

BOARD MEETING DATE: October 3, 2014

AGENDA NO. 1

MINUTES: Governing Board Monthly Meeting

SYNOPSIS: Attached are the Minutes of the September 5, 2014 meeting.

**RECOMMENDED ACTION:**

Approve Minutes of the September 5, 2014 Board Meeting.

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Sandra McDaniel,  
Clerk of the Boards

SM:dg

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**FRIDAY, SEPTEMBER 5, 2014**

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 11:00 a.m.)  
County of Los Angeles

Mayor Pro Tem Ben Benoit (arrived at 9:10 a.m.)  
Cities of Riverside County

Supervisor John J. Benoit  
County of Riverside

Councilmember Joe Buscaino  
City of Los Angeles

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

Supervisor Josie Gonzales  
County of San Bernardino

Dr. Joseph K. Lyou  
Governor's Appointee

Mayor Judith Mitchell  
Cities of Los Angeles County – Western Region

Supervisor Shawn Nelson (arrived at 10:15 a.m.)  
County of Orange

Dr. Clark E. Parker, Sr.  
Senate Rules Committee Appointee

Mayor Miguel A. Pulido (arrived at 10:25 a.m.)  
Cities of Orange County

**CALL TO ORDER:** Chairman Burke called the meeting to order at 9:05 a.m.

- Pledge of Allegiance: Led by Councilman Buscaino.
- Opening Comments

Dr. Lyou. Reported that he attended the U.S. EPA West Coast Collaborative Partners meeting in San Francisco on September 4, 2014 where he moderated a panel on the topic of Community Efforts to Advance Clean Air Policies; and noted that the Collaborative is focused on the reduction of diesel exhaust emissions along the west coast of the U.S.

- Presentation of Retirement Award to Novella Gower

Chairman Burke presented a retirement award to Novella Gower, Senior Office Assistant in Billing Services, in recognition of 24 years of dedicated District service.

(Mayor Pro Tem Benoit arrived at 9:10 a.m.)

- Video Presentation on Air Quality by Environmental Justice Summer Institute Students

Dr. Lyou introduced a group from the Environmental Justice Summer Institute where students learned about air quality, environmental and EJ issues with the guidance of instructors from local colleges.

Carla Truax, USC Environmental Health, explained that the Environmental Justice Summer Institute program is a partnership of USC Environmental Health, Asian and Pacific Islander Obesity Prevention Alliance, From Lot to Spot, and Social Justice Learning Institute. Vanessa, a high school participant in the Institute highlighted aspects of the research performed by her fellow students, and presented a video that summarized the outcome of their work in the program.

## **CONSENT CALENDAR**

1. Approve Minutes of July 11, 2014 Board Meeting
2. Set Public Hearing October 3, 2014 to Consider Amendments and/or Adoption to SCAQMD Rules and Regulations:

Adopt Proposed Rule 1153.1 – Emissions of Oxides of Nitrogen from Commercial Food Ovens

**Budget/Fiscal Impact**

3. Execute and Amend Contracts for Hydrogen Fueling Infrastructure, Phase II of Hydrogen Network Investment Plan and Low Cost Safety Sensor Demonstration **E**
4. ***This item was withdrawn by staff.***
5. Recognize Revenue and Execute and Amend Contracts to Construct Natural Gas Fueling Stations
6. ***This item was considered under Other Business.***
7. Issue Program Announcements for Electric Lawn Mower Vendors, Licensed Scrappers and Support Service Providers **E**
8. Issue RFP to Measure Emissions from Refineries and Other Sources Utilizing Advanced Remote Sensing Technologies, Develop Advanced Fenceline Monitoring Systems and Issue RFQ to Procure Wind LIDAR System
9. Execute Contract for Insurance Brokerage Services
10. Issue RFP for Legislative Representation in Sacramento, California
11. Approve Contract Award Approved by MSRC
12. ***This item was withdrawn by staff.***

**Action Item/No Fiscal Impact**

13. Recommendation to Amend Governing Board Meeting Procedures

**Items 14 through 21 - Information Only/Receive and File**

14. Legislative & Public Affairs Report
15. Hearing Board Report
16. Civil Filings and Civil Penalties Report

17. Lead Agency Projects and Environmental Documents Received by SCAQMD
18. Rule and Control Measure Forecast
19. FY 2013-14 Contract Activity
20. Summary of Changes to FY 2013-14 Approved Budget
21. Status Report on Major Projects for Information Management Scheduled to Start During First Six Months of FY 2014-15

Mayor Mitchell announced her abstention on Item No. 1 because she was not present at the July 11, 2014 meeting. Dr. Lyou announced his abstention on Item No. 3 because Patagonia and Toyota are potential sources of income to him, and on Item No. 5 because Clean Energy and UPS are potential sources of income to him. Supervisor Antonovich announced his abstention on Item No. 5 because Clean Energy is a potential source of income to him.

Agenda Items No. 8 and No. 13 were withheld for comment.

MOVED BY CACCIOTTI, SECONDED BY YATES, AGENDA ITEMS 1 THROUGH 7, 9 THROUGH 12 AND 14 THROUGH 21 APPROVED AS RECOMMENDED, BY THE FOLLOWING VOTE:

AYES: Antonovich (*except Item #5*), J. Benoit, Burke, Buscaino, Cacciotti, Gonzales, Lyou (*except Items #3 & 5*), Mitchell (*except Item #1*), Parker, and Yates.

NOES: None.

ABSTAIN: Antonovich (*Item #5 only*), Lyou (*Items #3 & 5 only*), and Mitchell (*Item #1 only*).

ABSENT: B. Benoit, Nelson and Pulido.

22. Items Deferred from Consent Calendar

8. Issue RFP to Measure Emissions from Refineries and Other Sources Utilizing Advanced Remote Sensing Technologies, Develop Advanced Fenceline Monitoring Systems and Issue RFQ to Procure Wind LIDAR System

The following individual addressed the Board on Item No. 8:

Patty Senecal, Western States Petroleum Association, expressed support for the efforts to research, develop and test new technologies that will provide refineries with additional information to further reduce emissions and promote early leak detection and repair; noted that WSPA will continue to work collaboratively with the District to gain a better understanding of the potential uses and benefits of the technology; and stressed that the emissions measurements be conducted pursuant to publically-available protocols and reference methods approved by EPA, CARB and SCAQMD.

Written Comments Submitted by:

Jesse Marquez, Coalition for a Safe Environment

In response to Councilman Cacciotti's inquiry, Dr. Laki Tisopulos, Assistant DEO/Science & Technology Advancement, detailed how the optical remote sensing technology is expected to collect data from refineries.

Chairman Burke and Mayor Yates asked about the potential for facilities to challenge the accuracy of the equipment and the subsequent results.

Dr. Wallerstein responded that, as the industry representative mentioned, once a new technique has been developed utilizing a standard methodology and the results can be authenticated and reproducible over time, any concerns by the industry would likely be alleviated.

Dr. Tisopulos added that one advantage of emerging technology is a simplified calibration process.

Dr. Parker inquired about which emissions would be monitored and if the scope could possibly be expanded for other types of emissions.

Dr. Tisopulos noted that initially the focus would be to develop technology that can accurately measure VOCs and toxics, with the ability to possibly measure other emissions as well.

In response to Dr. Lyou questioning whether similar technology is being utilized in Europe, Dr. Tisopulos explained that the RFP consists of five projects that involve a variety of different technologies, some of which have been utilized in European countries to some extent, but the proposal

would seek to expand the use of these technologies and the District's capabilities in monitoring emissions from a variety of different sources, such as refineries, oil wells, ports and other sources. Dr. Lyou asked if the two requests from the Coalition For A Safe Environment letter were reasonable and whether staff would be able to fulfill them. Staff responded affirmatively.

In response to Chairman Burke's questioning of an expected timeline for the deployment of the technology, Dr. Wallerstein noted that the Board's approval of the item will set the development process in motion. He recommended that staff report to either the Stationary Source or Technology Committee every three months to provide an update on the research and development process.

MOVED BY LYOU, SECONDED BY  
CACCIOTTI, AGENDA ITEM 8  
APPROVED, WITH THE DIRECTION  
THAT STAFF PROVIDE STATUS  
REPORTS TO THE STATIONARY  
SOURCE COMMITTEE EVERY THREE  
MONTHS, BY THE FOLLOWING  
VOTE:

AYES: Antonovich, B. Benoit,  
J. Benoit, Burke,  
Buscaino, Cacciotti,  
Gonzales, Lyou, Mitchell,  
Parker and Yates.

NOES: None.

ABSENT: Nelson and Pulido.

13. Recommendation to Amend Governing Board Meeting Procedures

In response to Councilwoman Mitchell's inquiry about what would occur in the event a change to an agenda item is necessary, Dr. Wallerstein noted that the Administrative Committee decided that the Board would make the determination of what constitutes an emergency on a case-by-case basis, and, if such determination of emergency is not made, an item requiring changes would be continued to the next Board meeting.

Dr. Lyou proposed language to allow for changes in the event a typographical error is discovered or a change to the draft minutes is warranted.

MOVED BY MITCHELL, SECONDED BY PARKER, AGENDA ITEM 13 APPROVED AS RECOMMENDED ADOPTING RESOLUTION NO. 14-16 AMENDING PROCEDURES FOR MEETINGS OF THE SCAQMD BOARD, WITH THE ADDITION OF THE LANGUAGE NOTED BELOW, BY THE FOLLOWING VOTE:

AYES: Antonovich, B. Benoit, J. Benoit, Burke, Buscaino, Cacciotti, Gonzales, Lyou, Mitchell, Parker and Yates.

NOES: None.

ABSENT: Nelson and Pulido.

**For Section 30.6 include the following bold/underlined text:**

*“It is the Board’s policy that no changes may be made to the text of any item after the Friday of the week prior to the Board Meeting unless the change **corrects typographical errors, corrects draft meeting minutes, or** responds to an emergency. The determination of...”*

## **BOARD CALENDAR**

- 23. Administrative Committee
- 24. Legislative Committee
- 25. Mobile Source Committee
- 26. Stationary Source Committee
- 27. Technology Committee
- 28. Mobile Source Air Pollution Reduction Review Committee
- 29. California Air Resources Board Monthly Report



MOVED BY LYOU, SECONDED BY J. BENOIT, AGENDA ITEMS 23 THROUGH 29 APPROVED AS RECOMMENDED, RECEIVING AND FILING THE COMMITTEE, MSRC AND CARB REPORTS, BY THE FOLLOWING VOTE:

AYES: Antonovich, B. Benoit, J. Benoit, Burke, Buscaino, Cacciotti, Gonzales, Lyou, Mitchell, Parker, and Yates.

NOES: None.

ABSENT: Nelson and Pulido.

**Staff Presentation/Board Discussion**

30. Status Report on Regulation XIII - New Source Review

Mohsen Nazemi, DEO/Engineering and Compliance, gave the staff presentation.

RECEIVED AND FILED; NO ACTION NECESSARY.

31. SCAQMD Plug-in Electric Vehicle Infrastructure Activities

Dr. Matt Miyasato, DEO/Science & Technology Advancement, presented information regarding the latest developments in EV infrastructure, readiness planning, current and upcoming project activities, as well as the overall challenges being faced in the EV arena.

Supervisor Benoit addressed the need for incentivizing methods to promote residential charging to balance workplace charging activities.

Dr. Lyou urged the development of a plan that will address the challenges with EV charging capabilities, as well as the incentive methods that will best serve the overall goal of promoting EV usage and reducing NOx emissions.

(Supervisor Nelson arrived at 10:15 a.m.)

Mayor Mitchell noted the ongoing challenges surrounding market penetration for EVs; encouraged incentives to promote residential charging; and noted that the poor electricity rate structure for nighttime charging is still a concern.

Councilman Cacciotti stressed the importance of maintaining a balance between supporting residential, workplace and community charging infrastructure to address range anxiety concerns.

(Mayor Pulido arrived at 10:25 a.m.)

Mayor Yates expressed concern with the investments that have been made into fueling electric vehicles, while the electricity providers still have not partnered with those trying to promote these technologies. He added that preferably the focus would be on promoting hydrogen and CNG vehicles.

Supervisor Nelson explained that the EV model is flawed because charging at home is too expensive, and employers will soon need to recoup their costs and workplace charging will no longer be free to employees and guests. He stressed the need for policies that reflect the economic reality for consumers.

Dr. Parker commented that increasing costs for utilities including water and electricity are making alternatively-fueled vehicles less desirable, and urged for an increased support of hydrogen infrastructure.

The following individuals addressed the Board on Item No. 31:

Peter Whittingham, NRG Energy, explained NRG's involvement with providing electricity throughout the region as well as extensive investments in electric vehicle infrastructure, highlighting an initiative known as eVgo that provides a solution designed to overcome the challenges of installing EV charging infrastructure in multi-family environments.

Harvey Eder, Public Solar Power Coalition, expressed support for solar electric vehicle infrastructure.

Supervisor Gonzales stressed the importance of having as much information as possible to base future decisions upon regarding alternative fuel choices and their cost-effectiveness.

Chairman Burke suggested utilizing an expert, if needed, to provide additional analysis of the economic impacts of specific policy/rules in order for the Board to have a better picture of the overall impact of rulemaking.

Mayor Pulido noted that energy storage will play a large part in solving some of the concerns regarding electricity costs and vehicle range.

Dr. Lyou suggested the formation of a working group or to further utilize experts involved with research, with the goal of developing local plans for electric vehicle infrastructure that incorporates the projects and challenges that have been addressed.

**PUBLIC HEARINGS**

32. Amend Rule 1111 - Reduction of NOx Emissions From Natural-Gas-Fired, Fan-Type Central Furnaces

Joe Cassmassi, Planning and Rules Manager, gave the staff presentation.

(Supervisor Antonovich left at 11:00 a.m.)

The public hearing was opened and the following individuals addressed the Board on Agenda Item 32.

BOB HELBING, Institute of Heating and Air Conditioning Industries and Air Tro Heating and Air Conditioning

Urged the Board to institute a soft rollout of Rule 1111 to avoid safety issues as a result of hastily designed furnaces to be compliant with the rule; and noted that the emission reductions that may occur are minimal but will result in a cost increase to residents.

Mr. Cassmassi noted that staff recognized the safety concerns of designing new equipment and provided an additional 6-month period for compliance, as well as a 300-day sell through period. He added that staff does view this as a critical rule in the effort to achieve necessary NO<sub>x</sub> reductions for attainment of the ozone standard and PM<sub>2.5</sub> annual standard.

HARVEY EDER, Public Solar Power Coalition

Encouraged the use of solar energy as a means for providing heating and cooling; and explained that hybrid photovoltaic and thermal systems now offer increased efficiency and cost-effectiveness. (Submitted Written Comments)

There being no further public testimony on this item, the public hearing was closed.

MOVED BY CACCIOTTI, SECONDED BY  
B. BENOIT, AGENDA ITEM NO. 32  
APPROVED AS RECOMMENDED BY STAFF,  
ADOPTING RESOLUTION NO. 14-17  
CERTIFYING THE FINAL ENVIRONMENTAL  
ASSESSMENT AND AMENDING RULE 1111,  
BY THE FOLLOWING VOTE:

AYES: B. Benoit, J. Benoit, Burke,  
Buscaino, Cacciotti, Gonzales,  
Lyou, Mitchell, Nelson, Parker,  
Pulido and Yates.

NOES: None.

ABSENT: Antonovich.

33. Amend Rule 1151 - Motor Vehicle and Mobile Equipment Non-Assembly Line Coating Operations

Staff waived the oral presentation on Agenda Item 33.

The public hearing was opened, and there being no requests to speak, the public hearing was closed.

MOVED BY YATES, SECONDED BY CACCIOTTI, AGENDA ITEM NO. 33 APPROVED AS RECOMMENDED BY STAFF, ADOPTING RESOLUTION NO. 14-18 DETERMINING THAT THE PROPOSED AMENDMENTS TO RULE 1151 ARE EXEMPT FROM THE REQUIREMENTS OF CEQA AND AMENDING RULE 1151, BY THE FOLLOWING VOTE:

AYES: B. Benoit, J. Benoit, Burke, Buscaino, Cacciotti, Gonzales, Lyou, Mitchell, Nelson, Parker, Pulido and Yates.

NOES: None.

ABSENT: Antonovich.

**OTHER BUSINESS**

34. Approve Truck Projects under “Year 4” Proposition 1B-Goods Movement Program

Dr. Miyasato described the background and recommended action for Item 34.

MOVED BY LYOU, SECONDED BY CACCIOTTI, AGENDA ITEM NO. 34 APPROVED AS RECOMMENDED BY STAFF, BY THE FOLLOWING VOTE:

AYES: B. Benoit, J. Benoit, Burke, Buscaino, Cacciotti, Gonzales, Lyou, Mitchell, Nelson, Parker, Pulido and Yates.

NOES: None.

ABSENT: Antonovich.

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

Rita Loof, Radtech International, expressed support for the comments made by Chairman Burke regarding utilizing a consultant to analyze the economic impacts of policies prior to their implementation.

Peter Herzog also expressed support for the Chairman's suggestion in an effort to get a better picture of potential job loss and other economic ramifications as a result of rule implementation.

Harvey Eder, Public Solar Power Coalition, noted that AB 2145 was recently defeated with the help of the coalition Citizens for Energy Choice, which would have threatened community choice energy aggregation; and urged the Board to invest in solar renewables in the Basin.

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Supervisor Gonzales addressed the truck trip count issue that was raised at the June 6, 2014 Board meeting, and recommended, along with Supervisor Nelson, that an RFP be issued for a contract with a qualified, independent third-party to conduct a truck trip study, with the design and results being peer reviewed and overseen by the Institute of Traffic Engineers for subsequent consideration and incorporation into their handbook.

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**CLOSED SESSION**

The Board recessed to closed session at 11:30 a.m., pursuant to Government Code sections:

- 54956.9(a) and 54956.9(d)(1) to confer with its counsel regarding pending litigation which has been initiated formally and to which the District is a party, as follows:

People of the State of California, ex rel SCAQMD v. Exide Technologies, Inc.,  
Los Angeles Superior Court Case No. BC533528;

In the Matter of SCAQMD v. Exide Technologies, Inc., SCAQMD Hearing Board  
Case No. 3151-29 (Order for Abatement);

Exide Technologies, Inc., Petition for Variance, SCAQMD Hearing Board Case  
No. 3151-31;

In re: Exide Technologies, Inc., U.S. Bankruptcy Court for the District of  
Delaware, Case No. 13-11482 (KJC) (Bankruptcy case);

WildEarth Guardians, et al. v. U.S. Environmental Protection Agency, U.S. District Court for the District of Columbia Circuit, Case No. 14-1145 (request to intervene).

- 54956.9(a) and 54956.9(d)(4) to consider initiation of litigation (one case) and pursuant to Government Code section 54956.9(b) due to significant exposure to litigation (one case).
- 54956.8 to discuss real property negotiations, as follows:

Property: 21825 Copley Drive, Diamond Bar, CA 91765

Agency Negotiator: William Johnson

Negotiating Parties: KB Homes

Under negotiation: Term of payment and price for lease of property.

Following Closed Session, Chief Deputy Counsel Barbara Baird 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 Barbara Baird at 12:30 p.m.

The foregoing is a true statement of the proceedings held by the South Coast Air Quality Management District Board on September 5, 2014.

Respectfully Submitted,

Denise Garzaro  
Senior Deputy Clerk

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

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Dr. William A. Burke, Chairman

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## ACRONYMS

CARB = California Air Resources Board

CEC = California Energy Commission

CNG = Compressed Natural Gas

EJ = Environmental Justice

EV = Electric Vehicle

FY = Fiscal Year

MSRC = Mobile Source (Air Pollution Reduction) Review Committee

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

OEM = Original Equipment Manufacturer

PAR = Proposed Amended Rule

PEV = Plug-in Electric Vehicle

PM<sub>2.5</sub> = Particulate Matter ≤ 2.5 microns

PM<sub>10</sub> = Particulate Matter ≤ 10 microns

RFP = Request for Proposals

RFQ = Request for Quotations

U.S. EPA = United States Environmental Protection Agency