

BOARD MEETING DATE: March 6, 2015

AGENDA NO. 1

MINUTES: Governing Board Monthly Meeting

SYNOPSIS: Attached are the Minutes of the February 6, 2015 meeting.

RECOMMENDED ACTION:

Approve Minutes of the February 6, 2015 Board Meeting.

Sandra McDaniel,
Clerk of the Boards

SM:dg

FRIDAY, FEBRUARY 6, 2015

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

Mayor Michael D. Antonovich (arrived at 9:25 a.m. and left at 11:50 a.m.)
County of Los Angeles

Mayor Ben Benoit
Cities of Riverside County

Supervisor John J. Benoit
County of Riverside

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

Dr. Joseph K. Lyou
Governor's Appointee

Councilmember Judith Mitchell
Cities of Los Angeles County – Western Region

Supervisor Shawn Nelson
County of Orange

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

Mayor Miguel A. Pulido (left at 9:45 a.m.)
Cities of Orange County

Supervisor Janice Rutherford
County of San Bernardino

Member absent:

Councilmember Joe Buscaino
City of Los Angeles

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

- Pledge of Allegiance: Led by Mayor Pulido.
- Opening Comments

Councilmember Mitchell. Announced that she attended the Low-Carbon Fuels Summit held in Sacramento on February 3, 2015, and moderated a panel on the Next Steps for Clean Fuels Policies. She noted that meeting the 2020 low-carbon fuels standard requires a lot of work to be done in this arena.

Councilmember Cacciotti. Explained discussions he was involved in while riding on various buses to get to today's meeting, in which he spoke to bus drivers and passengers about their experiences with riding CNG and electric-powered buses, and noted that most expressed a preference towards the electric buses. He also encouraged his fellow Board Members to take mass transit to the mobile Board meeting on March 6, 2015 to be held at the City of Long Beach Council Chamber.

Dr. Lyou. Noted that he also attended and participated on a panel at the Low-Carbon Fuels Summit on February 3, 2015. He expressed optimism for a shift towards more interest in cleaner transportation fuels, along with changing policies that will further encourage that shift. He announced that, in late January, he toured the BYB facility in Lancaster, and along with transit buses, they have developed a longer-range EV coach bus, and are planning to develop all-electric drayage and yard hosteler equipment.

Supervisor Benoit. Noted that there is a facility in Riverside that is converting older buses to electric-powered for a fraction of the cost of a new vehicle, and encouraged the offering of grant funds for retrofit projects. He noted that he participated in the "Flip the Switch" ceremony held at Bubbling Wells Elementary School on February 4, 2015 commemorating the completion of the first district-owned solar structures in the Palm Springs Unified School District. He noted that these solar systems were funded by the Sentinel Mitigation fund, and he discussed additional projects to reduce or mitigate emissions in the Coachella Valley that have also been made possible with the 50 million dollar mitigation funds.

Chairman Burke. Expressed excitement for the benefits those projects will have on the Coachella Valley region. He thanked staff for their efforts in carrying out an exceptional event at the *A Martin Luther King, Jr. Day of Service Forum* in Los Angeles on January 17, 2015.

(Supervisor Antonovich arrived at 9:25 a.m.)

- Presentation of Retirement Awards to Phillip Szymanski and Lawrence Watkins

Chairman Burke presented a retirement award to Phillip Szymanski, Air Quality Inspector III, in recognition of over 26 years of dedicated District service; and to Lawrence Watkins, Program Supervisor, in recognition of over 26 years of dedicated District service.

- Swearing In of Board Members Michael D. Antonovich and Joseph K. Lyou and New Board Member Janice Rutherford

Chairman Burke administered the oath of office to Michael D. Antonovich, who was reappointed to the Board by the Los Angeles County Board of Supervisors, for a term ending January 15, 2019; to Joseph K. Lyou, Ph.D. who was reappointed to the Board by Governor Edmund G. Brown, for a term ending January 15, 2019; and to Janice Rutherford who was appointed to the Board by the San Bernardino County Board of Supervisors, for a term ending January 15, 2019.

- Presentation to Outgoing Board Member Josie Gonzales

Chairman Burke presented an award to Josie Gonzales for her service on the Board from January 2009 to January 2015 as the representative for the County of San Bernardino.


Supervisor Gonzales reflected upon her experiences while serving on the Board and commented on the progress towards cleaner air that she hopes will continue in the future.

(Mayor Pulido left at 9:45 a.m., prior to the Consent Calendar)

CONSENT CALENDAR

1. Approve Minutes of January 9, 2015 Board Meeting

Budget/Fiscal Impact

2. Amend Contract with Norton Engineering for NOx RECLAIM Technical Evaluation
3. Recognize Funds, Adopt Resolution to Extend Caltrans Grant Agreement, and Execute and Amend Contracts
4. Recognize Funds and Execute Contract for Heavy-Duty Advanced Technology Assessment 

5. Execute Contracts for Advanced Optical Remote Sensing Technologies at Refineries, Other VOC Sources and Marine Vessels
6. Approve Contract Awards and Modifications Approved by MSRC

Items 7 through 12 - Information Only/Receive and File

7. Legislative and Public Affairs Report
8. Hearing Board Report
9. Civil Filings and Civil Penalties Report
10. Lead Agency Projects and Environmental Documents Received by SCAQMD
11. Rule and Control Measure Forecast
12. Status Report on Major Projects for Information Management Scheduled to Start During Last Six Months of FY 2014-15

Dr. Lyou announced his abstention on Item No. 3 because Waste Management is a potential source of income to him, and on Item No. 4 because Southern California Gas Company is a potential source of income to him. Mayor Benoit announced his abstention on Item No. 3 because of a campaign contribution from Waste Management, and on Item No. 4 because of a campaign contribution from Southern California Gas Company. Supervisor Benoit announced his abstention on Item No. 3 because of a campaign contribution from Waste Management, and on Item No. 4 because of a campaign contribution from Southern California Gas Company.

Agenda Item Nos. 4, 5 and 11 were withheld for discussion and comment.

MOVED BY CACCIOTTI, SECONDED BY LYOU, AGENDA ITEMS 1 THROUGH 3, 6 THROUGH 10 AND 12 APPROVED AS RECOMMENDED, ADOPTING RESOLUTION NO. 15-2 REQUESTING THE CALIFORNIA DEPARTMENT OF TRANSPORTATION TO EXTEND FUNDING OF AGREEMENT, BY THE FOLLOWING VOTE:

AYES: Antonovich, B. Benoit (*except Item #3*), J. Benoit (*except Item #3*), Burke, Cacciotti, Lyou (*except Item #3*), Mitchell, Nelson, Parker, Rutherford and Yates.

NOES: None.

ABSTAIN: B. Benoit (*Item #3 only*), J. Benoit (*Item #3 only*) and Lyou (*Item #3 only*).

ABSENT: Buscaino and Pulido.

13. Items Deferred from Consent Calendar -

4. Recognize Funds and Execute Contract for Heavy-Duty Advanced Technology Assessment 

Mayor Benoit, Supervisor Benoit and Dr. Lyou left the room during discussion of Item No. 4.

Dr. Tom Williams, Citizens Coalition for a Safe Community, stressed the importance of expanding the scope of this particular item to include railroad operations.

5. Execute Contracts for Advanced Optical Remote Sensing Technologies at Refineries, Other VOC Sources and Marine Vessels

Jesse Marquez, Coalition for a Safe Environment, expressed support for the proposed project so that the public may have access to more complete, accurate data.

11. Rule and Control Measure Forecast

Dr. Tom Williams, Sierra Club, requested that the Board address climate change in an upcoming rule making.

In response to Councilman Cacciotti's inquiry about the District's involvement with the railroads on cleaner burning engines, Dr. Wallerstein noted that the District is providing funding to MetroLink to replace the oldest locomotives in their fleet with Tier 4 locomotives; participating in continued discussion with Metrolink about the possibility of natural gas

locomotives; and working with manufacturers of locomotives regarding advanced technologies that can reduce both particulate and NOx emissions from locomotives.

MOVED BY CACCIOTTI, SECONDED BY YATES, AGENDA ITEMS 4, 5 AND 11 APPROVED AS RECOMMENDED, BY THE FOLLOWING VOTE:

AYES: Antonovich, Burke, Cacciotti, Mitchell, Nelson, Parker, Rutherford and Yates.

NOES: None.

ABSTAIN: B. Benoit (*Item #4 only*), J. Benoit (*Item #4 only*) and Lyou (*Item #4 only*).

ABSENT: B. Benoit, J. Benoit, Buscaino, Lyou and Pulido.

BOARD CALENDAR

14. Administrative Committee
15. Legislative Committee
16. Mobile Source Committee
17. Stationary Source Committee
18. Technology Committee
19. Mobile Source Air Pollution Reduction Review Committee
20. California Air Resources Board Monthly Report
21. Status Report on Regulation XIII - New Source Review

Item No. 15 was withheld for comment.

MOVED BY YATES, SECONDED BY CACCIOTTI, AGENDA ITEMS 14 AND 16 THROUGH 21 APPROVED AS RECOMMENDED, RECEIVING AND FILING THE COMMITTEE, REGULATION XIII AND CARB REPORTS, BY THE FOLLOWING VOTE:

AYES: Antonovich, B. Benoit, J. Benoit, Burke, Cacciotti, Lyou, Mitchell, Nelson, Parker, Rutherford and Yates.

NOES: None.

ABSENT: Buscaino and Pulido.

15. Legislative Committee

Dr. Tom Williams, Citizens Coalition for a Safe Community, explained that H.R. 5101 should be expanded to include all freight, especially the export of crude oil.

MOVED BY CACCIOTTI, SECONDED BY NELSON, AGENDA ITEM 15 APPROVED AS RECOMMENDED, RECEIVING AND FILING THE LEGISLATIVE COMMITTEE REPORT, AND ADOPTING THE POSITIONS ON LEGISLATION AS SET FORTH BELOW, BY THE FOLLOWING VOTE:

AYES: Antonovich, B. Benoit, J. Benoit, Burke, Cacciotti, Lyou, Mitchell, Nelson, Parker, Rutherford and Yates.

NOES: None.

ABSENT: Buscaino and Pulido.

Agenda Item	Recommendation
H.R. 5101 (Hahn) National Freight Network Trust Fund Act of 2014	Support with Amendments
Proposed Changes to Carl Moyer Program - "The Five Pillars"	Approve

PUBLIC HEARING

22. Supplement to 24-hour PM2.5 State Implementation Plan for South Coast Air Basin

Dr. Philip Fine, Assistant DEO/Planning, Rules Development and Area Sources, gave the staff presentation.

In response to Councilman Cacciotti's inquiry about the effect of weather on incidents of exceedance, and about what are considered precursor gases, Dr. Fine explained that during the years with less days of rainfall, there are more days where exceedances occur; and that precursor gases include regulated emissions such as NOx and VOCs, as well as SOx ammonia and direct PM emissions.

The public hearing was opened and the following individuals addressed the Board on Agenda Item 22.

*DR. JIM STEWART, Sierra Club
JASON MARTINEZ, Sierra Club
*JULIA MAY, Communities for Better Environment
ALLEN HERNANDEZ, Sierra Club
MARY VALDERMAR, CHICCAA and Indigenous Drum
OLLIN KIN, American Indian Movement
ELIZABETH AYALA, Resident of Riverside
*JESSE MARQUEZ, Coalition for a Safe Environment
*ADRIAN MARTINEZ, Earthjustice
ALICIA RIVERA, Communities for Better Environment

Urged the Board to reject the Plan as it does not properly address the ability to reach attainment of the 24-Hour PM2.5 National Ambient Air Quality Standard by 2015; expressed disappointment that no public hearings were held in the Los Angeles and Long Beach harbor communities; and stressed the need for regulations that will truly protect the health and welfare of the residents of the basin. *(Submitted Written Comments)

HARVEY EDER, Public Solar Power Coalition

Urged the Board to consider the use of solar power to help facilitate the Plan.

ASHLEY HERNANDEZ, Resident of Wilmington

Expressed concern about the lack of notification for potentially harmful air quality events in her community, noting that she often witnesses children and youth continuing to play and exercise outdoors when the AQI is at an unhealthy level.

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

In response to Chairman Burke's inquiry about the school notification program, Joe Cassmassi, Planning and Rules Manager, confirmed that the air quality forecast is sent to all area schools on a daily basis via direct electronic communication. Dr. Wallerstein added that notifications for events that will potentially affect air quality, such as incidents of flaring, are also disseminated to those signed up for the District's listserv.

Dr. Wallerstein clarified that this supplement is based on feedback from U.S. EPA on the Plan amendment that they will be taking action on this summer; and noted that the current plan contains a contingency measure in the event attainment could not be met -- NOx RECLAIM program shave to further reduce NOx emissions, and staff plans to propose such an item in the coming months even though it has not yet been triggered. He addressed the 2016 AQMP which will target both ozone and particulate pollution; and suggested that staff could work with stakeholders to identify a set of early action measures that would have priority on the rulemaking schedule to address many of the concerns that were expressed today.

Dr. Lyou expressed concern with the uncertainty to achieve compliance with the standard through this Plan; and stressed the importance of taking action to address the numerous other categories of emissions sources listed in the 2012 Plan.

Councilmember Mitchell noted the District's willingness to work diligently on reducing PM and NOx emissions in order to reach the strict goals set for the coming years; explained that CARB is making considerable efforts to reduce diesel emissions and promote cleaner burning fuels for the mobile source aspect; and expressed support for developing early actions to be incorporated in the 2016 AQMP to address this issue more completely.

Councilman Cacciotti commented on the importance of reducing mobile source emissions and improving the efficiency of the mass transit system to help attain needed reductions.

MOVED BY YATES, SECONDED BY CACCIOTTI, AGENDA ITEM NO. 22 APPROVED AS RECOMMENDED BY STAFF, ADOPTING RESOLUTION NO. 15-3 APPROVING THE SUPPLEMENT TO THE 24-HOUR PM2.5 STATE IMPLEMENTATION PLAN FOR THE SOUTH COAST AIR BASIN AND SUBMITTAL INTO THE SIP; AND DETERMINING THAT THE SUPPLEMENT TO THE 24-HOUR PM2.5 SIP FOR THE SOUTH COAST AIR BASIN IS EXEMPT FROM THE REQUIREMENTS OF THE CALIFORNIA ENVIRONMENTAL QUALITY ACT, WITH THE ADDITIONAL DIRECTION FOR STAFF TO MEET WITH STAKEHOLDERS AND DEVELOP A LIST OF EARLY ACTION MEASURES IN THE 2016 AQMP TO SUPPLEMENT THE ACTION TAKEN BY THE BOARD REGARDING ATTAINMENT OF THE 24-HOUR PM2.5 STANDARD, BY THE FOLLOWING VOTE:

AYES: Antonovich, B. Benoit,
J. Benoit, Burke, Cacciotti,
Mitchell, Nelson, Parker,
Rutherford and Yates.

NOES: Lyou.

ABSENT: Buscaino and Pulido.

OTHER BUSINESS

23. Communities for a Better Environment's Request for Hearing Regarding Certification of Negative Declaration in Connection with Permitting Tank Project at Phillips 66 Carson Refinery

Kurt Wiese, General Counsel, provided background information for the petition that was before the Board for consideration.

(Supervisor Antonovich left at 11:50 a.m., during discussion on Item 23.)

The following individuals addressed the Board on Item No. 23.

JULIA MAY, Communities for Better Environment
*ALEXANDRA NAGY, Food and Water Watch
MADGE TORRES, Resident of Carlsbad
JULIA SCOVILLE, Resident of San Pedro, CBE

DARYL GALE, Resident of Los Angeles
*ALFRED CARRILLO, Apostolic Assembly Church
*ERIN STEVA, Community Health Council
*DAVID MONKAWA, California Nurses Association
LUZ SOLOCHE, Resident of Wilmington, CBE

Expressed concern that the Phillips 66 tank project will cause adverse environmental impacts as a result of storing and processing heavier crude oils; and urged the Board to protect public health. *(Submitted Written Comments)

DR. TOM WILLIAMS, Citizen Coalition for Safe Communities
*DR. JIM STEWART, Sierra Club,
*JACK EIDT, Tar Sands Action SoCal
*SUSAN DEMBOWSKI, Resident of Long Beach
ELIZABETH AYALA, Resident of Riverside
ALLEN HERNANDEZ, Sierra Club
PATRICK BONNER, Resident of South Gate
*JESSE MARQUEZ, Coalition for a Safe Environment
JASON MARTINEZ, Sierra Club
ALICIA RIVERA, Communities for Better Environment
MARIA RAMOS, Resident of Wilmington
RUBI RUIZ, Resident of Wilmington
TERESA FLORES, Resident of Wilmington
PATRICIA CANTERA, Resident of Wilmington
RAQUEL RIOS, Resident of Wilmington, CBE
P. JOSEPH ROSENWALD, Resident of Long Beach
PATRICK WILLIAMS, Communities for Better Environment

Urged the Board to set a hearing for CBE's Appeal; encouraged the setting of the hearing in the community; and stressed the importance of performing a full EIR to assess the impacts of the project. *(Submitted Written Comments)

Chairman Burke commented that it appears that no matter what action the Board takes on this matter, the matter will be adjudicated in the court.

MARY VALDERMAR, CHICCAA and Indigenous Drum
JOE GALLIANI, SouthBay 350 Climate Action Group
ALICIA RIVERA, Resident of Wilmington, CBE
ASHLEY HERNANDEZ, Resident of Wilmington, CBE
*DR. TOM MURPHY, Progressive Christians Uniting
OLLIN KIN, American Indian Movement

Urged the Board to listen to their concerns even if they were convinced the matter could only be resolved through the judicial process. *(Submitted Written Comments)

CYRUS MOSLEMI, Certified Law Student, UCI
YANA GARCIA, Attorney, CBE
HAYLEY PENAN, Certified Law Student, UCI

Urged the Board to rescind the Negative Declaration, order an EIR, or alternatively, to set a hearing for the appeal filed by CBE.

CURTIS COLEMAN, Attorney

Explained his experience with developing Regulation XII as a former District staff member, and confirmed that the Regulation is not meant to be an after-permit issued appeal mechanism. He noted that the appeal mechanism for issued permits is the Hearing Board, and that CEQA issues are to be handled by the court.

JOCELYN THOMPSON, Attorney representing Phillips 66

Urged the Board to adopt the staff recommendation noting that the Executive Officer's determination was based on a proper review of the project and any additional review of the decision will be vetted through the lawsuit filed by CBE in Superior Court.

Written Comments Submitted by:

Judy Curry, Women for Orange County
Gisele L. Fong, EndOil/Communities for Clean Ports
Lori Noflin, Carson Connected
Melissa Lin Perrella, Natural Resources Defense Council
Princess Manuel, AF3IRM South Bay
Michelle Mojica, Mujeres Unidas
Peter Rosenwald
Ann Cantrell
Dennis Arp
Regina Taylor

In response to inquiries by Dr. Parker and Dr. Lyou, Mr. Wiese confirmed that ultimately, regardless of the Board's decision on the agenda item, the resolution will come from the courts; clarified the authority of the Executive Officer to issue permits and approve CEQA documents; and also confirmed that the authority to hear appeals of permit decisions made by Executive Officer is with the Hearing Board.

Dr. Lyou requested that a meeting of the Refinery Committee be scheduled to discuss the possible impacts on air quality from heavy crudes, with potential attendees including representatives from the refineries, District staff and community members. He also suggested that a public participation guidebook be developed that would clearly describe the ways community members can participate in the various public processes at the SCAQMD.

Dr. Wallerstein noted that the project went through the normal noticing process for a Title V permit, and there was no request for a public hearing under Title V.

Councilmember Mitchell urged for additional notification to potentially affected communities; suggested the benefit of scheduling a symposium or discussion about advantage crudes and their environmental impacts; and commented that it would be prudent for Phillips 66 to establish a relationship with the surrounding communities to ideally lead to better communication between the refinery and the community members.

In response to Councilman Cacciotti's questioning about the various impacts of the pollution, Dr. Wallerstein explained that none of the significance thresholds were exceeded and there was no resulting increase in throughput at the refinery.

Chairman Burke directed staff to schedule a meeting of the Refinery Committee to promote discussion amongst staff, industry representatives and community members regarding heavy crude oils; and also directed staff to develop a guidebook for public participation at the SCAQMD.

THE PETITION BY COMMUNITIES FOR A BETTER ENVIRONMENT TO REQUEST A HEARING REGARDING CERTIFICATION OF NEGATIVE DECLARATION IN CONNECTION WITH PERMITTING TANK PROJECT AT PHILLIPS 66 CARSON REFINERY WAS DENIED BY A UNANIMOUS VOTE OF THE BOARD, AS FOLLOWS:

AYES: B. Benoit, J. Benoit, Burke, Cacciotti, Lyou, Mitchell, Nelson, Parker, Rutherford and Yates.

NOES: None.

ABSENT: Antonovich, Buscaino and Pulido.

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

Dr. Tom Williams, Citizens Coalition for a Safe Community and No 710 Coalition, requested that documentation be made available detailing the CEQA process. He explained that the SR710 North Extension EIR/EIS has been delayed and is due to be released within the month of February, and he would like the District to make certain that there are requirements in place to ensure the

ambient air quality will not be affected in the area where two exhaust vents from the tunnel will be located.

Harvey Eder, Public Solar Power Coalition, explained the solar electric generating systems in use at Southern California solar generating facilities; and highlighted the need to produce an air quality plan every 3 years, instead of the 4 years that will pass before the release of the 2016 AQMP.

CLOSED SESSION

The Board recessed to closed session at 1:25 p.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 SCAQMD is a party. The action is:

Fast Lane Transportation, Inc. et al. v. City of Los Angeles, et al., Contra Costa County Superior Court Case No. MSN14-0300 (formerly South Coast Air Quality Management District v. City of Los Angeles, et al., Los Angeles Superior Court Case No. BS 143381) (SCIG).

- 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: SCAQMD Professional Employees Association].

Following Closed Session, General Counsel Kurt Wiese announced that no reportable actions were taken in closed session.

ADJOURNMENT

There being no further business, the meeting was adjourned by Kurt Wiese at 1:45 p.m.

The foregoing is a true statement of the proceedings held by the South Coast Air Quality Management District Board on February 6, 2015.

Respectfully Submitted,

Denise Garzaro
Senior Deputy Clerk

Date Minutes Approved: _____

Dr. William A. Burke, Chairman

ACRONYMS

AQI = Air Quality Index
AQMP = Air Quality Management Plan
CARB = California Air Resources Board
CEQA = California Environmental Quality Act
CNG = Compressed Natural Gas
EIR = Environmental Impact Report
EIS = Environmental Impact Study
EV = Electric Vehicle
FY = Fiscal Year
MSRC = Mobile Source (Air Pollution Reduction) Review Committee
NOx = Oxides of Nitrogen
PM_{2.5} = Particulate Matter ≤ 2.5 microns
SOx = Oxides of Sulfur
U.S. EPA = United States Environmental Protection Agency
VOC = Volatile Organic Compound