

BOARD MEETING DATE: May 5, 2017

AGENDA NO. 1

MINUTES: Governing Board Monthly Meeting

SYNOPSIS: Attached are the Minutes of the April 7, 2017 meeting.

RECOMMENDED ACTION:

Approve Minutes of the April 7, 2017 Board Meeting.

Denise Garzaro,
Clerk of the Boards

DG

FRIDAY, APRIL 7, 2017

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 Pro Tem Ben Benoit, Vice Chairman
Cities of Riverside County

Supervisor Marion Ashley
County of Riverside

Council Member Joe Buscaino (Arrived at 9:20 a.m.)
City of Los Angeles

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

Supervisor Sheila Kuehl
County of Los Angeles

Dr. Joseph K. Lyou
Governor's Appointee

Mayor Pro Tem Larry McCallon
Cities of San Bernardino County

Supervisor Shawn Nelson
County of Orange

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

Council Member Dwight Robinson
Cities of Orange County

Supervisor Janice Rutherford
County of San Bernardino

Member absent:

Council Member Judith Mitchell
Cities of Los Angeles County – Western Region

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

- Pledge of Allegiance: Led by Mayor Pro Tem Benoit.
- Opening Comments

Dr. Parker. Reported that on a recent visit to Washington, D.C. he had many productive meetings with Senators and representatives from industry about a number of key issues that impact the South Coast region.

Dr. Lyou. Noted that the Legislature passed SB 1 on April 6, 2017 which prohibits new regulations for in-use trucks for many years, and asked staff to add a discussion item regarding this matter to the agenda of a future meeting to address the implications of this legislation on meeting federal and state air quality standards.

Chairman Burke. Announced that the Refinery Committee met in Torrance on April 1, 2017 to discuss the Torrance Refinery's use of hydrofluoric acid, and noted that the meeting was continued to April 8, 2017 to accept public comment on the matter.

- Presentation of Retirement Awards to Zeyda Turner, Shalini George and Ranji George

Mayor Pro Tem Benoit presented retirement awards to Ranji George, Program Supervisor in Science and Technology Advancement, in recognition of over 30 years of dedicated District service; Shalini George, Air Quality Specialist, in recognition of over 31 years of dedicated District service; and Zeyda Turner, Computer Operations Supervisor, in recognition of over 40 years of dedicated District service.

(Councilmember Buscaino arrived at 9:20 a.m.)

CONSENT CALENDAR

1. Approve Minutes of March 3, 2017 Board Meeting
2. Set Public Hearing May 5, 2017 to Consider Adoption of and/or Amendments to SCAQMD Rules and Regulations

Amend Rule 219 – Equipment Not Requiring A Written Permit Pursuant To Regulation II and Amend Rule 222 – Filing Requirements for Specific Emission Sources Not Requiring A Written Permit Pursuant To Regulation II

Budget/Fiscal Impact

3. Recognize Revenue and Execute Contract to Develop and Evaluate Aftertreatment Systems for Large Displacement Diesel Engines
4. Recognize Revenue and Execute Contracts to Demonstrate Zero and Near-Zero Emission Drayage Trucks and Cargo Handling Equipment
5. Execute Contracts to Conduct 2017 Leaf Blower Exchange Program
6. Adopt Resolution Recognizing Funds and Accepting Terms and Conditions for FY 2016-17 Carl Moyer Program Award and Issue Program Announcements for Carl Moyer Program and SOON Provision
7. Execute Contract for Independent Audit Services for FYs Ending June 30, 2017, 2018 and 2019
8. Approve Transfer of Monies from Health Effects Research Fund to Brain & Lung Tumor and Air Pollution Foundation
9. Authorize Purchase of Maintenance and Support Services for Servers and Storage Devices
10. Remove Various Fixed Assets from SCAQMD Inventory
11. Approve Contract Award and Modification Approved by MSRC

Items 12 through 17 - Information Only/Receive and File

12. Legislative, Public Affairs and Media Report
13. Hearing Board Report
14. Civil Filing and Civil Penalties Report
15. Lead Agency Projects and Environmental Documents Received by SCAQMD

16. Rule and Control Measure Forecast
17. Status Report on Major Ongoing and Upcoming Projects for Information Management

Dr. Lyou announced his abstention on Item No. 4 because Clean Energy and Cummins Westport are potential sources of income to him; and on Item No. 11 because Los Angeles Metropolitan Transportation Authority is a potential source of income to him.

Supervisor Rutherford announced her abstention on Item No. 5 due to potential conflicts of interest.

Supervisor Nelson announced that he serves on the Board of Directors for the Orange County Transportation Authority which is involved with Item No. 11.

Supervisor Kuehl announced that she serves on the Board of Directors for the Los Angeles County Metropolitan Transportation Authority which is involved with Item No. 11.

Agenda Item 2 was withheld for comment.

18. Items Deferred from Consent Calendar
 2. Set Public Hearing May 5, 2017 to Consider Adoption of and/or Amendments to SCAQMD Rules and Regulations

Amend Rule 219 – Equipment Not Requiring A Written Permit Pursuant To Regulation II and Amend Rule 222 – Filing Requirements for Specific Emission Sources Not Requiring A Written Permit Pursuant To Regulation II

Rita Loof, RadTech International, expressed concern regarding newly revised language for PAR 219 which will be burdensome on small businesses in the printing and coating industry by requiring they provide an additional annual report to the District for materials that contain 50 grams or less of VOC per liter. These facilities already keep records pursuant to Rule 109 and would now have to submit a new report for approval.

Dr. Philip Fine, DEO/Planning, Rule Development and Area Sources, explained that the language was revised at the direction of the Stationary Source Committee to provide additional flexibility, however, there is no new record keeping requirement in the rule. He added that the PAR will be returning to the Stationary Source Committee for review at the April 21, 2017 meeting to address any outstanding issues.

Ms. Loof stated that the rule, as proposed, does place additional requirements and costs on small businesses.

Mr. Nastri suggested that discussion regarding the merits of the proposed amendments be directed to the Stationary Source Committee as the current agenda item is simply to set the matter for public hearing at the May 5 Board Meeting.

MOVED BY PARKER, SECONDED BY CACCIOTTI, AGENDA ITEMS 1 THROUGH 17 APPROVED AS RECOMMENDED, ADOPTING RESOLUTION NO. 17-7 RECOGNIZING FUNDS AND ACCEPTING THE TERMS AND CONDITIONS OF THE FY 2016-17 CARL MOYER GRANT AWARD, BY THE FOLLOWING VOTE:

AYES: Ashley, Benoit, Burke, Buscaino, Cacciotti, Kuehl, Lyou (*except Item #4 and #11*), McCallon, Nelson, Parker, Robinson and Rutherford (*except Item #5*)

NOES: None

ABSTAIN: Lyou (*Item #4 and #11*) and Rutherford (*Item #5*)

ABSENT: Mitchell

BOARD CALENDAR

19. Administrative Committee
20. Legislative Committee
21. Mobile Source Committee
22. Stationary Source Committee
23. Technology Committee

24. Mobile Source Air Pollution Reduction Review Committee

25. California Air Resources Board Monthly Report

MOVED BY BENOIT, SECONDED BY PARKER, AGENDA ITEMS 19 THROUGH 25, APPROVED AS RECOMMENDED, RECEIVING AND FILING THE COMMITTEE, MSRC AND CARB REPORTS AND APPROVING THE FOLLOWING POSITIONS ON LEGISLATION, BY THE FOLLOWING VOTE:

AYES: Ashley, Benoit, Burke, Buscaino, Cacciotti, Kuehl, Lyou, McCallon, Nelson, Parker, Robinson and Rutherford

NOES: None

ABSENT: Mitchell

Agenda Item	Recommendation
AB 582 (C. Garcia) Vehicles: emissions: surveillance	Support with Amendments
AB 615 (Cooper) Air Quality Improvement Program: Clean Vehicle Rebate Project	Support
AB 1081 (Burke) Sales and use taxes: exclusion: low-emission motor vehicle: trade-in	Support with Amendments
AB 1083 (Burke) Transportation electrification: electric vehicle charging infrastructure: state parks and beaches	Support
SB 174 (Lara) Diesel-fueled vehicles: registration	Support with Amendments
Proposed Policy Principles Regarding Amendments to Greenhouse Gas Funding and/or Reauthorization Legislation	Approve

Staff Presentation/Board Discussion

26. Presentation of Action Plan for High-Risk Emitters of Toxic Air Contaminants

Kurt Wiese, General Counsel, presented information regarding the monitoring and enforcement of hexavalent chrome facilities in the City of Paramount, as well as the implementation of a Community Air Toxics Initiative that will extend beyond the City of Paramount.

In response to Chairman Burke's question regarding the cost of monitoring for hexavalent chromium, staff confirmed that the cost for a single monitor and the required analysis is approximately \$3,000 per week.

Chairman Burke expressed a concern that was conveyed to him that something in the Paramount area is causing runny noses and watering eyes, and asked staff to look into what the cause of these issues could be.

Supervisor Kuehl spoke about the negative health effects associated with air pollution and the importance of locating the sources of the emissions.

In response to Dr. Parker's inquiry regarding what have we learned regarding processing certain metals and the generation of hexavalent chromium, Susan Nakamura, Assistant DEO/Planning, Rule Development and Area Sources, commented that what staff found at Aerocraft is that when you heat treat high chrome alloys such as stainless steel, hexavalent chromium can be created. She added that in conjunction with their other efforts, staff has begun the development process for a rule to address hexavalent chromium emissions from heat treating operations.

Dr. Parker stressed the importance for immediate protection of public health when a matter of this magnitude is discovered. He added that legislation is necessary to ensure that swift action can be taken to curtail emissions in the future.

Mr. Wiese explained that the District obtained Orders for Abatement to address the two known sources in Paramount which resulted in significant emission reductions.

Mr. Nastri added that staff is performing extensive outreach to educate industry on actions they might take to minimize emissions, including closing doors, installing physical barriers, and/or installing control equipment. With regard to authority, he noted that the legislation to grant emergency enforcement authority to the Executive Officer is moving forward.

Dr. Lyou noted that it took two months to obtain emission reductions in Paramount and stressed the importance of conveying that information to the legislature regarding the effort to give emergency enforcement authority to the Executive Officer. He added that the risk reduction plan process is too lengthy and could cause a delay in implementing measures necessary to protect public health.

Dr. Fine explained that Rule 1402 was amended last year to streamline the process of implementing risk reduction plans. He added that there is also a requirement for facilities that pose a significant risk to submit an early risk reduction plan and implement those measures in a timely manner.

Dr. Lyou expressed support for the Air Toxics Initiative, and highlighted the importance of obtaining community input to identify potential problem facilities and areas of concern.

Mr. Nastri noted that community input played an important role in the investigation in the City of Paramount. He added that staff plans to continue similar community outreach and communication efforts as were utilized in this instance in the future.

Supervisor Kuehl asked staff to comment on the relationship between the various cities and SCAQMD in terms of the potential to receive notification when certain types of facilities begin doing business in a particular municipality.

Derrick Alatorre, DEO/Legislative, Public Affairs/Media Office, explained that staff has been performing outreach to local municipalities, Council of Governments and trade associations to inform them of the District's programs.

Mr. Nastri explained that the City of Paramount utilizes a self-certification process for business licensing, so when a business applies for a license, they certify whether or not they need an SCAQMD permit and there is no verification of that information. Staff has requested to receive notification from the City of Paramount for all of the businesses who indicate they are not subject to an SCAQMD permit.

Supervisor Kuehl highlighted the importance of taking a proactive approach to addressing issues of this magnitude in the future, and acknowledged that while it would be a large undertaking, coordinating business licensing efforts with all cities in the Basin should be a long-term goal.

Councilman Robinson confirmed the importance of inter-agency collaboration in the effort to receive advanced information regarding businesses, and acknowledged the importance of outreach efforts to educate trade associations and the business community.

Mr. Nastri highlighted the coordination effort that took place with multiple agencies during the investigation into the sources of elevated emissions in Paramount and explained that this effort would be a model going forward.

Chairman Burke noted that with the increased use of digital recordkeeping, it should be a fairly straightforward process to be able to request licensing records from municipalities within the District in an effort to locate businesses that previously would not have come to the attention of the District.

Dr. Parker suggested a system by which applicants of building permits would be required to have authorization from SCAQMD on their permit application before submitting to their municipality. He stressed the importance of creating the system in such a way that it does not lead to a backlog of applicants.

Mayor Pro Tem Benoit suggested the potential to utilize a consultant specifically focused on locating specific businesses within the region. Chairman Burke supported that suggestion.

Mr. Nastri noted that in addition to hexavalent chromium, facilities that emit various other toxic emissions will also be included in the Action Plan and gathering all of those records will be an extensive undertaking.

Harvey Eder, Public Solar Power Coalition, addressed the Board on Item No. 26 speaking about the hazards of toxics including NO_x, PM_{2.5}, benzene and formaldehyde.

INFORMATION ONLY; NO ACTION NECESSARY.

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

Harvey Eder, Public Solar Power Coalition, stressed the urgency for conversion to solar-power.

Ranji George spoke about the importance of urging CARB to utilize Volkswagen settlement funds to support hydrogen fuel cell vehicle technology.

Dr. Lyou noted that he had received an invitation from Toyota to attend a demonstration of a heavy-duty fuel cell truck on April 21 in Wilmington.

Florence Gharibian, Del Amo Action Committee, expressed appreciation to staff and the Board for holding the Special Refinery Committee meeting in Torrance on April 1, 2017 regarding the Torrance Refinery, and noted concerns with the dangers associated with hydrofluoric acid. She added that she recently had concerns regarding chemicals at the Montrose Chemical Plant in the Harbor Gateway area and explained the difficulties she faced in getting her concerns investigated. She noted that ultimately, she was able to get Los Angeles County Public Health and SCAQMD staff to respond and operations at the facility were shut down.

CLOSED SESSION

The Board recessed to closed session at 11:15 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 SCAQMD is a party. The actions are:

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); and

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

- 54956.9(d)(2) due to significant exposure to litigation (one case) based on the following facts and circumstances: A request by the Port of Los Angeles and Port of Long Beach for a tolling and standstill agreement regarding the Board's adoption of MOB-01, in a letter dated March 17, 2017.

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's office and made available to the public upon request.¹

¹ There were no reportable actions taken in Closed Session, as such, there is no report on file with the Clerk of the Board's office.

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 April 7, 2017.

Respectfully Submitted,

Denise Garzaro
Clerk of the Boards

Date Minutes Approved: _____

Dr. William A. Burke, Chairman

ACRONYMS

AQMP = Air Quality Management Plan
CARB = California Air Resources Board
CEQA = California Environmental Quality Act
DEO = Deputy Executive Officer
EV = Electric Vehicle
FY = Fiscal Year
MSRC = Mobile Source (Air Pollution Reduction) Review Committee
NOx = Oxides of Nitrogen
PAR = Proposed Amended Rule
PM = Particulate Matter
RFP = Request for Proposals
RRP = Risk Reduction Plan
U.S. EPA = United States Environmental Protection Agency
VOC = Volatile Organic Compound