

BOARD MEETING DATE: February 5, 2016

AGENDA NO. 1

MINUTES: Governing Board Monthly Meeting

SYNOPSIS: Attached are the Minutes of the January 8, 2016 meeting.

RECOMMENDED ACTION:

Approve Minutes of the January 8, 2016 Board Meeting.

Saundra McDaniel,
Clerk of the Boards

SM:dg

FRIDAY, JANUARY 8, 2016

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
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 (arrived at 9:35 a.m.)
County of Orange

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

Mayor Miguel A. Pulido
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

Supervisor Benoit. Announced that he toured the renewable natural gas facility at CC&R Corporation in Perris which is described as an anaerobic, digestion and bio-methane production facility; explained that the end result of their production is a combination of fertilizers and gas that can be used as a fuel source for vehicles and for heating homes; and noted that this type of facility will be important for the future as further regulation occurs regarding the handling of restaurant and biological waste.

Dr. Wallerstein. Noted that an errata sheet containing changes to the Minutes for the December 4 Board Meeting and correcting the attendance of the December 11 Special Board Meeting Minutes was provided to the Board Members and copies were made available to the public. He introduced the newly hired Health Effects Officer, Dr. Jo Kay Ghosh and noted her educational and professional background.

- Presentation of Retirement Award to George Kasper

Mayor Yates presented a retirement award to George Kasper, Air Quality Analysis and Compliance Supervisor, in recognition of over 30 years of dedicated District service.

- Presentation to Outgoing Board Members Miguel Pulido and Dennis Yates

Chairman Burke presented an award to Miguel Pulido for his service on the Board from January 2005 to January 2016 as the representative for the Cities of Orange County.

Mayor Pulido reflected upon his experiences while serving on the Board and the strides that have been made in cleaning the air.

Chairman Burke presented an award to Dennis Yates for his service on the Board from February 2004 to January 2016 as the representative for the Cities of San Bernardino. He also noted that conference room CC3-5 at the District has been renamed in honor of Mayor Yates.

Mayor Yates reflected upon his experiences while serving on the Board and the education he has received as a result of being surrounded by his fellow Board Members.

CONSENT CALENDAR

1. Approve Minutes of December 4, 2015 Board Meeting and Minutes of December 11, 2015 Special Board Meeting

An errata sheet containing amendments on pages 13 and 14 of the December 4, 2015 Minutes and on page 1 of the December 11, 2015 Special Meeting Minutes was provided to the Board Members and copies made available to the public.

2. Set Public Hearings February 5, 2016 to Consider Amendments and/or Adoption to SCAQMD Rules and Regulations

Affirm Amendment to Regulation XX to Allow Use of Certified Emission Levels for Certain Rule 219 Exempt Equipment and Amend Definition of "Standard Gas Conditions" to Conform to Existing Practice

Budget/Fiscal Impact

3. Authorize Executive Officer to Approve Administrative Changes to Existing BP/SCAQMD Public Benefits Program Oversight Grant Agreements
4. Execute Contract for Janitorial Services at Diamond Bar Headquarters
5. Execute Contract for HVAC and Refrigeration Maintenance, Services and Repairs
6. Approve SCAQMD Cross-Media Electronic Reporting Regulation Application Package Submission to U.S. EPA
7. Approve Contract Awards and Modification Approved by MSRC

Items 8 through 13 - 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 SCAQMD

12. Rule and Control Measure Forecast
13. Report on Major Projects for Information Management Scheduled to Start During Last Six Months of FY 2015-16

(Supervisor Nelson arrived at 9:35 a.m.)

Supervisor Antonovich announced his abstention on Item No. 4 because of campaign contributions from Servicon Systems.

Supervisors Antonovich and Nelson announced that they serve as Directors for the Southern California Regional Rail Authority which is involved with Item No. 7.

Supervisor Rutherford and Mayor Yates announced that they serve as Board Members for the San Bernardino Associated Governments which is involved with Item No. 7.

Agenda Items 1, 2, 4, 11 and 12 were withheld for comment and discussion.

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Supervisor Antonovich detailed the background of a natural gas leak at the Aliso Canyon natural gas storage facility; noted that on January 6, 2016 the Governor issued a proclamation that declared the situation an emergency and directed various state agencies to take further action to protect public health and safety to ensure accountability and oversight of gas storage facilities. He added that the Governor's proclamation directs CARB, in consultation with other state agencies, to develop a program to fully mitigate the GHG effects of the leak's emissions, with said program to be funded by SoCal Gas and to be limited to projects within California. The Supervisor expressed his intent to make a motion to approve a resolution that would emphasize the importance of these funds being directed at residents in the Porter Ranch area that have been directly affected by the leak, or alternatively to those within the South Coast region as a whole.

MAYOR PULIDO MOVED THAT THE BOARD FIND THERE IS A NEED TO TAKE IMMEDIATE ACTION REGARDING THE PROPOSED AGENDA ITEM TO ADOPT A RESOLUTION REQUESTING THAT FUNDS FROM THE MITIGATION FUNDS RELATED TO THE PORTER RANCH METHANE LEAK BE DIRECTED TO BENEFIT LOCAL AREA RESIDENTS TO THE MAXIMUM EXTENT

FEASIBLE, OR IF NOT FEASIBLE, THEN THE FUNDS BE SPENT ON PROJECTS THAT WILL BENEFIT SOUTHERN CALIFORNIA RESIDENTS AND THAT THE NEED FOR THE ACTION CAME TO THE ATTENTION OF THE DISTRICT SUBSEQUENT TO THE POSTING OF THE AGENDA. THE MOTION WAS SECONDED BY COUNCILMAN CACCIOTTI AND PASSED BY A UNANIMOUS VOTE (ABSENT: BUSCAINO).

The following individual addressed the Board on this item.

Dr. Tom Williams, Citizens Coalition for a Safe Community, noted that even though the District's permitting of a compressor plant at the Aliso Canyon facility required an emergency response plan, no such plan has surfaced in the months since the leak began; and questioned why samples that have been taken from the leaking well have not been analyzed to determine the exact composition of the escaping gas.

Dr. Wallerstein explained that further details regarding the sampling that has been done and what responsibilities fall within the SCAQMD's jurisdiction versus the responsibilities of other agencies could be provided to Dr. Williams by staff. He added that the resolution will be communicated both to CARB and to the Governor's office and will hopefully play an important role in how the funds are utilized.

In response to Chairman Burke's inquiry regarding the District's authority to take action in light of the Governor's order, Kurt Wiese, General Counsel, explained that the SCAQMD still has sufficient authority in place.

MOVED BY ANTONOVICH, SECONDED BY PULIDO, THE BOARD ADOPTED RESOLUTION NO. 16-1 URGING GOVERNOR EDMUND G. BROWN, JR. REQUEST THAT FUNDS OBTAINED FROM THE SOUTHERN CALIFORNIA GAS COMPANY FOR A GREENHOUSE-GAS PROGRAM TO MITIGATE METHANE EMISSIONS BE SPENT ON MEASURES TO BENEFIT THE PORTER RANCH COMMUNITY ADVERSELY IMPACTED BY THOSE EMISSIONS, AND THE SOUTHERN CALIFORNIA REGION TO THE EXTENT THAT IT IS INFEASIBLE TO CONDUCT PROJECTS IN PORTER RANCH, BY THE FOLLOWING VOTE:

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

NOES: None.

ABSENT: Buscaino.

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14. Items Deferred from Consent Calendar

2. Set Public Hearings February 5, 2016 to Consider Amendments and/or Adoption to SCAQMD Rules and Regulations

Affirm Amendment to Regulation XX to Allow Use of Certified Emission Levels for Certain Rule 219 Exempt Equipment and Amend Definition of "Standard Gas Conditions" to Conform to Existing Practice

Dr. Tom Williams, Citizens Coalition for a Safe Community, expressed a concern with the current rules for gas storage facilities within the District; and stressed the importance of holding them accountable for all emissions.

Harvey Eder explained that solar energy should have a right to compete as BARCT and that should be reflected in the record; and encouraged the use of the latest technology to be implemented as soon as possible.

Dr. Wallerstein noted that the situation at Aliso Canyon does not fit into the NOx RECLAIM framework.

11. Lead Agency Projects and Environmental Documents Received by SCAQMD

Dr. Tom Williams, Citizens Coalition for a Safe Community, requested all of the comment letters, or directions to a posting of such letters, for all CEQA documents during November and December 2015, and expressed an interest in all comment letters for the gas compressing facilities that have been permitted by SCAQMD.

Dr. Wallerstein explained that the board letter summarizes all of the comment letters and that the detailed information is also available on the District's web page.

12. Rule and Control Measure Forecast

Dr. Tom Williams urged for the development of rules related to gas storage facilities.

Dr. Wallerstein commented, that as shown in the rule forecast report, the rules related to oil and gas wells are scheduled to come back to the Board in July.

MOVED BY PULIDO, SECONDED BY CACCIOTTI, AGENDA ITEMS 2, 3 AND 5 THROUGH 13, APPROVED AS RECOMMENDED, BY THE FOLLOWING VOTE:

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

NOES: None.

ABSENT: Buscaino.

1. Approve Minutes of December 4, 2015 Board Meeting and Minutes of December 11, 2015 Special Board Meeting

Dr. Lyou expressed concerns with some inaccuracies in the minutes of the December 4 meeting including the omission of some of the opinions expressed by speakers during the RECLAIM rule amendment item and the chronology of the votes; and encouraged anyone looking for a full depiction of the proceedings to view the video recording.

In response to Chairman Burke's inquiry, Mr. Wiese confirmed that he believed the Minutes to be accurate.

MOVED BY PULIDO, SECONDED BY B. BENOIT, AGENDA ITEM 1, APPROVED AS RECOMMENDED, WITH THE MODIFICATIONS AS STATED ON THE ERRATA SHEET AND NOTED BELOW, BY THE FOLLOWING VOTE:

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

NOES: Lyou.

ABSENT: Buscaino.

The following corrections should be made to typographical errors on pages 13 and 14 of the Minutes of the December 4, 2015 Board Meeting:

Page 13, last sentence of the third paragraph,

~~“Mr.~~ **Ms.** Mitchell expressed support for the proposed provisions related to shut down credits.”

Page 14, the “no” votes for the first substitute motion,

“NOES: Antonovich, Buscaino, Lyou, ~~Mitchell,~~ and Nelson **and Rutherford.**”

Page 14, the “no” votes for the second substitute motion,

“NOES: Antonovich, B. Benoit, J. Benoit, Burke, Buscaino, ~~Mitchell,~~ Nelson, Parker, and Pulido **and Rutherford.**”

The following corrections should be made to typographical errors on the first page of the Minutes of the December 11, 2015 Special Board Meeting:

Board Member Dr. Joseph K. Lyou should be listed under members absent; and Board Member Miguel A. Pulido should be listed under members who participated by telephone.

4. Execute Contract for Janitorial Services at Diamond Bar Headquarters

Dr. Lyou suggested that future RFPs for this service give priority to those companies who pay their employees fair wages and benefits.

MOVED BY PULIDO, SECONDED BY YATES, AGENDA ITEM 4, APPROVED AS RECOMMENDED, BY THE FOLLOWING VOTE:

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

NOES: None.

ABSTAIN: Antonovich

ABSENT: Buscaino.

BOARD CALENDAR

- 15. Administrative Committee
- 16. Stationary Source Committee
- 17. Mobile Source Air Pollution Reduction Review Committee
- 18. California Air Resources Board Monthly Report

MOVED BY PULIDO, SECONDED BY B. BENOIT, AGENDA ITEMS 15 THROUGH 18, APPROVED AS RECOMMENDED, BY THE FOLLOWING VOTE:

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

NOES: None.

ABSENT: Buscaino.

PUBLIC HEARING

- 19. Amend Rule 1113 – Architectural Coatings

MOVED BY J. BENOIT, SECONDED BY PULIDO, AND UNANIMOUSLY CARRIED (Absent: BUSCAINO) THE PUBLIC HEARING TO AMEND RULE 1113 WAS CONTINUED TO THE FEBRUARY 5, 2016 BOARD MEETING.

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, raised concerns with the testing of samples from the Porter Ranch area; and commented about the apparent lack of an emergency response plan by SoCal Gas.

Harvey Eder, Public Solar Power Coalition, spoke about climate change and the need to act to combat it.

CLOSED SESSION

The Board recessed to closed session at 10:25 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);

- 54956.9(a) and 54956.9(d)(4) to consider initiation of litigation (two cases).

- 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 & 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].

Following closed session, 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 10:55 a.m.

The foregoing is a true statement of the proceedings held by the South Coast Air Quality Management District Board on January 8, 2016.

Respectfully Submitted,

Denise Garzaro
Senior Deputy Clerk

Date Minutes Approved: _____

Dr. William A. Burke, Chairman

ACRONYMS

BARCT= Best Available Retrofit Control Technology
CARB = California Air Resources Board
CEQA = California Environmental Quality Act
EV = Electric Vehicle
FY = Fiscal Year
GHG = Greenhouse Gas
MSRC = Mobile Source (Air Pollution Reduction) Review Committee
NOx = Oxides of Nitrogen
RFP = Request for Proposals
U.S. EPA = United States Environmental Protection Agency