

BOARD MEETING DATE: March 3, 2017

AGENDA NO. 25

REPORT: Administrative Committee

SYNOPSIS: The Administrative Committee met on Friday, February 10, 2017. The Committee discussed various issues detailed in the Committee report. The next Administrative Committee meeting is scheduled for Friday, March 10, 2017 at 10:00 a.m.

RECOMMENDED ACTION:
Receive and file.

Dr. William A. Burke, Chair
Administrative Committee

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Attendance: Attending the February 10, 2017 meeting were Committee Vice Chair Ben Benoit and Committee Member Judith Mitchell at SCAQMD headquarters, and Committee Chair Dr. William A. Burke and Committee Member Dr. Clark E. Parker, Sr. via videoconference.

ACTION/DISCUSSION ITEMS:

1. **Board Members' Concerns:** None to report.
2. **Chairman's Report of Approved Travel:** As noted on the travel report, Dr. Parker met with State Legislators regarding the AQMP in Sacramento, on January 18-20, 2017. Councilmember Robinson will be attending the 2017 Rethink Methane Symposium as it relates to renewable natural gas, in Sacramento, February 21-22, 2017. Dr. Parker added that he will be traveling in late February to Washington, D.C. to meet with legislators.
3. **Approval of Compensation for Board Member Assistant(s)/Consultant(s):** Executive Officer Wayne Nastri reported that Board Consultant Buford Crites will continue as a Board Consultant, but to Supervisor Ashley. Supervisor Rutherford has selected Mark Taylor as her Board Consultant.

Moved by Benoit; seconded by Mitchell, unanimously approved.

Ayes: Benoit, Mitchell, Dr. Parker, Dr. Burke
Noes: None
Absent: None

4. **Report of Approved Out-of-Country Travel:** None to report.
5. **Status Report on Major Ongoing and Upcoming Projects for Information Management:** Deputy Executive Officer/Chief Administrative Officer Michael O’Kelly reported that the status report includes major automation contracts and planned projects for ongoing and future projects. (No motion required.)
6. **Execute Administrative Service Agreement with Los Angeles County Employees Retirement Association to Continue to Administer Healthcare and Death Benefits for SCAQMD Retirees Participating in Los Angeles County Employees Retirement Association:** Mr. O’Kelly reported that this item is to request authority to execute an administrative services agreement with Los Angeles County Employees Retirement Association (LACERA). At the time that SCAQMD was formed, the majority of employees were with LACERA. Most current employees are now with San Bernardino County Employees Retirement Association (SBCERA). There are 63 retirees and/or beneficiaries that are participating in LACERA and have been receiving health care and death benefits for a number of decades. SCAQMD will continue to pay \$20,000 per month for the 63 retirees and their beneficiaries. \$240,000 is budgeted every year and the number and participants are expected to decline over time. Dr. Parker inquired how are the benefits paid without a formalized agreement? Mr. O’Kelly responded benefits were to be paid based on a 1982 Governing Board Resolution. In the past 34 years, authority has been provided through the budget and discussed at each of the budget workshops. Councilmember Mitchell inquired since death benefits are not offered under SBCERA, there would be a liability? Mr. O’Kelly responded that is correct. Councilmember Mitchell inquired what is the liability? Mr. O’Kelly responded approximately \$4 million with the projection based on the expected lifetime of current retirees and beneficiaries, assuming health care costs increase.

Moved by Mitchell; seconded by Parker, unanimously approved.

Ayes: Benoit, Mitchell, Dr. Parker, Dr. Burke
Noes: None
Absent: None

7. **Report of RFPs Scheduled for Release in March:** Mr. O’Kelly reported that this item is to request an RFP to establish a qualified list of outside counsel.

Moved by Parker; seconded by Mitchell, unanimously approved.

Ayes: Benoit, Mitchell, Dr. Parker, Dr. Burke

Noes: None

Absent: None

8. **Amend Contracts to Provide Short- and Long-Term Systems Development, Maintenance and Support Services:** Mr. O’Kelly reported that this item requests authority to execute amendments to two contracts for systems development services. These were contracts previously approved by the Board through a prequalified RFP and the funds have been budgeted. These are for three projects: to replace the modem-based emissions reporting system, maintenance support for the CLASS system and modernization of the system used for calculating the air quality index.

Moved by Mitchell; seconded by Benoit, unanimously approved.

Ayes: Benoit, Mitchell, Dr. Parker, Dr. Burke

Noes: None

Absent: None

9. **Execute Contract for Information Technology Review:** Mr. O’Kelly reported that this is a request to execute a contract for the information technology review as requested by the Administrative Committee. After issuance of an RFP, four proposals were received, two of which didn’t meet the minimum technical score. The two that did meet the minimum technical score were very close in cost. Sunera LLC is being recommended due to a higher technical score.

Moved by Mitchell; seconded by Benoit, unanimously approved.

Ayes: Benoit, Mitchell, Dr. Parker, Dr. Burke

Noes: None

Absent: None

10. **Execute Contracts with Consultants to Provide AB 2588 Assistance:** Planning & Rules Manager Ian MacMillan reported that this item is to seek assistance from multiple contractors to assist with the AB 2588 program, primarily with implementation of the updated health risk assessment guidance from Office of Environmental Health Hazard Assessment (OEHHA). The initial contract will be with six contractors for a two-year period with an option to

extend once a year over the next two years with the total amount at \$1,000,000. The funds for this effort will come out of the Air Toxics Hot Spots Fund, with revenues paid into the fund from Toxics Hot Spots facilities. Councilmember Mitchell inquired about the contractors' responsibilities. Mr. MacMillan responded that the contractors will help review AB 2588 toxics inventories and health risk assessment (HRA) reports. Dr. Burke inquired is it a requirement of the bill to hire contractors and are the contractors hired before the demand increases? Mr. MacMillan responded that there is a requirement that the reports be reviewed and approved, but there is no specific requirement to hire contractors. Staff is anticipating that the upcoming four-year period will have an increased workload, due to the updated risk assessment guidance from the state which determined increased toxic risks by a factor of 3 due to evidence of adverse health impacts on children and their exposure. For the same emissions level, the risk is now known to be about 3 times what was previously estimated. With facilities coming through the AB 2588 program over the next four years, the risk might have been 3 in a million and now it's going to be 10 in a million, resulting in additional requirements placed on the entire program. Mr. MacMillan added there are a number of adjustments that have been made to the program over the last few years, one of which was the voluntary risk reduction program that was approved recently through Rule 1402. Dr. Parker inquired how many consultants are assigned to a particular project? Mr. MacMillan responded small projects with a contractor could take a few days work, while larger projects with several contractors may take up to several weeks. Councilmember Mitchell inquired why there are many contractors and if is it due to different expertise. Mr. MacMillan responded that facilities want to have a broad ability to pick from consultants that don't have a conflict of interest, and some will have different expertise in different industrial categories. Mr. Nastri asked Mr. MacMillan to elaborate on the timeline, and what would happen to process times if contractors are not hired. Mr. MacMillan responded that typically, a facility will take approximately six months to prepare an HRA. The review process by statute is up to a year to review and approve an HRA. Councilmember Mitchell inquired what occurs after the HRA has been reviewed? Mr. MacMillan responded that once an HRA has been approved by the SCAQMD, it then goes to OEHHA for review, which can take up to six months. After approval of an HRA, if the risk is above SCAQMD thresholds, then a public notification or risk reduction may be required, resulting in another report on how to reduce their risks, which then goes through the same review/approval process and then SCAQMD continues to ensure that the facility implements that risk reduction within a two-and-a-half year period. Councilmember Mitchell inquired are they required to do a risk reduction? Mr. MacMillan responded yes, the risk reduction requirements are already required under Rule 1402 and under statute.

Moved by Mitchell; seconded by Benoit, unanimously approved.

Ayes: Benoit, Mitchell, Dr. Parker, Dr. Burke
Noes: None
Absent: None

11. **Recommendation to Appoint Member to SCAQMD Environmental Justice Advisory Group:** Deputy Executive Officer Legislative, Public Affairs, & Media Derrick Alatorre reported that this item is to appoint Kerry Doi to the Environmental Justice Advisory Group. Mr. Kerry Doi is currently the President & CEO of Pacific Asian Consortium in Employment. He's a Board Member in the Los Angeles Housing Partnership and the California Community Economic Development Association. He also serves on the U.S. EPA's National Environmental Justice Advisory Council and he was recently appointed by former President Obama to serve on the President's Advisory Council on financial capability for young Americans. He's a founding member and former Chair of the National Coalition for Asian Pacific American Community Development.

Moved by Mitchell; seconded by Benoit, unanimously approved.

Ayes: Benoit, Mitchell, Dr. Parker, Dr. Burke
Noes: None
Absent: None

12. **Local Government & Small Business Assistance Advisory Group Minutes for the December 9, 2016 Meeting:** Mr. Alatorre advised that this is a written report (No motion required).
13. **Review March 3, 2017 Governing Board Agenda:** Mr. Nastri reported that the Board deliberation for the adoption of the 2016 AQMP will be considered in March. There will also be three other key items: Rule 1430 adoption, RECLAIM annual report, and the Technology Advancement Office Annual Report and Plan Update.
14. **Other Business:** None to report.
15. **Public Comment:** None.
Meeting adjourned at 10:32 a.m.

Attachment

Local Government & Small Business Assistance Advisory Group Minutes for the December 9, 2016 Meeting



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, DECEMBER 9, 2016 MEETING MINUTES

MEMBERS PRESENT:

Ben Benoit, Council Member, City of Wildomar and LGSBA Chairman
Felipe Aguirre
Paul Avila, P.B.A. & Associates
Geoffrey Blake, Metal Finishers of Southern California/All Metals
LaVaughn Daniel, DancoEN
John DeWitt, JE DeWitt, Inc.
Maria Elena Kennedy, Kennedy Communications
Bill LaMarr, California Small Business Alliance
Rita Loof, RadTech International
Cynthia Moran, Council Member, City of Chino Hills
David Rothbart, Los Angeles County Sanitation District

MEMBERS ABSENT:

Todd Campbell, Clean Fuels

OTHERS PRESENT:

Dennis Yates

SCAQMD STAFF:

Derrick J. Alatorre, DEO/Public Advisor
Nancy Feldman, Principal Deputy District Counsel
Elaine-Joy Hills, AQ Inspector II
Lori Langrell, Secretary
Paul Wright, Audio Visual Specialist

Agenda Item #1 - Call to Order/Opening Remarks

Council Member Ben Benoit called the meeting to order at 12:19 p.m.

Agenda Item #2 – Approval of November 18, 2016 Meeting Minutes

Chair Benoit called for approval of the November 18, 2016 meeting minutes. The minutes were approved unanimously.

Agenda Item #3 – Review of Follow Up/Action Items

Mr. Derrick Alatorre advised the group with regard to a presentation on BACT guidelines that was requested, he has reached out to the BACT group, and hope to agendize a presentation in the first quarter of 2017. The second item was a question raised pertaining to the World Bank lending practices and emission reduction targets. Mr. Alatorre advised the group that there is not a lot of information

specifically on that topic, but the advisory group members will be emailed a link related to World Bank, with an interactive search tool called CIRB (Climate Action for Urban Sustainability).

Agenda Item #4 – Local Government & Small Business Assistance Advisory Group 2016 Accomplishments/2017 Goals & Objectives

Mr. Alatorre presented the 2016 Accomplishments, and 2017 Goals & Objectives to the advisory group.

Mr. John DeWitt asked when the permit backlog will be caught up. Mr. Alatorre indicated there is no way to pinpoint an exact date at this time. Chair Benoit indicated that two options were presented to the Administrative Committee: (1) a two year plan, and (2) a one year plan. Both plans brought a lot of expense in training and staffing, but the most important factor being considered is making technical additions, new computer software, submitting electronically, changing the process, etc.

Mr. Paul Avila asked if there is a way to get an update on permit status every four to six months. Chair Benoit indicated that they are looking at a widget for the website that would give a live number daily pertaining to permits.

Mr. David Rothbart asked if an applicant pays for an expedited permit, and the backlog work is being done on weekends, how does that expedite the process. Mr. Alatorre indicated he will leave that response to Dr. Tisopulos, but we have refunded expedited fees in the past if we were not able to do it.

Mr. Alatorre went over the 2017 Goals & Objectives, and asked for any additions, and also indicated that if there are any additions before the next meeting, they can be emailed in.

Ms. Nancy Feldman reminded the group that some members have expired ethics training, and to please complete the course as soon as possible. The course is available online.

Agenda Item #5 - Monthly Report on Small Business Assistance Activities

No comments.

Agenda Item #6 - Other Business

Ms. Loof commended Mr. Alatorre for his thorough and consistent follow up on the action items. Mr. Alatorre indicated it is a team effort and thanked staff for keeping him on track.

Agenda Item #7 - Public Comment

No comments.

Adjournment

The meeting adjourned at 12:39 p.m.