RECOMMENDATION:** Receive and file report

**WORK PROGRAM IMPACT:** None

**Contract Execution Status**

**2011-12 Work Program**

On April 6, 2012, the AQMD Governing Board approved an award to the Los Angeles County Metropolitan Transportation Authority under the Event Center Transportation Program and an award to Mansfield Gas Equipment Systems under the Home Refueling Apparatus Purchase Incentive Program. The Event Center contract is executed. The award to Mansfield has been combined with AQMD funding and included in AQMD's contract, which is now executed.

On May 4, 2012, the AQMD Governing Board approved two awards to Orange County Transportation Authority under the Event Center Transportation Program. Both contracts are executed.

On June 1, 2012, the AQMD Governing Board approved nine awards under the Alternative Fuel Infrastructure Program and eleven awards under the Local Government Match Program. These contracts are under development, undergoing internal review, with the prospective contractor for signature, or executed.

On July 13, 2012, the AQMD Governing Board approved an award under the Alternative Fuel Infrastructure Program and twelve awards under the Medium-Duty and Medium-Heavy-Duty Vehicles Program. These contracts are under development, undergoing internal review, with the prospective contractor for signature, or executed.

On September 7, 2012, the AQMD Governing Board approved 23 awards under the Local Government Match Program; one award under the Alternative Fuel Engines for On-Road Heavy-Duty Vehicles Program; one award under the Alternative Fuel Infrastructure Program; two awards under the Bikeshare Program; and one award to develop and implement a

“Rideshare Thursday” public awareness campaign. These contracts are under development, undergoing internal review, with the prospective contractor for signature, or executed.

On October 5, 2012, the AQMD Governing Board approved one award under the Alternative Fuel Infrastructure Program and two awards under the Event Center Transportation Program. These contracts are under development.

On November 2, 2012, the AQMD Governing Board approved one award under the Local Government Match Program. This contract is under development.

On December 7, 2012, the AQMD Governing Board approved one award under the “Showcase III” Off-Road Emission Reduction Technology Program; three awards under the Event Center Transportation Program; 15 awards under the Alternative Fuel Infrastructure Program and one award under the Medium-Duty and Medium-Heavy-Duty Vehicles Program. These contracts are under development.

### **2010-11 Work Program**

On March 4, 2011, the AQMD Governing Board approved an award to the Los Angeles County Metropolitan Transportation Authority under the Event Center Transportation Program. This contract is executed.

On April 1, 2011, the AQMD Governing Board approved an award to the Orange County Transportation Authority for Orange County Fair service under the Event Center Transportation Program. This contract is executed.

On May 6, 2011, the AQMD Governing Board approved an award to the Orange County Transportation Authority for Angels game service under the Event Center Transportation Program, as well as two awards under the Alternative Fuel School Bus Incentive Program. These contracts are executed.

On June 3, 2011, the AQMD Governing Board approved 10 awards under the Alternative Fuel Infrastructure Program, as well as an award to Coachella Valley Association of Governments under the Local Government Match Program, as part of the MSRC’s FY 2010-11 Work Program. These contracts are negotiating terms or executed.

On September 9, 2011, the AQMD Governing Board approved: an award under the Alternative Fuel Infrastructure Program; 26 awards under the Local Government Match Program; 9 awards under the Alternative Fuel On-Road Engines Program; an award under the Off-Road Heavy-Duty Vehicles Program; an award to the Better World Group for programmatic outreach services; and two awards for development and implementation of 511 “smart phone” applications. These contracts are undergoing internal review, with the prospective contractor for signature, or executed.

On October 7, 2011, the AQMD Governing Board approved two awards under the Alternative Fuel Infrastructure Program and three awards under the “Showcase II” Off-Road After-treatment Demonstration Program. These contracts are under development or executed.

On November 4, 2011, the AQMD Governing Board approved one award under the Alternative Fuel Infrastructure Program and one award under the Major Event Center Transportation

Program, as part of the MSRC's FY 2010-11 Work Program. These contracts are with the prospective contractor for signature or executed.

On December 2, 2011, the AQMD Governing Board approved: 10 awards under the Alternative Fuel Infrastructure Program; one award under the Major Event Center Transportation Program; and three awards under the "Showcase II" Off-Road After-treatment Demonstration Program. These contracts are awaiting clarifying information, with the prospective contractor for signature, or executed.

On April 6, 2012, the AQMD Governing Board approved: five awards under the "Showcase II" Off-Road After-treatment Demonstration Program. These contracts are executed.

On June 1, 2012, the AQMD Governing Board approved nine awards under the "Showcase II" Off-Road After-treatment Demonstration Program. These contracts are under development, undergoing internal review, with the prospective contractor for signature or executed.

### **Work Program Status**

Contract Status Reports for work program years with open and pending contracts are attached. MSRC or MSRC-TAC members may request spreadsheets covering any other work program year.

#### ***FY 2003-04 Work Program Contracts***

One regular contract from this work program year is open. All Local Government Match Program contracts are now closed.

#### ***FY 2003-04 Regular Work Program Invoices Paid***

No invoices were paid during this period.

#### ***FY 2004-05 Work Program Contracts***

All regular work program contracts are now closed. Two Local Match contracts from this work program year are open. All Diesel Exhaust After-treatment contracts are now closed.

#### ***FY 2004-05 Local Government Match Program Invoices Paid***

No invoices were paid during this period.

#### ***FY 2005-06 Work Program Contracts***

One regular and 7 Local Match contracts from this work program year are open; and 8 regular and 23 Local Match contracts are in "Open/Complete" status, having completed all obligations save ongoing operation. All Diesel Exhaust After-treatment contracts are now closed.

#### ***FY 2005-06 Regular Work Program Invoices Paid***

One invoice in the amount of \$48,571.50 was paid during this period.

#### ***FY 2005-06 Local Government Match Program Invoices Paid***

No invoices were paid during this period.



***FY 2006-07 Work Program Contracts***

7 regular and 5 Local Match contracts from this work program year are open; and 15 regular and 14 Local Match contracts are in “Open/Complete” status.

***FY 2006-07 Regular Work Program Invoices Paid***

No invoices were paid during this period.

***FY 2006-07 Local Government Match Program Invoices Paid***

No invoices were paid during this period.

***FY 2007-08 Work Program Contracts***

13 regular and 9 Local Match contracts from this work program year are open; and 21 regular and 13 Local Match contracts are in “Open/Complete” status.

***FY 2007-08 Regular Work Program Invoices Paid***

No invoices were paid during this period.

***FY 2007-08 Local Government Match Program Invoices Paid***

No invoices were paid during this period.

***FY 2008-09 Work Program Contracts***

One regular and 18 Local Match contracts from this work program year are open; and 10 Local Match contracts are in “Open/Complete” status.

***FY 2008-09 Regular Work Program Invoices Paid***

No invoices were paid during this period.

***FY 2008-09 Local Government Match Program Invoices Paid***

No invoices were paid during this period.

***FY 2009-10 Work Program Contracts***

10 regular contracts from this work program year are open; and 7 regular contracts are in “Open/Complete” status. Three contracts passed into “Open/Complete” status during this period: Republic Services, Inc., Contract #MS10008 – Purchase Four CNG Refuse Collection Vehicles; EDCO Disposal Corporation, Contract #MS10019 – Purchase 11 CNG Refuse Collection Vehicles; and Frito-Lay North America, Contract #MS10024 – Purchase 5 Electric Vehicles.

***FY 2009-10 Regular Work Program Invoices Paid***

Four invoices totaling \$62,176.66 were paid during this period.

***FY 2010-11 Work Program Contracts***

26 regular and 19 Local Match contracts from this work program year are open; and one regular and 2 Local Match contracts are in “Open/Complete” status. One award was declined during this period: American Honda determined not to proceed with their originally proposed limited access station. Instead, they anticipate developing a much larger public access station in the near future. Additionally, an On-Road Repower funding recipient was contacted by first regular then certified mail, but failed to respond with written confirmation of their continued interest. Their award was reverted to the AB 2766 Discretionary Fund.

***FY 2010-11 Regular Work Program Invoices Paid***

Eight invoices totaling \$925,750.00 were paid during this period.

*FY 2010-11 Local Government Match Program Invoices Paid*

No invoices were paid during this period.

***FY 2011-12 Work Program Contracts***

9 regular and 3 Local Match contracts from this work program year are open.

*FY 2011-12 Regular Work Program Invoices Paid*

One invoice in the amount of \$52,263.00 was paid during this period.

*FY 2011-12 Local Government Match Program Invoices Paid*

No invoices were paid during this period.

***Administrative Scope Changes***

4 administrative scope changes were initiated during the period of October 25, 2012 through January 2, 2013:

- ML11045 – City of Newport Beach (Purchase One Heavy-Duty CNG Vehicle) – One-year no-cost term extension
- ML09027 – City of Fullerton (Purchase Two Heavy-Duty CNG Vehicles and Upgrade CNG Station) – Six-month no-cost term extension
- ML09025 – County of Los Angeles, Department of Public Works (Purchase 85 Remote Diagnostic Systems) – Six-month no-cost term extension
- MS11087 – Cemex Construction Materials (Retrofit 14 Heavy-Duty Off-Road Vehicles) – Reduce number of retrofits from 14 to 13 and reduce contract value by \$39,762

**Attachments**

- FY 2003-04 through FY 2011-12 Contract Status Reports



## AB2766 Discretionary Fund Program Invoices

October 25, 2012 to January 2, 2013

Contract Admin.	MSRC Chair	MSRC Liaison	Finance	Contract #	Contractor	Invoice #	Amount
<i>2005-2006 Work Program</i>							
11/30/2012	12/7/2012	12/11/2012	12/11/2012	MS06002	Orange County Transportation Authority	FR134862	\$48,571.50
<b>Total: \$48,571.50</b>							
<i>2009-2010 Work Program</i>							
11/28/2012	12/7/2012	12/11/2012	12/11/2012	MS10025	Elham Shirazi	16	\$7,168.48
11/15/2012	11/15/2012	11/15/2012	11/21/2012	MS10024	Frito-Lay North America	RSEP28/Fin:	\$4,744.40
11/15/2012	11/15/2012	11/15/2012	11/21/2012	MS10008	Republic Services, Inc.	Final	\$12,335.40
11/15/2012	11/15/2012	11/15/2012	11/21/2012	MS10019	EDCO Disposal Corporation	Final	\$37,928.38
<b>Total: \$62,176.66</b>							
<i>2010-2011 Work Program</i>							
12/19/2012				MS11061	Eastern Municipal Water District	15844	\$1,450.00
12/18/2012				MS11001	Mineral LLC	104565	\$300.00
12/18/2012				MS11055	KEC Engineering	1-523	\$45,000.00
12/14/2012				MS11001	Mineral LLC	104544	\$1,200.00
12/5/2012	12/7/2012	12/11/2012	12/11/2012	MS11003	BusWest	BW004909	\$630,000.00
11/28/2012	12/7/2012	12/11/2012	12/11/2012	MS11069	Ryder System Inc.	00001	\$157,500.00
11/15/2012	11/15/2012	11/15/2012	11/21/2012	MS11001	Mineral LLC	104518	\$300.00
12/5/2012	12/7/2012	12/11/2012	12/11/2012	MS11003	BusWest	BW004866	\$90,000.00
<b>Total: \$925,750.00</b>							
<i>2011-2012 Work Program</i>							
12/19/2012				MS12034	Ware Disposal Company, Inc.	MS12034-1	\$52,263.00
<b>Total: \$52,263.00</b>							

**Total This Period: \$1,088,761.16**

## 2003-04 AB2766 Contract Status Report

1/3/2013

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
<b>Open Contracts</b>									
MS04063	Riverside County Transportation Co	6/3/2011	6/3/2012		\$225,000.00	\$0.00	Regional Rideshare Database Enhancement	\$225,000.00	No
<b>Total: 1</b>									
<b>Declined/Cancelled Contracts</b>									
MS04002	City of Riverside				\$58,096.00	\$0.00	3 Refuse Trucks, 3 Dump Trucks, 2 Water T	\$58,096.00	No
MS04051	NorthStar, Inc.				\$250,000.00	\$0.00	New LNG Station	\$250,000.00	No
MS04053	Clean Energy Fuels Corp.				\$250,000.00	\$0.00	New CNG Station - Mid-Wilshire	\$250,000.00	No
MS04054	Clean Energy Fuels Corp.				\$250,000.00	\$0.00	New CNG Station - Mission Viejo	\$250,000.00	No
<b>Total: 4</b>									
<b>Closed Contracts</b>									
MS04001	City of Ontario	8/27/2004	9/26/2005		\$35,082.00	\$35,082.00	2 CNG Refuse Trucks	\$0.00	Yes
MS04003	Long Beach Transit	8/27/2004	6/26/2006		\$335,453.00	\$330,453.00	27 Gasoline-Electric Hybrid Buses/Mech. Tr	\$5,000.00	Yes
MS04005	City of Norwalk Transportation Dept.	11/27/2004	1/27/2007		\$118,052.00	\$88,539.00	4 Gas-Electric Hybrid Vehicles	\$29,513.00	Yes
MS04006	Orange County Transportation Autho	10/1/2004	4/30/2006	7/31/2008	\$405,000.00	\$405,000.00	2 Gas-Electric Hybrid and 20 CNG Transit B	\$0.00	Yes
MS04007	Foothill Transit Agency	6/24/2005	11/23/2006		\$715,000.00	\$714,100.00	75 CNG Buses, Fueling Station	\$900.00	No
MS04008	Los Angeles County MTA	11/1/2004	9/30/2007		\$854,050.00	\$854,050.00	50 CNG Buses	\$0.00	Yes
MS04017	Road Builders, Inc.	10/13/2004	4/12/2006	12/31/2006	\$953,080.00	\$953,080.00	Repower 12 Scrapers & 1 Loader	\$0.00	Yes
MS04027	Larry Jacinto Construction	9/13/2004	3/12/2006		\$454,510.00	\$454,510.00	Repower 6 Scrapers	\$0.00	Yes
MS04029	Herigstad Equipment Rental	9/16/2004	3/15/2006		\$1,190,024.00	\$830,172.00	Repower 10 Scrapers	\$359,852.00	Yes
MS04036	Sukut Equipment, Inc.	12/15/2004	2/15/2006		\$466,807.00	\$466,807.00	Repower 4 Scrapers & 3 Dozers	\$0.00	Yes
MS04039	CR&R, Inc.	1/25/2005	3/24/2007	2/24/2009	\$463,168.00	\$461,550.00	30 LNG Refuse Trucks	\$1,618.00	Yes
MS04041	CR&R, Inc.	7/25/2005	9/24/2007	9/24/2008	\$155,468.00	\$153,850.00	10 LNG Refuse Trucks, Mechanic Training	\$1,618.00	Yes
MS04050	R.F. Dickson Co., Inc.	6/3/2005	6/2/2006	10/2/2007	\$250,000.00	\$250,000.00	Upgrade CNG Station	\$0.00	Yes
MS04052	Downs Energy	5/6/2005	6/5/2006	6/30/2009	\$250,000.00	\$250,000.00	New LNG/L-CNG Station	\$0.00	Yes
MS04058	American Honda Motor Company	11/2/2005	6/30/2007	3/31/2008	\$300,000.00	\$4,000.00	Home Refueling Apparatus Lease Incentives	\$296,000.00	Yes
MS04059	FuelMaker Corporation	9/9/2005	6/30/2006	12/31/2006	\$100,000.00	\$100,000.00	Home Refueling Apparatus Incentives	\$0.00	Yes
MS04062	Los Angeles County MTA	10/1/2010	3/31/2011		\$53,500.00	\$53,500.00	Regional Rideshare Database Enhancement	\$0.00	Yes
<b>Total: 17</b>									
<b>Closed/Incomplete Contracts</b>									
MS04004	Athens Services, Inc.	9/3/2004	3/2/2006	9/2/2006	\$311,421.00	\$197,503.50	14 LNG Waste Haulers, Maint. Facility. Mod	\$113,917.50	No
MS04055	Riverside County Transportation Co	6/29/2006	8/28/2007	2/28/2008	\$225,000.00	\$0.00	Regional Rideshare Database Enhancement	\$225,000.00	No
MS04056	Los Angeles County MTA	6/13/2006	12/12/2007	1/12/2010	\$120,000.00	\$66,488.40	Regional Rideshare Database Enhancement	\$53,511.60	Yes

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
MS04061	Riverside County Transportation Co	6/29/2009	8/31/2010		\$225,000.00	\$0.00	Regional Rideshare Database Enhancement	\$225,000.00	No
<b>Total: 4</b>									

## 2004-05 AB2766 Local Government Match Program Contract Status Report

1/3/2013

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
<b>Open Contracts</b>									
ML05013	Los Angeles County Department of	1/5/2007	7/4/2008	1/4/2013	\$313,000.00	\$0.00	Traffic Signal Synchronization	\$313,000.00	No
ML05014	Los Angeles County Department of	5/21/2007	11/20/2008	12/30/2013	\$204,221.00	\$0.00	Traffic Signal Synchronization	\$204,221.00	No
<b>Total: 2</b>									
<b>Declined/Cancelled Contracts</b>									
ML05005	City of Highland				\$20,000.00	\$0.00	2 Medium Duty CNG Vehicles	\$20,000.00	No
ML05008	Los Angeles County Department of				\$140,000.00	\$0.00	7 Heavy Duty LPG Street Sweepers	\$140,000.00	No
ML05010	Los Angeles County Department of				\$20,000.00	\$0.00	1 Heavy Duty CNG Bus	\$20,000.00	No
<b>Total: 3</b>									
<b>Closed Contracts</b>									
ML05006	City of Colton Public Works	7/27/2005	7/26/2006		\$30,000.00	\$30,000.00	3 Medium Duty CNG Vehicles	\$0.00	Yes
ML05011	Los Angeles County Department of	8/10/2006	12/9/2007	6/9/2008	\$52,409.00	\$51,048.46	3 Heavy Duty LPG Shuttle Vans	\$1,360.54	Yes
ML05015	City of Lawndale	7/27/2005	7/26/2006		\$10,000.00	\$10,000.00	1 Medium Duty CNG Vehicle	\$0.00	Yes
ML05016	City of Santa Monica	9/23/2005	9/22/2006	9/22/2007	\$350,000.00	\$350,000.00	6 MD CNG Vehicles, 1 LPG Sweep, 13 CNG	\$0.00	Yes
ML05017	City of Signal Hill	1/16/2006	7/15/2007		\$126,000.00	\$126,000.00	Traffic Signal Synchronization	\$0.00	Yes
ML05018	City of San Bernardino	4/19/2005	4/18/2006		\$40,000.00	\$40,000.00	4 M.D. CNG Vehicles	\$0.00	Yes
ML05019	City of Lakewood	5/6/2005	5/5/2006		\$10,000.00	\$10,000.00	1 M.D. CNG Vehicle	\$0.00	Yes
ML05020	City of Pomona	6/24/2005	6/23/2006		\$10,000.00	\$10,000.00	1 M.D. CNG Vehicle	\$0.00	Yes
ML05021	City of Whittier	7/7/2005	7/6/2006	4/6/2008	\$100,000.00	\$80,000.00	Sweeper, Aerial Truck, & 3 Refuse Trucks	\$20,000.00	Yes
ML05022	City of Claremont	9/23/2005	9/22/2006		\$20,000.00	\$20,000.00	2 M.D. CNG Vehicles	\$0.00	Yes
ML05024	City of Cerritos	4/18/2005	3/17/2006		\$10,000.00	\$10,000.00	1 M.D. CNG Vehicle	\$0.00	Yes
ML05025	City of Malibu	5/6/2005	3/5/2006		\$10,000.00	\$10,000.00	1 Medium-Duty CNG Vehicle	\$0.00	Yes
ML05026	City of Inglewood	1/6/2006	1/5/2007	2/5/2009	\$60,000.00	\$60,000.00	2 CNG Transit Buses, 1 CNG Pothole Patch	\$0.00	Yes
ML05027	City of Beaumont	2/23/2006	4/22/2007	6/22/2010	\$20,000.00	\$20,000.00	1 H.D. CNG Bus	\$0.00	Yes
ML05028	City of Anaheim	9/8/2006	9/7/2007	5/7/2008	\$85,331.00	\$85,331.00	Traffic signal coordination & synchronization	\$0.00	Yes
ML05029	Los Angeles World Airports	5/5/2006	9/4/2007		\$140,000.00	\$140,000.00	Seven CNG Buses	\$0.00	Yes
ML05071	City of La Canada Flintridge	1/30/2009	1/29/2011		\$20,000.00	\$20,000.00	1 CNG Bus	\$0.00	Yes
ML05072	Los Angeles County Department of	8/24/2009	5/23/2010	1/23/2011	\$349,000.00	\$349,000.00	Traffic Signal Synchronization (LADOT)	\$0.00	Yes
<b>Total: 18</b>									
<b>Closed/Incomplete Contracts</b>									
ML05007	Los Angeles County Dept of Beaches	6/23/2006	6/22/2007	12/22/2007	\$50,000.00	\$0.00	5 Medium Duty CNG Vehicles	\$50,000.00	No
ML05009	Los Angeles County Department of	6/22/2006	12/21/2007	9/30/2011	\$56,666.00	\$0.00	2 Propane Refueling Stations	\$56,666.00	No

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
ML05012	Los Angeles County Department of	11/10/2006	5/9/2008	1/9/2009	\$349,000.00	\$0.00	Traffic Signal Synchronization (LADOT)	\$349,000.00	No
ML05023	City of La Canada Flintridge	3/30/2005	2/28/2006	8/28/2008	\$20,000.00	\$0.00	1 CNG Bus	\$20,000.00	No

**Total: 4**





## 2005-06 AB2766 Local Government Match Program Contract Status Report

1/3/2013

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
<b>Open Contracts</b>									
ML06020	Los Angeles Department of Water a	3/19/2007	9/18/2013	4/18/2014	\$25,000.00	\$0.00	CNG Aerial Truck	\$25,000.00	No
ML06031	City of Inglewood	4/4/2007	6/3/2013	9/3/2015	\$150,000.00	\$65,602.40	Purchase 4 H-D LPG Vehicles & Install LPG	\$84,397.60	No
ML06035	City of Hemet, Public Works	11/10/2006	12/9/2012	10/9/2014	\$414,000.00	\$175,000.00	7 Nat Gas Trucks & New Nat Gas Infrastructure	\$239,000.00	No
ML06054	Los Angeles County Department of	6/17/2009	6/16/2016		\$150,000.00	\$0.00	3 CNG & 3 LPG HD Trucks	\$150,000.00	No
ML06058	City of Santa Monica	7/12/2007	7/11/2013		\$149,925.00	\$0.00	3 H.D. CNG Trucks & CNG Fueling Station	\$149,925.00	No
ML06060	City of Temple City	6/12/2007	6/11/2013		\$31,885.00	\$0.00	Upgrade existing CNG infrastructure	\$31,885.00	No
ML06070	City of Colton	4/30/2008	2/28/2015	4/30/2015	\$50,000.00	\$0.00	Two CNG Pickups	\$50,000.00	No
<b>Total: 7</b>									
<b>Declined/Cancelled Contracts</b>									
ML06018	Los Angeles County Dept of Beaches				\$375,000.00	\$0.00	New CNG Station & 2 CNG Dump Trucks	\$375,000.00	No
ML06019	Los Angeles County Dept of Beaches				\$250,000.00	\$0.00	New CNG Station & 2 CNG Dump Trucks	\$250,000.00	No
ML06023	City of Baldwin Park	6/16/2006	9/15/2012		\$20,000.00	\$0.00	CNG Dump Truck	\$20,000.00	No
ML06024	City of Pomona	8/3/2007	7/2/2013	7/2/2014	\$286,450.00	\$0.00	New CNG Station	\$286,450.00	No
ML06030	City of Burbank	3/19/2007	9/18/2011		\$287,700.00	\$0.00	New CNG Fueling Station	\$287,700.00	No
ML06037	City of Lynwood				\$25,000.00	\$0.00	1 Nat Gas Dump Truck	\$25,000.00	No
ML06039	City of Inglewood	2/9/2007	2/8/2008	4/8/2011	\$50,000.00	\$0.00	Modify Maintenance Facility for CNG Vehicle	\$50,000.00	No
ML06055	City of Los Angeles, Dept. of Genera				\$125,000.00	\$0.00	5 Gas-Electric Hybrid Buses	\$125,000.00	No
ML06059	City of Fountain Valley				\$25,000.00	\$0.00	One H.D. CNG Truck	\$25,000.00	No
<b>Total: 9</b>									
<b>Closed Contracts</b>									
ML06016	City of Whittier	5/25/2006	5/24/2012	11/24/2012	\$50,000.00	\$50,000.00	2 CNG Refuse Trucks	\$0.00	Yes
ML06017	City of Claremont	8/2/2006	4/1/2012		\$50,000.00	\$50,000.00	2 CNG Refuse Trucks	\$0.00	Yes
ML06026	City of Cerritos	10/27/2006	9/26/2010		\$60,500.00	\$60,500.00	CNG Station Upgrade	\$0.00	Yes
ML06027	City of Redondo Beach	9/5/2006	5/4/2012	10/4/2012	\$50,000.00	\$50,000.00	2 Heavy-Duty CNG Trucks	\$0.00	Yes
ML06029	City of Culver City Transportation De	9/29/2006	8/28/2012	12/28/2012	\$50,000.00	\$50,000.00	2 CNG Heavy-Duty Trucks	\$0.00	Yes
ML06034	City of South Pasadena	9/25/2006	9/24/2012		\$16,422.42	\$16,422.42	2 Nat. Gas Transit Buses	\$0.00	Yes
ML06056	City of Los Angeles, Dept. of Genera	11/30/2007	11/29/2008		\$350,000.00	\$350,000.00	Maintenance Facility Mods.	\$0.00	Yes
ML06063	City of Moreno Valley	3/23/2007	11/22/2012		\$25,000.00	\$25,000.00	One H.D. CNG Vehicle	\$0.00	Yes
<b>Total: 8</b>									
<b>Open/Complete Contracts</b>									
ML06021	Los Angeles World Airports	9/13/2006	5/12/2013		\$150,000.00	\$150,000.00	6 CNG Buses	\$0.00	Yes

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
ML06022	City of Los Angeles, Bureau of Sanit	5/4/2007	1/3/2014		\$1,250,000.00	\$1,250,000.00	50 LNG Refuse Trucks	\$0.00	Yes
ML06025	City of Santa Monica	1/5/2007	11/4/2012	12/14/2014	\$300,000.00	\$300,000.00	12 H.D. CNG Vehicles	\$0.00	Yes
ML06028	City of Pasadena	9/29/2006	11/28/2012	3/28/2014	\$245,000.00	\$245,000.00	New CNG Station & Maint. Fac. Upgrades	\$0.00	Yes
ML06032	City of Rancho Cucamonga	2/13/2007	3/12/2013	2/12/2014	\$237,079.00	\$237,079.00	New CNG Station & 2 CNG Dump Trucks	\$0.00	Yes
ML06033	City of Cathedral City	11/17/2006	12/16/2012	12/16/2013	\$125,000.00	\$125,000.00	5 Heavy-Duty CNG Trucks	\$0.00	Yes
ML06036	City of Riverside	3/23/2007	3/22/2013		\$200,000.00	\$200,000.00	8 Heavy-Duty Nat Gas Vehicles	\$0.00	Yes
ML06038	City of Los Angeles, Department of	5/21/2007	1/20/2014		\$625,000.00	\$625,000.00	25 CNG Street Sweepers	\$0.00	Yes
ML06044	City of Pomona	12/15/2006	3/14/2013		\$50,000.00	\$50,000.00	2 CNG Street Sweepers	\$0.00	Yes
ML06052	City of Hemet, Public Works	4/20/2007	2/19/2013		\$25,000.00	\$25,000.00	Purchase One CNG Dump Truck	\$0.00	Yes
ML06053	City of Burbank	5/4/2007	7/3/2013		\$125,000.00	\$125,000.00	Five Nat. Gas Refuse Trucks	\$0.00	Yes
ML06057	City of Rancho Cucamonga	8/28/2007	6/27/2013	8/27/2014	\$100,000.00	\$100,000.00	4 H.D. Nat. Gas Vehicles	\$0.00	Yes
ML06061	City of Chino Hills	4/30/2007	4/29/2013		\$25,000.00	\$25,000.00	One H.D. CNG Vehicle	\$0.00	Yes
ML06062	City of Redlands	5/11/2007	5/10/2013		\$100,000.00	\$100,000.00	4 H.D. LNG Vehicles	\$0.00	Yes
ML06064	City of South Pasadena	1/25/2008	11/24/2013	11/24/2014	\$50,000.00	\$50,000.00	2 H.D. CNG Vehicles	\$0.00	Yes
ML06065	City of Walnut	6/29/2007	6/28/2013		\$44,203.00	\$44,203.00	Upgrade Existing CNG Infrastructure	\$0.00	Yes
ML06066	City of Ontario	5/30/2007	1/29/2013		\$125,000.00	\$125,000.00	5 H.D. CNG Vehicles	\$0.00	Yes
ML06067	City of El Monte	3/17/2008	5/16/2014	11/16/2014	\$157,957.00	\$157,957.00	Upgrade existing CNG infrastructure	\$0.00	Yes
ML06068	City of Claremont	8/28/2007	6/27/2013		\$60,000.00	\$60,000.00	Expand existing CNG infrastructure	\$0.00	Yes
ML06069	City of Palos Verdes Estates	11/19/2007	11/18/2013		\$25,000.00	\$25,000.00	One H.D. CNG Vehicle	\$0.00	Yes

**Total: 20**



## 2005-06 Diesel Exhaust Retrofit Program Contract Status Report

1/3/2013

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
<b>Declined/Cancelled Contracts</b>									
PT06006	Los Angeles County Sheriff's Depart	5/15/2006	2/14/2008		\$98,000.00	\$0.00	Diesel Exhaust Aftertreatment Program	\$98,000.00	No
<b>Total: 1</b>									
<b>Closed Contracts</b>									
PT06005	Los Angeles County Department of	6/29/2006	3/28/2008	12/28/2008	\$184,500.00	\$184,500.00	Diesel Exhaust Aftertreatment Program	\$0.00	Yes
PT06007	County Sanitation Districts of L.A. C	6/16/2006	12/15/2007	12/28/2008	\$108,000.00	\$108,000.00	Diesel Exhaust Aftertreatment Program	\$0.00	Yes
PT06008	City of Los Angeles, Bureau of Sanit	9/6/2006	6/5/2008		\$184,500.00	\$184,500.00	Diesel Exhaust Aftertreatment Program	\$0.00	Yes
PT06014	Los Angeles Department of Water a	2/8/2007	8/7/2008	9/30/2009	\$112,500.00	\$103,500.00	Diesel Exhaust Aftertreatment Program	\$9,000.00	Yes
PT06015	City of San Bernardino	10/23/2006	4/22/2008		\$66,000.00	\$66,000.00	Diesel Exhaust Aftertreatment Program	\$0.00	Yes
<b>Total: 5</b>									

## 2006-07 AB2766 Contract Status Report

1/3/2013

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
<b>Open Contracts</b>									
MS07008	City of Los Angeles, Department of T	9/18/2009	5/17/2020		\$2,040,000.00	\$1,710,000.00	Purchase 102 Transit Buses	\$330,000.00	No
MS07022	California State University, Los Ange	10/30/2009	12/29/2015	12/29/2016	\$250,000.00	\$0.00	New Hydrogen Fueling Station	\$250,000.00	No
MS07061	City of Los Angeles, Department of	10/31/2008	8/30/2010	2/28/2013	\$40,626.00	\$40,626.00	Off-Road Diesel Equipment Retrofit Program	\$0.00	No
MS07070	Griffith Company	4/30/2008	2/28/2010	8/28/2012	\$168,434.00	\$125,504.00	Off-Road Diesel Equipment Retrofit Program	\$42,930.00	No
MS07071	Tiger 4 Equipment Leasing	9/19/2008	7/18/2010	1/18/2013	\$210,937.00	\$108,808.97	Off-Road Diesel Equipment Retrofit Program	\$102,128.03	No
MS07076	Reed Thomas Company, Inc.	8/15/2008	6/14/2010	3/14/2012	\$339,073.00	\$100,540.00	Off-Road Diesel Equipment Retrofit Program	\$238,533.00	No
MS07080	City of Los Angeles, Bureau of Sanit	10/31/2008	8/30/2010	8/28/2013	\$63,192.00	\$52,265.00	Off-Road Diesel Equipment Retrofit Program	\$10,927.00	No
<b>Total: 7</b>									
<b>Declined/Cancelled Contracts</b>									
MS07010	Palos Verdes Peninsula Transit Auth				\$80,000.00	\$0.00	Repower 4 Transit Buses	\$80,000.00	No
MS07014	Clean Energy Fuels Corp.				\$350,000.00	\$0.00	New L/CNG Station - SERRF	\$350,000.00	No
MS07015	Baldwin Park Unified School District				\$57,500.00	\$0.00	New CNG Station	\$57,500.00	No
MS07016	County of Riverside Fleet Services D				\$36,359.00	\$0.00	New CNG Station - Rubidoux	\$36,359.00	No
MS07017	County of Riverside Fleet Services D				\$33,829.00	\$0.00	New CNG Station - Indio	\$33,829.00	No
MS07018	City of Cathedral City				\$350,000.00	\$0.00	New CNG Station	\$350,000.00	No
MS07021	City of Riverside				\$350,000.00	\$0.00	New CNG Station	\$350,000.00	No
MS07050	Southern California Disposal Co.				\$320,000.00	\$0.00	Ten Nat. Gas Refuse Trucks	\$320,000.00	No
MS07062	Caltrans Division of Equipment				\$1,081,818.00	\$0.00	Off-Road Diesel Equipment Retrofit Program	\$1,081,818.00	No
MS07065	ECCO Equipment Corp.				\$174,525.00	\$0.00	Off-Road Diesel Equipment Retrofit Program	\$174,525.00	No
MS07067	Recycled Materials Company of Calif				\$99,900.00	\$0.00	Off-Road Diesel Equipment Retrofit Program	\$99,900.00	No
MS07069	City of Burbank	5/9/2008	3/8/2010	9/8/2011	\$8,895.00	\$0.00	Off-Road Diesel Equipment Retrofit Program	\$8,895.00	No
MS07074	Albert W. Davies, Inc.	1/25/2008	11/24/2009		\$39,200.00	\$0.00	Off-Road Diesel Equipment Retrofit Program	\$39,200.00	No
MS07081	Clean Diesel Technologies, Inc.				\$240,347.00	\$0.00	Off-Road Diesel Equipment Retrofit Program	\$240,347.00	No
MS07082	DCL International, Inc.				\$153,010.00	\$0.00	Off-Road Diesel Equipment Retrofit Program	\$153,010.00	No
MS07083	Dinex Exhausts, Inc.				\$52,381.00	\$0.00	Off-Road Diesel Equipment Retrofit Program	\$52,381.00	No
MS07084	Donaldson Company, Inc.				\$42,416.00	\$0.00	Off-Road Diesel Equipment Retrofit Program	\$42,416.00	No
MS07085	Engine Control Systems Limited				\$155,746.00	\$0.00	Off-Road Diesel Equipment Retrofit Program	\$155,746.00	No
MS07086	Huss, LLC				\$84,871.00	\$0.00	Off-Road Diesel Equipment Retrofit Program	\$84,871.00	No
MS07087	Mann+Hummel GmbH				\$189,361.00	\$0.00	Off-Road Diesel Equipment Retrofit Program	\$189,361.00	No
MS07088	Nett Technologies, Inc.				\$118,760.00	\$0.00	Off-Road Diesel Equipment Retrofit Program	\$118,760.00	No
MS07089	Rypos, Inc.				\$68,055.00	\$0.00	Off-Road Diesel Equipment Retrofit Program	\$68,055.00	No

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
MS07090	Sud-Chemie				\$27,345.00	\$0.00	Off-Road Diesel Equipment Retrofit Program	\$27,345.00	No
<b>Total: 23</b>									
<b>Closed Contracts</b>									
MS07001	A-Z Bus Sales, Inc.	12/28/2006	12/31/2007	2/29/2008	\$1,920,000.00	\$1,380,000.00	CNG School Bus Buydown	\$540,000.00	Yes
MS07002	BusWest	1/19/2007	12/31/2007	3/31/2008	\$840,000.00	\$840,000.00	CNG School Bus Buydown	\$0.00	Yes
MS07005	S-W Compressors	3/17/2008	3/16/2010		\$60,000.00	\$7,500.00	Mountain CNG School Bus Demo Program-	\$52,500.00	Yes
MS07006	Coachella Valley Association of Gov	2/28/2008	10/27/2008		\$400,000.00	\$400,000.00	Coachella Valley PM10 Reduction Street Sw	\$0.00	Yes
MS07011	Los Angeles Service Authority for Fr	3/12/2010	5/31/2011	9/30/2011	\$700,000.00	\$700,000.00	"511" Commuter Services Campaign	\$0.00	Yes
MS07012	City of Los Angeles, General Service	6/13/2008	6/12/2009	6/12/2010	\$50,000.00	\$50,000.00	Maintenance Facility Modifications	\$0.00	Yes
MS07019	City of Cathedral City	1/9/2009	6/8/2010		\$32,500.00	\$32,500.00	Maintenance Facility Modifications	\$0.00	Yes
MS07058	The Better World Group	11/17/2007	11/16/2009	11/16/2011	\$247,690.00	\$201,946.21	MSRC Programmatic Outreach Services	\$45,743.79	Yes
MS07059	County Sanitation Districts of L.A. C	9/5/2008	9/4/2010	7/14/2012	\$231,500.00	\$231,500.00	Off-Road Diesel Equipment Retrofit Program	\$0.00	Yes
MS07060	Community Recycling & Resource R	3/7/2008	1/6/2010	7/6/2011	\$177,460.00	\$98,471.00	Off-Road Diesel Equipment Retrofit Program	\$78,989.00	Yes
MS07063	Shimmick Construction Company, In	4/26/2008	2/25/2010	8/25/2011	\$80,800.00	\$11,956.37	Off-Road Diesel Equipment Retrofit Program	\$68,843.63	No
MS07064	Alfillisch Contractors, Inc.	9/19/2008	7/18/2010	1/18/2011	\$160,000.00	\$155,667.14	Off-Road Diesel Equipment Retrofit Program	\$4,332.86	Yes
MS07068	Sukut Equipment Inc.	1/23/2009	11/22/2010	5/22/2012	\$26,900.00	\$26,900.00	Off-Road Diesel Equipment Retrofit Program	\$0.00	Yes
MS07072	City of Culver City Transportation De	4/4/2008	2/3/2010	8/3/2011	\$72,865.00	\$72,865.00	Off-Road Diesel Equipment Retrofit Program	\$0.00	Yes
MS07075	Dan Copp Crushing	9/17/2008	7/16/2010	1/16/2012	\$73,600.00	\$40,200.00	Off-Road Diesel Equipment Retrofit Program	\$33,400.00	No
MS07079	Riverside County Transportation Co	1/30/2009	7/29/2013	12/31/2011	\$20,000.00	\$15,165.45	BikeMetro Website Migration	\$4,834.55	Yes
MS07091	BusWest	10/16/2009	3/15/2010		\$33,660.00	\$33,660.00	Provide Lease for 2 CNG School Buses	\$0.00	Yes
MS07092	Riverside County Transportation Co	9/1/2010	10/31/2011		\$350,000.00	\$350,000.00	"511" Commuter Services Campaign	\$0.00	Yes
<b>Total: 18</b>									
<b>Closed/Incomplete Contracts</b>									
MS07004	BusWest	7/2/2007	7/1/2009		\$90,928.00	\$68,196.00	Provide Lease for 2 CNG School Buses	\$22,732.00	No
MS07066	Skanska USA Civil West California D	6/28/2008	4/27/2010	10/27/2010	\$111,700.00	\$36,128.19	Off-Road Diesel Equipment Retrofit Program	\$75,571.81	No
MS07073	PEED Equipment Co.	10/31/2008	8/30/2010		\$11,600.00	\$0.00	Off-Road Diesel Equipment Retrofit Program	\$11,600.00	No
<b>Total: 3</b>									
<b>Open/Complete Contracts</b>									
MS07003	Westport Fuel Systems, Inc.	11/2/2007	12/31/2011	6/30/2013	\$1,500,000.00	\$1,499,990.00	Advanced Nat. Gas Engine Incentive Progra	\$10.00	Yes
MS07007	Los Angeles World Airports	5/2/2008	11/1/2014		\$420,000.00	\$420,000.00	Purchase CNG 21 Transit Buses	\$0.00	Yes
MS07009	Orange County Transportation Autho	5/14/2008	4/13/2016		\$800,000.00	\$800,000.00	Purchase 40 Transit Buses	\$0.00	Yes
MS07013	Rainbow Disposal Company, Inc.	1/25/2008	3/24/2014		\$350,000.00	\$350,000.00	New High-Volume CNG Station	\$0.00	Yes
MS07020	Avery Petroleum	5/20/2009	7/19/2015		\$250,000.00	\$250,000.00	New CNG Station	\$0.00	Yes
MS07049	Palm Springs Disposal Services	10/23/2008	11/22/2014	9/22/2016	\$96,000.00	\$96,000.00	Three Nat. Gas Refuse Trucks	\$0.00	Yes
MS07051	City of San Bernardino	8/12/2008	12/11/2014		\$480,000.00	\$480,000.00	15 Nat. Gas Refuse Trucks	\$0.00	Yes
MS07052	City of Redlands	7/30/2008	11/29/2014		\$160,000.00	\$160,000.00	Five Nat. Gas Refuse Trucks	\$0.00	Yes
MS07053	City of Claremont	7/31/2008	12/30/2014		\$96,000.00	\$96,000.00	Three Nat. Gas Refuse Trucks	\$0.00	Yes

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
MS07054	Republic Services, Inc.	3/7/2008	9/6/2014	9/6/2016	\$1,280,000.00	\$1,280,000.00	40 Nat. Gas Refuse Trucks	\$0.00	Yes
MS07055	City of Culver City Transportation De	7/8/2008	9/7/2014		\$192,000.00	\$192,000.00	Six Nat. Gas Refuse Trucks	\$0.00	Yes
MS07056	City of Whittier	9/5/2008	3/4/2015		\$32,000.00	\$32,000.00	One Nat. Gas Refuse Trucks	\$0.00	Yes
MS07057	CR&R, Inc.	7/31/2008	8/30/2014	6/30/2015	\$896,000.00	\$896,000.00	28 Nat. Gas Refuse Trucks	\$0.00	No
MS07077	Waste Management Collection and	5/1/2009	12/31/2014		\$160,000.00	\$160,000.00	Five Nat. Gas Refuse Trucks (Santa Ana)	\$0.00	Yes
MS07078	Waste Management Collection and	5/1/2009	12/31/2014	12/31/2015	\$256,000.00	\$256,000.00	Eight Nat. Gas Refuse Trucks (Dewey's)	\$0.00	Yes

**Total: 15**

## 2006-07 AB2766 Local Government Match Program Contract Status Report

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
<b>Open Contracts</b>									
ML07023	City of Riverside	6/20/2008	10/19/2014	7/19/2016	\$462,500.00	\$350,000.00	CNG Station Expansion/Purch. 14 H.D. Vehi	\$112,500.00	No
ML07033	City of La Habra	5/21/2008	6/20/2014	7/31/2017	\$75,000.00	\$25,000.00	One H.D. Nat Gas Vehicle/Expand Fueling S	\$50,000.00	No
ML07043	City of Redondo Beach	9/28/2008	7/27/2014	10/27/2016	\$125,000.00	\$0.00	Five H.D. CNG Transit Vehicles	\$125,000.00	No
ML07044	City of Santa Monica	9/8/2008	3/7/2015		\$600,000.00	\$50,000.00	24 H.D. Nat. Gas Vehicles	\$550,000.00	No
ML07045	City of Inglewood	2/6/2009	4/5/2015		\$75,000.00	\$25,000.00	3 H.D. Nat. Gas Vehicles	\$50,000.00	No
<b>Total: 5</b>									
<b>Declined/Cancelled Contracts</b>									
ML07031	City of Santa Monica				\$180,000.00	\$0.00	Upgrade N.G. Station to Add Hythane	\$180,000.00	No
ML07032	City of Huntington Beach Public Wor				\$25,000.00	\$0.00	One H.D. CNG Vehicle	\$25,000.00	No
ML07035	City of Los Angeles, General Service				\$350,000.00	\$0.00	New CNG Refueling Station/Southeast Yard	\$350,000.00	No
ML07038	City of Palos Verdes Estates				\$25,000.00	\$0.00	One H.D. LPG Vehicle	\$25,000.00	No
<b>Total: 4</b>									
<b>Closed Contracts</b>									
ML07025	City of San Bernardino	8/12/2008	7/11/2010		\$350,000.00	\$350,000.00	Maintenance Facility Modifications	\$0.00	Yes
ML07042	City of La Quinta	8/15/2008	9/14/2010		\$100,000.00	\$100,000.00	Street Sweeping Operations	\$0.00	Yes
ML07048	City of Cathedral City	9/19/2008	10/18/2010		\$100,000.00	\$84,972.45	Street Sweeping Operations	\$15,027.55	Yes
<b>Total: 3</b>									
<b>Open/Complete Contracts</b>									
ML07024	City of Garden Grove	3/7/2008	9/6/2014	7/6/2016	\$75,000.00	\$75,000.00	Three H.D. CNG Vehicles	\$0.00	Yes
ML07026	City of South Pasadena	6/13/2008	6/12/2014		\$25,000.00	\$25,000.00	One H.D. CNG Vehicle	\$0.00	Yes
ML07027	Los Angeles World Airports	6/3/2008	7/2/2014		\$25,000.00	\$25,000.00	One H.D. LNG Vehicle	\$0.00	Yes
ML07028	City of Los Angeles, General Service	3/13/2009	3/12/2014		\$350,000.00	\$350,000.00	New CNG Refueling Station/Hollywood Yard	\$0.00	Yes
ML07029	City of Los Angeles, General Service	3/13/2009	3/12/2014		\$350,000.00	\$350,000.00	New CNG Refueling Station/Venice Yard	\$0.00	Yes
ML07030	County of San Bernardino Public Wo	7/11/2008	9/10/2015		\$200,000.00	\$200,000.00	8 Natural Gas H.D. Vehicles	\$0.00	Yes
ML07034	City of Los Angeles, General Service	3/13/2009	3/12/2014		\$350,000.00	\$350,000.00	New CNG Refueling Station/Van Nuys Yard	\$0.00	Yes
ML07036	City of Alhambra	1/23/2009	2/22/2015		\$50,000.00	\$50,000.00	2 H.D. CNG Vehicles	\$0.00	Yes
ML07037	City of Los Angeles, General Service	10/8/2008	10/7/2015		\$255,222.00	\$255,222.00	Upgrade LNG/LCNG Station/East Valley Yar	\$0.00	Yes
ML07039	City of Baldwin Park	6/6/2008	6/5/2014	8/5/2015	\$50,000.00	\$50,000.00	Two N.G. H.D. Vehicles	\$0.00	Yes
ML07040	City of Moreno Valley	6/3/2008	9/2/2014		\$25,000.00	\$25,000.00	One Heavy-Duty CNG Vehicle	\$0.00	Yes
ML07041	City of La Quinta	6/6/2008	6/5/2014		\$25,000.00	\$25,000.00	One CNG Street Sweeper	\$0.00	Yes
ML07046	City of Culver City Transportation De	5/2/2008	5/1/2014		\$25,000.00	\$25,000.00	One H.D. Nat. Gas Vehicle	\$0.00	Yes

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
ML07047	City of Cathedral City	6/16/2008	9/15/2014	3/15/2015	\$225,000.00	\$225,000.00	Two H.D. Nat. Gas Vehicles/New CNG Fuel	\$0.00	Yes
<b>Total: 14</b>									



## 2007-08 AB2766 Contract Status Report

1/3/2013

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
<b>Open Contracts</b>									
MS08001	Los Angeles County MTA	12/10/2010	6/9/2014		\$1,500,000.00	\$416,666.66	Big Rig Freeway Service Patrol	\$1,083,333.34	No
MS08007	United Parcel Service	12/10/2008	10/9/2014		\$300,000.00	\$0.00	10 H.D. Nat. Gas Vehicles	\$300,000.00	No
MS08013	United Parcel Service	12/10/2008	10/9/2014	10/9/2016	\$480,000.00	\$216,000.00	12 H.D. Nat. Gas Yard Tractors	\$264,000.00	No
MS08015	Yosemite Waters	5/12/2009	5/11/2015		\$180,000.00	\$117,813.60	11 H.D. Propane Vehicles	\$62,186.40	No
MS08018	Los Angeles County Department of	8/7/2009	10/6/2016		\$90,000.00	\$0.00	3 CNG Vehicles	\$90,000.00	No
MS08056	Clean Energy Fuels Corp.	11/26/2009	2/25/2015		\$400,000.00	\$320,000.00	New LNG Station - POLB-Anah. & I	\$80,000.00	No
MS08058	Clean Energy Fuels Corp.	11/26/2009	3/25/2016	3/25/2017	\$400,000.00	\$80,000.00	New CNG Station - Ontario Airport	\$320,000.00	No
MS08061	Clean Energy Fuels Corp.	12/4/2009	3/3/2015		\$400,000.00	\$320,000.00	New CNG Station - L.A.-La Cienega	\$80,000.00	No
MS08066	Clean Energy Fuels Corp.	11/26/2009	2/25/2015		\$400,000.00	\$320,000.00	New CNG Station - Palm Spring Airport	\$80,000.00	No
MS08068	The Regents of the University of Cali	11/5/2010	11/4/2017		\$400,000.00	\$0.00	Hydrogen Station	\$400,000.00	No
MS08070	Clean Energy Fuels Corp.	11/26/2009	2/25/2015		\$400,000.00	\$320,000.00	New CNG Station - Paramount	\$80,000.00	No
MS08072	Clean Energy Fuels Corp.	12/4/2009	3/3/2015		\$400,000.00	\$301,571.52	New CNG Station - Burbank	\$98,428.48	No
MS08073	Clean Energy Fuels Corp.	11/26/2009	2/25/2015		\$400,000.00	\$320,000.00	New CNG Station - Norwalk	\$80,000.00	No
<b>Total: 13</b>									
<b>Declined/Cancelled Contracts</b>									
MS08002	Orange County Transportation Autho				\$1,500,000.00	\$0.00	Big Rig Freeway Service Patrol	\$1,500,000.00	No
MS08008	Diversified Truck Rental & Leasing				\$300,000.00	\$0.00	10 H.D. Nat. Gas Vehicles	\$300,000.00	No
MS08010	Orange County Transportation Autho				\$10,000.00	\$0.00	20 H.D. Nat. Gas Vehicles	\$10,000.00	No
MS08011	Green Fleet Systems, LLC				\$10,000.00	\$0.00	30 H.D. Nat. Gas Vehicles	\$10,000.00	No
MS08052	Burrtec Waste Industries, Inc.	12/24/2008	11/23/2014	11/23/2015	\$100,000.00	\$0.00	New CNG Station - Fontana	\$100,000.00	No
MS08054	Clean Energy Fuels Corp.				\$400,000.00	\$0.00	New LNG Station - Fontana	\$400,000.00	No
MS08055	Clean Energy Fuels Corp.	11/26/2009	3/25/2016	3/25/2017	\$400,000.00	\$0.00	New LNG Station - Long Beach-Pier S	\$400,000.00	No
MS08059	Burrtec Waste Industries, Inc.	12/24/2008	11/23/2014		\$100,000.00	\$0.00	New CNG Station - San Bernardino	\$100,000.00	No
MS08060	Burrtec Waste Industries, Inc.	12/24/2008	11/23/2014		\$100,000.00	\$0.00	New CNG Station - Azusa	\$100,000.00	No
MS08062	Go Natural Gas	9/25/2009	1/24/2016	1/24/2017	\$400,000.00	\$0.00	New CNG Station - Rialto	\$400,000.00	No
MS08074	Fontana Unified School District	11/14/2008	12/13/2014		\$200,000.00	\$0.00	Expansion of Existing CNG station	\$200,000.00	No
MS08077	Hythane Company, LLC				\$144,000.00	\$0.00	Upgrade Station to Hythane	\$144,000.00	No
<b>Total: 12</b>									
<b>Closed Contracts</b>									
MS08003	A-Z Bus Sales, Inc.	5/2/2008	12/31/2008	2/28/2009	\$1,480,000.00	\$1,400,000.00	Alternative Fuel School Bus Incentive Progr	\$80,000.00	Yes
MS08004	BusWest	5/2/2008	12/31/2008		\$1,440,000.00	\$1,440,000.00	Alternative Fuel School Bus Incentive Progr	\$0.00	Yes



## 2007-08 AB2766 Local Government Match Program Contract Status Report

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
<b>Open Contracts</b>									
ML08024	City of Anaheim	7/9/2010	7/8/2017	1/8/2018	\$425,000.00	\$225,000.00	9 LPG Buses and 8 CNG Buses	\$200,000.00	No
ML08027	Los Angeles County Department of	7/20/2009	1/19/2011	1/19/2012	\$6,901.00	\$0.00	34 Vehicles (Diagnostic)	\$6,901.00	No
ML08028	City of Santa Monica	9/11/2009	9/10/2016		\$600,000.00	\$0.00	24 CNG Heavy-Duty Vehicles	\$600,000.00	No
ML08030	City of Azusa	5/14/2010	3/13/2016		\$25,000.00	\$0.00	1 CNG Heavy-Duty Vehicle	\$25,000.00	No
ML08038	Los Angeles Department of Water a	7/16/2010	7/15/2017		\$1,050,000.00	\$0.00	42 CNG Heavy-Duty Vehicles	\$1,050,000.00	No
ML08040	City of Riverside	9/11/2009	9/10/2016		\$505,500.00	\$0.00	16 CNG Vehicles, Expand CNG Station & M	\$505,500.00	No
ML08043	City of Desert Hot Springs	9/25/2009	3/24/2016		\$25,000.00	\$0.00	1 CNG Heavy-Duty Vehicle	\$25,000.00	No
ML08049	City of Cerritos	3/20/2009	1/19/2015	2/19/2017	\$25,000.00	\$0.00	1 CNG Heavy-Duty Vehicle	\$25,000.00	No
ML08080	City of Irvine	5/1/2009	5/31/2015		\$50,000.00	\$0.00	Two Heavy-Duty Nat. Gas Vehicles	\$50,000.00	No
<b>Total: 9</b>									
<b>Declined/Cancelled Contracts</b>									
ML08032	City of Irvine	5/1/2009	8/31/2010		\$9,000.00	\$0.00	36 Vehicles (Diagnostic)	\$9,000.00	No
ML08041	City of Los Angeles, Dept of Transpo	8/6/2010	7/5/2011	12/5/2011	\$8,800.00	\$0.00	73 Vehicles (Diagnostic)	\$8,800.00	No
ML08051	City of Colton				\$75,000.00	\$0.00	3 CNG Heavy-Duty Vehicles	\$75,000.00	No
<b>Total: 3</b>									
<b>Closed Contracts</b>									
ML08023	City of Villa Park	11/7/2008	10/6/2012		\$6,500.00	\$5,102.50	Upgrade of Existing Refueling Facility	\$1,397.50	Yes
ML08033	County of San Bernardino Public Wo	4/3/2009	2/2/2010		\$14,875.00	\$14,875.00	70 Vehicles (Diagnostic)	\$0.00	Yes
ML08035	City of La Verne	3/6/2009	11/5/2009		\$11,925.00	\$11,925.00	53 Vehicles (Diagnostic)	\$0.00	Yes
ML08045	City of Santa Clarita	2/20/2009	6/19/2010		\$3,213.00	\$3,150.00	14 Vehicles (Diagnostic)	\$63.00	Yes
<b>Total: 4</b>									
<b>Closed/Incomplete Contracts</b>									
ML08025	Los Angeles County Department of	10/30/2009	3/29/2011		\$75,000.00	\$0.00	150 Vehicles (Diagnostic)	\$75,000.00	No
<b>Total: 1</b>									
<b>Open/Complete Contracts</b>									
ML08026	Los Angeles County Department of	7/20/2009	7/19/2016		\$250,000.00	\$250,000.00	10 LPG Heavy-Duty Vehicles	\$0.00	No
ML08029	City of Gardena	3/19/2009	1/18/2015		\$25,000.00	\$25,000.00	1 Propane Heavy-Duty Vehicle	\$0.00	Yes
ML08031	City of Claremont	3/27/2009	3/26/2013	3/26/2015	\$97,500.00	\$97,500.00	Upgrade of Existing CNG Station, Purchase	\$0.00	Yes
ML08034	County of San Bernardino Public Wo	3/27/2009	7/26/2015		\$150,000.00	\$150,000.00	8 CNG Heavy-Duty Vehicles	\$0.00	Yes
ML08036	City of South Pasadena	5/12/2009	7/11/2013		\$169,421.00	\$169,421.00	New CNG Station	\$0.00	Yes
ML08037	City of Glendale	5/20/2009	5/19/2015		\$325,000.00	\$325,000.00	13 CNG Heavy-Duty Vehicles	\$0.00	Yes

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
ML08039	City of Rancho Palos Verdes	6/5/2009	8/4/2015		\$50,000.00	\$50,000.00	2 LPG Transit Buses	\$0.00	Yes
ML08042	City of Ontario	5/1/2009	1/31/2016		\$175,000.00	\$175,000.00	7 CNG Heavy-Duty Vehicles	\$0.00	Yes
ML08044	City of Chino	3/19/2009	3/18/2015		\$25,000.00	\$25,000.00	1 CNG Heavy-Duty Vehicle	\$0.00	Yes
ML08046	City of Paramount	2/20/2009	2/19/2015		\$25,000.00	\$25,000.00	1 CNG Heavy-Duty Vehicle	\$0.00	Yes
ML08047	City of Culver City Transportation De	5/12/2009	8/11/2015		\$150,000.00	\$150,000.00	6 CNG Heavy-Duty Vehicles	\$0.00	Yes
ML08048	City of Santa Clarita	2/20/2009	6/19/2015		\$25,000.00	\$25,000.00	1 CNG Heavy-Duty Vehicle	\$0.00	Yes
ML08050	City of Laguna Beach Public Works	8/12/2009	4/11/2016	10/11/2016	\$75,000.00	\$75,000.00	3 LPG Trolleys	\$0.00	Yes

**Total: 13**



## 2008-09 AB2766 Contract Status Report

1/3/2013

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
<b>Open Contracts</b>									
MS09001	Administrative Services Co-Op/Long	3/5/2009	6/30/2012	12/31/2013	\$225,000.00	\$150,000.00	15 CNG Taxicabs	\$75,000.00	No
<b>Total: 1</b>									
<b>Declined/Cancelled Contracts</b>									
MS09003	FuelMaker Corporation				\$296,000.00	\$0.00	Home Refueling Apparatus Incentives	\$296,000.00	No
<b>Total: 1</b>									
<b>Closed Contracts</b>									
MS09002	A-Z Bus Sales, Inc.	11/7/2008	12/31/2009	12/31/2010	\$2,520,000.00	\$2,460,000.00	Alternative Fuel School Bus Incentive Progr	\$60,000.00	No
MS09004	A-Z Bus Sales, Inc.	1/30/2009	3/31/2009		\$156,000.00	\$156,000.00	Alternative Fuel School Bus Incentive Progr	\$0.00	Yes
MS09005	Gas Equipment Systems, Inc.	6/19/2009	10/18/2010		\$71,000.00	\$71,000.00	Provide Temp. Fueling for Mountain Area C	\$0.00	Yes
MS09047	BusWest	7/9/2010	12/31/2010	4/30/2011	\$480,000.00	\$480,000.00	Alternative Fuel School Bus Incentive Progr	\$0.00	Yes
<b>Total: 4</b>									

## 2008-09 AB2766 Local Government Match Program Contract Status Report

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
<b>Open Contracts</b>									
ML09008	City of Culver City Transportation De	1/19/2010	7/18/2016	7/18/2017	\$200,000.00	\$175,000.00	8 Nat. Gas Heavy-Duty Vehicles	\$25,000.00	No
ML09009	City of South Pasadena	11/5/2010	12/4/2016		\$152,000.00	\$0.00	CNG Station Expansion	\$152,000.00	No
ML09010	City of Palm Springs	1/8/2010	2/7/2016		\$25,000.00	\$0.00	1 Nat. Gas Heavy-Duty Vehicle	\$25,000.00	No
ML09013	City of Riverside Public Works	9/10/2010	12/9/2011	7/31/2013	\$144,470.00	\$0.00	Traffic Signal Synchr./Moreno Valley	\$144,470.00	No
ML09014	City of Riverside Public Works	9/10/2010	12/9/2011	7/31/2013	\$113,030.00	\$0.00	Traffic Signal Synchr./Corona	\$113,030.00	No
ML09015	City of Riverside Public Works	9/10/2010	12/9/2011	7/31/2013	\$80,060.00	\$0.00	Traffic Signal Synchr./Co. of Riverside	\$80,060.00	No
ML09023	Los Angeles County Department of	12/10/2010	12/9/2017		\$50,000.00	\$0.00	2 Heavy-Duty Alternative Fuel Transit Vehic	\$50,000.00	No
ML09024	Los Angeles County Department of	10/15/2010	12/14/2012	6/14/2013	\$400,000.00	\$0.00	Maintenance Facility Modifications	\$400,000.00	No
ML09025	Los Angeles County Department of	10/15/2010	12/14/2012	6/14/2013	\$50,000.00	\$0.00	Remote Vehicle Diagnostics/85 Vehicles	\$50,000.00	No
ML09026	Los Angeles County Department of	10/15/2010	10/14/2017		\$250,000.00	\$0.00	5 Off-Road Vehicle Repowers	\$250,000.00	No
ML09027	Los Angeles County Department of	7/23/2010	3/22/2012	6/22/2012	\$150,000.00	\$0.00	Freeway Detector Map Interface	\$150,000.00	No
ML09030	City of Los Angeles GSD/Fleet Servi	6/18/2010	6/17/2011		\$22,310.00	\$0.00	Remote Vehicle Diagnostics/107 Vehicles	\$22,310.00	No
ML09032	Los Angeles World Airports	4/8/2011	4/7/2018		\$175,000.00	\$0.00	7 Nat. Gas Heavy-Duty Vehicles	\$175,000.00	No
ML09033	City of Beverly Hills	3/4/2011	5/3/2017	5/3/2018	\$550,000.00	\$100,000.00	10 Nat. Gas Heavy-Duty Vehicles & CNG St	\$450,000.00	No
ML09035	City of Fullerton	6/17/2010	6/16/2017	12/16/2018	\$450,000.00	\$50,000.00	2 Nat. Gas Heavy-Duty Vehicles & CNG Sta	\$400,000.00	No
ML09036	City of Long Beach Fleet Services B	5/7/2010	5/6/2017	5/6/2018	\$875,000.00	\$450,000.00	Purchase 35 LNG Refuse Trucks	\$425,000.00	No
ML09042	Los Angeles Department of Water a	12/10/2010	12/9/2017		\$1,400,000.00	\$0.00	Purchase 56 Dump Trucks	\$1,400,000.00	No
ML09043	City of Covina	10/8/2010	4/7/2017	4/7/2018	\$179,591.00	\$0.00	Upgrade Existing CNG Station	\$179,591.00	No
<b>Total: 18</b>									
<b>Declined/Cancelled Contracts</b>									
ML09017	County of San Bernardino Public Wo	1/28/2010	7/27/2016		\$200,000.00	\$0.00	8 Nat. Gas Heavy-Duty Vehicles	\$200,000.00	No
ML09018	Los Angeles Department of Water a	7/16/2010	9/15/2012		\$850,000.00	\$0.00	Retrofit 85 Off-Road Vehicles w/DECS	\$850,000.00	No
ML09019	City of San Juan Capistrano Public	12/4/2009	11/3/2010		\$10,125.00	\$0.00	Remote Vehicle Diagnostics/45 Vehicles	\$10,125.00	No
ML09022	Los Angeles County Department of				\$8,250.00	\$0.00	Remote Vehicle Diagnostics/15 Vehicles	\$8,250.00	No
ML09028	Riverside County Waste Manageme				\$140,000.00	\$0.00	Retrofit 7 Off-Road Vehicles w/DECS	\$140,000.00	No
ML09039	City of Inglewood				\$310,000.00	\$0.00	Purchase 12 H.D. CNG Vehicles and Remot	\$310,000.00	No
ML09040	City of Cathedral City				\$83,125.00	\$0.00	Purchase 3 H.D. CNG Vehicles and Remot	\$83,125.00	No
ML09044	City of San Dimas				\$425,000.00	\$0.00	Install CNG Station and Purchase 1 CNG S	\$425,000.00	No
ML09045	City of Orange				\$125,000.00	\$0.00	Purchase 5 CNG Sweepers	\$125,000.00	No
<b>Total: 9</b>									
<b>Closed Contracts</b>									

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
ML09007	City of Rancho Cucamonga	2/26/2010	4/25/2012		\$117,500.00	\$62,452.57	Maintenance Facility Modification	\$55,047.43	No
ML09020	County of San Bernardino	8/16/2010	2/15/2012		\$49,770.00	\$49,770.00	Remote Vehicle Diagnostics/252 Vehicles	\$0.00	Yes
ML09021	City of Palm Desert	7/9/2010	3/8/2012		\$39,450.00	\$38,248.87	Traffic Signal Synchr./Rancho Mirage	\$1,201.13	Yes
<b>Total: 3</b>									
<b>Open/Complete Contracts</b>									
ML09011	City of San Bernardino	2/19/2010	5/18/2016		\$250,000.00	\$250,000.00	10 Nat. Gas Heavy-Duty Vehicles	\$0.00	Yes
ML09012	City of Gardena	3/12/2010	11/11/2015		\$25,000.00	\$25,000.00	1 Nat. Gas Heavy-Duty Vehicle	\$0.00	Yes
ML09016	County of San Bernardino Public Wo	1/28/2010	3/27/2014		\$50,000.00	\$50,000.00	Install New CNG Station	\$0.00	Yes
ML09029	City of Whittier	11/6/2009	4/5/2016		\$25,000.00	\$25,000.00	1 Nat. Gas Heavy-Duty Vehicle	\$0.00	Yes
ML09031	City of Los Angeles, Department of	10/29/2010	10/28/2017		\$825,000.00	\$825,000.00	33 Nat. Gas Heavy-Duty Vehicles	\$0.00	Yes
ML09034	City of La Palma	11/25/2009	6/24/2015		\$25,000.00	\$25,000.00	1 LPG Heavy-Duty Vehicle	\$0.00	Yes
ML09037	City of Redondo Beach	6/18/2010	6/17/2016		\$50,000.00	\$50,000.00	Purchase Two CNG Sweepers	\$0.00	Yes
ML09038	City of Chino	9/27/2010	5/26/2017		\$250,000.00	\$250,000.00	Upgrade Existing CNG Station	\$0.00	Yes
ML09041	City of Los Angeles, Bureau of Sanit	10/1/2010	9/30/2017		\$875,000.00	\$875,000.00	Purchase 35 H.D. Nat. Gas Vehicles	\$0.00	Yes
ML09046	City of Newport Beach	5/20/2010	5/19/2016		\$162,500.00	\$162,500.00	Upgrade Existing CNG Station, Maintenance	\$0.00	Yes
<b>Total: 10</b>									

## 2009-10 AB2766 Contract Status Report

1/3/2013

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
<b>Open Contracts</b>									
MS10003	City of Sierra Madre	5/11/2012	3/10/2018		\$13,555.00	\$0.00	Purchase 1 H.D. CNG Vehicle	\$13,555.00	No
MS10004	Linde LLC	3/2/2012	6/1/2018		\$56,932.00	\$0.00	Purchase 6 H.D. CNG Vehicles	\$56,932.00	No
MS10005	Domestic Linen Supply Company, In	10/8/2010	7/7/2016		\$47,444.00	\$0.00	Purchase 5 Gas-Electric Hybrid Vehicles	\$47,444.00	No
MS10006	Nationwide Environmental Services	11/19/2010	4/18/2017	9/18/2018	\$94,887.00	\$0.00	Purchase Three Street Sweepers	\$94,887.00	No
MS10007	Enterprise Rent-A-Car Company of L	7/15/2011	10/14/2017		\$18,976.00	\$17,078.40	Purchase 2 H.D. CNG Vehicles	\$1,897.60	No
MS10009	Ware Disposal Company, Inc.	10/29/2010	3/28/2017		\$123,353.00	\$123,352.00	Purchase 4 CNG Refuse Trucks	\$1.00	No
MS10012	Foothill Transit Agency	3/9/2012	3/8/2019		\$85,399.00	\$0.00	Purchase 9 H.D. Electric Vehicles	\$85,399.00	No
MS10017	Ryder System Inc.	12/30/2011	6/29/2018		\$651,377.00	\$0.00	Purchase 19 H.D. Natural Gas Vehicles	\$651,377.00	No
MS10021	City of Glendora	10/29/2010	11/28/2016		\$9,489.00	\$0.00	Purchase 1 H.D. CNG Vehicle	\$9,489.00	No
MS10025	Elham Shirazi	2/18/2011	10/17/2012	8/17/2013	\$199,449.00	\$144,166.56	Telework Demonstration Program	\$55,282.44	No
<b>Total: 10</b>									
<b>Pending Execution Contracts</b>									
MS10015	County of Los Angeles Department o				\$37,955.00	\$0.00	Purchase 4 H.D. CNG Vehicles	\$37,955.00	No
<b>Total: 1</b>									
<b>Declined/Cancelled Contracts</b>									
MS10013	City of San Bernardino				\$68,834.00	\$0.00	Purchase 9 H.D. LNG Vehicles	\$68,834.00	No
MS10014	Serv-Wei Disposal				\$18,977.00	\$0.00	Purchase 2 H.D. CNG Vehicles	\$18,977.00	No
MS10018	Shaw Transport Inc.				\$81,332.00	\$0.00	Purchase 6 H.D. LNG Vehicles	\$81,332.00	No
MS10022	Los Angeles World Airports				\$123,353.00	\$0.00	Purchase 13 H.D. CNG Vehicles	\$123,353.00	No
MS10023	Dix Leasing				\$105,000.00	\$0.00	Purchase 3 H.D. LNG Vehicles	\$105,000.00	No
<b>Total: 5</b>									
<b>Closed Contracts</b>									
MS10001	Los Angeles County MTA	3/19/2010	2/28/2011	4/28/2011	\$300,000.00	\$196,790.61	Clean Fuel Transit Bus Service to Dodger St	\$103,209.39	No
MS10002	Coachella Valley Association of Gov	6/18/2010	2/17/2011		\$400,000.00	\$400,000.00	Coachella Valley PM10 Reduction Street Sw	\$0.00	Yes
<b>Total: 2</b>									
<b>Open/Complete Contracts</b>									
MS10008	Republic Services, Inc.	12/10/2010	5/9/2017		\$123,354.00	\$123,354.00	Purchase 4 CNG Refuse Collection Vehicles	\$0.00	No
MS10010	New Bern Transport Corporation	10/29/2010	3/28/2017		\$113,864.00	\$113,864.00	Repower 4 Heavy-Duty Vehicles	\$0.00	Yes
MS10011	Foothill Transit Agency	3/9/2012	2/8/2018		\$113,865.00	\$113,865.00	Purchase 12 H.D. CNG Vehicles	\$0.00	Yes
MS10016	Rio Hondo Community College	11/5/2010	5/4/2017		\$16,077.00	\$16,077.00	Purchase 1 CNG Shuttle Bus	\$0.00	Yes
MS10019	EDCO Disposal Corporation	11/19/2010	2/18/2017		\$379,549.00	\$379,283.81	Purchase 11 H.D. CNG Refuse Trucks	\$265.19	No



Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
MS10020	American Reclamation, Inc.	5/6/2011	2/5/2018		\$18,977.00	\$18,977.00	Purchase 1 H.D. CNG Vehicle	\$0.00	Yes
MS10024	Frito-Lay North America	7/29/2011	9/28/2017		\$47,444.00	\$47,444.00	Purchase 5 Electric Vehicles	\$0.00	No

**Total: 7**



## 2010-11 AB2766 Contract Status Report

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
<b>Open Contracts</b>									
MS11001	Mineral LLC	4/22/2011	4/30/2013		\$94,627.00	\$86,086.83	Design, Develop, Host and Maintain MSRC	\$8,540.17	No
MS11002	A-Z Bus Sales, Inc.	7/15/2011	12/31/2011	12/31/2012	\$1,225,000.00	\$1,225,000.00	Alternative Fuel School Bus Incentive Progr	\$0.00	No
MS11003	BusWest	7/26/2011	12/31/2011	12/31/2012	\$1,305,000.00	\$1,305,000.00	Alternative Fuel School Bus Incentive Progr	\$0.00	No
MS11004	Los Angeles County MTA	9/9/2011	2/29/2012		\$450,000.00	\$174,529.50	Clean Fuel Transit Service to Dodger Stadium	\$275,470.50	No
MS11006	Orange County Transportation Autho	10/7/2011	2/29/2012	8/31/2012	\$268,207.00	\$160,713.00	Metrolink Service to Angel Stadium	\$107,494.00	No
MS11010	Border Valley Trading	8/26/2011	10/25/2017	10/25/2018	\$150,000.00	\$0.00	New LNG Station	\$150,000.00	No
MS11011	EDCO Disposal Corporation	12/30/2011	4/29/2019		\$100,000.00	\$0.00	New CNG Station - Signal Hill	\$100,000.00	No
MS11012	EDCO Disposal Corporation	12/30/2011	4/29/2019		\$100,000.00	\$0.00	New CNG Station - Buena Park	\$100,000.00	No
MS11018	Orange County Transportation Autho	10/14/2011	1/31/2012		\$211,360.00	\$211,360.00	Express Bus Service to Orange County Fair	\$0.00	No
MS11052	Krisda Inc	9/27/2012	6/26/2013		\$120,000.00	\$108,000.00	Repower Three Heavy-Duty Vehicles	\$12,000.00	No
MS11055	KEC Engineering	2/3/2012	8/2/2018		\$250,000.00	\$45,000.00	Repower 5 H.D. Off-Road Vehicles	\$205,000.00	No
MS11056	The Better World Group	12/30/2011	12/29/2013		\$98,418.00	\$48,270.75	Programmatic Outreach Services	\$50,147.25	No
MS11057	Riverside County Transportation Co	7/28/2012	3/27/2013		\$100,000.00	\$0.00	Develop and Implement 511 "Smart Phone"	\$100,000.00	No
MS11060	Rowland Unified School District	8/17/2012	1/16/2019		\$175,000.00	\$0.00	New Limited Access CNG Station	\$175,000.00	No
MS11061	Eastern Municipal Water District	3/29/2012	5/28/2015		\$11,659.00	\$1,450.00	Retrofit One Off-Road Vehicle under Showc	\$10,209.00	No
MS11062	Load Center	9/7/2012	1/6/2016		\$100,449.00	\$0.00	Retrofit Six Off-Road Vehicles under Showc	\$100,449.00	No
MS11064	City of Hawthorne	7/28/2012	8/27/2018		\$175,000.00	\$0.00	New Limited Access CNG Station	\$175,000.00	No
MS11065	Temecula Valley Unified School Distr	8/11/2012	1/10/2019		\$50,000.00	\$0.00	Expansion of Existing CNG Station	\$50,000.00	No
MS11066	Torrance Unified School District	11/19/2012	9/18/2018		\$76,850.00	\$0.00	Expansion of Existing CNG Station	\$76,850.00	No
MS11067	City of Redlands	5/24/2012	11/23/2018		\$85,000.00	\$0.00	Expansion of Existing CNG Station	\$85,000.00	No
MS11068	Ryder System Inc.	7/28/2012	10/27/2018		\$175,000.00	\$0.00	New Public Access L/CNG Station (Fontana	\$175,000.00	No
MS11069	Ryder System Inc.	7/28/2012	8/27/2018		\$175,000.00	\$157,500.00	New Public Access L/CNG Station (Orange)	\$17,500.00	No
MS11076	SA Recycling, LLC	5/24/2012	9/23/2015		\$424,801.00	\$0.00	Retrofit of 13 Off-Road Diesel Vehicles with	\$424,801.00	No
MS11081	Metropolitan Stevedore Company	9/7/2012	1/6/2016		\$45,416.00	\$0.00	Install DECS on Two Off-Road Vehicles	\$45,416.00	No
MS11082	Baumot North America, LLC	8/2/2012	12/1/2015		\$65,958.00	\$0.00	Install DECS on Four Off-Road Vehicles	\$65,958.00	No
MS11087	Cemex Construction Material Pacific,	10/16/2012	2/15/2016		\$500,000.00	\$0.00	Retrofit 22 H.D. Off-Road Vehicles Under Sh	\$500,000.00	No
<b>Total: 26</b>									
<b>Pending Execution Contracts</b>									
MS11008	USA Waste of California, Inc.				\$125,000.00	\$0.00	Expansion of Existing LCNG Station	\$125,000.00	No
MS11009	Waste Management Collection and				\$125,000.00	\$0.00	Expansion of Existing LCNG Station	\$125,000.00	No
MS11016	CR&R, Inc.				\$150,000.00	\$0.00	New CNG Station - Perris	\$150,000.00	No

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
MS11019	City of Corona				\$225,000.00	\$0.00	Expansion of Existing CNG Station	\$225,000.00	No
MS11046	Luis Castro				\$40,000.00	\$0.00	Repower One Heavy-Duty Vehicle	\$40,000.00	No
MS11058	Los Angeles Service Authority for Fr				\$123,395.00	\$0.00	Develop and Implement 511 "Smart Phone"	\$123,395.00	No
MS11059	Go Natural Gas				\$150,000.00	\$0.00	New Public Access CNG Station - Paramou	\$150,000.00	No
MS11071	City of Torrance Transit Department				\$175,000.00	\$0.00	New Limited Access CNG Station	\$175,000.00	No
MS11072	Trillium USA Company DBA Californi				\$150,000.00	\$0.00	New Public Access CNG Station	\$150,000.00	No
MS11073	Los Angeles Unified School District				\$175,000.00	\$0.00	Expansion of Existing CNG Station	\$175,000.00	No
MS11079	Bear Valley Unified School District				\$175,000.00	\$0.00	New Limited Access CNG Station	\$175,000.00	No
MS11084	Ivanhoe Energy Services and Develo				\$66,750.00	\$0.00	Retrofit One H.D. Off-Road Vehicle Under S	\$66,750.00	No
MS11085	City of Long Beach Fleet Services B				\$159,012.00	\$0.00	Retrofit Seven H.D. Off-Road Vehicles Unde	\$159,012.00	No
MS11086	DCL America Inc.				\$500,000.00	\$0.00	Retrofit Eight H.D. Off-Road Vehicles Under	\$500,000.00	No
MS11088	Diesel Emission Technologies				\$32,750.00	\$0.00	Retrofit Three H.D. Off-Road Vehicles Under	\$32,750.00	No
MS11089	Diesel Emission Technologies				\$9,750.00	\$0.00	Retrofit One H.D. Off-Road Vehicle Under S	\$9,750.00	No
MS11090	Diesel Emission Technologies				\$14,750.00	\$0.00	Retrofit One H.D. Off-Road Vehicle Under S	\$14,750.00	No
MS11091	California Cartage Company, LLC				\$55,000.00	\$0.00	Retrofit Two H.D. Off-Road Vehicles Under	\$55,000.00	No
MS11092	Griffith Company				\$390,521.00	\$0.00	Retrofit 18 H.D. Off-Road Vehicles Under Sh	\$390,521.00	No
<b>Total: 19</b>									

**Declined/Cancelled Contracts**

MS11013	Go Natural Gas, Inc.				\$150,000.00	\$0.00	New CNG Station - Huntington Beach	\$150,000.00	No
MS11014	Go Natural Gas, Inc.				\$150,000.00	\$0.00	New CNG Station - Santa Ana	\$150,000.00	No
MS11015	Go Natural Gas, Inc.				\$150,000.00	\$0.00	New CNG Station - Inglewood	\$150,000.00	No
MS11047	Ivan Borjas				\$40,000.00	\$0.00	Repower One Heavy-Duty Vehicle	\$40,000.00	No
MS11048	Phase II Transportation				\$1,080,000.00	\$0.00	Repower 27 Heavy-Duty Vehicles	\$1,080,000.00	No
MS11049	Ruben Caceras				\$40,000.00	\$0.00	Repower One Heavy-Duty Vehicle	\$40,000.00	No
MS11050	Carlos Arrue				\$40,000.00	\$0.00	Repower One Heavy-Duty Vehicle	\$40,000.00	No
MS11051	Francisco Vargas				\$40,000.00	\$0.00	Repower One Heavy-Duty Vehicle	\$40,000.00	No
MS11053	Jose Ivan Soltero				\$40,000.00	\$0.00	Repower One Heavy-Duty Vehicle	\$40,000.00	No
MS11054	Albino Meza				\$40,000.00	\$0.00	Repower One Heavy-Duty Vehicle	\$40,000.00	No
MS11063	Standard Concrete Products				\$310,825.00	\$0.00	Retrofit Two Off-Road Vehicles under Show	\$310,825.00	No
MS11070	American Honda Motor Company				\$100,000.00	\$0.00	Expansion of Existing CNG Station	\$100,000.00	No
MS11077	DCL America Inc.				\$263,107.00	\$0.00	Retrofit of 13 Off-Road Diesel Vehicles with	\$263,107.00	No
MS11083	Cattrac Construction, Inc.				\$500,000.00	\$0.00	Install DECS on Eight Off-Road Vehicles	\$500,000.00	No
<b>Total: 14</b>									

**Closed Contracts**

MS11074	SunLine Transit Agency	5/11/2012	7/31/2012		\$41,849.00	\$22,391.00	Transit Service for Coachella Valley Festival	\$19,458.00	Yes
MS11080	Southern California Regional Rail Au	4/6/2012	7/31/2012		\$26,000.00	\$26,000.00	MetroLink Service to Auto Club Speedway	\$0.00	Yes

**Total: 2**

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
<b>Open/Complete Contracts</b>									
MS11017	CR&R, Inc.	3/2/2012	2/1/2018		\$100,000.00	\$100,000.00	Expansion of existing station - Garden Grov	\$0.00	Yes

**Total: 1**

## 2010-11 AB2766 Local Government Match Program Contract Status Report

1/3/2013

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
<b>Open Contracts</b>									
ML11021	City of Whittier	1/27/2012	9/26/2018		\$210,000.00	\$30,000.00	Purchase 7 Nat. Gas H.D. Vehicles	\$180,000.00	No
ML11022	City of Anaheim	3/16/2012	7/15/2018		\$175,000.00	\$0.00	Install CNG Fueling Station, purchase 5 H.D	\$175,000.00	No
ML11023	City of Rancho Cucamonga	4/20/2012	12/19/2018		\$260,000.00	\$0.00	Expand Existing CNG Station, 2 H.D. Vehicl	\$260,000.00	No
ML11026	City of Redlands	3/2/2012	10/1/2018		\$90,000.00	\$0.00	Purchase 3 Nat. Gas H.D. Vehicles	\$90,000.00	No
ML11027	City of Los Angeles, Dept. of Genera	5/4/2012	7/3/2015		\$300,000.00	\$0.00	Maintenance Facility Modifications	\$300,000.00	No
ML11028	City of Glendale	1/13/2012	5/12/2018		\$300,000.00	\$60,000.00	Purchase 10 H.D. CNG Vehicles	\$240,000.00	No
ML11029	City of Santa Ana	9/7/2012	3/6/2020		\$262,500.00	\$0.00	Expansion of Existing CNG Station, Install N	\$262,500.00	No
ML11032	City of Gardena	3/2/2012	9/1/2018		\$102,500.00	\$30,000.00	Modify Maint. Facility, Expand CNG station,	\$72,500.00	No
ML11033	City of Los Angeles, Bureau of Sanit	3/16/2012	1/15/2019		\$1,080,000.00	\$570,000.00	Purchase 36 LNG H.D. Vehicles	\$510,000.00	No
ML11034	City of Los Angeles, Department of	5/4/2012	1/3/2019		\$630,000.00	\$0.00	Purchase 21 H.D. CNG Vehicles	\$630,000.00	No
ML11036	City of Riverside	1/27/2012	1/26/2019		\$670,000.00	\$0.00	Install New CNG Station, Purchase 9 H.D. N	\$670,000.00	No
ML11038	City of Santa Monica	5/18/2012	7/17/2018		\$400,000.00	\$0.00	Maintenance Facility Modifications	\$400,000.00	No
ML11039	City of Ontario	1/27/2012	9/26/2018		\$180,000.00	\$0.00	Purchase 6 Nat. Gas H.D. Vehicles	\$180,000.00	No
ML11040	City of South Pasadena	5/4/2012	1/3/2019		\$30,000.00	\$0.00	Purchase 1 Nat. Gas H.D. Vehicle	\$30,000.00	No
ML11041	City of Santa Ana	9/7/2012	11/6/2018		\$265,000.00	\$0.00	Purchase 7 LPG H.D. Vehicles, Retrofit 6 H.	\$265,000.00	No
ML11042	City of Chino	2/17/2012	4/16/2018		\$35,077.00	\$0.00	Purchase 1 Nat. Gas H.D. Vehicle, Repower	\$35,077.00	No
ML11043	City of Hemet Public Works	2/3/2012	2/2/2019		\$60,000.00	\$0.00	Purchase 2 H.D. Nat. Gas Vehicles	\$60,000.00	No
ML11044	City of Ontario	1/27/2012	6/26/2019		\$400,000.00	\$0.00	Expand Existing CNG Station	\$400,000.00	No
ML11045	City of Newport Beach	2/3/2012	8/2/2018		\$30,000.00	\$0.00	Purchase 1 Nat. Gas H.D. Vehicle	\$30,000.00	No
<b>Total: 19</b>									
<b>Pending Execution Contracts</b>									
ML11020	City of Indio				\$30,000.00	\$0.00	Retrofit one H.D. Vehicles w/DECS, repower	\$30,000.00	No
ML11024	County of Los Angeles Department o				\$150,000.00	\$0.00	Purchase 5 Nat. Gas H.D. Vehicles	\$150,000.00	No
ML11025	County of Los Angeles Department o				\$150,000.00	\$0.00	Purchase 5 Nat. Gas H.D. Vehicles	\$150,000.00	No
ML11037	City of Anaheim				\$300,000.00	\$0.00	Purchase 12 Nat. Gas H.D. Vehicles	\$300,000.00	No
<b>Total: 4</b>									
<b>Closed Contracts</b>									
ML11007	Coachella Valley Association of Gov	7/29/2011	7/28/2012		\$250,000.00	\$249,999.96	Regional PM10 Street Sweeping Program	\$0.04	Yes
ML11035	City of La Quinta	11/18/2011	11/17/2012		\$25,368.00	\$25,368.00	Retrofit 3 On-Road Vehicles w/DECS	\$0.00	Yes
<b>Total: 2</b>									
<b>Open/Complete Contracts</b>									

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
ML11030	City of Fullerton	2/3/2012	3/2/2018		\$109,200.00	\$109,200.00	Purchase 2 Nat. Gas H.D. Vehicles, Retrofit	\$0.00	No
ML11031	City of Culver City Transportation De	12/2/2011	12/1/2018		\$300,000.00	\$300,000.00	Purchase 10 H.D. Nat. Gas Vehicles	\$0.00	No

**Total: 2**

## 2011-12 AB2766 Contract Status Report

1/3/2013

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
<b>Open Contracts</b>									
MS12001	Los Angeles County MTA	7/1/2012	4/30/2013		\$300,000.00	\$0.00	Clean Fuel Transit Service to Dodger Stadium	\$300,000.00	No
MS12002	Orange County Transportation Autho	9/7/2012	4/30/2013		\$342,340.00	\$0.00	Express Bus Service to Orange County Fair	\$342,340.00	No
MS12003	Orange County Transportation Autho	7/20/2012	2/28/2013		\$234,669.00	\$0.00	Implement Metrolink Service to Angel Stadium	\$234,669.00	No
MS12005	USA Waste of California, Inc.	10/19/2012	8/18/2013		\$75,000.00	\$0.00	Vehicle Maintenance Facility Modifications	\$75,000.00	No
MS12006	Waste Management Collection and	10/19/2012	8/18/2013		\$75,000.00	\$0.00	Vehicle Maintenance Facility Modifications	\$75,000.00	No
MS12025	Silverado Stages, Inc.	11/2/2012	7/1/2018		\$150,000.00	\$0.00	Purchase Six Medium-Heavy Duty Vehicles	\$150,000.00	No
MS12029	Community Action Partnership of Or	11/2/2012	11/1/2018		\$25,000.00	\$0.00	Purchase 1 Medium-Heavy Duty Vehicle	\$25,000.00	No
MS12031	Final Assembly, Inc.	11/2/2012	11/1/2018		\$100,000.00	\$0.00	Purchase 4 Medium-Heavy Duty Vehicles	\$100,000.00	No
MS12034	Ware Disposal Company, Inc.	11/2/2012	11/1/2018		\$195,000.00	\$52,263.00	Purchase 2 Medium-Duty and 7 Medium-He	\$142,737.00	No
<b>Total: 9</b>									
<b>Pending Execution Contracts</b>									
MS12004	USA Waste of California, Inc.				\$175,000.00	\$0.00	Construct New Limited-Access CNG Station	\$175,000.00	No
MS12007	WestAir Gases & Equipment				\$100,000.00	\$0.00	Construct New Limited-Access CNG Station	\$100,000.00	No
MS12008	Bonita Unified School District				\$175,000.00	\$0.00	Construct New Limited-Access CNG Station	\$175,000.00	No
MS12009	Sysco Food Services of Los Angeles				\$150,000.00	\$0.00	Construct New Public-Access CNG Station	\$150,000.00	No
MS12010	Murrieta Valley Unified School Distric				\$244,000.00	\$0.00	Construct New Limited-Access CNG Station	\$244,000.00	No
MS12011	Southern California Gas Company				\$150,000.00	\$0.00	Construct New Public-Access CNG Station -	\$150,000.00	No
MS12012	Rim of the World Unified School Dist				\$75,000.00	\$0.00	Vehicle Maintenance Facility Modifications	\$75,000.00	No
MS12024	Southern California Gas Company				\$150,000.00	\$0.00	Construct New Public-Access CNG Station -	\$150,000.00	No
MS12026	U-Haul Company of California				\$500,000.00	\$0.00	Purchase 23 Medium-Heavy Duty Vehicles	\$500,000.00	No
MS12027	C.V. Ice Company, Inc.				\$75,000.00	\$0.00	Purchase 3 Medium-Heavy Duty Vehicles	\$75,000.00	No
MS12028	Dy-Dee Service of Pasadena, Inc.				\$45,000.00	\$0.00	Purchase 2 Medium-Duty and 1 Medium-He	\$45,000.00	No
MS12030	Complete Landscape Care, Inc.				\$150,000.00	\$0.00	Purchase 6 Medium-Heavy Duty Vehicles	\$150,000.00	No
MS12032	Fox Transportation				\$500,000.00	\$0.00	Purchase 20 Medium-Heavy Duty Vehicles	\$500,000.00	No
MS12033	Mike Diamond/Phace Management				\$500,000.00	\$0.00	Purchase 20 Medium-Heavy Duty Vehicles	\$500,000.00	No
MS12035	Disneyland Resort				\$25,000.00	\$0.00	Purchase 1 Medium-Heavy Duty Vehicle	\$25,000.00	No
MS12036	Jim & Doug Carter's Automotive/VS				\$50,000.00	\$0.00	Purchase 2 Medium-Heavy Duty Vehicles	\$50,000.00	No
MS12059	Orange County Transportation Autho				\$75,000.00	\$0.00	Maintenance Facility Modifications	\$75,000.00	No
MS12060	City of Santa Monica				\$0.00	\$0.00	Transit-Oriented Bicycle Sharing Program	\$0.00	No
MS12061	Orange County Transportation Autho				\$0.00	\$0.00	Transit-Oriented Bicycle Sharing Program	\$0.00	No
MS12062	Fraser Communications				\$998,669.00	\$0.00	Develop & Implement "Rideshare Thursday"	\$998,669.00	No

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
MS12063	Custom Alloy Light Metals, Inc.				\$100,000.00	\$0.00	Install New Limited Access CNG Station	\$100,000.00	No
MS12064	Anaheim Transportation Network				\$127,296.00	\$0.00	Clean Fuel Transit Service to Honda Center	\$127,296.00	No
MS12065	Orange County Transportation Autho				\$43,933.00	\$0.00	Ducks Express Service to Honda Center	\$43,933.00	No
MS12067	Leatherwood Construction, Inc.				\$122,719.00	\$0.00	Retrofit Six Vehicles w/DECS - Showcase III	\$122,719.00	No
MS12068	Southern California Regional Rail Au				\$57,363.00	\$0.00	Implement Metrolink Service to Autoclub Sp	\$57,363.00	No
MS12069	City of Irvine				\$45,000.00	\$0.00	Implement Shuttle Service to Orange Count	\$45,000.00	No
MS12070	Valley Music Travel				\$99,000.00	\$0.00	Implement Shuttle Service to Coachella Mus	\$99,000.00	No
MS12071	Transit Systems Unlimited, Inc.				\$36,000.00	\$0.00	Expansion of Existing CNG Station	\$36,000.00	No
MS12072	99 Cents Only Stores				\$100,000.00	\$0.00	Construct New CNG Station	\$100,000.00	No
MS12073	FirstCNG, LLC				\$150,000.00	\$0.00	Construct New CNG Station	\$150,000.00	No
MS12074	Arcadia Unified School District				\$175,000.00	\$0.00	Expansion of Existing CNG Infrastructure	\$175,000.00	No
MS12075	CR&R, Inc.				\$100,000.00	\$0.00	Expansion of Existing CNG Infrastructure	\$100,000.00	No
MS12076	City of Ontario				\$75,000.00	\$0.00	Maintenance Facilities Modification	\$75,000.00	No
MS12077	City of Coachella				\$225,000.00	\$0.00	Construct New CNG Station	\$225,000.00	No
MS12078	Penske Truck Leasing Co., L.P.				\$75,000.00	\$0.00	Maintenance Facility Modifications - Vernon	\$75,000.00	No
MS12079	Penske Truck Leasing Co., L.P.				\$75,000.00	\$0.00	Maintenance Facility Modifications - Boyle H	\$75,000.00	No
MS12080	City of Pasadena				\$225,000.00	\$0.00	Expansion of Existing CNG Infrastructure	\$225,000.00	No
MS12081	Penske Truck Leasing Co., L.P.				\$75,000.00	\$0.00	Maintenance Facility Modifications - Santa A	\$75,000.00	No
MS12082	City of Los Angeles, Bureau of Sanit				\$175,000.00	\$0.00	Install New CNG Infrastructure	\$175,000.00	No
MS12083	Brea Olinda Unified School District				\$59,454.00	\$0.00	Install New CNG Infrastructure	\$59,454.00	No
MS12084	Airport Mobil Inc.				\$150,000.00	\$0.00	Install New CNG Infrastructure	\$150,000.00	No
MS12085	Bear Valley Unified School District				\$75,000.00	\$0.00	Maintenance Facility Modifications	\$75,000.00	No
MS12086	SuperShuttle International, Inc.				\$225,000.00	\$0.00	Purchase 23 Medium-Heavy Duty Vehicles	\$225,000.00	No
MS12Hom	Mansfield Gas Equipment Systems				\$296,000.00	\$0.00	Home Refueling Apparatus Incentive Progra	\$296,000.00	No

**Total: 44**



## 2011-12 AB2766 Local Government Match Program Contract Status Report

1/3/2013

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
<b>Open Contracts</b>									
ML12013	City of Pasadena	10/19/2012	3/18/2015		\$200,000.00	\$0.00	Electric Vehicle Charging Infrastructure	\$200,000.00	No
ML12020	City of Los Angeles, Department of	9/27/2012	3/26/2019		\$450,000.00	\$0.00	15 H.D. Nat. Gas Vehicles	\$450,000.00	No
ML12021	City of Rancho Cucamonga	9/14/2012	1/13/2020		\$40,000.00	\$0.00	Four Medium-Duty Nat. Gas Vehicles	\$40,000.00	No
<b>Total: 3</b>									
<b>Pending Execution Contracts</b>									
ML12014	City of Santa Ana				\$384,000.00	\$0.00	9 H.D. Nat. Gas & LPG Trucks, EV Charging	\$384,000.00	No
ML12015	City of Fullerton				\$155,000.00	\$0.00	1 Nat. Gas Vehicle, Limited-Access LPG Re	\$155,000.00	No
ML12016	City of Cathedral City				\$60,000.00	\$0.00	One H.D. Nat. Gas Vehicle, EV Charging In	\$60,000.00	No
ML12017	City of Los Angeles, Bureau of Sanit				\$950,000.00	\$0.00	32 H.D. Nat. Gas Vehicles	\$950,000.00	No
ML12018	City of West Covina				\$300,000.00	\$0.00	Expansion of Existing CNG Station	\$300,000.00	No
ML12019	City of Palm Springs				\$38,000.00	\$0.00	EV Charging Infrastructure	\$38,000.00	No
ML12022	City of La Puente				\$110,000.00	\$0.00	7 Med. & Heavy-Duty Nat. Gas Vehicles	\$110,000.00	No
ML12023	County of Los Angeles Internal Servi				\$250,000.00	\$0.00	EV Charging Infrastructure	\$250,000.00	No
ML12037	Coachella Valley Association of Gov				\$250,000.00	\$0.00	Street Sweeping Operations	\$250,000.00	No
ML12038	City of Long Beach Public Works				\$26,000.00	\$0.00	Electric Vehicle Charging Infrastructure	\$26,000.00	No
ML12039	City of Redlands				\$90,000.00	\$0.00	Three Heavy-Duty Nat. Gas Vehicles	\$90,000.00	No
ML12041	City of Anaheim Public Utilities Depa				\$68,977.00	\$0.00	EV Charging Infrastructure	\$68,977.00	No
ML12042	City of Chino Hills				\$87,500.00	\$0.00	Expansion of Existing CNG Station	\$87,500.00	No
ML12043	City of Hemet				\$60,000.00	\$0.00	Two Heavy-Duty Nat. Gas Vehicles	\$60,000.00	No
ML12044	County of San Bernardino Public Wo				\$250,000.00	\$0.00	Install New CNG Station	\$250,000.00	No
ML12045	City of Baldwin Park				\$400,000.00	\$0.00	Install New CNG Station	\$400,000.00	No
ML12046	City of Irvine				\$30,000.00	\$0.00	One Heavy-Duty Nat. Gas Vehicle	\$30,000.00	No
ML12047	City of Orange				\$30,000.00	\$0.00	One Heavy-Duty Nat. Gas Vehicle	\$30,000.00	No
ML12048	City of La Palma				\$20,000.00	\$0.00	Two Medium-Duty LPG Vehicles	\$20,000.00	No
ML12049	City of Rialto Public Works				\$57,958.00	\$0.00	EV Charging Infrastructure	\$57,958.00	No
ML12050	City of Baldwin Park				\$463,650.00	\$0.00	EV Charging Infrastructure	\$463,650.00	No
ML12051	City of Bellflower				\$270,000.00	\$0.00	EV Charging Infrastructure	\$270,000.00	No
ML12052	City of Whittier				\$165,000.00	\$0.00	Expansion of Existing CNG Station	\$165,000.00	No
ML12053	City of Mission Viejo				\$60,000.00	\$0.00	EV Charging Infrastructure	\$60,000.00	No
ML12054	City of Palm Desert				\$77,385.00	\$0.00	EV Charging Infrastructure	\$77,385.00	No
ML12055	City of Manhattan Beach				\$10,000.00	\$0.00	One Medium-Duty Nat. Gas Vehicle	\$10,000.00	No

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
ML12056	City of Cathedral City				\$85,000.00	\$0.00	One H.D. Nat. Gas Vehicle, EV Charging In	\$85,000.00	No
ML12057	City of Coachella				\$57,456.00	\$0.00	Purchase One Nat. Gas H.D. Vehicle/Street	\$57,456.00	No
ML12066	City of Manhattan Beach				\$15,202.00	\$0.00	Electric Vehicle Charging Infrastructure	\$15,202.00	No
<b>Total: 29</b>									

<b>Declined/Cancelled Contracts</b>									
ML12040	City of Duarte Transit				\$30,000.00	\$0.00	One Heavy-Duty Nat. Gas Vehicle	\$30,000.00	No
<b>Total: 1</b>									

[↑ Back to Agenda](#)

BOARD MEETING DATE: February 1, 2013

AGENDA NO. 26

REPORT: California Air Resources Board Monthly Meeting

SYNOPSIS: The California Air Resources Board met on January 24, 2013 in Bakersfield and January 25, 2013 in Diamond Bar. The following is a summary of this meeting.

RECOMMENDED ACTION:

Receive and file.

Ronald O. Loveridge, Member  
SCAQMD Governing Board

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The Air Resources Board's (ARB or Board) January meeting was held on January 24 in Bakersfield, at the Kern County Board of Supervisors Chambers and on January 25, in Diamond Bar, at the South Coast Air Quality Management District Building. Key items presented are summarized below.

**1. Public Meeting to Hear an Overview of PM2.5 Science and Research and to Consider Approving the San Joaquin Valley PM2.5 State Implementation Plan**

The Board heard an overview of current PM2.5 air quality science, including an update on recent findings that helped support development of the San Joaquin Valley 2012 PM2.5 State Implementation Plan. The Board approved the plan and instructed staff to submit the plan to U.S. EPA as a revision to the California SIP. The plan demonstrates that the San Joaquin Valley will attain the 24-hour PM2.5 standard by 2019.

## **2. Public Meeting to Brief the Board on the Status of SB 375 in San Joaquin Valley**

The Board heard an overview of the status of Sustainable Communities Strategies planning for the San Joaquin Valley.

This was an informational item. No Board action was taken.

## **3. Report to the Board on ARB's Program Priorities for 2013**

The Executive Officer briefed the Board on anticipated ARB efforts for 2013, including items that staff intends to bring the Board for their consideration. These include updates to the Climate Change Scoping Plan, the State Implementation Plan for criteria pollutants, and Sustainable Communities Strategies plans, and continued implementation of the Advanced Clean Cars program, the diesel regulations, and reauthorization of clean vehicle incentive programs, among others.

This was an informational item. No Board action was taken.

## **4. Public Meeting to Consider Approval of the South Coast Air Basin 2012 PM2.5 and Ozone State Implementation Plans**

The Board approved the South Coast 2012 Air Quality Management Plan (AQMP), and instructed staff to submit the plan to U.S. EPA as a revision to the California SIP. The AQMP describes how the South Coast Air Basin will attain the 24-hour PM2.5 standard by 2014 and the 1-hour ozone standard by 2022. The plan also includes actions and measures to implement the federally-enforceable 8-hour ozone SIP.

**AQMD Staff Comments/Testimony:** Staff concurred with the CARB staff report that great progress is being made toward attaining the PM2.5 standards, as preliminary data indicates that both the annual and 24-hour PM2.5 standards were attained throughout the Basin for the first time in 2012. However, staff noted that significant challenges remain in meeting the federal ozone standards. To implement the commitment of an early public process for the 2015 AQMP, which will be a comprehensive and integrated plan primarily focused on addressing the ozone standards, staff will hold its first AQMP Advisory Group meeting next week. Staff also responded to specific audience testimony regarding the need for VOC reductions.

Ms. Baird responded to issues raised in public testimony. First, as Dr. Chang explained, the South Coast District still needs some additional VOC reductions. The District has looked to architectural coatings because they represent the largest source of VOC within the District's authority to regulate. The District is also looking at other VOC sources including the mold release compounds mentioned by the representative of WD-40. As to that issue, ARB legal staff has long agreed with District legal staff that the District may regulate substances used in industrial settings even though the product may qualify as a consumer product under ARB's regulation for other purposes that are not industrial. Finally, Ms. Baird emphasized the need for ARB to approve and forward the one-hour ozone plan as it addresses an issue being raised in current litigation.

#### **5. Public Hearing to Consider Amendments to Regulations for Gasoline and Diesel Fuel Test Methods**

The Board approved amendments to the California reformulated gasoline and California diesel fuel regulations. The amendments included addition of new test methods and updates to existing methods. The revised analytical methods will improve ARB's ability to enforce these regulations.

#### **6. Public Hearing on Update to Proposition 1B: Goods Movement Emission Reduction Program Guidelines**

The Board approved proposed updates to the Program Guidelines for the Proposition 1B: Goods Movement Emission Reduction Program. The updates included revisions to the funding levels for various types of projects and administrative changes to streamline the application process.

**AQMD Staff Comments/Testimony:** Staff provided testimony in support of the approval of the proposed amendments to the Proposition 1B-Goods Movement Program Guidelines. Staff commented that CARB staff should clarify that project obligation and expenditure deadlines should not be shortened after a grant had been executed between CARB and the air districts. CARB staff agreed with the AQMD's suggestion.

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The Board approved the consent item. There was no discussion.

**Attachment**

CARB January 24-25, 2013 Meeting Agenda

**JANUARY 24, 2013, LOCATION:**

Kern County Board of Supervisors  
Board Chambers, First Floor  
1115 Truxtun Avenue  
Bakersfield, CA 93301

This facility is accessible by public transit. For transit information, call: (800) 560-1733, <http://roads.kerndsa.com/bus-services> (This facility is accessible to persons with disabilities.)

**PUBLIC MEETING AGENDA**

**Thursday, January 24, 2013  
(Bakersfield, CA)  
and  
Friday, January 25, 2013  
(Diamond Bar, CA)**

**JANUARY 25, 2013, LOCATION:**

South Coast Air Quality Management District  
Auditorium  
21865 E. Copley Drive  
Diamond Bar, California 91765-4182

This facility is accessible by public transit. For transit information, call: (800) 743-3463, <http://www.foothilltransit.org/> (This facility is accessible to persons with disabilities.)

**TO SUBMIT WRITTEN COMMENTS ON AN  
AGENDA ITEM IN ADVANCE OF THE MEETING GO  
TO: <http://www.arb.ca.gov/lispub/comm/bclist.php>**

**January 24, 2013**

**9:00 a.m.**

Kern County Board of Supervisors  
Board Chambers, First Floor  
1115 Truxtun Avenue  
Bakersfield, CA 93301

*(Spanish translation services will be provided at the January 24<sup>th</sup> Board Meeting.)*

**CONSENT CALENDAR:**

The following item(s) on the consent calendar will be voted on by the Board immediately after the start of the public meeting, unless removed from the consent calendar either upon a Board member's request or if someone in the audience wishes to speak on it.

**Consent Item #**

**13-1-3: Public Meeting to Consider Appointment of a New Member to the Research Screening Committee**

*Staff will recommend the appointment of Dr. Alan Vette to fill the vacancy left by the resignation of Dr. Dan Costa of U.S. EPA. The Board's Research Screening Committee consists of scientists, engineers, and others who are knowledgeable, technically qualified, and experienced in air pollution research. Dr. Vette is the Assistant Director for Air, Climate and Energy research at the U.S. EPA's National Health and Environmental Effects Research Laboratory.*

[More Information](#)

**DISCUSSION ITEMS:**

**Note:** The following agenda items may be heard in a different order at the Board meeting.

**Agenda Item #****13-1-1: Public Meeting to Hear an Overview of PM2.5 Science and Research and to Consider Approving the San Joaquin Valley PM2.5 State Implementation Plan**

*Staff will present an overview of the latest PM2.5 air quality science and on-going research which supported the development of the San Joaquin Valley 2012 PM2.5 State Implementation Plan (2012 PM2.5 Plan). The Board will then consider approving the 2012 PM2.5 Plan as a revision to the California State Implementation Plan. The 2012 PM2.5 Plan demonstrates the San Joaquin Valley will attain the federal 24-hour PM2.5 standard (adopted in 2006) by 2019.*

[More Information](#)      [Staff Presentation](#)

**13-1-2: Public Meeting to Brief the Board on the Status of SB 375 in San Joaquin Valley**

*Staff will brief the Board on the status of SB 375 planning in the San Joaquin Valley.*

[More Information](#)      [Staff Presentation](#)

**January 25, 2013****9:00 a.m.**

South Coast Air Quality Management District, Auditorium  
21865 E. Copley Drive  
Diamond Bar, California 91765-4182

**DISCUSSION ITEMS:**

**Note:** The following agenda items may be heard in a different order at the Board meeting.

**Agenda Item #****13-2-5: Report to the Board on ARB's Program Priorities for 2013**

*The Executive Officer will present to the Board a preview of anticipated Board activities in 2013.*

[Staff Presentation](#)

**13-2-2: Public Meeting to Consider Approval of the South Coast 5 [f'6 Ug]b &\$%&DA &') and Ozone State Implementation Plans**

*The Board will consider the approval of the 2012 South Coast AQMP that includes the South Coast's State Implementation Plan (SIP) for attaining the 24-hour PM2.5 standard, and a SIP update to address the 1-hour ozone standard in the South Coast Air Basin. The SIPs identify the strategies needed to bring the Basin into attainment with the federal PM2.5 standard by 2014, the federal 1-hour ozone standard by 2022, and sets conformity budgets for the PM2.5 SIP. The 2012 AQMP also includes measures and actions to implement the federally approved 8-hour ozone SIP.*

[More Information](#)      [Staff Presentation](#)



**13-2-3: Public Hearing to Consider Amendments to Regulations for Gasoline and Diesel Fuel Test Methods**

Staff will present to the Board proposed amendments to the California reformulated gasoline (CaRFG) and California diesel fuel (CDF) regulations. The amendments' primary purpose is to add new test methods that will enhance ARB's ability to enforce the CaRFG regulations. Staff will also propose updating several existing CaRFG and CDF test methods to their most recent versions, and remove of an obsolete test method for measuring sulfur in CaRFG.

[More Information](#)

[Staff Presentation](#)

**13-2-4: Public Hearing on Update to Proposition 1B: Goods Movement Emission Reduction Program Guidelines**

Staff will present to the Board proposed updates to the Program Guidelines that outline the eligible equipment projects, which will reduce diesel emissions and health impacts from freight movement along California's four priority trade corridors. The proposed updates include funding level revisions for various equipment projects and administrative changes.

[More Information](#)

[Staff Presentation](#)

**CLOSED SESSION**

The Board will hold a closed session, as authorized by Government Code section 11126(e), to confer with, and receive advice from, its legal counsel regarding the following pending or potential litigation:

*POET, LLC, et al. v. Goldstene, et al., Superior Court of California (Fresno County), Case No. 09CECG04850; plaintiffs' appeal, Court of Appeal No. F064045.*

*Rocky Mountain Farmers Union, et al. v. Goldstene, U.S. District Court (E.D. Cal. Fresno), Case No. 1:09-CV-02234-LJO-DLB; interlocutory appeal, U.S. Court of Appeal, Ninth Circuit Nos. 09-CV-02234 and 10-CV-00163.*

*American Fuels and Petrochemical Manufacturing Associations, et al. v. Goldstene, et al., U.S. District Court (E.D. Cal. Fresno) Case No. 1:10-CV-00163-AWI-GSA; interlocutory appeal, U.S. Court of Appeal, Ninth Circuit Nos. 09-CV-02234 and 10-CV-00163.*

*Association of Irrigated Residents, et al. v. U.S. E.P.A., 2011 WL 310357 (C.A.9), (Feb. 2, 2011).*

*California Dump Truck Owners Association v. California Air Resources Board, U.S. District Court (E.D. Cal. Sacramento) Case No. 2:11-CV-00384-MCE-GGH.*

*Engine Manufacturers Association v. California Air Resources Board, Sacramento Superior Court, Case No. 34-2010-00082774.*

*Citizens Climate Lobby and Our Children's Earth Foundation v. California Air Resources Board, San Francisco Superior Court, Case No. CGC-12-519554.*

*California Chamber of Commerce et al. v. California Air Resources Board et al., Sacramento Superior Court, Case No. 34-2012-80001313.*

**OPPORTUNITY FOR MEMBERS OF THE BOARD TO COMMENT ON MATTERS OF INTEREST**

*Board members may identify matters they would like to have noticed for consideration at future meetings and comment on topics of interest; no formal action on these topics will be taken without further notice.*

**OPEN SESSION TO PROVIDE AN OPPORTUNITY FOR MEMBERS OF THE PUBLIC TO ADDRESS THE BOARD ON SUBJECT MATTERS WITHIN THE JURISDICTION OF THE BOARD**

*Although no formal Board action may be taken, the Board is allowing an opportunity to interested members of the public to address the Board on items of interest that are within the Board's jurisdiction, but that do not specifically appear on the agenda. Each person will be allowed a maximum of three minutes to ensure that everyone has a chance to speak.*

**TO SUBMIT WRITTEN COMMENTS ON AN AGENDA ITEM IN ADVANCE OF THE MEETING GO TO:**

<http://www.arb.ca.gov/lispub/comm/bclist.php>

**ONLINE SIGN-UP:**

You can sign up online in advance to speak at the Board meeting when you submit an electronic Board item comment. For more information go to:

<http://www.arb.ca.gov/board/online-signup.htm>

**IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT THE CLERK OF THE BOARD:**

1001 I Street, 23<sup>rd</sup> Floor, Sacramento, California 95814  
(916) 322-5594

ARB Homepage: [www.arb.ca.gov](http://www.arb.ca.gov)

**SPECIAL ACCOMMODATION REQUEST**

Special accommodation or language needs can be provided for any of the following:

- An interpreter to be available at the hearing;
- Documents made available in an alternate format or another language;
- A disability-related reasonable accommodation.

To request these special accommodations or language needs, please contact the Clerk of the Board at (916) 322-5594 or by facsimile at (916) 322-3928 as soon as possible, but no later than 7 business days before the scheduled Board hearing. TTY/TDD/Speech to Speech users may dial 711 for the California Relay Service.

Comodidad especial o necesidad de otro idioma puede ser proveído para alguna de las siguientes:

- Un intérprete que esté disponible en la audiencia.
- Documentos disponibles en un formato alterno u otro idioma;
- Una acomodación razonable relacionados con una incapacidad.

Para solicitar estas comodidades especiales o necesidades de otro idioma, por favor llame a la oficina del Consejo al (916) 322-5594 o envíe un fax a (916) 322-3928 lo más pronto posible, pero no menos de 7 días de trabajo antes del día programado para la audiencia del Consejo. TTY/TDD/Personas que necesiten este servicio pueden marcar el 711 para el Servicio de Retransmisión de Mensajes de California.

**SMOKING IS NOT PERMITTED AT MEETINGS OF THE CALIFORNIA AIR RESOURCES BOARD**

[↑ Back to Agenda](#)

BOARD MEETING DATE: February 1, 2013

AGENDA NO. 27

REPORT: Status Report on 2012 Priority Projects

SYNOPSIS: Staff will report on the status of 2012's three Priority Projects:  
(1) Permit Modernization, (2) Development of an Overhead Catenary System, and (3) Information Management Upgrade(s).

COMMITTEE: No Committee Review

RECOMMENDED ACTION:  
Receive and file.

Barry R. Wallerstein, D. Env.  
Executive Officer

PMG:gc

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Staff will provide a brief status update on the three Priority Projects from the FY 2012-13 Draft Goals & Objectives:

- (1) Permit Modernization: develop proposed modifications to the permit system, including incentives;
- (2) Overhead Catenary Demonstration: develop and demonstrate a zero-emissions cargo container movement system; and
- (3) Upgrade of AQMD's Information Technology Systems: improve design, navigation and accessibility for the agency's website.

BOARD MEETING DATE: February 1, 2013

AGENDA NO. 28

REPORT: Status Report on Regulation XIII – New Source Review

SYNOPSIS: This report presents the federal preliminary determination of equivalency for January 2011 through December 2011. As such, it provides information regarding the status of Regulation XIII – New Source Review in meeting federal NSR requirements and shows that AQMD’s NSR program is in compliance with applicable federal requirements from January 2011 through December 2011.

COMMITTEE: Stationary Source, January 18, 2013, Reviewed

RECOMMENDED ACTIONS:  
Receive and file the attached report.

Barry R. Wallerstein, D.Env.  
Executive Officer

MN:WCT:GT:GEI

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## SUMMARY

AQMD’s NSR Rules and Regulations are designed to comply with federal and state Clean Air Act requirements and to ensure that emission increases from new and modified sources do not interfere with efforts to attain and maintain the federal and state air quality standards, while economic growth in the South Coast region is not unnecessarily impeded. Regulation XIII - New Source Review regulates and accounts for all emission changes (both increases and decreases) from the permitting of new, modified, and relocated stationary sources within AQMD, excluding NO<sub>x</sub> and SO<sub>x</sub> sources that are subject to Regulation XX – Regional Clean Air Incentives Market (RECLAIM)<sup>1</sup>.

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<sup>1</sup> While the RECLAIM program is different than command and control rules for NO<sub>x</sub> and SO<sub>x</sub> and it provides greater regulatory flexibility to businesses, its NSR requirements, as specified in Rule 2005, are designed to comply with the governing principles of NSR contained in the federal Clean Air Act (CAA) and the California State Health and Safety Code.

Rule 1315 – Federal New Source Review Tracking System, was most recently adopted by the Governing Board on February 4, 2011 to maintain AQMD’s ability to issue permits to major sources that require offsets, but obtain offset credits from the AQMD’s Priority Reserve under Rule 1309.1, and/or that are exempt from offsets under AQMD Rule 1304. In addition, Rule 1315 requires that, commencing with calendar year 2010, and for each calendar year thereafter, the Executive Officer prepare a Preliminary Determination of Equivalency (PDE) and Final Determination of Equivalency (FDE) which cover NSR activities for twelve-month periods. The calendar year 2011 PDE and FDE are required to be reported to the AQMD Governing Board at the February and September 2013 Governing Board meetings, respectively. Rule 1315 also requires the Executive Officer to aggregate and track offsets debited from and deposited to AQMD’s offset accounts for specified periods between October 1, 1990 and December 31, 2005 and each calendar year from 2006 through 2030 for the purpose of making periodic determinations of compliance. The last annual report submitted to the AQMD Governing Board on September 7, 2012 presented the FDE for calendar year 2010 and demonstrated that AQMD’s NSR program continues to meet the federal offset requirements for calendar year 2010.

This report, which presents the PDE covering the calendar year 2011 reporting period, demonstrates compliance with federal NSR requirements by establishing aggregate equivalence with federal offset requirements for sources that were not exempt from federal offset requirements, but were either exempt from offsets or obtained their offsets from AQMD pursuant to Regulation XIII.

The PDE for January 2011 through December 2011 is summarized in Table 1. Additionally, the projections of AQMD’s offset account balances for January 2012 through December 2012 and January 2013 through December 2013 as specified and required pursuant to Rule 1315(e) are presented in Table 2. These results demonstrate that there were, and project that there will be, adequate offsets available to mitigate all applicable emission increases during these reporting periods. This report, therefore, demonstrates that, for calendar years 2011 through 2013, AQMD’s NSR program continues to meet and is projected to meet federal offset requirements and is equivalent to those requirements on an aggregate basis<sup>2</sup>. Although U.S. EPA designated the AQMD as attainment with federal CO standard effective June 11, 2007, AQMD will continue to track and report CO accumulated credits and account balances for informational purposes only.

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<sup>2</sup> AQMD’s NSR program is deemed to be equivalent to federal offset requirements because AQMD’s ending offset account balances remained positive, indicating there were adequate offsets during these reporting periods.

**Table 1**  
**PDE for January 2011 through December 2011**

DESCRIPTION	VOC	NOx	SOx	CO	PM10
<b>2010 Actual Ending Balance* (ton/day)</b>	<b>80.02</b>	<b>25.90</b>	<b>2.98</b>	<b>21.92</b>	<b>13.50</b>
2011 Discount of Credits for Surplus Adjustment** (ton/day)	0.00	0.00	0.00	0.00	0.00
<b>2011 Starting Balance (ton/day)</b>	<b>80.02</b>	<b>25.90</b>	<b>2.98</b>	<b>21.92</b>	<b>13.50</b>
2011 Actual Total Debits*** (lb/day)	-1,230	-151	-90	-12,011	-1,810
<b>2011 Actual Total Debits*** (ton/day)</b>	<b>-0.62</b>	<b>-0.08</b>	<b>-0.05</b>	<b>-6.01</b>	<b>-0.91</b>
<b>2011 Preliminary Ending Balance**** (ton/day)</b>	<b>79.40</b>	<b>25.82</b>	<b>2.93</b>	<b>15.91</b>	<b>12.59</b>

\* "2010 Actual Ending Balance" is from Table 1 of the 2010 FDE Report dated September 7, 2012.

\*\* This adjustment is surplus at the time of use discount, which is also discussed in Rule 1315(c)(4).

\*\*\* For an explanation of the sources of debits please refer to pages 7 of this report, as well as Rule 1315(c) and the Rule 1315 staff report.

\*\*\*\* "2011 Preliminary Ending Balance" equals the "2010 Actual Ending Balance" plus any surplus adjustments and the sum of actual debits.

**Table 2**  
**Projections of AQMD's Federal Offset Account Balances for**  
**January 2012 through December 2012, and**  
**January 2013 through December 2013**

DESCRIPTION	VOC	NOx	SOx	CO	PM10
<b>2011 Preliminary Ending Balance* (ton/day)</b>	<b>79.40</b>	<b>25.82</b>	<b>2.93</b>	<b>15.91</b>	<b>12.59</b>
2012 Projected Discount of Credits for Surplus Adjustment** (ton/day)	-2.75	-0.99	0.00	-0.02	-0.09
<b>2012 Projected Starting Balance (ton/day)</b>	<b>76.65</b>	<b>24.83</b>	<b>2.93</b>	<b>15.89</b>	<b>12.50</b>
2012 Total Projected Credits*** (lb/day)	12,220	3,920	440	4,480	1,520
2012 Total Projected Debits*** (lb/day)	-660	-540	-20	-2,440	-460
<b>2012 Sum of Projected Credits/Debits *** (lb/day)</b>	<b>11,560</b>	<b>3,380</b>	<b>420</b>	<b>2,040</b>	<b>1,060</b>
<b>2012 Sum of Projected Credits/Debits *** (ton/day)</b>	<b>5.78</b>	<b>1.69</b>	<b>0.21</b>	<b>1.02</b>	<b>0.53</b>
<b>2012 Projected Ending Balance**** (ton/day)</b>	<b>82.43</b>	<b>26.52</b>	<b>3.14</b>	<b>16.91</b>	<b>13.03</b>
2013 Projected Discount of Credits for Surplus Adjustment** (ton/day)	-2.86	-1.02	0.00	-0.02	-0.09
<b>2013 Projected Starting Balance (ton/day)</b>	<b>79.57</b>	<b>25.50</b>	<b>3.14</b>	<b>16.89</b>	<b>12.94</b>
2013 Total Projected Credits*** (lb/day)	12,220	3,920	440	4,480	1,520
2013 Total Projected Debits*** (lb/day)	-660	-540	-20	-2,440	-460
<b>2013 Sum of Projected Credits/Debits *** (lb/day)</b>	<b>11,560</b>	<b>3,380</b>	<b>420</b>	<b>2,040</b>	<b>1,060</b>
<b>2013 Sum of Projected Credits/Debits *** (ton/day)</b>	<b>5.78</b>	<b>1.69</b>	<b>0.21</b>	<b>1.02</b>	<b>0.53</b>
<b>2013 Projected Ending Balance***** (ton/day)</b>	<b>85.35</b>	<b>27.19</b>	<b>3.35</b>	<b>17.91</b>	<b>13.47</b>

\* "2011 Preliminary Ending Balance" is as shown in Table 1.

\*\* This adjustment is surplus at the time of use discount, which is also discussed in Rule 1315(c)(4).

\*\*\* For an explanation of the sources of debits and credits please refer to pages 7 and 8 of this report, as well as Rule 1315(c) and the Rule 1315 staff report. Credits are shown as positive and Debits as negative, while sum of Credits/Debits and Net Activity are shown as positive or negative, as appropriate.

\*\*\*\* "2012 Actual Ending Balance" equals the "2011 Projected Ending Balance" plus any surplus adjustments and the sum of projected credits and projected debits.

\*\*\*\*\* "2013 Actual Ending Balance" equals the "2012 Projected Ending Balance" plus any surplus adjustments and the sum of projected credits and projected debits.

## **BACKGROUND**

AQMD originally adopted its New Source Review Rules and Regulations (NSR program) in 1976. U.S. EPA approved AQMD's NSR program into California's State Implementation Plan (SIP) initially on January 21, 1981 (46FR5965) and again on December 4, 1996 (61FR64291). Most recently, U.S. EPA approved AQMD's May 3, 2002 Rule 1309.1 amendments into the SIP on June 19, 2006. The original program has evolved into the current version of the Regulation XIII rules in response to federal and state legal requirements and the changing needs of the local environment and economy. Specific amendments to the NSR rules were adopted by AQMD's Governing Board on December 6, 2002 to facilitate and provide additional options for credit generation and use. Rule 1315 was adopted and re-adopted on September 8, 2006 and August 3, 2007, respectively. Rule 1309.1 was amended and replaced on September 8, 2006 and August 3, 2007, respectively. On November 3, 2008, in response to a law suit filed by a group of environmental organizations, a California State Superior Court Judge in the County of Los Angeles invalidated the August 3, 2007 adopted Rule 1315 and amendments to Rule 1309.1, and prohibited AQMD from taking any action to implement Rule 1315 or the amendments to Rule 1309.1 until it had prepared a new environmental assessment under the California Environmental Quality Act (CEQA). On February 4, 2011 AQMD adopted a revised and enhanced version of Rule 1315, which included a new CEQA assessment. The Governing Board decided not to readopt the Rule 1309.1 amendments allowing power plants to access credits from the Priority Reserve.

One element of AQMD's NSR program design is to offset emission increases in a manner at least equivalent to federal and state statutory NSR requirements. To this end, AQMD's NSR program implements the federal and state statutory requirements for NSR and ensures that construction and operation of new, relocated and modified stationary sources does not interfere with progress towards attainment of the National and State Ambient Air Quality Standards. AQMD's computerized emission tracking system is utilized to demonstrate equivalence with federal and state offset requirements on an aggregate basis. Specific NSR requirements of federal law are presented below.

### **Federal Law**

The NSR requirements of federal law vary with respect to the area's attainment status and classification. Based on their classification, the SOCAB (South Coast Air Basin) and Salton Sea Air Basin (SSAB) must comply with the requirements for extreme and severe non-attainment areas, respectively, for ozone precursors (*i.e.*, VOC and NO<sub>x</sub>). Both the SOCAB and the SSAB must at this time comply with the requirements for serious non-attainment areas for PM<sub>10</sub> and its precursors (*i.e.*, VOC, NO<sub>x</sub>, and SO<sub>x</sub>). SSAB is considered attainment for CO. Although effective June 11, 2007, U.S. EPA designated the SOCAB as attainment with federal CO standards, AQMD will continue to track and report CO accumulated credits and account balances for informational purposes only. Both SOCAB and SSAB are considered attainment for SO<sub>2</sub> and NO<sub>2</sub>,



however SOx and NOx are precursors to pollutants for which both SOCAB and SSAB are designated as non-attainment<sup>3</sup>. The Mojave Desert Air Basin (MDAB) is currently classified as moderate non-attainment for ozone precursors (*i.e.*, VOC and NOx) and as attainment for NOx, SOx, and CO. Federal law requires the use of LAER and offsets for emissions of nonattainment pollutants (or their precursors) for new, modified, and relocated stationary sources, when the source is considered a major stationary source<sup>4</sup> for the nonattainment pollutants (or their precursors). Federal law requires the use of Lowest Achievable Emission Rate (LAER) and offsets for new, modified, and relocated major stationary sources. This report demonstrates compliance with the federal NSR offsets requirements.

## OVERVIEW OF ANALYSIS METHODOLOGY

The two most important elements of federal non-attainment NSR requirements are LAER and emission offsetting for major sources. As set forth in AQMD's *Best Available Control Technology (BACT) Guidelines*, AQMD's BACT requirements are at least as stringent as federal LAER for major sources. Furthermore, the NSR emission offset requirements that AQMD implements through its permitting process ensure that sources provide emission reduction credits (ERCs) to offset their emission increases in compliance with federal requirements. As a result, these sources each comply with federal offset requirements by providing their own ERCs. However, certain sources are exempt from AQMD's offset requirements pursuant to Rule 1304 or qualify for offsets from AQMD's Community Bank (applications received between October 1, 1990 and February 1, 1996 only) or Priority Reserve, both pursuant to Rule 1309.1. AQMD has determined that providing offset exemptions and the Priority Reserve (as well as the previously-administered Community Bank) is important to the NSR program and the local economy while encouraging installation of BACT. Therefore, AQMD has assumed the responsibility of providing the necessary offsets for exempt sources, the Priority Reserve, and the Community Bank. This report examines deposits to and withdrawals from AQMD's emission offset accounts during calendar year 2011 and demonstrates programmatic equivalence on an aggregate basis with federal emission offset requirements for the sources exempt from providing offsets and the sources that receive offsets from the Priority Reserve or the Community Bank.

<sup>3</sup> SOx is a precursor to PM10 and NOx is a precursor to both PM10 and ozone.

<sup>4</sup> The major source thresholds for SOCAB, SSAB and MDAB, based on their attainment status during the calendar year 2007 through 2010 reporting periods are summarized below:

Pollutant	SOCAB	SSAB	MDAB
VOC	10 ton/year	25 ton/year	100 ton/year
NOx	10 ton/year	25 ton/year	100 ton/year
SOx	100 ton/year	100 ton/year	100 ton/year
PM10	70 ton/year	70 ton/year	100 ton/year
CO	50 ton/year	100 ton/year	100 ton/year

### **AQMD's Offset Accounts**

For the purposes of this report, federal debit and credit accounting for AQMD's offset accounts was conducted pursuant to the same procedures previously agreed to by U.S. EPA and as delineated in Rule 1315 and described in the staff report. Each of the pollutants subject to offset requirements has its own federal offset account. AQMD's NSR program is considered to provide equivalent or greater offsets of emissions as required by federal requirements for each subject pollutant provided the balance of offsets left in AQMD's federal offset account for each pollutant remains positive, indicating that there were adequate offsets available.

#### *Debit Accounting*

AQMD tracks all emission increases that are offset through the Priority Reserve or the Community Bank, as well as all increases that are exempt from offset requirements pursuant to Rule 1304 – Exemptions. These increases are all debited from AQMD's federal offset accounts when they occur at federal major sources. For federal equivalency demonstrations, AQMD uses an offset ratio of 1.2-to-1.0 for extreme non-attainment pollutants (ozone and ozone precursors, *i.e.*, VOC and NO<sub>x</sub>) and uses 1.0-to-1.0 for all other non-attainment pollutants (non-ozone precursors, *i.e.*, SO<sub>x</sub>, CO, and PM<sub>10</sub>) to offset any such increases. That is, 1.2 pounds are deducted from AQMD's offset accounts for each pound of maximum allowable permitted potential to emit VOC or NO<sub>x</sub> increase at a federal source and 1.0 pound is deducted for each pound of maximum allowable permitted potential to emit SO<sub>x</sub>, CO, or PM<sub>10</sub> at a federal source. A more detailed description of federal debit accounting is provided in the Rule 1315 staff report and Rule 1315(c)(2).

#### *Credit Accounting*

When emissions from a permitted source are permanently reduced (*e.g.*, installation of control equipment, removal of the source) and the emission reduction is not required by rule or law and is not called for by an AQMP control measure that has been assigned a target implementation date<sup>5</sup>, the permit holder may apply for ERCs for the pollutants reduced. If the permit holder for the source generating the emission reduction had previously received offsets from AQMD or has a "positive NSR balance" (*i.e.*, pre-1990 net emission increase), the quantity of AQMD offsets used or the amount of the positive NSR balance is subtracted from the reduction and "paid back" to AQMD's accounts prior to issuance of an ERC pursuant to Rule 1306. In certain other cases, permit holders do not always submit applications to claim ERCs or do not qualify to obtain ERCs for their equipment shutdowns or other eligible emission reductions. These unclaimed reductions are referred to as "orphan shutdowns" or "surplus reductions" and are deposited in AQMD's offset accounts. ERCs provided as offsets by major sources in excess of the applicable federally-required offset ratio and all ERCs provided as offsets by minor sources not subject to federal offset requirements are also deposited in

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<sup>5</sup> Refer to Rule 1309(b) for a complete explanation of eligibility requirements.

AQMD's federal offset accounts. A more detailed description of federal credit accounting is provided in Rule 1315(c)(3)(A) and its staff report.

### **DETERMINATION OF EQUIVALENCY WITH FEDERAL OFFSET REQUIREMENTS**

The federal offset requirements PDE for calendar year 2011 is summarized in Table 1. The projections for calendar years 2012 and 2013 are summarized in Table 2. The detailed listing of actual final withdrawals, deposits and sum of withdrawals and deposits are shown in Attachment I to this letter.

These account balances, shown in Tables A and B, reflect the tracking sequence described under Rule 1315(c)(5).

### **CONCLUSIONS**

The analysis presented in this report demonstrates that for calendar year 2011, AQMD's NSR program provides equivalent offsets to those required by federal NSR requirements and is at least equivalent to the federal requirements on an aggregate basis. This conclusion is based on the fact that the final ending offset account balances for this calendar year reporting period, as shown in Table 1, remained positive for all pollutants. In addition, AQMD's final offset account balances for 2012 and 2013 are projected to remain positive. This means that the sum of actual deposits to and actual withdrawals from AQMD's offset accounts during the 2011 reporting period was positive and, therefore, it demonstrates that AQMD's NSR program is equivalent to federal NSR requirements.

### **ATTACHMENTS**

Attachment I – Detailed listing of actual debits, preliminary credits and sum of debits and credits

## ATTACHMENT I

Detailed listing of actual debits, preliminary credits and sum of debits and credits

**Table A**  
**Total Actual Debits from AQMD's Federal Offset Accounts**  
**(January 2011 through December 2011)**

<b>DISTRICT OFFSETS USED</b>	<b>VOC</b>	<b>NOx</b>	<b>SOx</b>	<b>CO</b>	<b>PM10</b>
Priority Reserve (lb/day)	16	16	0	0	0
Community Bank (lb/day)	0	0	0	0	0
Rule 1304 Exemptions (lb/day)	1,009	110	90	12,011	1,810
Sum Total of AQMD Offsets (lb/day)	1,025	126	90	12,011	1,810
1.2-to-1.0 Offset Ratio (lb/day)	205	25	N/A	N/A	N/A
<b>Total Actual Debits to AQMD Account (lb/day)</b>	<b>1,230</b>	<b>151</b>	<b>90</b>	<b>12,011</b>	<b>1,810</b>
<b>Total Actual Debits to AQMD Account (ton/day)</b>	<b>0.62</b>	<b>0.08</b>	<b>0.05</b>	<b>6.01</b>	<b>0.91</b>

**Table B**  
**Sum of Preliminary Credits/Debits Activities in AQMD's Federal Offset Accounts**  
**(January 2011 through December 2011)**

	<b>VOC</b>	<b>NOx</b>	<b>SOx</b>	<b>CO</b>	<b>PM10</b>
Total Actual Debits* (lb/day)	-1,230	-151	-90	-12,011	-1,810
Total Actual Credits* (lb/day)	0	0	0	0	0
<b>Sum of Actual Debits(-)/Credits(+)* (lb/day)</b>	<b>-1,230</b>	<b>-151</b>	<b>-90</b>	<b>-12,011</b>	<b>-1,810</b>
<b>Sum of Actual Debits(-)/Credits(+)* (ton/day)</b>	<b>-0.62</b>	<b>-0.08</b>	<b>-0.05</b>	<b>-6.01</b>	<b>-0.91</b>

\* Debits are shown as negative and Credits as positive, while their sum is shown as negative or positive, as appropriate.

BOARD MEETING DATE: February 1, 2013

AGENDA NO. 29

**PROPOSAL:** Approve Control Measure IND-01, Backstop Measure for Indirect Sources of Emissions from Ports and Port-Related Facilities, for Inclusion in Final 2012 Air Quality Management Plan

**SYNOPSIS:** The Final 2012 Air Quality Management Plan (AQMP) was adopted by the Board on December 7, 2012, with a motion to continue the hearing on the approval of Control Measure IND-01 (Backstop Measure for Indirect Sources of Emissions from Ports and Port-Related Facilities) to the Board's February 1, 2013 public meeting. The Board directed that during the interim period, staff will prepare a detailed presentation on the need and legal basis for IND-01 to the Marine Port Committee and continue to seek input on the control measure from interested parties such as the Ports of Los Angeles and Long Beach.

**COMMITTEE:** Marine Port, January 18, 2013; Reviewed

**RECOMMENDED ACTIONS:**

1. Approve Control Measure IND-01 for inclusion in the Final 2012 Air Quality Management Plan, in accordance with the attached resolution in Attachment A.
2. Authorize the Executive Officer to make appropriate changes to the adopted Control Measure IND-01 (if necessary) to reflect amendments adopted at the Public Hearing; and then
3. Direct the Executive Officer to forward the approved Control Measure IND-01 (as changed) to the California Air Resources Board (CARB) for its approval and subsequent submittal to the U.S. Environmental Protection Agency (U.S. EPA) as part of the 2012 PM2.5 SIP.

Barry R. Wallerstein, D.Env.  
Executive Officer

## **Background**

The 2012 AQMP set forth a comprehensive program that will lead the Basin into compliance with the federal 24-hour PM<sub>2.5</sub> air quality standard, satisfies the planning requirements of the federal Clean Air Act, and provides an update to the Basin's commitments towards meeting the federal 8-hour ozone standards. It also serves to satisfy the recent U.S. EPA requirements for a new attainment demonstration of the revoked 1-hour ozone standard, as well as a VMT emissions offset demonstration. Specifically, the Plan serves as the official State Implementation Plan (SIP) submittal for the federal 2006 24-hour PM<sub>2.5</sub> standard, for which U.S. EPA established a due date of December 14, 2012. One of the PM<sub>2.5</sub> control measures is a backstop measure, IND-01, with the purpose of ensuring projected emissions reductions from the Ports' emission control efforts are achieved. These emission reductions were included in the baseline inventory such that any changes to these emissions reductions could affect the attainment demonstration. The Ports' emission control efforts largely began in 2006 when the Ports of Los Angeles and Long Beach, with the participation and cooperation of the staff of the SCAQMD, CARB, and U.S. EPA, adopted the San Pedro Bay Ports Clean Air Action Plan (CAAP). The CAAP was further amended in 2010 to update many of the goals and implementation strategies for reduction of air emissions and health risks associated with port operations while maintaining port development and economic growth.

If the backstop measure becomes effective (i.e. if emissions from port-related sources exceed targets for NO<sub>x</sub>, SO<sub>x</sub>, and PM<sub>2.5</sub>), emission reduction methods would be proposed by the Ports and could include some or all port-related sources (trucks, cargo handling equipment, harbor craft, marine vessels, locomotives, and stationary equipment) to the extent cost-effective strategies are technically feasible and within the Ports' authority.

At the December 7, 2012 public hearing, a motion was made by a Governing Board member to continue the hearing only to the Governing Board's February 1, 2013 public meeting [for Control Measure IND-01 only]. The Board directed staff to prepare a detailed presentation on the need and legal basis for IND-01 during the interim period for the AQMD Marine Port Committee and continue to seek input on the control measure from interested parties such as the Ports of Los Angeles and Long Beach.

## **Public Process**

The 2012 AQMP Advisory Group was formed to provide feedback and recommendations on the development of the 2012 AQMP, including policy issues and control strategies. Representatives from the Port of Los Angeles, Port of Long Beach, Pacific Merchant Shipping Association and Los Angeles Area Chamber of Commerce participated as members of the 2012 AQMP Advisory Group that met 14 times during the development of the 2012 AQMP and the proposed control measures, including IND-01.

Further, staff conducted an enhanced 2012 AQMP Outreach Program to inform and engage a wide range of stakeholders on the requirements, approach, goals, and impacts of the 2012 AQMP and the proposed control measures including IND-01. The enhanced outreach to all stakeholders in the region took place through numerous presentations, workshops, focus groups and meetings throughout the Basin. In addition to meeting with the Ports of Los Angeles and Long Beach, staff met with other port-related stakeholders such as Los Angeles Chamber of Commerce's Transportation & Goods Movement Council, Regulatory Flexibility Group, and the Southern California Business Coalition that is comprised of regional businesses and associations, such as California Trucking Association, Harbor Trucking Association and Los Angeles County Business Federation.

As directed by the Governing Board at the December meeting, staff briefed the Marine Port Committee on January 18, 2013 regarding the legal authority and need for IND-01. Representatives from the Ports of Long Beach and Los Angeles provided public comments supporting an alternative approach to IND-01 in the form of a proposed "Memorandum of Agreement" (MOA). The proposed MOA would be in lieu of the backstop measure and would have the ports and the air agencies (AQMD, CARB, and U.S. EPA) as parties to the agreement. Staff indicated that the proposed MOA does not contain any commitment to achieve any emission reductions, even if measures are cost-effective and feasible for the Ports to implement. The Marine Port Committee meeting Minutes are provided in Attachment B.

### **Proposal and Key Findings**

The Control Measure IND-01 is carried over from the 2007 AQMP/SIP with clarifications to the applicability and implementation. After the December 2012 Board meeting, further modifications were made based on continued discussion with Port staff. The key elements are summarized as follows:

- The backstop measure becomes effective only if the emission targets for NO<sub>x</sub>, SO<sub>x</sub> and PM<sub>2.5</sub> from port-related sources exceed the levels projected by the Ports and assumed in the 2012 AQMP.
- If emissions do not exceed such targets, the Ports will have no obligations under this control measure.
- If additional emission reductions are needed, the Ports would be required to submit a compliance plan to address the emission reduction shortfall.
- Emission reduction methods in the plan would be proposed by the Ports and potentially could include clean technology funding programs, lease provisions, port tariffs, or incentives/disincentives to implement measures, to the extent cost effective and feasible strategies are available.
- The backstop rule would not require any strategy that lacks legal authority, is not cost-effective, or is not feasible to be implemented.
- Sources that are unrelated to the Ports would not be subject to emission reductions under this control measure.



- An option for an alternative mechanism to a District Rule is provided, if it is legally enforceable, equivalent in effectiveness, and is submitted for SIP inclusion with full public process.
- Staff is committed to continue to work collaboratively with the Ports, agencies, environmental community groups, industry representatives, and other interested parties through the rule development process.

### **Public Comments**

The Ports of Los Angeles and Long Beach have provided comments on Control Measure IND-01: *Backstop Measure for Indirect Sources of Emissions from Ports and Port-Related Facilities* (Port Backstop Measure). The Ports have commented that the AQMD “reconsider its approach and allow the continuation of the successful collaborative work by the ports, regulatory agencies and other stakeholders under the voluntary Clean Air Action Plan and the San Pedro Bay Standards.” As a result, the Ports have requested that the Port Backstop Measure be removed from the 2012 AQMP. The Ports have commented that they “can’t accept any regulatory action by the AQMD that will result in AQMD oversight of port actions, which could result in enforcement actions by the AQMD on the ports for failure of the port industry to meet the ports’ emission reduction goals.” More recently, the Ports suggested an alternative MOA approach.

### **Key Policy Issues**

There are five key policy issues regarding the Port Backstop Measure:

- 1) **The need for IND-01:** The AQMD staff agrees that the Ports have made significant progress in reducing emissions. Through the CAAP, the Ports have voluntarily implemented programs to reduce emissions from a variety of port-related sources. As such, the Ports of Los Angeles and Long Beach are collectively still the single largest fixed source of air pollution in Southern California. Port-related sources such as marine vessels, locomotives, trucks, harbor craft and cargo handling equipment, continue to be the largest sources of NO<sub>x</sub>, PM<sub>2.5</sub> and PM<sub>2.5</sub> precursors in the region. These sources play a major role in the Basin’s ability to achieve the national PM<sub>2.5</sub> ambient air quality standards. The AQMD staff believes that it is appropriate and necessary to include a backstop measure to ensure that the Basin’s largest source of NO<sub>x</sub> and PM<sub>2.5</sub> emissions maintains its course of emission reductions. The projected emissions from port-related sources are included in the “baseline” emissions assumed in this plan to attain the PM<sub>2.5</sub> standards. While many of the emission reduction targets in the CAAP result from implementation of federal and state regulations (either adopted prior to or after the CAAP), some are contingent upon the Ports taking and maintaining actions which are not required by air quality regulations.

- 2) **The legal basis for IND-01:** The AQMD can regulate Port sources under its existing authority under state law. As stated in Control Measure IND-01, the District has the authority to adopt rules to control emissions from “indirect sources” under existing law. The Clean Air Act defines an indirect source as a “facility, building, structure, installation, real property, road or highway which attracts, or may attract, mobile sources of pollution,” 42 U.S.C. § 7410(a)(5)(C); CAA § 110(a)(5)(C). Under this definition, the Ports are an indirect source. Specified in the California State Air Pollution Control Laws, as codified in the California Health & Safety Code, districts are further authorized to adopt rules to “reduce or mitigate emissions from indirect sources” of pollution. (Health & Safety Code § 40716(a)(1)). The AQMD is also required to adopt indirect source rules for areas where there are “high-level, localized concentrations of pollutants or with respect to any new source that will have a significant impact on air quality in the South Coast Air Basin,” (Health & Safety Code § 40440(b)(3)). AQMD staff believes that the Ports fit within the definition of an indirect source. Also, there is no authority that we are aware of saying that an indirect source measure may only affect mobile sources that are owned or operated by the indirect source. For example, Rule 2202 applies to employers of 250 or more but is intended to reduce emissions from vehicles owned by the employees of the regulated indirect source. An indirect source measure may be valid even though it affects mobile sources for which the Clean Air Act preempts the agency from requiring emission standards. See *National Assn of Home Builders vs. San Joaquin Valley APCD*, 627 F. 3d 730 (9<sup>th</sup> Cir. 2010).
- 3) **Voluntary vs Enforceable Commitment:** It has been U.S. EPA’s policy that only emissions reductions from enforceable commitments or regulatory actions can be credited for SIP purposes. Control Measure IND-01 allows the 2012 AQMP to assume the reductions; otherwise other sources need to make up the differences. Since port sources are the single largest category of emissions, it is only fair for the Ports to commit to their fair share of reductions.
- 4) **Compliance Plan Approval:** If the rule is triggered because emissions exceed the targets in the PM2.5 plan, the Ports will be required to develop and implement a plan to reduce emissions from port-related sources to meet the emission targets over a period of time. AQMD does not need to approve the CAAP, which may include a broader scope and more aggressive targets. The time period to achieve and maintain emission targets will be established pursuant to procedures and criteria developed during rulemaking and specified in the rule. The District would approve the plan if it met the requirements of the rule.

- 5) **Enforcement of Compliance Plan:** Compliance will be verified through compliance plans, and enforced through submittal and review of records, and emission inventories. Enforcement provisions will be discussed as part of the rule development process.

### **CEQA**

Pursuant to California Environmental Quality Act (CEQA) Guidelines §15168, the AQMD has prepared a Program Environmental Impact Report (PEIR) for the 2012 AQMP that included an evaluation of impacts from the implementation of all control measures including IND-01. The Final PEIR was certified by the SCAQMD Governing Board on December 7, 2012.

Submitted for the Governing Board's consideration consists of the document entitled:

- Resolution (Attachment A)
- Control Measure IND-01 (Attachment 1)
- Marine Port Committee January 18, 2013 Meeting Minutes (Attachment B)

### **Attachments**

- A. Resolution  
Attachment 1 – Control Measure IND-01
- B. Marine Port Committee January 18, 2013 Meeting Minutes

**ATTACHMENT A  
RESOLUTION NO. 13-xx**

**A Resolution of the South Coast Air Quality Management District (AQMD or District) Governing Board to Adopt Control Measure IND-01 (Backstop Measure for Indirect Sources of Emissions from Ports and Port-Related Facilities) as revised for submittal into the California State Implementation Plan (SIP).**

**A Program Environmental Impact Report (EIR) for the 2012 Air Quality Management Plan (AQMP), which includes IND-01, was previously prepared and certified by the AQMD Governing Board as being completed in compliance with the California Environmental Quality Act (CEQA) on December 7, 2012; therefore no further action on the Program EIR is required.**

WHEREAS, the Final 2012 AQMP, which included IND-01, was adopted by the AQMD Governing Board on December 7, 2012, with a motion to continue the hearing on the approval of Control Measure IND-01(Backstop Measure for Indirect Sources of Emissions from Ports and Port-Related Facilities) to the Governing Board's February 1, 2013 public meeting; and

WHEREAS, staff met with affected sources to address concerns raised and met with the Marine Port Committee on January 18, 2013, per Board directive, to discuss the intent and need for IND-01; and

WHEREAS, the South Coast Air Quality Management District is committed to comply with the requirements of the federal Clean Air Act; and

WHEREAS, the South Coast Air Quality Management District Governing Board is committed to comply with the requirements of the California Clean Air Act; and

WHEREAS, the South Coast Air Quality Management District Governing Board is committed to achieving healthful air in the South Coast Air Basin and all other parts of the District at the earliest possible date; and

WHEREAS, the Draft Final Socioeconomic Report on the 2012 AQMP, which included IND-01, was adopted by the Governing Board at the December 7, 2012 Public Hearing; and

WHEREAS, significant emission reductions, including those reductions achieved by the Ports and projected in the inventory, must be achieved

from sources under state and federal jurisdiction for the South Coast Air Basin to attain the federal air quality standards; and

WHEREAS, the record of the public hearing proceedings, including CEQA proceedings, is located at South Coast Air Quality Management District, 21865 Copley Drive, Diamond Bar, California 91765, and the custodian of the record is the Clerk of the Board; and

BE IT FURTHER RESOLVED, the District commits to continue working with the ports on the implementation of control measure IND-01 (Backstop Measure for Indirect Sources of Emissions from Ports and Port-Related Sources) as shown in Attachment 1.

BE IT FURTHER RESOLVED, the Governing Board finds and determines, taking into consideration the factors in §(d)(4)(D) of the Governing Board Procedures, that the modifications that have been made to IND-01, since the Final PEIR was certified by the Governing Board at the December 7, 2012 Public Hearing would not constitute significant new information within the meaning of the CEQA Guidelines; and

BE IT FURTHER RESOLVED, none of the modifications to the IND-01 alter any of the conclusions reached in the Final PEIR on the 2012 AQMP, nor provide new information of substantial importance that would require preparation of a subsequent CEQA document; and

BE IT FURTHER RESOLVED, that the South Coast Air Quality Management District Governing Board, pursuant to the requirements of Title 14 California Code of Regulations previously adopted Findings pursuant to §15091 and adopted the Statement of Overriding Considerations pursuant to §15093 at the December 7, 2012 Public Hearing; and

BE IT FURTHER RESOLVED, that the South Coast Air Quality Management District Governing Board previously adopted the Mitigation Monitoring and Reporting Plan, as required by Public Resources Code, at the December 7, 2012 Public Hearing; and

BE IT FURTHER RESOLVED, that the South Coast Air Quality Management District Governing Board, whose members reviewed, considered and approved the information contained in the document listed herein, adopts IND-01 or an alternative approach as amended by the final changes set forth by the AQMD Governing Board and the associated document listed in Attachment 1 to this Resolution.

BE IT FURTHER RESOLVED, that the South Coast Air Quality Management District Governing Board, requests that IND-01 be submitted into the SIP.

BE IT FURTHER RESOLVED, that the Executive Officer is hereby directed to forward a copy of this Resolution and IND-01 as amended by the final changes, to CARB, and to request that these documents be forwarded to the U.S. EPA for approval as part of the California State Implementation Plan. In addition, the Executive Officer is directed to forward any other information requested by the U.S. EPA for informational purposes.

Dated: \_\_\_\_\_

\_\_\_\_\_  
Clerk of the District Board

## **ATTACHMENT 1**

The following document is being considered by the South Coast Air Quality Management District Governing Board for approval:

- Control Measure IND-01 (Backstop Measure for Indirect Sources of Emissions from Ports and Port-Related Facilities)

# ATTACHMENT 1

## IND-01: BACKSTOP MEASURE FOR INDIRECT SOURCES OF EMISSIONS FROM PORTS AND PORT-RELATED FACILITIES [NO<sub>x</sub>, SO<sub>x</sub>, PM2.5]

<b>CONTROL MEASURE SUMMARY</b>				
<b>SOURCE CATEGORY:</b>	IF THE BACKSTOP MEASURE BECOMES EFFECTIVE (I.E. IF EMISSIONS FROM PORT-RELATED SOURCES EXCEED TARGETS FOR NO <sub>x</sub> , SO <sub>x</sub> , AND PM2.5), AFFECTED SOURCES WOULD BE PROPOSED BY THE PORTS AND COULD INCLUDE SOME OR ALL PORT-RELATED SOURCES (TRUCKS, CARGO HANDLING EQUIPMENT, HARBOR CRAFT, MARINE VESSELS, LOCOMOTIVES, AND STATIONARY EQUIPMENT), TO THE EXTENT COST EFFECTIVE AND FEASIBLE STRATEGIES ARE AVAILABLE			
<b>CONTROL METHODS:</b>	IF THE BACKSTOP MEASURE BECOMES EFFECTIVE, EMISSION REDUCTION METHODS WOULD BE PROPOSED BY THE PORTS AND POTENTIALLY COULD INCLUDE CLEAN TECHNOLOGY FUNDING PROGRAMS, LEASE PROVISIONS, PORT TARIFFS, OR INCENTIVES/DISINCENTIVES TO IMPLEMENT MEASURES, TO THE EXTENT COST EFFECTIVE AND FEASIBLE STRATEGIES ARE AVAILABLE			
<b>EMISSIONS (TONS/DAY):</b>				
<b>ANNUAL AVERAGE</b>	<b>2008</b>	<b>2014</b>	<b>2019</b>	<b>2023</b>
<i>NO<sub>x</sub> INVENTORY*</i>	78.6	51.2	47.2	39.2
<i>NO<sub>x</sub> REDUCTION*</i>		N/A	N/A	N/A
<i>NO<sub>x</sub> REMAINING*</i>		51.2	47.2	39.2
<i>SO<sub>x</sub> INVENTORY*</i>	25.5	1.8	2.3	2.7
<i>SO<sub>x</sub> REDUCTION*</i>		N/A	N/A	N/A
<i>SO<sub>x</sub> REMAINING*</i>		1.8	2.3	2.7
<i>PM2.5 INVENTORY*</i>	3.7	1.0	1.0	1.1
<i>PM2.5 REDUCTION*</i>		N/A	N/A	N/A
<i>PM2.5 REMAINING*</i>		1.0	1.0	1.1
<b>CONTROL COST:</b>	TBD			
<b>IMPLEMENTING AGENCY:</b>	SCAQMD			



# ATTACHMENT 1

*\* The purpose of this control measure is to ensure the emissions from port-related sources are at or below the AQMP baseline inventories for PM<sub>2.5</sub> attainment demonstration. The emissions presented herein were used for attainment demonstration of the 24-hr PM 2.5 standard by 2014.*

## DESCRIPTION OF SOURCE CATEGORY

This control measure is carried over from the 2007 AQMP/SIP. If the backstop measure goes into effect, affected sources would be proposed by the ports and could include some or all port-related sources (trucks, cargo handling equipment, harbor craft, marine vessels, locomotives, and stationary equipment), to the extent cost effective and feasible strategies are available.

Other sources—i.e. sources that are unrelated to the Ports—would not in any way be subject to emission reductions under this measure (including through funding of emission reduction measures, or purchase of emission credits, by the Ports or port tenants).

## Background

*Emissions and Progress.* The Ports of Los Angeles and Long Beach are the largest in the nation in terms of container throughput, and collectively are the single largest fixed source of air pollution in Southern California. Emissions from port-related sources have been reduced significantly since 2006 through efforts by the Ports and a wide range of stakeholders. In large part, these emission reductions have resulted from programs developed and implemented by the Ports in collaboration with port tenants, marine carriers, trucking interests and railroads. Regulatory agencies, including U.S.EPA, CARB and SCAQMD, have participated in these collaborative efforts from the outset, and some measures adopted by the Ports have led the way for adoption of analogous regulatory requirements that are now applicable statewide. These port measures include the Clean Truck Program and actions to deploy shore-power and low emission cargo handling equipment. The Ports of Los Angeles and Long Beach have also established incentive programs which have not subsequently been adopted as regulations. These include incentives for routing of vessels meeting IMO Tier 2 and 3 NO<sub>x</sub> standards, and vessel speed reduction. In addition, the ports are, in collaboration with the regulatory agencies, implementing an ambitious Technology Advancement Program to develop and deploy clean technologies of the future.

Port sources such as marine vessels, locomotives, trucks, harbor craft and cargo handling equipment, continue to be among the largest sources of PM<sub>2.5</sub> and PM<sub>2.5</sub> precursors in the region. Given the large magnitude of emissions from port-related sources, the substantial efforts described above play a critical part in the ability of the South Coast Air Basin to attain the national PM<sub>2.5</sub> ambient air standard by federal deadlines. This measure provides assurance that emissions from the Basin's largest fixed emission source will continue to support attainment of the federal 24-hour PM<sub>2.5</sub> standard. Reductions in PM<sub>2.5</sub> emissions will also reduce cancer risks from diesel particulate matter.

*Clean Air Action Plan.* The emission control efforts described above largely began in 2006 when the Ports of Los Angeles and Long Beach, with the participation and cooperation of the staff of the SCAQMD, CARB, and U.S. EPA, adopted the San Pedro Bay Ports Clean

# ATTACHMENT 1

Air Action Plan (CAAP). The CAAP was further amended in 2010, updating many of the goals and implementation strategies to reduce air emissions and health risks associated with port operations while allowing port development to continue. In addition to addressing health risks from port-related sources, the CAAP sought the reduction of criteria pollutant emissions to the levels that assure port-related sources decrease their “fair share” of regional emissions to enable the Basin to attain state and federal ambient air quality standards.

The CAAP focuses primarily on reducing diesel particulate matter (DPM), along with NO<sub>x</sub> and SO<sub>x</sub>. The CAAP includes proposed strategies on port-related sources that are implemented through new leases or port-wide tariffs, Memoranda of Understanding (MOU), voluntary action, grants or incentive programs.

The goals set forth in the CAAP include:

- Health Risk Reduction Standard: 85% reduction in population-weighted cancer risk by 2020
- Emission Reduction Standards:
  - By 2014, reduce emissions by 72% for DPM, 22% for NO<sub>x</sub>, and 93% for SO<sub>x</sub>
  - By 2023, reduce emissions by 77% for DPM, 59% for NO<sub>x</sub>, and 93% for SO<sub>x</sub>

In addition to the CAAP, the Ports have completed annual inventories of port-related sources since 2005. These inventories have been completed in conjunction with a technical working group composed of the SCAQMD, CARB, and U.S. EPA. Based on the latest inventories, it is estimated that the emissions from port-related sources will meet the 2012 AQMP emission targets necessary for meeting the 24-hr PM<sub>2.5</sub> ambient air quality standard. The projected emissions from port-related sources are included in the “baseline” emissions assumed in this plan to attain the PM<sub>2.5</sub> standards.

While many of the emission reduction targets in the CAAP result from implementation of federal and state regulations (either adopted prior to or after the CAAP), some are contingent upon the Ports taking and maintaining actions which are not required by air quality regulations. These actions include the Expanded Vessel Speed Reduction Incentive Program, lower-emission switching locomotives, and incentives for lower emission marine vessels. This AQMP control measure is designed to provide a “backstop” to the Ports’ actions to provide assurance that, if emissions do not continue to meet projections, the Ports will develop and implement plans to get back on track, to the extent that cost effective and feasible strategies are available.

## Regulatory History

The CAAP sets out the emission control programs and plans that will help mitigate air quality impacts from port-related sources. The CAAP relies on a combination of regulatory requirements and voluntary control strategies which go beyond U.S. EPA or CARB requirements, or are implemented faster than regulatory rules. The regulations which the

## ATTACHMENT 1

CAAP relies on include international, federal and state requirements controlling port-related sources such as marine vessels, harbor craft, cargo handling equipment, locomotives, and trucks.

The International Maritime Organization (IMO) MARPOL Annex VI, which came into force in May 2005, set new international NO<sub>x</sub> emission limits on Category 3 (>30 liters per cylinder displacement) marine engines installed on new vessels retroactive to the year 2000. In October 2008, the IMO adopted an amendment which places a global limit on marine fuel sulfur content of 0.1 percent by 2015 for specific areas known as Emission Control Areas (ECA). The South Coast District waters of the California coast are included in an ECA and ships calling at the Port of Los Angeles and Long Beach have to meet this new fuel standard. In addition, the 2008 IMO amendment required new ships built after January 1, 2016 which will be used in an Emission Control Area (ECA) to meet a Tier III NO<sub>x</sub> emission standard which is 80 percent lower than the original emission standard.

To reduce emissions from switch and line-haul locomotives, the U.S. EPA in 2008 established a series of increasingly strict emission standards for new or remanufactured locomotive engines. The emission standards are implemented by “Tier” with Tier 0 as the least stringent and Tier 4 being the most stringent. U.S. EPA also established remanufacture standards for both line haul and switch engines. For Tiers 0, 1, and 2, the remanufacture standards are more stringent than the new manufacture standards for those engines for some pollutants.

To reduce emissions from on-road, heavy-duty diesel trucks, U.S. EPA established a series of cleaner emission standards for new engines, starting in 1988. The U.S. EPA promulgated the final and cleanest standards with the 2007 Heavy-Duty Highway Rule. Starting with model year 2010, all new heavy-duty trucks have to meet the final emission standards specified in the rule.

On December 8, 2005, CARB approved the Regulation for Mobile Cargo-Handling Equipment (CHE) at Ports and Intermodal Rail Yards (Title 13, CCR, Section 2479), which is designed to use best available control technology (BACT) to reduce diesel PM and NO<sub>x</sub> emissions from mobile cargo-handling equipment at ports and intermodal rail yards. The regulation became effective December 31, 2006. Since January 1, 2007, the regulation imposes emission performance standards on new and in-use terminal equipment that vary by equipment type.

In 1998, the railroads and CARB entered into an MOU to accelerate the introduction of Tier 2 locomotives into the SCAB. The MOU includes provisions for a fleet average in the SCAB, equivalent to U.S. EPA's Tier 2 locomotive standard by 2010. The MOU addressed NO<sub>x</sub> emissions from locomotives. Under the MOU, NO<sub>x</sub> levels from locomotives are reduced by 67 percent.

On June 30, 2005, Union Pacific Railroad (UP) and Burlington Northern Santa Fe Railroad (BNSF) entered into a Statewide Rail Yard Agreement to Reduce Diesel PM at California Rail Yards with the CARB. The railroads committed to implementing certain actions from

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rail operations throughout the state. In addition, the railroads prepared equipment inventories and conducted dispersion modeling for diesel PM.

In December 2007, CARB adopted a regulation which applies to heavy-duty diesel trucks operating at California ports and intermodal rail yards. This regulation eventually will require all drayage trucks to meet 2007 on-road emission standards by 2014.

Areas where the CAAP went beyond existing regulatory requirements or accelerated the implementation of current IMO, U.S. EPA, or CARB rules include emissions reductions from ocean-going vessels through lowering vessel speeds, accelerating the introduction of 2007/2010 on-road heavy-duty drayage trucks, maximizing the use of shore-side power for ocean-going vessels while at berth, early use of low-sulfur fuel in ocean-going vessels, and the restriction of high-emitting locomotives on port property. Each of these strategies is highlighted below.

***HDVI – Performance Standards for On-Road Heavy-Duty Vehicles (Clean Truck Program)*** This control measure requires that all on-road trucks entering the ports comply with the Clean Truck Program. Several milestones occurred early in the program implementation, but the current requirement bans all trucks not meeting the 2007 on-road heavy-duty truck emission standards from port property. This program has the effect of accelerating the introduction of clean trucks sooner than would have occurred under the state-wide drayage truck regulation framework.

***OGVI – Vessel Speed Reduction Program (VSRP):*** Under this voluntary program, the Port requested that ships coming into the Ports reduce their speed to 12 knots or less within 20nm of the Point Fermin Lighthouse. The program started in May 2001. The Ports expanded the program out to 40 nm from the Point Fermin Lighthouse in 2010.

***OGV3/OGV4 – Low Sulfur Fuel for Auxiliary Engines, Auxiliary Boilers and Main Engines:*** OGV3 reduces emissions for auxiliary engines and auxiliary boilers of OGVs during their approach and departure from the ports, including hoteling, by switching to MGO or MDO with a fuel sulfur content of 0.2 percent or less within 40 nm from Point Fermin. OGV4 Control measure reduces emissions from main engines during their approach and departure from the ports. OGV3 and OVV4 are implemented as terminal leases are renewed.

***RL-3 – New and Redeveloped Near-Dock Rail Yards:*** The Ports have committed to support the goal of accelerating the natural turnover of line-haul locomotive fleet to at least 95 percent Tier 4 by 2020. In addition, this control measure establishes the minimum standard goal that the Class 1 (UP and BNSF) locomotive fleet associated with new and redeveloped near-dock rail yards use 15-minute idle restrictors and ULSD or alternative fuels, and as part of the environmental review process for upcoming rail projects, 40% of line-haul locomotives accessing port property will meet a Tier 3 emission standard and 50% will meet Tier 4.

# ATTACHMENT 1

## PROPOSED METHOD OF CONTROL

The goal of this measure is to ensure that NO<sub>x</sub>, SO<sub>x</sub> and PM<sub>2.5</sub> emissions reductions from port-related sources are sufficient to attain the 24-hr federal PM<sub>2.5</sub> ambient air quality standard. This measure would establish targets for NO<sub>x</sub>, SO<sub>x</sub>, and PM<sub>2.5</sub> for 2014 that are based on emission reductions resulting from adopted rules and other measures such as railroad MOUs and vessel speed reduction that have been adopted and are being implemented. These emissions from port-related sources are included in the “baseline” emissions assumed in this plan to attain the 24-hour PM<sub>2.5</sub> standard. Based on current and future emission inventory projections these rules and measures will be sufficient to achieve attainment of the 24-hr federal PM<sub>2.5</sub> ambient air quality standard. Requirements adopted pursuant to this measure will become effective only if emission levels exceed the above targets. Once triggered, the Ports will be required to develop and implement a plan to reduce emissions from port-related sources to meet the emission targets over a time period. The time period to achieve and maintain emission targets will be established pursuant to procedures and criteria developed during rulemaking and specified in the rule.

This control measure will be implemented through a District rule or other enforceable mechanisms. Through the rule development process the AQMD staff will establish a working group, hold a series of working group meetings, and hold public workshops. The purpose of the rule development process is to allow the AQMD staff to work with a variety of stakeholders such as the Ports, potentially affected industries, other agencies, and environmental and community groups. The rule development process will discuss the terms of the proposed backstop rule and, through an iterative public process, develop proposed rule language. In addition, the emissions inventory and targets will be reviewed and may be refined if necessary. This control measure applies to the Port of Los Angeles and the Port of Long Beach, acting through their respective Boards of Harbor Commissioners. The ports may have the option to comply separately or jointly with provisions of the backstop rule. As an alternative to a District rule, this measure can also be implemented through a legally enforceable mechanism or instrument that is equivalent in its effectiveness, is submitted for SIP inclusion with full public process, and due consideration to public comments.

### Elements of Backstop Rule

*Summary:* This control measure will establish enforceable nonattainment pollutant emission reduction targets for the ports in order to ensure implementation of the 24-hr PM<sub>2.5</sub> attainment strategy in the 2012 AQMP. The “backstop” rule will go into effect if aggregate emissions from port-related sources exceed specified emissions targets. If emissions do not exceed such targets, the Ports will have no control obligations under this control measure.

*Emissions Targets:* The emissions inventories projected for the port-related sources in the 2012 AQMP are an integral part of the 24-hr PM<sub>2.5</sub> attainment demonstration for 2014 and its maintenance of attainment in subsequent years. These emissions serve as emission targets for meeting the 24-hr PM<sub>2.5</sub> standard.

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*Scope of Emissions Included:* Emissions from all sources associated with each port, including equipment on port property, marine vessels traveling to and from the port while in California Coastal Waters, locomotives and trucks traveling to and from port-owned property while within the South Coast Air Basin. This measure will make use of the Port's annual emission inventory, either jointly or individually, as the basis for the emission targets. The inventory methodology to estimate these emissions is consistent with the CAAP methodology. Other sources—i.e. sources that are unrelated to the ports—would not in any way be subject to emission reductions under this measure (including through funding of emission reduction measures, or purchase of emission credits, by the ports or port tenants).

*Circumstances Causing Backstop Rule Regulatory Requirements to Come Into Effect:* The “backstop” requirements will be triggered if the reported aggregate emissions for 2014 for all port-related sources exceed the 2014 emissions targets. The rule may also provide that it will come into effect if the target is met in 2014 but exceeded in a subsequent year. If the target is not exceeded, the Ports would have no obligations under this measure.

*Requirements If Backstop Rule Goes Into Effect:* If the “backstop” rule goes into effect, the Ports would submit an Emission Control Plan to the District. The plan would include measures sufficient to bring the Ports back into compliance with the 2014 emission targets. The Ports may choose which sources would be subject to additional emission controls, and may choose any number of implementation tools that can achieve the necessary reduction. These may include clean technology funding programs, lease provisions, port tariffs, or incentives/disincentives to implement measures. As described below, the Ports would have no obligation under this measure to implement measures which are not cost-effective and feasible, or where the Ports lack the authority to adopt an implementation mechanism. The District would approve the plan if it met the requirements of the rule.

### **RULE COMPLIANCE AND TEST METHODS**

Compliance with this control measure will depend on the type of control strategy implemented. Compliance will be verified through compliance plans, and enforced through submittal and review of records, reports, and emission inventories. Enforcement provisions will be discussed as part of the rule development process.

### **COST EFFECTIVENESS AND FEASIBILITY**

The cost effectiveness of this measure will be based on the control option selected. A maximum cost-effectiveness threshold will be established for each pollutant during rule development. The rule will not require any additional control strategy to be implemented which exceeds the threshold, or which is not feasible. In addition, the rule would not require any strategy to be implemented if the Ports lack authority to implement such strategy. If sufficient cost-effective and feasible measures with implementation authority are not available to achieve the emissions targets by the applicable date, the District will issue an extension of time to achieve the target. It is the District's intent that during such extension, the Ports and regulatory agencies would work collaboratively to develop technologies and implementation mechanisms to achieve the target at the earliest date feasible.

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## IMPLEMENTING AGENCY

The District has authority to adopt regulations to reduce or mitigate emissions from indirect sources, i.e. facilities such as ports that attract on- and off-road mobile sources, and has certain authorities to control emissions from off-road mobile sources themselves. These authorities include the following:

*Indirect Source Controls.* State law provides the District authority to adopt rules to control emissions from “indirect sources.” The Clean Air Act defines an indirect source as a “facility, building, structure, installation, real property, road or highway which attracts, or may attract, mobile sources of pollution.” 42 U.S.C. § 7410(a)(5)(C); CAA § 110(a)(5)(C). Districts are authorized to adopt rules to “reduce or mitigate emissions from indirect sources” of pollution. (Health & Safety Code § 40716(a)(1)). The South Coast District is also required to adopt indirect source rules for areas where there are “high-level, localized concentrations of pollutants or with respect to any new source that will have a significant impact on air quality in the South Coast Air Basin.” (Health & Safety Code § 40440(b)(3)). The federal Court of Appeals has held that an indirect source rule is not a preempted “emission standard.” *National Association of Home Builders v. San Joaquin Valley Unified Air Pollution Control District*, 627 F.3d. 730 (9<sup>th</sup> Cir. 2010)

*Nonvehicular (Off-Road) Source Emissions Standards.* Under California law “local and regional authorities,” including the Ports and the District, have primary responsibility for the control of air pollution from all sources other than motor vehicles. (Health & Safety Code § 40000). Such “nonvehicular” sources include marine vessels, locomotives and other non-road equipment. CARB has concurrent authority under state law to regulate these sources. The federal Clean Air Act preempts states and local governments from adopting emission standards and other requirements for new locomotives (Clean Air Act § 209(e); 42 U.S.C. § 7543(e)), but California may establish and enforce standards for other non-road sources upon receiving authorization from EPA (*Id.*). No such federal authorization is required for state or local fuel, operational, or mass emission limits for marine vessels, locomotives or other non-road equipment. (40 CFR Pt. 89, Subpt. A, App.A; *Engine Manufacturers Assn. v. Environmental Protection Agency*, 88 F.3d. 1075 (DC Cir. 1996)).

*Fuel Sulfur Limits.* With respect to non-road engines, including marine vessels and locomotives, the District and CARB have concurrent authority to establish fuel limits, such as those on sulfur content. As was noted above, fuel regulations for non-road equipment are not preempted by the Clean Air Act and do not require U.S.EPA authorization.

*Operational Limits.* The District has authority under state law to establish operational limits for nonvehicular sources such as marine vessels, locomotives, and cargo handling equipment (to the extent cargo handling equipment is “nonvehicular”). As was discussed above, operational limits for non-road equipment are not preempted by the Clean Air Act. In addition, the District may adopt operational limits for motor vehicles such as indirect source controls and transportation controls without receiving an authorization or waiver from U.S. EPA.

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## **REFERENCES**

San Pedro Bay Ports Clean Air Action Plan, 2010 Update, October 2010

Southern California International Gateway Project Draft Environmental Impact Report, Port of Los Angeles, September 2011

SCAQMD, 2007 Air Quality Management Plan, Appendix IV-A, June 2007



## ATTACHMENT B

### MARINE PORT COMMITTEE MEETING MINUTES January 18, 2013

#### MEMBERS PRESENT:

Dr. Joe Lyou  
Councilwoman Jan Perry (Videoconference)  
Mayor Pro Tem Judy Mitchell (Teleconference – Listened Only)

#### AQMD STAFF:

Barry Wallerstein, Executive Officer	Peter Greenwald, Senior Policy Advisor
Kurt Wiese, General Counsel	Philip Fine, Planning & Rules Manager
Barbara Baird, District Counsel	Randall Pasek, Planning & Rules Manager
Elaine Chang, Deputy Executive Officer	Sam Atwood, Media Relations Manager
Chung Liu, Deputy Executive Officer	Michael Krause, Program Supervisor
Henry Hogo, Asst. Dep. Executive Officer	Ed Eckerle, Program Supervisor
Matt Miyasato, Asst. Dep. Executive Officer	Gwen Cole, Sr. Administrative Secretary
Susan Nakamura, Planning & Rules Manager	

#### INFORMATION/DISCUSSION/ACTION ITEMS:

- 1. Overview on the 2012 AQMP Measure IND-01 – Backstop Measure for Indirect Sources**  
Henry Hogo, Assistant Deputy Executive Officer, provided an overview of the proposed AQMP control measure IND-01. He indicated that the measure would be triggered if port-related emission targets that are in the 2012 AQMP are not met for 2014 or later. The proposed concept would be a requirement for the Ports to prepare an emissions reduction plan committing to actions to achieve additional emission reductions from port-related sources. The actions to be developed would be actions that are within the Port's legal authority, are technically and operationally feasible, and are cost-effective. The specific provisions of the measure will be developed through a rulemaking process.

Mr. Hogo indicated that the emissions related to the two Ports (when combined) are about 22.5 tons/day of PM<sub>2.5</sub> equivalent emissions (combination of NO<sub>x</sub>, SO<sub>x</sub>, and PM emissions) in 2008. He provided a comparison of the magnitude of the port-related emissions with other facilities in the South Coast Air Basin. Specifically, emissions from LAX are around 1.3 tons/day, a large refinery around 1.3 tons/day, and two electric utilities both under 1 ton/day. Given the collective efforts of the Ports and regulatory agencies, port-related emissions will decrease to around 5.5 tons/day in 2014. Mr. Hogo indicated that the proposed backstop

measure is to ensure that the significant emission reductions from 2008 to 2014 (assumed in the 2012 AQMP) are achieved.

Mr. Hogo discussed some of the reasons for having a backstop measure citing that the emission reductions are based in part on voluntary programs. Should participation in the voluntary program decrease, there would be emission reduction benefits foregone. On-going and potential litigation on existing air regulations could result in emission reductions foregone. He cited the prior litigation from the Pacific Merchant Shipping Association (PMSA) on CARB's low-sulfur marine fuel regulation and the current American Trucking Association (ATA) challenge of the Ports' Clean Truck Program. Recently, a tanker fleet has requested U.S. EPA to consider an approach to convert their tanker vessels to run on LNG. Such conversions will have emissions reduction benefits. However, the fleet is requesting that they be allowed to continue to use 2.2% sulfur marine fuel during the four years that it will take to convert the tanker vessels to LNG. Such allowance will result in greater emissions. Lastly, Mr. Hogo indicated that the AQMP relies on economic forecasts to project future year emissions. Given the uncertainties in the forecasts, any actual increase over current projections could lead to greater emissions.

On January 9, 2013, the Ports provided an alternative approach to IND-01 in the form of a proposed "Memorandum of Agreement" (MOA). The proposed MOA would be in lieu of the backstop measure and would have the Ports and the air agencies (AQMD, CARB, and U.S. EPA) as parties to the agreement. The Ports would develop an updated diesel particulate matter inventory for 2014. If the targets are not achieved, the Ports and air agencies would agree to work collaboratively to develop a mutually agreed upon emissions reduction plan. The MOA would be entered with the express condition that IND-01 or "similar" rules will not be applied to the Ports. Mr. Hogo indicated that the proposed MOA does not contain any commitment to achieve any emission reductions, even if cost-effective and feasible for the Ports to implement. In addition, the MOA would terminate if a backstop rule or "similar" indirect source rule is developed.

In summary, staff recommended that the AQMD Governing Board adopt Control Measure IND-01 and include the following language:

*"As an alternative to a District rule, this measure can also be implemented through a legally enforceable mechanism or instrument that is equivalent in its effectiveness, is submitted for SIP inclusion with full public process, and due consideration to public comments."*

In addition, the implementation approach (i.e., rule or other enforceable mechanism) for the measure will be determined through a public process.

Kurt Wiese, General Counsel, addressed the Ports' argument that the Board does not have legal authority to adopt the Port Backstop Rule. He stated that the Board has authority to regulate the Ports as an indirect source of emissions. Indirect sources are defined in the Clean Air Act as sources that attract mobile sources, i.e. trains, trucks, locomotives and ships. Examples are the warehouses located in the Inland Empire, the railyards throughout the district and, the Ports.

Section 110(a)(5)(C) of the Federal Clean Air Act authorizes states to include indirect source provisions in their State Implementation Plan. In California, the Legislature has delegated to the local air districts the authority to adopt indirect sources. There are two Health & Safety Code provisions that apply. Health & Safety Code §40716(a)(1) authorizes air districts to “reduce or mitigate emissions from indirect or area-wide sources.” Section 40440(b)(3), which applies specifically to the South Coast District, authorizes the Board to adopt “indirect source controls in those areas of the South Coast District in which there are high level, localized concentrations of pollutants,” for example, the Ports. In summary, there is ample authority for the Board to adopt an indirect source control measure affecting the Ports.

Dr. Lyou asked Mr. Weise to review the San Joaquin Valley case law on this matter as a point of clarification.

Mr. Wiese stated that there was a 2010 Ninth Circuit decision regarding the San Joaquin Air District adoption of an indirect source control measure that affected real estate developments in the San Joaquin Valley. The developers had to develop approaches to reduce both construction emissions and operational emissions. San Joaquin was sued by the National Association of Home Builders who claimed that these were not really indirect sources, and that what San Joaquin was really doing was regulating the direct sources of emissions at the building sites. The Association also argued that Section 209 of the Clean Air Act preempted the San Joaquin regulation. The Ninth Circuit said that since the San Joaquin District was regulating the building developments as a whole and not specifically regulating individual sources that the San Joaquin regulation would stand. The Supreme Court refused to review it.

Councilwoman Jan Perry asked Mr. Wiese if staff had met with the Ports and had any informal communications with them. She asked if the Ports had given any response to the AQMD position and whether staff provided any response to the position from the Ports.

Mr. Wiese stated that staff had a meeting with the Ports on January 9, 2013 and the discussion was more general. At that meeting, the Ports presented the MOA that Mr. Hogo described and staff committed to get back to them with reaction to the MOA.

Dr. Barry Wallerstein, Executive Officer, added that as a result of the Ports proposing an MOA, while staff does not believe the content of the MOA as drafted would suffice, staff is proposing for the February 1, 2013 Governing Board meeting, to add language into the control measure that would allow an option of an enforceable agreement that went through a full public process and will recommend that the measure be placed into the SIP. This will give the Governing Board discretion, as staff develops a set of backstop requirements, regarding the form in which the backstop requirements would ultimately be enacted by the Governing Board.

Councilwoman Perry commented that from informal communications with the Ports, they are concerned about the proposed modification and they probably do not agree with the legal precedent. Staff needs to be very clear about where the Ports are on the record and staff’s response thereto to actually formulate how she votes.

Dr. Wallerstein mentioned that there were representatives from both Ports present at the meeting and they would be speaking under public comment. Dr. Wallerstein noted that there are two issues. One is the substance of what a backstop should look like. Thus far, the information staff has received from the Ports, whether it was the resolution language that was proposed before the first of the year or, more recently, the Memorandum of Agreement, the basic content is, if at a later date there is a problem, then all the parties would agree to meet and collectively develop a solution to the problem. Whereas, what staff has been asking is, if there is a problem that evolves, the Ports would take proactive action within their legal authority, within feasibility, including cost effectiveness, to do what they can do under their authority to do their fair share, which is no different than what has been asked of every other emissions source in the Basin. Because the region's air pollution problem ultimately becomes a zero sum gain when any sector or participant is not doing what they are able to do, the burden shifts to others.

Dr. Wallerstein indicated that the Ports have been active in recent years in developing programs and actions to reduce emissions and staff has had a good partnership. However, the Ports remain very large indirect sources of air pollution and there is a need to have the Ports continue to do what they can under their legal authority, cost effectiveness, and technological feasibility.

Dr. Lyou asked Counsel for clarification on an issue that was not addressed in the staff presentation. Does the difference of whether or not we have a Memorandum of Agreement or we have something that is or is not in the SIP come down to enforceability and the public's ability to enforce. Mr. Wiese responded that staff discussed including the MOA in the SIP, which would allow it to achieve the same level of enforceability.

Dr. Lyou asked if there was a precedent for that and, if it were submitted into the SIP, would it then become enforceable by members of the public like any other part of the SIP. Mr. Wiese replied yes to both questions.

Dr. Lyou asked would that have to or not have to be part of the AQMP? Dr. Wallerstein responded that staff submits individual regulations into the SIP. He does not know of any precedent why it could not be submitted, even if not part of the 2012 AQMP.

Dr. Lyou noted that, based on his conversation with the Ports, it seemed to be a very key issue to them whether or not it becomes part of the AQMP and whether or not an indirect source rule of any kind is actually adopted.

**Other Business:** None

**Public Comment:**

**Dr. Robert Kanter, Managing Director for Environmental Affairs & Planning, Port of Long Beach**, thanked staff for working with them, particularly the committee for listening to what they had to say. He commented that the Ports were very appreciative when at the last meeting, the Board continued this item and asked the staff to work together. The direction was for staff to come back to report on the legal basis and need. They disagree on both factors as presented by staff.

First, they believe there is no need since for the past six years the Ports have implemented the Clean Air Action Plan, which was developed in collaboration with not only AQMD, but EPA, CARB and local representatives. It was through the Clean Air Action Plan that the Ports have an inventory every year and track their progress. The Ports' 2011 inventory showed that they have already achieved 73% reduction in diesel particulate. The Ports do not have numbers yet for 2012, but the numbers will be even more encouraging. The Ports' goal was to achieve 72% reduction by 2014 and they have already exceeded this level and are on the way to their goals for the future. The Ports have projected that their emission reductions will be an 82% reduction by 2014. The Ports have already exceeded their 2014 goal, which is part of the justification for lack of need since the Ports are actually achieving this already.

Dr. Kanter noted the importance of the fact that most of this action was initiated by the Ports and was backed by regulations from CARB following their actions. The Ports took early action and now 97% of those emission reductions by 2014 will be covered by existing regulations. For the remaining 3%, the Ports are now actually achieving those reductions primarily due to the Vessel Speed Reduction Program, which has been highly subscribed in excess of 94% of compliance with industry through a voluntary effort, incentivized by the Ports.

Dr. Kanter added that the Ports proposed a very good compromise that they believe will get the staff where they want to be at a comfortable level. They believe it is a reasonable, collaborative effort. It lets all of us do what we can do within our legal authority and, therefore, be successful and continue to make the progress we have made.

**Mike Christensen, Deputy Executive Director, Port of Los Angeles**, thanked staff for reaching out to them over the past weeks and engaging them in a discussion on this super critical matter. He concurs with Dr. Kanter's comments. He believes that, if IND-01 were to go forward as staff is proposing, it would have a chilling effect on their ability to push improvements in air quality. Further, to Counsel's suggestion, if the Ports are regulated as an indirect source, they will fight it vigorously. The collateral damage from that battle would be the wonderful working relationship that they have established with staff and the tremendous achievements they have been able to make over the past few years.

The Ports feel strongly that designating them as an indirect source would jeopardize the voluntary and collaborative relationship they have with their industry. They are not a regulator and they cannot play that role with their tenants. They rely on their proprietary rights with negotiations and all the leverage they can put forward as a port authority, but they are not a regulator.

Finally, Mr. Christensen noted that the Ports have a proven track record of results. If the proposed MOA does not work, it does not preclude staff from making those regulations in the future. He reminded the committee that the Ports have been able to leverage a large level of funding for their environmental improvement programs, largely on the fact that they are voluntary. Once they become regulated mandates, much of that funding goes away.

Mr. Christensen added that in total, the Ports value the relationship. They believe they have a proven track record. They disagree, respectfully, with Counsel's assessment of the indirect source

rule. He mentioned that their City Attorney would be glad to reach out and have discussions regarding the legal opinions. IND-01 as suggested is not the right way to go and, in fact, would likely have the exact opposite effect that they all want. They are public servants and are very proud of the emission reductions they have made at the Ports. They are totally committed to the goals that Dr. Kanter presented and think the best way to go is the MOA approach at this time.

**Heather Tomley, Port of Long Beach**, provided additional comments to build on to the comments that Mike Christensen and Robert Kanter provided. The multi-agency agreement that the Ports provided was offered as a way to recognize the comments that they were hearing from the AQMD Governing Board and staff that was needed to make sure staff felt comfortable going forward. The Ports listened to those comments and provided a concrete plan and response that would address those issues specifically. They developed the agreement to provide a process that would commit us all to continue to work together and make sure they are achieving the commitments. The response the Ports received back from staff yesterday, that the agreement would continue to be part of the backstop rule and the AQMP, is not acceptable and does not address the concerns they have.

Ms. Tomley noted that they are committed to the process that they have in place and the reductions they have committed to make. But, they think it needs to be done as part of a cooperative process and continue on in the successful path that they have had and not have it be a regulatory command and control sort of process. They would like to keep it in the collaborative spirit that they have been able to establish. She mentioned that CARB stated in their Goods Movement Plan that no single entity can solve this problem in isolation. They were referring to addressing port emissions. The Ports whole-heartedly agree that all the agencies have a part to play in this. CARB has moved forward aggressively with a large number of regulations that have helped to address specific sources that are in the Ports. That partnership, the Ports working with the different agencies, CARB, AQMD and EPA is critical for them to continue to move forward. They believe that partnership, the multi-agency approach, is essential for them to continue to have the success that they have had.

**Frank Lopez, Los Angeles Area Chamber of Commerce**, commented that the Chamber actively participated in providing input in the development of the 2012 AQMP throughout the entire process. They were opposed to several aspects of the final AQMP, but of those, this was by far the most concerning for the communities of Los Angeles. The Ports of Long Beach and Los Angeles are the backbone of the regional economy and employs thousands of people and thousands of businesses depend on them. They operate a very highly competitive industry. The Chamber believes that the control measure as proposed by staff imposes costs for their customers and businesses and that could compromise the regional economy. They also believe that this measure is unwarranted and unnecessary. The Ports have already made significant progress in reducing emissions at the Ports over the past six years under the Clean Air Action Plan. The Chamber understands there may be a need to reduce emissions further, but they believe this is the wrong approach. They believe it undermines the good-faith efforts of the Ports and other industries from voluntarily setting emissions reduction goals in the future. The Chamber wants to exclude IND-01 from the 2012 AQMP and think the MOA proposed by the Ports would suffice. It is a better approach and would build on the success of the Clean Air Action Plan.

**Mike Lewis, Construction Industry Air Quality Coalition and the Business Federation**, commented that they do not support an indirect source approach to controlling emissions. Blaming

someone for someone else's emissions is never a sound policy to get at the source of emissions and reductions that staff is looking for. His members recognize that the Ports are a significant contributor to the economy and to jobs in this region. They generate over a million jobs in this region and three and half million jobs nationally. It is important to keep the Ports competitive, and it is also important to reduce emissions from the activities of the Port. However, as part of that competitiveness requirement, staff needs to recognize that before long there is going to be options for shipping in and out of the Ports, particularly when the Panama Canal is widened and those emissions and jobs can simply go to another Port. It should not be staff's objective to reduce emissions by merely moving them somewhere else in the country. It is going to require a delicate balance in terms of how the goals are achieved and still maintain the economic vitality that the Ports bring to the region. They would hope that staff would approach it in that regard and look to the idea of a memorandum and enforceable agreement with the Ports that would achieve the goals without having to go the indirect source route.

**T. L. Garrett, Pacific Merchant Shipping Association**, commented that they support the Ports' position in terms of the indirect source measure. It is not required to meet the goals and objectives of emission reductions. Their members have participated in the Clean Air Action Plan largely because it is a voluntary program and it enables them to both achieve these objectives and maintain a positive business outlook, that they are good stewards of the environment. That is a valuable aspect to his member companies. The voluntary aspect of moving forward is a key point. The IMO Emissions Control Area was not described properly in staff's presentation. One of the reasons his organization is opposed to the CARB regulation was not that they were opposed to the low-sulfur fuel. They were opposed to who was going to administer that regulation. They believe it should be done at the international level. The ECA is now in effect, up to 200 nautical miles. There is a 1% sulfur limit on all vessels coming into those waters. It reduces further to 0.1% in 2015. Not only are these measures backstopped at the state level, they are backstopped at the federal and international level as well. Finally, Mr. Garrett mentioned that he has one Board Member who famously says "I can't manage anything I can't measure." There is a management capability here. There is an annual Port report card and an annual emissions inventory. By simply monitoring those progress points, staff can assure itself and its Board Members that these objectives will indeed be made.

**Candice Kim, Coalition for Clean Air**, first noted that several advocates wanted to attend the meeting who are from the harbor area, but with the distance and commitment of time, they were not able to make the trip to AQMD Headquarters. She hopes that in the future, staff might consider a remote access location or holding the meeting at the Ports.

Ms. Kim commented that the Coalition for Clean Air is concerned that the use of an MOA may pose a risk of eroding public participation in the public process. They have not had much time to review what is being presented and have only seen the staff presentation and none of the additional details. The public depends upon the protection of plans like the AQMP to protect public health through the use of mandatory and enforceable measures. She noted that people keep talking about not seeing the need for a regulation. What is needed is a certainty that our goals are met for public health. That is an important goal and a goal that should be first and foremost in the minds of the Board Members as they consider an MOA.

In addition, the Coalition is concerned about any agreement that would tie the hands of other agencies to regulate Port pollution. That is very serious to them. They are also concerned that the MOA was drafted with a lack of stakeholder input from environmental organizations. The public has been excluded from the discussions on the MOA and they have not been able to read the document. The Coalition strongly believes that the 2012 AQMP must include the mandatory Port backstop measures as drafted, although they will review what will be put forward. The Port backstop measures are key to our forward progress and they urge them to be included in the plan. Transparency in the public process must be upheld.

**Morgan Wynn, Natural Resources Defense Council**, mentioned that the NRDC submitted a comment letter on behalf of themselves and a wide range of other environmental, public health, environmental justice, and community groups expressing their support for a strong backstop rule. They also support inclusion of a backstop rule in the SIP. The Ports have been working very hard over the past several years to achieve some great reductions and to protect the community's health and we all applaud them for that and are excited to continue working with them to continue that progress. However, now that the Ports are so strongly opposed to being required to do what they have already promised to do, it feels like an undermining of that relationship and uncomfortable in the nature of that relationship. They were happy to hear the concerns staff has with the agreement because they share those same concerns.

**Chris Cannon, Director of Environmental Management, Port of Los Angeles**, thanked the AQMD staff for reaching out and communicating with them. He pointed out that the Memorandum of Agreement the Ports submitted was a draft. It was an effort on their part to reach out to staff and let them know what the Ports' goals were and that they would like to try and meet staff's goals. They have no problem with finding a way to submit it for the SIP as long as it occurs outside of the AQMP process. They have no problem with it being public, and indeed, the development of an MOA, and in any ultimate subsequent plans. They do not have a problem with having language in it that says the Ports will maintain their emissions inventories. To the extent that, if there is a problem or a shortcoming, they will initiate a process to rectify the shortcomings and sit down and talk with staff to come up with something that is mutually agreed upon. They will go back to their Boards and, once their Boards approve a plan, staff can hold them to it. Mr. Cannon wanted staff to know that this is not something that they just want to run off and say "don't worry, trust us." They want to have a collaborative process, work closely with staff, and maintain the kinds of success that they have had. Finally, Mr. Cannon noted that he heard someone say that they would preclude other regulations, and he did not understand how that was possible. That is not their intent and, if there is a way in which that would occur, certainly they would be happy to talk about.

Dr Wallerstein asked Mr. Cannon if the Ports do not oppose putting the MOA in the SIP and if the Ports believe the MOA can commit to maintaining the emission reductions that were previously committed to, what is the problem with the measure as drafted, revised and now revised a second time to leave open an MOA approach in lieu of a regulation, provided that MOA is enforceable and developed through a public process.

Mr. Cannon responded that the way the Ports interpret what staff presented is that they would be part of an indirect source rule and they do not want to be regulated as an indirect source. They strongly disagree with that.



Dr. Wallerstein recommended that some time in the next week, the AQMD and Port staffs have a phone call to talk more detail. He added that staff could bring the Board a regulation, or staff could bring the Board an enforceable agreement that the Board was willing to accept in that form and submit it into the SIP. Staff's intent would be that the enforceable agreement would have the same substance that a regulation would have and that the public gets a voice in developing that MOA the same way they would in a regulation. Dr. Wallerstein added that staff's proposal to add the language regarding other enforceable mechanisms, is intended to leave the door open for moving forward.

Dr. Lyou noted that this was where the conversation ended when he met with the Ports. The issue of it being done through an indirect source rule and put in the AQMP was paramount in the concerns of the Ports. The substance was pretty much on the same page. It sounded like what staff wanted the indirect source rule to deliver in terms of guarantees. The Ports were "even fine if it ends up in the SIP."

Councilwoman Perry encouraged the Ports in the context of their discussions with staff to talk about the kinds of zero emission projects they have in the pipeline that may be endangered by being put in the broader context of the AQMP. She recognized and appreciated their very gracious words about working through this and asked them to go back and give it another shot.

Dr. Lyou noted that there is a greater level of understanding at this point than there was prior to the meeting. There were some issues in terms of the need and necessity that may be mute given this level of understanding. There was a comment about meeting at the Ports or whether that would be possible. He is always supportive of that idea and knows that AQMD Governing Board has met at the Ports in the past. It was his understanding that staff tried to meet at the Ports in February.

Dr. Wallerstein commented that it did not work out for February, but to the extent that there is an MOA or, if not an MOA, a regulation, Dr. Lyou could propose on February 1, when it comes to the Board for approval, that we meet at the Port.

In his conversations with the Port representatives, Dr. Lyou told them that he thought this issue was relatively less important than a whole host of other things that they have on their plate, from the very major projects like SCIG, ICTF and the I710 Freeway expansion to the opportunity to build a zero-emission freight infrastructure at the Ports and to do it in a way that makes sense for business and saves businesses money and makes the Port operations more efficient and provides an economic engine for those people who are involved in building and running it. A zero-emission freight transportation system is much more important in getting these reductions.

Dr. Lyou understands what the Ports are saying about how far they have gotten and how far they are going to get and that they can reach these goals. To some extent, that they can reach these goals, the whole issue is moot. We have to keep in perspective the bigger issues and the ways in which we can and will be working together with the Ports. If this ends up in litigation over this particular issue, it might be a fight that has to happen. But, he also hopes that it is not one that has a chilling effect or prevents us from taking on the other issues we need to take on.

Dr. Lyou noted that the minutes from this meeting will be put in the Board package and the item will remain on the agenda for the February 1 Board meeting.

Dr. Wallerstein mentioned that staff's proposal will stay on the agenda for February 1, unless directed otherwise. In terms of any modification to the staff recommendation, comments are always taken up until the Board meeting. If the public or the environmental or community groups or the Ports or the chamber or anyone else presents compelling information that would change staff's recommendation, staff would modify their recommendation the day of the Board meeting and any public would have an opportunity to comment.

Dr. Lyou mentioned that he offered to the Ports, and would offer to the environmental organizations as well, his help to facilitate a conversation to get closer to being on the same page.

**Adjournment:** The meeting adjourned at 1:50 p.m.

**AGENDA ITEM #29**

**Approve Control Measure IND-01, Backstop Measure for Indirect Sources of Emissions from Ports and Port-Related Facilities, for Inclusion in Final 2012 Air Quality Management Plan**

**OPTION 2**

**Board Meeting February 1, 2013**

**ATTACHMENT A  
RESOLUTION NO. 13-xx**

**A Resolution of the South Coast Air Quality Management District (AQMD or District) Governing Board to Adopt Control Measure ~~IND~~MOB-01 (formerly titled IND-01) (Backstop Measure for Indirect Sources of Emissions from Ports and Port-Related Facilities) as revised for submittal into the California State Implementation Plan (SIP).**

**A Program Environmental Impact Report (EIR) for the 2012 Air Quality Management Plan (AQMP), which includes MOB-01 (formerly titled IND-01), was previously prepared and certified by the AQMD Governing Board as being completed in compliance with the California Environmental Quality Act (CEQA) on December 7, 2012; therefore no further action on the Program EIR is required.**

WHEREAS, the Final 2012 AQMP, which included IND-01, was adopted by the AQMD Governing Board on December 7, 2012, with a motion to continue the hearing on the approval of Control Measure IND-01 (Backstop Measure for Indirect Sources of Emissions from Ports and Port-Related Facilities) to the Governing Board's February 1, 2013 public meeting; and

WHEREAS, staff met with affected sources to address concerns raised and met with the Marine Port Committee on January 18, 2013, per Board directive, to discuss the intent and need for IND-01; and

WHEREAS, staff is proposing a revised control measure that proposes implementation first through development of a Memorandum of Agreement or other enforceable mechanism with the Port of Los Angeles and Long Beach and renumbered IND-01 to MOB-01; and

WHEREAS, in implementing MOB-01 if the parties cannot reach agreement through the Memorandum of Agreement process, the District will initiate rulemaking to reduce emissions from port-related mobile sources; and

WHEREAS, the South Coast Air Quality Management District is committed to comply with the requirements of the federal Clean Air Act; and

WHEREAS, the South Coast Air Quality Management District Governing Board is committed to comply with the requirements of the California Clean Air Act; and

WHEREAS, the South Coast Air Quality Management District Governing Board is committed to achieving healthful air in the South Coast Air Basin and all other parts of the District at the earliest possible date; and

WHEREAS, the Draft Final Socioeconomic Report on the 2012 AQMP, which included IND-01, was adopted by the Governing Board at the December 7, 2012 Public Hearing; and

WHEREAS, significant emission reductions, including those reductions achieved by the Ports and projected in the inventory, must be achieved from sources under state and federal jurisdiction for the South Coast Air Basin to attain the federal air quality standards; and

WHEREAS, the record of the public hearing proceedings, including CEQA proceedings, is located at South Coast Air Quality Management District, 21865 Copley Drive, Diamond Bar, California 91765, and the custodian of the record is the Clerk of the Board; and

~~BE IT FURTHER RESOLVED, the District commits to continue working with the ports on the implementation of control measure IND-01 (Backstop Measure for Indirect Sources of Emissions from Ports and Port-Related Sources) as shown in Attachment 1.~~

BE IT FURTHER RESOLVED, the Governing Board finds and determines, taking into consideration the factors in §(d)(4)(D) of the Governing Board Procedures, that the modifications that have been made to IND-01, since the Final PEIR was certified by the Governing Board at the December 7, 2012 Public Hearing would not constitute significant new information within the meaning of the CEQA Guidelines; and

BE IT FURTHER RESOLVED, none of the modifications to the IND-01 alter any of the conclusions reached in the Final PEIR on the 2012 AQMP, nor provide new information of substantial importance that would require preparation of a subsequent CEQA document; and

BE IT FURTHER RESOLVED, that the South Coast Air Quality Management District Governing Board, pursuant to the requirements of Title 14 California Code of Regulations previously adopted Findings pursuant to §15091 and adopted the Statement of Overriding Considerations pursuant to §15093 at the December 7, 2012 Public Hearing; and

BE IT FURTHER RESOLVED, that the South Coast Air Quality Management District Governing Board previously adopted the Mitigation Monitoring and Reporting Plan, as required by Public Resources Code, at the December 7, 2012 Public Hearing; and

BE IT FURTHER RESOLVED, that the South Coast Air Quality Management District Governing Board, whose members reviewed, considered and approved the information contained in the document listed herein, adopts ~~INDMOB-01 or an alternative approach~~ as amended by the final changes set forth by the AQMD Governing Board and the associated document listed in Attachment 1 to this Resolution.

BE IT FURTHER RESOLVED, that the South Coast Air Quality Management District Governing Board, requests that ~~INDMOB-01~~ be submitted into the SIP.

BE IT FURTHER RESOLVED, that the Executive Officer is hereby directed to forward a copy of this Resolution and ~~INDMOB-01~~ as amended by the final changes, to CARB, and to request that these documents be forwarded to the U.S. EPA for approval as part of the California State Implementation Plan. In addition, the Executive Officer is directed to forward any other information requested by the U.S. EPA for informational purposes.

Dated: \_\_\_\_\_

\_\_\_\_\_  
Clerk of the District Board

## ATTACHMENT 1

### **MOB/IND-01: BACKSTOP MEASURE FOR ~~INDIRECT~~ SOURCES OF EMISSIONS FROM PORTS AND PORT-RELATED FACILITIES** **[NO<sub>x</sub>, SO<sub>x</sub>, PM<sub>2.5</sub>]**

#### CONTROL MEASURE SUMMARY

**SOURCE CATEGORY:** IF THE BACKSTOP MEASURE BECOMES EFFECTIVE (I.E. IF EMISSIONS FROM PORT-RELATED SOURCES EXCEED TARGETS FOR NO<sub>x</sub>, SO<sub>x</sub>, AND PM<sub>2.5</sub>), AFFECTED SOURCES WOULD BE PROPOSED BY THE PORTS AND COULD INCLUDE SOME OR ALL PORT-RELATED SOURCES (TRUCKS, CARGO HANDLING EQUIPMENT, HARBOR CRAFT, MARINE VESSELS, LOCOMOTIVES, AND STATIONARY EQUIPMENT), TO THE EXTENT COST EFFECTIVE AND FEASIBLE STRATEGIES ARE AVAILABLE WITHIN THEIR JURISDICTIONAL LIMITS

**CONTROL METHODS:** IF THE BACKSTOP MEASURE BECOMES EFFECTIVE, EMISSION REDUCTION METHODS WOULD BE PROPOSED BY THE PORTS AND POTENTIALLY COULD INCLUDE CLEAN TECHNOLOGY FUNDING PROGRAMS, LEASE PROVISIONS, PORT TARIFFS, OR INCENTIVES/DISINCENTIVES TO IMPLEMENT MEASURES, TO THE EXTENT COST EFFECTIVE AND FEASIBLE STRATEGIES ARE AVAILABLE WITHIN THEIR JURISDICTIONAL LIMITS

**EMISSIONS (TONS/DAY):**

ANNUAL AVERAGE	2008	2014	2019	2023
<i>NO<sub>x</sub></i> INVENTORY*	78.6	51.2	47.2	39.2
<i>NO<sub>x</sub></i> REDUCTION*		N/A	N/A	N/A
<i>NO<sub>x</sub></i> REMAINING*		51.2	47.2	39.2
<i>SO<sub>x</sub></i> INVENTORY*	25.5	1.8	2.3	2.7
<i>SO<sub>x</sub></i> REDUCTION*		N/A	N/A	N/A
<i>SO<sub>x</sub></i> REMAINING*		1.8	2.3	2.7
<i>PM<sub>2.5</sub></i> INVENTORY*	3.7	1.0	1.0	1.1
<i>PM<sub>2.5</sub></i> REDUCTION*		N/A	N/A	N/A
<i>PM<sub>2.5</sub></i> REMAINING*		1.0	1.0	1.1

**CONTROL COST:** TBD

**IMPLEMENTING AGENCY:** SCAQMD, PORT OF LOS ANGELES, AND PORT OF LONG BEACH

# ATTACHMENT 1

*\* The purpose of this control measure is to ensure the emissions from port-related sources are at or below the AQMP baseline inventories for PM<sub>2.5</sub> attainment demonstration. The emissions presented herein were used for attainment demonstration of the 24-hr PM 2.5 standard by 2014.*

## DESCRIPTION OF SOURCE CATEGORY

This control measure is carried over from the 2007 AQMP/SIP. If the backstop measure goes into effect, affected sources would be proposed by the ports and could include some or all port-related sources (trucks, cargo handling equipment, harbor craft, marine vessels, locomotives, and stationary equipment), to the extent cost effective and feasible strategies are available within their jurisdictional limits.

Other sources—i.e. sources that are unrelated to the ports—would not in any way be subject to emission reductions under this measure (including through funding of emission reduction measures, or purchase of emission credits, by the ports or port tenants).

## Background

*Emissions and Progress.* The ports of Los Angeles and Long Beach are the largest in the nation in terms of container throughput, and collectively are the single largest fixed source of air pollution in Southern California. Emissions from port-related sources have been reduced significantly since 2006 through efforts by the ports and a wide range of stakeholders. In large part, these emission reductions have resulted from programs developed and implemented by the ports in collaboration with port tenants, marine carriers, trucking interests and railroads. Regulatory agencies, including EPA, CARB and SCAQMD, have participated in these collaborative efforts from the outset, and ~~some~~ many measures adopted by the ports have led the way for adoption of analogous regulatory requirements that are now applicable statewide. These ~~port~~ measures include the Clean Truck Program, ~~and~~ actions to deploy shore-power, use of low-sulfur distillate fuels by vessels, low emission harbor craft and low emission cargo handling equipment. The ~~P~~ports of Los Angeles and Long Beach have also established incentive programs which have not subsequently been adopted as regulations. These include incentives for routing of vessels meeting IMO Tier 2 and 3 NO<sub>x</sub> standards, and vessel speed reduction. In addition, the ports are, in collaboration with the regulatory agencies, implementing an ambitious Technology Advancement Program to develop and deploy clean technologies of the future.

Port sources such as marine vessels, locomotives, trucks, harbor craft and cargo handling equipment, continue to be among the largest sources of PM<sub>2.5</sub> and PM<sub>2.5</sub> precursors in the region. Given the large magnitude of emissions from port-related sources, the substantial efforts described above play a critical part in the ability of the South Coast Air Basin to attain the national PM<sub>2.5</sub> ambient air standard by federal deadlines. This measure provides assurance that emissions from the Basin's largest fixed emission source will continue to support attainment of the federal 24-hour PM<sub>2.5</sub> standard. =Reductions in PM<sub>2.5</sub> emissions will also reduce cancer risks from diesel particulate matter.

*Clean Air Action Plan.* The emission control efforts described above largely began in 2006 when the ~~P~~ports of Los Angeles and Long Beach, with the participation and cooperation of the staff of the SCAQMD, CARB, and U.S. EPA, adopted the San Pedro Bay Ports Clean Air Action Plan (CAAP). The CAAP was further amended in 2010, updating many of the



## ATTACHMENT 1

goals and implementation strategies to reduce air emissions and health risks associated with port operations while allowing port development to continue. In addition to addressing health risks from port-related sources, the CAAP sought the reduction of criteria pollutant emissions to the levels that assure port-related sources decrease their “fair share” of regional emissions to enable the Basin to attain state and federal ambient air quality standards.

The CAAP focuses primarily on reducing diesel particulate matter (DPM), along with NO<sub>x</sub> and SO<sub>x</sub>. The CAAP includes proposed strategies on port-related sources that are implemented through new leases or Port-wide tariffs, Memoranda of Understanding (MOU), voluntary action, grants or incentive programs.

The goals set forth in the CAAP include:

- Health Risk Reduction Standard: 85% reduction in population-weighted cancer risk by 2020
- Emission Reduction Standards:
  - By 2014, reduce emissions by 72% for DPM, 22% for NO<sub>x</sub>, and 93% for SO<sub>x</sub>
  - By 2023, reduce emissions by 77% for DPM, 59% for NO<sub>x</sub>, and 93% for SO<sub>x</sub>

In addition to the CAAP, the Ports have completed annual inventories of port-related sources since 2005. These inventories have been completed in conjunction with a technical working group composed of the SCAQMD, CARB, and U.S. EPA. Based on the latest inventories, it is estimated that the emissions from port-related sources will meet the 2012 AQMP emission targets necessary for meeting the 24-hr PM<sub>2.5</sub> ambient air quality standard. The projected emissions from port related sources are included in the “baseline” emissions assumed in this plan to attain the PM<sub>2.5</sub> standards.

While many of the emission reduction targets in the CAAP result from implementation of federal and state regulations (either adopted prior to or after the CAAP), some are contingent upon the Ports taking and maintaining actions which are not required by air quality regulations. These actions include the Expanded Vessel Speed Reduction Incentive Program, lower emission switching locomotives, and incentives for lower emission marine vessels. This AQMP control measure is designed to provide a “backstop” to the Ports’ actions to provide assurance that, if emissions do not continue to meet projections, the ports will develop and implement plans to get back on track, to the extent that cost effective and feasible strategies are available [within their jurisdictional limits](#).

### Regulatory History

The CAAP sets out the emission control programs and plans that will help mitigate air quality impacts from port-related sources. The CAAP relies on a combination of regulatory requirements and voluntary control strategies which go beyond U.S. EPA or CARB requirements, or are implemented faster than regulatory rules. The regulations which the CAAP relies on include international, federal and state requirements controlling port-related sources such as marine vessels, harbor craft, cargo handling equipment, locomotives, and trucks.

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The International Maritime Organization (IMO) MARPOL Annex VI, which came into force in May 2005, set new international NO<sub>x</sub> emission limits on Category 3 (>30 liters per cylinder displacement) marine engines installed on new vessels retroactive to the year 2000. In October 2008, the IMO adopted an amendment which places a global limit on marine fuel sulfur content of 0.1 percent by 2015 for specific areas known as Emission Control Areas (ECA). The South Coast District waters of the California coast are included in an ECA and ships calling at the Port of Los Angeles and Port of Long Beach have to meet this new fuel standard. In addition, the 2008 IMO amendment required new ships built after January 1, 2016 which will be used in an Emission Control Area (ECA) to meet a Tier III NO<sub>x</sub> emission standard which is 80 percent lower than the original emission standard.

To reduce emissions from switch and line-haul locomotives, the U.S. EPA in 2008 established a series of increasingly strict emission standards for new or remanufactured locomotive engines. The emission standards are implemented by “Tier” with Tier 0 as the least stringent and Tier 4 being the most stringent. U.S. EPA also established remanufacture standards for both line haul and switch engines. For Tiers 0, 1, and 2, the remanufacture standards are more stringent than the new manufacture standards for those engines for some pollutants.

To reduce emissions from on-road, heavy-duty diesel trucks, U.S. EPA established a series of cleaner emission standards for new engines, starting in 1988. The U.S. EPA promulgated the final and cleanest standards with the 2007 Heavy Duty Highway Rule. Starting with model year 2010, all new heavy-duty trucks have to meet the final emission standards specified in the rule.

On December 8, 2005, CARB approved the Regulation for Mobile Cargo-Handling Equipment (CHE) at Ports and Intermodal Rail Yards (Title 13, CCR, Section 2479), which is designed to use best available control technology (BACT) to reduce diesel PM and NO<sub>x</sub> emissions from mobile cargo-handling equipment at ports and intermodal rail yards. The regulation became effective December 31, 2006. Since January 1, 2007, the regulation imposes emission performance standards on new and in-use terminal equipment that vary by equipment type.

In 1998, the railroads and CARB entered into an MOU to accelerate the introduction of Tier 2 locomotives into the SCAB. The MOU includes provisions for a fleet average in the SCAB, equivalent to U.S. EPA's Tier 2 locomotive standard by 2010. The MOU addressed NO<sub>x</sub> emissions from locomotives. Under the MOU, NO<sub>x</sub> levels from locomotives are reduced by 67 percent.

On June 30, 2005, Union Pacific Railroad (UP) and Burlington Northern Santa Fe Railroad (BNSF) entered into a Statewide Rail Yard Agreement to Reduce Diesel PM at California Rail Yards with the CARB. The railroads committed to implementing certain actions from rail operations throughout the state. In addition, the railroads prepared equipment inventories and conducted dispersion modeling for Diesel PM.

In December 2007, CARB adopted a regulation which applies to heavy-duty diesel trucks operating at California ports and intermodal rail yards. This regulation eventually will require all drayage trucks to meet 2007 on-road emission standards by 2014.

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Areas where the CAAP went beyond existing regulatory requirements or accelerated the implementation of current IMO, U.S. EPA, or CARB rules include emissions reductions from ocean-going vessels through lowering vessel speeds, accelerating the introduction of 2007/2010 on-road heavy-duty drayage trucks, maximizing the use of shore-side power for ocean-going vessels while at berth, early use of low-sulfur fuel in ocean-going vessels, and the restriction of high-emitting locomotives on port property. Each of these strategies is highlighted below.

***HDVI – Performance Standards for On-Road Heavy Duty Vehicles (Clean Truck Program)*** This control measure requires that all on-road trucks entering the ports comply with the Clean Truck Program. Several milestones occurred early in the program implementation, but the current requirement bans all trucks not meeting the 2007 on-road heavy-duty truck emission standards from port property. This program has the effect of accelerating the introduction of clean trucks sooner than would have occurred under the state-wide drayage truck regulation framework.

***OGVI –Vessel Speed Reduction Program (VSRP):*** Under this voluntary program, the Port requested that ships coming into the Ports reduce their speed to 12 knots or less within 20nm of the Point Fermin Lighthouse. The program started in May 2001. The Ports expanded the program out to 40 nm from the Point Fermin Lighthouse in 2010.

***OGV3/OGV4 – Low Sulfur Fuel for Auxiliary and Main Engines and Auxiliary Boilers:*** OGV3 reduces emissions for auxiliary engines and auxiliary boilers of OGVs during their approach and departure from the ports, including hoteling, by switching to MGO or MDO with a fuel sulfur content of 0.2 percent or less within 40 nm from Point Fermin. OGV4 Control measure reduces emissions from main engines during their approach and departure from the ports. OGV3 and OVV4 are implemented as terminal leases are renewed.

***RL-3 – New and Redeveloped Near-Dock Rail Yards:*** The Ports have committed to support the goal of accelerating the natural turnover of line-haul locomotive fleet to at least 95 percent Tier 4 by 2020. In addition, this control measure establishes the minimum standard goal that the Class 1 (UP and BNSF) locomotive fleet associated with new and redeveloped near-dock rail yards use 15-minute idle restrictors and ULSD or alternative fuels, and as part of the environmental review process for upcoming rail projects, 40% of line-haul locomotives accessing port property will meet a Tier 3 emission standard and 50% will meet Tier 4 [by 2023](#).

## PROPOSED METHOD OF CONTROL

The goal of this measure is to ensure that NO<sub>x</sub>, SO<sub>x</sub> and PM<sub>2.5</sub> emissions reductions from port-related sources are sufficient to attain the 24-hr federal PM<sub>2.5</sub> ambient air quality standard. This measure would establish targets for NO<sub>x</sub>, SO<sub>x</sub>, and PM<sub>2.5</sub> for 2014 that are based on emission reductions resulting from adopted rules and other measures such as railroad MOUs and vessel speed reduction that have been adopted and are being implemented. These emissions from port related sources are included in the “baseline” emissions assumed in this plan to attain the 24-hour PM<sub>2.5</sub> standard. Based on current and future emission inventory projections these rules and measures will be sufficient to achieve attainment of the 24-hr federal PM<sub>2.5</sub> ambient air quality standard. [Actions implemented](#)

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~~Requirements adopted~~ pursuant to this measure will become effective only if emission levels from port-sources exceed the above targets. Once triggered, the ports will ~~be required to~~ develop and implement a Harbor Commission approved plan to reduce emissions from port-related sources to meet the emission targets over a time period, to the extent that feasible and cost-effective strategies are available within the limits of their jurisdiction. ~~The time period to achieve and maintain emission targets will be established pursuant to procedures and criteria developed during rulemaking and specified in the rule.~~

This control measure will be implemented through a Memorandum of Agreement (MOA) or District rule, ~~or other enforceable mechanisms~~. The District will first pursue a legally enforceable MOA to implement this measure, that is submitted for SIP inclusion with full public process, and due consideration to public comments. However, if an MOA is not developed and approved in a timely fashion, the District will adopt a regulation to reduce emissions from port-related mobile sources for this purpose. Through the implementation rule-development process the AQMD staff in conjunction with the ports will establish a working group, hold a series of working group meetings, and hold public workshops. The purpose of the ~~rule-development~~ process is to allow the AQMD and Port staffs to work with a variety of stakeholders such as ~~the Ports~~, potentially affected industries, CARB, EPA, other agencies, and environmental and community groups. The ~~rule-development~~ process will discuss the terms of the proposed MOA backstop rule and, through an iterative public process, develop proposed MOA rule language. In addition, the emissions inventory and targets will be reviewed and may be refined if necessary. ~~This control measure applies to the Port of Los Angeles and the Port of Long Beach, acting through their respective Boards of Harbor Commissioners. The ports may have the option to comply separately or jointly with provisions of the backstop rule. As an alternative to a District rule, this measure can also be implemented through a legally enforceable mechanism or instrument that is equivalent in its effectiveness, is submitted for SIP inclusion with full public process, and due consideration to public comments.~~

### Elements of MOA Backstop Rule

*Summary:* This control measure will establish enforceable nonattainment pollutant emission reduction targets for the ports-related sources in order to ensure implementation of the 24-hr PM<sub>2.5</sub> attainment strategy in the 2012 AQMP. The “backstop” ~~rule~~ will go into effect if aggregate emissions from port-related sources exceed specified emissions targets. If emissions do not exceed such targets, the ports will have no further actions ~~control obligations~~ under this control measure.

*Emissions Targets:* The emissions inventories projected for the port-related sources in the 2012 AQMP are an integral part of the 24-hr PM<sub>2.5</sub> attainment demonstration for 2014 and its maintenance of attainment in subsequent years. These emissions serve as emission targets for meeting the 24-hr PM<sub>2.5</sub> standard.

*Scope of Emissions Included:* Emissions from all sources associated with each port, including equipment on port property, marine vessels traveling to and from the port while in the over-water boundary of the South Coast Air Basin, California Coastal Waters, locomotives and trucks traveling to and from port-owned property while within the South Coast Air Basin or to the first point of rest, whichever comes first. This measure will make

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use of the Port's annual emission inventory, either jointly or individually, as the basis for the emission targets. The inventory methodology to estimate these emissions is consistent with the CAAP methodology. Other sources—i.e., sources that are unrelated to the ports—would not in any way be subject to emission reductions under this measure (including through funding of emission reduction measures, or purchase of emission credits, by the ports or port tenants).

*Circumstances Causing ~~Backstop Rule~~ ~~Regulatory~~ Requirements to Come Into Effect:* The “backstop” requirements will be triggered if the reported aggregate emissions for 2014 for all port-related sources exceed the 2014 emissions targets. The ~~MOA rule~~ may also provide that it will come into effect if the target is met in 2014 but exceeded in a subsequent year. If the target is not exceeded, the ports would have no obligations under this measure.

*Requirements if Backstop ~~Rule~~ Goes Into Effect:* If the “backstop” ~~rule~~ goes into effect, the Ports would submit an Emission Control Plan to the District. The Port Commission approved plan would include measures sufficient to bring ~~the Ports~~ emissions from the port-related sources back into compliance with the 2014 emission targets. The Ports may choose which sources would be subject to additional emission controls within their Emissions Control Plan, and may choose any number of implementation tools that can achieve the necessary reduction. These may include clean technology funding programs, lease provisions, port tariffs, or incentives/disincentives to implement measures. As described below, the ports would have no obligation under this measure to implement measures which are not cost-effective and feasible, or where the ports lack the authority to adopt an implementation mechanism. Development of MOA language related to these items is critical to the viability of an MOA approach. The District would approve the plan if it met the requirements of the Emission Control Plan and pursuant to the terms in the ~~MOA rule~~.

## ~~RULE-MEASURE~~ COMPLIANCE AND TEST METHODS

Compliance with this control measure will depend on the type of control strategy implemented. Compliance will be verified through compliance plans, and the MOA will be enforced through submittal and review of records, reports, and emission inventories. Enforcement provisions will be discussed as part of the ~~MOA rule~~ development process.

## COST EFFECTIVENESS AND FEASIBILITY

The cost effectiveness of this measure will be based on the control option selected. A maximum cost-effectiveness threshold will be established for each pollutant during ~~MOA rule~~ development. The ~~MOA rule~~ will not require any additional control strategy to be implemented which exceeds the cost-effectiveness threshold, or which is not feasible. In addition, the ~~MOA rule~~ would not require any strategy to be implemented if the ports lack authority to implement such strategy. If sufficient cost-effective and feasible measures with implementation authority are not available to achieve the emissions targets by the applicable date, the ~~MOA will provide for District will issue~~ an extension of time to achieve the target. It is the ~~District's~~ intent however, that during such extension the ports and regulatory agencies would work collaboratively to develop technologies and implementation mechanisms to achieve the target at the earliest date feasible.

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## IMPLEMENTING AGENCY

~~The District will seek to work with the Ports and other stakeholders to first develop an MOA to achieve the objectives of this measure. If the parties cannot reach an agreement, the District will adopt a regulation to reduce emissions from port-related mobile sources, has authority to adopt regulations to reduce or mitigate emissions from indirect sources, i.e. facilities such as ports that attract on- and off-road mobile sources, and has certain authorities to control emissions from off-road mobile sources themselves. These authorities include the following:~~

~~*Indirect Source Controls.* State law provides the District authority to adopt rules to control emissions from “indirect sources.” The Clean Air Act defines an indirect source as a “facility, building, structure, installation, real property, road or highway which attracts, or may attract, mobile sources of pollution.” 42 U.S.C. § 7410(a)(5)(C); CAA § 110(a)(5)(C). Districts are authorized to adopt rules to “reduce or mitigate emissions from indirect sources” of pollution. (Health & Safety Code § 40716(a)(1)). The South Coast District is also required to adopt indirect source rules for areas where there are “high-level, localized concentrations of pollutants or with respect to any new source that will have a significant impact on air quality in the South Coast Air Basin.” (Health & Safety Code § 40440(b)(3)). The federal Court of Appeals has held that an indirect source rule is not a preempted “emission standard.” *National Association of Home Builders v. San Joaquin Valley Unified Air Pollution Control District*, 627 F.3d. 730 (9<sup>th</sup> Cir. 2010)~~

~~*Nonvehicular (Off-Road) Source Emissions Standards.* Under California law “local and regional authorities,” including the ports and the District, have primary responsibility for the control of air pollution from all sources other than motor vehicles. (Health & Safety Code § 40000). Such “nonvehicular” sources include marine vessels, locomotives and other non-road equipment. CARB has concurrent authority under state law to regulate these sources. The federal Clean Air Act preempts states and local governments from adopting emission standards and other requirements for new locomotives (Clean Air Act § 209(e); 42 U.S.C. § 7543(e)), but California may establish and enforce standards for other non-road sources upon receiving authorization from EPA (*Id.*). No such federal authorization is required for state or local fuel, operational, or mass emission limits for marine vessels, locomotives or other non-road equipment. (40 CFR Pt. 89, Subpt. A, App.A; *Engine Manufacturers Assn. v. Environmental Protection Agency*, 88 F.3d. 1075 (DC Cir. 1996)).~~

~~*Fuel Sulfur Limits.* With respect to non-road engines, including marine vessels and locomotives, the District and CARB have concurrent authority to establish fuel limits, such as those on sulfur content. As was noted above, fuel regulations for non-road equipment are not preempted by the Clean Air Act and do not require EPA authorization.~~

~~*Operational Limits.* The District has authority under state law to establish operational limits for nonvehicular sources such as marine vessels, locomotives, and cargo handling equipment (to the extent cargo handling equipment is “nonvehicular”). As was discussed above, operational limits for non-road equipment are not preempted by the Clean Air Act. In addition, the District may adopt operational limits for motor vehicles such as indirect source controls and transportation controls without receiving an authorization or waiver from U.S. EPA.~~

## **ATTACHMENT 1**

### **REFERENCES**

San Pedro Bay Ports Clean Air Action Plan, 2010 Update, October 2010

Southern California International Gateway Project Draft Environmental Impact Report, Port of Los Angeles, September 2011

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