



South Coast Air Quality Management District

21865 Copley Drive, Diamond Bar, CA 91765-4178
(909) 396-2000 · www.aqmd.gov

A G E N D A

MEETING, FEBRUARY 3, 2017

A meeting of the South Coast Air Quality Management District Board will be held at 9:00 a.m., in the Auditorium at SCAQMD Headquarters, 21865 Copley Drive, Diamond Bar, California.

Questions About an Agenda Item

- The name and telephone number of the appropriate staff person to call for additional information or to resolve concerns is listed for each agenda item.
- In preparation for the meeting, you are encouraged to obtain whatever clarifying information may be needed to allow the Board to move expeditiously in its deliberations.

Meeting Procedures

- The public meeting of the SCAQMD Governing Board begins at 9:00a.m. The Governing Board generally will consider items in the order listed on the agenda. However, any item may be considered in any order.
- After taking action on any agenda item not requiring a public hearing, the Board may reconsider or amend the item at any time during the meeting.

Questions About Progress of the Meeting

- During the meeting, the public may call the Clerk of the Board's Office at (909) 396-2500 for the number of the agenda item the Board is currently discussing.

The agenda and documents in the agenda packet will be made available upon request in appropriate alternative formats to assist persons with a disability. Disability-related accommodations will also be made available to allow participation in the Board meeting. Any accommodations must be requested as soon as practicable. Requests will be accommodated to the extent feasible. Please telephone the Clerk of the Boards Office at (909) 396-2500 from 7:00 a.m. to 5:30p.m. Tuesday through Friday.

All documents (i) constituting non-exempt public records, (ii) relating to an item on the agenda, and (iii) having been distributed to at least a majority of the Governing Board after the agenda is posted, are available prior to the meeting for public review at the South Coast Air Quality Management District Clerk of the Board's Office, 21865 Copley Drive, Diamond Bar, CA 91765.

The Agenda is subject to revisions. For the latest version of agenda items herein or missing agenda items, check the District's web page (www.aqmd.gov) or contact the Clerk of the Board, (909) 396-2500. Copies of revised agendas will also be available at the Board meeting.

CALL TO ORDER

- Pledge of Allegiance
- Opening Comments: William A. Burke, Ed.D., Chair
Other Board Members
Wayne Nastri, Executive Officer
- Swearing In of Newly Appointed Board Member Marion Ashley **Burke**

Staff/Phone (909) 396-

CONSENT CALENDAR (Items 1 through 16)


Note: Consent Calendar items held for discussion will be moved to Item No. 17

1. Approve Minutes of January 6, 2017 Board Meeting **Garzaro/2500**
2. Set Public Hearings March 3, 2017 to Consider Adoption of
and/or Amendments to SCAQMD Rules and Regulations **Nastri/3131**

Adopt Rule 1430 – Control of Emissions from Metal Grinding
Operations at Metal Forging Facilities **Nakamura/3105**

Proposed Rule 1430 will reduce particulate matter and toxic emissions from metal grinding and cutting operations at forging facilities. Metal grinding and cutting operations are currently exempt from SCAQMD permits. Based on air quality sampling and site visits, metal grinding at forging facilities can be a significant source of metal particulate emissions, some of which are also toxic air contaminants. The proposed rule will prohibit forging facilities from conducting grinding and cutting operations outside and includes requirements to vent metal grinding and cutting operations to emission control devices, to meet a specified emission standard for the emission control devices, and implement a series of housekeeping measures to further minimize fugitive emissions. (Reviewed: Stationary Source Committee, January 20, 2017)

Budget/Fiscal Impact

3. **Execute Contracts to Conduct In-Use PM Emission Study for Gasoline Direct Injection Vehicles and Establish Renewable Natural Gas Research Center**  **Miyasato/3249**

Since mobile sources represent the largest NOx and PM sources in the South Coast Air Basin, the Draft 2016 AQMP identifies development and implementation of new technologies to reduce mobile source emissions as a key strategy. It is also equally important to assess new technologies to prevent or mitigate any negative impact on air quality and public health. The University of California Riverside (UCR) CE-CERT recently submitted two unsolicited proposals that address these needs and staff recommends cost-sharing the proposed projects to: 1) conduct an in-use emission study to characterize tailpipe PM emissions from gasoline direct injection vehicles under real-world driving conditions; and 2) support establishment of a research center to study promising renewable natural gas production technologies to expedite commercial implementation. This action is to execute contracts with UCR CE-CERT to cost-share these projects in an amount not to exceed \$322,000 from the Clean Fuels Fund (31). (Reviewed: Technology Committee, January 20, 2017; Recommended for Approval)

4. **Recognize Revenue and Execute Contract for Development of Ultra-Low Emission Diesel Engine for On-Road Heavy-Duty Vehicles** **Miyasato/3249**


On July 7, 2016, the Board released a Request for Information to obtain technical information on ultra-low NOx emission technologies for heavy-duty diesel engines. Two responses were received, one of which was from the Southwest Research Institute (SwRI). CARB had previously awarded a contract to SwRI to investigate and demonstrate emission control strategies for 13-liter diesel engines to achieve 90% emission reductions compared to the current NOx standard. As a follow-on to this successful demonstration project, CARB and the Port of Los Angeles (POLA) have expressed interest in cofunding the advancement of current larger displacement diesel engines to achieve ultra-low NOx emissions. Staff proposes to cost-share the project. CARB will contract directly with SwRI while the POLA cofunding will pass through the SCAQMD. These actions are to recognize up to \$287,500 from POLA and execute a contract with SwRI for development of an ultra-low emission heavy-duty diesel engine in an amount not to exceed \$575,000 from the Clean Fuels Fund (31). (Reviewed: Technology Committee, January 20, 2017; Recommended for Approval)

5. Renew SCAQMD's Membership in CaFCP for Calendar Year 2017, Provide Office Space for CaFCP, and Receive and File California Fuel Cell Partnership Executive Board Meeting Agenda and Quarterly Updates **E** **Miyasato/3249**

The SCAQMD has been a member of the California Fuel Cell Partnership (CaFCP) since early 2000. This action is to renew SCAQMD's membership in the CaFCP in an amount not to exceed \$70,000 for Calendar Year 2017 and cofund 50 percent of the CaFCP Regional Coordinator position located at SCAQMD in an amount not to exceed \$50,000 from the Clean Fuels Fund (31). Further actions are to continue providing in-kind office space and utilities for CaFCP employees in 2017 in an effort to educate the public and increase CaFCP's presence in Southern California. Finally, this action is to receive and file the CaFCP Executive Board Meeting Agenda for October 18, 2016, and Quarterly Updates beginning April and July 2016. (Reviewed: Technology Committee, January 20, 2017; Recommended for Approval)

6. Recognize, Transfer and Appropriate Revenue, Amend and Execute Contracts, and Approve Eligible Participant Vouchers to Continue Implementation of Enhanced Fleet Modernization Program **Miyasato/3249**

Last September, the Board recognized up to \$10 million from CARB, approved issuance of vouchers to continue the Enhanced Fleet Modernization Program (EFMP) Plus-Up for FY 2016-17, and released an RFP to solicit proposals to administer the application process and conduct vehicle emissions testing. Subsequently, CARB advised that SCAQMD would receive \$15 million. Additionally, older vehicles retired under the EFMP are crushed for scrap metal generating revenue for EFMP. These actions are to: 1) recognize revenue up to \$5 million from CARB and up to \$500,000 from the scrap metal value of the vehicles retired under the EFMP into the HEROS II Special Revenue Fund (56); 2) authorize the Executive Officer to approve vouchers to qualified participants up to \$4,250,000 and execute agreements with participating dismantlers, dealerships and financial institutions; 3) amend and execute contracts for a total amount not to exceed \$765,000 from the HEROS II Special Revenue Fund (56); and 4) transfer and appropriate \$250,000 from the HEROS II Special Revenue Fund (56) into Science and Technology Advancement's FY 2016-17 and/or 2017-18 Budget for EFMP implementation and outreach. (Reviewed: Technology Committee, January 20, 2017; Recommended for Approval)

7. Issue Program Announcement for Ships at Berth and Cargo Handling Equipment Projects Under Proposition 1B-Goods Movement Program  **Minassian/2641**

In September 2015, CARB approved Proposition 1B-Goods Movement Program funding awards to local agencies for projects that will reduce emissions from freight transportation. The award for the Los Angeles/Inland Empire trade corridor included \$14.1 million for ships at berth and cargo handling equipment projects. Following an earlier solicitation issued on February 5, 2016, and subsequent awards, there are still funds available for projects in this category. This action is to issue a Program Announcement for ships at berth and cargo handling equipment projects under the Proposition 1B-Goods Movement Program. (Reviewed: Technology Committee, January 20, 2017; Recommended for Approval)

8. Amend Contract for Consultant Services for SCAQMD Environmental Justice Outreach and Initiatives **Alatorre/3122**

The current contract with Lee Andrews Group, Inc., for environmental justice efforts conducted for the Environmental Justice Community Partnership, expires on February 24, 2017. Based on the firm's effective performance during the first year of their current contract, this action is to approve the first one-year extension of the consultant's contract for Calendar Year 2017, at the current contract amount. (Reviewed: Administrative Committee, January 13, 2017; Recommended for Approval)

9. Approve Contract Modification Approved by MSRC **Pettis**

The MSRC approved a modified award to the Southern California Regional Rail Authority under the Major Event Center Transportation Program, approving the use of Tier 2 locomotives instead of Tier 4 locomotives to provide special Metrolink service for the final day of the 2017 NASCAR Sprint Cup Series, as part of approval of the FYs 2016-18 AB 2766 Discretionary Fund Work Program. (Reviewed: Mobile Source Air Pollution Reduction Review Committee, January 25, 2017, Recommended for Approval)

Items 10 through 16 - Information Only/Receive and File

10. Legislative, Public Affairs and Media Report **Alatorre/3122**

This report highlights the December 2016 outreach activities of Legislative, Public Affairs and Media, which include: Environmental Justice Update, Community Events/Public Meetings, Business Assistance, and Outreach to Business, Federal, State, and Local Government and Media Relations. (No Committee Review)

11. Hearing Board Report **Camarena/2500**

This reports the actions taken by the Hearing Board during the period of December 1 through December 31, 2016. (No Committee Review)

12. **Civil Filings and Civil Penalties Report** **Wiese/3460**
This reports the monthly penalties from December 1 through December 31, 2016, and legal actions filed by the General Counsel's Office from December 1 through December 31, 2016. An Index of District Rules is attached with the penalty report. (Reviewed: Stationary Source Committee, January 20, 2017)
13. **Lead Agency Projects and Environmental Documents Received by SCAQMD** **Nakamura/3105**
This report provides, for the Board's consideration, a listing of CEQA documents received by the SCAQMD between December 1, 2016 and December 31, 2016, and those projects for which the SCAQMD is acting as lead agency pursuant to CEQA. (Reviewed: Mobile Source Committee, January 20, 2017)
14. **Rule and Control Measure Forecast** **Fine/2239**
This report highlights SCAQMD rulemaking activities and public workshops potentially scheduled for the year 2017. (No Committee Review)
15. **Report of RFPs Scheduled for Release in February** **O'Kelly/2828**
This report summarizes the RFPs for budgeted services over \$75,000 scheduled to be released for advertisement for the month of February. (Reviewed: Administrative Committee, January 13, 2017; Recommended for Approval)
16. **Status Report on Major Ongoing and Upcoming Projects for Information Management** **Marlia/3148**
Information Management is responsible for data systems management services in support of all SCAQMD operations. This action is to provide the monthly status report on major automation contracts and planned projects. (Reviewed: Administrative Committee, January 13, 2017; Recommended for Approval)
17. Items Deferred from Consent Calendar

BOARD CALENDAR

18. **Administrative Committee (Receive & File)** **Chair: Burke** **Nastri/3131**

19. Legislative Committee(Receive & File) **Chair: Mitchell Alatorre/3122**

Receive and file; and take the following action as recommended:

Agenda Item	Recommendation
SB 4(Mendoza)Goods Movement: Allocation of Federal Funds: Goods Movement and Clean Trucks Bond Act	Support and Work with Author

20. Mobile Source Committee (Receive & File) **Chair: Parker Fine/2239**

21. Stationary Source Committee (Receive & File) **Chair: Benoit Tisopulos/3123**

22. Technology Committee (Receive & File) **Chair: Buscaino Miyasato/3249**

23. Mobile Source Air Pollution Reduction
Review Committee (Receive & File) **Board Liaison: Benoit Hogo/3184**

24. California Air Resources Board Monthly
Report (Receive & File) **Board Rep: Mitchell Garzaro/2500**

PUBLIC HEARING

25. Adopt 2016 Air Quality Management Plan **Fine/2239**

The Air Quality Management Plan (AQMP) is the legally enforceable blueprint for how the SCAQMD air basins will meet and maintain federal and State air quality standards. The 2016 AQMP has been developed in partnership with CARB, U.S. EPA, SCAG, and stakeholders throughout the region, including input from local governments, environmental organizations, academia, and the business community. The 2016 AQMP identifies control measures needed to demonstrate attainment with the federal 2008 8-hour ozone standard by 2031, the 2012 annual PM2.5 standard by 2025, and the 24-hour PM2.5 standard by 2019 in the South Coast Air Basin and the 2008 8-hour ozone standard by 2026 in the Coachella Valley. In addition, the 2016 AQMP provides revisions to previous plans regarding attainment of the 1997 8-hour ozone standard by 2023 and the revoked 1-hour ozone standard by 2022. Further, Appendix I (Health Effects) includes a report on the health impacts of particulate matter air pollution in the South Coast Air Basin. (Reviewed: Mobile Source Committee, January 22, March 18, April 15, May 20, June 17, July 22, September 16 and October 21, 2016, and January 20, 2017)

OTHER BUSINESS

26. Approve Schedule of Activities to Implement Draft Financial Incentives Funding Action Plan for 2016 AQMP

Hogo/3184

A Draft Financial Incentives Funding Action Plan was prepared to help identify new revenue sources that the SCAQMD could pursue for incentive funding programs to help accelerate the turnover of existing vehicles and equipment to zero and near-zero emission technologies and help the region meet federal air quality standards. The Draft Action Plan includes a discussion of potential funding opportunities, public process, and a proposed schedule of activities to be initiated over the next year. The proposed activities include a schedule for staff to work with stakeholders through a public process to identify a set of funding opportunities to pursue, educating the state legislature and Congressional members on the funding needs of the region, and reporting to the Board on progress. This action is to seek the Board's approval on the schedule of activities proposed in the Draft Action Plan and have staff initiate the activities based on the Board's direction. (Reviewed: Mobile Source Committee, July 22 and October 21, 2016; and Governing Board, January 6, 2017)

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

BOARD MEMBER TRAVEL – (No Written Material)

Board member travel reports have been filed with the Clerk of the Boards, and copies are available upon request.

CLOSED SESSION - (No Written Material)

Wiese/3460

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

It is necessary for the Board to recess to closed session 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:

- Communities for a Better Environment v. SCAQMD, Los Angeles Superior Court Case No. BS153472 (Phillips 66);
- Communities for a Better Environment v. SCAQMD, Los Angeles Superior Court Case No. BS161399 (RECLAIM);
- 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);

- In re: Exide Technologies, Inc., U.S. Bankruptcy Court, District of Delaware, Case No. 13-11482 (KJC) (Bankruptcy case);
- In the Matter of SCAQMD v. Southern California Gas Company, Aliso Canyon Storage Facility, SCAQMD Hearing Board Case No. 137-76 (Order for Abatement);
- People of the State of California, ex rel SCAQMD v. Southern California Gas Company, Los Angeles Superior Court Case No. BC608322; Judicial Council Coordinated Proceeding No. 4861;
- In the Matter of SCAQMD v. Torrance Refining Company, LLC, SCAQMD Hearing Board Case No. 6060-5 (Order for Abatement);
- 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);
- SCAQMD v. U.S. EPA, D.C. Circuit Court Case No. 15-1115 (RFP for Coachella Ozone Rule);
- SCAQMD v. U.S. EPA, D.C. Circuit Court Case No. 16-1364 (RFP for Coachella PM2.5 Implementation Rule);
- SCAQMD v. Anaplex, Los Angeles Superior Court Case No. BC608322 (Paramount Hexavalent Chromium); and
- In the Matter of SCAQMD v. Aircraft Heat Treating Co., Inc. and Anaplex Corp., SCAQMD Hearing Board Case No. 6066-1 (Order for Abatement).

CONFERENCE WITH LEGAL COUNSEL – INITIATING LITIGATION

It is also necessary for the Board to recess to closed session pursuant to Government Code section 54956.9(a) and 54956.9(d)(4) to consider initiation of litigation (two cases).

*****PUBLIC COMMENTS*****

Members of the public are afforded an opportunity to speak on any listed item before or during consideration of that item. Please notify the Clerk of the Board, (909) 396-2500, if you wish to do so. All agendas are posted at SCAQMD Headquarters, 21865 Copley Drive, Diamond Bar, California, at least 72 hours in advance of the meeting. At the end of the agenda, an opportunity is also provided for the public to speak on any subject within the SCAQMD's authority. Speakers may be limited to three (3) minutes each.

Note that on items listed on the Consent Calendar and the balance of the agenda any motion, including action, can be taken (consideration is not limited to listed recommended actions). Additional matters can be added and action taken by two-thirds vote, or in the case of an emergency, by a majority vote. Matters raised under Public Comments may not be acted upon at that meeting other than as provided above.

Written comments will be accepted by the Board and made part of the record, provided 25 copies are presented to the Clerk of the Board. Electronic submittals to cob@aqmd.gov of 10 pages or less including attachment, in MS WORD, plain or HTML format will also be accepted by the Board and made part of the record if received no later than 5:00 p.m., on the Tuesday prior to the Board meeting.

ACRONYMS

AQ-SPEC = Air Quality Sensor Performance Evaluation Center	NESHAPS = National Emission Standards for Hazardous Air Pollutants
AQIP = Air Quality Investment Program	NGV = Natural Gas Vehicle
AQMP = Air Quality Management Plan	NOx = Oxides of Nitrogen
AVR = Average Vehicle Ridership	NSPS = New Source Performance Standards
BACT = Best Available Control Technology	NSR = New Source Review
Cal/EPA = California Environmental Protection Agency	OEHA = Office of Environmental Health Hazard Assessment
CARB = California Air Resources Board	PAMS = Photochemical Assessment Monitoring Stations
CEMS = Continuous Emissions Monitoring Systems	PAR = Proposed Amended Rule
CEC = California Energy Commission	PEV = Plug-In Electric Vehicle
CEQA = California Environmental Quality Act	PHEV = Plug-In Hybrid Electric Vehicle
CE-CERT = College of Engineering-Center for Environmental Research and Technology	PM10 = Particulate Matter \leq 10 microns
CNG = Compressed Natural Gas	PM2.5 = Particulate Matter \leq 2.5 microns
CO = Carbon Monoxide	PR = Proposed Rule
CTG = Control Techniques Guideline	RFP = Request for Proposals
DOE = Department of Energy	RFQ = Request for Quotations
EV = Electric Vehicle	SCAG = Southern California Association of Governments
FY = Fiscal Year	SIP = State Implementation Plan
GHG = Greenhouse Gas	SOx = Oxides of Sulfur
HRA = Health Risk Assessment	SOON = Surplus Off-Road Opt-In for NOx
LEV = Low Emission Vehicle	SULEV = Super Ultra Low Emission Vehicle
LNG = Liquefied Natural Gas	TCM = Transportation Control Measure
MATES = Multiple Air Toxics Exposure Study	ULEV = Ultra Low Emission Vehicle
MOU = Memorandum of Understanding	U.S. EPA = United States Environmental Protection Agency
MSERCs = Mobile Source Emission Reduction Credits	VOC = Volatile Organic Compound
MSRC = Mobile Source (Air Pollution Reduction) Review Committee	ZEV = Zero Emission Vehicle
NATTS = National Air Toxics Trends Station	

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BOARD MEETING DATE: February 3, 2017

AGENDA NO. 1

MINUTES: Governing Board Monthly Meeting

SYNOPSIS: Attached are the Minutes of the January 6, 2017 meeting.

RECOMMENDED ACTION:

Approve Minutes of the January 6, 2017 Board Meeting.

Denise Garzaro,
Clerk of the Boards

DG

FRIDAY, JANUARY 6, 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

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

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

Supervisor Shawn Nelson
County of Orange

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

Council Member Dwight Robinson
Cities of Orange County

Members absent:

Council Member Joe Buscaino
City of Los Angeles

Supervisor Janice Rutherford
County of San Bernardino

Vacant:

County of Riverside

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

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

Chairman Burke. Expressed the Board's sadness on the passing of their colleague, John Benoit. He introduced a video that was compiled in his memory.

Chairman Burke presented a plaque to Mayor Pro Tem Ben Benoit in memory of Supervisor John Benoit's years of service on the Board; and requested that a letter be sent requesting that the Coachella Valley Link multimodal transportation corridor, which is funded in part by AB 1318 monies, be renamed in his honor to recognize Supervisor Benoit's efforts and commitment to ensure the funds made a meaningful impact on the communities of the Coachella Valley.

Mayor Cacciotti. Noted that additional charging infrastructure at District headquarters that was previously approved by the Board, is currently being put in place and asked staff for an update on the status of that project. He requested that a letter be sent to Ford Motor Company to encourage them to utilize electric technology on police interceptor vehicles.

Supervisor Kuehl. Expressed her enthusiasm for the opportunity to serve on the Board.

Councilwoman Mitchell. Announced that she attended a luncheon hosted by the Environmental Justice Community Partnership on January 5, 2017 where Angelo Logan and Father John Moretta were honored for their commitment to working on issues pertinent to EJ communities.

Dr. Lyou. Thanked staff for hosting the EJ event; and requested that staff brief the Stationary Source Committee on work related to refinery monitoring which indicates that refineries may be emitting higher levels than previously reported.

- Swearing In of Newly Appointed Board Member Sheila Kuehl

Chairman Burke administered the oath of office to Supervisor Sheila Kuehl, who was appointed by the Los Angeles County Board of Supervisors, for a term ending January 15, 2019.

CONSENT CALENDAR

1. Approve Minutes of December 2, 2016 Board Meeting

Budget/Fiscal Impact

2. Authorize Purchase of Core Network Upgrade
3. Adopt Resolution Approving Establishment of IRS-approved Section 401(a) Money Purchase Plan and Approval of Administrative Service Provider
4. Appropriate Funds and Authorize Amending/Initiating Contracts with Outside Counsel and Specialized Legal Counsel and Services
5. Special Meeting of Brain & Lung Tumor and Air Pollution Foundation
6. Approve Contract Awards and Modifications Approved by MSRC

Items 7 through 12 - Information Only/Receive and File

7. Legislative, Public Affairs and Media 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. Report on Major Projects for Information Management Scheduled to Start During Last Six Months of FY 2016-17

Mayor Pro Tem McCallon announced that he serves as an alternate member on the Board of Directors of OmniTrans which is involved with Item No. 6. Supervisor Nelson announced that he serves on the Board of Directors of the Orange County Transportation Authority which is involved with Item No. 6.

Agenda Items 1, 5 and 11 were withheld for comment and discussion.

MOVED BY BENOIT, SECONDED BY CACCIOTTI, AGENDA ITEMS 2 THROUGH 4, 6 THROUGH 10 AND 12, APPROVED AS RECOMMENDED, BY THE FOLLOWING VOTE:

AYES: Benoit, Burke, Cacciotti, Kuehl, Lyou, McCallon, Mitchell, Nelson, Parker and Robinson

NOES: None

ABSENT: Buscaino and Rutherford

13. Items Deferred from Consent Calendar

1. Approve Minutes of December 2, 2016 Board Meeting

Dr. Lyou noted that the reason for his recusal on Item No. 14 of the Minutes was not reflected correctly, and indicated that the Minutes should be amended to note that he was abstaining on Item No. 14 due to a financial interest in Google.

Supervisor Kuehl noted her abstention on Item 1 as she was not present at the December 2, 2016 Board Meeting.

MOVED BY LYOU, SECONDED BY CACCIOTTI, AGENDA ITEM 1, WITH THE MODIFICATION AS SET FORTH BELOW, BY THE FOLLOWING VOTE:

AYES: Benoit, Burke, Cacciotti, Lyou, McCallon, Mitchell, Nelson, Parker and Robinson

NOES: None

ABSTAIN: Kuehl

ABSENT: Buscaino and Rutherford

Amend Page 5 of the Minutes of the December 2, 2016 Board Meeting as follows:

Supervisor Antonovich announced his abstention on Item No. 8 because of campaign contributions from Robertson's Ready Mix. Dr. Lyou announced his abstention on Item No. 8 because United Parcel Service, Inc. is a potential source of income to him; and on Item No. 14 because **of an economic interest in Google.**
~~is a potential source of income to him.~~

5. Special Meeting of Brain & Lung Tumor and Air Pollution Foundation

Harvey Eder, Public Solar Power Coalition, addressed the Board on Agenda Item No. 5 noting that it is important for the District to get involved with health issues relating to the brain and lungs. He highlighted an article relating cell phone microwaves to brain cancer.

MOVED BY BENOIT, SECONDED BY
LYOU, AGENDA ITEM 5 APPROVED AS
RECOMMENDED, BY THE FOLLOWING
VOTE:

AYES: Benoit, Burke, Cacciotti, Kuehl,
Lyou, McCallon, Mitchell, Nelson,
Parker and Robinson

NOES: None

ABSENT: Buscaino and Rutherford

11. Rule and Control Measure Forecast

Jim Stewart, Sierra Club, addressed the Board on Agenda Item No. 11 explaining that the measures set forth on the 2017 Rule Forecast report are inadequate to meet air quality concerns in the Basin. He stressed the importance of rules to address pollution from RECLAIM, CMB-02, warehouses, and the Ports and is concerned that the Ports have recently projected no emission reductions. He requested Ports be added to the 2017 rule calendar.

Mr. Nastri explained that the AQMP includes a commitment to evaluate the RECLAIM program and the potential for it to be sunseted. With regards to the Ports, staff will continue to work closely with both the Ports of Los Angeles and Long Beach with focus being an approach that takes into account both the regulatory aspect as well as the voluntary participation aspect of meeting necessary emission reduction targets. He added that the Ports are aware that if the strict deadlines for progress are not met, formal rulemaking action will begin immediately, with no time lost. Indirect source measures are being handled in a similar fashion.

Dr. Phillip Fine, DEO Planning and Rules, noted that many of the rulemaking efforts that Dr. Stewart mentioned are listed on the long-term forecast calendar; however those rulemaking efforts are anticipated to take more than the next 12 months so they will likely come to the Board for consideration in 2018, adding that the AQMP includes schedules for reporting to the Board.

Chairman Burke mentioned the meeting of the Marine Port Committee held in December and asked staff to comment.

Mr. Nastri stated that the Ports, which were previously resistant, agreed to work with SCAQMD.

Supervisor Nelson expressed concern with the District's ability to make a true impact at the Ports when so much of what is involved there falls under the purview of the federal government, including emissions from ships, locomotives and diesel trucks. Federal enforcement is needed.

Mr. Nastri expressed that the impact we can make is by working with the Ports as evidenced by them over-delivering on the last set of commitments. He confirmed that federal regulators are responsible for planes, ships and trucks at the Ports; and explained that as evidenced by the recent decision by U.S. EPA to initiate rulemaking for heavy-duty ultra-low NOx trucks, in response to a multi-state, multi-agency petition urging for that regulation, the District can make an impact by taking a leadership role. He noted the importance of continuing to work with industry to ensure that progress is being made towards emission reduction goals.

Dr. Parker commented on the previous backstop measures in place for the Ports that were predicated upon the Ports meeting certain milestones in order to avoid specific rulemaking; and inquired what types of similar mechanisms will be in the upcoming AQMP.

Henry Hogo, Assistant DEO Science and Technology Advancement, replied that both the 2007 and 2012 AQMP set forth specific targets for the Ports which have been met, and projections show that they will continue to meet those out to the year 2023, also taking into account an increase in emissions from growth of the Ports over time. He added that while there are no new proposals for additional reductions at this time, staff will continue to engage with the Ports to ensure they are able to honor new commitments in the Clean Air Action Plan to meet regional emission targets.

Councilwoman Mitchell recalled some of the discussion that occurred at the recent meeting of the Marine Port Committee. The first step is to work on voluntary reductions. If the targets are not met, we would go to rulemaking. She noted that the Clean Air Action Plan needs to be specific on targets and emission reductions so we can track and go to

rulemaking if the reductions and timelines are not met. She added that an additional point that was covered at that meeting was the need to replace older model trucks at the Ports with cleaner trucks.

Dr. Lyou expressed concern that the approach in the proposed 2016 AQMP results in Port emissions and emission reductions not becoming part of the baseline emission inventory. He encouraged having emission reduction commitments for the Ports in the AQMP.

Supervisor Kuehl asked about the District's authority to enforce commitments that are not met.

Kurt Wiese, General Counsel, cautioned against protracted discussion by the Board of a matter that was not agendized.

Councilwoman Mitchell suggested that the matter be placed on the appropriate committee agenda so that further discussion could occur.

Chairman Burke confirmed that the matter would be referred to the Marine Port Committee with the intent to bring the item to the full Board.

MOVED BY ROBINSON, SECONDED BY
CACCIOTTI, AGENDA ITEM 11 APPROVED
AS RECOMMENDED, BY THE FOLLOWING
VOTE:

AYES: Benoit, Burke, Cacciotti, Kuehl,
Lyou, McCallon, Mitchell, Nelson,
Parker and Robinson

NOES: None

ABSENT: Buscaino and Rutherford

BOARD CALENDAR

14. Administrative Committee
15. Legislative Committee
16. Marine Port Committee
17. Mobile Source Air Pollution Reduction Review Committee
18. California Air Resources Board Monthly Report

MOVED BY MITCHELL, SECONDED BY CACCIOTTI, AGENDA ITEMS 14 THROUGH 18, APPROVED AS RECOMMENDED, RECEIVING AND FILING THE COMMITTEE MSRC AND CARB REPORTS AND APPROVING THE 2017 LEGISLATIVE GOALS AND OBJECTIVES, BY THE FOLLOWING VOTE:

AYES: Benoit, Burke, Cacciotti, Kuehl, Lyou, McCallon, Mitchell, Nelson, Parker and Robinson

NOES: None

ABSENT: Buscaino and Rutherford

Staff Presentation/Board Discussion

19. Update on Draft Financial Incentives Funding Action Plan for 2016 AQMP

Henry Hogo, Assistant DEO Science and Technology Advancement, gave a presentation regarding the Funding Action Plan that was developed as a companion piece to the 2016 AQMP to look for opportunities to obtain the estimated funds needed to get the emissions reductions that are being proposed in the AQMP.

Councilwoman Mitchell inquired about the proposed timeline for obtaining the funding, how staff plans to proceed and to what extent the Board will be involved in that process.

Mr. Hogo explained that once the desired opportunities have been selected, staff can better identify which items to prioritize, and a timeline will then be established. He added that there will be opportunities for stakeholder input throughout the process.

Mr. Nastri added that there are opportunities at the federal and state level and that coalition building will be very important. He described efforts staff is pursuing at the state level.

Chairman Burke commented that the large amount of grants disbursed each year by the U.S. Department of Energy, primarily to universities and educational venues, for climate change research, may now be redirected to the local level to assist in the implementation of programs which would allow for clean air projects. He encouraged future collaboration and discussion on ways to receive a portion of those funds, as well as transportation funds.

Dr. Lyou stressed the importance of taking time to fully vet the options and to prioritize where to best focus the District's efforts. He added that the best opportunities at this time are likely at the state level, and a coalition is needed to work with the legislature.

Supervisor Kuehl commented that perhaps some adjustment to the language used with items will be necessary with the incoming administration. She gave the example of "climate change" being a potentially undesirable term. She asked for clarification of bond authority.

Mr. Nastri explained that the Draft Funding Plan includes state ballot measures and the possibility of seeking authority for the District to do bond measures. He elaborated on working with coalitions as we explore the possible funding options.

The following individuals addressed the Board regarding Agenda Item 19.

Allis Druffel, California Interfaith Power and Light urged for an AQMP focused on pollution reduction, safe communities and the creation of clean energy jobs; and asked that language regarding the types of projects to be funded in EJ communities be explored and RECLAIM program be sunset. (Submitted Written Comments)

David Pettit, Natural Resources Defense Council, commented on the high level of uncertainty of obtaining the funds listed in the Incentive Plan as a result of impending changes to the federal government. He noted the failure of DERA funds and stressed the short time to meet attainment and ramifications if deadlines are not met.

Bill Quinn, California Council for Environmental and Economic Balance, expressed support for incentive-based approaches that do not put the region at a competitive disadvantage; expressed an interest in serving on the incentive funding working group to better investigate potential funding sources; and requested clarification on the purpose of the draft incentive plan as it relates to the AQMP.

Evan Gillespie, Sierra Club, explained they are not opposed to incentives, but it is critical that the District exercises its full authority to pursue regulatory measures first. He stressed the need for additional regulations to reduce pollution at refineries and to sunset the RECLAIM program. He expressed opposition to the proposals in the incentive plan that pass the cost of cleaning the air to low- and middle-income families who bear the brunt of unhealthy pollution.

Angela Johnson Meszaros, Earthjustice, explained that she believes it will be problematic to get the legislature to pass a vehicle tax; refineries should be required to add controls before taxes are pursued. She cautioned against implementing regressive taxes on those that can least afford it. She urged requiring emission reductions at refineries, the Ports and for indirect sources.

Dr. Jim Stewart, Sierra Club, expressed concern that the Draft AQMP does not show that emission reductions needed by 2023 will be met, and the amount of incentive funding is unrealistic. He advocated for direct regulation.

Harvey Eder, Public Solar Power Coalition, stressed the importance of total solar conversion to meet necessary emission reductions. He mentioned efforts to form a public/private partnership for more EVs and solar storage for low income people.

Tajarri Nenson, Lizette Hernandez, Diego Alaniz, Cristian Garza, Ruben Garza, Marina Barragan and Raul Zendejas, Sierra Club My Generation, expressed opposition to the proposals in the incentive plan that pass the cost of cleaning up the air to low- and middle-income families who bear the full impact of pollution and negative health effects. Many of them shared their personal and family experiences and urged strong regulatory measures that do more to provide a solution to the region's poor air quality.

Dr. Lyou suggested that the language in the guiding principles in the Draft Funding Plan more clearly state that those who pollute the most, pay the most, and the people who can least afford to pay should not have to.

Mayor Pro Tem McCallon noted that staff was presenting a list of potential sources of funding and none of them have been approved or implemented; and expressed his opinion that increases in property tax or car registration fees would not succeed.

INFORMATION ONLY; NO ACTION NECESSARY.

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

Terry Stern, Rheem Sales Company, explained that Rheem manufactures HVAC and hot water products, indicating that their company has products available that currently meet low NOx emission requirements that will be the focus of Rule 1111 scheduled to be brought to the Board in 2017. They are willing to license their technology to other manufacturers, and stated that changes to the rule would affect product availability due to the long lead time to change the manufacturing line.

Chairman Burke asked about the cost of water heaters and stated staff is looking at solar water heaters in the Plan.

Harvey Eder, Public Solar Power Coalition, stated that comments he made on the Plan and associated documents were not adequately addressed, and urged the District to focus on immediate total solar conversion.

In response to Dr. Burke's request for a response from staff regarding the inclusion of solar power technology in the AQMP, Dr. Fine explained that discussion and analysis of solar-powered technologies are included in the Plan. However, in terms of cost-effectiveness for NOx reductions, solar-power on its own does not rank high because the reductions are not sufficient to meet attainment goals. He added that in order to potentially utilize solar power, staff is researching its use in conjunction with other technologies, including solar hot water heating, to see if cost-effective reductions through incentives and regulation can be implemented.

Chairman Burke and Mayor Cacciotti stressed the importance of including solar power and battery storage in the Plan.

Yvonne Watson commented on the hardships faced by those suffering with respiratory illnesses.

Patty Senecal, WSPA, described the methods that are currently used for reporting of refinery emissions, including that those methods are approved by U.S. EPA, CARB and SCAQMD and are audited annually. WSPA is committed to working collaboratively with the District to learn more about new monitoring technologies.

Dr. Lyou stressed the importance of obtaining accurate emission inventories and encouraged that to be a top priority.

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 SCAQMD is a party. The actions are:

In the Matter of SCAQMD v. Southern California Gas Company, Aliso Canyon Storage Facility, SCAQMD Hearing Board Case No. 137-76 (Order for Abatement);

People of the State of California, ex rel SCAQMD v. Southern California Gas Company, Los Angeles Superior Court Case No. BC608322; Judicial Council Coordinated Proceeding No. 4861;

SCAQMD v. Anaplex, Los Angeles Superior Court Case No. BC608322 (Paramount Hexavalent chromium); and

In the Matter of SCAQMD v. Aerocraft Heat Treating Co., Inc. and Anaplex Corp., SCAQMD Hearing Board Case No. 6066-1 (Order for Abatement).

Following closed session, Chief Deputy Counsel Barbara Baird announced that there were no reportable actions taken in closed session.

ADJOURNMENT

There being no further business, the meeting was adjourned by Barbara Baird at 12:45 p.m.

The foregoing is a true statement of the proceedings held by the South Coast Air Quality Management District Board on January 6, 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
DERA = Diesel Emissions Reduction Act
EJ = Environmental Justice
EV = Electric Vehicle
FY = Fiscal Year
NOx = Oxides of Nitrogen
PM2.5 = Particulate Matter \leq 2.5 microns
RECLAIM = REgional CLean Air Incentives Market
U.S. EPA = United States Environmental Protection Agency

 Back to Agenda

BOARD MEETING DATE: February 3, 2017

AGENDA NO. 2

PROPOSAL: Set Public Hearing March 3, 2017 to Consider Adoption of and/or Amendments to SCAQMD Rules and Regulations:

Adopt Rule 1430 – Control of Emissions from Metal Grinding Operations at Metal Forging Facilities

Proposed Rule 1430 will reduce particulate matter and toxic emissions from metal grinding and cutting operations at forging facilities. Metal grinding and cutting operations are currently exempt from SCAQMD permits. Based on air quality sampling and site visits, metal grinding at forging facilities can be a significant source of metal particulate emissions, some of which are also toxic air contaminants. The proposed rule will prohibit forging facilities from conducting grinding and cutting operations outside and includes requirements to vent metal grinding and cutting operations to emission control devices, to meet a specified emission standard for the emission control devices, and implement a series of housekeeping measures to further minimize fugitive emissions. (Reviewed: Stationary Source Committee, January 20, 2017)

The complete text of the proposed rule, staff report, and other supporting documents are available from the District's Public Information Center, (909) 396-2550, and on the Internet (www.aqmd.gov) as of February 1, 2017.


RECOMMENDED ACTION:

Set public hearing March 3, 2017 to adopt Proposed Rule 1430.

Wayne Nastri
Executive Officer

BOARD MEETING DATE: February 3, 2017

AGENDA NO. 3

PROPOSAL: Execute Contracts to Conduct In-Use PM Emission Study for Gasoline Direct Injection Vehicles and Establish Renewable Natural Gas Research Center 

SYNOPSIS: Since mobile sources represent the largest NO_x and PM sources in the South Coast Air Basin, the Draft 2016 AQMP identifies development and implementation of new technologies to reduce mobile source emissions as a key strategy. It is also equally important to assess new technologies to prevent or mitigate any negative impact on air quality and public health. The University of California Riverside (UCR) CE-CERT recently submitted two unsolicited proposals that address these needs and staff recommends cost-sharing the proposed projects to: 1) conduct an in-use emission study to characterize tailpipe PM emissions from gasoline direct injection vehicles under real-world driving conditions; and 2) support establishment of a research center to study promising renewable natural gas production technologies to expedite commercial implementation. This action is to execute contracts with UCR CE-CERT to cost-share these projects in an amount not to exceed \$322,000 from the Clean Fuels Fund (31).

COMMITTEE: Technology, January 20, 2017; Recommended for Approval

RECOMMENDED ACTION:

Authorize the Chairman to execute contracts with UCR CE-CERT for the following projects from the Clean Fuels Fund (31):

- a. Conduct in-use PM emission study for gasoline direct injection vehicles in an amount not to exceed \$222,000; and
- b. Support establishment of a Renewable Natural Gas Research Center to study promising RNG production technologies in an amount not to exceed \$100,000.

Wayne Nastri
Executive Officer

Background

SCAQMD faces daunting challenges to achieve significant reductions in NO_x emissions in order to meet the national ambient air quality standards for ozone. Since mobile sources represent the largest NO_x and PM sources in the South Coast Air Basin, it is essential to support the development and implementation of new technologies that will help reduce mobile source emissions. It is also equally important to assess the new technologies to prevent or mitigate any negative impact on air quality and public health.

Gasoline direct injection (GDI) vehicles are the fastest growing market segment in the automobile industry as manufacturers introduce more GDI models to meet new and more stringent fuel economy standards. However, studies have shown that GDI vehicles emit higher PM emissions than conventional port fuel injection vehicles, with potentially significant impacts on air quality and public health. As a result, both U.S. EPA and CARB have been testing GDI vehicles over different test cycles to characterize their PM emissions. The SCAQMD also funded a UCR CE-CERT study to characterize tailpipe PM emissions, including secondary organic aerosols, from GDI vehicles using a chassis dynamometer. However, this dynamometer-based testing may be limited in providing accurate estimates of real-world on-road emissions, and in-use emission analysis using portable emission measurement systems (PEMS) may help address such limitations.

The SCAQMD has a long history of supporting clean alternative fuels including natural gas. This support has included expanding the region's natural gas refueling infrastructure and advancing the development of near-zero NO_x emission heavy-duty natural gas-powered engines. Furthermore, since renewable natural gas (RNG) is an important alternative fuel that can help reduce GHG emissions and dependency on fossil fuels, SCAQMD has provided support for waste-to-energy projects, such as electricity generation from municipal solid waste (MSW) or landfill gas, and is extending support to local production and use of RNG as a transportation fuel. Two ongoing Board-approved RNG projects include the CR&R anaerobic digester utilizing municipal solid waste to produce RNG in Perris and the KORE Infrastructure project to produce RNG from biosolids. The primary use of RNG from these facilities is intended for medium- and heavy-duty natural gas vehicles.

Recently, UCR CE-CERT submitted two unsolicited proposals, one to characterize tailpipe PM emissions from GDI vehicles and another to evaluate promising RNG production technologies.

Proposal

This action is to execute contracts with UCR CE-CERT to: 1) conduct an in-use emission study to characterize tailpipe PM emissions from GDI vehicles under real-world driving conditions; and 2) support establishment of an RNG research center to study promising RNG production technologies to accelerate their commercial implementation.

In-Use PM Emission Study

Complementing prior and ongoing dynamometer-based testing, UCR CE-CERT proposes to conduct in-use emission testing of CARB-tested GDI models to measure their PM and particle number (PN) emissions under real-world driving conditions. The testing will be conducted with PEMS units over three different routes in Southern California to simulate urban, rural and highway driving patterns, with three test runs for each route per test vehicle for validation tailpipe emissions. Also, one of the test vehicles will be retrofitted with a gasoline particulate filter provided by the Manufacturers of Emission Controls Association (MECA) to test the efficacy of the control technology. The results of this study will be used, along with the CARB-test results, to characterize PM and PN emissions from GDI vehicles and facilitate a discussion on potential mitigation strategies.

RNG Research Center

UCR CE-CERT proposes to establish a Renewable Natural Gas Research Center (RNGRC) which will study key RNG production technologies in demonstration-scale testbeds to address technical and other challenges as well as system optimization and integration needed for commercial implementation of the technologies in California and elsewhere. This proposal is to cost-share Phase 1 of the RNGRC project, which will consist of the following tasks:

- Evaluation of RNG production potentials via thermochemical conversion and power-to-gas (PTG) technologies;
- Techno-economic evaluation (technology pathway and cost-effectiveness analysis) of high viability projects, including well-to-wheel analysis of GHG and criteria pollutant emissions and energy use;
- Design basis for demonstration-scale projects and a roadmap that details the most feasible path towards commercialization, including technology choices, policy and regulatory barriers, timeline and financing strategies; and
- Education and outreach to the public, policymakers and other stakeholders through conferences and communication through media outlets, as well as technology demonstrations and publications.

Successful completion of the Phase I tasks may lead to Phase II in a subsequent project to fabricate, install and operate demonstration-scale testbeds with an ultimate path toward construction and operation of commercial-scale plants for selected RNG production technologies.

Sole Source Justification

Section VIII.B.2 of the Procurement Policy and Procedure identifies provisions under which a sole source award may be justified. This request for sole source awards is made under provisions B.2.d.(1) and (8): Other circumstances exist which in the determination of the Executive Officer require such waiver in the best interest of the SCAQMD. Such circumstances may include but are not limited to projects involving cost-sharing by multiple sponsors and research and development efforts with educational institutions or nonprofit organizations.

UCR is an educational institution and CE-CERT is their research center with multidisciplinary resources to engage in diverse environmental and transportation research programs. The cost-share will consist of in-kind contributions from MECA for the in-use PM emission study and funding support from the Southern California Gas Company (SoCalGas) and U.S. Department of Transportation (DOT), along with in-kind contributions from UCR for the RNGRC.

Benefits to SCAQMD

The proposed projects are relevant to the SCAQMD's priorities to reduce NO_x and PM emissions from transportation and stationary sources as well as realizing GHG co-benefits to achieve national ambient air quality standards and protect public health.

The proposed in-use PM emission study will help to better understand the impact on air quality and public health from GDI vehicles that are increasing in popularity due to its higher fuel economy and power output. It will also facilitate discussions on potential control technologies to mitigate such impact.

Large-scale production of RNG in California will lead to the expanded availability of RNG as a transportation fuel as well as a clean alternative energy source. This will further accelerate the deployment of near-zero heavy-duty transportation technologies, helping to lower NO_x emissions in our Basin, and potentially provide fuel with significant GHG benefits.

The proposed projects are included in the *Technology Advancement Office Clean Fuels Program 2016 Plan Update* under the categories of "Fuels/Emission Studies" and "Stationary Clean Fuel Technologies."

Resource Impacts

The total estimated cost for the proposed projects is \$534,000, of which SCAQMD's proposed cost-share will not exceed \$322,000 from the Clean Fuels Fund (31), as summarized below:

Proposed Project Cost-Share

Project Partner	In-Use Study	RNGRC	Total by Project Partner
SCAQMD (<i>requested</i>)	\$222,000	\$100,000	\$322,000
MECA (in-kind)	\$51,000		\$51,000
SoCalGas		\$100,000	\$100,000
U.S. DOT		\$25,000	\$25,000
UCR CE-CERT (in-kind)		\$36,000	\$36,000
Total Project Cost	\$273,000	\$261,000	\$534,000

Sufficient funds are available in the Clean Fuels Fund (31) for this proposed project. The Clean Fuels Fund (31) is established as a special revenue fund resulting from the state-mandated Clean Fuels Program. The Clean Fuels Program, under Health and Safety Code Sections 40448.5 and 40512 and Vehicle Code Section 9250.11, establishes mechanisms to collect revenues from mobile sources to support projects to increase the utilization of clean fuels, including the development of the necessary advanced enabling technologies. Funds collected from motor vehicles are restricted, by statute, to be used for projects and program activities related to mobile sources that support the objectives of the Clean Fuels Program.

BOARD MEETING DATE: February 3, 2017

AGENDA NO. 4

PROPOSAL: Recognize Revenue and Execute Contract for Development of Ultra-Low Emission Diesel Engine for On-Road Heavy-Duty Vehicles

SYNOPSIS: On July 7, 2016, the Board released a Request for Information to obtain technical information on ultra-low NOx emission technologies for heavy-duty diesel engines. Two responses were received, one of which was from the Southwest Research Institute (SwRI). CARB had previously awarded a contract to SwRI to investigate and demonstrate emission control strategies for 13-liter diesel engines to achieve 90% emission reductions compared to the current NOx standard. As a follow-on to this successful demonstration project, CARB and the Port of Los Angeles (POLA) have expressed interest in cofunding the advancement of current larger displacement diesel engines to achieve ultra-low NOx emissions. Staff proposes to cost-share the project. CARB will contract directly with SwRI while the POLA cofunding will pass through the SCAQMD. These actions are to recognize up to \$287,500 from POLA and execute a contract with SwRI for development of an ultra-low emission heavy-duty diesel engine in an amount not to exceed \$575,000 from the Clean Fuels Fund (31).

COMMITTEE: Technology, January 20, 2017; Recommended for Approval

RECOMMENDED ACTIONS:

1. Recognize, upon receipt, up to \$287,500 from the Port of Los Angeles into the Clean Fuels Fund (31) for the development of an ultra-low emission diesel engine for on-road heavy-duty vehicles; and
2. Authorize the Chairman to execute a contract with SwRI for the development of an ultra-low emission diesel engine for on-road heavy-duty vehicles in an amount not to exceed \$575,000 from the Clean Fuels Fund (31).

Wayne Nastri
Executive Officer

Background

On-road heavy-duty vehicles are currently one of the largest sources of NO_x emissions in the South Coast Air Basin. Reductions of on-road heavy-duty vehicle NO_x emissions beyond the 2010 NO_x emission standard will be required to meet national ambient air quality standards. Consequently, the Board recently cofunded the development of on-road heavy-duty natural gas engines that are at least 90% cleaner than the current on-road heavy-duty engine NO_x emission standard. As a result, a new generation of heavy-duty natural gas engines are now certified by CARB and U.S. EPA to meet a 0.02 grams per brake horsepower hour (g/bhp-hr) NO_x emission level. Now that the Cummins Westport ISL G 8.9-liter engine is in production, similar efforts are being devoted by CARB and others to develop larger displacement heavy-duty diesel engines.

On July 7, 2016, the Board released a Request for Information (RFI) to obtain technical information on ultra-low NO_x emission technologies for heavy-duty diesel engines. Two responses were received, one of which was from Southwest Research Institute (SwRI) describing a previously funded CARB project to investigate and demonstrate technological pathways for development of a 13-liter heavy-duty diesel engine that can achieve 0.02 g/bhp-hr NO_x emission level. Since a few of the technology strategies, all of which included a combination of advanced aftertreatment technology devices, were successfully demonstrated, CARB and the Port of Los Angeles (POLA) have expressed interest in cofunding the advancement of current larger displacement (larger than 13-liter) diesel engines to achieve ultra-low NO_x emission reductions. CARB proposes to contract directly with SwRI while the POLA cofunding of \$287,500 will be passed through the SCAQMD. The other proposal, also from SwRI, did not focus on large displacement engine development and thus was not within the focus of the RFI.

Proposal

This action is to recognize revenue up to \$287,500 from POLA into the Clean Fuels Fund (31). This action is to also execute a contract with SwRI for development of ultra-low emission heavy-duty diesel engines in an amount not to exceed \$575,000, of which SCAQMD's share is not to exceed \$287,500.

The objective of the proposed project is to use lessons learned from the successful 13-liter heavy-duty diesel engine demonstration project to advance engine and aftertreatment technologies in current heavy-duty diesel engines to achieve NO_x emission levels that are at least 90% lower than 2010 heavy-duty NO_x emission standards. SwRI will be required to: (1) identify specific diesel engines, test cycles and aftertreatment technologies, (2) characterize the baseline emission performance of the engine, (3) determine engine characteristics for cold starts, hot starts, normal operation and low-load, low-temperature operation, and (4) define possible engine control strategies. Based on the engine performance and engine control strategies, SwRI will be required to select technology pathways for screening and final engine system

development. Once developed, the engine will be tested using both the Federal Test Procedure for emission certification and non-certification test cycles representative of real-world use in different vocations that are prevalent in the air basin. The use of vocational specific test cycles will provide additional insights towards the engine's real-life emission reduction potential.

Sole Source Justification

Section VIII.B.2 of the Procurement Policy and Procedure identifies four major provisions under which a sole source award may be justified. This request for sole source award is made under provision B.2.d.: Other circumstances exist which in the determination of the Executive Officer require such waiver in the best interest of the SCAQMD. Specifically, these circumstances are B.2.d.(1): Project involving cost-sharing by multiple sponsors. The proposed project will be cost-shared by CARB and POLA. Details of the cost-share to be provided by CARB and POLA are shown under the Resource Impacts.

Benefits to SCAQMD

Projects to support implementation of various clean fuel vehicle programs are included in the *Technology Advancement Office Clean Fuels Program 2016 Plan Update* within the category "Engine Systems" under "Develop and Demonstrate Advanced Alternative Fuel Medium- and Heavy-Duty Engines and Vehicles". This project is to develop an ultra-low NOx emission diesel engine for on-road heavy-duty vehicles. This engine also can be fueled with renewable diesel fuels. Successful development will help to support the larger engines necessary for long haul trucking operations and contribute towards technology to support the petition for a national standard for near-zero heavy-duty engines. Longer term, it will help to accelerate wide-scale deployment of heavy-duty engines in the South Coast Air Basin with contributions toward the attainment of clean air standards for the region by significantly reducing criteria pollutant emissions from diesel-fueled trucks. Statewide, the project addresses the reduction of GHG emissions and the mandated goal of near zero NOx levels by 2021.

Resource Impacts

The proposed project budget is \$1,325,000 with pass-through funding of \$287,500 anticipated from POLA to be recognized, upon receipt, into the Clean Fuels Fund (31). SCAQMD's total cost-share will not exceed \$287,500 from the Clean Fuels Fund (31). CARB will contract directly with SwRI for a significant cost-share of \$750,000. The SCAQMD's contract with SwRI will not exceed \$575,000. Proposed project costs are broken down as follows:

Proposed Project Costs

Funding Source	Funding Amount	Percent
CARB	\$750,000	56%
POLA	\$287,500	22%
SCAQMD (<i>requested</i>)	\$287,500	22%
Total	\$1,325,000	100%

Sufficient funds are available from the Clean Fuels Fund, established as a special revenue fund resulting from the state-mandated Clean Fuels Program. The Clean Fuels Program, under Health and Safety Code Sections 40448.5 and 40512 and Vehicle Code Section 9250.11, establishes mechanisms to collect revenues from mobile sources to support projects to increase the utilization of clean fuels, including the development of the necessary advanced enabling technologies. Funds collected from motor vehicles are restricted, by statute, to be used for projects and program activities related to mobile sources that support the objectives of the Clean Fuels Program.

BOARD MEETING DATE: February 3, 2017

AGENDA NO. 5

PROPOSAL: Renew SCAQMD's Membership in CaFCP for Calendar Year 2017, Provide Office Space for CaFCP, and Receive and File California Fuel Cell Partnership Executive Board Agenda and Quarterly Updates 

SYNOPSIS: The SCAQMD has been a member of the California Fuel Cell Partnership (CaFCP) since early 2000. This action is to renew SCAQMD's membership in the CaFCP in an amount not to exceed \$70,000 for Calendar Year 2017 and cofund 50 percent of the CaFCP Regional Coordinator position located at SCAQMD in an amount not to exceed \$50,000 from the Clean Fuels Fund (31). Further actions are to continue providing in-kind office space and utilities for CaFCP employees in 2017 in an effort to educate the public and increase CaFCP's presence in Southern California. Finally, this action is to receive and file the CaFCP Executive Board Meeting Agenda for October 18, 2016, and Quarterly Updates beginning April and July 2016.

COMMITTEE: Technology, January 20, 2017; Recommended for Approval

RECOMMENDED ACTIONS:

1. Authorize the Chairman to execute a contract in an amount not to exceed \$120,000 from the Clean Fuels Fund (31) with Bevilaqua-Knight, Inc., acting on behalf of the Partnership, to
 - a. Continue SCAQMD's membership for calendar year 2017 for a total amount not to exceed \$70,000 for common expenses of the CaFCP;
 - b. Continue support for a Regional Coordinator located at SCAQMD for a total amount not to exceed \$50,000; and
 - c. Continue to provide office space and utilities on a month-to-month basis for up to four cubicles for CaFCP staff and storage at SCAQMD headquarters.
2. Receive and file the attached Executive Board Agenda and Quarterly Updates.

Wayne Nastri
Executive Officer

Background

The California Fuel Cell Partnership (CaFCP) was initiated in 1999 as a means to accelerate response to CARB's ZEV regulations. Because of the alignment of the SCAQMD and CaFCP goals for accelerated fuel cell vehicle commercialization, the SCAQMD Board accepted the CaFCP's formal invitation to join as a full member in March 2000. In January 2012, CARB approved Advanced Clean Car regulations, which harmonize California requirements with federal requirements from 2017–2025 and incorporate GHG emission reductions. The AQMP and the Technology Advancement Office Clean Fuels Program 2016 Plan Update have identified fuel cells for on- and off-road applications as a core technology for attaining and maintaining cleaner air quality.

Initially, the CaFCP Program focused on development of vehicle, infrastructure and outreach plans for future projects. The CaFCP was involved in the demonstration of cars and buses using gaseous and liquid hydrogen and methanol through 2003. A limited number of fleet customer placements began in 2002. In addition, the bus transit partners operated several zero emission fuel cell buses. The CaFCP and members demonstrated several generations of fuel cell cars and buses using gaseous hydrogen fuel at 350 bar and 700 bar pressures. Several automakers started retail placement of fuel cell vehicles near hydrogen stations in early market communities. The CaFCP with member support developed a "Roadmap" for the introduction of fuel cell passenger vehicles with sufficient hydrogen fueling stations in California, a "Bus Roadmap", and most recently, a Medium- & Heavy-Duty Fuel Cell Electric Vehicle Action Plan.

With the commitment of funding under AB 8 (chaptered in 2013) to develop and operate approximately 100 hydrogen retail fueling stations in California through 2023, and the collaboration of California with other states to support ZEVs, automakers are continuing to announce market launches. Some automakers are combining efforts to share intellectual property, build component supply chains and leverage resources - Daimler with Ford and Nissan, Toyota with BMW, and General Motors with Honda. Germany, Japan and Korea have also committed funding to build more hydrogen stations.

At the request of SCAQMD, the CaFCP has expanded its presence in Southern California due to the increased deployment of vehicles, the largest number of fueling stations and the great air quality need in this region. A CaFCP Regional Coordinator based in our region supports member activities and outreach and an Infrastructure Specialist facilitates hydrogen station development.

Major accomplishments during Calendar Year 2016 include:

- The continued retail production and deployment of fuel cell cars and buses in California. The 2016 Toyota Mirai was the first fuel cell vehicle offered for sale in California. Both the Toyota Mirai and Hyundai Tucson fuel cell vehicles can

be leased through selected dealerships in California, and Honda is producing the 2017 Clarity FCV and delivering them through 12 dealerships in California;

- Development and release of the Medium- and Heavy-Duty Fuel Cell Electric Vehicle Action Plan, focusing on early markets for medium-duty delivery trucks and heavy-duty drayage trucks; and
- Increased presence of the CaFCP in Southern California through coordination of ombudsman activities in early market communities with Regional Coordinator & Infrastructure Specialist staff based at SCAQMD.

The CaFCP has introduced new membership levels to increase membership and reduce the cost of membership. Each CaFCP Executive Member has a representative on the Executive Board and pays \$70,000. Current Executive Members include:

- Seven auto manufacturers (General Motors, Toyota, Daimler, Honda, Hyundai, Nissan and Volkswagen);
- Two industry stakeholders (AFCC and EIN); and
- Six government agencies (SCAQMD, Bay Area AQMD, CARB, California Energy Commission, U.S. DOE and U.S. EPA).

There are an additional 25 Full and Associate Members contributing a combined total of \$103,000, with commensurate benefits and voting rights. Like SCAQMD, CARB and U.S. DOE also provide additional contributions for specified uses.

The CaFCP retains Bevilacqua-Knight, Inc., (BK_i) to provide the needed support for the common tasks agreed to by the CaFCP, and each member contracts directly with BK_i acting on behalf of the CaFCP.

Proposal

The CaFCP completed the fourth phase “Preparing for Market Launch” through 2016 and is transitioning to an ongoing commercial vision. The fee of \$70,000 per Executive Member supports the activities planned for 2017, with additional membership levels designed to encourage participation with commensurate benefits. The operating budget for 2017 is \$1,642,446, assuming that membership at the revised levels will continue to grow. The 2016 Vice-Chair, Dr. Clark E. Parker, Sr., (SCAQMD), is the Chair for 2017, with Christian Mohrdieck (Daimler), now serving as Vice-Chair. The majority of fuel cell vehicle deployment growth is anticipated to be within the South Coast Air Basin over the next couple of years, enhanced by the development of hydrogen stations in more early markets in California and beginning in several Northeast states.

The proposed CaFCP activities for 2017 are to:

1. Develop the necessary infrastructure and processes to support early commercial launch and expanded vehicle rollout.
 - a. Support quicker construction and commissioning of current California hydrogen stations by participating in code, standard and regulation processes,

- facilitating station commissioning processes, and documenting lessons learned.
- b. Define necessary metrics of progress and identify network technology challenges and information gaps.
 - c. Support and collaborate on consensus plan for first 100 hydrogen stations.
 - d. Identify new concepts and approaches to activate exponential long-term market growth and encourage new investment opportunities; and
 - e. Expand CaFCP Station Operational Status System (SOSS) to include all new California hydrogen stations and implement improvements to expand customer value and use.
2. Share and synchronize experience by providing forums and opportunities for members to advance group collaboration and progress within CaFCP and among stakeholders, including national coordination.
 - a. Build and expand trust among members through open communication and forums; and
 - b. Communicate with stakeholders nationally and internationally to share lessons learned and amplify market launch efforts.
 3. Reach target markets and communities to educate, inform and promote hydrogen and FCEVs and accelerate commercial adoption.
 - a. Communicate the benefits of FCEVs and hydrogen through outreach materials, events, social media and media relations.
 - b. Provide education and outreach to state and local governments, and non-governmental organizations.
 - c. Regularly develop new content to expand reach and CaFCP value.
 - d. Highlight and support new station openings; and
 - e. Continue development of CaFCP's station map and network progress reports.
 4. Implement CaFCP restructuring to be more inclusive and capable of meeting the expanding commercial market needs and opportunities, broadening the member base, and being the voice of all stakeholder participants. Establish a new commercial vision for CaFCP.
 - a. Implement new structure, expand membership and develop new commercial vision.
 - b. Support deployment of fuel cell bus Centers of Excellence and the Bus Team.
 - c. Implement the Medium- and Heavy-Duty Fuel Cell Electric Vehicle Action Plan and establish new market sector workgroup(s) to increase awareness and participation around fuel cells.

This action is to execute a contract with BKi to renew SCAQMD's membership in the CaFCP for Calendar Year 2017 and continue to cofund the CaFCP Regional Coordinator position located at SCAQMD and reporting to the CaFCP Executive Director, as well as provide in-kind office space and utilities for up to four CaFCP employees in Calendar Year 2017. This action is also to receive and file the CaFCP

Executive Board Meeting Agenda and Quarterly Updates for April-June and July-September 2016.

Sole Source Justification

Section VIII.B.2. of the Procurement Policy and Procedure identifies provisions under which a sole source award may be justified. This request for a sole source award is made under provision B.2.d.: Other circumstances exist which in the determination of the Executive Officer require such waiver in the best interest of SCAQMD.

Specifically, these circumstances are B.2.d.(1): Projects involving cost-sharing by multiple sponsors. The major sponsors contributing financially to the CaFCP include seven automakers, two industry stakeholders and six government agencies.

Benefits to SCAQMD

Membership in the CaFCP is consistent with the *Technology Advancement Office Clean Fuels 2016 Plan Update* under “Hydrogen and Mobile Fuel Cell Technologies & Infrastructure” and “Assessment and Technical Support of Advanced Technologies and Information Dissemination.” SCAQMD supports the development, demonstration and commercialization of zero and near-zero emission vehicles and strives to educate public and private organizations regarding the benefits and characteristics of these vehicles.

Resource Impacts

SCAQMD’s support of the CaFCP for Calendar Year 2017, provided through a contract with BKi, shall not exceed \$120,000 from the Clean Fuels Fund (31), comprised of up to \$70,000 for common project costs to cover administrative, technical and program management costs and half the cost up to \$50,000 for the Regional Coordinator position located at SCAQMD Headquarters. SCAQMD is also providing additional in-kind cost-share of office space for CaFCP staff and utilities at SCAQMD headquarters, representing annual foregone rent of approximately \$10,440 for the four cubicles.

Sufficient funds are available from the Clean Fuels Fund, established as a special revenue fund resulting from the state-mandated Clean Fuels Program. The Clean Fuels Program, under Health and Safety Code Sections 40448.5 and 40512 and Vehicle Code Section 9250.11, establishes mechanisms to collect revenues from mobile sources to support projects to increase the utilization of clean fuels, including the development of the necessary advanced enabling technologies. Funds collected from motor vehicles are restricted, by statute, to be used for projects and program activities related to mobile sources that support the objectives of the Clean Fuels Program.

Attachments

California Fuel Cell Partnership Executive Board Meeting Agenda
California Fuel Cell Partnership Quarterly Update (April - June 2016)
California Fuel Cell Partnership Quarterly Update (July - September 2016)

CaFCP Public Forum and Executive Board Meeting
“Influencing Factors and Changing Landscapes”
October 18, 2016

California Energy Commission
1516 9th St, Sacramento, CA 95814
Arthur Rosenfeld Room (formerly Hearing Room A)

30 minutes

9:00am–9:30am

CaFCP Chair, J Ward

CaFCP ED, B Elrick

1. Welcome and opening remarks

California has been the national leader in deploying alternative fuels and vehicles, with tangible commercial progress for hydrogen fuel cell vehicles now visible. An update on the status and future considerations for California deployment of stations, passenger vehicles, transit buses and trucks will set the stage for the day’s discussions.

60 minutes

9:30am–10:30am

Moderator: GO-Biz, T Eckerele

CARB, A Bevan

CEC, P Cazal

FirstElement, T Brown

Toyota, J Ward

2. Early Commercialization—Reaching the Goal Line

The 2012 CaFCP Road Map outlined the need for an early station network. Government and industry worked together to help get the network started. Are we on track to reach the goal line for early commercialization? What do our industry and government leaders see as the major factors that will shape the next few years, and what changes should we make to help accelerate progress?

30 minutes

10:30am–11:00am

3. Break

60 minutes

11:00am–12:00pm

Moderator: CSE, B Williams

FCEV driver, M Johannessen

FCEV dealer, J Cunningham

4. Influencing Factors—Market Acceptance

In April 2015, the first FCEV customers addressed the Executive Board. Since then, more vehicles have become available and more than 20 retail hydrogen stations have opened. What have we learned from this first wave of customers? What must we do to give the first thousand customers a positive experience? The next hundred thousand?

75 minutes

12:00pm–1:15pm

5. Lunch *(on own)*

60 minutes

1:15pm–2:15pm

Moderator: UC Davis, J Ogden

Honda/H2USA, S Ellis

6. Signals of Success—How to Achieve Market Growth

With initial success and a line of sight towards establishing the early network coverage objective, it’s time for CaFCP to address the transition to the next stage of the market. What market indicators and signals do government and industry need to enable greater investment and growth? Should CaFCP and its members consider new approaches, mechanisms and processes? Who else needs to be part of these discussions? What factors will help shape and lead to a common vision for hydrogen and FCEVs beyond 2020?

60 minutes

2:15pm–3:15pm

*Moderator: EPA, A Zimpfer
SCAQMD, N Berry
New Flyer, D Warren
BAE Systems, B Devine*

7. Establishing Medium- and Heavy-Duty Benchmarks

CaFCP has released the MHD Action Plan that contains priority actions needed to accelerate early FCET demonstrations. Recent funding rounds will appreciably expand California FCEB deployments. Where are these markets now, and what is needed to quicken commercialization? How are member and non-member companies responding, and what is still needed? What is the potential for leveraging progress across market applications, and why should the the passenger vehicle market care?

30 minutes

3:15pm–3:45 pm

8. Break

15 minutes

3:45pm–4:00pm

*Energy Commission,
Commissioner Scott*

9. What Next?–Actions and Takeaways

Highlights and summary of the day's discussions – identification of specific strategies, actions and responsibilities for increased collaboration, coordination and progress going forward. What will CaFCP and stakeholders commit to that expands commercialization progress?

60 minutes

4:00pm–5:00pm

CaFCP, B Elrick

10. Executive Board Business Meeting

- Consent agenda items
 - Decisions and assignments
 - Liquid hydrogen project
 - Operating protocols
- 2017 Vice Chair
- Proposed new members
- 2017 program plan and budget
- Public comment period*

15 minutes

5:00–5:15pm

Chair, J Ward

11. Meeting wrap up

**No-host bar reception following meeting at
WAL Public Market located at 1104 R Street in Sacramento, CA 95811**

Antitrust Guidelines

It is the express intent of the CaFCP and its members that none of the organization's activities will violate or be in conflict with any federal, state or local antitrust law, rule or policy (collectively, the antitrust laws). Each member will conduct its affairs in conformity with this intent. Each member is aware that there are significant civil and criminal penalties for violating antitrust laws. To the extent possible, the CaFCP and the members will act in a manner substantially in compliance with the policy entitled "Antitrust Guidelines for Collaboration Among Competitors" issued by the Federal Trade Commission and the Department of Justice and dated April 2000. This document is available for reference on CaFCP's member resources website.

This meeting is open to the public and will not be available by phone. This facility is accessible to persons with disabilities. Deadline for requesting ADA modification is October 7, 2014. Meeting materials will be posted at www.caftp.org.

Agenda items may be taken out of order and times may vary from those listed in the agenda. The board may choose to limit public comment at the chair's discretion.

This facility is accessible by public transit. For transit information, call (909) 839-7000 for Sacramento Regional Transit (916) 321-BUSS (2877), website: <http://www.sactrt.com/schedulesfares.stm>. And California Transit link: <http://www.apta.com/resources/links/unitedstates/Pages/CaliforniaTransitLinks.aspx>.

CaFCP Quarterly Update

April - June 2016

Background

The California Fuel Cell Partnership is a unique collaborative of auto manufacturers, energy companies, fuel cell technology companies and government agencies, including SCAQMD. This report summarizes CaFCP activity in or related to Southern California for January to March 2016.

In its fourth phase, 2013-2016, CaFCP members, individually or in groups, will focus on meeting these goals to achieve market launch:

- Prepare for larger-scale manufacturing, which encompasses cost reduction, supply chain and production.
- Work on the customer channel, including identifying and training dealers and service technicians.
- Reduce costs of station equipment, increase supply of renewable hydrogen at lower cost, and develop new retail station approaches.
- Support cost reduction through incentives and targeted RD&D projects
- Continue research, development and demonstration of advanced concepts in renewable and other low-carbon hydrogen.
- Provide education and outreach to the public and community stakeholders on the role of FCVs and hydrogen in the evolution to electric drive.

CaFCP and members' activities fall within three main strategic directions:

1. Support hydrogen station and vehicle deployment to enable commercial market launch in 2015 timeframe
2. Show feasibility and a clear value proposition to consumers, businesses and communities
3. Focus existing resources, engage new groups and pursue innovative concepts to overcome early market challenges

To successfully implement the vision, CaFCP activities must focus on technical, communications and business operations/strategies that require convening, collaborating and communicating.

1. Develop Infrastructure	
<i>Develop the necessary infrastructure and processes to support early commercial launch and expanded vehicle rollout.</i>	
Support the construction and commissioning of current California hydrogen stations by participating in codes, standards and regulation processes; facilitating station commissioning processes; and supporting station openings.	<ul style="list-style-type: none"> • Station OPEN Process guideline document being revised • CSA HGV 4.3 Test Methods for Hydrogen Fueling Parameter Evaluation at re- ballot with Auto Technical Committee (ended 6/24) • SAE J2719/1 Application Guideline for Use of Hydrogen Quality Specification went to ballot and passed, received comments that are being addressed, goes out for 14 day affirmation ballot • SAE J2601 Fueling Protocols for Light Duty Gaseous Hydrogen Surface Vehicles being finalized for affirmation ballot, to include the MC Formula method-adding ramp rates for H35 • California Office of the State Fire Marshal will review plans for CEC-funded hydrogen refueling truck • HyStEP completed device being requested for expanded scope • At 20 retail hydrogen fueling stations • ISO 19880-1 Technical Specification (TS) is published – working towards an International Standard (IS) • Peer reviewed 15 US DOE funded H2 and FCEV projects at US DOE’s Annual Merit Review • Organized and hosted a professionally facilitated industry workshop on H2 Dispensers • Hosted a H2 session at the Fuels Institute annual meeting in San Francisco April 27-29 • Supported and participated in Fuels Institute meeting in Washington DC
Prepare for future funding through outreach and education with fueling retailers and hydrogen industry.	<ul style="list-style-type: none"> • Engaged in discussions with fuel retailers interested in incorporating H2 stations into their operations and provided connections to station developers.
Work with stakeholders to identify potential future station locations.	<ul style="list-style-type: none"> • Identified two Bay Area venue options for the fall 2016 Financial Forum • Facilitated station developer discussions with Harbor City station owner in effort to site existing funded stations to the location.
Develop Road Map 2.0 with strategies for a sustainable network in California.	<ul style="list-style-type: none"> • Discussion at the Working Group about beyond 100 stations modeling

2. Share and Synchronize Experience	
<i>Provide forums and opportunities for members to advance group collaboration and progress within CaFCP and among stakeholders.</i>	
Build and expand trust among members through open communication and forums.	<ul style="list-style-type: none"> • CaFCP Public Forum & Executive Board Meeting on April 19 • CaFCP Working Group meeting held June 22-23 • Several OEM group meetings convened to finalize station open process guideline document, gain consensus on Harbor City strategy recommendations, station naming convention, SOSS reliability data, communication of station outages to customers and station soft opening process. • Station developer meeting held to gain consensus on soft opening process, SOSS reliability data, station naming convention and communication of station outages to customers.
Communicate with stakeholders nationally and internationally to share learnings and amplify market launch efforts.	<ul style="list-style-type: none"> • Panel speaker at NESCAUM meeting at New York Auto Show • Panel speaker at SAE Government/Industry Conference in Washington DC • Participant in the 4th International Workshop on H2 Infrastructure and Transportation May 24-25
3. Reach Target Audiences	
<i>Reach target markets and communities to educate, inform and promote hydrogen and FCEVs.</i>	
Communicate the benefits of FCEVs and hydrogen through outreach materials, events, social media and media relations.	<ul style="list-style-type: none"> • Participated in 16 outreach events • Presented quarterly hydrogen station update webinar • Recorded NACS podcast interview on H2/FCEVs with Bob Wimmer of Toyota • Coordinated SoCal SD meetings and station tour for JX Nippon • Exhibited at WPMA Convention
Provide education and outreach to state and local governments, and NGOs.	<ul style="list-style-type: none"> • At the request of State Senator Hertzberg's office, briefed Galpin Honda on the status of the hydrogen fueling network and the likelihood of future San Fernando Valley stations. • Among other information, emphasized to staff for Council Member Paul Koretz (West Los Angeles) hydrogen is on a renewable pathway like electricity.
Conduct community training for AHJs and emergency responders	<ul style="list-style-type: none"> • Conducted training for City of Riverside FD- 145 first responders; with HAMMER flame prop demonstration • Spoke with Yolo County on permitting of a

	stationary fuel cell installation
Continue development of CaFCP's station map and SOSS	<ul style="list-style-type: none"> • 15 retail stations on SOSS • Added a comment field to m.caftp.org • Continuing to support OEMs and SDs in implementation • Added reporting capabilities to calculate online/offline percentages
4. Expand Markets	
<i>Restructure CaFCP to be more inclusive and capable of meeting the expanding commercial market needs and opportunities, broadening the member base, and being the voice of all stakeholder participants</i>	
Establish new structure and expand membership.	<ul style="list-style-type: none"> • Drafted new legal documents • Last part of reorganization was presented to Executive Board in April
Support deployment of fuel cell bus Centers of Excellence and the Bus Team.	<ul style="list-style-type: none"> • Participated in CARB Advanced Clean Transit meetings to provide FCEB perspective • Met with US DOT FTA interim administrator and staff to provide an update on FCEB progress • Participating in ZEB Coalition initiative • Participating in background meetings with Sierra Club ZEB coalition
Publish and implement the Medium- and Heavy-Duty Road Map document.	<ul style="list-style-type: none"> • Action Plan presented to Executive Board in April • Participated in the West Coast Collaborative Partnership meeting at the Tacoma Convention Center to assess FCET interest
Support activities outside of California, as directed by members.	

Q2 Outreach Events

Conferences : 4

Forums: 4

Station tours: 2 (Santa Barbara Ribbon Cutting and Mary's Valley Rally)

Community Events: 14

Outreach #: 2,242

Webinars: n/a

3. COMMUNICATE

Communicate, educate, inform and promote H2 & FCEVs benefits and opportunities to key outside stakeholders and general public for increased and continued support. Become readily recognized as the face of the industry for trustworthy information and assist.

Activity	Description	Picture and comments
American Lung Association, Inland Empire, April 13	Speaker, Keith Malone	
Foothill High School, AP Science Fair, Sacramento, April 14	Static and presentation, Juan Contreras	
Santa Barbara Earth Day Event, Santa Barbara, April 15-16	Static and test drive, Keith Malone and Chris White	https://www.flickr.com/photos/cafcpr/albums/72157665139312494
Dept. of General Services Earth Fair, Sacramento, April 19	Static display, Juan Contreras	https://www.flickr.com/photos/cafcpr/albums/72157667294832712
Cal EPA/CARB Earth Day Event, Sacramento, April 20	Static display, Ben Xiong and Lun So	https://www.flickr.com/photos/cafcpr/albums/72157667295790552
Green California Summit, Sacramento, April 20	Speaker, Ben Xiong	
Santa Monica Station Opening, Santa Monica, April 20	Station Opening, Chris White and Keith Malone	https://www.flickr.com/photos/cafcpr/albums/72157665141515294
Mary's Valley Rally, Santa Monica – Sacramento, April 20	Road Trip, CaFCP, Go-Biz, SCAQMD, CEC, CARB, Toyota, Hyundai, MB, FirstElement, Chris, Juan, Keith	https://www.flickr.com/photos/cafcpr/albums/72157665141515294

CalTech Earth Day Event, Los Angeles, April 21	Static display, Keith Malone	
Pat Brown Institute dinner, Cal State LA, Los Angeles, April 21	Member support, Keith Malone	
CalSTRS Earth Fair, Sacramento, April 22	Static and test drive, Juan Contreras.	** Due to CaFCP's participation, CaFCP staff (Juan) introduced CalSTRS Fleet Manager to Toyota during the Sacramento Alt Car Expo . As a result CalSTRS purchased a Mirai**
West Sacramento Earth Day Event, West Sacramento, April 23	Static display, Chris White and Lun So	https://www.flickr.com/photos/cafcpr/albums/72157668486230895
Woodside/Portola Valley Earth Fair, Portola Valley, April 23	Static display, Juan Contreras	https://www.flickr.com/photos/cafcpr/albums/72157666024751143
Fuels Institute Annual Meeting, San Francisco, April 27	Station tour, Joe Gagliano, Juan Contreras and FirstElement	https://www.flickr.com/photos/cafcpr/albums/72157667776222120
HP Earth Day Fair, Roseville, April 28	Static display, Juan Contreras	
Earth at LA Dept of Public Works, Los Angeles, April 28	Static display, Keith Malone	
UCCONNECT Symposium - Achieving Zero-Emission Mobility, Berkeley, April 28	Speaker, Chris White	
STEAM Earth Day Festival, Irvine, April 30	Static display, Keith Malone	
Joi Scientific, Inc. Visiting Group, CaFCP HQ, May 2	Presentation, Bill Elrick and Nico Bouwkamp	
USC Business breakfast with LA Metro CEO Phillip Washington, Los Angeles, May 4	Network event, Keith Malone	
Briefing Cameron Schunk, office of Assembly Member Das Williams, Santa Barbara, May 5	One on One meeting, Keith Malone	
Sacramento Alt Car Expo, Sacramento, May 9	Test Drive, Juan Contreras	https://www.flickr.com/photos/cafcpr/albums/72157668580778265

Santa Barbara Ribbon Cutting Event, Santa Barbara, May 13	Ribbon Cutting, static display, Juan Contreras, Keith Malone, CEC, FirstElement, HO, HY, TO, MB, EIN, GO-Biz	https://www.flickr.com/photos/cafcpr/albums/72157666130163223
EcoFest, Encinitas May 15	Static display, Keith Malone	
International Partner for Hydrogen and Fuel Cells in the Economy (IPHE) Workshop, Sacramento, May 17-20	Station tour, Linde, Juan Contreras and Jennifer Hamilton	
City of Riverside ER Training, Riverside, May 17-20	Member support, DOE/PNNL, Jennifer Hamilton and Keith Malone	https://www.flickr.com/photos/cafcpr/albums/72157668200512403
US Tech Magazine, CaFCP HQ, May 18	Media Interview and test drive, Chris White and Juan Contreras	
Lecture at Cal State L.A. Los Angeles, May 19	Speaker, Keith Malone	
Bay Area Alt Car Expo, Oakland, May 20	Test Drive, Juan Contreras	https://www.flickr.com/photos/cafcpr/albums/72157670974966806
Sandia National Laboratories 60 th Anniversary, Livermore, May 21	Static display, Juan Contreras	
Carhay Science Fair and Environmental Expo, Los Angeles, May 21	Static display, Keith Malone	
Norwegian Delegates, CaFCP HQ, May 23	Presentation, test drive and station tour, Chris White and Juan Contreras	
OCTA Ribbon Cutting for new Eldorado fuel cell bus, Orange, May 23	Industry Champion, CaFCP, Keith Malone, Joe Gagliano	https://www.flickr.com/photos/cafcpr/albums/72157670975130006
San Diego Association of Governments (SANDAG), San Diego, May 26	Presentation, Keith Malone	

Vehicle Vendor Workshop, Riverside, June 2	Member support, Keith Malone and SCAQMD	
LA Trade Tech graduation in the Auto Tech program, Los Angeles, June 2	Speaker, Keith Malone	
Torrance Environmental Fair, Torrance, June 4	Static display, Keith Malone	
Annual Merit Review (AMR), Washington, D.C. June 6-10	Speakers, CaFCP Staff	
L.A. Transit Coalition, Los Angeles, June 9	Keith Malone	
Viva SGV! Open Streets (El Monte and South El Monte), June 12	Static display, Keith Malone	
World Hydrogen & Energy Conference, Spain, June 13-16	Speaker, Chris White	
CAFCP Hydrogen Dispenser Workshop, El Cerritos, June 14	Panel moderator, Joe Gagliano	
Sonoma-Marin Fair, Sonoma, June 25	Test Drive, Juan Contreras	
Advanced Automotive Battery Conference, Detroit, June 14-17	Speaker, Bill Elrick	
Senator Liu Event, Glendale, June 24	Keith Malone	
CleanTech OC – Driving Mobility 3, Irvine	Speaker, Joe Gagliano	
CAPCOA Public Affairs Officers meeting, SCAQMD HQ, June 29	Speaker, Keith Malone	
Suzuki delegates, CaFCP HQ, June 30	Presentation, Bill Elrick and Nico Bouwkamp	

Legislative, NGO & Policy

Conduct one-on-one meetings with California state and federal elected officials and their staff in district and capitol offices. Conduct one-on-one meetings with influential NGOs at the local, state and national levels. Emphasize California's commitment to hydrogen and provide information about progress and plans. Provide education and information to policy makers.

2016 Q2 Statistics – Meetings and encounter

Elected officials: 3 (2016 to date: 4)

Legislative staff: 8 (2016 to date: 42)

NGOs: 0 (2016 to date: 4)

Event name	Meeting Date	Meeting with (Names and titles of all persons)
Capitol meeting	4/6/2016	Michael Martinez, deputy legislative secretary, Office of the Governor
Capitol meeting	4/6/2016	Assembly Member Eduardo Garcia, chief of staff Suzanne Wierbinksi and other staff
Lunch meeting	4/7/2016	Evita Chavez, Senate fellow, Housing and Transportation Committee
Community meeting	4/8/2016	Ed Hartoonian (Galpin Honda) and assistant (at request of Senator Hertzberg's office)
Community event	5/13/2016	Supervisors Peter Adam and Salud Carbajal, and Cameron Schunk, field representative to Assembly Member Das Williams (D-Santa Barbara)
Capitol meeting	6/21/2016	Matt Cox, office of Senator Ted Gaines (R-El Dorado Hills)
Capitol meeting	6/21/2016	Naomi Padron, legislative director to Assembly Member Marc Levine (D-San Rafael)
Email exchange	6/21/2016	David Hersch, legislative director to LA City Council Member Paul Koretz (West LA)

Website and Social Media

We provide outreach and education through events, materials, video, web and social media that increase awareness in the general public, build support in early market communities and support other projects' specific goals. Our online strategy is to deliver real-world information about FCEVs and hydrogen stations to early adopter audiences. We use email, blogs, Twitter, YouTube and Facebook to share messages about FCEV commercialization and technology with different audience types.

www.caftp.org	Apr-16	May-16	Jun-16
Number of visits	5,333	5,036	4,608
Average time users spent on site	2:21	2:18	2:06
Most visited pages	Home page Station map Stations Cars CaFCP Spring Forum	Home page Station map Stations Cars About Us	Home page Station map Stations Cars About Us
Most searched keywords on Google to land on CaFCP website	www.social-buttons.xyz caftp i came up with a method and 1,5 years forcing all-seeing eye of google... caftp.org hydrogen fueling stations	california fuel cell partnership m.caftp.org hydrogen fuel stations in california http://caftp.org/stationmap caftp	m.caftp.org caftp www.get-free-social-traffic.com california fuel cell partnership hydrogen fueling stations west sacramento
Most referred websites	google.com automobiles.honda.com yahoo afdc.energy.gov driveclean.ca.gov	google.com automobiles.honda.com yahoo bing.com afdc.energy.gov	google.com automobiles.honda.com yahoo bing.com arb.ca.gov

FACEBOOK	Apr-16	May-16	Jun-16
New likes	25	20	23
Lifetime likes	2,747	2,763	2,775
Lifetime Post Total Reach	1,747	3,462	13,915
Lifetime Engaged Users	116	185	619

TWITTER	Apr-16	May-16	Jun-16
Tweets for the month	88	112	140
Tweet Impressions	47,300	69,200	69,700
Profile visits	1,035	960	1,860
Mentions	237	182	203
New Followers	324	7,243	81
Total Followers	2,729	2,817	2,868

E-blast – CaFCP Public Forum & Executive Board Meeting, April 19	
Sent April 7, 2016 – 37 Tweets	
Contacts:	12,703
Opened:	9% - 1,143 contacts
Bounced:	3.4% - 434 contacts
No Info:	87.6% - 11,126 contacts
Clicked:	1% - 119 contacts
Unsubscribed:	10

E-blast – Energy Commission Hydrogen Station Solicitation Released	
Sent April 7, 2016 – 167 Tweets	
Contacts:	12,626
Opened:	10.1% - 1,274 contacts
Bounced:	2.8% - 352 contacts
No Info:	87.1% - 11,000 contacts
Clicked:	1% - 120 contacts
Unsubscribed:	8

E-blast – Mary's Valley Rally: FCEVs drive from SoCal to NorCal	
Sent April 22, 2016 – 56 Tweets	
Contacts:	12,482
Opened:	10.4% - 1,295 contacts
Bounced:	3.4% - 421 contacts
No Info:	86.3% - 10,766 contacts
Clicked:	1% - 174 contacts
Unsubscribed:	10

E-blast – May 13: Santa Barbara H2 station ribbon cutting	
Sent April 27, 2016	
Contacts:	340
Opened:	42.1% - 143 contacts
Bounced:	2.4% - 8 contacts
No Info:	55.6% - 189 contacts
Clicked:	3% - 10 contacts
Unsubscribed:	1

E-blast – CaFCP Spring Forum & EB Meeting Presentations	
Sent April 28, 2016	
Contacts:	86
Opened:	50.0% - 43 contacts
Bounced:	0.0% - 0 contacts
No Info:	50.0% - 43 contacts
Clicked:	28% - 24 contacts
Unsubscribed:	0

E-blast – Energy Department Announces Climate Action Champion, City of San Francisco, Embracing Hydrogen & Fuel Cell Technologies	
Sent May 20, 2016	
Contacts:	12,326
Opened:	10.2% - 1,261 contacts
Bounced:	3.7% - 460 contacts
No Info:	86.0% -10,605 contacts
Clicked:	1% - 122 contacts
Unsubscribed:	6

E-blast – National Webinars on Designation of Alternative Fuel Corridors (May 12 & 16 at 1:00PM EDT)	
Sent May 4, 2016	
Contacts:	396
Opened:	21.5% - 85 contacts
Bounced:	0.3% - 1 contacts
No Info:	78.3% - 310 contacts
Clicked:	5% - 18 contacts
Unsubscribed:	1

CaFCP Quarterly Update
July-September 2016

Background

The California Fuel Cell Partnership is a unique collaborative of auto manufacturers, energy companies, fuel cell technology companies and government agencies, including SCAQMD. This report summarizes CaFCP activity in or related to Southern California for July to September 2016.

In its fourth phase, 2013-2016, CaFCP members, individually or in groups, will focus on meeting these goals to achieve market launch:

- Prepare for larger-scale manufacturing, which encompasses cost reduction, supply chain and production.
- Work on the customer channel, including identifying and training dealers and service technicians.
- Reduce costs of station equipment, increase supply of renewable hydrogen at lower cost, and develop new retail station approaches.
- Support cost reduction through incentives and targeted RD&D projects
- Continue research, development and demonstration of advanced concepts in renewable and other low-carbon hydrogen.
- Provide education and outreach to the public and community stakeholders on the role of FCVs and hydrogen in the evolution to electric drive.

CaFCP and members' activities fall within three main strategic directions:

1. Support hydrogen station and vehicle deployment to enable commercial market launch in 2015 timeframe
2. Show feasibility and a clear value proposition to consumers, businesses and communities
3. Focus existing resources, engage new groups and pursue innovative concepts to overcome early market challenges

To successfully implement the vision, CaFCP activities must focus on technical, communications and business operations/strategies that require convening, collaborating and communicating.

1. Develop Infrastructure	
<i>Develop the necessary infrastructure and processes to support early commercial launch and expanded vehicle rollout.</i>	
Support the construction and commissioning of current California hydrogen stations by participating in codes, standards and regulation processes; facilitating station commissioning processes; and supporting station openings.	<ul style="list-style-type: none"> • SAE J2719/1 Application Guideline for Use of Hydrogen Quality Specification went out for 14 day affirmation ballot and passed • SAE J2601 Fueling Protocols for Light Duty Gaseous Hydrogen Surface Vehicles passed affirmation ballot. • Supported ribbon cuttings at Truckee/Lake Tahoe and Campbell stations.
Prepare for future funding through outreach and education with fueling retailers and hydrogen industry.	<ul style="list-style-type: none"> • GFO 15-605 closed in August, 2016 with \$17.3 million in available funding.
Work with stakeholders to identify potential future station locations.	<ul style="list-style-type: none"> • Completed for 2016
Develop Road Map 2.0 with strategies for a sustainable network in California.	<ul style="list-style-type: none"> • Moved to 2017
2. Share and Synchronize Experience	
<i>Provide forums and opportunities for members to advance group collaboration and progress within CaFCP and among stakeholders.</i>	
Build and expand trust among members through open communication and forums.	<ul style="list-style-type: none"> • CaFCP Working Group meeting held Sept 7-8 • Conducted sub-group meetings about SOSS, station implementation, and with the Station Developers Group started under a separate CEC contract
Communicate with stakeholders nationally and internationally to share learnings and amplify market launch efforts.	<ul style="list-style-type: none"> • Participated in a September 29-30 meeting with US DOE and representatives from Germany to discuss international data exchange. • Participated in the Sustainable Transportation Summit, Washington, D.C. July 11-14th
4. Expand Markets	
<i>Restructure CaFCP to be more inclusive and capable of meeting the expanding commercial market needs and opportunities, broadening the member base, and being the voice of all stakeholder participants</i>	
Establish new structure and expand membership.	<ul style="list-style-type: none"> • Completed
Support deployment of fuel cell bus Centers of Excellence and the Bus Team.	<ul style="list-style-type: none"> • Participated in CARB Advanced Clean Transit meetings to provide FCEB perspective. • Met with US DOT FTA Low-No program manager to provide an update on FCEB progress. • Participating in background meetings with Sierra

	<p>Club ZEB coalition.</p> <ul style="list-style-type: none"> Completed CaFCP Bus Team meeting on August 30 at SunLine Transit with ~30 participants. Developing “<i>CaFCP Fuel Cell Electric Bus Fact Sheet</i>” for outreach.
Publish and implement the Medium- and Heavy-Duty Road Map document.	<ul style="list-style-type: none"> Prepared CaFCP’s “<i>Fuel Cell Electric Truck Action Plan for California</i>” for mid-October publication Developed distribution and promotion for release of Medium and Heavy-Duty Fuel Cell Electric Truck Action Plan in October. Met with governmental affairs representatives in Washington DC to share information about Action Plan
Support activities outside of California, as directed by members.	<ul style="list-style-type: none"> None in Q3

3. COMMUNICATE

Communicate, educate, inform and promote H2 & FCEVs benefits and opportunities to key outside stakeholders and general public for increased and continued support. Become readily recognized as the face of the industry for trustworthy information and assist.

Summary of Q3 Outreach Events

Conferences : 3 (SEMICON West, Pacific Oil Conference and Society of Environmental Journalist)

- Community Events: 5
- People reached: 1,119
- Webinars: 2 (ARB 2016 Annual Evaluation of FCEV Deployment & H2 Fuel Station Network Development and 2016 International Hydrogen Infrastructure Update)

Activity	Description	Picture and comments
SEMICON West, San Francisco, CA. July 11-14 th	Exhibitor: Keith Malone, Juan Contreras, Air Liquide and Toyota	Click on the link below for photos https://www.flickr.com/photos/cafcpr/albums/72157673131305576 100 booth visitors
Glendale Cruise Night, Glendale, CA. July 16 th	Static display: Keith Malone and Hyundai	Click on the link below for photos https://www.flickr.com/photos/cafcpr/albums/72157673224955505 60 booth/car visitors
National of Association Counties Conference & Expo, Long Beach, July 22 nd	Sister organization support: Keith Malone and FCHEA	Supported FCHEA’s participation. 25 booth visitors
ARB 2016 Annual Evaluation of FCEV Deployment & H2	Webinar: CaFCP staff & CARB	Registered: 194 Final attendance: 161

Fuel Station Network Development Webinar, CaFCP, HQ, July 26 th		
Assembly member Holden Block Party, Pasadena, July 30 th	Static display: Keith Malone & Hyundai	~30 booth/car visitors
Academic Workshop on New Technology in Automotive Industry, Academy of Management Annual Meeting, Anaheim, CA	Panel discussion: Bill Elrick	~40 attendees
Truckee/Lake Tahoe Ribbon Cutting Event, Truckee, CA. Aug. 27 th	Ribbon Ceremony: CaFCP Staff, Toyota, MB, Hyundai, FE/TrueZero	25 attendees, including 14 commercial FCEVs Click on the link below for photos https://www.flickr.com/photos/cafcpr/albums/72157673226704215
2016 Update to California's Hydrogen Stations Webinar, CaFCP HQ, Aug. 31 st	Webinar: CaFCP staff	Registered: 357 Final attendance: 199
Pacific Oil Conference, Los Angeles, CA. Sept. 6-8 th	Exhibitor: Juan Contreras,, Keith Malone & Air Liquide	30 booth visitors Click on the link below for photos https://www.flickr.com/photos/cafcpr/albums/72157672566943231
South Pasadena Clean Air Car Show and Green Living Expo, South Pasadena, CA. Sept. 10 th	Static display: Keith Malone and Hyundai	30 booth visitors, including Supervisor Michael Antonovich
Sacramento City College/Environmental Delegation from Ukraine, CaFCP HQ, Sept. 12 th	Presentation, H2 station tour and test drive: Chris White, Juan Contreras and Toyota	
Senator Liu "Thank You Reception", Glendale, Sept. 16 th		

Society of Environmental Journalists Annual Conference, Sacramento, CA Sept. 22-24 th	Co-sponsors and test drive: Keith Malone, Juan Contreras, FCHEA, Hyundai and Toyota	30 booth visitors, including test drivers Supported FCHEA's participation. Click on the link below for photos https://www.flickr.com/photos/cafcpr/albums/72157673305546112
Advanced Clean Cars Symposium "The Road Ahead", SCAQMD HQ's, Sept 27 th	Member support: Bill Elrick, Joe Gagliano	

Legislative, NGO & Policy

Conduct one-on-one meetings with California state and federal elected officials and their staff in district and capitol offices. Conduct one-on-one meetings with influential NGOs at the local, state and national levels. Emphasize California's commitment to hydrogen and provide information about progress and plans. Provide education and information to policy makers.

2016 Q3 Statistics – Meetings and encounters

Elected officials: (2016 to date: 7)

Legislative staff: (2016 to date: 42)

NGOs: (2016 to date: 4)

Event name	Meeting Date	Meeting with (Names and titles of all persons)
Email exchange	7/12/2016	LuzMaria Sanchez with Galpin Honda (San Fernando Valley) and Eveline Bravo-Ayala, office of State Senator Bob Hertzberg (D-Van Nuys)
Capitol meeting	7/25/2016	Jay Dickensen, chief consultant and David Sforza, legislative aide to the Senator.
Community event	7/30/2016	Kayleen Aviles-Maya, office of Assembly Member Chris Holden (D-Pasadena)
Phone briefing	8/9/2016	Allegra Roth, district office of Assembly Member Das Williams (D-Santa Barbara)
Pacific Oil Conference	9/7/2016	Assembly Member Rocky Chavez (R-Oceanside)
South Pasadena Clean Air Car Show	9/10/2016	Supervisor Mike Antonovich and aide, Rita Hadjimanoukian
Reception	9/16/2016	Becky Chen, office of Congresswoman Judy Chu (D-Pasadena)
Email communication: FCHEA letter to DOE Sec'ty Moniz	9/12/2016	Various district office congressional staff throughout California

Website and Social Media

We provide outreach and education through events, materials, video, web and social media that increase awareness in the general public, build support in early market communities and support other projects' specific goals. Our online strategy is to deliver real-world information about FCEVs and hydrogen stations to early adopter audiences. We use email, blogs, Twitter, YouTube and Facebook to share messages about FCEV commercialization and technology with different audience types.

www.cafcp.org	Jul-16	Aug-16	Sep-16
Number of visits	6,696	9,336	10,289
Average time users spent on site	2:00	2:07	2:02
Most visited pages	Station map Home page Stations Cars About Us	Station map Home page Stations Cars About Us	Station map Home page Stations Cars About Us
Most searched keywords on Google to land on CaFCP website	eu cookie law eu-cookie-law.info sharebutton.org share buttons m.cafcp.org hydrogen fuel stations in california hydrogen fueling stations west sacramento	cafcp hydrogen fuel stations in california fuel cell stations hydrogen filling station south river road sacramento ca hydrogen fueling stations	california fuel cell partnership hydrogen fueling stations hydrogen fueling stations west sacramento cafcp hydrogen fuel stations
Most referred websites	google automobiles.honda.com yahoo bing arb.ca.gov	google automobiles.honda.com m.cafcp.org yahoo bing	california fuel cell partnership hydrogen fueling stations hydrogen fueling stations west sacramento cafcp hydrogen fuel stations

FACEBOOK	Jul-16	Aug-16	Sep-16
New likes	13	33	17
Lifetime likes	2,773	2,798	2,811
Lifetime Post Total Reach	4,571	4,070	7,226
Lifetime Engaged Users	292	207	392

TWITTER	Jul-16	Aug-16	Sep-16
Tweets for the month	69	69	46
Tweet Impressions	36,500	42,400	29,500
Profile visits	1,087	970	582
Mentions	186	212	173
New Followers	57	41	53
Total Followers	2,925	2,966	3,109

E-blast – Report & Webinar July 26: ARB 2016 Annual Evaluation of Fuel Cell Electric Vehicle Deployment & Hydrogen Fuel Station Network Development

Sent July 15, 2016 – 52 Tweets

Contacts:	11,271
Opened:	10.7% - 1,205 contacts
Bounced:	5.0% - 568 contacts
No Info:	84.3% - 9,498 contacts
Clicked:	1% - 158 contacts
Unsubscribed:	12

E-blast – ARB Low Carbon Fuel Standard Workshop, July 29

Sent July 27, 2016 – 9 Tweets

Contacts:	11,599
Opened:	8.6% - 992 contacts
Bounced:	3.6% - 420 contacts
No Info:	87.8% - 10,187 contacts
Clicked:	1% - 89 contacts
Unsubscribed:	17

E-blast – Hydrogen Stations Webinar, August 31: Update on Network Development Status in California

Sent August 10, 2016 – 141 Tweets

Contacts:	12,529
Opened:	11.6% - 1,452 contacts
Bounced:	3.5% - 434 contacts
No Info:	84.9% - 10,643 contacts
Clicked:	2% - 258 contacts
Unsubscribed:	17

E-blast – Lake Tahoe-Truckee Hydrogen Station Ribbon Cutting & Celebration, August 27

Sent Aug 19, 2016

Contacts:	361
Opened:	39.1% - 141 contacts
Bounced:	1.7% - 6 contacts
No Info:	59.3% - 214 contacts
Clicked:	7% - 25 contacts
Unsubscribed:	1

E-blast – Resources for California's Hydrogen Stations Webinar, August 31

Sent September 1, 2016

Contacts:	355
Opened:	49.9% - 177 contacts
Bounced:	2.3% - 8 contacts
No Info:	47.9% - 170 contacts
Clicked:	17% - 60 contacts
Unsubscribed:	0

BOARD MEETING DATE: February 3, 2017

AGENDA NO. 6

PROPOSAL: Recognize, Transfer and Appropriate Revenue, Amend and Execute Contracts, and Approve Eligible Participant Vouchers to Continue Implementation of Enhanced Fleet Modernization Program

SYNOPSIS: Last September, the Board recognized up to \$10 million from CARB, approved issuance of vouchers to continue the Enhanced Fleet Modernization Program (EFMP) Plus-Up for FY 2016-17, and released an RFP to solicit proposals to administer the application process and conduct vehicle emissions testing. Subsequently, CARB advised that SCAQMD would receive \$15 million. Additionally, older vehicles retired under the EFMP are crushed for scrap metal generating revenue for EFMP. These actions are to: 1) recognize revenue up to \$5 million from CARB and up to \$500,000 from the scrap metal value of the vehicles retired under the EFMP into the HEROS II Special Revenue Fund (56); 2) authorize the Executive Officer to approve vouchers to qualified participants up to \$4,250,000 and execute agreements with participating dismantlers, dealerships and financial institutions; 3) amend and execute contracts for a total amount not to exceed \$765,000 from the HEROS II Special Revenue Fund (56); and 4) transfer and appropriate \$250,000 from the HEROS II Special Revenue Fund (56) into Science and Technology Advancement's FY 2016-17 and/or 2017-18 Budget for EFMP implementation and outreach.

COMMITTEE: Technology, January 20, 2017; Recommended for Approval

RECOMMENDED ACTIONS:

1. Recognize, upon receipt, up to \$5 million from CARB's Greenhouse Gas Reduction Fund (GGRF) into the HEROS II Special Revenue Fund (56) and authorize the Executive Officer to accept terms and conditions of a GGRF grant award for implementation of the Vehicle Retirement and Replacement Plus-Up Program.
2. Recognize, upon receipt, up to \$500,000 in revenue into the HEROS II Special Revenue Fund (56) from vehicle dismantlers for the scrap metal value of the vehicles retired through the EFMP and authorize the Executive Officer to execute agreements with participating vehicle dismantlers to receive this revenue.

3. Authorize the Executive Officer to approve vouchers to program participants in an amount not to exceed \$4,250,000 from the HEROS II Special Revenue Fund (56) for a minimum of 450 replacement vehicles or alternative mobility options (additional vouchers will depend on voucher monetary level provided to each eligible applicant).
4. Authorize the Chairman to amend and execute contracts from the HEROS II Special Revenue Fund (56) with the following entities:
 - a. Amend the contract with Foundation for California Community Colleges (FCCC) to add an amount not to exceed \$115,000 for conducting outreach activities, assisting program participants in processing vehicle retirements and identifying replacement vehicles, transit pass programs or car-sharing programs;
 - b. Amend the contract with Opus Inspection to add an amount not to exceed \$350,000 for conducting outreach activities and vehicle emissions testing as well as assisting program participants to identify replacement vehicles, transit pass programs or car-sharing programs; and
 - c. Execute a contract with Top Shelf Consulting, LLC, in an amount not to exceed \$300,000 for conducting outreach activities, assisting program participants in processing vehicle retirements and identifying replacement vehicles, transit pass programs or car-sharing programs.
5. Authorize the Executive Officer to execute agreements, as needed, with auto dealerships and financial institutions to establish their participation in the EFMP.
6. Transfer and appropriate up to a total of \$250,000 from the HEROS II Special Revenue Fund (56) to Science and Technology Advancement's FY 2016-17 and/or 2017-18 Budget (Org 44), Services and Supplies Major Object, as needed for EFMP outreach efforts.

Wayne Nastri
Executive Officer

MMM:HH:DS:DRC:LB

Background

The SCAQMD implements the Enhanced Fleet Modernization Program (EFMP), which is authorized by the AB 118 California Alternative and Renewable Fuel, Vehicle Technology, Clean Air, and Carbon Reduction Act of 2007 (Health and Safety Code Sections 44125-44126). The EFMP is a comprehensive statewide program with two elements: a vehicle retirement-only element and a vehicle retire-and-replacement element. The EFMP Plus-Up, which is funded through the Low Carbon Transportation Greenhouse Gas Emission Reduction Fund (GGRF), complements the EFMP by providing additional funds for light-duty pilot projects in disadvantaged communities.

The EFMP and EFMP Plus-Up is branded as the “Replace Your Ride” Program in the South Coast Air Quality Management District. To date, the SCAQMD has provided funding for vouchers to replace over 1,100 older passenger vehicles with newer fuel-efficient conventional vehicles, hybrid electric vehicles, plug-in hybrid electric vehicles and dedicated electric vehicles. Since the majority of the participants to date reside in Los Angeles County, staff recommends enhancing outreach to residents in Orange County, the Inland Empire and the Coachella Valley.

The Replace Your Ride Program is currently implemented by four contractors approved by the Board in December 2014. These contractors have provided excellent service in assisting applicants through the process and providing education to consumers regarding the program guidelines and understanding of advanced technology vehicles. There has been considerable interest in the Program with over 400 applicants currently going through the process.

On September 2, 2016, the Board issued RFP #P2017-02 to solicit proposals for new contract services to continue assisting eligible participants in the application process and/or to conduct vehicle emissions testing for the EFMP and EFMP Plus-Up. The Board also recognized up to \$3.7 million from CARB to continue the EFMP Base Program and \$10 million to continue the implementation of the EFMP Plus-Up for FY 2016-17. The EFMP base funding for vouchers will be made available to eligible consumers residing in non-disadvantaged communities as defined by CARB. A total voucher value of \$4,500 may be provided to eligible consumers for the EFMP Base Program. For eligible consumers residing in disadvantaged communities, a maximum voucher amount of \$9,500 may be provided from the EFMP Plus-Up.

At its October 2016 meeting, the CARB Board approved up to \$15 million for the SCAQMD, \$5 million more than anticipated, to continue implementation of the EFMP Plus-Up for FY 2016-17.

Outreach

In accordance with SCAQMD’s Procurement Policy and Procedure, a public notice advertising the RFP inviting bids was published in the Los Angeles Times, the Orange County Register, the San Bernardino Sun, and Riverside County’s Press Enterprise newspapers to leverage the most cost-effective method of outreach to the South Coast Basin.

Additionally, potential bidders were notified utilizing SCAQMD’s own electronic listing of certified minority vendors. Notice of the RFP was emailed to the Black and Latino Legislative Caucuses and various minority chambers of commerce and business associations, and placed on the Internet at SCAQMD’s website (<http://www.aqmd.gov>).

Bid Evaluation

By the November 10, 2016 deadline for the RFP, four proposals were received. The proposals were reviewed and evaluated by a four-member panel in accordance with established SCAQMD guidelines, using technical and cost criteria outlined in the RFP. The four-member panel consisted of a Planning and Rules Manager and a Program Supervisor from SCAQMD as well as a Staff Air Pollution Specialist and an Air Pollution Specialist from CARB. The panel members included one Asian-American and three Caucasians; all male.

Table 1 shows the four proposals and summarizes the evaluation scores. Proposals receiving a technical score of at least 56 out of 70 points were considered qualified and eligible for contract awards. Proposals with scores above 56 points were also awarded up to 30 points for the cost score and a maximum of 15 additional points for special business categories as defined in the RFP.

Table 1. Proposal Scores

Proposer	Technical Score*	Cost Score	Additional Points	Total Score
Opus Inspection	66	30	--	96
Top Shelf Consulting, LLC	65	25	15	105
Foundation for California Community Colleges	63	29	--	92
Gladstein, Neandross & Associates	56	9	15	80

*ranked by Technical Score

All proposals received are from entities currently under contract with the SCAQMD to implement the existing program. Each proponent demonstrated a familiarity with program eligibility requirements and logistical implementation, but the submittals made by Opus Inspection, Top Shelf and FCCC provided the greatest level of detail, experience and working knowledge of program implementation. In the discussions among the technical review panel members, it was noted that each proposal provided a unique approach to the outreach and vehicle emissions testing elements of the Program. Based on the technical scores from the review panel, all four proposals are deemed technically qualified to perform the services requested in the RFP.

Proposal

This action is to recognize, upon receipt, up to \$5 million in EFMP Plus-Up funding from CARB (in addition to the \$10 million already recognized by the Board in September 2016) to extend implementation of the EFMP Program and to authorize the Executive Officer to accept terms and conditions of a GGRF grant award for implementation of the Vehicle Retirement and Replacement Plus-Up Program.

The total FY 2016-17 and FY 2017-18 funding for the continued Program implementation would be up to \$15 million for the EFMP Plus-Up, and \$3.7 million for the EFMP Base Program for a total of \$18.7 million. CARB allows up to 15 percent of the award (or \$2,805,000) to cover administrative costs. With the \$18.7 million award, staff estimates that a minimum of 2,500 vouchers would be available to eligible consumers.

Additionally, in implementing the scrap element of the EFMP pilot program, the participating auto dismantler agreed to pay the SCAQMD up to \$200 for each vehicle scrapped, reflecting the value of the scrapped metal. Therefore, this action is to also recognize up to \$500,000 in revenue into the HEROS II Special Revenue Fund (56) from participating auto dismantlers for the scrap metal value of the vehicles retired and crushed under this program. Agreements will be executed with participating auto dismantlers to receive this revenue, which will be used for future voucher awards, subject to Board approval.

To implement the Program using the new funding, these actions are to: 1) authorize the Executive Officer or his designee to approve vouchers to qualified participants in an amount up to \$4,250,000 for a minimum of 450 vouchers (such authority was already granted for the revenue recognized in September 2016); and 2) transfer and appropriate up to \$250,000 from the HEROS II Special Revenue Fund (56) to Science and Technology Advancement's FY 2016-17 and/or 2017-18 Budget (Org 44), Services and Supplies Major Object, as needed, to cover administrative costs and outreach efforts by consultants or temporary employees.

There is also a need to provide greater outreach to residents living in Orange, Riverside and San Bernardino counties to encourage participation in the Program. This final action is to amend or execute contracts with FCCC, Opus Inspection and Top Shelf. Multiple contract awards will provide greater resources geographically across the South Coast Air Basin and Coachella Valley. While each of the proposed contractors will provide consumer outreach and application processing for all eligible consumers residing in the South Coast Air Basin and Coachella Valley, staff is proposing that Top Shelf focus its outreach efforts in Los Angeles County, while FCCC and Opus Inspection focus their outreach efforts in Orange, San Bernardino and Riverside counties including the Coachella Valley, based on the scope of work provided in each proposal. It is also anticipated that additional special outreach events will be conducted at which time all of the proposed consultants will be participating.

Opus Inspection and Top Shelf based their costs on processing 2,000 applications, while FCCC based their costs on processing a smaller number of applications. These actions are to, amend the contract with FCCC to add an amount not to exceed \$115,000; amend the contract with Opus Inspection to add an amount not to exceed \$350,000, and execute a contract with Top Shelf Consulting, LLC, in an amount not to exceed

\$300,000 from the HEROS Special Revenue Fund (56) for an 18-month performance period. There is sufficient administrative funds available in Fund 56 to cover the cost of the three contracts.

FCCC will provide bilingual case management to process applications and walk applicants through the process. FCCC will develop a Frequently Asked Questions component for the program website, which will address the most commonly asked questions FCCC encountered during current program implementation by call center staff and case managers. Because a significant challenge in the application process is to obtain sufficient supporting documentation, FCCC will provide specific examples of supporting documentation and alternatives, with helpful Web links (e.g. to the Department of Motor Vehicles) for posting on the program website. FCCC will also maintain and update program operations manuals and develop training materials and deliver training courses to dealerships, dismantlers and other strategic partners. Lastly, FCCC will hold sign-up and emissions testing events at community colleges, as needed, to complement the weekend vehicle emissions testing to be performed by Opus Inspection.

Opus Inspection will also provide bilingual case management to process applications and walk applicants through the process. Opus Inspection proposes to dedicate nearly 97 percent of its labor hours to case processing and outreach in addition to the weekend vehicle emissions testing events. Case managers would be hired from the communities that they serve and will operate out of Fullerton. Opus Inspection is offering to provide more frequent vehicle emissions testing on weekends and will be integrating the emissions data into the SCAQMD's website database.

Top Shelf Consulting will provide bilingual case management to process applications and walk applicants through the process. They will provide face-to-face interaction with applicants who have the option to meet with case managers at their Whittier office. This is especially effective for those with functional literacy limitations or limited English proficiency. They are offering a streamlined and reduced cost procedure for participants to relinquish their vehicles to dismantlers. They will partner with smog check stations to improve the logistics for participants to obtain vehicle emissions data. They will continue to work with established community outreach partnerships in disadvantaged communities, especially within Los Angeles County. They will also continue their efforts to secure new auto dealerships and financial institutions to participate in the Program.

All entities have sufficient related experiences and qualifications to cover the array of tasks required for effective implementation of the EFMP. After discussions with each of the entities, proposal details will be used to allocate program tasks and funding for the execution of multiple contracts. In addition to covering all of the tasks identified in the RFP, an effort will be made to award contracts in a manner that best addresses

outreach in low-income and disadvantaged communities. This includes optimizing the spatial coverage of outreach efforts, utilizing community-based organizations for outreach, and also supporting event-oriented outreach.

Currently, participating auto dealerships and financial institutions establish their participation and understanding of the EFMP provision through execution of an agreement with one of the three Contractors. Moving forward, staff is recommending that the SCAQMD execute agreements directly with participating auto dealerships and financial institutions, as needed, or be named as a third-party beneficiary in an agreement between one of SCAQMD's Contractors and the participating dealership or financial institution, in order to provide additional oversight on the implementation of the Program.

Lastly, as mentioned above, staff proposes to make a concerted outreach effort to solicit consumers residing in Orange, Riverside and San Bernardino counties to participate in the EFMP. Prior outreach events held in Los Angeles County and Orange County entailed having the Contractors set up booths to process current applicants and having the applicant's vehicle emissions tested. In addition, new applications may be taken on site. The events were typically held at an auto dealership providing applicants the convenience to shop for a replacement vehicle once their application had been approved to proceed with the purchase of a replacement vehicle. Moving forward, staff anticipates conducting a greater number of outreach events to solicit greater participation. Staff will also work with participating auto dealerships and non-government organizations including local community organizations to provide outreach on the Program and encourage program participation. To help cover the costs associated with outreach events, staff is recommending that the Board transfer \$250,000 from the administrative fund portion of the HEROS II Special Revenue Fund (56) to Science and Technology Advancement's FY 2016-17 and/or FY 2017-18 Budget, Services and Supplies Major Object, to conduct up to 12 outreach events. In addition to the special outreach events, the funds will be used to cover call center activities and other associated administrative costs including the cost of printing outreach materials such as program brochures. The remaining funds will be used primarily for assistance, which may include temporary or contract services, to process vouchers for final approval.

Benefits to SCAQMD

Continued successful implementation of the Pilot Retire and Replace Program element of the EFMP will further reduce emissions by accelerating the turnover of high-emitting vehicles with cleaner, more environmentally friendly replacement vehicles or alternatively provide vouchers for public transportation, car sharing and other mobility options. Incentives for program participation will continue to be provided to low- and middle-income vehicle owners to ensure that their neighborhoods will benefit from cleaner replacement vehicles.

Resource Impacts

At its October 2016 meeting, the CARB Board approved up to \$15 million from the GGRF to continue implementation of the EFMP Plus-Up for FY 2016-17. This action will provide additional funds to continue implementing the EFMP Plus-Up Program in the South Coast Air Basin and Coachella Valley as proposed by this Board letter.

Table 2 below provides a summary of the proposed funding.

Table 2: Proposed Funding from the GGRF
for the Continued Implementation of the EFMP Plus-Up Program

Proposed Funding	Funding Amount
Funding for Vouchers	
EFMP Plus-Up	\$4,250,000
Total Funding for Vouchers	\$4,250,000
EFMP Marketing and Outreach	
Foundation for California Community Colleges	\$115,000
Opus Inspection	\$350,000
Top Shelf	\$300,000
Event Outreach & Administrative Support	\$250,000
Total Marketing and Outreach Funds	\$1,015,000
Grand Total	\$5,265,000

BOARD MEETING DATE: February 3, 2017

AGENDA NO. 7

PROPOSAL: Issue Program Announcement for Ships at Berth and Cargo Handling Equipment Projects Under Proposition 1B-Goods Movement Program 

SYNOPSIS: In September 2015, CARB approved Proposition 1B-Goods Movement Program funding awards to local agencies for projects that will reduce emissions from freight transportation. The award for the Los Angeles/Inland Empire trade corridor included \$14.1 million for ships at berth and cargo handling equipment projects. Following an earlier solicitation issued on February 5, 2016, and subsequent awards, there are still funds available for projects in this category. This action is to issue a Program Announcement for ships at berth and cargo handling equipment projects under the Proposition 1B-Goods Movement Program.

COMMITTEE: Technology, January 20, 2017; Recommended for Approval

RECOMMENDED ACTION:

Issue Program Announcement #PA2017-03 for ships at berth and cargo handling equipment projects under the Proposition 1B-Goods Movement Program.

Wayne Natri
Executive Officer

MMM:FM:VW:MW

Background

Proposition 1B authorizes \$1 billion to CARB for the Goods Movement Emission Reduction Program. Projects funded by this Program must achieve early or extra emission reductions not otherwise required by law or regulations. To date, CARB has granted close to \$740 million to local agencies for various goods movement projects. SCAQMD has received about \$400 million of these funds for projects involving heavy-duty diesel trucks, locomotives and ships at berth. The vast majority of these projects are currently operational, providing significant emission reduction benefits to the

region. In September 2015, CARB approved new funding awards for the Program including \$14.5 million for ships at berth and cargo handling equipment projects. In July 2016, the Board approved awards for ships at berth and cargo handling equipment projects amounting to \$12,484,968. However, one project was subsequently deemed ineligible by CARB because the proposed technology was not verified, and therefore it cannot be funded under this program. A new Program Announcement is necessary to solicit additional projects for the remaining balance of funds.

Proposal

This action is to issue Program Announcement #PA2017-03 for ships at berth and cargo handling equipment projects under the Proposition 1B-Goods Movement Program. Approximately \$6.1 million in funds are remaining for eligible projects under this solicitation. Only cargo berths or terminals that receive visits from vessels not subject to CARB's Ships-at-Berth Rule will be eligible for the shore power funding. Ship capture-and-control emission systems may also qualify for funding if the system is verified by CARB and achieves an overall capture efficiency rate of at least 80% for NOx and PM emissions. The cargo handling equipment category includes rubber-tired gantry cranes, yard trucks and/or lifts operating at a seaport, intermodal rail yard or freight facility. Funding is available for the replacement or conversion of cargo handling equipment with zero emission technologies as well as battery charging units for the zero emission yard trucks and lifts.

Following the evaluation of the applications, staff will return to the Board for approval of the ranked list and specific awards for each project.

Outreach

In accordance with SCAQMD's Procurement Policy and Procedure, a public notice advertising the PA and inviting bids will be published in the Los Angeles Times, the Orange County Register, the San Bernardino Sun, and Riverside County's Press Enterprise newspapers to leverage the most cost-effective method of outreach to the South Coast Basin.

Additionally, potential bidders may be notified utilizing SCAQMD's own electronic listing of certified minority vendors. Notice of the PA will be emailed to the Black and Latino Legislative Caucuses and various minority chambers of commerce and business associations, and placed on the Internet at SCAQMD's website (<http://www.aqmd.gov>) where it can be viewed by making menu selection "Grants & Bids."

Benefits to SCAQMD

The successful implementation of the projects approved under the Proposition 1B-Goods Movement Program will reduce NOx and PM emissions in a cost-effective and expeditious manner to meet the goals of the AQMP. The vehicles and equipment to be funded by the Proposition 1B Program will operate for the life of the contracts awarded and beyond in the South Coast region, thus providing long-term emission reductions.

Resource Impacts

Following the evaluation of applications, staff will return to seek the Board's approval of the recommended project awards.

Attachment

Program Announcement #PA2017-03 for Ships at Berth and Cargo Handling Equipment Projects



**SCAQMD Program Announcement
For
Ships at Berth and Cargo Handling Equipment
Proposition 1B - Goods Movement Emission Reduction Program
PA2017-03**

The South Coast Air Quality Management District (SCAQMD) is pleased to announce the availability of funds from the Proposition 1B - Goods Movement Emission Reduction Program (hereafter “Program”). The Program is administered by a partnership between the California Air Resources Board (CARB) and local agencies to quickly reduce air pollution emissions and health risk from freight movement along California’s trade corridors. Projects funded under this Program must achieve early or extra emission reductions not otherwise required by law or regulation. Approximately \$6.1 million in Program funding is available to install shore power systems (grid-based and non-grid-based power) or ship emissions capture and control systems for vessels that are not subject to CARB’s Shore Power regulation. This funding is also for equipment owners to replace or convert cargo handling equipment (CHE) with zero-emission technology.

WHO: Owners/operators of the following, located within the four California trade corridors, may apply for funding through this solicitation:

1. Existing cargo ship berth or terminal,
2. Existing diesel-powered rubber-tired gantry (RTG) crane,
3. Existing diesel yard truck,
4. Existing diesel powered lift (forklift, side handler, top pick, or reach stacker)
5. If there is no existing equipment, the owner of the future Program-funded equipment shall sign and submit the project application.

WHAT: There are nine project options available as part of this solicitation.

- | | |
|--|---|
| 1. Grid Based Power | 6. Yard Truck Replacement – Electric or Fuel Cell |
| 2. Non-Grid Based Power | 7. Multi-Unit Battery Charger |
| 3. Ship Emissions Capture and Control System | 8. Forklift Replacement – Electric or Fuel Cell |
| 4. RTG Crane Conversion/Replacement | 9. Lift Replacement – Electric or Fuel Cell |
| 5. Yard Truck Conversion to Electric | |

Equipment specifications for each of these project options can be found in Appendix C and E of the 2015 Program Guidelines at: www.arb.ca.gov/gmbond

HOW: The application forms with instructions are attached to this Program Announcement (PA). For guidance on which application forms are required for your project type, please see Section VII of this PA. A copy of the application forms can be found at: <http://www.aqmd.gov/Prop1B>

WHERE: Three (3) copies of a **completed application (with all required supporting documents and signatures)** must be submitted via mail delivery, or in person to:

**South Coast Air Quality Management District
21865 Copley Dr., Diamond Bar, CA 91765
Attn: Procurement**

NOTE: Facsimile or email submittals **will not be accepted.**



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WHEN: Applications must be received by no later than **4:00 PM on March 31, 2017** to be considered for funding. If you submit an application in person to the SCAQMD, you must obtain a receipt from SCAQMD’s Public Information Center located in the lobby that verifies the date and time of your submittal.

Schedule:

Solicitation Opens	February 3, 2017
Application Deadline	March 31, 2017 (no later than 4 pm)

Anticipated:

SCAQMD Evaluation Period	April 2017 – May 2017
CARB’s Approval of Ranked List	June 2017
SCAQMD Board Approval of Awards	July 2017
SCAQMD to Issue Contracts	July-August 2017
Expenditure Deadline*	<ul style="list-style-type: none"> ➤ Ships At-Berth (non-grid based power/ship emissions capture and control) – 24 months after contract execution. ➤ Ships At-Berth (grid based power) – 48 months after contract execution. ➤ Cargo Handling Equipment (if commercially available) – 18 months after contract execution. ➤ Cargo Handling Equipment (if not commercially available) – 36 months after contract execution.

* Note that the close out payment must be completed by the applicable deadline. SCAQMD may take 30 business days to process the close out payment upon receipt of an approved invoice package. Payment processing should be included in any project scheduling.

For general information or questions about the SCAQMD Proposition 1B – Goods Movement Emission Reduction Program, please contact:

Gregory Ushijima, Air Quality Specialist • (909) 396-3301 • gushijima@aqmd.gov



SCAQMD Program Announcement For Ships at Berth and Cargo Handling Equipment Proposition 1B - Goods Movement Emission Reduction Program PA2017-03

SUMMARY

The purpose of this Program Announcement (PA) is to provide funding for projects under the State's Proposition 1B – Goods Movement Emission Reduction Program to reduce diesel emissions from freight transportation. This PA will include projects of the following equipment types:

- Shore power for ships at berth
- Emissions capture and control systems for ships at berth
- RTG cranes
- Yard trucks
- Lifts (forklifts, side handler, top pick, or reach stacker)
- Multi-unit battery chargers (with the replacement or conversion of 3 yard trucks with Program funds)
- Battery charger (with the replacement or conversion of a yard truck with Program funds)
 - Availability of this funding option must be approved by CARB. If approved, CARB will issue an Executive Order (EO) that details additional Program flexibilities.

I. BACKGROUND

The diesel engines in trucks, locomotives, ships, harbor craft, and cargo handling equipment are major contributors to the State's air pollution challenges. These sources account for nearly half of the statewide particulate matter (PM) emissions. Diesel PM is both a toxic air contaminant and a contributor to black carbon, a powerful short-lived climate pollutant. Near-source exposure to emissions of this particulate matter is associated with health risks, especially near distribution centers, railyards, and seaports, many of which impact disadvantaged communities. Emissions from freight transport also account for over one third of the statewide nitrogen oxides (NOx) that form fine particles.

Proposition 1B (Prop. 1B), approved by voters in 2006, authorizes \$1 billion in bond funding to CARB to cut freight emissions in four priority trade corridors, including the Los Angeles/Inland Empire trade corridor in the South Coast Air Basin. The project categories include heavy-duty diesel trucks, freight locomotives, ships at berth, commercial harbor craft, cargo handling equipment, transport refrigeration units (TRU), and infrastructure for electrification of truck stops, distribution centers and other places where trucks congregate. In February 2016, SCAQMD released a solicitation for projects in the equipment categories of ships at berth and cargo handling equipment. Total project funds available were about \$14.1 million. In July 2016, SCAQMD approved projects from this solicitation totaling about \$12.48 million, however one project was subsequently deemed ineligible by CARB. A new Program Announcement is necessary to solicit additional projects for the remaining balance of funds.



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The Program supplements existing regulations and may be combined with other funding programs to cut diesel emissions. The Program funds provide an incentive to equipment owners to upgrade to cleaner equipment and achieve early or extra emission reductions beyond those required by applicable rules, regulations or enforceable agreements.

II. DEFINITIONS

a) Air Quality Improvement Program (AQIP)

AQIP is a voluntary incentive program administered by CARB to fund clean vehicle and equipment projects, research of biofuels production and the air quality impacts of alternative fuels, and workforce training. AQIP was created in 2007 by AB 118, the California Alternative and Renewable Fuel, Vehicle Technology, Clean Air, and Carbon Reduction Act of 2007 (Núñez, Chapter 750, Statutes of 2007). AB 8 (Perea, Chapter 401, Statutes of 2013) reauthorized the fees that support AQIP through 2023.

CARB has focused AQIP investments on technology advancing projects that support California's long-term air quality and climate change goals in addition to providing immediate emission benefits. AQIP investments have concentrated on three main categories: commercial deployment of clean vehicles, pre-commercial advanced technology demonstrations, and finance assistance to small trucking fleets. For the latest information on the AQIP, please visit:

<http://www.arb.ca.gov/msprog/aqip/aqip.htm>

b) Conversion

ARB-approved aftermarket replacement of the fueling system in a diesel powered equipment to a natural gas, hybrid technology, or zero-emission fueling system. Engines must have CARB approval as an aftermarket conversion to be sold in California. The proposed engine in conversion projects are not fueled by diesel.

c) Forklift

An off-road industrial truck used to hoist and transport materials by means of steel fork(s) under the load.

d) Freight Facility

Distribution centers, warehouses, retail and wholesale outlets, and agricultural processing centers, and other places where trucks congregate (other than truck stops.)

e) Goods

Defined as having the same meaning in Commercial Code section 2105, which essentially requires that:

- A. The goods must be movable.



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- B. The goods being moved must be part of a transaction that involves a contract for the sale of the goods.
 - C. Rental equipment does not qualify as “Goods”.
- f) **Lift**
Includes top pick, side handler, reach stacker, or forklift
- g) **Port**
A publically or privately owned property located at a harbor or along a waterway where marine and port terminals typically load and unload water-borne commerce onto and from ocean-going vessels; a port includes all property within the physical boundaries of the port or demarcated as the port on city or county land maps as well as other contiguous or adjacent properties owned or operated by the port. A port includes military terminals that operate cargo handling equipment when located as part of, or on contiguous properties with, non-military terminals.
- h) **Reach Stacker**
An off-road truck-like cargo container handler that uses an overhead telescopic boom that can reach across two or more stacks of cargo containers and lift the containers from the top.
- i) **Replacement**
To replace a higher-emitting diesel vehicle or piece of diesel equipment, with a lower-emitting vehicle or piece of equipment (e.g., replacement of one or two old trucks with a new one).
- j) **Rubber-Tired Gantry Crane or RTG Crane**
An off-road overhead cargo container crane with the lifting mechanism mounted on a cross-beam supported on vertical legs which run on rubber tires. RTG cranes do not include gantry cranes that operate on steel wheels and rails.
- k) **Side Handler or Side Pick**
An off-road truck-like cargo container handler that uses an overhead telescopic boom to lift empty or loaded cargo containers by grabbing either two top corners on the longest side of a container, both arms of one side of a container, or both top and bottom sides of a container.
- l) **Terminal**
A facility, including one owned or operated by the Department of Defense or the U.S. military services, that operates cargo handling equipment at a port or intermodal rail yard.



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m) Top Handler or Top Pick

An off-road truck-like cargo container handler that uses an overhead telescopic boom to lift empty or loaded cargo containers by grabbing the top of the containers.

n) Yard Truck

An off-road mobile utility vehicle used to carry cargo containers with or without chassis; also known as utility tractor rig (UTR), yard tractor, yard goat, yard hostler, yard hustler, or prime mover.

III. OWNERSHIP REQUIREMENTS

Applications shall be signed and submitted by the current legal owner of the existing equipment that will be upgraded or replaced. For infrastructure projects, if there is no existing equipment, the application must be signed and submitted by the future owner of the Program-funded equipment.

Applications for Ships at Berth projects may be the port or terminal operators. Notwithstanding, non-owner applications are not eligible for funding.

Individuals or companies that operate the existing equipment under a lease agreement with the equipment owner are prohibited from applying for bond funding.

Third party applications are not allowed.

IV. FUNDING TABLES

For the funding tables below, please also reference the Definitions in Section III above for descriptions of equipment.

Table 1: Ships at Berth

Eligible Equipment		Equipment Upgrade	Proposed Program Funding	Project Life	Other Conditions (partial description)
A	Existing cargo ship berth that receives visits solely by ships not subject to the control requirements of the Ships At Berth Rule in effect as of 2015.	Install grid-based shore power (landside infrastructure to berth).	Lower of: 50 percent of eligible cost or \$2.50M/per berth.	10 years	Ship visits must result in a cost effectiveness of 0.10 lbs/State \$ or higher.
			Lower of: 60 percent of eligible cost or \$3.50M/per berth.	10 years	Ship visits must result in a cost effectiveness of 0.20 lbs/State \$ or higher.



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C	Existing cargo ship berth or terminal that receives visits solely by ships not subject to the control requirements of the Ships At Berth Rule in effect as of 2015.	Install non-grid-based shore power (zero emission system or natural gas engine with selective catalytic reduction to control NOx emissions).	\$200,000 per megawatt of eligible costs.	5 years	Ports of Los Angeles and Long Beach: 1,500 hrs/yr (2015 onwards). Other ports: 1,000 hrs/yr (2015 onwards).
D	Existing cargo ship berth or terminal.	Install an emissions capture and control system (a.k.a. hood or bonnet) that achieves a minimum control effectiveness of 80 percent for NOx and PM. ¹	Lower of 50 percent of eligible cost or a level with a cost-effectiveness of 0.10 lbs/State \$ or higher.	10 years	Ports of Los Angeles and Long Beach: 1,500 hrs/yr (2015 onwards). Other ports: 1,000 hrs/yr (2015 onwards).

Table 1 Notes:

1. The hood or bonnet technology requires CARB approval and a 10 year warranty.

Table 2: Heavy-Duty Trucks – Cargo Handling Equipment

	Eligible Equipment	Equipment Upgrade¹	Proposed Program Funding	Project Life²
A	Existing diesel engine rubber-tired gantry crane.	Convert or replace with a zero emission powered system. ³	Lower of 50 percent of eligible cost or \$500,000/crane.	15 years
B	Existing diesel powered yard truck.	Replace with a zero emission electric yard truck. ³	Lower of 80 percent of eligible cost or \$100,000/yard truck.	5 years
C	Existing diesel powered yard truck.	Convert to a zero emission electric yard truck. ³	Lower of 80 percent of eligible cost or \$80,000/yard truck.	5 years
D	Existing diesel powered yard truck.	Replace with a zero emission fuel cell powered yard truck. ³	Lower of 80 percent of eligible cost or \$200,000/yard truck.	5 years



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E	Multi-unit battery chargers with the conversion or replacement of 3 yard trucks.	Install a multiple-unit battery charger ⁴ with the conversion or replacement of 3 yard trucks with zero emission electric yard trucks.	Lower of 50 percent of eligible cost or \$35,000 for the cost a multi-unit battery charger plus the lower of 80 percent of eligible cost or \$80,000 (conversion) or \$100,000 (replacement) per yard truck.	5 years
F	Battery charger with the conversion or replacement of a yard truck. ⁵	Install a battery charger ⁴ with the conversion or replacement of a yard trucks with a zero emission electric yard trucks.	\$15,000 for the cost a battery charger plus the lower of 80 percent of eligible cost or \$80,000 (conversion) or \$100,000 (replacement) for the yard truck.	5 years

Table 2 Notes:

1. Program funded equipment cannot be used to comply with the regulatory requirement for replacing non-compliant equipment with electric or zero emission equipment associated with obtaining third and/or fourth years of “No VDECS (Verified Diesel Emission Control Systems) Available” compliance extension.
2. Program funded equipment is not eligible to be counted towards compliance for a two year period.
3. Requires a 5 year warranty.
4. Battery charger projects require a 3 year warranty. Associated zero emission yard truck projects still require a 5 year warranty.
5. Availability of this funding option must be approved by CARB. If approved, CARB will issue an Executive Order (EO) that details additional Program flexibilities.

Table 3: Cargo Handling Equipment – Lifts

Eligible Equipment		Equipment Lift Capacity	Equipment Upgrade ¹	Proposed Program Funding	Project Life ²
G	Existing diesel powered forklift. ⁷	3,000 – 8,000 lbs	Replace 3 forklifts with 3 Class I electric powered zero emission forklifts, including batteries, and chargers. ^{8,9}	Lower of 50 percent of eligible cost or \$45,000 for all 3. ³	5 years
		8,001 – 12,000 lbs		Lower of 50 percent of eligible cost or \$55,000 for all 3. ⁴	



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H	Existing diesel powered forklift. ^{7,10}	3,000 – 8,000 lbs	Replace a forklift with a Class I electric powered zero emission forklift, including battery, and charger. ^{8,9}	Lower of 50 percent of eligible cost or \$15,000 for each forklift.	5 years
		8,001 – 12,000 lbs		Lower of 50 percent of eligible cost or \$18,000 for each forklift.	
I	Existing diesel powered forklift. ⁷	3,000 – 8,000 lbs	Replace 3 forklifts with 3 Class 1 fuel cell powered forklifts including batteries, and chargers. ^{8,9}	Lower of 50 percent of eligible cost or \$75,000 for all 3. ⁵	5 years
		8,001 – 12,000 lbs		Lower of 50 percent of eligible cost or \$90,000 for all 3. ⁶	
J	Existing diesel powered lift, including: forklift, side handler, top pick, or reach stacker.	Greater than 12,000 lbs	Replace an existing lift with a Class I electric powered zero emission lift. ^{8,9}	Lower of 50 percent of eligible cost or \$50,000.	5 years
K	Existing diesel powered lift, including: forklift, side handler, top pick, or reach stacker.	Greater than 12,000 lbs	Replace an existing lift with a fuel cell powered zero emission lift. ⁸	Lower of 50 percent of eligible cost or \$80,000.	5 years

Table 3 Notes:

1. Program funded equipment cannot be used to comply with the regulatory requirement for replacing non-compliant equipment with electric or zero emission equipment associated with obtaining third and/or fourth years of “No VDECS (Verified Diesel Emission Control Systems) Available” compliance extension.
2. Program funded equipment is not eligible to be counted towards compliance for a two year period.
3. Additional forklifts, battery and charger, may be funded at the lower of 50 percent of eligible cost or \$15,000.
4. Additional forklifts, battery and charger, may be funded at the lower of 50 percent of eligible cost or \$18,000.
5. Additional forklifts, battery and charger, may be funded at the lower of 50 percent of eligible cost or \$25,000.
6. Additional forklifts, battery and charger, may be funded at the lower of 50 percent of eligible cost or \$30,000.
7. Engine must be greater than 25 horsepower.
8. Equipment warranty shall be one year or 1,600 hours, whichever comes first.
9. Electric chargers must be California Energy Commission (CEC) compliant to be eligible for funding.
10. Availability of these funding options must be approved by CARB. If approved, CARB will issue an Executive Order (EO) that details additional Program flexibilities.



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IMPORTANT NOTES:

- Clear all outstanding CARB violations for equipment and/or fleet, and maintain compliance with all applicable CARB regulations.
- Determine the equipment lift capacity as identified on the manufacturer's sticker/label on the piece of equipment. If this tag is missing or cannot be read, please check with your local dealer.
- For replacement projects, keep the equipment in legal operating condition until delivered to a dismantler.
- For replacement projects, old equipment must be scrapped in accordance to the requirements in the Guidelines.
- Applicants may request reduced funding amounts to improve cost-effectiveness and competitiveness of the project.
- Make sure your equipment has a readable/legible serial number tag on the unit and engine tag on the engine prior to any inspection (project pre-inspection and post-inspection).

For complete Program requirements, please refer to the latest 2015 Update to the Program Guidelines and related supplemental materials listed on the CARB Program website at www.arb.ca.gov/gmbond or call Gregory Ushijima at the South Coast Air Quality Management District for guidance at (909) 396-3301.

V. ELIGIBILITY

Project eligibility will be based on the Program Guidelines which can be found at: www.arb.ca.gov/gmbond.

For grid-based and non-grid-based power projects, eligible projects include existing cargo ship berths or terminals at a seaport located within the four California trade corridors that receives visits solely by vessels not subject to the control requirements of ARB's Ships at-Berth Rule in effect as of 2015.

For ship emissions capture and control system projects, eligible projects include existing cargo ship berths or terminals at a seaport located within the four California trade corridors.

Ineligible Equipment

- Any Cargo Handling Equipment not in compliance with applicable CARB regulations.
- Existing Cargo Handling Equipment that is to be replaced shall in no case be a zero emissions unit.
- Any ships at-berth project that is listed as a mitigation measure as part of a final, certified California Environmental Quality Act (CEQA) or National Environmental Policy Act (NEPA) document is not eligible for funding.

General Requirements for All Ships at Berth Projects

Selected applicants must sign a contract with SCAQMD including project milestone and completion deadlines and commit to the following:

- Certify that there are no outstanding CARB violations or non-compliance with CARB regulations associated with the equipment or the owner.
- Commit to the project life specified with the applicable equipment project option.



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- Have written commitments from the tenant shipping line(s) to:
 - Meet the minimum number of ship visits or hours.
 - Sign the equipment project contract (or other written agreement as approved by CARB).
- Adhere to all Program requirements during the project life.
- Comply with record-keeping, reporting, and Program review or fiscal audit requirements.
- Properly maintain all equipment in good operating condition and according to manufacturer's recommendations.
- Demonstrate proof of equipment warranty and insurance on new equipment.
- Comply with local permitting requirements.
- Comply with the Supplemental Procedures available on the Program website.

Program Requirements for Grid-Based Power Projects:

- Commit to a project life of 10 years.
- Demonstrate operability with a cargo ship fully powered by shore-based electrical power supplied by the grid-based equipment.

Program Requirements for Non-Grid-Based Power Projects:

- Commit to a project life of 5 years of 100% California operation at the following levels or greater:
 - Port of Los Angeles and Port of Long Beach:
 - 1,500 hours per year.
 - All other ports within the four California trade corridors:
 - 1,000 hours per year.
- Demonstrate operability with a cargo ship fully powered by shore-based electrical power supplied by the electricity generating unit.
- Obtain a 5 year manufacturer's warranty which includes labor and materials to repair and/or replace system component(s) as needed to correct any mechanical, electrical or control system equipment or installation problems resulting in significant loss of usability. The manufacturer's warranty may exclude minor items that are subject to normal wear and tear if approved by ARB.
- Perform source testing to measure emissions from the unit every 1,000 hours of operation, according to the source test requirements contained in ARB's Ships at-Berth Rule.

*Additional requirements specific to certain Ships at Berth project options can be found in Appendix C of the Proposition 1B: Goods Movement Emission Reduction Program-Final 2015 Staff Report and Guidelines for Implementation and the September 2015 Supplemental Procedures for Ships at Berth and Cargo Handling Equipment Projects available at:

www.arb.ca.gov/gmbond.



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General Requirements for All Cargo Handling Equipment Projects

Selected applicants must sign a contract with SCAQMD including project milestone and completion deadlines and commit to the following:

- Certify that there are no outstanding CARB violations or non-compliance with CARB regulations associated with the equipment or the owner.
- Agree to equipment inspections.
- Comply with record-keeping, reporting, and Program review or fiscal audit requirements.
- Properly maintain upgraded equipment in good operating condition and according to manufacturer's recommendations.
- Demonstrate proof of equipment warranty and insurance on upgraded equipment that covers the replacement of the equipment.

Program Requirements for RTG Crane Projects:

- Commit to 15 years of 100% California operation in a port, or intermodal railyard, or freight facility service in the four trade corridors.
- Be permitted to keep the existing diesel engine installed and operational for a limited number of hours each year and do the following at their own expense: (1) install an hour meter on the existing diesel engine and (2) provide activity reports when requested by the local agency or ARB, in a format defined by ARB staff.
- Commit to a maximum limit of diesel engine usage to 30 hours annually based on a rolling 3 year average.
- Comply with all local permitting requirements.
- Demonstrate proof of equipment warranty for 5 years

Program Requirements for Yard Truck Projects:

- Agree to accept an on-board electronic monitoring unit at any time during the project life.
- Commit to 5 years of 100% California operation in a port, or intermodal railyard, or freight facility service in the four trade corridors.
- Demonstrate proof of equipment warranty for the project life and insurance on upgraded equipment.
- Insurance on upgraded equipment shall cover the replacement of the equipment for fuel cell projects.

Program Requirements for Battery Charger Projects:

- Commit to 5 years of 100% California operation in a port, or intermodal railyard, or freight facility service in the four trade corridors.
- Demonstrate proof of equipment warranty of at least 3 years for the charger and 5 years for the trucks.
- For funding option E in Table 2:



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- Convert a minimum of 3 diesel yard truck to electric powered yard trucks. (Option 2) or replace a minimum of 3 electric powered yard trucks (Option 3).
- Meet all requirements for project Option 2 or 3.
- For funding option F in Table 2:
 - Convert or replace 1 yard truck for each battery charger project.
 - Availability of this funding option must be approved by CARB. If approved, CARB will issue an Executive Order (EO) that details additional Program flexibilities.

Program Requirements for Forklift (Lift Capacities of 3,000 lbs to 12,000 lbs) Projects:

- Not replace existing zero emission equipment with new electric powered equipment (electric projects) or new fuel cell equipment (fuel cell projects).
- Commit to 5 years of 100% California operation in a port, or intermodal railyard, or freight facility service in the four trade corridors.
- Demonstrate proof of equipment warranty for one year or 1,600 hours, whichever comes first.
- The replacement equipment must serve the same function as the existing equipment.
- The equipment engine must be greater than 25 horsepower.

Program Requirements for Lift (Lift Capacities Greater Than 12,000 lbs) Projects:

- Not replace existing zero emission equipment with new electric powered equipment (electric projects) or new fuel cell equipment (fuel cell projects).
- Commit to 5 years of 100% California operation in a port, or intermodal railyard, or freight facility service in the four trade corridors.
- Demonstrate proof of equipment warranty for one year or 1,600 hours, whichever comes first and insurance that covers the replacement of the equipment.
- The replacement equipment must serve the same function as the existing equipment.

Modifying an Application

Equipment owners are limited in what they can change after the application is submitted, as changes will affect a project's competitive ranking. Equipment owners are encouraged to select the option that best suits their company as changes may not be possible at a later date. For program-funded projects, equipment owners are able to select any make/model equipment or engine as long as it meets the required emission levels and is in the same vehicle class as the existing equipment or engine (with limited exceptions). Equipment must meet all other program requirements. Please note that your funding amount may change.

Equipment owners may change the project option after the solicitation period has closed subject to the following requirements:



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- The change must result in a funding amount equal to or less than the amount that was requested in the original application.
- The change must result in calculated project cost-effectiveness equal to or greater than the project listed in the original application.
- The change must result in the project remaining above the funding line on the ranked list.

Equipment owners **cannot** substitute a different equipment or change the ownership of the existing equipment identified on the application after the solicitation period has closed.

If a piece of equipment identified as a certain weight capacity in the application is later determined to be in a different weight capacity, the SCAQMD may reduce the amount of funding requested to the amount associated with the appropriate weight capacity or as specified above in Table 3.

VI. APPLICATION SUBMITTAL REQUIREMENTS

An equipment owner **is not allowed to** submit a Proposition 1B application for the same equipment to multiple local agencies. Equipment owners must disclose all funding sources and amounts planned for the project at time of application.

The following documentation must be completed, signed and submitted to SCAQMD by the due date:

Project Type	Require application forms, and attachments
Ships at Berth	Form A for each project in the application, including all supplemental information, Form C, and Attachments 1 through 5.
Cargo Handling Equipment	Form B for each project in the application, including all supplemental information, Form C, and Attachments 1 through 5.



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Below is a list of all application forms and attachments for this Program Announcement. Please refer to the above table for the specific application forms required for your project type.

- Form A – Ships at Berth
- Form B – Cargo Handling Equipment
- Form C – Application Statement

- Attachment 1 – Business Information Request
- Attachment 2 – Disadvantaged Business Certification
- Attachment 3 – W-9 - Request for Taxpayer Identification Number and Certification
- Attachment 4 – Withholding Exemption Certificate (Form 590)
- Attachment 5 – Campaign Contribution Disclosure

Notes: Each attachment (#s 1-5) must be completed and submitted for each individual applicant. If your application is approved, an updated Attachment 5 may be requested by your assigned Project Officer at a later date.

VII. EQUIPMENT PROJECT PURCHASE RESTRICTIONS

An equipment owner **may not** purchase, receive, install, pay for, or place into operation any engines, equipment, or vehicles, nor may work begin on a repower project or a project to install electrical infrastructure, until the project contract is fully executed. For all equipment, an equipment owner may pre-order prior to contract execution at the equipment owner's risk. The SCAQMD **will not** reimburse grantees for orders or any payments on a new engine, piece of equipment, or vehicle that takes place prior to SCAQMD approval of the project through contract execution.

Dealers ordering engines, equipment, or vehicles prior to contract execution assume all financial risk, and are in no way assured grant funds.

Applicant has 24 months from contract execution date to verify project completion/close out payment for ships at-berth (non-grid based power/ship emissions capture and control) projects.

Applicant has 48 months from contract execution date to verify project completion/close out payment for ships at-berth (grid based power) projects.

Applicant has 18 months from contract execution date to verify project completion/close out payment for cargo handling equipment (if commercially available) projects.

Applicant has 36 months from contract execution date to verify project completion/close out payment for cargo handling equipment (if not commercially available) projects.



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Note that SCAQMD may take 30 business days to process the close out payment upon receipt of an approved invoice package. Payment processing should be included in any project scheduling.

Eligible and Ineligible Equipment Costs:

Project Type	Eligible Costs	Ineligible Costs
Grid-Based Power	May include design, engineering, equipment necessary to purchase and install infrastructure to supply electrical power, utility construction, and costs associated with increasing the capacity of electrical power to the port.	Shipside modifications to accept shore-based electrical power, consulting, environmental review, legal fees, permits, licenses and associated fees, taxes, metered costs, insurance, operation, maintenance, and repair.
Non-Grid-Based Power	May include equipment necessary to generate electrical power and connect the equipment to cargo ships at berth.	Construction and protection of infrastructure (e.g., natural gas lines) used to supply fuel for non-grid-based electrical generation, shipside modifications to accept electrical power, barge or other acquisition and modification for a portable system, design, engineering, consulting, environmental review, legal fees, permits, licenses and associated fees, taxes, utility construction or metered costs, insurance, operation, maintenance, and repair.
Ship Emissions Capture and Control System	May include purchase and installation of the emission treatment system and ducting, and hoods or bonnets necessary to connect to cargo ships at berth.	Shipside modifications to accept capture and control system, barge or other acquisition and modification for a portable system, design, engineering, consulting, environmental review, legal fees, permits, licenses and associated fees, taxes, utility construction or metered costs, insurance, operation, maintenance, and repair.
RTG Crane	May include purchase of a new crane or installation of a zero emission engine, necessary parts for an existing RTG crane including directly related vehicle modifications, and infrastructure to supply electrical power, utility construction, and costs associated with increasing the capacity of electrical power to the crane.	Design, engineering, consulting, environmental review, legal fees, permits, licenses and associated fees, taxes, metered costs, insurance, operation, maintenance, and repair.
Yard Truck Conversion	May include purchase of the vehicle drive train and control system.	License, registration, taxes (other than federal excise and sales tax), insurance, operation, maintenance, and repair.
Yard Truck Replacement	May include purchase of the replacement truck	



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Forklift Replacement (Lift capacities of 3,000 lbs to 12,000 lbs)	Partial funding of the replacement forklift including any batteries and California Energy Commission (CEC) compliant chargers (for electric units).	
Lift (Lift capacities greater than 12,000 lbs)		

VIII. PAYMENT PROCESS

The SCAQMD shall expend Program funds through invoice payments after the satisfactory completion of a post-inspection by SCAQMD. Invoice payments provide Program funding to equipment owners on a reimbursement basis or to the vendor (or dealership) through a direct payment option provided the SCAQMD receives written instructions and approval from the grantee. For the direct payment option, an authorized representative of the dealership must have signed a Memorandum of Understanding agreement with the SCAQMD certifying their understanding of the program requirements. Grant funds shall only be used toward the capital cost of the equipment.

For ships at berth, grid-based power projects only, up to 80% of eligible project costs are authorized for early reimbursement provided that the equipment owner has expended all non-Program match funding and remains in compliance with the equipment project contract (Chapter IV.B.2.e of Proposition 1B Guidelines). Final payment of funds held in retention shall be paid upon completion of a satisfactory post-inspection

Invoice Payments

Payment of the grant funds will only be made after the new equipment, converted equipment, and/or replacement equipment has passed a post-inspection by the SCAQMD and the SCAQMD has received a valid invoice package for the new engine or piece of equipment. The SCAQMD may issue the grant payment to the equipment owner upon submission of a valid invoice once the following requirements have been met:

- For ships at berth projects:
 - Equipment owner must successfully complete a post-inspection with a ship plugged in to the power system or ship being controlled by the emissions capture and control system.
- For ships at berth, non-grid-based power projects, equipment owner shall submit proof of a 5 year manufacturer’s warranty which includes labor and materials to repair and/or replace system component(s) as needed to correct any mechanical, electrical or control system equipment or installation problems resulting in significant loss of usability.
- For ships at berth, ship emissions capture and control systems, equipment owner shall submit proof of a 10-year manufacturer’s warranty (including labor and materials) to repair and/or replace system component(s) as needed to correct any mechanical,



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electrical or control system equipment or installation problems which may cause significant loss of capture, treatment efficiency or usability.

- For cargo handling equipment projects:
 - Equipment owner must impound and transport the old engine or equipment to a licensed dismantler (yard truck) or dismantler (all other equipment) up to 30 days after the new power system or equipment is placed into operation.
- For RTG crane projects, equipment owner shall demonstrate proof of equipment warranty for 5 years.
- For yard truck conversion and yard truck electric replacement projects, equipment owner shall demonstrate proof of equipment warranty for the project life and insurance on upgraded equipment.
- For yard truck fuel cell replacement projects, equipment owner shall demonstrate proof of equipment warranty for the project life and insurance on upgraded equipment that covers the replacement of the equipment.
- For yard truck battery charger projects, equipment owner shall demonstrate proof of equipment warranty of at least 3 years for the charger and 5 years for the trucks that would connect to the chargers.
- For forklift electric replacement projects, equipment owner shall demonstrate proof of equipment warranty for one year or 1,600 hours, whichever comes first.
- For all other forklift and lift projects, equipment owners shall demonstrate proof of equipment warranty for one year or 1,600 hours, whichever comes first, and insurance that covers the replacement of the equipment.
- For all reimbursements, the equipment owner must submit proof of payment and a copies of all invoices from the vendors with all ineligible costs deducted. Additional information may be required by the SCAQMD.
- For reimbursements, the SCAQMD will require verification from the dismantler that the old equipment has been delivered to the dismantling site and is in custody of the dismantler.
- The payment of grant funds will not exceed the amount directly paid by the equipment owner.



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IX. PROJECT EVALUATION AND COMPETITIVE RANKING

Only those applications that contain all required information will be evaluated by the SCAQMD and all eligible projects will be competitively ranked according to the procedures specified in the Program Guidelines. The ranked list, once approved by CARB, will be posted on the SCAQMD website. SCAQMD will award grant funds to the top project on the ranked list and continue down the list until the Program funds are exhausted. If the Program funds are not exhausted, SCAQMD will seek CARB's approval to start funding any backup projects in the order they appear on the ranked list. For complete information regarding project evaluation and the competitive ranking process, please refer to Chapter IV of the Final 2015 Staff Report and Guidelines for Implementation found on the CARB Program website at: www.arb.ca.gov/gmbond.

X. ANNUAL REPORTING REQUIREMENTS

Shore Power (Grid- and Non-Grid-Based Power)

Equipment owners that are awarded funding will be responsible for annual reporting to the SCAQMD for the project life. The equipment owner annual reports shall include, but is not limited to:

- Contact information (owner name, company, address, phone).
- Equipment description and type providing electrical power.
- Port and berth name(s)/identifier(s).
- Date of installation of equipment.
- Vessel type, name, and Lloyd's number utilizing berth.
- Total ship visits utilizing berth.
- Ship visits utilizing Program-funded equipment.
- Documentation of Program-funded equipment's electricity usage at berth (for grid-based power).
- Power, in megawatts, supplied to the vessels (for non-grid-based power).
- Episodes of electrical service interruption by local utility company (for grid-based power).
- Date and description of any equipment failure that prevented a ship from using the shore-based power (for non-grid-based power).
- Summary of maintenance and inspections conducted.
- Signed certification statement that the bond-funded project was operated in accordance with the signed contract and that all information submitted is true and accurate.
- Project records must be retained for at least 2 years after contract expiration or 3 years after final project payment, whichever is later.
- Summary of source testing (for non-grid-based power).
- Other information as requested by the SCAQMD.

South Coast Air Quality Management District
21865 Copley Dr.

Diamond Bar, CA 91765



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Ship Emissions Capture and Control Systems

Equipment owners that are awarded funding will be responsible for annual reporting to the SCAQMD for the project life. The equipment owner annual reports shall include, but is not limited to:

- Contact information (owner name, company, address, phone).
- Description of ship emissions capture and control system.
- Port and berth name(s)/identifier(s).
- Date and location of equipment installation.
- Vessel type, name, and Lloyd's number of vessels utilizing the system.
- Total ship visits utilizing the system by berth.
- Power usage (kW-hr) to run the hood and source of power (grid- vs. non-grid-based).
- Natural gas usage (if any) for heating selective catalytic reduction duct burner.
- Date and description of any equipment failure that prevented a ship from using the system to reduce emissions.
- Summary of maintenance, source testing and inspections conducted.
- Signed certification statement that the bond-funded project was operated in accordance with signed contract and that all information submitted is true and accurate.
- Other information as requested by the SCAQMD.

Cargo Handling Equipment

Equipment owners that are awarded funding will be responsible for annual reporting to the SCAQMD for the project life. The equipment owner annual reports shall include, but is not limited to:

- Contact information (owner name, company, address, phone).
- Date and location of installation of equipment.
- Equipment type and name of home port, railyard or freight facility.
- RTG crane, side pick, top pick, reach stacker and yard truck or yard truck and battery charging station, make, model, year, serial number, and power rating.
- Annual hours of operation.
- Summary of maintenance and inspections conducted.
- Signed certification statement that the bond-funded technology was installed on the equipment for which it was approved, and that all information submitted to the local agency is true and accurate.
- Other information as requested by the SCAQMD.



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XI. USEFUL RESOURCES

- CARB Goods Movement Emission Reduction Program:
<http://www.arb.ca.gov/bonds/gmbond/gmbond.htm>
- Supplemental Procedures for Ships at Berth and Cargo Handling Equipment Projects (September 2015)
http://www.arb.ca.gov/bonds/gmbond/docs/prop_1b_goods_movement_ships_at_berth_supplemental_procedures_year_5.pdf
- CARB Cargo Handling Equipment Website:
<http://www.arb.ca.gov/ports/cargo/cargo.htm>
- CARB Shore Power for Ocean-going Vessels Website:
<http://www.arb.ca.gov/ports/shorepower/shorepower.htm>
- CARB In-Use Off-Road Diesel Vehicle Regulation
<http://www.arb.ca.gov/msprog/ordiesel/ordiesel.htm>
- CARB Diesel Off-road On-line Reporting System (DOORS)
https://ssl.arb.ca.gov/ssldoors/doors_reporting/doors_login.html
- DOORS Compliance Validation
http://www.arb.ca.gov/doors/compliance_cert1.html
- CARB Off-Road Compliance Flow Chart
http://www.arb.ca.gov/msprog/ordiesel/faq/applicability_flow_chart.pdf
- SCAQMD Prop. 1B Website (where a copy of the solicitation and application forms can be found)
<http://www.aqmd.gov/home/programs/business/goods-movement-ships-at-berth>



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MAP OF THE TRADE CORRIDORS





PROPOSITION 1B - GOODS MOVEMENT EMISSION REDUCTION PROGRAM APPLICATION

FORM A: Ships At-Berth

SECTION 1 – APPLICANT INFORMATION (PLEASE PRINT OR TYPE)

A. ORGANIZATION INFORMATION		
Organization, Company or Proprietor’s Name (as it appears on Form W-9):		
Address:		
City:	State:	Zip Code:
Mailing Address (if different from above):		
City:	State:	Zip Code:
Brief Project Overview (e.g., the number of berths or vessels proposed for this project):		
B. PRIMARY CONTACT INFORMATION		
First and Last Name:		Contact Title:
Phone Number:	Fax Number:	
Alternate Contact Number:	Email:	
C. CONTRACT SIGNING AUTHORITY INFORMATION (e.g., Equipment Owner)		
First and Last Name:		
Title:	Phone Number:	
If the above person is not the owner of the proposed project equipment, please specify the owner’s name here:		
D. PROJECT BUDGET AND FUNDING REQUEST		
Total Project Cost:	Funding Request:	Number of Units Proposed:
Other Funding/Source of other funding (private, local, other State, federal):		

Submit the original completed application (with all required supporting documents and signatures) along with **two (2) copies of the entire application package** (a total of 3 copies including the original application) via mail delivery, or in person to:

South Coast Air Quality Management District
21865 Copley Dr., Diamond Bar, CA 91765
Attn: Procurement / PA2017-03

Application Deadline: March 31, 2017 by no later than 4pm

NOTE: Facsimile or email submittals **will not be accepted.**



(THE INFORMATION BELOW IS REQUIRED FOR EACH BERTH. FOR MULTIPLE BERTHS, YOU MAY PROVIDE AN EXCEL SPREADSHEET CONTAINING THE REQUIRED INFORMATION)

SECTION 2 – PROJECT INFORMATION

- Project Type (Check One):
- Grid-Based Shore Power
- Non-Grid-Based Shore Power
- Ship Emissions Capture and Control System

Applicant Type: (Check one):
- Terminal Owner
- Terminal Lessee
- Port Authority
- Other, please specify: _____

List project partners and match funding sources (include documentation of match funding availability):

Port where the project berth/equipment is located:

Berth name/identifier and location within the Port:

Name of Owner and Operator of the Berth:

Project Description: Attach a project description, including but not limited to: the type of equipment to be installed, the need to bring additional power to the project site, design information including the maximum power demand (kWh-hr), utility provider, etc. For Ship Emissions Capture and Control system projects, be sure to include the number of emissions capture subsystems (bonnets) per unit, number of emissions treatment subsystems, a description of the support structure and other key components. Title this attachment "Project Description".

Project Acknowledgement:
If the applicant does not own the site where the equipment will be installed, the applicant shall obtain and include a written project acknowledgement from the site owner with the application submittal or thereafter if allowed by the local agency. The project acknowledgement shall acknowledge/agree in writing, at a minimum:
- The equipment owner will be allowed to install and operate the Program-funded equipment at the site address.
- Program-funded equipment will be the property of the applicant listed in the equipment project application.
- The SCAQMD, ARB, or their designees will be allowed to access the site, equipment, and associated records for inspections, Program reviews, or fiscal audits.

The project acknowledgement is valid over the entire project life.



Project Cost Information: Attach an overall project budget and a cost breakdown summary. The cost breakdown summary should include cost estimates for all phases of the project (e.g., design, environmental, construction, etc.). The cost information should be itemized for each eligible expense by phase of the project. Provide vendor quotes when available. Note that verifiable vendor quotes are *required* to be submitted with the application for all non-grid based projects. **Title this attachment "Project Cost Information".**

A representative example of a cost breakdown summary for a grid-based shore power project includes the following items:

- Design
- Engineering
- Electrical service connection
- Power upgrade project (prorated by berth if applicable)
- Breakers and secondary breakers
- High-voltage cables
- Step down transformer
- Switchgear
- Power control equipment
- Power connection vaults
- Cable reels, cables, and connectors to connect at the vessel
- Control cable and equipment
- Other costs (as applicable)

Emission Control Equipment Data: For Ship Emission Capture and Control System projects only, provide the name of the equipment vendor(s), specific emission control technology and attach documentation of the CARB approval letter specifying the percentage of PM and NOx reductions.



**SECTION 3 – BERTH ACTIVITY DATA FOR THE PAST TWO YEARS
(FOR GRID- AND NON-GRID-BASED SHORE POWER PROJECTS ONLY)**

Total Number of Ship Visits to the Berth: _____(2014) _____(2015)
Please specify below if this number represents the total visits by vessels regulated under CCR Section 93118.3 OR all vessels that visited the berth:
Number of Visits (per ship) per year:
Average hoteling time per visit (hours/visit):
Ship Type and Size (e.g., twenty-foot equivalent unit, TEU, capacity) for each Ship that Visits the Berth:
Ship Description (including number of engines, fuel type, power demand, including both total auxiliary power (kW) and net hoteling load (kW)):

**SECTION 4 – PREDICTED BERTH ACTIVITY WITH NEW EQUIPMENT
(FOR GRID- AND NON-GRID-BASED SHORE POWER PROJECTS ONLY)**

Total estimated annual ship visits:
Estimated annual ship visits using electrical power:
Estimated ship types, description of each ship and associated power demands:
Estimated annual hoteling hours:
Estimated annual MW usage:



Information demonstrating future visits by vessels will **not** be subject to ARB's Ships at Berth Rule:

SECTION 5 – PREDICTED SHIP ACTIVITY WITH NEW SYSTEM AND PROJECTED EMISSIONS BENEFITS (FOR SHIP EMISSION CAPTURE AND CONTROL SYSTEM PROJECTS ONLY)

Number and type of ships (both subject to and not subject to the control requirements of the Ships at-Berth Rule) that will be under the hood:
Average time ships (by type of ship) will spend under the hood (hours per visit; visits per month/year):
Power usage (kWh) to run the system and source of power (grid- versus non-grid-based):
Natural gas usage (if any) for heating the selective catalytic reduction (SCR) duct burner:
Provide a detailed projection of the emissions reduction benefits of the ship emissions capture and control project. Include an estimate (showing all calculations and assumptions) of PM and NOx emissions with and without the project over ten (10) years of operation. Also discuss the emission reductions attributable to the project that are surplus to any laws or regulations for 10 years. Demonstrate that the weighted emission reductions are equal to or higher/better than 0.1 pound of weighted emissions per State dollar invested. For more information on the application requirements for Ship Emission Capture and Control projects, please see Appendix C of the program guidelines. Title this attachment "Emission Reduction Benefits".



SECTION 6 –PROJECT SCHEDULE

Attach a project schedule that includes project milestone completion dates. For grid-based shore power projects, the project schedule should include milestone dates for the following activities:

- Preliminary Design.
- Environmental Clearance (if applicable).*
- Final Design.
- Equipment ordering (with delivery dates consistent with timely completion of project milestones).
- Receipt of delivery date confirmations from manufacturers (with dates consistent with timely completion of project milestones).
- Equipment delivery (for all equipment with lead times over 1 month). *
- Power upgrade project (if applicable).
- Execution of construction contract(s) for installation services. *
- Permits.
- Start construction (material and equipment installation). *
- Finish construction (material and equipment installation).
- Commissioning/testing.
- Demonstration of a fully operational system (with ship plugged-in).

* Key milestone dates specified by CARB.

Notes:

- 1) If more than one milestone completion date applies to separate activities within a particular category, applicants should provide additional breakdowns. For example, if a transformer and cable reel are both identified to have a procurement lead time of over 1 month, they must be itemized separately in the project schedule.
- 2) The equipment owner may update the milestone dates after the application is submitted, but prior to the execution of the contract. The updated schedule will then be agreed to by the local agency and incorporated into the equipment project contract. The contract will require the equipment owner to provide updates to the project schedule at least quarterly. A schedule recovery plan will be required by the equipment owner if one of the following occurs: 1) one or more berths fail to meet a key milestone date listed in the contract, or 2) the equipment owner or AQMD becomes aware of a change that will cause one or more berths to miss the original project completion date listed in the contract. If the equipment owner fails to meet the commitments in the approved schedule recovery plan, the AQMD may terminate the contract.
- 3) For shore power projects, existing cargo ship berths or existing cargo ship terminals should be at a seaport located within the four California trade corridors that receives visits solely by vessels not subject to the control requirements of ARB’s Ships at-Berth Rule in effect as of 2015.
- 4) For ship emissions capture and control systems, existing cargo ship berth or existing cargo ship terminal shall be located at a seaport located within the four California trade corridors.

Title this attachment “Project Schedule”.



SECTION 1 – APPLICANT INFORMATION (PLEASE PRINT OR TYPE)

A. ORGANIZATION INFORMATION		
Organization, Company or Proprietor's Name (as it appears on Form W-9):		
Address:		
City:	State:	Zip Code:
Mailing Address (if different from above):		
City:	State:	Zip Code:
No. of employees:	Number of Diesel Cargo Handling Units:	
Fleet Size:	Total HP of Fleet:	
<i>*Attach documentation showing compliance with the appropriate CARB regulations. Freight facilities applying for CHE funding should provide certification of compliance with Diesel Off-road Online Reporting System (DOORS).</i>		
B. PRIMARY CONTACT INFORMATION		
First and Last Name:		Contact Title:
Phone Number:	Fax Number:	
Alternate Contact Number:	Email:	
C. CONTRACT SIGNING AUTHORITY INFORMATION (e.g., Equipment Owner)		
First and Last Name:		
Title:	Phone Number:	
If the above person is not the owner of the proposed project equipment, please specify the owner's name here:		
D. PROJECT BUDGET AND FUNDING REQUEST		
Total Project Cost:	Total Funding Request:	Funding request per unit:

Submit the original completed application (with all required supporting documents and signatures) along with **two (2) copies of the entire application package** (a total of 3 copies including the original application) via mail delivery, or in person to:

South Coast Air Quality Management District
21865 Copley Dr., Diamond Bar, CA 91765
Attn: Procurement / PA2017-03

Application Deadline: March 31, 2017 by no later than 4pm

NOTE: Facsimile or email submittals **will not be accepted.**



(THE INFORMATION BELOW IS REQUIRED FOR EACH PIECE OF EQUIPMENT.
FOR MULTIPLE UNITS YOU MAY PROVIDE AN EXCEL SPREADSHEET CONTAINING THE REQUIRED INFORMATION)

SECTION 2 – PROJECT INFORMATION

Project Type (Check One):

- RTG Crane Conversion/Replacement with Zero-Emission Power System
- Yard Truck Conversion to Electric Power
- Yard Truck Replacement (Electric or Fuel Cell)
- Forklift Replacement (Electric or Fuel Cell), capacity of 3,000-12,000 lbs.
- Lift Replacement (Electric or Fuel Cell), capacity of greater than 12,000 lbs.
- Multi-Unit Battery Charger (Requires purchase of 3 eligible yard trucks)

Applicant Type: (Check one): <input type="checkbox"/> Terminal Owner <input type="checkbox"/> Terminal Lessee <input type="checkbox"/> Port Authority <input type="checkbox"/> Rail Yard <input type="checkbox"/> Freight Facility <input type="checkbox"/> Other, please specify: _____
List project partners and match funding sources (include documentation of match funding availability):
Port, Rail Yard, or Freight Facility where the project equipment is located:
Terminal name/identifier and/or location within the facility (RTG cranes only):
Identify the trade corridors in which the equipment is routinely operated:
Equipment Registered Owner and Operator, if different from applicant:
Specify Diesel Off-road Online Reporting System (DOORS) id, if applicable:
Equipment (RTG, yard truck, or lift) identification number, VIN, or serial number (for each unit):
Equipment (RTG, yard truck, or lift) make, model and model year (for each unit):
Annual hours of operation (per unit): _____
Attach documentation that supports this operation covering the most recent two-year period.
Title this attachment “Section 2 – CHE Activity Documentation”.



FOR EACH EXISTING UNIT/EQUIPMENT:

Engine Make:	Engine Model:
Engine Model Year:	Horsepower Rating:
Engine Serial Number:	Fuel Type:
Engine Type (Yard Trucks/RTG Cranes): <input type="checkbox"/> Off-Road <input type="checkbox"/> On-Road	Engine Family Name (All Lifts):
Engine Emission Certification Standard or Retrofit Verification Level (include Emission Control Group name) (All Lifts):	
Do you request a direct payment to the vendor? (check one) <input type="checkbox"/> YES <input type="checkbox"/> NO	

SECTION 3 – PROPOSED EQUIPMENT PROJECT INFORMATION

Describe the RTG electrification technology (if applicable):
--

For Each Proposed Zero Emission RTG or Yard Truck:

Equipment Make:	Equipment Model:
Equipment Model Year:	Horsepower/Power Rating:
Estimated Annual Hours of Operation:	
Estimated Eligible Costs:	

For Each Proposed Battery Charger:

Equipment Manufacturer:	Equipment Power Rating (voltage, amperage, wattage, efficiency):
Equipment Serial Number:	Number of Charging Ports:
Equipment Recharge Rate:	
Estimated Annual Truck Connections to Charger:	Estimated Average Connection Time to Charger:
Anticipated Cost of Eligible Equipment:	



For Each Lift Project:

FORKLIFT, TOP PICK, SIDE HANDLER, OR REACH STACKER INFORMATION	
Equipment Make:	Equipment Model:
Equipment Model Year:	Equipment Lift Capacity:
Identification Number or Vehicle Identification Number (VIN):	
Diesel Engine Make:	Diesel Engine Model:
Diesel Engine Model Year:	Diesel Engine Horsepower:
Diesel Engine Family Name:	Diesel Engine Serial Number:
BATTERY CHARGER INFORMATION	
Equipment Manufacturer:	Equipment Power Rating (voltage, amperage, wattage, efficiency):
Equipment Serial Number:	Number of Charging Ports:
Equipment Location:	
Equipment Recharge Rate:	Predicted Activity:

SECTION 4 – DETAILED PROJECT SCOPE AND ADDITIONAL REQUIRED ATTACHMENTS

<p>Attach a detailed project scope of work and project schedule that covers, at a minimum, the following key project milestones:</p> <ul style="list-style-type: none"> • Preliminary Design (if applicable) • Environmental Clearance (if applicable) • Final Design (if applicable) • Equipment Order • Equipment acquisition/installation • Commissioning (if applicable) • Post-Inspection – project completion • Submittal of invoice(s) to AQMD for reimbursement.
<p>For applicants subject to CARB’s Cargo Handling Equipment regulation, attach a copy of the reports required to be submitted to the CARB by January 31st each year in order to comply with the reporting requirements for the Regulation for Mobile Cargo Handling Equipment at Ports and Intermodal Rail Yards.</p>



Please Read and Sign

All information provided in this application will be used by SCAQMD staff to evaluate the eligibility of this application to receive program funds. SCAQMD staff reserves the right to request additional information and can deny the application if such requested information is not provided by the requested deadline. Incomplete or illegible applications will be returned to applicant or vendor, without evaluation. An incomplete application is an application that is missing information critical to the evaluation of the project.

- I certify to the best of my knowledge that the information contained in this application is true and accurate and meets the minimum requirements of the proposition 1B –Good Movement Emission Reduction Program.
- I agree to follow all requirements of the Proposition 1B - Goods Movement Emission Reduction Program- Final 2015 Staff Report and Guidelines for Implementation and September 2015 Supplemental Procedures for Ships at Berth and Cargo Handling Equipment Projects.
- I understand that the Program-funded equipment may not be used by the equipment owner to comply with any applicable CARB regulations for the specified timeframe.
- I understand that, if awarded funding under the, development and submittal of a detailed work statement, with deliverables and schedule is a requirement of the contracting process.
- I understand that there may be conditions placed upon receiving a grant and agree to refund the grant (or a pro-rated portion if applicable) if it is found that at any time I do not meet those conditions and if directed by the SCAQMD in accordance with the contract agreement.
- I understand that, for this equipment, I will be prohibited from applying for any other form of emission reduction credits for Program-funded equipment, including: Fleet Emission Credits (CARB's Ships at Berth Regulation), Emission Reduction Credit (ERC); Mobile Source Emission Reduction Credit (MSERC) and/or Certificate of Advanced Placement (CAP), for all time, from the SCAQMD, CARB or any other Air Quality Management or Air Pollution Control District. However, the project may be co-funded with additional federal or local funds in accordance with the Proposition 1B Guidelines.
- The proposed project has not been funded and is not being considered for incentive funds by another air district, CARB, or any other public agency.
- In the event that the equipment does not complete the minimum term of any agreement eventually reached from this application, I agree to notify SCAQMD and return grant funds to the SCAQMD if required by the contract.
- I have the legal authority to apply for grant funding for the entity described in this application.
- I have disclosed the value of any current financial incentive that directly reduces the project price, including tax credits or deductions, grants, or other public financial assistance for the same engine/equipment below as part of this application statement. To avoid double counting of incentives, all tax credits or deductions, grants, or other public financial assistance may be deducted from the funding request.
- A statement verifying that installation or construction activities prohibited prior to contract execution have not started at any of the berths included in the equipment project contract.
- I agree to actively cooperate with the SCAQMD, CARB, or their designees during any ongoing evaluation or audit of the project site, schedule or records. This cooperation includes, but is not limited to, providing contact information and open access (if requested) to communicate directly with key project personnel, contractors, subcontractors, public utilities and material or equipment suppliers.



- I understand that third party contracts are not permitted. A third party may, however complete an application on an owner’s behalf. Third parties are required to list how much compensation, if any, they are receiving to prepare the application(s), and to certify that no Program funds are being used for this compensation. (see below)
- I understand that additional project information may be required by SCAQMD to finalize a contract, and that I will be responsible for providing this information to SCAQMD when requested.
- I understand that an incomplete or illegible application, including applications that are missing required documentation, may be rejected by the SCAQMD at their discretion
- I understand that new equipment must not be purchased, received, installed, paid for, or placed into operation prior to contract execution unless specified by the Program Guidelines, and if allowed, equipment owner shall assume all financial risk and is in no way assured program funds.
- I understand that new equipment purchased outside of California may be subject to California sales and/or use tax
- I understand that all equipment funded by this program must be operational within a prescribed time from the date of contract execution. I confirm that I know the specific time requirement for the type of project and equipment for which I am applying. The required project completion dates for eligible project types are specified in the Program Announcement.
- I have initialed this bullet to indicate that there are no potential conflicts of interest with other clients affected by actions performed by the firm on behalf of the SCAQMD. If this bullet is not initialed, I have attached a description to this application of the potential conflict of interest, which will be screened on a case-by-case basis by the SCAQMD District Counsel’s Office. There is no potential conflict of interest: _____ **(Please initial if applicable, otherwise attach separate sheet describing the potential conflict.)**
- I, the equipment owner, disclose that I have applied for the following other source(s) of funding (if any) for the same equipment project:

Source of funds: _____

How much applied for: _____

What the funding will be used for: _____

- I, the equipment owner, disclose the following value of any existing financial incentive that directly reduces the project cost, including tax credits or deductions, grants, or other public financial assistance, for the same equipment project:

Value: _____

- I certify that the equipment owner has reviewed the application and that the application information is correct.
- I certify that neither the owner nor equipment identified in the equipment project application has any outstanding violations of CARB regulations.
- I understand as an applicant that incentive programs have limited funds and shall terminate upon depletion of program funding



Applicant Signature

Date

Applicant Name (please print)

Title

If this application was prepared by an entity other than the applicant, please provide the information requested below.

Applicant Preparer's Signature

Date

Applicant Preparer's Name (please print)

Phone Number/E-mail

Compensation for application preparation: _____

I certify that no Program funds are the source for this compensation: _____
Signature of Preparer



Please initial each section.

The emission reductions that will result from this project are **NOT** required by any local, state, and/or federal rule or regulation.

The types of eligible projects are described in this Program Announcement (PA#2016-03) These definitions have been reviewed and this application is consistent with those definitions.

The equipment will be committed to 100% operation within the four California trade corridors for the duration of contract term.

The grant contract language cannot be modified without the written consent of all parties.

I understand that an IRS Form 1099 may be issued to me for incentive funds received under this Program Announcement. I understand that it is my responsibility to determine the tax liability associated with participating in the Program.

I understand that an AQMD-funded electronic monitoring unit will be installed on vehicles/equipment if deemed necessary by AQMD. I will submit data as requested and otherwise cooperate with all data reporting requirements.

I understand that the AQMD has the right to conduct unannounced inspections for the full project life to ensure the project equipment is fully operational at the activity level committed to by the contract.

I understand that all emission reductions resulting from funded projects will be retired. To avoid double counting of emission reductions, project vehicles and/or equipment may not receive funding from any other government grant program that is designed to reduce mobile source emissions.

I understand that any tax credits claimed must be deducted from the Program request. Please check one:

- I **do not** plan to claim a tax credit or deduction for costs funded by the
- Program. I **do** plan to claim a tax credit or deduction for costs funded by the

Program.

If so, please indicate amount here: \$ _____

- I plan to claim a tax credit or deduction only for the portion of incremental costs not funded by the Program.

If so, please indicate amount here: \$ _____



South Coast Air Quality Management District

21865 Copley Drive, Diamond Bar, CA 91765-4178
(909) 396-2000 • www.aqmd.gov

Business Information Request

Dear SCAQMD Contractor/Supplier:

South Coast Air Quality Management District (SCAQMD) is committed to ensuring that our contractor/supplier records are current and accurate. If your firm is selected for award of a purchase order or contract, it is imperative that the information requested herein be supplied in a timely manner to facilitate payment of invoices. In order to process your payments, we need the enclosed information regarding your account. **Please review and complete the information identified on the following pages, remember to sign all documents for our files, and return them as soon as possible to the address below:**

**Attention: Accounts Payable, Accounting Department
South Coast Air Quality Management District
21865 Copley Drive
Diamond Bar, CA 91765-4178**

If you do not return this information, we will not be able to establish you as a vendor. This will delay any payments and would still necessitate your submittal of the enclosed information to our Accounting department before payment could be initiated. Completion of this document and enclosed forms would ensure that your payments are processed timely and accurately.

If you have any questions or need assistance in completing this information, please contact Accounting at (909) 396-3777. We appreciate your cooperation in completing this necessary information.

Sincerely,

Michael B. O'Kelly
Chief Administrative Officer

DH:tm

Enclosures: Business Information Request
Disadvantaged Business Certification
W-9
Form 590 Withholding Exemption Certificate
Federal Contract Debarment Certification
Campaign Contributions Disclosure
Direct Deposit Authorization



South Coast Air Quality Management District

21865 Copley Drive, Diamond Bar, CA 91765-4178
(909) 396-2000 • www.aqmd.gov

BUSINESS INFORMATION REQUEST

Business Name	
Division of	
Subsidiary of	
Website Address	
Type of Business <i>Check One:</i>	<input type="checkbox"/> Individual <input type="checkbox"/> DBA, Name _____, County Filed in _____ <input type="checkbox"/> Corporation, ID No. _____ <input type="checkbox"/> LLC/LLP, ID No. _____ <input type="checkbox"/> Other _____

REMITTING ADDRESS INFORMATION

Address			
City/Town			
State/Province		Zip	
Phone	() - Ext	Fax	() -
Contact		Title	
E-mail Address			
Payment Name if Different			

All invoices must reference the corresponding Purchase Order Number(s)/Contract Number(s) if applicable and mailed to:

**Attention: Accounts Payable, Accounting Department
South Coast Air Quality Management District
21865 Copley Drive
Diamond Bar, CA 91765-4178**

BUSINESS STATUS CERTIFICATIONS

Federal guidance for utilization of disadvantaged business enterprises allows a vendor to be deemed a small business enterprise (SBE), minority business enterprise (MBE) or women business enterprise (WBE) if it meets the criteria below.

- is certified by the Small Business Administration or
- is certified by a state or federal agency or
- is an independent MBE(s) or WBE(s) business concern which is at least 51 percent owned and controlled by minority group member(s) who are citizens of the United States.

Statements of certification:

As a prime contractor to SCAQMD,_(name of business) will engage in good faith efforts to achieve the fair share in accordance with 40 CFR Section 33.301, and will follow the six affirmative steps listed below **for contracts or purchase orders funded in whole or in part by federal grants and contracts.**

1. Place qualified SBEs, MBEs, and WBEs on solicitation lists.
2. Assure that SBEs, MBEs, and WBEs are solicited whenever possible.
3. When economically feasible, divide total requirements into small tasks or quantities to permit greater participation by SBEs, MBEs, and WBEs.
4. Establish delivery schedules, if possible, to encourage participation by SBEs, MBEs, and WBEs.
5. Use services of Small Business Administration, Minority Business Development Agency of the Department of Commerce, and/or any agency authorized as a clearinghouse for SBEs, MBEs, and WBEs.
6. If subcontracts are to be let, take the above affirmative steps.

Self-Certification Verification: Also for use in awarding additional points, as applicable, in accordance with SCAQMD Procurement Policy and Procedure:

Check all that apply:

- | | |
|---|--|
| <input type="checkbox"/> Small Business Enterprise/Small Business Joint Venture | <input type="checkbox"/> Women-owned Business Enterprise |
| <input type="checkbox"/> Local business | <input type="checkbox"/> Disabled Veteran-owned Business Enterprise/DVBE Joint Venture |
| <input type="checkbox"/> Minority-owned Business Enterprise | <input type="checkbox"/> Most Favored Customer Pricing Certification |

Percent of ownership: _____ %

Name of Qualifying Owner(s): _____

State of California Public Works Contractor Registration No. _____ MUST BE INCLUDED IF BID PROPOSAL IS FOR PUBLIC WORKS PROJECT.

I, the undersigned, hereby declare that to the best of my knowledge the above information is accurate. Upon penalty of perjury, I certify information submitted is factual.

NAME

TITLE

TELEPHONE NUMBER

DATE

Attachment 2

Definitions

Disabled Veteran-Owned Business Enterprise means a business that meets all of the following criteria:

- is a sole proprietorship or partnership of which is at least 51 percent owned by one or more disabled veterans, or in the case of any business whose stock is publicly held, at least 51 percent of the stock is owned by one or more disabled veterans; a subsidiary which is wholly owned by a parent corporation but only if at least 51 percent of the voting stock of the parent corporation is owned by one or more disabled veterans; or a joint venture in which at least 51 percent of the joint venture's management and control and earnings are held by one or more disabled veterans.
- the management and control of the daily business operations are by one or more disabled veterans. The disabled veterans who exercise management and control are not required to be the same disabled veterans as the owners of the business.
- is a sole proprietorship, corporation, partnership, or joint venture with its primary headquarters office located in the United States and which is not a branch or subsidiary of a foreign corporation, firm, or other foreign-based business.

Joint Venture means that one party to the joint venture is a DVBE and owns at least 51 percent of the joint venture. In the case of a joint venture formed for a single project this means that DVBE will receive at least 51 percent of the project dollars.

Local Business means a business that meets all of the following criteria:

- has an ongoing business within the boundary of SCAQMD at the time of bid application.
- performs 90 percent of the work within SCAQMD's jurisdiction.

Minority-Owned Business Enterprise means a business that meets all of the following criteria:

- is at least 51 percent owned by one or more minority persons or in the case of any business whose stock is publicly held, at least 51 percent of the stock is owned by one or more minority persons.
- is a business whose management and daily business operations are controlled or owned by one or more minority person.
- is a business which is a sole proprietorship, corporation, partnership, joint venture, an association, or a cooperative with its primary headquarters office located in the United States, which is not a branch or subsidiary of a foreign corporation, foreign firm, or other foreign business.

“Minority” person means a Black American, Hispanic American, Native American (including American Indian, Eskimo, Aleut, and Native Hawaiian), Asian-Indian American (including a person whose origins are from India, Pakistan, or Bangladesh), Asian-Pacific American (including a person whose origins are from Japan, China, the Philippines, Vietnam, Korea, Samoa, Guam, the United States Trust Territories of the Pacific, Northern Marianas, Laos, Cambodia, or Taiwan).

Small Business Enterprise means a business that meets the following criteria:

- a. 1) an independently owned and operated business; 2) not dominant in its field of operation; 3) together with affiliates is either:
 - A service, construction, or non-manufacturer with 100 or fewer employees, and average annual gross receipts of ten million dollars (\$10,000,000) or less over the previous three years, or
 - A manufacturer with 100 or fewer employees.
- b. Manufacturer means a business that is both of the following:
 - 1) Primarily engaged in the chemical or mechanical transformation of raw materials or processed substances into new products.
 - 2) Classified between Codes 311000 to 339000, inclusive, of the North American Industrial Classification System (NAICS) Manual published by the United States Office of Management and Budget, 2007 edition.

Attachment 2

Small Business Joint Venture means that one party to the joint venture is a Small Business and owns at least 51 percent of the joint venture. In the case of a joint venture formed for a single project this means that the Small Business will receive at least 51 percent of the project dollars.

Women-Owned Business Enterprise means a business that meets all of the following criteria:

- is at least 51 percent owned by one or more women or in the case of any business whose stock is publicly held, at least 51 percent of the stock is owned by one or more women.
- is a business whose management and daily business operations are controlled or owned by one or more women.
- is a business which is a sole proprietorship, corporation, partnership, or a joint venture, with its primary headquarters office located in the United States, which is not a branch or subsidiary of a foreign corporation, foreign firm, or other foreign business.

Most Favored Customer as used in this policy means that the SCAQMD will receive at least as favorable pricing, warranties, conditions, benefits and terms as other customers or clients making similar purchases or receiving similar services.

Form **W-9**
 (Rev. December 2014)
 Department of the Treasury
 Internal Revenue Service

**Request for Taxpayer
 Identification Number and Certification**

**Give Form to the
 requester. Do not
 send to the IRS.**

Print or type See Specific instructions on page 2.	1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.	
	2 Business name/disregarded entity name, if different from above	
	3 Check appropriate box for federal tax classification; check only one of the following seven boxes: <input type="checkbox"/> Individual/sole proprietor or single-member LLC <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ _____ Note. For a single-member LLC that is disregarded, do not check LLC; check the appropriate box in the line above for the tax classification of the single-member owner. <input type="checkbox"/> Other (see instructions) ▶ _____	4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3): Exempt payee code (if any) _____ Exemption from FATCA reporting code (if any) _____ <i>(Applies to accounts maintained outside the U.S.)</i>
	5 Address (number, street, and apt. or suite no.)	Requester's name and address (optional)
	6 City, state, and ZIP code	
	7 List account number(s) here (optional)	

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. If the account is in more than one name, see the instructions for line 1 and the chart on page 4 for guidelines on whose number to enter.

Social security number																														
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Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
- I am a U.S. citizen or other U.S. person (defined below); and
- The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 3.

Sign Here	Signature of U.S. person ▶	Date ▶

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. Information about developments affecting Form W-9 (such as legislation enacted after we release it) is at www.irs.gov/fw9.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following:

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)

- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
 - Form 1099-C (canceled debt)
 - Form 1099-A (acquisition or abandonment of secured property)
- Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding? on page 2.

By signing the filled-out form, you:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and
4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting?* on page 2 for further information.

Note. If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien;
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States;
- An estate (other than a foreign estate); or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax under section 1446 on any foreign partners' share of effectively connected taxable income from such business. Further, in certain cases where a Form W-9 has not been received, the rules under section 1446 require a partnership to presume that a partner is a foreign person, and pay the section 1446 withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid section 1446 withholding on your share of partnership income.

In the cases below, the following person must give Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States:

- In the case of a disregarded entity with a U.S. owner, the U.S. owner of the disregarded entity and not the entity;
- In the case of a grantor trust with a U.S. grantor or other U.S. owner, generally, the U.S. grantor or other U.S. owner of the grantor trust and not the trust; and
- In the case of a U.S. trust (other than a grantor trust), the U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person or the U.S. branch of a foreign bank that has elected to be treated as a U.S. person, do not use Form W-9. Instead, use the appropriate Form W-8 or Form 8233 (see Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity, give the requester the appropriate completed Form W-8 or Form 8233.

Backup Withholding

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 28% of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, payments made in settlement of payment card and third party network transactions, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the Part II instructions on page 3 for details),

3. The IRS tells the requester that you furnished an incorrect TIN,

4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or

5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See *Exempt payee code* on page 3 and the separate Instructions for the Requester of Form W-9 for more information.

Also see *Special rules for partnerships* above.

What is FATCA reporting?

The Foreign Account Tax Compliance Act (FATCA) requires a participating foreign financial institution to report all United States account holders that are specified United States persons. Certain payees are exempt from FATCA reporting. See *Exemption from FATCA reporting code* on page 3 and the Instructions for the Requester of Form W-9 for more information.

Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you no longer are tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account; for example, if the grantor of a grantor trust dies.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Line 1

You must enter one of the following on this line; **do not** leave this line blank. The name should match the name on your tax return.

If this Form W-9 is for a joint account, list first, and then circle, the name of the person or entity whose number you entered in Part I of Form W-9.

a. **Individual.** Generally, enter the name shown on your tax return. If you have changed your last name without informing the Social Security Administration (SSA) of the name change, enter your first name, the last name as shown on your social security card, and your new last name.

Note. ITIN applicant: Enter your individual name as it was entered on your Form W-7 application, line 1a. This should also be the same as the name you entered on the Form 1040/1040A/1040EZ you filed with your application.

b. **Sole proprietor or single-member LLC.** Enter your individual name as shown on your 1040/1040A/1040EZ on line 1. You may enter your business, trade, or "doing business as" (DBA) name on line 2.

c. **Partnership, LLC that is not a single-member LLC, C Corporation, or S Corporation.** Enter the entity's name as shown on the entity's tax return on line 1 and any business, trade, or DBA name on line 2.

d. **Other entities.** Enter your name as shown on required U.S. federal tax documents on line 1. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on line 2.

e. **Disregarded entity.** For U.S. federal tax purposes, an entity that is disregarded as an entity separate from its owner is treated as a "disregarded entity." See Regulations section 301.7701-2(c)(2)(iii). Enter the owner's name on line 1. The name of the entity entered on line 1 should never be a disregarded entity. The name on line 1 should be the name shown on the income tax return on which the income should be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a single owner that is a U.S. person, the U.S. owner's name is required to be provided on line 1. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity's name on line 2, "Business name/disregarded entity name." If the owner of the disregarded entity is a foreign person, the owner must complete an appropriate Form W-8 instead of a Form W-9. This is the case even if the foreign person has a U.S. TIN.

Line 2

If you have a business name, trade name, DBA name, or disregarded entity name, you may enter it on line 2.

Line 3

Check the appropriate box in line 3 for the U.S. federal tax classification of the person whose name is entered on line 1. Check only one box in line 3.

Limited Liability Company (LLC). If the name on line 1 is an LLC treated as a partnership for U.S. federal tax purposes, check the "Limited Liability Company" box and enter "P" in the space provided. If the LLC has filed Form 8832 or 2553 to be taxed as a corporation, check the "Limited Liability Company" box and in the space provided enter "C" for C corporation or "S" for S corporation. If it is a single-member LLC that is a disregarded entity, do not check the "Limited Liability Company" box; instead check the first box in line 3 "Individual/sole proprietor or single-member LLC."

Line 4, Exemptions

If you are exempt from backup withholding and/or FATCA reporting, enter in the appropriate space in line 4 any code(s) that may apply to you.

Exempt payee code.

- Generally, individuals (including sole proprietors) are not exempt from backup withholding.
- Except as provided below, corporations are exempt from backup withholding for certain payments, including interest and dividends.
- Corporations are not exempt from backup withholding for payments made in settlement of payment card or third party network transactions.
- Corporations are not exempt from backup withholding with respect to attorneys' fees or gross proceeds paid to attorneys, and corporations that provide medical or health care services are not exempt with respect to payments reportable on Form 1099-MISC.

The following codes identify payees that are exempt from backup withholding. Enter the appropriate code in the space in line 4.

- 1—An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2)
- 2—The United States or any of its agencies or instrumentalities
- 3—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities
- 4—A foreign government or any of its political subdivisions, agencies, or instrumentalities
- 5—A corporation
- 6—A dealer in securities or commodities required to register in the United States, the District of Columbia, or a U.S. commonwealth or possession
- 7—A futures commission merchant registered with the Commodity Futures Trading Commission
- 8—A real estate investment trust
- 9—An entity registered at all times during the tax year under the Investment Company Act of 1940
- 10—A common trust fund operated by a bank under section 584(a)
- 11—A financial institution
- 12—A middleman known in the investment community as a nominee or custodian
- 13—A trust exempt from tax under section 664 or described in section 4947

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 13.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt payees except for 7
Broker transactions	Exempt payees 1 through 4 and 6 through 11 and all C corporations. S corporations must not enter an exempt payee code because they are exempt only for sales of noncovered securities acquired prior to 2012.
Barter exchange transactions and patronage dividends	Exempt payees 1 through 4
Payments over \$600 required to be reported and direct sales over \$5,000 ¹	Generally, exempt payees 1 through 5 ²
Payments made in settlement of payment card or third party network transactions	Exempt payees 1 through 4

¹ See Form 1099-MISC, Miscellaneous Income, and its instructions.

² However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney reportable under section 6045(f), and payments for services paid by a federal executive agency.

Exemption from FATCA reporting code. The following codes identify payees that are exempt from reporting under FATCA. These codes apply to persons submitting this form for accounts maintained outside of the United States by certain foreign financial institutions. Therefore, if you are only submitting this form for an account you hold in the United States, you may leave this field blank. Consult with the person requesting this form if you are uncertain if the financial institution is subject to these requirements. A requester may indicate that a code is not required by providing you with a Form W-9 with "Not Applicable" (or any similar indication) written or printed on the line for a FATCA exemption code.

- A—An organization exempt from tax under section 501(a) or any individual retirement plan as defined in section 7701(a)(37)
- B—The United States or any of its agencies or instrumentalities
- C—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities
- D—A corporation the stock of which is regularly traded on one or more established securities markets, as described in Regulations section 1.1472-1(c)(1)(i)
- E—A corporation that is a member of the same expanded affiliated group as a corporation described in Regulations section 1.1472-1(c)(1)(i)
- F—A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state
- G—A real estate investment trust
- H—A regulated investment company as defined in section 851 or an entity registered at all times during the tax year under the Investment Company Act of 1940
- I—A common trust fund as defined in section 584(a)
- J—A bank as defined in section 581
- K—A broker
- L—A trust exempt from tax under section 664 or described in section 4947(a)(1)
- M—A tax exempt trust under a section 403(b) plan or section 457(g) plan

Note. You may wish to consult with the financial institution requesting this form to determine whether the FATCA code and/or exempt payee code should be completed.

Line 5

Enter your address (number, street, and apartment or suite number). This is where the requester of this Form W-9 will mail your information returns.

Line 6

Enter your city, state, and ZIP code.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-member LLC that is disregarded as an entity separate from its owner (see *Limited Liability Company (LLC)* on this page), enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

Note. See the chart on page 4 for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local SSA office or get this form online at www.ssa.gov. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at www.irs.gov/businesses and clicking on Employer Identification Number (EIN) under Starting a Business. You can get Forms W-7 and SS-4 from the IRS by visiting IRS.gov or by calling 1-800-TAX-FORM (1-800-829-3676).

If you are asked to complete Form W-9 but do not have a TIN, apply for a TIN and write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note. Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: A disregarded U.S. entity that has a foreign owner must use the appropriate Form W-8.

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if items 1, 4, or 5 below indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on line 1 must sign. Exempt payees, see *Exempt payee* code earlier.

Signature requirements. Complete the certification as indicated in items 1 through 5 below.

1. **Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983.** You must give your correct TIN, but you do not have to sign the certification.
2. **Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983.** You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.
3. **Real estate transactions.** You must sign the certification. You may cross out item 2 of the certification.
4. **Other payments.** You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments made in settlement of payment card and third party network transactions, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).
5. **Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions.** You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account ¹
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor ²
4. a. The usual revocable savings trust (grantor is also trustee) b. So-called trust account that is not a legal or valid trust under state law	The grantor-trustee ¹ The actual owner ¹
5. Sole proprietorship or disregarded entity owned by an individual	The owner ³
6. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulations section 1.671-4(b)(2)(i)(A))	The grantor ⁴
For this type of account:	Give name and EIN of:
7. Disregarded entity not owned by an individual	The owner
8. A valid trust, estate, or pension trust	Legal entity ⁴
9. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
10. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
11. Partnership or multi-member LLC	The partnership
12. A broker or registered nominee	The broker or nominee
13. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity
14. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 Filing Method 2 (see Regulations section 1.671-4(b)(2)(i)(B))	The trust

¹ List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

² Circle the minor's name and furnish the minor's SSN.

³ You must show your individual name and you may also enter your business or DBA name on the "Business name/disregarded entity" name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

⁴ List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships* on page 2.

***Note.** Grantor also must provide a Form W-9 to trustee of trust.

Note. If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Secure Your Tax Records from Identity Theft

Identity theft occurs when someone uses your personal information such as your name, SSN, or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, contact the IRS Identity Theft Hotline at 1-800-908-4490 or submit Form 14039.

For more information, see Publication 4535, *Identity Theft Prevention and Victim Assistance*.

Victims of identity theft who are experiencing economic harm or a system problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

Protect yourself from suspicious emails or phishing schemes. Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to phishing@irs.gov. You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration (TIGTA) at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at: spam@uce.gov or contact them at www.ftc.gov/idtheft or 1-877-IDTHEFT (1-877-438-4338).

Visit IRS.gov to learn more about identity theft and how to reduce your risk.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their laws. The information also may be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payers must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payer. Certain penalties may also apply for providing false or fraudulent information.

2016 Withholding Exemption Certificate

590

The payee completes this form and submits it to the withholding agent. The withholding agent keeps this form with their records.

Withholding Agent

Name _____

Payee

Name _____

SSN or ITIN FEIN CA Corp no. CA SOS file no.

Address (apt./ste., room, PO box, or PMB no.) _____

City (If you have a foreign address, see instructions.) _____

State _____

ZIP code _____

Exemption Reason

Check only one reason box below that applies to the payee.

By checking the appropriate box below, the payee certifies the reason for the exemption from the California income tax withholding requirements on payment(s) made to the entity or individual.

Individuals — Certification of Residency:

I am a resident of California and I reside at the address shown above. If I become a nonresident at any time, I will promptly notify the withholding agent. See instructions for General Information D, Definitions.

Corporations:

The corporation has a permanent place of business in California at the address shown above or is qualified through the California Secretary of State (SOS) to do business in California. The corporation will file a California tax return. If this corporation ceases to have a permanent place of business in California or ceases to do any of the above, I will promptly notify the withholding agent. See instructions for General Information D, Definitions.

Partnerships or Limited Liability Companies (LLCs):

The partnership or LLC has a permanent place of business in California at the address shown above or is registered with the California SOS, and is subject to the laws of California. The partnership or LLC will file a California tax return. If the partnership or LLC ceases to do any of the above, I will promptly inform the withholding agent. For withholding purposes, a limited liability partnership (LLP) is treated like any other partnership.

Tax-Exempt Entities:

The entity is exempt from tax under California Revenue and Taxation Code (R&TC) Section 23701 _____ (insert letter) or Internal Revenue Code Section 501(c) _____ (insert number). If this entity ceases to be exempt from tax, I will promptly notify the withholding agent. Individuals cannot be tax-exempt entities.

Insurance Companies, Individual Retirement Arrangements (IRAs), or Qualified Pension/Profit-Sharing Plans:

The entity is an insurance company, IRA, or a federally qualified pension or profit-sharing plan.

California Trusts:

At least one trustee and one noncontingent beneficiary of the above-named trust is a California resident. The trust will file a California fiduciary tax return. If the trustee or noncontingent beneficiary becomes a nonresident at any time, I will promptly notify the withholding agent.

Estates — Certification of Residency of Deceased Person:

I am the executor of the above-named person's estate or trust. The decedent was a California resident at the time of death. The estate will file a California fiduciary tax return.

Nonmilitary Spouse of a Military Servicemember:

I am a nonmilitary spouse of a military servicemember and I meet the Military Spouse Residency Relief Act (MSRRA) requirements. See instructions for General Information E, MSRRA.

CERTIFICATE OF PAYEE: Payee must complete and sign below.

To learn about your privacy rights, how we may use your information, and the consequences for not providing the requested information, go to ftb.ca.gov and search for **privacy notice**. To request this notice by mail, call 800.852.5711.

Under penalties of perjury, I hereby certify that the information provided in this document is, to the best of my knowledge, true and correct. If conditions change, I will promptly notify the withholding agent.

Type or print payee's name and title _____ Telephone (____) _____

Payee's signature ► _____ Date _____

2016 Instructions for Form 590

Withholding Exemption Certificate

References in these instructions are to the California Revenue and Taxation Code (R&TC).

General Information

Registered Domestic Partners (RDP) – For purposes of California income tax, references to a spouse, husband, or wife also refer to a Registered Domestic Partner (RDP) unless otherwise specified. For more information on RDPs, get FTB Pub. 737, Tax Information for Registered Domestic Partners.

A Purpose

Use Form 590, Withholding Exemption Certificate, to certify an exemption from nonresident withholding.

Form 590 does not apply to payments of backup withholding. For more information, go to ftb.ca.gov and search for **backup withholding**.

Form 590 does not apply to payments for wages to employees. Wage withholding is administered by the California Employment Development Department (EDD). For more information, go to edd.ca.gov or call 888.745.3886.

Do not use Form 590 to certify an exemption from withholding if you are a **Seller of California real estate**. Sellers of California real estate use Form 593-C, Real Estate Withholding Certificate, to claim an exemption from the real estate withholding requirement.

The following are excluded from withholding and completing this form:

- The United States and any of its agencies or instrumentalities.
- A state, a possession of the United States, the District of Columbia, or any of its political subdivisions or instrumentalities.
- A foreign government or any of its political subdivisions, agencies, or instrumentalities.

B Income Subject to Withholding

California Revenue and Taxation Code (R&TC) Section 18662 requires withholding of income or franchise tax on payments of California source income made to nonresidents of California.

Withholding is required on the following, but is not limited to:

- Payments to nonresidents for services rendered in California.
- Distributions of California source income made to domestic nonresident partners, members, and S corporation shareholders and allocations of California source income made to foreign partners and members.
- Payments to nonresidents for rents if the payments are made in the course of the withholding agent's business.

- Payments to nonresidents for royalties from activities sourced to California.
- Distributions of California source income to nonresident beneficiaries from an estate or trust.
- Endorsement payments received for services performed in California.
- Prizes and winnings received by nonresidents for contests in California.

However, withholding is optional if the total payments of California source income are \$1,500 or less during the calendar year.

For more information on withholding get FTB Pub. 1017, Resident and Nonresident Withholding Guidelines. To get a withholding publication, see Additional Information.

C Who Certifies this Form

Form 590 is certified by the payee. California residents or entities exempt from the withholding requirement should complete Form 590 and submit it to the withholding agent before payment is made. The withholding agent is then relieved of the withholding requirements if the agent relies in good faith on a completed and signed Form 590 unless notified by the Franchise Tax Board (FTB) that the form should not be relied upon.

An incomplete certificate is invalid and the withholding agent should not accept it. If the withholding agent receives an incomplete certificate, the withholding agent is required to withhold tax on payments made to the payee until a valid certificate is received. In lieu of a completed exemption certificate, the withholding agent may accept a letter from the payee as a substitute explaining why they are not subject to withholding. The letter must contain all the information required on the certificate in similar language, including the under penalty of perjury statement and the payee's taxpayer identification number. The withholding agent must retain a copy of the certificate or substitute for at least four years after the last payment to which the certificate applies, and provide it upon request to the FTB.

If an entertainer (or the entertainer's business entity) is paid for a performance, the entertainer's information must be provided. **Do not** submit the entertainer's agent or promoter information.

The grantor of a grantor trust shall be treated as the payee for withholding purposes. Therefore, if the payee is a grantor trust and one or more of the grantors is a nonresident, withholding is required. If all of the grantors on the trust are residents, no withholding is required. Resident grantors can check the box on Form 590 labeled "Individuals — Certification of Residency."

D Definitions

For California non-wage withholding purposes, **nonresident** includes all of the following:

- Individuals who are not residents of California.
- Corporations not qualified through the California Secretary of State (CA SOS) to do business in California or having no permanent place of business in California.
- Partnerships or limited liability companies (LLCs) with no permanent place of business in California.
- Any trust without a resident grantor, beneficiary, or trustee, or estates where the decedent was not a California resident.

Foreign refers to non-U.S.

For more information about determining resident status, get FTB Pub. 1031, Guidelines for Determining Resident Status. Military servicemembers have special rules for residency. For more information, get FTB Pub. 1032, Tax Information for Military Personnel.

Permanent Place of Business:

A corporation has a permanent place of business in California if it is organized and existing under the laws of California or it has qualified through the CA SOS to transact intrastate business. A corporation that has not qualified to transact intrastate business (e.g., a corporation engaged exclusively in interstate commerce) will be considered as having a permanent place of business in California only if it maintains a permanent office in California that is permanently staffed by its employees.

E Military Spouse Residency Relief Act (MSRRA)

Generally, for tax purposes you are considered to maintain your existing residence or domicile. If a military servicemember and nonmilitary spouse have the same state of domicile, the MSRRA provides:

- A spouse shall not be deemed to have lost a residence or domicile in any state solely by reason of being absent to be with the servicemember serving in compliance with military orders.
- A spouse shall not be deemed to have acquired a residence or domicile in any other state solely by reason of being there to be with the servicemember serving in compliance with military orders.

Domicile is defined as the one place:

- Where you maintain a true, fixed, and permanent home.
- To which you intend to return whenever you are absent.

Attachment 4

A military servicemember's nonmilitary spouse is considered a nonresident for tax purposes if the servicemember and spouse have the same domicile outside of California and the spouse is in California solely to be with the servicemember who is serving in compliance with Permanent Change of Station orders.

California may require nonmilitary spouses of military servicemembers to provide proof that they meet the criteria for California personal income tax exemption as set forth in the MSRRA.

Income of a military servicemember's nonmilitary spouse for services performed in California is not California source income subject to state tax if the spouse is in California to be with the servicemember serving in compliance with military orders, and the servicemember and spouse have the same domicile in a state other than California.

For additional information or assistance in determining whether the applicant meets the MSRRA requirements, get FTB Pub. 1032.

Specific Instructions

Payee Instructions

Enter the withholding agent's name.

Enter the payee's information, including the taxpayer identification number (TIN) and check the appropriate TIN box.

You must provide an acceptable TIN as requested on this form. The following are acceptable TINs: social security number (SSN); individual taxpayer identification number (ITIN); federal employer identification number (FEIN); California corporation number (CA Corp no.); or CA SOS file number.

Private Mail Box (PMB) – Include the PMB in the address field. Write "PMB" first, then the box number. Example: 111 Main Street PMB 123.

Foreign Address – Follow the country's practice for entering the city, county, province, state, country, and postal code, as applicable, in the appropriate boxes. **Do not** abbreviate the country name.

Exemption Reason – Check the box that reflects the reason why the payee is exempt from the California income tax withholding requirement.

Withholding Agent Instructions

Keep Form 590 for your records. The certification remains valid for 5 years or until the payee's status changes. **Do not** send this form to the FTB unless it has been specifically requested.

For more information, contact Withholding Services and Compliance, see Additional Information.

The payee must notify the withholding agent if any of the following situations occur:

- The individual payee becomes a nonresident.
- The corporation ceases to have a permanent place of business in California or ceases to be qualified to do business in California.
- The partnership ceases to have a permanent place of business in California.
- The LLC ceases to have a permanent place of business in California.
- The tax-exempt entity loses its tax-exempt status.

If any of these situations occur, then withholding may be required. For more information, get Form 592, Resident and Nonresident Withholding Statement, Form 592-B, Resident and Nonresident Withholding Tax Statement, and Form 592-V, Payment Voucher for Resident and Nonresident Withholding.

Additional Information

For additional information or to speak to a representative regarding this form, call the Withholding Services and Compliance telephone service at:

Telephone: **888.792.4900**

916.845.4900

Fax: 916.845.9512

OR write to:

WITHHOLDING SERVICES AND
COMPLIANCE MS F182
FRANCHISE TAX BOARD
PO BOX 942867
SACRAMENTO CA 94267-0651

You can download, view, and print California tax forms and publications at **ftb.ca.gov**.

OR to get forms by mail write to:

TAX FORMS REQUEST UNIT
FRANCHISE TAX BOARD
PO BOX 307
RANCHO CORDOVA CA 95741-0307

For all other questions unrelated to withholding or to access the TTY/TDD numbers, see the information below.

Internet and Telephone Assistance

Website: **ftb.ca.gov**

Telephone: 800.852.5711 from within the
United States
916.845.6500 from outside the
United States

TTY/TDD: 800.822.6268 for persons with
hearing or speech impairments

Asistencia Por Internet y Teléfono

Sitio web: **ftb.ca.gov**

Teléfono: 800.852.5711 dentro de los
Estados Unidos
916.845.6500 fuera de los Estados
Unidos

TTY/TDD: 800.822.6268 para personas con
discapacidades auditivas
o del habla



CAMPAIGN CONTRIBUTIONS DISCLOSURE

In accordance with California law, bidders and contracting parties are required to disclose, at the time the application is filed, information relating to any campaign contributions made to South Coast Air Quality Management District (SCAQMD) Board Members or members/alternates of the MSRC, including: the name of the party making the contribution (which includes any parent, subsidiary or otherwise related business entity, as defined below), the amount of the contribution, and the date the contribution was made. 2 C.C.R. §18438.8(b).

California law prohibits a party, or an agent, from making campaign contributions to SCAQMD Governing Board Members or members/alternates of the Mobile Source Air Pollution Reduction Review Committee (MSRC) of more than \$250 while their contract or permit is pending before SCAQMD; and further prohibits a campaign contribution from being made for three (3) months following the date of the final decision by the Governing Board or the MSRC on a donor’s contract or permit. Gov’t Code §84308(d). For purposes of reaching the \$250 limit, the campaign contributions of the bidder or contractor plus contributions by its parents, affiliates, and related companies of the contractor or bidder are added together. 2 C.C.R. §18438.5.

In addition, SCAQMD Board Members or members/alternates of the MSRC must abstain from voting on a contract or permit if they have received a campaign contribution from a party or participant to the proceeding, or agent, totaling more than \$250 in the 12-month period prior to the consideration of the item by the Governing Board or the MSRC. Gov’t Code §84308(c).

The list of current SCAQMD Governing Board Members can be found at SCAQMD website (www.aqmd.gov). The list of current MSRC members/alternates can be found at the MSRC website (<http://www.cleantransportationfunding.org>).

SECTION I.

Contractor (Legal Name): _____

DBA, Name _____, County Filed in _____ Corporation, ID No. _____ LLC/LLP, ID No. _____
--

List any parent, subsidiaries, or otherwise affiliated business entities of Contractor:

(See definition below).

SECTION II.

Attachment 5

Has Contractor and/or any parent, subsidiary, or affiliated company, or agent thereof, made a campaign contribution(s) totaling \$250 or more in the aggregate to a current member of the South Coast Air Quality Management Governing Board or member/alternate of the MSRC in the 12 months preceding the date of execution of this disclosure?

Yes No **If YES, complete Section II below and then sign and date the form. If NO, sign and date below. Include this form with your submittal.**

Campaign Contributions Disclosure, *continued*:

Name of Contributor _____

Governing Board Member or MSRC Member/Alternate	Amount of Contribution	Date of Contribution
---	------------------------	----------------------

Name of Contributor _____

Governing Board Member or MSRC Member/Alternate	Amount of Contribution	Date of Contribution
---	------------------------	----------------------

Name of Contributor _____

Governing Board Member or MSRC Member/Alternate	Amount of Contribution	Date of Contribution
---	------------------------	----------------------

Name of Contributor _____

Governing Board Member or MSRC Member/Alternate	Amount of Contribution	Date of Contribution
---	------------------------	----------------------

I declare the foregoing disclosures to be true and correct.

By: _____

Title: _____

Date: _____

Attachment 5

DEFINITIONS

Parent, Subsidiary, or Otherwise Related Business Entity (2 Cal. Code of Regs., §18703.1(d).)

- (1) **Parent subsidiary.** A parent subsidiary relationship exists when one corporation directly or indirectly owns shares possessing more than 50 percent of the voting power of another corporation.
- (2) **Otherwise related business entity.** Business entities, including corporations, partnerships, joint ventures and any other organizations and enterprises operated for profit, which do not have a parent subsidiary relationship are otherwise related if any one of the following three tests is met:
 - (A) **One business entity has a controlling ownership interest in the other business entity.**
 - (B) **There is shared management and control between the entities. In determining whether there is shared management and control, consideration should be given to the following factors:**
 - (i) **The same person or substantially the same person owns and manages the two entities;**
 - (ii) **There are common or commingled funds or assets;**
 - (iii) **The business entities share the use of the same offices or employees, or otherwise share activities, resources or personnel on a regular basis;**
 - (iv) **There is otherwise a regular and close working relationship between the entities; or**
 - (C) **A controlling owner (50% or greater interest as a shareholder or as a general partner) in one entity also is a controlling owner in the other entity.**

BOARD MEETING DATE: February 3, 2017

AGENDA NO. 8

PROPOSAL: Amend Contract for Consultant Services for SCAQMD
Environmental Justice Outreach and Initiatives

SYNOPSIS: The current contract with Lee Andrews Group, Inc., for environmental justice efforts conducted for the Environmental Justice Community Partnership, expires on February 24, 2017. Based on the firm's effective performance during the first year of their current contract, this action is to approve the first one-year extension of the consultant's contract for Calendar Year 2017, at the current contract amount.

COMMITTEE: Administrative, January 13, 2017; Recommended for Approval

RECOMMENDED ACTIONS:

1. Transfer \$144,761 from the Emission Reduction and Outreach Fund (53) to the General Fund (01).
2. Appropriate \$160,000 from the General Fund Unassigned Fund Balance to the Legislative & Public Affairs FY 2016-17 Budget , Services and Supplies Major Object, Professional & Specialized Services account; and
3. Approve a one-year extension of the contract with Lee Andrews Group, Inc. at the current contract amount of \$160,000.

Wayne Nastri
Executive Officer

DA:DIA:MC

Background

Throughout 2016, Lee Andrews Group Inc. (LA Group) supported SCAQMD with environmental justice efforts as part of the Environmental Justice Community Partnership. LA Group collaborated with SCAQMD in coordinating the following events:

- 1. Four (4) Meetings for the Environmental Justice Community Partnership Advisory Council:** The Advisory Council assisted with the creation and implementation of air quality related workshops that best address the needs of environmental justice communities in Los Angeles, Orange, Riverside, and San

Bernardino counties. LA Group supported SCAQMD with identifying and recruiting individuals to be part of the advisory council, coordinating meeting logistics, and implementing members' feedback into the execution of multiple events.

- 2. Four (4) Environmental Justice Community Partnership Workshops:** The workshops provided community members and stakeholders with opportunities to learn about SCAQMD and share their concerns about air quality issues in their communities. The information collected during these workshops will help SCAQMD strengthen its relationships with the public and businesses it serves. LA Group supported SCAQMD with coordinating the logistics of each workshop such as identifying venue locations, managing registration, and sourcing vendors. LA Group also communicated with workshop partners to better address the needs of each community.
- 3. Four (4) Regional Environmental Justice Community Leader Recognition Events:** The events identified local environmental justice leaders who help improve the quality of life in their communities. The events helped broaden the community's awareness of environmental justice relative to air quality, while expanding opportunities to identify problems and jointly seek solutions. LA Group supported SCAQMD with coordinating the logistics of the events, such as identifying venue locations and sourcing vendors.
- 4. One (1) Environmental Justice Conference:** The day-long forum engaged stakeholders from impacted communities, academic researchers, health professionals, and others focused on the need to protect and improve the region's air quality. LA Group supported SCAQMD with the logistics of the event and sourcing of vendors. LA Group also helped identify potential speakers, panelists, and sponsors.

LA Group effectively collaborated with SCAQMD staff in executing the different requirements of the contract for the Environmental Justice Community Partnership, and as a result, helped advance the SCAQMD Board's environmental justice interests and policies. Their ability to gather key information in a time-sensitive atmosphere was critical to the Agency's interests.

In summary, the Lee Andrews Group was an effective consulting team for SCAQMD. Their event planning skills strengthen the SCAQMD's ability to support the Board's environmental justice priorities. At this critical point in time, it is important that the momentum on stakeholder partnerships with environmental justice groups continue in the coming year as we work towards achieving clean air in disadvantaged communities, consistent with SCAQMD's mission and goals.

Proposal

The contract with the firm expires on February 24, 2017. SCAQMD staff is satisfied with the performance of the firm and recommends the Board retain them for Calendar Year 2017. The present contract, based on a competitive selection process, has an option for up to two one-year extensions that may be exercised at the Board's discretion pursuant to the original RFP. This proposal is to approve the first one-year extension for the contract.

Resource Impacts

Sufficient funding will exist for this contract upon the transfer of \$144,761 from the Emission Reduction and Outreach Fund (53) and the appropriation of \$160,000 from the General Fund Unassigned Fund Balance to the Legislative & Public Affairs FY 2016-17 Budget. The Emission Reduction and Outreach Fund (53) was created in March 2010 for the purpose of enhancing compliance of emission reduction policies by providing source education and consumer education. This fund has been used to develop the Signature Video, as well as Clean Air Fairs for Seniors and other outreach events and activities.



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BOARD MEETING DATE: February 3, 2017

AGENDA NO. 9

PROPOSAL: Approve Contract Modification Approved by MSRC

SYNOPSIS: The MSRC approved a modified award to the Southern California Regional Rail Authority under the Major Event Center Transportation Program, approving the use of Tier 2 locomotives instead of Tier 4 locomotives to provide special Metrolink service for the final day of the 2017 NASCAR Sprint Cup Series, as part of approval of the FYs 2016-18 AB 2766 Discretionary Fund Work Program.

COMMITTEE: Mobile Source Air Pollution Reduction Review, January 25, 2017, Recommended for Approval

RECOMMENDED ACTIONS:

1. Approve modified award to Southern California Regional Rail Authority (SCRRA) under the Major Event Center Transportation Program, approving the use of Tier 2 locomotives instead of Tier 4 locomotives to provide special rail service for the final day of the 2017 NASCAR Sprint Cup Series, as part of FYs 2016-18 Work Program, as described in this letter; and
2. Authorize the Chairman of the Board to execute the modification under FYs 2016-18 Work Program, as described above and in this letter.

Greg Pettis,
Chair, MSRC

MM:HH:CR

Background

In September 1990 Assembly Bill 2766 was signed into law (Health & Safety Code Sections 44220-44247) authorizing the imposition of an annual \$4 motor vehicle registration fee to fund the implementation of programs exclusively to reduce air pollution from motor vehicles. AB 2766 provides that 30 percent of the annual \$4 vehicle

registration fee subvended to the SCAQMD be placed into an account to be allocated pursuant to a work program developed and adopted by the MSRC and approved by the Board.

Proposals

At its January 25, 2017 special meeting, the MSRC considered a requested contract modification and approved the following:

FYs 16-18 Major Event Center Transportation Program

SCRRA, in partnership with the Auto Club Speedway, was awarded \$80,455 in MSRC Clean Transportation Funding™ to implement dedicated Metrolink rail service during the NASCAR Sprint Cup Series weekend. The program application approved by the MSRC, and subsequently by the SCAQMD Governing Board, specified that each of the special Metrolink trains would utilize a Tier 4 locomotive. SCRRA has notified MSRC staff that due to delays in receiving locomotive test plan approvals from the Federal Railroad Administration (FRA), the Tier 4 locomotives will most likely not be available to support the race scheduled for March 26, 2017. Currently, there remains uncertainty as to when the Tier 4 locomotives will be approved by FRA for use in revenue service. SCRRA requested the MSRC to modify the award to allow the use of Tier 2 locomotives, to the extent necessary, to perform the special rail service. The MSRC approved the proposed modification of locomotive specification as part of the FYs 16-18 AB 2766 Discretionary Fund Work Program.

Resource Impacts

The SCAQMD acts as fiscal administrator for the AB 2766 Discretionary Fund Program (Health & Safety Code Section 44243). This action requires no additional funding.

BOARD MEETING DATE: February 3, 2017

AGENDA NO. 10

REPORT: Legislative, Public Affairs and Media Report

SYNOPSIS: This report highlights the December 2016 outreach activities of Legislative, Public Affairs and Media Office, which include: an Environmental Justice Update, Community Events/Public Meetings, Business Assistance, Media Relations and Outreach to Business and Federal, State, and Local Government.

COMMITTEE: No Committee Review

RECOMMENDED ACTION:
Receive and file.

Wayne Natri
Executive Officer

DJA:FW:MC:DM

BACKGROUND

This report summarizes the activities of Legislative, Public Affairs and Media Office for December 2016. The report includes five major areas: Environmental Justice Update; Community Events/Public Meetings (including the Speakers Bureau/Visitor Services, Communications Center, and Public Information Center); Business Assistance; Media Relations, and Outreach to Business and Federal, State and Local Governments.

Environmental Justice Update

The following are key environmental justice-related activities in which staff participated during December 2016. These events involve communities which suffer disproportionately from adverse air quality impacts.

December 2

- Staff participated in a meeting with Metro to discuss the SCAQMD's Environmental Justice Community Partnership, and to learn about Metro's environmental justice initiatives. Both parties agreed to keep each other informed about upcoming events and initiatives related to environmental justice.

December 21

- Staff participated in the Coachella Valley Environmental Justice Enforcement Taskforce Meeting in Indio. Staff networked with environmental justice leaders, received a report on the environmental issues in the area and learned about the California Department of Pesticide Regulation's environmental justice efforts.

COMMUNITY EVENTS/PUBLIC MEETINGS

Each year SCAQMD staff engage with thousands of residents, providing valuable information about the agency, incentive programs, and ways individuals can help reduce air pollution through events and meetings sponsored solely by SCAQMD or in partnership with others. Attendees typically receive the following information:

- Tips on reducing their exposure to smog and its health effects;
- Clean air technologies and their deployment;
- Invitations or notices of conferences, seminars, workshops and other public events;
- SCAQMD incentive programs;
- Ways to participate in SCAQMD's rule and policy development; and
- Assistance in resolving air pollution-related problems.

SCAQMD staff attended and/or provided information and updates at the following events:

December 12

- SCAQMD Town Hall Meeting, Paramount Community Center, Paramount.

December 14

- SCAQMD Hearing Board Meeting, related to Order for Abatement for Anaplex Corp., Aerocraft Heat Treating Co., Inc. and possible additional facilities doing business in the City of Paramount with emissions of hexavalent chromium, SCAQMD Auditorium.

December 15

- California Department of Toxic Substances Control, Exide Advisory Group Meeting, Ruben Salazar Park, East Los Angeles.

SPEAKERS BUREAU/VISITOR SERVICES

SCAQMD regularly receives requests for staff to speak on air quality-related issues from a wide variety of organizations, such as trade associations, chambers of commerce, community-based groups, schools, hospitals, and health-based organizations. SCAQMD also hosts visitors from around the world who meet with staff on a wide range of air quality issues.

December

- No requests were received this month.

COMMUNICATION CENTER STATISTICS

The Communication Center handles calls on SCAQMD's main line, 1-800-CUT-SMOG[®] line, the Spanish line, and after-hours calls to each of those lines. Total calls received in the month of December were:

Calls to SCAQMD's Main Line and 1-800-CUT-SMOG [®] Line	3,245
Calls to SCAQMD's Spanish-language Line	<u>27</u>
Total Calls	3,272

PUBLIC INFORMATION CENTER STATISTICS

The Public Information Center (PIC) handles phone calls and walk-in requests for general information. Information for the month of December is summarized below:

Calls Received by PIC Staff	153
<u>Calls to Automated System</u>	<u>763</u>
Total Calls	916
Visitor Transactions	166
E-Mail Advisories Sent	336,063

BUSINESS ASSISTANCE

SCAQMD notifies local businesses of proposed regulations so they can participate in the agency's rule development process. SCAQMD also works with other agencies and governments to identify efficient, cost-effective ways to reduce air pollution and shares that information broadly. Staff provides personalized assistance to small businesses both over the telephone and via on-site consultation. The information is summarized below:

- Provided permit application assistance to 172 companies
- Conducted 5 free on-site consultations
- Issued 13 clearance letters

Types of businesses assisted

Auto Body Shops	Dry Cleaners	Furniture Refinishing Facilities
Engineering Firm	Gas Stations	Auto Repair Centers
Construction Firm	Restaurants	Printing Facilities
Architecture Firm	Breweries	Manufacturing Facilities
Plating Facilities		

MEDIA RELATIONS

The Media Office handles all SCAQMD outreach and communications with television, radio, newspapers and all other publications and media operations.

Total Media Inquiries: 52

Major Media Topics for December:

- Paramount Hexavalent Chromium – Stories have continued to run in print, TV, and radio media regarding concerns about hexavalent chromium emissions in Paramount. Executive and Media Office staff gave multiple interviews via teleconference and in person. A press release on the status of Anaplex went out to reporters on December 23.
- Odor Events in Seal Beach, Huntington Beach and Long Beach – Following a major odor event in December of undetermined origin, which resulted in a voluntary evacuation notice throughout the area, reporters and news outlets made several inquiries about both the event itself and the general situation of multiple odor events in this coastal area. Enforcement and Compliance staff were consulted and later participated in interviews. A story ran in regards to the general approach to investigation of odors.
- Supervisor John J. Benoit: Statement distributed to all Southern California media regarding the passing of Supervisor Benoit. Provided information to inquiries on the selection process for a new representative from the County of Riverside, based on the Health and Safety Code.
- U.S. EPA– Writer with Transport Topics, an online periodical for trucking and freight transportation topics, inquired about U.S. EPA announcement on the SCAQMD petition on an ultra low NOx standard for heavy-duty trucks. Staff provided a brief response for the story which was scheduled to run on January 2.

Media Campaigns

- **Check Before You Burn (CBYB):** Eight no-burn days called so far this season. Outreach campaign is live on radio and cable channels. No-Burn Day alerts were included in the radio campaign, and AirAlerts.org page updated with new graphic from new CBYB video. Pop-up banner has been prepared for use at community events. Coloring page for kids is being created for distribution at community events.

Media coverage of No-Burn Days has consistently shown improved engagement from previous years, mostly in print media.

- **Google Ad Campaign v2.0 (Check Before You Burn):** The Google Advertising campaign featuring CBYB advertisement was approved and initiated. Google has started running the pre-roll videos for CBYB on YouTube. To date, the CBYB YouTube video has gained 2.8 million impressions.

OUTREACH TO COMMUNITY GROUPS AND FEDERAL, STATE, AND LOCAL GOVERNMENTS

Field visits and/or communications were conducted with elected officials or staff from the following cities:

Alhambra	Los Angeles	Pasadena
Bell	Long Beach	Paramount
Chino Hills	Lynwood	Rancho Cucamonga
Commerce	Maywood	South Gate
Huntington Park	Montebello	Vernon

Visits and/or communications were conducted with elected officials or staff from the following state and federal offices:

- U.S. Senator Dianne Feinstein
- U.S. Senator Barbara Boxer
- U.S. Congresswoman Roybal-Allard
- U.S. Congressman Xavier Becerra
- State Senator Ricardo Lara
- Senator Kevin De León
- Assembly Member Anthony Rendon
- Assembly Member Miguel Santiago

Staff represented SCAQMD and/or provided updates or a presentation to the following governmental agencies and business organizations:

Arcadia Chamber of Commerce
California Air Resources Board
City of Paramount, Air Quality Sub-Committee
Gateway Cities Council of Governments
Omnitrans, San Bernardino County
San Bernardino Associated Governments (now SBCTA and SBCOG)

Staff represented SCAQMD and/or provided updates or a presentation to the following community and educational groups and organizations:

Boyle Heights Neighborhood Council
California Communities Against Toxics
Clean Air Matters, Los Angeles
Claude Pepper Senior Center, Los Angeles
Communities For A Better Enviroment
East Yard Communities For A Better Enviroment, Commerce
Faithful Central Bible Center, Inglewood
Felicia Mahood Senior Center, Los Angeles
Fresh Charter School, Inglewood
First Baptist Church of Huntington Park
Gardena Community Center
Hawthorne Senior Center
Highland Park Senior Center
Inglewood Community Center
Los Angeles Unified School District
Los Angeles Eastside Coaltion Against Exide
Maywood Adademy High School
Mothers of East Los Angeles
Peoples Coordinated Services, Los Angeles
Resurrection Church, Los Angeles
Saint Rose of Lima Catholic Church, Maywood
University of Southern California, Los Angeles
Yvonne Burke Senior and Community Center, Los Angeles

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BOARD MEETING DATE: February 3, 2017

AGENDA NO. 11

REPORT: Hearing Board Report

SYNOPSIS: This reports the actions taken by the Hearing Board during the period of December 1 through December 31, 2016.

COMMITTEE: No Committee Review

RECOMMENDED ACTION:
Receive and file this report.

Edward Camarena
Chairman of Hearing Board

DG

Two summaries are attached: **Rules From Which Variances and Orders for Abatement Were Requested in 2016** and **December 2016 Hearing Board Cases**.

The total number of appeals filed during the period December 1 to December 31, 2016 is 0; and total number of appeals filed during the period of January 1 to December 31, 2016 is 3.

Rules from which Variances and Orders for Abatement were Requested in 2016														
	2016	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total Actions
# of HB Actions Involving Rules														
201													1	1
202(a)						1	2	1	1					5
202(c)		1												1
203				1			1					1		3
203(a)			1				1	1		1	1		1	6
203(b)		4	3	4	5	8	5	2	4	4	2	3	3	47
221(b)			1											1
221(d)			1											1
401(b)(1)							1			1	1			3
401(b)(1)(A)					1									1
401(b)(1)(B)									1	1				2
402		1	1		2	1	1		1	1			3	11
404(a)					1									1
405(a)					1									1
407					1									1
410					1								1	2
461(e)(2)				1			1	1					1	4
461(e)(5)		1		3	1	1		1						7
461(e)(6)(d)							1							1
464(b)(1)(A)					1			1						2
464(b)(2)								1						1
464(b)(3)					1			1						2
1110.2				1	1	1	1							4
1110.2(d)(1)(B)					1									1
1110.2(d)(1)(B), Table II						1		1	1					3
1118(g)(1)			1											1
1118(g)(5)			1											1
1123										1				1
1146(c)(1)(G)							1							1
1146(c)(2)(A)													1	1
1147								1		1				2
1147(c)(10)									1					1
1173(g)(1)		1	1		1									3
1176(e)(1)								1						1
1176(e)(2)					1			1						2
1402(e)(3)						1								1
1420.1(d)			1											1
1420.1(d)(1)													1	1
1420.1(n)(2)(D)						1								1
1420.1(n)(2)(E)						1								1
1420.2(e)(1)(A)		1												1
1420.2(f)(1)		1												1
1420.2(f)(3)		1												1
1420.2(j)(2)		1												1
1469(e)(7)						1	1							2

Rules from which Variances and Orders for Abatement were Requested in 2016														
	2016	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total Actions
1470(c)(3)(C)(iii)							1							1
1470(c)(4)(B)				1			1							2
2004(f)(1)		2	2		5	4	2	3	3	2	2	2	1	28
2011(c)(2)						1							1	1
2011(c)(2)(A)					2									2
2011(c)(3)(A)					2									2
2011(e)(1)					2									2
2011, Attachment C, Section B, Paragraph 2						1								1
2012(c)(2)(A)		1			2									3
2012(c)(3)(A)					2									2
2012(g)(1)		1			2									3
3002(a)														
3002(c)(1)		2	3	1	4	5	2	3	2	3	2	2	3	32
H&S 41700		1	1		1	1	1		1	1			3	10
H&S 41701					1		1		1	2	1			6

Report of December 2016 Hearing Board Cases

Case Name and Case No. (SCAQMD Attorney)	Rules	Reason for Petition	District Position/ Hearing Board Action	Type and Length of Variance or Order	Excess Emissions
1. Chevron Products Company Case No. 831-384 (T. Barrera)	203(b) 2004(f)(1) 2011(c)(2) 3002(c)(1)	Electrical short caused by rain water resulted in CEMS malfunction.	Not Opposed/Granted	Ex Parte EV granted commencing 12/28/16 and continuing for 30 days or until the EV hearing currently scheduled for 1/4/17, whichever comes first.	None
2. Fairview Developmental Center Case No. 5978-1 (V. Tyagi)	1146(c)(2)(A)	Retrofit of third boiler cannot be completed by 12/31/16, as required by variance condition.	Not Opposed/Granted	MFCD/EXT granted commencing 12/13/16 and continuing through 12/31/21.	NOx: 4 lbs/day
3. Huntington & Duarte Inc. Case No. 6067-1 (V. Tyagi)	203(b) 461(e)(2)	GDF failed vent blockage test.	Not Opposed/Granted	Ex Parte EV granted commencing 12/9/16 and continuing for 30 days or until the EV hearing currently scheduled for 12/20/16, whichever comes first.	None
4. SCAQMD vs. Aerocraft Heat Treating Co., Inc.; Anaplex Corp.; and Does 1-100 Case No. 6066-1 (W. Wong)	402 H&S §41700	Control hexavalent chromium emissions.	Stipulated/Issued	O/A issued against Aerocraft Heat Treating Co., Inc. commencing 12/16/16; the Hearing Board shall retain jurisdiction over this matter until 12/31/18.	N/A
5. SCAQMD vs. Browning-Ferris Industries of California, Inc., and Republic Services, Inc., dba Sunshine Canyon Landfill Case No. 3448-14 (N. Sanchez & K. Manwaring)	402 H&S §41700	Abate landfill odor nuisance.	Stipulated/Issued	O/A issued commencing 12/15/16; the Hearing Board shall retain jurisdiction over this matter until 6/30/19.	N/A

Case Name and Case No. (SCAQMD Attorney)	Rules	Reason for Petition	District Position/ Hearing Board Action	Type and Length of Variance or Order	Excess Emissions
6. SCAQMD vs. Exide Technologies Case No. 3151-32 (N. Feldman)	1420.1(d)(1)	Status report on progress to dismantle plant and compliance with dust control measures.	Stipulated/Issued	Mod. O/A issued commencing 12/7/16; the Hearing Board shall retain jurisdiction over this matter until either District approval of Respondent's Rule 1420.1 closure plan or September 29, 2017, whichever occurs first.	N/A
7. SCAQMD vs. Rainbow Transfer/Recycling, Inc. Case No. 4394-2 (K. Manwaring)	402 410 H&S §41700	Status on progress to fully enclose solid waste transfer/recycling facility.	Stipulated/No Action	The Board received all evidence and took no action to further modify the Order.	N/A
8. SCAQMD vs. United States Navy Case No. 4518-8 (N. Feldman)	201 203(a) 3002(a)	Diesel ICE generator failed on San Clemente Island. Non-compliant ICE must be used during repairs.	Stipulated/Issued	O/A issued commencing 12/14/16; the Hearing Board shall retain jurisdiction over this matter until 5/30/17.	N/A
9. Sunshine Gas Producers LLC Case No. 5880-5 (Consent Calendar; No Appearance)	203(b) 3002(c)(1)	Petitioner awaiting issuance of Title V permits.	Not Opposed/Granted	RV granted commencing 12/8/16 and continuing through 7/15/17, the FCD.	NOx: 2.1 lbs/day
10. Tesoro Refining & Marketing Company LLC Case No. 4982-103 (K. Manwaring)	203(b) 2004(f)(1) 3002(c)(1)	Maintain bypass line temporarily open to 4th Stage Separator to keep bypass line heated to avoid catastrophic line failure and emergency FCCU shutdown.	Not Opposed/Granted	Ex Parte EV granted commencing 12/20/16 and continuing for 30 days or until the EV hearing currently scheduled for 1/4/17, whichever comes first.	None

Acronyms

CEMS: Continuous Emissions Monitoring System

EV: Emergency Variance

FCCU: Fluid Catalytic Cracking Unit

FCD: Final Compliance Date

GDF: Gasoline Dispensing Facility

H&S: Health & Safety Code

ICE: Internal Combustion Engine

MFC/EXT: Modification of a Final Compliance Date and Extension of a Variance

Mod. O/A: Modification of an Order for Abatement

NOx: Oxides of Nitrogen

O/A: Order for Abatement

RV: Regular Variance

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BOARD MEETING DATE: February 3, 2017

AGENDA NO. 12

REPORT: Civil Filings and Civil Penalties Report

SYNOPSIS: This reports the monthly penalties from December 1 through December 31, 2016, and legal actions filed the General Counsel's Office from December 1 through December 31, 2016. An Index of District Rules is attached with the penalty reports.

COMMITTEE: Stationary Source, January 20, 2017, Reviewed

RECOMMENDED ACTION:
Receive and file this report.

Kurt R. Wiese
General Counsel

KRW:lc

Violations

Civil Actions Filed

- | | |
|---|---|
| 3 | GOMA ELBIALI dba M&M OIL, INC.
Los Angeles Superior Court – Stanley Mosk Courthouse
Court Case No.: 16K15347; Filed: 12.15.16 (VKT)
P62201, P60837 and P60812
R. 203 – Permit to Operate
R. 461– Gasoline Transfer and Dispensing |
| 2 | FRANCISCO ORTEGA dba RED STAR AUTO BODY
Los Angeles Superior Court – Stanley Mosk Courthouse
Court Case No.: BC643698; Filed: 12.13.16 (NAS)
P61209 and P61239
R. 109 – Recordkeeping for Volatile Organic Compound Emissions
R. 203 – Permit to Operate |

2 Cases Filed

5 Violations

Attachments

December 2015 Penalty Reports
Index of District Rules and Regulations

**SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
General Counsel's Office**

December 2016 Settlement Penalty Report

<u>Total Penalties</u>	
Civil Settlements:	\$797,606.00
MSPAP Settlements:	\$27,435.00
Total Cash Settlements:	\$845,041.00
Total SEP Value:	\$0.00
Fiscal Year through 12 / 2016 Cash Settlement Total:	\$1,702,031.20
Fiscal Year through 12 / 2016 SEP Settlement Value Only Total:	\$10,500.00

Fac ID	Company Name	Rule Number	Settled Date	Initial	Notice Nbr	Total Settlement
Civil						
131003	BP WEST COAST PROD. LLC, CARSON REFINERY	3002(c)(1) 40 CFR	12/8/2016	BTG	P57734	\$652,000.00
47771	DELEO CLAY TILE CO INC	2012 2004 2012(e)(2)(B)	12/8/2016	VKT	P57813 P57820	\$400.00
25501	FABRI-COTE, DIV A & S GLASS FABRICS CO IN	3002(c)(1)	12/13/2016	BTG	P62380	\$1,000.00
13510	HOSPITAL OF THE GOOD SAMARITAN	1146	12/19/2016	NSF	P62480	\$24,000.00
69699	LA CO, PROBATION CASES	203(a), 1470	12/1/2016	NSF	P58697	\$20,000.00
127764	CENTRAL JUVENILE HALL (GIRLS)	1470 1470	12/1/2016	NSF	P58695 P58696	
69781	LA CO. INTERNAL SERVICES DEPT	203(a), 203(b), 1470	12/1/2016	NSF	P60509	\$20,000.00
127770	LA CO - CAMP KILPATRICK TREATMENT PLANT	203(a), 203(b), 1470 203(a), 1470	12/1/2016	NSF	P61229 P61248	\$20,000.00
6508	LA CO., MECH DEPT/CAMP GONZALES	203(a), 1470 203(a), 1470	12/1/2016	NSF	P61230 P61249	\$20,000.00
22756	LA CO., MECH DEPT, CAMPS SCUDDER & SCOTT	203(a), 1470 203(a), 1470	12/1/2016	NSF	P61228 P61245	\$20,000.00

Fac ID	Company Name	Rule Number	Settled Date	Initial	Notice Nbr	Total Settlement
89050	LOS ANGELES MISSION COLLEGE	2202	12/8/2016	VKT	P60349	\$5,506.00
1379	MADISON-GRAHAM COLORGRAPHICS INC	3002 3003	12/21/2016	KCM	P64115	\$1,200.00
97869	PENA GRADING & DEMOLITION/AMH RECYCLING	PERP 2460 PERP 2459	12/19/2016	NSF	P44881 P61722	\$2,500.00
182019	PROPORTION FOODS LLC	201 203 (a)	12/27/2016	SH	P60525	\$3,500.00
177299	TAYLOR TRUST	1403	12/8/2016	SH	P61068	\$7,500.00
Total Civil Settlements: \$797,606.00						

MSPAP Settlements

178557	AMERICA OIL COMPANY INC. NO. 11	203 (a)	12/14/2016	JS	P64954	\$360.00
179235	ANZA PETROLEUM	203 (a), 461	12/8/2016	JS	P63213	\$2,710.00
178002	APRO LLC DBA UNITED OIL #163	203 (b)	12/8/2016	JS	P61989	\$770.00
127850	ARROWPETROL .INC	203 (a), 461 (c), 461 (c)(1)(A) 41960.2	12/14/2016	JS	P64298	\$720.00

Fac ID	Company Name	Rule Number	Settled Date	Initial	Notice Nbr	Total Settlement
107704	B W HOTEL LLC-THE BEVERLY WILSHIRE HOTEL	203 (a), 1415, 1472	12/14/2016	JS	P60143	\$4,400.00
174662	BEACH 76 CORPORATION	203 (b), 461 (c), 461 (c)(2)(B) 41960.2	12/26/2016	GV	P63045	\$1,500.00
172250	CORONA FUELING & ELECTRIC, INC	461(c)	12/14/2016	JS	P63042	\$825.00
139335	COUNTRY HILLS INC	461 (c), 41960.2	12/14/2016	GV	P64330	\$1,000.00
126873	EMBASSY SUITES HOTEL, SUNSTONE LAX AIRPO	1415	12/8/2016	GC	P63658	\$1,400.00
139466	G & K MANAGEMENT CO., INC.	203(b), 1470	12/28/2016	GC	P62495	\$425.00
179743	GREEN RIVER 76	461 (c), 41960.2 461 (e) (1)	12/8/2016	GV	P36746	\$1,600.00
173673	INGLEWOOD CHEVRON/SABRA GASOLINE	461 (E)(2)(A), 461 (c)(2)(B) 41960.2	12/8/2016	JS	P60089	\$700.00
178234	M1 FUEL, INC, DBA PASADENA 76	461 (c)(1)(A), 461(e)(5) 41960.2	12/26/2016	GV	P64291	\$500.00
171242	MAX CENTRAL CARSON, INC	41960.2, 461 (c), 461 (c)(2)(B)	12/8/2016	TF	P64657	\$250.00
120899	MICHAEL'S CLEANERS, NABIL SAAD, DBA	1146.2, 1421	12/14/2016	TF	P63656	\$750.00
137487	P & S MOBIL	203 (b), 461 (c), 461 (c)(2)(B) 41960.2	12/26/2016	TF	P63024	\$300.00

Fac ID	Company Name	Rule Number	Settled Date	Initial	Notice Nbr	Total Settlement
137487	P & S MOBIL	461, 461(c), 461(e)(2)	12/26/2016	TF	P63029	\$1,200.00
181196	PARDEE HOMES	403, 403(d)(1), 403(c)(2)	12/8/2016	TF	P56047	\$3,200.00
140425	POMONA FUEL, SAMUEL AGHAZARIAN DBA	41960.2, 461 (c), 461 (c)(2)(B)	12/26/2016	TF	P64956	\$500.00
144633	ROYCE CHEVRON, ROYCE OIL INC, DBA	41954 41960.2, 461 (c), 461 (c)(2)(B)	12/8/2016	JS	P64320	\$675.00
173876	SHERMAN OAKS 76, INC.	461(E)(2)(A)	12/28/2016	GV	P60090	\$500.00
11567	SODERBERG MFG CO	1469.1	12/8/2016	GV	P63709	\$800.00
106951	ULTIMATE CLEANERS	1421	12/28/2016	GV	P50736	\$250.00
123862	VERIZON WIRELESS, MAGIC MOUNTAIN PEAK	203(a), 203(b)	12/26/2016	GV	P62169	\$1,600.00
154943	XERXES PETROLEUM	41960.2, 461 (c), 461 (c)(2)(B)	12/14/2016	GV	P64655	\$500.00
Total MSPAP Settlements: \$27,435.00						

DISTRICT RULES AND REGULATIONS INDEX FOR DECEMBER 2016 PENALTY REPORTS

REGULATION II – PERMITS

- Rule 201 Permit to Construct (*Amended 1/5/90*)
- Rule 202 Temporary Permit to Operate (*Amended 5/7/76*)
- Rule 203 Permit to Operate (*Amended 1/5/90*)

REGULATION IV - PROHIBITIONS

- Rule 403 Fugitive Dust (*Amended 12/11/98*) *Pertains to solid particulate matter emitted from man-made activities.*
- Rule 461 Gasoline Transfer and Dispensing (*Amended 6/15/01*)

REGULATION XI - SOURCE SPECIFIC STANDARDS

- Rule 1146 Emissions of Oxides of Nitrogen from Industrial, Institutional and Commercial Boilers, Steam Generators, and Process Heaters (*Amended 11/17/00*)
- Rule 1146.2 Emissions of Oxides of Nitrogen from Large Water Heaters and Small Boilers (*Adopted 1/9/98*)

REGULATION XIV – TOXICS

- Rule 1403 Asbestos Emissions from Demolition/Renovation Activities
- Rule 1415 Reduction of Refrigerant Emissions from Stationary Refrigeration and Air Conditioning Systems
- Rule 1421 Control of Perchloroethylene Emissions from Dry Cleaning Operations (*Amended 6/13/97*)
- Rule 1469.1. Spraying Operations Using Coatings Containing Chromium
- Rule 1470 Requirements for Stationary Diesel-Fueled Internal Combustion and Other Ignition Engines
- Rule 1472. Requirements For Facilities With Multiple Stationary Emergency Standby Diesel-Fueled Internal Combustion Engines

REGULATION XX - REGIONAL CLEAN AIR INCENTIVES MARKET (RECLAIM)

- Rule 2004 Requirements (*Amended 5/11/01*)
- Rule 2012 Requirements for Monitoring, Reporting, and Recordkeeping for Oxides of Nitrogen (NO_x) Emissions (*Amended 5/11/01*)

REGULATION XXII - ON-ROAD MOTOR VEHICLE MITIGATION

Rule 2202 On-Road Motor Vehicle Mitigation Options

REGULATION XXX - TITLE V PERMITS

Rule 3002 Requirements (*Amended 11/14/97*)

Rule 3003 Applications

CALIFORNIA HEALTH AND SAFETY CODE § 41700

41954 Compliance for Control of Gasoline Vapor Emissions

41960.2 Gasoline Vapor Recovery

41700 Violation of General Limitations

CODE OF FEDERAL REGULATIONS

40 CFR Protection of the Environment

Regulation to Establish Statewide Portable Equipment Registration Program

PERP 2459 Portable Equipment Notification

PERP 2460 Portable Equipment Testing Requirements

BOARD MEETING DATE: February 3, 2017

AGENDA NO. 13

REPORT: Lead Agency Projects and Environmental Documents Received By SCAQMD

SYNOPSIS: This report provides, for the Board's consideration, a listing of CEQA documents received by the SCAQMD between December 1, 2016 and December 31, 2016, and those projects for which the SCAQMD is acting as lead agency pursuant to CEQA.

COMMITTEE: Mobile Source, January 20, 2017, Reviewed

RECOMMENDED ACTION:
Receive and file.

Wayne Nastri
Executive Officer

PF:SN:JW:MK:AK

CEQA Document Receipt and Review Logs (Attachments A and B) – Each month, the SCAQMD receives numerous CEQA documents from other public agencies on projects that could adversely affect air quality. A listing of all documents received and reviewed during the reporting period December 1, 2016 through December 31, 2016 is included in Attachment A. A list of active projects from previous reporting periods for which SCAQMD staff is continuing to evaluate or has prepared comments is included in Attachment B. A total of 89 CEQA documents were received during this reporting period and 26 comment letters were sent. Notable projects in this report are Port of Long Beach's Pier B On-Dock Rail Support Facility Project and Sycamore Canyon Business Park.

The Intergovernmental Review function, which consists of reviewing and commenting on the adequacy of the air quality analysis in CEQA documents prepared by other lead agencies, is consistent with the Board's 1997 Environmental Justice Guiding Principles and Environmental Justice Initiative #4. Furthermore, as required by the Environmental Justice Program Enhancements for FY 2002-03 approved by the Board in October 2002, each of the attachments notes those proposed projects where the SCAQMD has been contacted regarding potential air quality-related environmental justice concerns. The SCAQMD has established an internal central contact to receive information on projects

with potential air quality-related environmental justice concerns. The public may contact the SCAQMD about projects of concern by the following means: in writing via fax, email, or standard letters; through telephone communication; as part of oral comments at SCAQMD meetings or other meetings where SCAQMD staff is present; or by submitting newspaper articles. The attachments also identify for each project the dates of the public comment period and the public hearing date, if applicable, as reported at the time the CEQA document is received by the SCAQMD. Interested parties should rely on the lead agencies themselves for definitive information regarding public comment periods and hearings as these dates are occasionally modified by the lead agency.

At the January 6, 2006 Board meeting, the Board approved the Workplan for the Chairman's Clean Port Initiatives. One action item of the Chairman's Initiatives was to prepare a monthly report describing CEQA documents for projects related to goods movement and to make full use of the process to ensure the air quality impacts of such projects are thoroughly mitigated. In response to describing goods movement, CEQA documents (Attachments A and B) are organized to group projects of interest into the following categories: goods movement projects; schools; landfills and wastewater projects; airports; and general land use projects, etc. In response to the mitigation component, guidance information on mitigation measures were compiled into a series of tables relative to: off-road engines; on-road engines; harbor craft; ocean-going vessels; locomotives; fugitive dust; and greenhouse gases. These mitigation measure tables are on the CEQA webpages portion of the SCAQMD's website. Staff will continue compiling tables of mitigation measures for other emission sources, including airport ground support equipment, etc.

As resources permit, staff focuses on reviewing and preparing comments for projects: where the SCAQMD is a responsible agency; that may have significant adverse regional air quality impacts (e.g., special event centers, landfills, goods movement, etc.); that may have localized or toxic air quality impacts (e.g., warehouse and distribution centers); where environmental justice concerns have been raised; and those projects for which a lead or responsible agency has specifically requested SCAQMD review. If the SCAQMD staff provided written comments to the lead agency as noted in the column "Comment Status," there is a link to the "SCAQMD Letter" under the Project Description. In addition, if the SCAQMD staff testified at a hearing for the proposed project, a notation is provided under the "Comment Status." If there is no notation, then SCAQMD staff did not provide testimony at a hearing for the proposed project.

During the period December 1, 2016 through December 31, 2016, the SCAQMD received 89 CEQA documents. Of the total of 110 documents* listed in Attachments A and B:

- 26 comment letters were sent;
- 38 documents were reviewed, but no comments were made;
- 42 documents are currently under review;
- 2 documents did not require comments (e.g., public notices, plot plans, Final Environmental Impact Reports);
- 0 documents were not reviewed; and
- 2 documents were screened without additional review.

* These statistics are from December 1, 2016 to December 31, 2016 and may not include the most recent “Comment Status” updates in Attachments A and B.

Copies of all comment letters sent to lead agencies can be found on the SCAQMD’s CEQA webpage at the following internet address:

<http://www.aqmd.gov/home/regulations/ceqa/commenting-agency>.

SCAQMD Lead Agency Projects (Attachment C) – Pursuant to CEQA, the SCAQMD periodically acts as lead agency for stationary source permit projects. Under CEQA, the lead agency is responsible for determining the type of CEQA document to be prepared if the proposal is considered to be a “project” as defined by CEQA. For example, an Environmental Impact Report (EIR) is prepared when the SCAQMD, as lead agency, finds substantial evidence that the proposed project may have significant adverse effects on the environment. Similarly, a Negative Declaration (ND) or Mitigated Negative Declaration (MND) may be prepared if the SCAQMD determines that the proposed project will not generate significant adverse environmental impacts, or the impacts can be mitigated to less than significance. The ND and MND are written statements describing the reasons why proposed projects will not have a significant adverse effect on the environment and, therefore, do not require the preparation of an EIR.

Attachment C to this report summarizes the active projects for which the SCAQMD is lead agency and is currently preparing or has prepared environmental documentation. As noted in Attachment C, the SCAQMD continued working on the CEQA documents for five active projects during December.

Attachments

- A. Incoming CEQA Documents Log
- B. Ongoing Active Projects for Which SCAQMD Has or Will Conduct a CEQA Review
- C. Active SCAQMD Lead Agency Projects

ATTACHMENT A*
INCOMING CEQA DOCUMENTS LOG
DECEMBER 01, 2016 TO DECEMBER 31, 2016

SCAQMD LOG-IN NUMBER PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
Goods Movement LAC161216-06 Pier B On-Dock Rail Support Facility Project (12th Street Alternative)	The proposed project consists of the reconfiguration and expansion of the Pier B On-Dock Rail Support Facility which actions are to: (a) provide a sufficient facility to accommodate the expected demand of cargo to be moved via on-dock rail into the foreseeable future; (b) maximize on-dock intermodal operations to reach the long-term goal of 30 to 35 percent of cargo containers to be handled by on-dock rail; (c) provide a facility that can accept and handle longer container trains; and (d) provide a rail yard that is cost effective and fiscally prudent. The project site is located in two Planning Districts (the Northeast Harbor and North Harbor), and includes the Wilmington-Harbor City Community Plan Area of the City of Los Angeles. Comment Period: 12/15/2016 - 2/15/2017 Public Hearing: 1/18/2017	Draft Environmental Impact Report	Port of Long Beach	Under review, may submit written comments
Warehouse & Distribution Centers RVC161206-09 Indian Street Commerce Center Project (PA 16-0002)	The proposed project consists of the construction of a 446,350-square-foot light industrial building on a 19.64-acre site. The project is located south of Grove View Road on the west side of Indian Street. Reference RVC160830-10 Comment Period: N/A Public Hearing: 12/15/2016	Notice of Availability of a Final Environmental Impact Report	City of Moreno Valley	Document reviewed - No comments sent
Warehouse & Distribution Centers RVC161216-03 Agua Mansa Commerce Center - MA16170 (GPA16003, CZ16008, SP16002, and DA16002)	The proposed project consists of 3.6 million square feet of speculative buildings, which may include warehouse distribution uses and commercial service on approximately 277 acres of land, from which 67 acres of recreation area will be dedicated to the City for public use. The project is located at 1500 Rubidoux Boulevard and El Rivino Road. Reference RVC161006-06 http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2016/december/PCma16170.pdf Comment Period: 12/12/2016 - 1/6/2017 Public Hearing: N/A	Initial Project Consultation	City of Jurupa Valley	SCAQMD staff commented on 12/23/2016
Warehouse & Distribution Centers SBC161222-02 DRA 16-014 (Transition Properties) & TPM 16-002	The proposed project consists of the construction of two warehouse buildings totaling 117,860 square feet on 18 gross acres. The project is located at the northwest corner of 5th Street and Church Avenue. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2016/december/PCdra16-014tpm-16-002.pdf Comment Period: 12/20/2016 - 1/10/2016 Public Hearing: N/A	Initial Project Consultation	City of Highland	SCAQMD staff commented on 12/28/2016

*Sorted by Land Use Type (in order of land uses most commonly associated with air quality impacts), followed by County, then date received.

- Project has potential environmental justice concerns due to the nature and/or location of the project.

Documents received by the CEQA Intergovernmental Review program but not requiring review are not included in this report.

**ATTACHMENT A
INCOMING CEQA DOCUMENTS LOG
DECEMBER 01, 2016 TO DECEMBER 31, 2016**

SCAQMD LOG-IN NUMBER PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
Warehouse & Distribution Centers SBC161227-04 Western Realco Bloomington Industrial Facility	The proposed project consists of the construction of a 676,983-square-foot distribution warehouse building on an approximately 34.54-acre property, with associated facilities and improvements such as a guard booth, parking, bicycle racks, landscaping and detention basins. The project is located on the corner of Cedar Avenue and Jurupa Avenue. Reference SBC160325-02 Comment Period: 12/23/2016 - 2/6/2017 Public Hearing: N/A	Notice of Availability of a Draft Environmental Impact Report	County of San Bernardino	Document reviewed - No comments sent
Airports ALL161220-01 FAA Southern California Metroplex (SoCal Metroplex)	The proposed project consists of a final decision for changes to the aircraft flight routes and altitudes in certain areas of Southern California airspace. The proposed actions does not increase the number of aircraft operations within the Metroplex, nor result in ground disturbance. Reference ALL150610-01 Comment Period: N/A Public Hearing: 2/8/2017	Notice of Public Hearing	United States Federal Aviation Administration	Document does not require comments
Industrial and Commercial LAC161206-04 Amendment of Conditional Use Permit Case No.654	The proposed project consists of a request to allow light vehicle repair and preventative maintenance at an existing ambulance service center. A vehicle lift and air compressor are to be installed within the warehouse portion of the building, with all repair and maintenance work to be completed indoors. The project is located at 12160 Mora Drive. Comment Period: N/A Public Hearing: 12/12/2016	Notice of Public Hearing	City of Santa Fe Springs	Document reviewed - No comments sent
Industrial and Commercial LAC161213-01 CUP No. 1006-16, DOR No.1627-16, ZTA No. 27-16, Variance No. 561	The proposed project consists of the construction of an inflatable Airship Hangar and Maintenance Building, tail wheel ring/rolling trolley, gravel and turf tile landing pad/taxiways and new perimeter fencing for the existing Good Year Blimp Port. The project is located at 1900 S. Main Street. Comment Period: 12/12/2016 - 12/27/2016 Public Hearing: 1/24/2017	Initial Project Consultation	City of Carson	Document reviewed - No comments sent

- Project has potential environmental justice concerns due to the nature and/or location of the project. Documents received by the CEQA Intergovernmental Review program but not requiring review are not included in this report.

**ATTACHMENT A
INCOMING CEQA DOCUMENTS LOG
DECEMBER 01, 2016 TO DECEMBER 31, 2016**

SCAQMD LOG-IN NUMBER PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<i>Industrial and Commercial</i> RVC161206-10 Forterra Pipe Manufacturing Facility (CUP2016-263)	The proposed project consists of a revision to approved Plot Plan No. 10557, by constructing a 12,323 metal building to enclose new pipe manufacturing equipment. The project is located at the northwest intersection of Matthews Road and Palomar Road. Comment Period: 11/30/2016 - 12/22/2016 Public Hearing: N/A	Initial Project Consultation	City of Menifee	Document reviewed - No comments sent
<i>Industrial and Commercial</i> RVC161227-05 Kiewit Construction Yard Plot Plan No. 2016-292	The proposed project consists of the development of a contractor's storage yard on 9.7 acres. The project is located on Dawson Road and Ethanac Road. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/PC-2016-292-010517.pdf Comment Period: 12/22/2016 - 1/16/2017 Public Hearing: N/A	Initial Project Consultation	City of Menifee	SCAQMD staff commented on 1/5/2017
<i>Industrial and Commercial</i> SBC161206-02 Nichols Canyon Mine (Amendment No. 2 to Reclamation Plan 2006-01A1 and Surface Mining Permit No. 2015-01)	The proposed project consists of amending an existing reclamation plan in order to increase mining activities by approximately 24 acres; reducing the annual tonnage limit for the mine from 4,000,000 tons per day to 1,000,000 tons per day; revising the approved seed mix and revegetation plan; and extending the hours permitted for mining. The project is located east of and adjacent to Interstate 15, both north and south of Nichols Road. Reference SBC161108-03 and SBC160112-05 Comment Period: N/A Public Hearing: 12/13/2016	Notice of Public Hearing	City of Lake Elsinore	Document does not require comments
<i>Industrial and Commercial</i> SBC161222-01 Design Review DRC2016-00268 and Tentative Parcel Map SUBTPM19863	The proposed project consists of the subdivision of a 5.26 acre site into three parcels and the development of three industrial buildings that total 92,725 square-foot. The project is located at the northeast corner of 6th Street and Center Avenue. Comment Period: 12/21/2016 - 1/25/2017 Public Hearing: 1/25/2017	Notice of Intent to Adopt a Mitigated Negative Declaration	City of Rancho Cucamonga	Document reviewed - No comments sent

- Project has potential environmental justice concerns due to the nature and/or location of the project. Documents received by the CEQA Intergovernmental Review program but not requiring review are not included in this report.

**ATTACHMENT A
INCOMING CEQA DOCUMENTS LOG
DECEMBER 01, 2016 TO DECEMBER 31, 2016**

<u>SCAQMD LOG-IN NUMBER</u> PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<i>Industrial and Commercial</i> SBC161222-03 Chino Parcel Delivery Facility Project	The proposed project consists of the construction and operation of a hub facility for a parcel delivery services company which would comprise an approximately 745,478-square-foot building used for parcel sorting and distribution and four ancillary structures: a gateway security building, a maintenance building, and two guardhouses used for vehicle check in/check out. The project is located south of Merrill Avenue and west of Flight Avenue. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2016/december/NOPchinoparcel.pdf Comment Period: 12/24/2016 - 1/23/2017 Public Hearing: N/A	Notice of Preparation	City of Chino	SCAQMD staff commented on 12/28/2016
<i>Waste and Water-related</i> LAC161206-03 Greencycle (Amendment of Conditional Use Permit Case No. 524)	The proposed project consists of an amendment to the existing permit to allow for the on-site chipping and grinding of green waste, and the processing of construction, demolition, and other inert materials. The address of Greencycle is 12815 Imperial Highway, located in between Bloomfield Avenue and Shoemaker Avenue. Comment Period: N/A Public Hearing: 12/12/2016	Notice of Public Hearing	City of Santa Fe Springs	Document reviewed - No comments sent
<i>Waste and Water-related</i> LAC161207-03 Phase 2C South End Recycled Water Main Extension Project	The proposed project consists of the construction and potential future operation of a new phase to the existing Castiac Lake Water Agency recycled water system. The project is located along existing paved public roadways in the County of Los Angeles and the City of Santa Clarita. Comment Period: 12/8/2016 - 12/27/2016 Public Hearing: 1/12/2017	Notice of Intent to Adopt a Mitigated Negative Declaration	Newhall County Water District	Document reviewed - No comments sent
<i>Waste and Water-related</i> LAC161213-07 Preliminary Investigation Area Cleanup, Former Exide Facility	The proposed project consists of a cleanup plan which will address properties contaminated with lead in the communities that surround the Exide Technologies Facility in Vernon. Reference LAC160616-03 and LAC160713-03 Comment Period: 12/14/2016 - 2/15/2017 Public Hearing: 1/11/2017	Draft Environmental Impact Report	Department of Toxic Substances Control	Under review, may submit written comments

- Project has potential environmental justice concerns due to the nature and/or location of the project. Documents received by the CEQA Intergovernmental Review program but not requiring review are not included in this report.

**ATTACHMENT A
INCOMING CEQA DOCUMENTS LOG
DECEMBER 01, 2016 TO DECEMBER 31, 2016**

<u>SCAQMD LOG-IN NUMBER</u> PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<i>Waste and Water-related</i> LAC161216-02 North Hollywood West Well Field Water Treatment Project	The proposed project consists of implementing a response action to address releases of 1,4-dioxane in groundwater which is migrating to the North Hollywood West Well Field. Seven wells in this well field have been removed from service due to the presence and/or threat of 1,4-dioxane contamination at the wells. The project would install water treatment equipment at the well field capable of removing the 1,4-dioxane to below identified cleanup levels. The project is located between the Hollywood Freeway (State Route 170) and Whitsett Fields. Comment Period: 12/7/2016 - 1/23/2017 Public Hearing: 1/4/2017	Notice of Intent to Adopt a Mitigated Negative Declaration	City of Los Angeles Department of Water and Power	Under review, may submit written comments
<i>Waste and Water-related</i> LAC161220-08 Exide Technologies Battery Recycling Facility in Vernon Final Closure Plan	The proposed project consists of permanently closing the Exide facility. The project will require Exide to remove all contaminated equipment, buildings, and soil. The project is located at 2700 South Indiana Street in Vernon. Reference LAC151208-09 Comment Period: N/A Public Hearing: N/A	Notice of Availability of a Final Environmental Impact Report	Department of Toxic Substances Control	Under review, may submit written comments
<i>Waste and Water-related</i> LAC161227-11 Final Permit Decision for a Resource Conservation and Recovery Act Hazardous Waste Facility Permit for Demenno-Kerdoon	The proposed project consists of a notice of final permit decision for a Resource Conservation and Recovery Act (RCRA) hazardous waste facility permit for Demenno-Kerdoon. The Final Permit authorizes Demenno-Kerdoon to continue to operate a hazardous waste facility that treats, stores, transfers, and recycles used oil, waste oil, used antifreeze, oily water and other similar, recyclable waste materials. The project is located at North Alameda Street in the City of Compton. Comment Period: N/A Public Hearing: N/A	Other	Department of Toxic Substances Control	Document reviewed - No comments sent
<i>Waste and Water-related</i> LAC161227-13 BKK Landfills Site	The proposed project consists of drilling work in a cul-de-sac on Ashcomb Drive near the intersection of Amar Road and Azusa Avenue as part of the groundwater investigation for the BKK Landfill facilities. The work will consist of installing three groundwater wells and a testing program for each well. Reference LAC150203-01 Comment Period: N/A Public Hearing: N/A	Community Notice	Department of Toxic Substances Control	Document reviewed - No comments sent

- Project has potential environmental justice concerns due to the nature and/or location of the project. Documents received by the CEQA Intergovernmental Review program but not requiring review are not included in this report.

**ATTACHMENT A
INCOMING CEQA DOCUMENTS LOG
DECEMBER 01, 2016 TO DECEMBER 31, 2016**

SCAQMD LOG-IN NUMBER PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<i>Waste and Water-related</i> ORC161223-03 San Juan Watershed Project	The proposed project consists of the implementation of an integrated water resource management plan intended to maximize beneficial uses of the San Juan Groundwater Basin. The project includes the construction of rubber dams, recycled water recharge and recovery facilities, and conversion of private groundwater pumpers to alternative sources of water. Comment Period: 12/1/2016 - 2/2/2017 Public Hearing: 1/12/2017	Notice of Preparation	Santa Margarita Water District	Under review, may submit written comments
<i>Waste and Water-related</i> ORC161227-10 Chicago Musical Instruments Site	The proposed project consists of a Remedial Action Plan which describes the environmental studies that have been conducted, the results, and the proposed cleanup activities. The chemicals of concern at the site are volatile organic compounds in soil, soil vapor and groundwater. Reference ORC150203-11 Comment Period: 12/30/2016 - 1/30/2017 Public Hearing: N/A	Public Notice	Department of Toxic Substances Control	Document reviewed - No comments sent
<i>Waste and Water-related</i> RVC161216-05 Santa Ana River Conservation and Conjunctive Use Program	The proposed project consists of providing up to 70,439 acre-feet per year of new local dry-year water supply that would supplement imported water supplies during drought conditions or other emergencies. The project is a watershed-scale collaborative program designed to improve the Santa Ana River watershed's water supply resiliency and reliability. Reference RVC161101-07 Comment Period: 10/28/2016 - 1/12/2017 Public Hearing: N/A	Notice of Preparation	Inland Empire Utilities Agency	Document reviewed - No comments sent
<i>Waste and Water-related</i> RVC161220-03 Coachella Valley Water District Chromium-6 Water Treatment Facilities Project	The proposed project consists of an ion exchange treatment plant approach for removing chromium-6 from affected drinking water wells. Reference RVC160511-02, RVC160415-01 and RVC150714-12 Comment Period: 12/16/2016 - 1/17/2017 Public Hearing: N/A	Notice of Intent to Adopt a Mitigated Negative Declaration	Coachella Valley Water District	Document reviewed - No comments sent

- Project has potential environmental justice concerns due to the nature and/or location of the project. Documents received by the CEQA Intergovernmental Review program but not requiring review are not included in this report.

**ATTACHMENT A
INCOMING CEQA DOCUMENTS LOG
DECEMBER 01, 2016 TO DECEMBER 31, 2016**

<u>SCAQMD LOG-IN NUMBER</u> PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<i>Waste and Water-related</i> RVC161220-07 Ace Bowen Pump Station and Senga Doherty Pump Stations Improvements Project	The proposed project consists of the construction and operation of Disinfection System Improvements at the Ace Bowen and Senga Doherty Pump Stations. The Project is located at the following two sites: Ace Bowen Pump Station, 29025 Via Santa Rosa, Temecula; and Senga Doherty Pump Station, 43250 Elm Street, Murrieta. Comment Period: 12/19/2016 - 1/17/2017 Public Hearing: 2/9/2017	Notice of Intent to Adopt a Mitigated Negative Declaration	Rancho California Water District	Document reviewed - No comments sent
<i>Waste and Water-related</i> RVC161223-02 Integrated Vector Management Program	The proposed project consists of the continued use of larvacide, ultra low volume adulticide, and barrier adulticide applications as part the Integrated Vector Management Program. Application of mosquito control products will be made throughout the Coachella Valley Mosquito and Vector Control District. Comment Period: N/A Public Hearing: N/A	Other	Coachella Valley Mosquito and Vector Control District	Document reviewed - No comments sent
<i>Waste and Water-related</i> RVC161227-09 Pala Force Main Project	The proposed project consists of connecting an existing wastewater force main near the Pujol Lift Station adjacent to 1st Street near its intersection with Pujol Street to an existing wastewater force main near the Diaz Road Lift Station. In the future, a joint force main would be constructed from Diaz Road and Business Park Drive to the Temecula Valley Regional Water Reclamation Facility. Comment Period: 12/23/2016 - 1/23/2017 Public Hearing: 3/1/2017	Notice of Intent to Adopt a Mitigated Negative Declaration	Eastern Municipal Water District	Document reviewed - No comments sent
<i>Waste and Water-related</i> SBC161220-02 IEUA Facilities Master Plans Program	The proposed project consists of the construction and operation of facilities identified in the six interrelated Facility Master Plans. The proposed facilities would implement the comprehensive strategy for managing IEUA's regional wastewater and recycled water distribution system in the future; the future strategy for the treatment and disposal of biosolids and manure; and reliable and sustainable energy infrastructure to support these activities. The project is within the 242-square-mile IEUA service area, which includes the cities of Upland, Montclair, Ontario, Fontana, Chino, Chino Hills, Rancho Cucamonga, and the unincorporated areas of San Bernardino County. Reference SBC160701-04 Comment Period: 12/20/2016 - 2/2/2017 Public Hearing: 1/25/2017	Notice of Availability of a Draft Environmental Impact Report	Inland Empire Utilities Agency	Under review, may submit written comments

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<i>Waste and Water-related</i> SBC161227-12 Final Hazardous Waste Facility Permit Modification Decision to Filter Recycling Services, Inc.	The proposed project consists of a notice of change to the final hazardous waste facility permit modification decision, removing one condition in the Final Modified Permit. The project is located at 180 W. Monte Avenue in Rialto. Comment Period: N/A Public Hearing: N/A	Other	Department of Toxic Substances Control	Document reviewed - No comments sent
<i>Utilities</i> LAC161220-09 Grayson Repowering Project	The proposed project consists of repowering the Grayson Power Plant, which consists of all the existing generation equipment, related facilities, and infrastructure (with the exception of Unit 9). The proposed project is located at 800 Air Way, Glendale. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/NOPgrayson011017.pdf Comment Period: 12/15/2016 - 1/20/2017 Public Hearing: 1/12/2016	Notice of Preparation	City of Glendale	SCAQMD staff commented on 1/10/2017
<i>Utilities</i> ORC161221-02 Harbor Substation	The proposed project consists of two 56 megavolt-amp transformers and switchgear distribution system. Two single-story structures will be constructed. Underground 69 kilovolt (kV) and 12kv transmission and distribution lines will be installed in the rights-of-way at Cerritos Avenue, Katella Avenue, Haster Street, Zeyn Street, Disney Way, Harbor Boulevard, Clementine Street, Anaheim Boulevard, Manchester Avenue, and Ninth Street. Subterranean vaults will be installed at depths of 9 feet below grade on Katella Avenue, Zeyn Street, Anaheim Boulevard, Haster Street, Disney Way, Clementine Street, and Manchester Avenue. Comment Period: 12/21/2016 - 1/20/2017 Public Hearing: N/A	Notice of Intent to Adopt a Mitigated Negative Declaration	City of Anaheim	Document reviewed - No comments sent
<i>Transportation</i> LAC161201-02 Taylor Yard Bikeway/Pedestrian Bridge Over the Los Angeles River Project (W.O. E1907487)	The proposed project consists of construction of a multi-modal bridge over the Los Angeles River between Elysian Valley on the west and Taylor Yard on the east, the bridge would be designed for bicycle and pedestrian use, and would also support emergency vehicles. The project would be located across the Los Angeles River and in the surrounding area in the Silverlake-Echo Park-Elysian Park Community Plan area. Comment Period: 11/10/2016 - 12/12/2016 Public Hearing: N/A	Notice of Intent to Adopt a Mitigated Negative Declaration	City of Los Angeles	Document reviewed - No comments sent

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<i>Transportation</i> ORC161213-06 Los Alamitos Boulevard Median Island Beautification Project	The proposed project consists of installing a new landscaped center median from Katella Avenue north to Cerritos Avenue. The project will reduce the scale of Los Alamitos Boulevard, provide pedestrian refuge, and incorporate left-turn pockets to provide space for vehicles making left turns and U-turns. Comment Period: 12/14/2016 - 1/7/2017 Public Hearing: 1/17/2017	Draft Mitigated Negative Declaration	City of Los Alamitos	Document reviewed - No comments sent
<i>Transportation</i> RVC161207-01 South Palm Canyon Drive Bridge Replacement Over Tahquitz Creek Channel	The proposed project consists of replacing the existing structurally deficient bridge (State Bridge No. 56C05408) with a new bridge. The project is located on South Palm Canyon Drive south of East Sunny Dunes Road. Comment Period: 12/5/2016 - 1/3/2017 Public Hearing: N/A	Notice of Intent to Adopt a Mitigated Negative Declaration	City of Palm Springs	Document reviewed - No comments sent
<i>Transportation</i> RVC161214-02 Bradley Bridge Over Salt Creek	The proposed project consists of replacing a low-flow crossing with an all-weather crossing, effectively raising the roadway out of the floodplain. The project is located between Potomac Drive and Rio Vista Drive. Comment Period: 12/12/2016 - 1/11/2017 Public Hearing: N/A	Notice of Intent to Adopt a Mitigated Negative Declaration	City of Menifee	Document reviewed - No comments sent
<i>Transportation</i> SBC161213-04 La Cadena Drive Over the Santa Ana River Bridge Replacement	The proposed project consists of replacing an existing bridge with a 98-foot wide bridge that would accommodate four lanes, a 14-foot wide striped median, a five-foot Class II bike lane, six-inch shoulder, and a six-foot sidewalk protected by a one-foot, six-inch-wide concrete barrier in each direction. The project would also replace the existing access to the Santa Ana River Trail parking lot with a new and realigned driveway to accommodate the new bridge. The project is located at La Cadena Drive over the Santa Ana River between West Tropica Rancho Road and Rancho Avenue. Comment Period: 12/12/2016 - 1/16/2017 Public Hearing: N/A	Notice of Intent to Adopt a Mitigated Negative Declaration	City of Colton	Document reviewed - No comments sent

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<i>Transportation</i> SBC161223-04 May Valley Non-Motorized Trail Project	The proposed project consists of adding a non-motorized trail and trailheads to the National Forest Transportation System, and rehabilitate unauthorized trails in the May Valley area of the San Jacinto Ranger District. Reference SBC161021-04 and SBC160617-01 Comment Period: N/A Public Hearing: N/A	Finding of No Significant Impact	United States Department of Agriculture	Document reviewed - No comments sent
<i>Institutional (schools, government, etc.)</i> ORC161206-08 Middle Earth Expansion	The proposed project consists of the demolition of an 11,200-gross-square-foot Brandywine Dining Commons and Student Center, located in the Middle Earth student housing complex and the construction of a seven-story, 240,000-gross-square-foot structure with 143,000 square feet on a 2.2-acre site, at the University of California, Irvine campus. Comment Period: 12/2/2016 - 1/1/2017 Public Hearing: N/A	Notice of Intent to Adopt a Mitigated Negative Declaration	University of California, Irvine	Document reviewed - No comments sent
<i>Institutional (schools, government, etc.)</i> ORC161213-05 Planning Area 6 North Elementary School	The proposed project consists of building a new elementary school that will have approximately 59,000 square feet of building space, three childcare portables, and future expansion of up to 10 portable classrooms and a two-story classroom wing. The project is located in the Portola Springs Community north of Portola Parkway and south of State Route 241. Comment Period: N/A Public Hearing: N/A	Draft Mitigated Negative Declaration	Irvine Unified School District	Document reviewed - No comments sent
<i>Institutional (schools, government, etc.)</i> ORC161222-04 Orange County Civic Center Facilities Strategic Plan	The proposed project consists of the phased demolition, renovation, and construction of multiple government buildings at the approximately 10.74-acre project site. The project would occur in four phases over approximately 18 years and would allow for the eventual renovation of approximately 289,360 square feet, demolition of approximately 429,277 square feet, and construction of approximately 818,676 square feet of building space. This will result in a net increase of 389,399 square feet of new government office uses. The project is bounded by Ross Street to the west, Civic Center Drive to the north, Broadway to the east, and Santa Ana Boulevard to the south. Reference ORC160816-02 Comment Period: 12/22/2016 - 2/6/2017 Public Hearing: N/A	Notice of Availability of a Draft Environmental Impact Report	County of Orange	Document reviewed - No comments sent

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<i>Institutional (schools, government, etc.)</i> RVC161207-02 Canyon Springs High School Athletic Complex	The proposed project consists of a new 3,000 seat stadium complex, new campus access and parking lot; relocation of two softball fields, a soccer field, and tennis courts; a second campus access point; and expansion of the campus through potential acquisition of the adjacent Westbluff Park. The project is located at 10750 Pigeon Pass Road. Reference RVC160216-02 Comment Period: 12/9/2016 - 1/23/2017 Public Hearing: N/A	Notice of Availability of a Draft Environmental Impact Report	Moreno Valley Unified School District	Under review, may submit written comments
<i>Medical Facility</i> LAC161208-01 Hellman Medical Office Development	The proposed project consists of the demolition of a single story medical office building and the construction of a three-story 13,372-square-foot medical office building with subterranean parking. The project is located at 1 and 15 West Hellman Avenue. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2016/december/MNDhellmanmedical.pdf Comment Period: 12/7/2016 - 1/5/2017 Public Hearing: N/A	Notice of Intent to Adopt a Mitigated Negative Declaration	City of Alhambra	SCAQMD staff commented on 12/16/2016
<i>Medical Facility</i> LAC161208-03 ENV-2016-3373; 16052 W. Chase Street	The proposed project consists of the construction, use, and maintenance of a 5,270-square-foot congregate living health facility with a maximum of 18 beds. Comment Period: 12/8/2016 - 12/28/2016 Public Hearing: N/A	Notice of Availability of a Draft Mitigated Negative Declaration	City of Los Angeles	Document reviewed - No comments sent
<i>Retail</i> LAC161213-03 Alhambra Court Commercial Development (TTM 74223 and Industrial Planned Development Permit IP-16-4)	The proposed project consists of the construction of a 111,257-square-foot Lowe's home improvement store and a 23,160-square-foot garden center, a six-level parking structure and two six-story office buildings with a combined floor area of approximately 245,400 square feet. The project is located at 875 South Fremont Avenue and 1111 South Fremont Avenue. Comment Period: 12/2/2016 - 1/3/2017 Public Hearing: 1/3/2017	Notice of Intent to Adopt a Mitigated Negative Declaration	City of Alhambra	Document reviewed - No comments sent

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<i>Retail</i> LAC161222-07 ENV-2016-2467: 3031 South Figueroa Street	The proposed project consists of the construction of a new seven story hotel building with a maximum of 275 guest rooms (150 larger all-suite rooms, and 125 standard hotel rooms). An approximate 1,400 square feet of space will be dedicated to a public restaurant that will be located on the ground floor along with a lobby and lounge area. The second floor would provide a pool, barbeque area, lounge area, indoor fitness center, conference rooms, offices, and a laundry facility. Parking will be provided in one level of subterranean parking and one level at-grade within the hotel building. The project is located at 3031 South Figueroa Street. Comment Period: 12/22/2016 - 1/11/2017 Public Hearing: N/A	Notice of Availability of a Draft Mitigated Negative Declaration	City of Los Angeles	Document reviewed - No comments sent
<i>Retail</i> LAC161222-08 ENV-2016-4313: 6516-6526 West Selma Avenue	The proposed project consists of the demolition of the existing surface parking lot at 6516-6526 West Selma Avenue, and the construction of an 8-story, 79,621-square-foot mixed-use building consisting of a 212-guest-room hotel with guest amenities, and ground floor and rooftop bars/lounges primarily for the use of hotel guests but accessible to the public. Parking would be provided on-site within a four-level subterranean structure providing 205 parking stalls and 52 bicycle parking spaces. Comment Period: 12/22/2016 - 1/11/2017 Public Hearing: N/A	Notice of Availability of a Draft Mitigated Negative Declaration	City of Los Angeles	Document reviewed - No comments sent
<i>Retail</i> LAC161227-02 Fig+Pico Conference Center Hotels	The proposed project consists of development of 506,682 square feet of floor area in two hotel towers and 13,145 square feet of retail and restaurant space on an approximately 1.22-acre site. The project site is located at 1240-1260 S. Figueroa Street and 601 W. Pico Boulevard. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/NOPfig-pico011517.pdf Comment Period: 12/22/2016 - 1/23/2017 Public Hearing: 1/10/2017	Notice of Preparation for an Environmental Impact Report	City of Los Angeles	SCAQMD staff commented on 1/5/2017
<i>Retail</i> LAC161229-01 ENV-2016-3536: 682-290 W. 9th Street	The proposed project consists of the demolition of the existing structure and the construction of an 880-square-foot drive-through coffee shop. Comment Period: 12/29/2016 - 1/18/2017 Public Hearing: N/A	Notice of Availability of a Draft Mitigated Negative Declaration	City of Los Angeles	Document reviewed - No comments sent

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<i>General Land Use (residential, etc.)</i> LAC161202-01 ENV-2016-3576-EIR (668 S. Alameda Street Project)	The proposed project consists of demolition of a cold storage facility and construction of a mixed-use project consisting of 475 live/work units and approximately 49,594 square feet of ground level commercial use. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2016/december/NOP668Alameda.pdf Comment Period: 12/1/2016 - 1/6/2017 Public Hearing: 12/15/2016	Notice of Preparation	City of Los Angeles	SCAQMD staff commented on 12/20/2016
<i>General Land Use (residential, etc.)</i> LAC161202-06 Carroll Vermont/Citrus Crossing: Tentative Tract Map No. 74353 and Development Plan Review No. PLN16-0045	The proposed project consists of two components: 1) an amendment to the General Plan Land Use Designation and corresponding Zoning Classification removing the project site from the Route 66 Specific Plan; and 2) the demolition and construction of a 40-unit residential condominium subdivision. The project is generally bounded by W. Carroll Avenue on the north, S. Vermont Avenue on the east, W. Ada Avenue on the south, and from the end of the Vermont cul-de-sac to W. Ada on the west. The Metro Gold Line Authority railroad right-of-way bisects the project area. Reference LAC161007-02 Comment Period: N/A Public Hearing: 12/13/2016	Notice of Public Hearing	City of Glendora	Document reviewed - No comments sent
<i>General Land Use (residential, etc.)</i> LAC161208-02 ENV-2016-2580: 3700 Wilshire Boulevard	The proposed project consists of the development of approximately 593,505 square feet of mixed-use residential and commercial building. The project site is located on the south side of Wilshire Boulevard between Oxford Avenue and Serrano Avenue. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/MND2016-2580-011017.pdf Comment Period: 12/8/2016 - 1/9/2017 Public Hearing: N/A	Notice of Availability of a Draft Mitigated Negative Declaration	City of Los Angeles	SCAQMD staff commented on 1/10/2017
<i>General Land Use (residential, etc.)</i> LAC161209-03 Rio Rancho III Residential Project	The proposed project consists of the construction of 110-single-family dwelling units and supporting facilities on an approximately 11.58 acre site. The project is located at the southwest corner of West Lexington Avenue and South White Avenue. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2016/december/NOPrioranchoiiii.pdf Comment Period: 12/9/2016 - 1/9/2017 Public Hearing: N/A	Notice of Preparation	City of Pomona	SCAQMD staff commented on 12/13/2016

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<i>General Land Use (residential, etc.)</i> LAC161229-03 ENV-2016-157 A-E and DOT: 5401-5415 N. Lankershim Boulevard and 11307 W. Chandler Boulevard	The proposed project consists of demolition of an existing commercial building and construction of a mixed-use building containing 127 residential units, 13,176 square feet of commercial space, 1,615 square feet of residential leasing and management space and 11,134 square feet of total open space. Comment Period: 12/29/2016 - 1/18/2017 Public Hearing: N/A	Notice of Availability of a Draft Mitigated Negative Declaration	City of Los Angeles	Document reviewed - No comments sent
<i>General Land Use (residential, etc.)</i> LAC161229-05 ENV-2016-3144: 1930 W. Wilshire Boulevard	The proposed project consists of converting a 104,000-square-foot medical office building into a 220-room hotel and the construction of a 41-story, 514,887-square-foot mixed-use residential building. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/MND1930wwilshire011017.pdf Comment Period: 12/29/2016 - 1/18/2017 Public Hearing: N/A	Notice of Availability of a Draft Mitigated Negative Declaration	City of Los Angeles	SCAQMD staff commented on 1/10/2017
<i>General Land Use (residential, etc.)</i> ORC161202-02 1700 South Lewis Street Trumark Townhomes Project	The proposed project consists of the demolition of three industrial buildings, totaling 110,600 square feet and the construction of a 153-unit townhome community on approximately 7.8 acres. Comment Period: 12/1/2016 - 12/20/2016 Public Hearing: 1/9/2016	Notice of Intent to Adopt a Mitigated Negative Declaration	City of Anaheim	Document reviewed - No comments sent
<i>General Land Use (residential, etc.)</i> ORC161202-03 Esperanza Hills Project: VTTM 17522	The proposed project consists of constructing 340 single-family residential units on 468.9 acres. The project will retain approximately 129 acres of natural open space and 126 acres of landscaping and irrigated slopes as part of a fuel modification plan. The project is located north of Via Del Agua and east of San Antonio Road. Reference ORC161108-07, ORC141209-09, ORC131205-05 and ORC121228-03 Comment Period: N/A Public Hearing: 12/13/2016	Notice of Public Hearing	County of Orange	Document reviewed - No comments sent

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<i>General Land Use (residential, etc.)</i> ORC161202-04 Cielo Vista Project	The proposed project consists of developing a maximum of 112 single-family homes and associated infrastructure on 47.6 acres of the 84-acre project site located north of Via Del Agua and east of San Antonio Road. Reference ORC160429-06, ORC151120-03, ORC151006-10 and ORC131108-05 Comment Period: N/A Public Hearing: 12/13/2016	Notice of Public Hearing	County of Orange	Under review, may submit written comments
<i>General Land Use (residential, etc.)</i> ORC161209-01 West Alton Parcel Development Plan	The proposed project consists of 803 multi-family dwelling units in four neighborhoods. The project site is located in the City of Irvine near the northeasterly edge of the former Marine Corps Air Station El Toro. Reference ORC150612-18 and ORC141107-02 Comment Period: 12/9/2016 - 2/9/2017 Public Hearing: N/A	Notice of Availability of a Draft Environmental Impact Report	County of Orange	Document reviewed - No comments sent
<i>General Land Use (residential, etc.)</i> ORC161209-02 Wimbledon Court - Jeerah Project	The proposed project consists of a residential development, a clubhouse with an indoor pool and common area on approximately 2.08 acres. The project is located at 6231 East Wimbledon Court. Comment Period: 12/7/2016 - 1/9/2017 Public Hearing: N/A	Notice of Intent to Adopt a Mitigated Negative Declaration	City of Orange	Document reviewed - No comments sent
<i>General Land Use (residential, etc.)</i> ORC161221-01 Anaheim Five Coves (Northern Extension) Project	The proposed project consists of the development of a 9-acre linear urban nature park that would extend from Lincoln Street to Frontera Street and would be approximately one mile long and 30 feet wide with a 0.9-mile asphalt bike path and a 0.75-acre Nature Play area. Comment Period: 12/22/2016 - 1/24/2017 Public Hearing: N/A	Notice of Intent to Adopt a Mitigated Negative Declaration	City of Anaheim	Document reviewed - No comments sent

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<i>General Land Use (residential, etc.)</i> RVC161221-04 Van Leeuwen General Plan Amendment and Change of Zone, 16-00029 and 16-00030	The proposed project consists of a General Plan Amendment from Medium Density Residential, 2.1 to 5 dwelling units per acre, to High Density Residential, 8.1 to 14 dwelling units per acre, and a change of zone from Heavy Agriculture to General Residential to allow development consistent with the proposed General Plan land use designation. The property is in an area bounded on the south by Santa Ana River, on the west by Scholar Way, the north by Citrus Street, and on the east by Hamner Avenue. Comment Period: 12/19/2016 - 1/9/2016 Public Hearing: 1/11/2016	Notice of Intent to Adopt a Negative Declaration	City of Eastvale	Document reviewed - No comments sent
<i>General Land Use (residential, etc.)</i> RVC161227-07 Tentative Tract Map No. 37102 (Planning Application No. 2016-038) Delsa Homes	The proposed project consists of subdividing 6.03 gross acres into twenty-one parcels and construction of 21 residential units. The project is located on the northwest corner of the intersection of Ridgemoor Road and Valley Boulevard. Comment Period: N/A Public Hearing: 1/11/2017	Notice of Intent to Adopt a Mitigated Negative Declaration	City of Menifee	Document reviewed - No comments sent
<i>General Land Use (residential, etc.)</i> SBC161214-01 Upland Hills Country Club Residential Project	The proposed project consists of the development of 68 single-family detached residential condominium units and 34,595 square feet of private common open space. The project is located on approximately 8.4 acres at the northeast corner of 16th Street and North Upland Hills Drive. Comment Period: 12/8/2016 - 1/10/2017 Public Hearing: N/A	Notice of Intent to Adopt a Mitigated Negative Declaration	City of Upland	Document reviewed - No comments sent
<i>General Land Use (residential, etc.)</i> SBC161223-05 Tentative Tract Map SUBTT19918, Design Review DRC2014-00732, Minor Exception DRC2016-00657, and DRC2016-00658	The proposed project consists of the development of an eight-unit, multi-family development on a 1.01-acre site. The project is located at 6th Street and Hellman Avenue. Comment Period: 1/2/2017 - 2/8/2017 Public Hearing: N/A	Notice of Intent to Adopt a Mitigated Negative Declaration	City of Rancho Cucamonga	Under review, may submit written comments

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<i>Plans and Regulations</i> LAC161201-01 Newhall Ranch Resource Management and Development Plan and Spineflower Conservation Plan	The California Department of Fish and Wildlife certified the Final EIR for the project in December 2010 and prepared the Draft Additional Environmental Analysis in response to two issues addressed by the California Supreme Court. As to the GHG issue, the project applicant has committed to achieve zero net GHG emissions for the project. With respect to unarmored threespine stickleback, the project applicant has proposed modified design and construction methods for bridges and bank stabilization in or near the Santa Clara River. Reference LAC100810-01 and LAC100618-02 Comment Period: 11/3/2016 - 2/13/2017 Public Hearing: N/A	Notice of Availability of Draft Additional Environmental Analysis	California Department of Fish and Wildlife	Under review, may submit written comments
<i>Plans and Regulations</i> LAC161206-05 Commercial Auto Retail Overlay Zone (Project Number 160003342)	The proposed project consists of amendments to the Calabasas Land & Development Code and General Plan by creating a new Commercial Auto Retail overlay zone that would compass 92.6-acres and includes 22 parcels. The overlay zone would allow auto sales and service and other related automotive uses within the area. Comment Period: 12/2/2016 - 1/5/2017 Public Hearing: 2/2/2017	Notice of Intent to Adopt a Mitigated Negative Declaration	City of Calabasas	Document reviewed - No comments sent
<i>Plans and Regulations</i> LAC161227-06 Downtown Main Street Transit-Oriented Development Specific Plan and Master Plan	The proposed project consists of a 115-acre Specific Plan. Potential buildout of the Specific Plan may result in the net increase of 2,200 residential units and 500,000 square feet of new commercial building area. The project site is bounded by the Rio Hondo River, Interstate 10 and the Metrolink and Union Pacific train tracks. Comment Period: 12/22/2016 - 2/6/2017 Public Hearing: N/A	Notice of Availability of a Draft Environmental Impact Report	City of El Monte	Under review, may submit written comments
<i>Plans and Regulations</i> ORC161201-03 Fullerton College Facilities Master Plan	The proposed project consists of constructing a Welcome Center, new instructional buildings, a Horticulture and Vocational Services Center, a new child development center, and a 840-space parking structure; realigning campus access to the parking structure; constructing a new Maintenance and Operations Facility and Thermal Energy Storage; constructing new storage, offices, and a shower/locker room north of Berkeley Avenue adjacent to the 3100 building and south of the Lemon Street parking structure; and constructing a Performing Arts Complex. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2016/december/NOPfullertoncollegeMP.pdf Comment Period: 11/4/2016 - 12/4/2016 Public Hearing: 11/17/2016	Notice of Preparation	North Orange County Community College District	SCAQMD staff commented on 12/6/2016

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INCOMING CEQA DOCUMENTS LOG
DECEMBER 01, 2016 TO DECEMBER 31, 2016**

<u>SCAQMD LOG-IN NUMBER</u> PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<i>Plans and Regulations</i> SBC161206-01 Renaissance Specific Plan	The proposed project consists of an amendment to the 2010 Renaissance Specific Plan, which is planned as an integrated community of varied housing types located near and linked to places of employment, retail outlets, services and schools. The project accommodates 16.2 million square feet of business and commercial uses, 1,667 residential units, one school, a community park, and multiple neighborhood parks all located in close proximity and organized in a grid pattern. Reference SBC161122-10, SBC160927-02, SBC160705-15 and SBC100902-01 Comment Period: N/A	Notice of Public Hearing	City of Rialto	Document reviewed - No comments sent
<i>Plans and Regulations</i> SBC161206-07 Oak Glen Creek Specific Plan/Case No. 16-048/SP	The proposed project consists of the development of a Residential District of 4.2 dwelling units per acre with a minimum net lot size of 7,200 square feet. The Open Space District would consist of flood control improvements, including a detention basin and realignment of Wilson Creek. This project site is approximately 115.7 acres and located within the central-northern portion of the City. Reference SBC160510-03 and SBC110816-05 Comment Period: 12/5/2016 - 1/19/2017	Notice of Availability of a Draft Environmental Impact Report	City of Yucaipa	Document reviewed - No comments sent

- Project has potential environmental justice concerns due to the nature and/or location of the project.
Documents received by the CEQA Intergovernmental Review program but not requiring review are not included in this report.

ATTACHMENT B*
ONGOING ACTIVE PROJECTS FOR WHICH SCAQMD HAS
OR IS CONTINUING TO CONDUCT A CEQA REVIEW

SCAQMD LOG-IN NUMBER PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<i>General Land Use (residential, etc.)</i> LAC161118-01 Landmark Village Project	The project consists of the construction of 270 single-family and 1,174 multi-family homes, including 69 mixed-use/multi-family homes, 1,033,000 square feet of commercial retail/office use, a 9.7-acre elementary school, 1.3-acre fire station, a park and ride facility, and 76.7 acres of open space. The project site is located within the north-central area of Newhall Ranch. Portions of the Draft EIR are being recirculated for review. Reference LAC110915-03 Comment Period: 11/17/2016 - 2/13/2017 Public Hearing: 1/12/2017	Recirculated Draft Environmental Impact Report	County of Los Angeles	Under review, may submit written comments
<i>General Land Use (residential, etc.)</i> LAC161118-03 Mission Village Project	The proposed project consists of the development of the 1,261.8-acre Mission Village. The project would include 4,055 homes and 1,555,100 square feet of commercial (retail/office) use, a 9.5-acre elementary school, 3.3-acre library, 1.5-acre fire station, 1.2-acre bus transfer station, and approximately 693 acres of open space. The project is located within the northeastern corner of Newhall Ranch. Portions of the Draft EIR are being recirculated for review. Comment Period: 11/17/2016 - 2/13/2017 Public Hearing: N/A	Notice of Availability of a Recirculated Draft Environmental Impact Report	County of Los Angeles	Under review, may submit written comments
<i>Warehouse & Distribution Centers</i> RVC161130-02 Sycamore Canyon Business Park Buildings 1 and 2	The proposed project consists of grading, construction, and operation of approximately 1.4-million square feet of light industrial office and warehouse uses contained within two buildings. The project site is located west of Sycamore Canyon Boulevard and Lance Drive. Reference LAC161021-01, RVC160811-02 and RVC150818-05 http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2016/december/HRA-sycamorecanyon.pdf Comment Period: N/A Public Hearing: 12/15/2016	Notice of Public Hearing	City of Riverside	SCAQMD staff commented on 12/23/2016
<i>Warehouse & Distribution Centers</i> SBC161115-02 Prologis Rialto I-210 DC #7	The proposed project consists of the development of a 473,455-square-foot industrial/warehouse/distribution building on approximately 21.61 gross acres. The project is located on the west side of Locust Avenue and south of Persimmon Avenue. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2016/december/MNDprologis.pdf Comment Period: 11/12/2016 - 12/1/2016 Public Hearing: N/A	Notice of Intent to Adopt a Mitigated Negative Declaration	City of Rialto	SCAQMD staff commented on 12/1/2016

*Sorted by Comment Status, followed by Land Use, then County, then date received.

- Project has potential environmental justice concerns due to the nature and/or location of the project.

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ONGOING ACTIVE PROJECTS FOR WHICH SCAQMD HAS
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SCAQMD LOG-IN NUMBER PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<i>Warehouse & Distribution Centers</i> SBC161115-08 Colony Commerce Center Specific Plan	The proposed project consists of the development of a master planned industrial development totaling 2.95 million square feet of warehouse uses on approximately 123.17 acres of land. The project is located north of Remington Avenue, south of Merrill Avenue, east of Carpenter Avenue and west of the Cucamonga Creek Flood Control Channel. Reference SBC150616-04 http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/DEIRcolony010317.pdf Comment Period: 11/15/2016 - 1/3/2017 Public Hearing: N/A	Notice of Availability of a Draft Environmental Impact Report	City of Ontario	SCAQMD staff commented on 1/3/2017
<i>Waste and Water-related</i> LAC161109-02 Chiquita Canyon Landfill	The proposed project consists of developing a new entrance and support facilities; better utilizing the landfill's potential disposal capacity through a lateral extension of the new waste footprint and increased maximum elevation; increased daily disposal limit; acceptance of all nonhazardous waste permitted at a Class III solid waste disposal landfill; continued operation of the landfill; new design features; environmental monitoring; development of a Household Hazardous Waste Facility; mixed organics composting operation; and set-aside of land for potential future conversion technology. In addition, the project includes renovating a portion of Southern California Edison's existing Saugus-Elizabeth Lake-Fillmore 66 kilovolt Subtransmission Line in order to accommodate landfill improvements. The project is located in unincorporated Los Angeles County, near Santa Clarita. Reference LAC160108-01 and LAC140709-01 http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/DEIRchiquita011017.pdf Comment Period: 11/9/2016 - 1/9/2017 Public Hearing: N/A	Recirculated Draft Environmental Impact Report	County of Los Angeles	SCAQMD staff commented on 1/9/2017
<i>Waste and Water-related</i> ORC161122-08 Seawater Desalination Project	The proposed project consists of modifications to the outfall and intake lines. The project consists of the construction and operation of a 50-million-gallon-per-day seawater desalination facility. The proposed desalination facility is located on a 13-acre site comprised of a portion of the Huntington Beach Generating Station facility. Reference ORC100824-01 and ORC100507-06 http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2016/december/120916---nop---seawater-des Comment Period: 11/18/2016 - 12/21/2016 Public Hearing: 12/14/2016	Notice of Preparation of a Supplemental Environmental Impact Report	California State Lands Commission	SCAQMD staff commented on 12/9/2016
<i>Waste and Water-related</i> RVC161122-06 Thousand Palms Flood Control Project	The proposed project consists of constructing four reaches (levees) totaling approximately 5.92 miles in the Thousand Palms area of Coachella Valley. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2016/december/NOP1000palms.pdf Comment Period: 11/18/2016 - 12/19/2016 Public Hearing: 12/6/2016	Notice of Preparation	Coachella Valley Water District	SCAQMD staff commented on 12/7/2016

- Project has potential environmental justice concerns due to the nature and/or location of the project.

ATTACHMENT B
ONGOING ACTIVE PROJECTS FOR WHICH SCAQMD HAS
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SCAQMD LOG-IN NUMBER PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
Transportation LAC161020-03 I-605 Corridor Improvement Project	The proposed project consists of improving I-605 between I-10 and I-105, which includes improvements on SR-60 from Santa Anita Avenue to east of Turnbull Canyon Road and on I-5 from Florence Avenue to Paramount Boulevard. The project includes reconfiguring the interchanges; adding mixed flow lanes and/or high-occupancy vehicle (HOV) lanes and auxiliary lanes, or completing other modifications that would enhance freeway operations. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2016/december/NOPi605.pdf Comment Period: 10/17/2016 - 12/1/2016 Public Hearing: 11/3/2016	Notice of Preparation	California Department of Transportation	SCAQMD staff commented on 12/1/2016
Institutional (schools, government, etc.) LAC161122-02 Norwalk High School New Stadium and Athletic Fields Improvement Project	The proposed project consists of the construction of approximately 8,162 square feet of support buildings. The project would result in approximately 91,643 square feet of recreational space within the athletic field footprint. The project is located at 11356 Leffingwell Road. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2016/december/NOPnorwalkhigh.pdf Comment Period: 11/17/2016 - 12/19/2016 Public Hearing: 12/6/2016	Notice of Preparation	Norwalk - La Mirada Unified School District	SCAQMD staff commented on 12/7/2016
Institutional (schools, government, etc.) LAC161123-02 Hale Charter Academy for Visual and Performing Arts	The proposed project consists of a new 532 seat campus for the Hale Charter Academy high school program. The project would be comprised of approximately 73,241 square feet in four buildings surrounding a courtyard/lunch area. Play courts and play fields, as well as faculty parking are proposed. In addition to classrooms and administration spaces, the project would include a library, multi-purpose room, physical education space, and food service areas. The project is located at 23834 Highlander Road. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2016/december/NOPhalecharter.pdf Comment Period: 11/22/2016 - 1/6/2017 Public Hearing: N/A	Notice of Preparation	Los Angeles Unified School District	SCAQMD staff commented on 12/2/2016
Medical Facility LAC161116-02 ENV-2016-3330: 1122 W. Washington Boulevard	The proposed project consists of the construction, use and maintenance of a four-story 60,000-square-foot medical office building and adjacent nine-level parking structure on a 126,355-square-foot site. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2016/december/MND1122Wwashington.pdf Comment Period: 11/17/2016 - 12/7/2016 Public Hearing: N/A	Notice of Availability of a Draft Negative Declaration	City of Los Angeles	SCAQMD staff commented on 12/1/2016
Retail ORC161116-04 Coast Inn and Coast Liquor Store-Coast Inn Project	The proposed project consists of remodeling of an existing 10,177-square-foot, 24-room hotel, 5,755-square-foot restaurant/bar, 886-square-foot office, 5,665-square-foot convenience store and 346-square-foot retail cottage. The project is located at 1391 and 1401 South Coast Highway. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2016/december/MND1391and1401scoasthw Comment Period: 11/14/2016 - 12/13/2016 Public Hearing: 12/14/2016	Notice of Intent to Adopt a Mitigated Negative Declaration	City of Laguna Beach	SCAQMD staff commented on 12/2/2016

- Project has potential environmental justice concerns due to the nature and/or location of the project.

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ONGOING ACTIVE PROJECTS FOR WHICH SCAQMD HAS
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<u>SCAQMD LOG-IN NUMBER</u> PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<i>General Land Use (residential, etc.)</i> LAC161104-02 (LAC161103-02) Picerne Lomita Apartments	The proposed project consists of the construction of a five-story, 223-unit, multi-family residential development, pool, fitness center, community room, and roof deck. The project includes approximately 227,000 square feet of residential uses and 225,000 square feet of parking area. The project is located at 24000 Crenshaw Boulevard. Reference LAC160830-08 http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2016/december/MNDpicerne.pdf Comment Period: 11/2/2016 - 12/19/2016 Public Hearing: 11/14/2016	Notice of Availability of a Draft Environmental Impact Report	City of Lomita	SCAQMD staff commented on 12/10/2016
<i>General Land Use (residential, etc.)</i> LAC161118-02 520 Mateo	The proposed project consists of the demolition and construction of a mixed use development containing 600 live/work units, 20,000 square feet of office space, 15,000 square feet of restaurant space, 15,000 square feet of retail space, and 10,000 square feet of cultural space. The project is located at 520, 524, 528 and 532 S. Mateo Street, and 1310 E 4th Place. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2016/december/NOP520mateo.pdf Comment Period: 11/16/2016 - 12/16/2016 Public Hearing: 11/30/2016	Notice of Preparation	City of Los Angeles	SCAQMD staff commented on 12/7/2016
<i>General Land Use (residential, etc.)</i> ORC161104-04 100-Acre Parcel Development Plan	The proposed project consists of the redevelopment of previously disturbed property on the former Marine Corps Air Station El Toro. The project is an in-fill, mixed-used, low-impact development. The proposed project will include 1,876,000 square feet of multi-use office, 2,103 dwelling units, 220,000 square feet community commercial and a hotel with 242 rooms. The project is located on the southern edge of the former Marine Corps Air Station El Toro, east of the Interstate 5 and State Route 133 interchange. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2016/december/DEIR100acreparcel.pdf Comment Period: 11/4/2016 - 12/19/2016 Public Hearing: N/A	Notice of Availability of a Draft Environmental Impact Report	County of Orange	SCAQMD staff commented on 12/9/2016
<i>General Land Use (residential, etc.)</i> RVC161123-05 Tentative Tract Map No. 37119	The proposed project consists of the subdivision of 166.03 acres of land into 399 single-family residential lots, three open space lots, two park and water quality basin lots, and two lots for future high-density residential development. The project is located west of Winchester Road, south of Domenigoni Parkway, east of Rice Road, and north of Newport Road. Reference RVC160628-08. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2016/december/PCtm37119.pdf Comment Period: 11/23/2016 - 12/15/2016 Public Hearing: N/A	Initial Project Consultation	County of Riverside	SCAQMD staff commented on 12/2/2016
<i>Plans and Regulations</i> LAC161122-05 Green Line Mixed Use Specific Plan Project	The proposed project consists of the development of the 2.53-acre Specific Plan area with transit-oriented mixed-use neighborhood that accommodate up to 305 multi-family residential units and 11,020 square feet of supporting small restaurant, retail, and other commercial uses within the plan area. The project is located along Crenshaw Boulevard, between West 120th Street and West El Segundo Boulevard. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/deirgreenline010417.pdf Comment Period: 11/22/2016 - 1/5/2017 Public Hearing: N/A	Draft Environmental Impact Report	City of Hawthorne	SCAQMD staff commented on 1/4/2017

- Project has potential environmental justice concerns due to the nature and/or location of the project.

**ATTACHMENT B
ONGOING ACTIVE PROJECTS FOR WHICH SCAQMD HAS
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SCAQMD LOG-IN NUMBER PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<i>Plans and Regulations</i> RVC161110-07 East Lake Specific Plan Amendment No. 11 Project	The proposed project consists of amending the existing East Lake Specific Plan Amendment No. 11 to overhaul land uses, development regulations, circulation, drainage and architectural guidelines for the specified plan area and to change from residential to predominantly sports- and recreation-oriented uses while also maintaining open space. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2016/december/NOPElakeSP.pdf Comment Period: 11/10/2016 - 12/12/2016 Public Hearing: 12/1/2016	Notice of Preparation	City of Lake Elsinore	SCAQMD staff commented on 12/6/2016
<i>Plans and Regulations</i> RVC161129-07 MA16188 (SDP 16020)	The proposed project consists of a passenger bus terminal within an existing building. The project is located at 8304 Limonite Avenue, De Anza Plaza. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2016/december/PCma16188.pdf Comment Period: 11/22/2016 - 12/27/2016 Public Hearing: N/A	Initial Project Consultation	City of Jurupa Valley	SCAQMD staff commented on 12/2/2016
<i>Plans and Regulations</i> SBC161129-03 Citrus Trails Master Plan Project	The proposed project consists of the development of 112 acres with 581 residences, including 231 detached, single-family homes, 125 senior residences, and 225 residential units within the community's mixed use development component. The Mixed Use designation is comprised of 24.0 acres, which includes commercial and office uses (12.9 acres) along with the residential units (11.1 acres). The project also provides 21.8 acres of parkland, paseo, and trail areas including a 13.9-acre North Park, a 4.0-acre South Park, a 0.5-acre Oak Tree Preserve, a 2.3-acre Paseo, and a 1.1-acre trail along California Street. The project is located south of Redland Boulevards, east of California Street and north of Mission Road. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2016/december/NOPcitrusMP.pdf Comment Period: 11/29/2016 - 12/29/2016 Public Hearing: 12/14/2016	Notice of Preparation	City of Loma Linda	SCAQMD staff commented on 12/2/2016

- Project has potential environmental justice concerns due to the nature and/or location of the project.

**ATTACHMENT C
ACTIVE SCAQMD LEAD AGENCY PROJECTS
THROUGH DECEMBER 31, 2016**

PROJECT DESCRIPTION	PROPONENT	TYPE OF DOCUMENT	STATUS	CONSULTANT
<p>Tesoro Refinery proposes to integrate the Tesoro Wilmington Operations with the Tesoro Carson Operations (former BP Refinery). The proposed project also includes modifications of storage tanks at both facilities, new interconnecting pipelines, and new electrical connections. In addition, Carson's Liquid Gas Rail Unloading facilities will be modified. The proposed project will be designed to comply with the federally mandated Tier 3 gasoline specifications and with State and local regulations mandating emission reductions.</p>	<p>Tesoro Refining and Marketing Company Los Angeles Refinery</p>	<p>Environmental Impact Report (EIR)</p>	<p>The comment period for the Draft EIR closed on June 10, 2016. Responses to comments are being prepared.</p>	<p>Environmental Audit, Inc.</p>
<p>The Phillips 66 (formerly ConocoPhillips) Los Angeles Refinery Ultra Low Sulfur Diesel project was originally proposed to comply with federal, state and SCAQMD requirements to limit the sulfur content of diesel fuels. Litigation against the CEQA document was filed. Ultimately, the California Supreme Court concluded that the SCAQMD had used an inappropriate baseline and directed the SCAQMD to prepare an EIR, even though the project has been built and has been in operation since 2006. The purpose of this CEQA document is to comply with the Supreme Court's direction to prepare an EIR.</p>	<p>Phillips 66 (formerly ConocoPhillips), Los Angeles Refinery</p>	<p>Environmental Impact Report (EIR)</p>	<p>The Notice of Preparation/ Initial Study (NOP/IS) was circulated for a 30-day public comment period on March 26, 2012 to April 26, 2012. The consultant submitted the administrative Draft EIR to SCAQMD in late July 2013. The Draft EIR was circulated for a 45-day public review and comment period from September 30, 2014 to November 13, 2014. Two comment letters were received and responses to comments are being prepared.</p>	<p>Environmental Audit, Inc.</p>
<p>Quemetco is proposing an increase in the daily furnace feed rate.</p>	<p>Quemetco</p>	<p>Environmental Impact Report (EIR)</p>	<p>An Initial Study has been prepared by the consultant and is under review by SCAQMD staff.</p>	<p>Trinity Consultants</p>

A shaded row indicates a new project.

**ATTACHMENT C
ACTIVE SCAQMD LEAD AGENCY PROJECTS
THROUGH DECEMBER 31, 2016**

PROJECT DESCRIPTION	PROPONENT	TYPE OF DOCUMENT	STATUS	CONSULTANT
<p>Southern California Edison (SCE) is proposing to modify the air pollution control system for the Grapeland Peaker unit (formerly referred to as the Etiwanda Peaker unit) to repair current and prevent future water damage by: 1) decreasing the water-injection rate into the turbine’s combustor; 2) replacing the oxidation catalyst and increase the overall area of catalyst beds in the selective catalytic reduction (SCR) unit; 3) replace the ammonia injection grid to improve the deliverability of ammonia to the catalyst; and, 4) increase the concentration of the aqueous ammonia that is delivered to the facility, stored on-site, and injected into the SCR unit from 19 percent (%) to 29%. In addition, SCE is proposing to revise its SCAQMD Title V Operating Permit to allow the turbine to generate power over its full operating range, from less than one megawatt (MW) to full load (e.g., 45 MW), while continuing to meet the emission limits in the current permit.</p>	<p>Southern California Edison</p>	<p>Addendum to the March 2007 Final Mitigated Negative Declaration for the Southern California Edison Grapeland (formerly Etiwanda) Peaker Project in Rancho Cucamonga</p>	<p>A draft Addendum has been prepared by the consultant and is under review by SCAQMD staff.</p>	<p>Yorke Engineering, LLC</p>
<p>Southern California Edison (SCE) is proposing to modify the air pollution control system for the Center Peaker unit to repair current and prevent future water damage by: 1) decreasing the water-injection rate into the turbine’s combustor; 2) replacing the oxidation catalyst and increase the overall area of catalyst beds in the Selective Catalytic Reduction (SCR) unit; 3) replace the ammonia injection grid to improve the deliverability of ammonia to the catalyst; and, 4) increase the concentration of the aqueous ammonia that is delivered to the facility, stored on-site, and injected into the SCR unit from 19 percent (%) to 29%. In addition, SCE is proposing to revise its SCAQMD Title V Operating Permit to allow the turbine to generate power over its full operating range, from less than one megawatt (MW) to full load (e.g., 45 MW), while continuing to meet the emission limits in the current permit.</p>	<p>Southern California Edison</p>	<p>Addendum to the April 2007 Final Mitigated Negative Declaration for the Southern California Edison Center Peaker Project in Norwalk</p>	<p>A draft Addendum has been prepared by the consultant and is under review by SCAQMD staff.</p>	<p>Yorke Engineering, LLC</p>

A shaded row indicates a new project.

[↑ Back to Agenda](#)

BOARD MEETING DATE: February 3, 2017

AGENDA NO. 14

REPORT: Rule and Control Measure Forecast

SYNOPSIS: This report highlights SCAQMD rulemaking activities and public workshops potentially scheduled for 2017.

COMMITTEE: No Committee Review

RECOMMENDED ACTION:
Receive and file.

Wayne Nastri
Executive Officer

PMF:SN:afm:la

2017 MASTER CALENDAR

**An asterisk indicates that the rulemaking is a potentially significant hearing.*

+This proposed rule will reduce criteria air contaminants and assist toward attainment of ambient air quality standards.

2017

March	Title and Description	Type of Rulemaking
1430*	Control of Emissions from Grinding Operations at Metal Forging Facilities Proposed Rule 1430 will establish emission reduction requirements for metal grinding operations at forging facilities and possibly other requirements to address metal particulate emissions. <small>Susan Nakamura 909.396.3105 CEQA: Michael Krause 909.396.2706 Socio: Jillian Wong 909.396.3176</small>	Toxics

2017 MASTER CALENDAR (Continued)

2017 (Continued)

April		
1420	<p>Emission Standard for Lead</p> <p>In October 2008, U.S. EPA lowered the National Ambient Air Quality Standard (NAAQS) for lead from 1.5 to 0.15 µg/m³. Proposed Rule 1420 will establish requirements for lead-emitting sources that are not covered under Rules 1420.1 and Rule 1420.2 to ensure compliance with the lead NAAQS.</p> <p><i>Susan Nakamura 909.396.3105 CEQA: Michael Krause 909.396.2706 Socio: Jillian Wong 909.396.3176</i></p>	Toxics
1466	<p>Toxic Air Contaminant Emissions from Decontamination of Soil</p> <p>Proposed Rule 1466 will establish requirements to control toxic particulate emissions from activities involving storing, handling and transporting soils during soil decontamination activities.</p> <p><i>Susan Nakamura 909.396.3105 CEQA: Michael Krause 909.396.2706 Socio: Jillian Wong 909.396.3176</i></p>	Toxics
May		
219	<p>Equipment Not Requiring a Written Permit Pursuant to Regulation II</p>	Other
222	<p>Filing Requirements for Specific Emission Sources Not Requiring a Written Permit Pursuant to Regulation II</p> <p>Proposed amended Rule 219 will exclude equipment with de minimis emissions from the requirement to obtain written permits. Proposed Amended Rule 222 will be proposed in tandem to add additional equipment categories to the streamlined filing registration program.</p> <p><i>Tracy Goss 909.396.3106 CEQA: Michael Krause 909.396.2706 Socio: Jillian Wong 909.396.3176</i></p>	Other
1147*	<p>NO_x Reductions from Miscellaneous Sources</p> <p>Proposed Amended Rule 1147 will modify emission limits for certain source categories based on findings and recommendations from the Rule 1147 Technology Assessment.</p>	Other
1153.1	<p>Emissions of Oxides of Nitrogen from Commercial Food Ovens</p> <p>Rule 1153.1 was adopted in November 2014 and established NO_x emission limits for various types of existing commercial food ovens on a specified compliance schedule. Amendments may be necessary to address applicability and technological feasibility of low-NO_x burner technologies for new commercial food ovens.</p> <p><i>Tracy Goss 909.396.3106 CEQA: Michael Krause 909.396.2706 Socio: Jillian Wong 909.396.3176</i></p>	Other

2017 MASTER CALENDAR (Continued)

2017 (Continued)

May (Continued)	Title and Description	Type of Rulemaking
1148.3	<p>Requirements for Underground Gas Storage</p> <p>Proposed Rule 1148.3 will establish requirements to address public nuisance and VOC emissions from underground natural gas storage facilities.</p> <p><i>Susan Nakamura 909.396.3105 CEQA: Michael Krause 909.396.2706 Socio: Jillian Wong 909.396.3176</i></p>	Other
1150.1	<p>Control of Gaseous Emissions from Municipal Solid Waste Landfills</p> <p>Proposed amendments will address U.S. EPA revisions to the Standards of Performance for Municipal Solid Waste Landfills (NSPS) and Existing Guidelines and Compliance Timelines (EG) for Municipal Solid Waste Landfills, as well as CARB GHG requirements.</p> <p><i>Ian MacMillan 909.396.3244 CEQA: Michael Krause 909.396.2706 Socio: Jillian Wong 909.396.3176</i></p>	Other
Reg III	<p>Fees</p> <p>Regulation III will incorporate the CPI adjustment to keep pace with inflation, pursuant to Rule 320, and proposed amendments may also make any other needed adjustments.</p> <p><i>Carol Gomez 909.396.3264 CEQA: Michael Krause 909.396.2706 Socio: Jillian Wong 909.396.3176</i></p>	Other
June		
1118 ⁺	<p>Control of Emissions from Refinery Flares</p> <p>The proposed amendments would address emissions from flaring during external events like power failures on the local grid and from flaring events caused by refinery activities.</p> <p><i>Ian MacMillan 909.396.3244 CEQA: Michael Krause 909.396.2706 Socio: Jillian Wong 909.396.3176</i></p>	Other
1445	<p>Control of Toxic Emissions from Laser Arc Cutting</p> <p>Proposed Rule 1445 will establish requirements to reduce toxic metal particulate emissions from laser arc cutting.</p> <p><i>Susan Nakamura 909.396.3105 CEQA: Michael Krause 909.396.2706 Socio: Jillian Wong 909.396.3176</i></p>	Toxics

2017 MASTER CALENDAR (Continued)

2017 (Continued)

July	Title and Description	Type of Rulemaking
1426*	<p>Emissions from Metal Finishing Operations Proposed amendments to Rule 1426 will establish requirements to reduce nickel, cadmium and other air toxics from plating operations.</p>	Toxics
1469*	<p>Hexavalent Chromium Emissions from Chromium Electroplating and Chromic Acid Anodizing Operations Proposed Amended Rule 1469 will strengthen requirements to address potential fugitive emissions from hexavalent chrome plating and anodizing operations. <i>Susan Nakamura 909.396.3104 CEQA: Michael Krause 909.396.2706 Socio: Jillian Wong 909.396.3176</i></p>	Toxics
2202	<p>On-Road Motor Vehicle Mitigation Options Rule 2202 will be amended to enhance emission reductions obtained from the Employee Commute Reduction Program (ECRP) rule option. <i>Carol Gomez 909.396.3264 CEQA: Michael Krause 909.396.2706 Socio: Jillian Wong 909.396.3176</i></p>	Other
September		
1168	<p>Adhesive and Sealant Applications (CTS-02) Amendments to Rule 1168 will partially implement CTS-02 and reflect improvements in adhesive and sealant technology, as well as remove outdated provisions and include minor clarifications. <i>Philip Fine 909.396.2239 CEQA: Michael Krause 909.396.2706 Socio: Jillian Wong 909.396.3176</i></p>	AQMP
1401	<p>New Source Review of Toxic Air Contaminants Amendments will update requirements for gas stations and paint booths, and will consider additional administrative changes. <i>Ian MacMillan 909.396.3244 CEQA: Michael Krause 909.396.2706 Socio: Jillian Wong 909.396.3176</i></p>	Toxics
October		
415*	<p>Odors from Animal Rendering Facilities Proposed Rule 415 will establish requirements to reduce odors created during animal rendering operations. The proposed rule will establish Best Management Practices, and will consider enclosure, odor control requirements for the receipt and processing of rendering material and wastewater, and possibly requirements for an Odor Mitigation Plan. <i>Tracy Goss 909.396.3106 CEQA: Michael Krause 909.396.2706 Socio: Jillian Wong 909.396.3176</i></p>	Other

2017 MASTER CALENDAR (Continued)

2017 (Continued)

October (continued)	Title and Description	Type of Rulemaking
Reg. IX Reg. X	<p>Standards of Performance for New Stationary Sources National Emission Standards for Hazardous Air Pollutants Amendments to Regulations IX and X are periodically made to incorporate by reference new or amended federal performance standards that have been enacted by U.S. EPA for stationary sources. Regulations IX and X provide stationary sources with a single point of reference for determining which federal and local requirements apply to their specific operations.</p> <p><i>Carol Gomez 909.396.3264 CEQA: Michael Krause 909.396.2706 Socio: Jillian Wong 909.396.3176</i></p>	Other
1407* 1407.1	<p>Control of Emissions of Arsenic, Cadmium and Nickel from Non-Ferrous Metal Operations Proposed Rule 1407 will establish additional requirements to minimize air toxics from metal operations. Staff is analyzing sources subject to Rule 1407 and may develop a separate Rule 1407.1 for the largest sources subject to Rule 1407.</p> <p><i>Susan Nakamura 909.396.3105 CEQA: Michael Krause 909.396.2706 Socio: Jillian Wong 909.396.3176</i></p>	Toxics
November		
1118.1	<p>Control of Emissions from Non-Refinery Flares Proposed Rule 1118.1 will seek to reduce emissions from flaring at non-refinery facilities, including alternate uses of gases. The rule would require the installation of newer flares implementing the Best Available Control Technology at sources such as landfills, wastewater treatment plants, and oil and gas production facilities. Alternate uses of flare gas would be encouraged, especially for facilities that, for example, would clean it for use as a transportation fuel, process it to become pipeline-quality dry natural gas, or direct it to equipment that can convert its energy into power and/or heat.</p> <p><i>Tracy Goss 909.396.3106 CEQA: Michael Krause 909.396.2706 Socio: Jillian Wong 909.396.3176</i></p>	Other
1180	<p>Refinery Fenceline and Community Monitoring Proposed Rule 1180 will establish the requirements for fenceline and community monitoring at petroleum refineries.</p> <p><i>Susan Nakamura 909.396.3105 CEQA: Michael Krause 909.396.2706 Socio: Jillian Wong 909.396.3176</i></p>	Other
1435	<p>Control of Emissions from Metal Heat Treating Processes Proposed Rule 1435 would establish requirements to reduce metal particulate emissions from heat treating processes.</p> <p><i>Susan Nakamura 909.396.3105 CEQA: Michael Krause 909.396.2706 Socio: Jillian Wong 909.396.3176</i></p>	Toxics

2017 MASTER CALENDAR (Continued)

2017 (Continued)

December		
1410*	<p>Hydrogen Fluoride Use at Refineries Proposed Rule 1410 will establish requirements for use of hydrogen fluoride at refineries.</p> <p><i>Susan Nakamura 909.396.3105 CEQA: Michael Krause 909.396.2706 Socio: Jillian Wong 909.396.3176</i></p>	Toxics

2017 To-Be-Determined

To-Be-Determined	Title and Description	Type of Rulemaking
102	<p>Definition of Terms Staff may amend Rule 102 to add or revise definitions to support amendments to other Regulation XI rules.</p> <p><i>Susan Nakamura 909.396.3105 CEQA: Michael Krause 909.396.2706 Socio: Jillian Wong 909.396.3176</i></p>	Other
223	<p>Emission Reduction Permits for Large Confined Animal Facilities Proposed Amended Rule 223 will seek additional emission reductions from large confined animal facilities by lowering the applicability threshold.</p> <p><i>Tracy Goss 909.396.3106 CEQA: Michael Krause 909.396.2706 Socio: Jillian Wong 909.396.3176</i></p>	AQMP
224	<p>Incentives for Super-Compliant Technologies Proposed Amended Rule 224 will outline strategies and requirements to incentivize the development, establishment and use of super-compliant technologies. It may be considered as a part of Rule 219 amendments or proposed as a separate incentive.</p> <p><i>Tracy Goss 909.396.3106 CEQA: Michael Krause 909.396.2706 Socio: Jillian Wong 909.396.3176</i></p>	Other
416	<p>Odors from Kitchen Grease Processing Proposed Rule 416 will reduce odors created during kitchen grease processing operations. The proposed rule will establish best management practices, and examine enclosure requirements for wastewater treatment operations and filter cake storage. The proposed rule may also contain requirements for an Odor Mitigation Plan</p> <p><i>Tracy Goss 909.396.3106 CEQA: Michael Krause 909.396.27064 Socio: Jillian Wong 909.396.3176</i></p>	Other
430	<p>Breakdown Provisions This rule will be amended or replaced to address specific issues raised by U.S. EPA regarding start-ups or shutdowns associated with breakdowns.</p> <p><i>Tracy Goss 909.396.3106 CEQA: Michael Krause 909.396.27064 Socio: Jillian Wong 909.396.3176</i></p>	AQMP

2017 MASTER CALENDAR (Continued)

2017 To Be Determined (Continued)

To-Be-Determined	Title and Description	Type of Rulemaking
<p>1106 1106.1</p>	<p>Marine Coating Operations Pleasure Craft Coating Operations (This item was previously submitted to the Board, but rejected. It will be brought back for Board direction.) The proposed amendment is two-fold: first, Rule 1106.1 is proposed to be rescinded and second, Rule 1106 would subsume the requirements of 1106.1, and revise VOC content limits for pretreatment wash primers, antenna, repair and maintenance thermoplastic, inorganic zinc, and specialty marking coatings in order to align limits with U.S. EPA Control Techniques Guidelines and other California air districts, and add new categories for marine aluminum antifoulant, mist, nonskid and organic zinc coatings and marine deck primer sealant. The proposed amendment would also add provisions for pollution prevention measures, enhanced enforceability, and to promote clarity and consistency. <i>Philip Fine 909.396.2239 CEQA: Michael Krause 909.396.2706 Socio: Jillian Wong 909.396.3176</i></p>	<p>Other</p>
<p>1107⁺</p>	<p>Coating of Metal Parts and Products (CTS-02) Potential amendments to Rule 1107 would further reduce VOC emissions and improve rule clarity and enforceability. <i>Philip Fine 909.396.2239 CEQA: Michael Krause 909.396.2706 Socio: Jillian Wong 909.396.3176</i></p>	<p>AQMP</p>
<p>1113</p>	<p>Architectural Coatings Depending on the final recommendations of the tBAC white paper and the actions of the Scientific Review Panel for the Office of Environmental Health Hazard Assessment (OEHHA), reassessment of the limited tBAC exemption in the Rule will occur. <i>Philip Fine 909.396.2239 CEQA: Michael Krause Socio: Jillian Wong 909.396.3176</i></p>	<p>Other</p>
<p>1111 1111.1</p>	<p>Reduction of NOx Emissions from Natural Gas Fired, Fan-Type Central Furnaces Rule 1111 may be amended to address compliance challenges. Reduction of NOx Emissions from Natural Gas Fired Commercial Furnaces (CMB-01) Proposed Rule 1111.1 will establish equipment-specific NOx emission limits and other requirements for the operation of commercial space heaters. <i>Tracy Goss 909.396.3106 CEQA: Michael Krause 909.396.2706 Socio: Jillian Wong 909.396.3176</i></p>	<p>AQMP</p>

2017 MASTER CALENDAR (Continued)

2017 To Be Determined (Continued)

To-Be-Determined	Title and Description	Type of Rulemaking
1123 ⁺	<p>Refinery Process Turnarounds (MCS-03) Proposed amendments will implement Control Measure MSC-03 of the 2007 AQMP by establishing procedures that better quantify emission impacts from start-up, shutdown or turnaround activities.</p> <p><i>Ian MacMillan 909.396.3244 CEQA: Michael Krause 909.396.2706 Socio: Jillian Wong 909.396.3176</i></p>	AQMP
1135	<p>Emissions of Oxides of Nitrogen from Electric Power Generating Systems At the December 4, 2015 Board meeting, Rule 2001- Applicability was amended, allowing for an off-ramp from the NO_x RECLAIM program for electricity generating facilities (EGF) operating at Best Available Control Technology (BACT) or Best Available Retrofit Control Technology (BARCT) NO_x emission levels. Any EGF that opts out of the NO_x RECLAIM program will need to comply with the proposed amendments to Rule 1135 – Emissions of Oxides of Nitrogen from Electric Power Generating Systems. The primary purpose of these proposed amendments is for the EGF facility to maintain compliance with the NO_x RECLAIM emission limits. The EGF owner or operator would need to comply with the newly developed Rule 1135 source-specific requirements no later than three years after approval of their Rule 2001 opt-out plan.</p> <p><i>Tracy Goss 909.396.3106 CEQA: Michael Krause 909.396.2706 Socio: Jillian Wong 909.396.3176</i></p>	Other
1136 ^{*,+}	<p>Wood Products Coatings (CTS-02) Amendments may be proposed to existing rule limits and other provisions.</p>	AQMP
1450 [*]	<p>Control of Methylene Chloride Emissions The proposed rule is to reduce exposure to methylene chloride from furniture stripping, remove potential regulatory loopholes, achieve emission reductions where possible and cost effective, include reporting requirements, and clarify the rule language to improve consistency with other SCAQMD VOC rules.</p> <p><i>Philip Fine 909.396.2239 CEQA: Michael Krause 909.396.2706 Socio: Jillian Wong 909.396.3176</i></p>	Toxics

2017 MASTER CALENDAR (Continued)

2017 To Be Determined (Continued)

To-Be-Determined	Title and Description	Type of Rulemaking
1142	<p>Marine Tank Vessel Operations Revisions to Rule 1142 are proposed to address VOC emissions from marine tank vessel operations and provide clarifications. <i>Ian MacMillan 909.396.3244 CEQA: Michael Krause 909.396.2706 Socio: Jillian Wong 909.396.3176</i></p>	Other
1146, 1146.1, 1146.2* ⁺	<p>Emissions of Oxides of Nitrogen Amendments to Rules 1146, 1146.1, and 1146.2 may be necessary to respond to advancements in ultra-low NOx burner technology and selective catalytic reduction (SCR) applicability. <i>Tracy Goss 909.396.3106 CEQA: Michael Krause 909.396.27064 Socio: Jillian Wong 909.396.3176</i></p>	Other
1148.1 1148.2	<p>Oil and Gas Production Wells Notification and Reporting Requirements for Oil and Gas Wells and Chemical Suppliers Amendments to Rule 1148.2 may be needed to address community notification procedures, the inclusion of water injection wells, and potentially other measures based on an evaluation of information collected since the last rule adoption. <i>Ian MacMillan 909.396.3244 CEQA: Michael Krause 909.396.2706 Socio: Jillian Wong 909.396.3176</i></p>	Other
1151	<p>Motor Vehicle and Mobile Equipment Non-Assembly Line Coating Operations Depending on the final recommendations of the tBAC white paper and the actions of the Scientific Review Panel for the Office of Environmental Health Hazard Assessment (OEHHA), reassessment of the limited tBAC exemption in the Rule will occur. <i>Philip Fine 909.396.2239 CEQA: Michael Krause Socio: Jillian Wong 909.396.3176</i></p>	
1173 ⁺	<p>Control of Volatile Organic Compound Leaks and Releases from Components at Petroleum Facilities and Chemical Plants Proposed revisions to Rule 1173 are being considered based on recent U.S. EPA regulations and CARB’s oil and gas regulations. <i>Ian MacMillan 909.396.3244 CEQA: Michael Krause 909.396.2706 Socio: Jillian Wong 909.396.3176</i></p>	Other
1177 ⁺	<p>Liquefied Petroleum Gas Transfer and Dispensing (2012 AQMP FUG-02) Potential amendments may be proposed to include additional sources of emissions from the dispensing and transfer of LPG. <i>Philip Fine 909.396.2239 CEQA: Michael Krause 909.396.2706 Socio: Jillian Wong 909.396.3176</i></p>	AQMP

2017 MASTER CALENDAR (Continued)

2017 To Be Determined (Continued)

To-Be-Determined	Title and Description	Type of Rulemaking
1188 ⁺	<p>VOC Reductions from Vacuum Trucks (FUG-01) The proposed rule will establish VOC emission standards and other requirements associated with the operation of vacuum trucks not covered by Rule 1149 – Storage Tank and Pipeline Cleaning and Degassing.</p> <p><i>Ian MacMillan 909.396.3244 CEQA: Michael Krause 909.396.2706 Socio: Jillian Wong 909.396.3176</i></p>	AQMP
1190, 1191, 1192, 1193, 1194, 1195, 1196, and 1186.1	<p>Fleet Vehicle Requirements Amendments to Rule 1190 series fleet rules may be necessary to address implementation. In addition, the current fleet rules may be expanded to achieve additional air quality and air toxic benefits.</p> <p><i>Dean Saito 909.396.2647 CEQA: Michael Krause 909.396.2706 Socio: Jillian Wong 909.396.3176</i></p>	Other
1304.2 1304.3	<p>California Public Utilities Commission Regulated Electrical Local Publicly Owned Electrical Utility Fee for Use of SO_x, PM₁₀ and NO_x Offsets</p> <p>Local Publicly Owned Electrical Generating Facility Fee for Use of SO_x, PM₁₀ and NO_x Offsets Proposed Rules 1304.2 and 1304.3 would allow new greenfield facilities and additions to existing electrical generating facilities conditioned access to SCAQMD internal offset accounts for a fee, for subsequent funding of qualifying improvement projects consistent with the AQMP.</p> <p>Proposed Rule 1304.2 will provide offsets so that new, proposed and other existing electrical generating facilities can compete on a level playing field with existing generating facilities with utility steam boilers, and implement the State’s plan to maintain grid reliability.</p> <p>Proposed Rule 1304.3 will provide offsets so that new, proposed and other existing electrical generating facilities run by local municipalities can meet the electricity reliability needs of their customers.</p> <p><i>Tracy Goss 909.396.3106 CEQA: Michael Krause 909.396.2706 Socio: Jillian Wong 909.396.3176</i></p>	Other Other

2017 MASTER CALENDAR (Continued)

2017 To Be Determined (Continued)

To-Be-Determined	Title and Description	Type of Rulemaking
1470*	<p>Requirement for Stationary Diesel-Fueled Internal Combustion and Other Compression Ignition Engines at Sensitive Receptors The proposal would address new and existing small (≤ 50 brake horsepower) diesel engine emissions located near sensitive receptors such as schools, preschools, daycare centers and health care facilities. Staff is also considering amendments to minimize use of stationary diesel back-up engines that may include use alternative power sources that are substantially less polluting.</p> <p><i>Ian MacMillan 909.396.3244 CEQA: Michael Krause 909.396.2706 Socio: Jillian Wong 909.396.3176</i></p>	Toxics
Reg. XVI	<p>Mobile Source Offset Programs Amendments to various Regulation XVI rules will be proposed to address the recent U.S. EPA proposed disapproval of such rules including Rule 1610.</p> <p><i>Henry Hogo 909.396.3184 CEQA: Michael Krause 909.396.2706 Socio: Jillian Wong 909.396.3176</i></p>	Other
Reg. XVII	<p>Prevention of Significant Deterioration Proposed Regulation XVII will align the AQMD's Prevention of Significant Deterioration program with federal requirements.</p> <p><i>Carol Gomez 909.396.3264 CEQA: Michael Krause 909.396.2706 Socio: Jillian Wong 909.396.3176</i></p>	Other
1902	<p>Transportation Conformity Amendments to Rule 1902 may be necessary to bring the District's Transportation Conformity rule in line with current U.S. EPA requirements.</p> <p><i>Ian MacMillan 909.396.3244 CEQA: Michael Krause 909.396.2706 Socio: Jillian Wong 909.396.3176</i></p>	Other
1905	<p>Pollution Controls for Automotive Tunnel Vents This proposed rule would address emissions from proposed roadway tunnel projects that could have air quality impacts.</p> <p><i>Ian MacMillan 909.396.3244 CEQA: Michael Krause 909.396.2706 Socio: Jillian Wong 909.396.3176</i></p>	Other

2017 MASTER CALENDAR (Continued)

2017 To Be Determined (Continued)

To-Be-Determined	Title and Description	Type of Rulemaking
Reg. XXIII	<p>Emissions Growth Management of Various Emissions Sources Regulation XXIII will contain rules related to emissions growth management of various emission sources including, but not limited to, new or redevelopment projects and other sources where criteria pollutant emissions associated with the region’s growth may cause or exacerbate exceedance of an air quality standard. Proposed rule(s) will implement the 2007 AQMP Control Measure EGM-01 – Emission Reductions from New or Redevelopment Projects and potential implementation of EGM-01 proposed in the Draft 2016 AQMP if approved by the Board. Regulation XXIII may include other sources as provided in the Final 2016 AQMP to be submitted to U.S. EPA.</p> <p><i>Henry Hogo 909.396.3184 CEQA; Michael Krause 909.396.2706 Socio; Jillian Wong 909.396.3176</i></p>	AQMP
Reg. XXV	<p>On-Road and Off-Road Mobile Source Credit Generation Programs Regulation XXV will contain rules to allow generation of criteria pollutant mobile source emission reduction credits (MSERCs) from various on-road and off-road sources, such as on-road heavy-duty trucks, off-road equipment, locomotives, and marine vessels. Credits will be generated by retrofitting existing engines or replacing the engines with new lower- emitting or zero-emission engines. The Draft 2016 AQMP proposed limiting use of MSERCs to facilities where the mobile source emissions occur.</p> <p><i>Henry Hogo 909.396.3184 CEQA; Michael Krause 909.396.2706 Socio; Jillian Wong 909.396.3176</i></p>	AQMP
Reg. XXVII	<p>Climate Change Changes may be needed to Regulation XXVII to add or update protocols for GHG reductions, and other changes.</p> <p><i>Philip Fine 909.396.2239 CEQA; Michael Krause 909.396.2706 Socio; Jillian Wong 909.396.3176</i></p>	Other

2017 MASTER CALENDAR (Continued)

2017 To Be Determined (Continued)

To-Be-Determined	Title and Description	Type of Rulemaking
Reg. II, IV, XI, XIII, XIV, XX, XXX and XXXV Rules	<p>Various rule amendments may be needed to meet the requirements of state and federal laws, implement OEHHA revised risk assessment guidance, address variance issues/ technology-forcing limits, to abate a substantial endangerment to public health or welfare, or to seek additional reductions to meet the SIP short-term measure commitment. The associated rule development or amendments include, but are not limited to, SCAQMD existing rules, new or amended rules to implement the 2012 or 2016 AQMP measures. This includes measures in the 2010 CCP or 2016 AQMP to reduce toxic air contaminants or reduce exposure to air toxics from stationary, mobile, and area sources. Rule amendments may include updates to provide consistency with CARB Statewide Air Toxic Control Measures or U.S. EPA's National Emission Standards for Hazardous Air Pollutants.</p>	Other

BOARD MEETING DATE: February 3, 2017

AGENDA NO. 15

PROPOSAL: Report of RFPs Scheduled for Release in February

SYNOPSIS: This report summarizes the RFPs for budgeted services over \$75,000 scheduled to be released for advertisement for the month of February.

COMMITTEE: Administrative, January 13, 2017; Recommended for Approval

RECOMMENDED ACTION:

Approve the release of RFPs for the month of February.

Wayne Natri
Executive Officer

MBO:lg

Background

At its January 8, 2010 meeting, the Board approved a revised Procurement Policy and Procedure. Under the revised policy, RFPs for budgeted items over \$75,000, which follow the Procurement Policy and Procedure, no longer require individual Board approval. However, a monthly report of all RFPs over \$75,000 is included as part of the Board agenda package and the Board may, if desired, take individual action on any item. The report provides the title and synopsis of the RFP, the budgeted funds available, and the name of the Deputy Executive Officer/Asst. Deputy Executive Officer responsible for that item. Further detail including closing dates, contact information, and detailed proposal criteria will be available online at <http://www.aqmd.gov/grants-bids> following Board approval on February 3, 2017.

Outreach

In accordance with SCAQMD's Procurement Policy and Procedure, a public notice advertising the RFPs and inviting bids will be published in the Los Angeles Times, the Orange County Register, the San Bernardino Sun, and Riverside County's Press Enterprise newspapers to leverage the most cost-effective method of outreach to the South Coast Basin.

Additionally, potential bidders may be notified utilizing SCAQMD's own electronic listing of certified minority vendors. Notice of the RFPs will be emailed to the Black and Latino Legislative Caucuses and various minority chambers of commerce and business associations, and placed on the Internet at SCAQMD's website (<http://www.aqmd.gov>) where it can be viewed by making the selection "Grants & Bids."

Proposal Evaluation

Proposals received will be evaluated by applicable diverse panels of technically qualified individuals familiar with the subject matter of the project or equipment and may include outside public sector or academic community expertise.

Attachment

Report of RFPs Scheduled for Release in February 2017

**February 3, 2017 Board Meeting
Report on RFPs Scheduled for Release on February 3, 2017**

**(For detailed information visit SCAQMD's website at
<http://www.aqmd.gov/grants-bids> following Board approval on February 3, 2017)**

RESEARCH AND DEVELOPMENT OR SPECIAL TECHNICAL EXPERTISE

RFP #P2017-12 Issue Request for Proposal for Workers' Compensation Claims Third-Party Administration O'KELLY/2828

The current contract for workers' compensation claims third-party administration expires June 30, 2017. This action is to issue an RFP to solicit bids from interested parties in order to secure a new three-year contract for this service, with the option to extend the contract for two additional one-year periods. Funds for this contract will be requested in the FY 2017-18 Budget, and for each of the remaining fiscal years of the contract.

BOARD MEETING DATE: February 3, 2017

AGENDA NO. 16

PROPOSAL: Status Report on Major Ongoing and Upcoming Projects for Information Management

SYNOPSIS: Information Management is responsible for data systems management services in support of all SCAQMD operations. This action is to provide the monthly status report on major automation contracts and planned projects.

COMMITTEE: Administrative, January 13, 2017; Recommended for Approval

RECOMMENDED ACTION:
Receive and file.

Wayne Nastri
Executive Officer

JCM:MAH:OSM:agg

Background

Information Management (IM) provides a wide range of information systems and services in support of all SCAQMD operations. IM's primary goal is to provide automated tools and systems to implement Board-approved rules and regulations, and to improve internal efficiencies. The annual Budget specifies projects planned during the fiscal year to develop, acquire, enhance, or maintain mission-critical information systems.

Summary of Report

The attached report identifies each of the major projects/contracts or purchases that are ongoing and expected to be initiated within the next six months. Information provided for each project includes a brief project description and the schedule associated with known major milestones (issue RFP/RFQ, execute contract, etc.).

Attachment

Information Management Status Report On Major Ongoing and Upcoming Projects During the Next Six Months

ATTACHMENT
February 3, 2017 Board Meeting
Information Management Status Report On Major Ongoing and
Upcoming Projects During the Next Six Months

Project	Brief Description	Budget	Completed Actions	Upcoming Milestones
Website Evaluation & Improvements	Conduct a detailed review of the SCAQMD website to identify improvements/enhancements that can further site usability and implement the items approved by the Administrative Committee	\$117,475	<ul style="list-style-type: none"> • Improvements include a new custom calendar and changes to the navigation and content organization • Calendar development is complete • Home page development is complete 	<ul style="list-style-type: none"> • Development of master pages and widgets in process • Beta site completion expected by early February
Consolidation of Mapping Functions on SCAQMD's Website	Conduct an assessment of GIS needs across the agency and develop an implementation plan for consolidating GIS functionality across the agency with a road map of projects to reach that goal	\$49,936	<ul style="list-style-type: none"> • Needs assessment complete and reviewed by staff • Draft implementation plan outline submitted and approved • Draft system design submitted for review 	<ul style="list-style-type: none"> • Draft implementation plan due mid-January
Online Permitting	<ul style="list-style-type: none"> • New Web Application Development project to automate the 400A Form Filing process • New Web Application Development project to automate the processing of Dry Cleaners, Gas Stations, and Spray Booth applications 	<p style="text-align: center;">\$200,000</p> <p style="text-align: center;">\$250,000</p>	<p>Released Task Order October 2016</p> <p>Project started December 2016</p>	<p>Business Process Definition work in progress</p> <p>Expected completion and deployment June 2017</p>

	<ul style="list-style-type: none"> Bay Area Software Evaluation - Assist Permitting Systems staff in assessment of the Bay Area software solution for use by SCAQMD Permitting staff and the public 	To Be Determined	Pending executive negotiation to obtain rights to run Bay Area software in the SCAQMD environment	Obtain instance of software for evaluation
Information Technology Review	RFP for Information Technology review to help determine opportunities for hardware, system and software modernization	\$75,000	Released RFP December 2, 2016	Proposals due January 10, 2017
Permit Dashboard Statistics	<ul style="list-style-type: none"> High level: New dashboard displaying monthly count of pending applications by type (RECLAIM, Title V and Reg. II) Detailed: New Web Application to allow engineers to update the intermediate status of their applications, and a modification of the FIND or other GIS application to display the updated status to the applicant and the public 	<p>Costs unbudgeted, Developed internally. Cost of Highcharts software \$1,320</p> <p>Costs unbudgeted. TBD after requirements are known</p>	<p>Dashboard developed internally and submitted for review and approval October 2016</p> <p>Initial requirements meeting held Aug. 2016. Staff identifying and finalizing intermediate statuses, method of data capture and other user requirements</p>	<p>Awaiting E&P to modify their web content to link automated dashboard</p> <p>Continued biweekly follow-up to obtain user requirements needed for design and development work</p>
Network Core Switch and Router Replacement	Replace the existing voice and data network core switch and router, which is no longer fully supported by the manufacturer; the new core switch and router will deliver enhanced functionality with additional bandwidth and speed	\$225,000	Released RFP October 7, 2016	Awarded contract January 6, 2017

Agenda Tracking System Replacement	Replaced the aging custom agenda tracking system with a state-of-the-art, cost-effective Enterprise Content Management (ECM) system, which is fully integrated with OnBase, our agency-wide ECM system	\$86,600	Released RFP December 4, 2015; Awarded contract April 1, 2016	Complete implementation May 1, 2017
Replace Your Ride	New Web Application to allow residents to apply for incentives to purchase newer less-polluting vehicles	\$175,000	Task order issued and awarded October 2016. Development work initiated December 2016	Requirements gathering and detail design work in progress
Emission Reporting System	Upgrade the outdated modem-based emission reporting system to allow internet-based reporting with up-to-date tools and methodology	\$242,000	Detailed planning and architecture sessions in progress in preparation for task order release	Task order release scheduled for January 2017. Board action for project approval scheduled for March 3, 2017

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BOARD MEETING DATE: February 3, 2017

AGENDA NO. 18

REPORT: Administrative Committee

SYNOPSIS: The Administrative Committee met on Friday, January 13, 2017. The Committee discussed various issues detailed in the Committee report. The next Administrative Committee meeting is scheduled for Friday, February 10, 2017 at 10:00 a.m.

RECOMMENDED ACTION:
Receive and file.

Dr. William A. Burke, Chair
Administrative Committee

nv

Attendance: Attending the January 13, 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. Clark E. Parker, Sr. met with State Legislators regarding the AQMP in Sacramento, December 5, 2016. Councilmember Mitchell will be attending the CARB Board meeting in Sacramento, February 15-17, 2017. In addition, Councilmember Joe Buscaino will attend the National League of Cities, Energy, Environment & Natural Resources Committee as related to air quality, March 11-16, 2017.

3. **Approval of Compensation for Board Member Assistant(s)/Consultant(s):** Executive Officer Wayne Nastri reported that Supervisor Sheila Kuehl has selected Diane Moss as her Board Consultant. Board Consultant to Supervisor Janice Rutherford, Andrew Silva's contract was modified from an hourly rate to a monthly stipend.

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 this reporting format resulted from a request from a prior Administrative Committee meeting to provide a more comprehensive report to include which Information Management projects are previously approved, underway, and proposed projects. The previous Information Management report was prepared twice annually, but the report will now be more comprehensive for consideration by the Administrative Committee on a monthly basis. Dr. Parker commented that the new format will help to keep the Administrative Committee members more informed on the Information Management projects. (No motion required.)
6. **Report of RFPs Scheduled for Release in February:** Mr. O'Kelly reported that this item is to request an RFP for Workers' Compensation Claims Third-Party Administration. Money spent is approximately \$18,000 to \$25,000 annually. The highest-ranked proposer will come back to the Administrative Committee for contract approval in approximately two months.

Moved by Mitchell; seconded by Benoit, unanimously approved.

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

7. **Amend Contract for Consultant Services for SCAQMD Environmental Justice Outreach and Initiatives:** Deputy Executive Officer/Legislative, Public Affairs & Media Derrick Alatorre reported that this item is to amend the contract for consultant services with Lee Andrews Group, Inc., for their effective performance conducted for the environmental justice partnership, outreach and

initiatives for an additional year. The present contract has an option for up to two one-year extensions, with this being the first contract extension. Councilmember Mitchell and Dr. Lyou attended the recent environmental justice event and commented at the last Board meeting on how well attended and successful the event was.

Moved by Parker; seconded by Benoit, unanimously approved.

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

8. **Local Government & Small Business Assistance Advisory Group Minutes for the November 18, 2016 Meeting:** Mr. Alatorre advised that this is a written report.
9. **Review February 3, 2017 Governing Board Agenda:** Mr. Nastri reported that the Public Hearing for the adoption of the 2016 AQMP will be heard in February for Board consideration.
10. **Other Business:** None to report.
11. **Public Comment:** Mr. Harvey Eder commented that the AQMP should not be heard at February's Board meeting, alleging the socioeconomic documents are not ready. Mr. Eder further commented that the recently released comments, on January 3, 2017, are inadequate since they do not evaluate solar. Mr. Nastri responded that the draft CEQA and Socioeconomic documents have been released and all statutory and regulatory requirements have been met; Dr. Philip Fine, Deputy Executive Officer/Planning, Rule Development & Area Sources, added that staff are currently working on a final release. Mr. Nastri noted that a number of issues are being addressed, including solar. Dr. Burke commented that it may be wise to expand solar energy in the Plan as to how it could be utilized in the future. Dr. Parker inquired if Mr. Eder has seen the most recent draft. Mr. Eder responded he has seen the December 2, 2016 draft. Mayor Pro Tem Ben Benoit asked how many paper copies have been produced and given to the public. Dr. Fine responded that copies are kept at the Public Information Center and are replenished when they run out.

Meeting adjourned at 10:32 a.m.

Attachment

Local Government & Small Business Assistance Advisory Group Minutes for the November 18, 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 NOVEMBER 18, 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
John DeWitt, JE DeWitt, Inc.
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
LaVaughn Daniel, DancoEN
Maria Elena Kennedy, Kennedy Communications

OTHERS PRESENT:

Mark Abramowitz, Board Member Assistant (*Lyou*)
Ruth Ann Taylor-Berger, Board Member Assistant (*Benoit*)
Andrew Silva, Board Member Consultant (*Rutherford*)
Mark Taylor, Board Member Consultant (*Rutherford*)

SCAQMD STAFF:

Derrick J. Alatorre, DEO/Public Advisor
Philip Crabbe, Community Relations Manager
Nancy Feldman, Principal Deputy District Counsel
Elaine-Joy Hills, AQ Inspector II
Aaron Katzenstein, Sr. Enforcement Manager
Lori Langrell, Secretary

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 October 14, 2016 Meeting Minutes

Chair Benoit called for approval of the October 14, 2016 meeting minutes. The minutes were approved unanimously.

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

Mr. Derrick Alatorre advised the only action item from the October 14, 2016 meeting was a follow-up question by John DeWitt regarding the impact AQMP will have on any permit delays, and at this time there do not appear to be any. Mr. DeWitt requested if that changes, the group be advised.

Agenda Item #4 – Update on Governor’s Final Action on 2015/16 Legislation

Mr. Philip Crabbe presented an update on the Governor’s final action on bills of interest to SCAQMD.

Mr. Paul Avila asked on the Garcia bill, AB 2153, if the deposit is an ongoing charge. Mr. Crabbe indicated that it is a requirement for battery dealers to accept used batteries, and not collect a fee if you bring in a battery to recycle. Mr. Avila further asked about where the money collected goes. Mr. Alatorre commented that DTSC has been given money for the cleanup of the area surrounding Exide Technologies, with the goal to have the costs recouped from polluters. Mr. Felipe Aguirre further commented that some of the money is also to fund locating and cleaning up ghost smelters, which are located in Los Angeles County, around the southeast area near Exide.

Mr. Avila asked if this is a one shot program, or ongoing. Mr. Crabbe indicated that there are two separate bills, one that provides funds to DTSC for cleanup and seeks to recover funds from polluters, and the second bill is the Lead Acid Battery Act regarding battery recycling that prevents a fee and requires a deposit for a used battery.

Agenda Item #5 – Update on Greenhouse Gas-related Activities

Dr. Aaron Katzenstein presented an update on activities in support of greenhouse gas reductions.

Mr. Avila asked what is a small hydro. Dr. Katzenstein indicated it is a renewable resource.

Mr. LaMarr asked what is the source of large and small hydro, besides Big Creek. Dr. Katzenstein indicated he would have to look at the complete list, but for example, imported power from Hoover Dam. It’s whatever is coming in to California.

Mr. DeWitt asked how are the results going to be measured. Dr. Katzenstein replied we work with the gas company to see what the baseline is for efficiency assumptions, use their gas forecast.

Mr. David Rothbart inquired if there is an analysis that is economy related, as CARB has a different way of looking at things, does anyone look more critically. Dr. Katzenstein indicated yes, you will see a downturn, CARB has some analysis where they have shown the gross product is turning away from relations between us and CARB.

Mr. Avila asked what is black carbon, and if there are four levels of carbon that increases. Dr. Katzenstein replied black carbon is essentially soot, which is a very stubborn compound that is hard to analyze. Mr. Avila further inquired if there are different levels of black carbon. Dr. Katzenstein replied there is ground, elemental and black carbon, and there is no distinction between them.

Mr. LaMarr asked if there is a new refinery measure, thus the elimination of RECLAIM. Dr. Katzenstein indicated he’s not sure, but it’s an efficient measure.

Mr. Avila asked if the group can have a presentation on cap and trade, what it involves, and what it does for California.

Mr. Rothbart asked where things are with the international agreement, is it an enforceable agreement, do a lot of countries want something enforceable. Dr. Katzenstein indicated it is not enforceable, and not a lot of pollution is reduced.

Agenda Item #6 - Monthly Report on Small Business Assistance Activities

No comments.

Agenda Item #8 - Other Business

Ms. Loof suggested that the group be provided an update on the BACT guidelines. Mr. Rothbart echoed Rita's comments. Mr. Alatorre indicated he will check into it for a possible January presentation.

Action Item: Agendize a presentation on BACT guidelines.

Mr. LaMarr asked if anyone is aware if World Bank ties emission reduction targets to their lending projects to countries that want to borrow. Chair Benoit indicated he did not know, but will try to find an answer for the next meeting.

Action Item: Seek an answer to the question "does World Bank tie emission reduction targets to their lending projects to countries that want to borrow money?"

Mr. Aguirre asked if an update on the TBAC assessment, going before the Board in December, can be presented in January. Chair Benoit indicated that the matter will not be going forward in December, but probably in about 90 days.

Mr. Alatorre announced our December meeting will be held in Chino at Centro Basco restaurant, and we have invited former LGSBA Chair Dennis Yates to join us. Details will be forthcoming.

Agenda Item #9 - Public Comment

Mr. Harvey Eder announced that he left copies of a newspaper article on solar electricity on the table for the LGSBA members.

Adjournment

The meeting adjourned at 1:02 p.m.

[↑ Back to Agenda](#)

BOARD MEETING DATE: February 3, 2017

AGENDA NO. 19

REPORT: Legislative Committee

SYNOPSIS: The Legislative Committee held a meeting on Friday, January 13, 2017. The next Legislative Committee meeting is scheduled for Friday, February 10, 2017 at 9 a.m.

Agenda Item	Staff Recommendation
SB 4 (Mendoza) Goods Movement: Allocation of Federal Funds: Goods Movement and Clean Trucks Bond Act	SUPPORT AND WORK WITH AUTHOR

RECOMMENDED ACTION:

Receive and file this report, and approve agenda items as specified in this letter.

Judith Mitchell
Chair
Legislative Committee

DJA:PFC:jns

Attendance [Attachment 1]

The Legislative Committee met on January 13, 2017. Committee Chair Judith Mitchell was present at SCAQMD Diamond Bar headquarters. Committee Members Joe Buscaino, Shawn Nelson, Dr. Clark E. Parker, Sr., and Janice Rutherford attended via videoconference. Dr. William A. Burke was appointed to the committee for this meeting and participated via videoconference.

Update on Federal Legislative Issues [Attachment 2]

SCAQMD's federal legislative consultants (Carmen Group, Cassidy & Associates, and Kadesh & Associates) each provided a written report on various key Washington, D.C. issues. The three firms each gave a verbal update as well.

Mr. Gary Hoitsma of the Carmen Group updated his firm's written report by stating that President-elect Trump announced his Veterans Affairs (VA) Secretary nominee, David Shulkin, who is the current Under Secretary of Health for the VA. Further, this week

there have been seven major Cabinet secretary confirmation hearings, including Elaine Chao for Transportation Secretary. For the following week, there are seven additional confirmation hearings scheduled, including U.S. EPA Administrator Scott Pruitt and Energy Secretary Rick Perry. Mr. Hoitsma reported that the expectation is that all of these nominees will be confirmed. In response to Councilmember Mitchell's inquiry, Mr. Hoitsma clarified that none of the nominees can be officially confirmed until President-elect Trump is inaugurated.

Mr. Kaleb Froehlich and Jesse Barba of Cassidy & Associates updated their firm's written report by stating that the three regulations mentioned in their report (the Midnight Rules Relief Act, the Regulatory Accountability Act, and the Regulations from the Executive in Need of Scrutiny Act or REINS Act) all passed the U.S. House of Representatives. However, these bills will need 60 votes in the U.S. Senate and thus are not expected to move through the Senate successfully. Mr. Froehlich also reported that Congressman Raul Ruiz was appointed to the House Energy and Commerce Committee, and Congressman Pete Aguilar was appointed to the House Appropriations Committee and will also serve as the Assistant Whip for the House Democratic Caucus.

Mr. Barba reported that U.S. EPA has issued a Notice of Violation of the Clean Air Act against Chrysler/Fiat for installing and failing to disclose potential defeat devices to circumvent nitrogen oxide emission requirements. These actions by Chrysler were similar to the Volkswagen (VW) scandal, but on a smaller scale (affects over 100,000 Chrysler vehicles compared to over 558,000 VW vehicles affected). The VW case resulted in over \$3 billion in Diesel Emission Reduction Act (DERA) type funds being made available to states through penalties. Mr. Barba reported that it is expected that a similar legal process will be followed with respect to Chrysler. In response to an inquiry by Councilmember Mitchell, Mr. Froehlich confirmed that most of the Chrysler vehicles involved were heavy-duty trucks and Jeep Grand Cherokee models.

Mr. Mark Kadesh of Kadesh & Associates updated his firm's written report by informing the Committee that the U.S. Senate passed a budget resolution on January 12 to begin to repeal major portions of the Affordable Care Act, which then moved on to the U.S. House for expected passage. Mr. Kadesh also reported that Rep. Ryan Zinke will have his confirmation hearing for Interior Secretary in the coming week.

Mr. Kadesh stated that the issue of creating a federal transportation infrastructure plan has moved from a high priority in the first 100 days of the Trump Administration to a second-level priority. Finally, the U.S. EPA issued its final decision to keep in place the vehicle emission standards for the model years of 2022-2025.

Update on State Legislative Issues [Attachment 3]

SCAQMD's state legislative consultants (Joe A. Gonsalves & Son and Gonzalez, Quintana, Hunter & Cruz, LLC) also provided written reports on various key issues in Sacramento. The two firms each gave a verbal update as well.

Mr. Paul Gonsalves of Joe A. Gonsalves & Son updated his firm's report by stating that Governor Jerry Brown released his \$177 billion State Budget Proposal, which unlike past budgets reflects \$6 billion less in revenue over three budget years. Without change, this would leave California with about a \$2 billion budget deficit. There are also concerns that some actions by the new Administration and federal government may leave the state with an even larger deficit. This budget proposal will kick off months of negotiations between the Governor and the Legislature. The Governor will propose his May Revise Budget in May 2017, which will reflect tax receipts from April 2017 and any impacts from federal government actions. State budget passage will be required by June 15, 2017. Mr. Gonsalves also reported that as part of the Governor's Budget proposal, a \$4.2 billion 10-year transportation infrastructure plan is included, splitting the revenue equally between the state and local level. This is an increase from the Governor's proposal last year which was \$3.6 billion; however, the Democrats in the Legislature last year had proposed about a \$6 billion proposal. The Governor's proposal includes various funding generators, including: 1) \$2.1 billion from a \$65 fee on all vehicles, including hybrids and electrics; 2) \$1.1 billion from an increase in the gas excise tax to 21.5 cents; 3) \$425 million from an 11 cent increase in the diesel excise tax; 4) \$500 million in additional cap and trade proceeds; and 5) \$100 million from cost-saving reforms at Caltrans. The Governor's proposal also includes \$706 million from the General Fund for various purposes, including transit, trade corridor improvement and highway repair related needs. The proposal also lays out other various transportation related uses for the funds; however, this is all subject to negotiation with the Legislature. Mr. Gonsalves reminded the Committee that the Legislative leadership announced that they would ultimately like to see a bipartisan agreement on a transportation infrastructure package.

Mr. Will Gonzalez of Gonzalez, Quintana, Hunter & Cruz, LLC, updated his firm's report by providing information on the Governor's recently released Budget Proposal, specifically with regards to the cap and trade program. The Governor is proposing to allocate \$2.2 billion in additional cap and trade auction proceeds. Most relevant to the SCAQMD are the proposals for: \$363 million for Low Carbon Transportation to further the Governor's goal of reducing petroleum usage in the state by 50%; \$142 million for the Transformative Climate Communities Program; \$95 million for the Short-lived Climate Pollutants Program; and \$128 million for Carbon Sequestration. These proposals are somewhat contingent on the reauthorization of the cap and trade program.

Mr. Gonzalez reported that the statewide subvention funding, which is a portion of SCAQMD's budget, was proposed to be reduced slightly. Inquiries have been made to the Governor's Office to find out more about this proposal. Mr. Gonzalez also reported that the Governor appropriated \$413 million in lease revenue bonds to CARB to start construction on CARB's new Southern California motor vehicle and engine emissions testing & research facility near UC Riverside.

Mr. Gonzalez informed the Committee about a newly introduced bill, AB 151 by Assembly Members Autumn Burke and Jim Cooper, that would propose to reauthorize the cap and trade program beyond 2020. This may be one of a few legislative vehicles that are introduced regarding cap and trade program reauthorization.

In response to an inquiry from Supervisor Nelson, there was discussion on the possibility of there being any new legislation introduced that would propose to reorganize the SCAQMD Board, with consensus that the issue is not dead.

Recommend Position on State Bill [Attachment 4]

SB 4 (Mendoza) Goods Movement: Allocation of Federal Funds: Goods Movement and Clean Trucks Bond Act

Mr. Philip Crabbe, Community Relations Manager in SCAQMD's Legislative, Public Affairs and Media (LPAM) Office, presented SB 4 to the Committee. This bill would place on the June 2018 statewide ballot, subject to voter approval, a bond that would authorize \$600 million to improve infrastructure and reduce emissions from freight movement along California's trade corridors and expand the use of zero- and near-zero emission trucks in severe or extreme nonattainment areas for ozone and particulate matter. Mr. Crabbe explained that staff proposes to work with the author to increase the total amount of bond funding, with a corresponding increase in the amounts available for the Goods Movement Emission Reduction Program and the program that expands the usage of zero- and near-zero emission trucks in areas of the state designated as severe or extreme nonattainment.

In response to an inquiry from Councilmember Mitchell, Mr. Crabbe provided clarification on tentative details of SB 4 and on Proposition 1B. Also, a brief discussion occurred on what other bond legislation has been introduced thus far in 2017.

Staff recommended a position of SUPPORT AND WORK WITH AUTHOR

Moved by Nelson; seconded by Mitchell; unanimously approved.

Ayes: Burke, Nelson, Parker, Rutherford, Mitchell

Noes: None

Informational Item on Proposed Legislation [Attachment 5]

This informational item regarding potential bill proposals was presented as follows:

Ms. Barbara Baird, Chief Deputy Counsel, presented on a bill proposal that would enhance SCAQMD regulatory authority concerning emergency enforcement capabilities that would authorize an air pollution control officer to address imminent and substantial endangerment to the public health or welfare, or the environment caused by criteria and/or toxic pollutant emissions by a facility, in violation of a rule or regulation, by issuing a temporary order of abatement pending a hearing. Ms. Baird explained that this proposal arose out of SCAQMD efforts to abate high levels of toxic hexavalent chromium in the city of Paramount.

Mr. Wayne Nastri, SCAQMD Executive Officer, emphasized that the authority contemplated by this bill proposal is something that U.S. EPA believed we had and is required by the Clean Air Act. The absence of that authority could result in a State Implementation Plan (SIP) call by U.S. EPA. Mr. Nastri also reported that the California Air Pollution Control Officers' Association (CAPCOA) is in support of this proposal and that based on recent meetings, we have learned that the Senate and Assembly Legislative Leadership in the Capitol are also supportive.

Supervisor Rutherford inquired as to whether water districts have a similar authority. Mr. Nastri stated that staff would look into this issue and report back.

Mr. Derrick Alatorre, Deputy Executive Officer in SCAQMD's Legislative, Public Affairs & Media Office presented on a bill proposal that would propose to enhance local air district's regulatory authority by increasing penalties on polluters who cause egregiously serious or serial regulatory and/or rule violations relating to emissions. Mr. Alatorre explained that the primary problem that would be addressed by this bill is to spur polluters to repair problems that are causing substantial public health risks due to criteria and/or toxic pollutant emissions.

A discussion occurred regarding the need for, and potential impact of, this bill proposal. Mr. Nastri explained that the current penalty structure does not provide adequate deterrence against violations. Supervisor Nelson objected to the prospect of updating a penalty simply because it is old and requested examples of companies that violated in the face of these fines. Mr. Nastri emphasized that the focus is on the larger facilities, not smaller businesses, and stated that staff would gather this information and report back.

Mr. Crabbe presented on the possibility of bill proposals or other actions that could supplement AQMP implementation funding by seeking authority to issue bonds and/or generate tax revenue for air quality benefits. Mr. Crabbe explained that a government entity sells bonds to receive large amounts of "up-front" funding; however, the AQMP's funding needs will be spread out over up to 14 years, so it may make sense to bypass the extra cost of a bond. Mr. Crabbe further explained that the District might have to approach four different county governments to propose placing a tax measure on each separate county ballot. Alternatively, the District could possibly seek a state bill that would allow a one-time placement of such a proposal on the four counties' local ballots.

Dr. Burke inquired as to whether SCAQMD has considered seeking amendments to the cap and trade reauthorization legislation to seek funding for the AQMP. Mr. Nastri responded that the argument could be made that greenhouse gas funds should be prioritized for severe or extreme non-attainment areas so that you can get the biggest co-benefits in terms of reducing criteria and toxic air pollution, along with reductions in greenhouse gas emissions. Mr. Nastri indicated that staff would further explore this issue.

Report from SCAQMD Home Rule Advisory Group [Attachment 6]

Please refer to Attachment 6 for the written report.

Other Business:

None

Public Comment Period:

Mr. Harvey Eder, speaking for himself and the Public Solar Power Coalition, stated that we need immediate and total solar power conversion as soon as possible. Mr. Eder would like to see state legislation that would make state funds available to facilitate solar conversion. These funds could potentially be used in combination with federal tax credits that are already available.

The committee adjourned until Friday, February 10, 2017.

Attachments

1. Attendance Record
2. Update on Federal Legislative Issues – Written Reports
3. Update on State Legislative Issues – Written Reports
4. Recommend Position on State Bill
5. Information Item on Proposed Legislation – Written Report
6. SCAQMD Home Rule Advisory Group Report – Written Report

ATTACHMENT 1

ATTENDANCE RECORD –January 13, 2017

Councilmember Judith Mitchell.....	SCAQMD Board Member
Supervisor Janice Rutherford (Videoconference).....	SCAQMD Board Member
Dr. William A. Burke (Videoconference).....	SCAQMD Board Member
Supervisor Shawn Nelson (Videoconference).....	SCAQMD Board Member
Dr. Clark E. Parker, Sr. (Videoconference).....	SCAQMD Board Member
Councilmember Joe Buscaino (Videoconference).....	SCAQMD Board Member
Mark Abramowitz.....	Board Consultant (Lyou)
David Czamanske.....	Board Consultant (Cacciotti)
Marisa Perez.....	Board Consultant (Mitchell)
Gary Hoitsma (teleconference).....	The Carmen Group
Kaleb Froehlich (teleconference).....	Cassidy & Associates
Mark Kadesh (teleconference).....	Kadesh & Associates
Paul Gonsalves (teleconference).....	Joe A. Gonsalves & Son
Will Gonzalez (teleconference).....	Gonzalez, Quintana, Hunter & Cruz
Harvey Eder.....	Public Solar Power Coalition - PSPC
Tom Gross.....	Southern California Edison
Bill LaMarr.....	California Small Business Alliance
David Libatique.....	Port of LA
Rita Loof.....	RadTech
Eddie Marquez.....	Alon Energy
Eric Martell.....	Port of Los Angeles
David Rothbart.....	Los Angeles County Sanitation Districts
Derrick Alatorre.....	SCAQMD Staff
Leor Alpern.....	SCAQMD Staff
Daniela Arellano.....	SCAQMD Staff
Debra Ashby.....	SCAQMD Staff
Barbara Baird.....	SCAQMD Staff
Marc Carrel.....	SCAQMD Staff
Tina Cox.....	SCAQMD Staff
Philip Crabbe.....	SCAQMD Staff
Philip Fine.....	SCAQMD Staff
Bayron Gilchrist.....	SCAQMD Staff
Monika Kim.....	SCAQMD Staff
Matt Miyasato.....	SCAQMD Staff
Wayne Nastro.....	SCAQMD Staff
Michael O’Kelly.....	SCAQMD Staff
Robert Paud.....	SCAQMD Staff
Guillermo Sanchez.....	SCAQMD Staff
Jeanette Short.....	SCAQMD Staff
Laki Tisopulos.....	SCAQMD Staff
Kim White.....	SCAQMD Staff
Todd Warden.....	SCAQMD Staff
Fabian Wesson.....	SCAQMD Staff
Jill Whynot.....	SCAQMD Staff



Attachment 2

MEMORANDUM

To: South Coast AQMD Legislative Committee
From: Carmen Group
Date: January 2017
Re: Federal Update -- Executive Branch

Trump Cabinet Appointments

In order of succession to the Presidency:

Vice President	Gov. Mike Pence (R-IN)
Secretary of State	Rex Tillerson (<i>ExxonMobil CEO</i>)
Treasury Secretary	Steven Mnuchin (<i>Goldman Sachs</i>)
Defense Secretary	Gen. James Mattis (Ret.)
Attorney General	Sen. Jeff Sessions (R-AL)
Interior Secretary	Rep. Ryan Zinke (R-MT) (<i>Former Naval Officer</i>)
Agriculture Secretary	--
Commerce Secretary	Wilbur Ross (<i>Billionaire investor</i>)
Labor Secretary	Andrew Puzder (<i>Fast Food Executive</i>)
HHS Secretary	Rep. Tom Price (R-GA) (<i>Budget Committee Chair</i>)
HUD Secretary	Ben Carson (<i>Former Neurosurgeon, GOP Pres. Candidate</i>)
Transportation Secretary	Elaine Chao (<i>G.W. Bush Labor Secretary</i>)
Energy Secretary	Rick Perry (<i>Former Texas Gov., GOP Pres. Candidate</i>)
Education Secretary	Betsy DeVos (<i>Charter school advocate</i>)
Veterans Affairs Secretary	--
Homeland Security Secretary	Gen. John Kelly (Ret.)

Additional Cabinet-rank positions:

White House Chief of Staff	Reince Priebus (<i>RNC Chairman</i>)
EPA Administrator	Scott Pruitt (<i>Oklahoma Attorney General</i>)
OMB Director	Rep. Mick Mulvaney (R-SC)
US Trade Representative	Robert Lighthizer (<i>Reagan Deputy Trade Rep.</i>)
UN Ambassador	Gov. Nikki Haley (R-SC)
Economic Advisors Chair	--
SBA Administrator	Linda McMahon (<i>Former World Wrestling CEO</i>)

Recent Obama Administration Actions of Note

EPA Announces FY 2016 Annual Environmental Enforcement Results: On Dec. 19, EPA said that its enforcement actions for the fiscal year ended Oct. 1, 2016 secured \$13.7 billion in investments by companies for projects to control pollution. Companies involved include BP, Volkswagen, Marathon Petroleum, and refiners Tesoro and Par Hawaii, among others.

EPA Announces Further Settlement with Volkswagen: In a second partial settlement announced Dec. 20 by the EPA, the Department of Justice and the State of California, Volkswagen and other auto makers agreed to recall 83,000 model year 2009 through 2016 vehicles that are alleged to be equipped with “defeat devices” to cheat emissions tests in violation of the Clean Air Act and California law. The automakers are required to buy back or fix the vehicles. Volkswagen is also required to spend \$225 million to fund projects across the country that will reduce emissions of nitrogen oxide (NOx). The \$225 million is in addition to the \$2.7 billion that it was earlier required to pay into a mitigation trust.

DOT Announces First Executive Director of the Build America Bureau: On Dec. 30, USDOT announced that Martin Klepper, a senior partner in the Energy and infrastructure Projects Group at Skadden, Arps, Slate, Meagher & Flom, LLP, will join the USDOT Build America Bureau as its initial executive director. The Bureau is a newly created entity within USDOT that streamlines access to federal credit and grant opportunities while providing technical assistance to project planning, financing and delivery. The Bureau also helps state and local governments develop and finance public-private partnership (P-3) transactions for transportation facilities.

DOE Announces Establishment of New Investment Fund for Clean Energy: On Dec. 12, the Department of Energy said that the Breakthrough Energy Coalition (BEC) will invest more than \$1 billion to promote early stage clean energy. The BEC is a group of entrepreneurs, business leaders, and institutional investors who last November in Paris announced their commitment to help bring promising new zero-emissions energy technologies to market. BEC’s original commitment was made in parallel to the launch of “Mission Innovation,” an initiative by countries to double clean energy research and development.

Obama Cabinet Agencies Release “Exit Memos”: On Jan. 5, the EPA, DOT and DOE were among the larger group of Administration Cabinet agencies that released end-of-term Exit Memos, highlighting their department and agency activities and accomplishments over the past eight years while setting the stage for the official hand-off to the new administration’s executive teams arriving on January 20th.

###

CASSIDY&ASSOCIATES

733 Tenth Street, N.W., Suite 400
Washington, DC 20001-4886

(202) 347-0773
www.cassidy.com

To: South Coast Air Quality Management District

From: Cassidy & Associates

Date: January 5, 2017

Re: December/January Federal Update – House of Representatives

Issues of Interest to SCAQMD

House Republicans began the 115th Congress with a series of votes and legislation to roll back the regulations of the Obama Administration, and transform the regulatory process.

Midnight Rules Relief Act of 2017 (H.R. 21)

On the second day of the 115th Session, the House passed, along party lines, legislation to amend the Congressional Review Act and allow Congress to repeal in a single vote any rules finalized in the final year of the Obama administration:

In applying section 802 to rules described under 8 paragraph, a joint resolution of disapproval may contain one or more such rules if the report under subsection (a)(1)(A) for each such rule was submitted during the final year of a President's term."

To put into perspective, the Congressional Review Act already allows Congress to overturn regulations one by one. H.R. 21 itself does not eliminate any federal rules, but empowers Congress to nix multiple regulations with one vote.

Several of Obama's midnight regulations involve restricting methane production on public lands, imposing renewable fuel standards, protecting streams and banning new offshore oil and gas leasing. Linked here are several EPA finalized regulations that may be targeted first: [https://www.epa.gov/controlling-air-pollution-oil-and-natural-gas-industry/new-source-performance-standards-and#Final rules](https://www.epa.gov/controlling-air-pollution-oil-and-natural-gas-industry/new-source-performance-standards-and#Final%20rules)

Regulatory Accountability Act of 2017 (H.R. 5)

House Judiciary Committee Chairman Bob Goodlatte (R-VA) introduced the Regulatory Accountability Act of 2017 (H.R. 5) this week. This bill passed the 114th Congress along nearly party line votes.

H.R. 5 would amend the Administrative Procedure Act by requiring the most costly of rules to undergo more stringent agency analysis. To put into perspective, this legislation would revamp and significantly slow down the process by which rules are promulgated. It would require agencies choose the lowest cost option when considering regulations, eliminates judicial doctrines that require deference to agencies when rules are challenged in court, and blocks rules with that have an economic impact of \$1 billion or more from taking effect until the courts have completed review.

As rules are being drafted at EPA and DOE, there could be complex requirements imposed that delay finalization in court.

Regulations from the Executive in Need of Scrutiny Act of 2017 (H.R. 26)

On the first week of the 115th Session, Congress aims to pass legislation to amend chapter 8 of title 5, United States Code, to provide that major rules of the executive branch shall have no force or effect unless a joint resolution of approval is enacted into law.

The REINS Act would require that any agency rule with more than a \$100 million economic impact to be approved by both chambers of Congress by passing a resolution of approval.

To put into perspective, Congress has for decades passed laws like the Clean Air Act and the Clean Water Act, charging agencies with promulgating rules. The REINS Act is meant to roll back such power.

Rep. Mark Meadows (R-N.C.), head of the House Freedom Caucus, has compiled a comprehensive list of rules, regulations and executive orders for the new Congress to consider for repeal in its first 100 days, concerning Department of Energy, Department of Interior and Environmental Protection Agency:

<https://meadows.house.gov/first-100-days>

Congresswoman Mimi Walters Committee Update

Congresswoman Mimi Walters (R-CA) who represents portions of Orange County in her district 45 seat, has been named to the powerful House Energy and Commerce Committee. Through this role, she will be in a better position to advocate on behalf of SCAQMD and provide oversight of many of the important programs administered by the Department of Energy.

Kadesh & Associates, LLC
January 6, 2017

MEMORANDUM

To: SCAQMD Legislative Committee
From: Kadesh & Associates
Re: December/January - US Senate: committee assignments, staffing announcements, schedule, etc.

December legislative high notes --

Continuing Resolution funding the Federal Government to the end of April, 2017 passed the US House on 12-8-16 by 326-96 and the US Senate on 12-9-16 by 63-36.
WRDA/WIIN passed and signed into law.

114th Congress Wrap Up and 115th Opening:

With the Senate adjourning on December 10, 2016, the 114th Congress adjourned sine die (i.e. "without a date") to return on January 3, 2017. All 435 Members of the House were sworn in on January 3, as well as the 34 new and reelected Members of Class II of the US Senate. Donald Trump will be sworn in as the 45th President on Friday, January 20th at noon.

The Senate plans to be in session all four weeks of January and the House will be in for three of them. (While the House is not formally in session the week of January 15th, it is expected that most or all of them will be in Washington for the inaugural on Friday of that week.) The Senate will be 52 R and 48 D (including two Independents who caucus with the Democrats). The House will be 241 R to 194 D.

Highlighting that January in the Senate will be dominated by the confirmation process, six cabinet-level confirmation hearings are to be held on one day (Jan. 11), the most on one day since 2001.

Full Committee Membership on the Senate Committee on Environment and Public Works:

Majority –

John Barrasso, (WY), Chairman

James Inhofe (OK)

Shelley Moore Capito (WV)

John Boozman (MT)

Roger F. Wicker (MS)

Deb Fischer (NE)

Jeff Sessions (AL)

Jerry Moran (KS)

Mike Rounds (SD)

Joni Ernst (IA)

Dan Sullivan (AK)

Minority

Thomas R. Carper (DE), Ranking Member)

Benjamin L. Cardin (MD)

Bernard Sanders (VT)

Sheldon Whitehouse (RI)

Jeff Merkley (OR)

Kirsten Gillibrand (NY)

Cory A. Booker (NJ)

Edward Markey (MA)

Tammy Duckworth (IL)

Kamala Harris (CA)

California Senate Committee Assignments and Personnel Decisions --

SENATOR KAMALA HARRIS:

Senate leadership assigned Sen. Kamala Harris to four Senate committees:

Homeland Security and Government Affairs;

Environment and Public Works;

Senate Select Committee on Intelligence; and the

Budget Committee.

In a public statement, Sen. Harris said: "These four committees will be key battlegrounds in the fight for the future of our country. At a time when so many Californians and Americans are uncertain about our future, I will aggressively fight for our families and the ideals of our nation. No state will be more impacted by any potential changes to federal immigration policy than California, and I look forward to zealously protecting our state's interests on the Homeland Security Committee. California also is a world leader on climate change policy, and I will fight hard against attempts to roll back key environmental protections on the Environment and Public Works Committee. As our country faces major intelligence challenges and cybersecurity threats, I will fight for our security, our civil rights, and our liberties on the Intelligence Committee. And, on the Committee on Budget, I will fight to preserve the Affordable Care Act to protect health care access for all Americans."

Sen. Harris has named several critical staff selections:

Nathan Barankin as Chief of Staff.

In a public statement, Sen. Harris said, "Nathan has been my trusted advisor and right hand for many years in the Attorney General's office. He is an exceptional lawyer, legislative expert, and career public servant. He has served three different Attorneys General of California in executive roles and has worked as a constitutional litigator and an advisor to the California Senate leadership for many years. I look forward to continuing to work with Nathan in the United

States Senate.” (Barankin has been chief deputy attorney general under Harris for the past four years, managing the department’s nearly 5,000 employees, including 1,100 lawyers.)

Julie Chavez Rodriguez to serve as State Director.

In a public statement, Sen. Harris said, "I am thrilled that Julie has agreed to continue her service to our state and nation as my State Director. Julie has been a leader in this state and across the country fighting to advance policies to help Californians. From her leadership at the Cesar Chavez Foundation to the years she has spent organizing groups and communities in support of President Obama's agenda. She most recently served in the White House as Principal Deputy Director of Public Engagement, Senior Policy Advisor, and Special Assistant to President Obama. Julie oversaw White House engagement with Immigration, Muslim, AAPI, Latino, Veterans, Youth, LGBTQ, Education, Labor, and Progressive communities. She is a graduate of UC Berkley and a daughter of the Central Valley. She grew up in a family steeped in the tradition of union organizing and civil rights leadership and is a granddaughter of Cesar E. Chavez.”

Clint Odom to serve as Legislative Director.

In a public statement, Sen. Harris said, “I’m thrilled that Clint has decided to join our team and I look forward to our work together.” He previously served as Democratic General Counsel and Policy Director for the U.S. Senate Committee on Commerce, Science, and Transportation; as Senator Bill Nelson’s Deputy, Legislative Director; and at the Federal Communications Commissions. He is a graduate of Louisiana State University and the University of Pennsylvania Law School.

Other hires include:

Lily Adams as her Communications Director.
Dwayne Paige as her Administrative Director.
Rohini Kosoglu to be her Deputy Chief of Staff.

SENATOR DIANNE FEINSTEIN:

Senator Dianne Feinstein is now eight most senior in the Senate. She will be taking over as the Ranking Minority Member on the Senate Judiciary Committee. She will continue to serve on the Appropriations Committee. In 1991 she was the first woman appointed to the Judiciary Committee which will serve as a key locus of conformation issues, starting with the Attorney General nomination, at least one Supreme Court nomination and over 100 pending federal judicial vacancies.

Sen. Feinstein also announced two major staff changes, both effective as of January 9, 2017.

Her current Chief (since 2013), **Jennifer Duck** will take over as the Chief of Staff for the Minority on the Senate Judiciary Committee.

Long-serving Capitol Hill aide **Steve Haro** was announced to take over as Feinstein's Chief of Staff.

Per public statements, Duck has served as Feinstein's chief of staff since June 2013. Before that, she served as vice president of government relations and corporate leadership for Pfizer. Prior to Pfizer, Duck served as staff director and chief counsel to Feinstein on the Senate Judiciary Committee. She also worked as counsel to former Democratic Leader Senator Tom Daschle (D-S.D.); counsel to Senator Ted Kennedy (D-Mass.) on the Senate Health, Education, Labor and Pensions Committee; and senior policy advisor for the Senate Democratic Policy Committee.

In a public statement, Sen. Feinstein said, "Jennifer Duck is well-suited to serve as my lead staffer on the Judiciary Committee. She not only has significant experience in the public and private sectors, she also has worked on the Judiciary Committee in the past during key administration and judicial confirmations. I trust her counsel and look forward to working with her as ranking member of the Judiciary Committee."

Per public statements, Steve Haro joins Senator Feinstein's office from the Department of Commerce, where he serves as assistant secretary for legislative and intergovernmental affairs. Prior, he served as chief of staff to Martin Heinrich (D-N.M.) in both the Senate and House of Representatives and also served as Western regional political director and national Hispanic outreach coordinator for the Democratic Congressional Campaign Committee, and served in various senior positions for Rep. Xavier Becerra.

In a public statement, Sen. Feinstein said, "I'm pleased to welcome Steve Haro to my personal office. He has a long history of key positions in Washington, and his familiarity with California will be a significant asset. Steve will be supervising a staff of more than 70 in five offices in Washington and California, and I will rely on his experience to keep the operation running steadily and build on our successes to help the people of California."

December Activities summary:

Conference call with AQMD staff to scope 2017 requests and begin shaping/scheduling Q1 2017 trip to DC.

Kept staff updated as to legislative changes.

Monitored and encouraged passage of WRDA.

Monitored and shared updates on Administration Transition regarding transportation and environmental policies and personnel.

Conveyed to Congressional staff support for expansion/funding of DERA.

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Attachment 3



Joe A. Gonsalves & Son

Anthony D. Gonsalves

Jason A. Gonsalves

Paul A. Gonsalves

PROFESSIONAL LEGISLATIVE REPRESENTATION

925 L ST. · SUITE 250 · SACRAMENTO, CA 95814-3766

916 441-0597 · FAX 916 441-5061

Email: gonsalves@gonsalvi.com

TO: SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

FROM: ANTHONY, JASON, AND PAUL GONSALVES

SUBJECT: JANUARY LEGISLATIVE UPDATE

DATE: WEDNESDAY, JANUARY 4, 2016

As you know, the 2017-18 Legislative session resumed on Wednesday, January 4, 2017. As you can imagine, the holiday season, coupled with the November 2016 elections, made for a very quiet December in Sacramento. Many legislators and legislative staff took much needed and deserved vacations to recharge their batteries before the 2017-18 legislative session resumed. Although it was quiet, there are three issues of interest to the District that I would like to update the Legislative Committee on:

- [Assembly and Senate Committee Assignments](#)
- [Assembly and Senate Leadership Assignments](#)
- [Legislative Deadlines](#)

SENATE COMMITTEE CHAIR ASSIGNMENTS:

On December 21, 2016, Senate President Pro Tempore Kevin de León announced his leadership team, and Senate committee chairs and members. The following will provide you with the make-up of each committee along with the Senate Democratic Leadership team:

Agriculture

Senator Cathleen Galgiani (D-Stockton), Chair
Senator Scott Wilk (R-Santa Clarita), Vice Chair
Senator Tom Berryhill (R-Stanislaus)

Senator Bill Dodd (D-Napa)
Senator Richard Pan (D-Sacramento)

Appropriations

Senator Ricardo Lara (D-Bell Gardens), Chair
Senator Patricia Bates (R-Laguna Niguel), Vice Chair
Senator Jim Beall (D-San Jose)
Senator Steve Bradford (D-Gardena)
Senator Jerry Hill (D-San Mateo)
Senator Jim Nielsen (R-Tehama)
Senator Scott Wiener (D-San Francisco)

Banking and Financial Institutions

Senator Bill Dodd (D-Napa), Chair
Senator Andy Vidak (R-Hanford), Vice Chair
Senator Cathleen Galgiani (D-Stockton)
Senator Ben Hueso (D-San Diego)
Senator Ricardo Lara (D-Bell Gardens)
Senator Mike Morrell (R-Inland Empire)
Senator Anthony Portantino (D-La Cañada-Flintridge)

Budget and Fiscal Review

Senator Holly Mitchell (D-Los Angeles), Chair
Senator Jim Nielsen (R-Tehama), Vice Chair
Senator Ben Allen (D-Santa Monica)
Senator Joel Anderson (R-San Diego)
Senator Jim Beall (D-San Jose)
Senator Steve Glazer (D-Contra Costa)
Senator Mike McGuire (D-Healdsburg)
Senator Tony Mendoza (D-Artesia)
Senator Bill Monning (D-Carmel)
Senator John Moorlach (R-Costa Mesa)
Senator Janet Nguyen (R-Garden Grove)
Senator Richard Pan (D-Sacramento)
Senator Anthony Portantino (D-La Cañada-Flintridge)
Senator Richard Roth (D-Riverside)
Senator Nancy Skinner (D-Berkeley)
Senator Jeff Stone (R-Temecula)
Senator Bob Wieckowski (D-Fremont)

Budget Subcommittee No. 1 on Education

Portantino (Chair), Allen and Moorlach

Budget Subcommittee No. 2 on Resources, Environmental Protection, Energy and Transportation

Wieckowski (Chair), McGuire, Mendoza and Nielsen (Vice Chair)

Budget Subcommittee No. 3 on Health and Human Services

Pan (Chair), Monning and Stone

Budget Subcommittee No. 4 on State Administration and General Government

Roth (Chair), Glazer and Nguyen

Budget Subcommittee No. 5 on Corrections, Public Safety and the Judiciary

Skinner (Chair), Beall and Anderson

Business, Professions and Economic Development

Senator Jerry Hill (D-San Mateo), Chair

Senator Patricia Bates (R-Laguna Niguel), Vice Chair

Senator Bill Dodd (D-Napa)

Senator Cathleen Galgiani (D-Stockton)

Senator Steve Glazer (D-Contra Costa)

Senator Ed Hernandez (D-West Covina)

Senator Josh Newman (D-Fullerton)

Senator Richard Pan (D-Sacramento)

Senator Scott Wilk (R-Santa Clarita)

Education

Senator Ben Allen (D-Santa Monica), Chair

Senator Scott Wilk (R-Santa Clarita), Vice Chair

Senator Cathleen Galgiani (D-Stockton)

Senator Connie Leyva (D-Chino)

Senator Tony Mendoza (D-Artesia)

Senator Richard Pan (D-Sacramento)

Senator Andy Vidak (R-Hanford)

Elections and Constitutional Amendments

Senator Henry Stern (D-Canoga Park), Chair

Senator Joel Anderson (R-San Diego), Vice Chair

Senator Ben Allen (D-Santa Monica)

Senator Bob Hertzberg (D-Los Angeles)

Senator Connie Leyva (D-Chino)

Energy, Utilities and Communications

Senator Ben Hueso (D-San Diego), Chair

Senator Mike Morrell (R-Inland Empire), Vice Chair

Senator Steve Bradford (D-Gardena)

Senator Anthony Cannella (R-Ceres)

Senator Ted Gaines (R-El Dorado)

Senator Bob Hertzberg (D-Los Angeles)

Senator Jerry Hill (D-San Mateo)

Senator Mike McGuire (D-Healdsburg)

Senator Nancy Skinner (D-Berkeley)

Senator Henry Stern (D-Canoga Park)
Senator Scott Wiener (D-San Francisco)

Environmental Quality

Senator Bob Wieckowski (D-Fremont), Chair
Senator Andy Vidak (R-Hanford), Vice Chair
Senator Patricia Bates (R-Laguna Niguel)
Senator Jerry Hill (D-San Mateo)
Senator Ricardo Lara (D-Bell Gardens)
Senator Nancy Skinner (D-Berkeley)
Senator Henry Stern (D-Canoga Park)

Governance and Finance

Senator Mike McGuire (D-Healdsburg), Chair
Senator Janet Nguyen (R-Garden Grove), Vice Chair
Senator Jim Beall (D-San Jose)
Senator Ed Hernandez (D-West Covina)
Senator Bob Hertzberg (D-Los Angeles)
Senator Ricardo Lara (D-Bell Gardens)
Senator John Moorlach (R-Costa Mesa)

Governmental Organization

Senator Steve Glazer (D-Contra Costa), Chair
Senator Tom Berryhill (R-Stanislaus), Vice Chair
Senator Steve Bradford (D-Gardena)
Senator Anthony Cannella (R-Ceres)
Senator Bill Dodd (D-Napa)
Senator Ted Gaines (R-El Dorado)
Senator Cathleen Galgiani (D-Stockton)
Senator Jerry Hill (D-San Mateo)
Senator Ben Hueso (D-San Diego)
Senator Ricardo Lara (D-Bell Gardens)
Senator Tony Mendoza (D-Artesia)
Senator Anthony Portantino (D-La Cañada-Flintridge)
Senator Andy Vidak (R-Hanford)

Health

Senator Ed Hernandez (D-West Covina), Chair
Senator Janet Nguyen (R-Garden Grove), Vice Chair
Senator Toni Atkins (D-San Diego)
Senator Connie Leyva (D-Chino)
Senator Holly Mitchell (D-Los Angeles)
Senator Bill Monning (D-Carmel)
Senator Josh Newman (D-Fullerton)
Senator Jim Nielsen (R-Tehama)
Senator Richard Roth (D-Riverside)

Human Services

Senator Scott Wiener (D-San Francisco), Chair
Senator Tom Berryhill (R-Stanislaus), Vice Chair
Senator Steve Glazer (D-Contra Costa)
Senator Josh Newman (D-Fullerton)
Senator Janet Nguyen (R-Garden Grove)

Insurance

Senator Tony Mendoza (D-Artesia), Chair
Senator Ted Gaines (R-El Dorado), Vice Chair
Senator Tom Berryhill (R-Stanislaus)
Senator Steve Glazer (D-Contra Costa)
Senator Ed Hernandez (D-West Covina)
Senator Holly Mitchell (D-Los Angeles)
Senator Josh Newman (D-Fullerton)
Senator Anthony Portantino (D-La Cañada-Flintridge)
Senator Richard Roth (D-Riverside)

Judiciary

Senator Hannah-Beth Jackson (D-Santa Barbara), Chair
Senator John Moorlach (R-Costa Mesa), Vice Chair
Senator Joel Anderson (R-San Diego)
Senator Bob Hertzberg (D-Los Angeles)
Senator Bill Monning (D-Carmel)
Senator Henry Stern (D-Canoga Park)
Senator Bob Wieckowski (D-Fremont)

Labor and Industrial Relations

Senator Steve Bradford (D-Gardena), Chair
Senator Jeff Stone (R-Temecula), Vice Chair
Senator Toni Atkins (D-San Diego)
Senator Hannah-Beth Jackson (D-Santa Barbara)
Senator Holly Mitchell (D-Los Angeles)

Legislative Ethics

Senator Ed Hernandez (D-West Covina), Chair
Senator Mike Morrell (R-Inland Empire), Vice Chair
Senator Patricia Bates (R-Laguna Niguel)
Senator Ted Gaines (R-El Dorado)
Senator Bill Monning (D-Carmel)
Senator Bob Wieckowski (D-Fremont)

Natural Resources and Water

Senator Bob Hertzberg (D-Los Angeles), Chair
Senator Jeff Stone (R-Temecula), Vice Chair
Senator Ben Allen (D-Santa Monica)

Senator Toni Atkins (D-San Diego)
Senator Ben Hueso (D-San Diego)
Senator Hannah-Beth Jackson (D-Santa Barbara)
Senator Bill Monning (D-Carmel)
Senator Henry Stern (D-Canoga Park)
Senator Andy Vidak (R-Hanford)

Public Employment and Retirement

Senator Richard Pan (D-Sacramento), Chair
Senator Mike Morrell (R-Inland Empire), Vice Chair
Senator Connie Leyva (D-Chino)
Senator John Moorlach (R-Costa Mesa)
Senator Anthony Portantino (D-La Cañada-Flintridge)

Public Safety

Senator Nancy Skinner (D-Berkeley), Chair
Senator Joel Anderson (R-San Diego), Vice Chair
Senator Steve Bradford (D-Gardena)
Senator Hannah-Beth Jackson (D-Santa Barbara)
Senator Holly Mitchell (D-Los Angeles)
Senator Jeff Stone (R-Temecula)
Senator Scott Wiener (D-San Francisco)

Rules

Senator Kevin de León (D-Los Angeles), Chair
Senator Anthony Cannella (R-Ceres), Vice Chair
Senator Toni Atkins (D-San Diego)
Senator Tom Berryhill (R-Stanislaus)
Senator Connie Leyva (D-Chino)

Transportation and Housing

Senator Jim Beall (D-San Jose), Chair
Senator Anthony Cannella (R-Ceres), Vice Chair
Senator Ben Allen (D-Santa Monica)
Senator Toni Atkins (D-San Diego)
Senator Patricia Bates (R-Laguna Niguel)
Senator Ted Gaines (R-El Dorado)
Senator Mike McGuire (D-Healdsburg)
Senator Tony Mendoza (D-Artesia)
Senator Mike Morrell (R-Inland Empire)
Senator Richard Roth (D-Riverside)
Senator Nancy Skinner (D-Berkeley)
Senator Bob Wieckowski (D-Fremont)
Senator Scott Wiener (D-San Francisco)

Veterans Affairs

Senator Josh Newman (D-Fullerton), Chair
Senator Jim Nielsen (R-Tehama), Vice Chair
Senator Bill Dodd (D-Napa)
Senator Ben Hueso (D-San Diego)
Senator Janet Nguyen (R-Garden Grove)
Senator Richard Roth (D-Riverside)
Senator Scott Wilk (R-Santa Clarita)

SENATE DEMOCRATIC LEADERSHIP ASSIGNMENTS

Majority Leader - Senator Bill Monning (D-Carmel)
Majority Whip - Senator Nancy Skinner (D-Berkeley)
Democratic Caucus Chair - Senator Connie Leyva (D-Chino)
Democratic Caucus Vice-Chair - Senator Mike McGuire (D-Healdsburg)

ASSEMBLY COMMITTEE CHAIR ASSIGNMENTS:

On December 27, 2016, Assembly Speaker Anthony Rendon announced his Leadership team along with the Chairs of the Assembly Committee's. We expect the Speaker to announce the make-up of the Committee's sometime in January. The following will provide you with the Chairs of each Assembly Committee along with the Democratic Leadership team:

Accountability and Administrative Review

Assemblymember Susan Eggman (D-Stockton), Chair

Aging and Long-Term Care

Assemblymember Ash Kalra (D-San Jose), Chair

Agriculture

Assemblymember Anna Caballero (D-Salinas), Chair

Appropriations

Assemblymember Lorena Gonzalez (D-San Diego), Chair

Arts, Entertainment, Sports, Tourism, and Internet Media

Assemblymember Kansen Chu (D-San Jose), Chair

Banking and Finance

Assemblymember Matthew Dababneh (D-Encino), Chair

Budget

Assemblymember Phil Ting (D-San Francisco), Chair

Budget Subcommittee No. 1 on Health and Human Services

Assemblymember Joaquin Arambula (D-Fresno), Chair

Budget Subcommittee No. 2 on Education Finance

Assemblymember Kevin McCarty (D-Sacramento), Chair

Budget Subcommittee No. 3 on Resources and Transportation

Assemblymember Richard Bloom (D-Santa Monica), Chair

Budget Subcommittee No. 4 on State Administration

Assemblymember Jim Cooper (D-Elk Grove), Chair

Budget Subcommittee No. 5 on Public Safety

Assemblymember Shirley Weber (D-San Diego), Chair

Budget Subcommittee No. 6 on Budget Process, Oversight and Program Evaluation

Assemblymember Phil Ting (D-San Francisco), Chair

Business and Professions

Assemblymember Rudy Salas (D-Bakersfield), Chair

Communications and Conveyance

Assemblymember Miguel Santiago (D-Los Angeles), Chair

Education

Assemblymember Patrick O'Donnell (D-Long Beach), Chair

Elections and Redistricting

Assemblymember Evan Low (D-Silicon Valley), Chair

Environmental Safety and Toxic Materials

Assemblymember Bill Quirk (D-Hayward), Chair

Governmental Organization

Assemblymember Adam Gray (D-Merced), Chair

Health

Assemblymember Jim Wood (D-Healdsburg), Chair

Higher Education

Assemblymember Jose Medina (D-Riverside), Chair

Housing and Community Development

Assemblymember David Chiu (D-San Francisco), Chair

Human Services

Assemblymember Blanca Rubio (D-Baldwin Park), Chair

Insurance

Assemblymember Tom Daly (D-Anaheim), Chair

Jobs, Economic Development, and the Economy

Assemblymember Sharon Quirk-Silva (D-Fullerton), Chair

Judiciary

Assemblymember Mark Stone (D-Monterey Bay), Chair

Labor and Employment

Assemblymember Tony Thurmond (D-Richmond), Chair

Local Government

Assemblymember Cecilia Aguiar-Curry (D-Winters), Chair

Natural Resources

Assemblymember Cristina Garcia (D-Bell Gardens), Chair

Privacy and Consumer Protection

Assemblymember Ed Chau (D-Monterey Park), Chair

Public Employees, Retirement, and Social Security

Assemblymember Freddie Rodriguez (D-Pomona), Chair

Public Safety

Assemblymember Reggie Jones-Sawyer (D-Los Angeles), Chair

Revenue and Taxation

Assemblymember Sebastian Ridley-Thomas (D-Los Angeles), Chair

Rules

Assemblymember Ken Cooley (D-Rancho Cordova), Chair

Assemblymember Marc Berman (D-Palo Alto)

Assemblymember Sabrina Cervantes (D-Corona)

Assemblymember Laura Friedman (D-Glendale)

Assemblymember Timothy Grayson (D-Concord)

Assemblymember Marc Levine (D-Marin County)

Assemblymember Adrin Nazarian (D-Sherman Oaks)

Assemblymember Jimmy Gomez (D-Los Angeles), Democratic Alternate

Transportation

Assemblymember Jim Frazier (D-Oakley), Chair

Utilities and Energy

Assemblymember Chris Holden (D-Pasadena), Chair

Veterans Affairs

Assemblymember Jacqui Irwin (D-Thousand Oaks), Chair

Water, Parks, and Wildlife

Assemblymember Eduardo Garcia (D-Coachella), Chair

Joint Legislative Audit

Assemblymember Al Muratsuchi (D-Torrance), Chair

Joint Legislative Committee on Emergency Management

Assemblymember Freddie Rodriguez (D-Pomona), Vice Chair

Legislative Ethics

Assemblymember Eloise Reyes (D-San Bernardino), Co-Chair

ASSEMBLY DEMOCRATIC LEADERSHIP ASSIGNMENTS

Speaker pro Tempore – Assemblymember Kevin Mullin (D-San Mateo)

Assistant Speaker pro Tempore – Assemblymember Autumn Burke (D-Inglewood)

Majority Leader – Assemblymember Ian Calderon (D-Whittier)

Assistant Majority Leader – Assemblymember Rob Bonta (D-Oakland)

Majority Whip – Assemblymember Raul Bocanegra (D-San Fernando Valley)

Assistant Majority Whip – Assemblymember Todd Gloria (D-San Diego)

Assistant Majority Whip – Assemblymember Monique Limón (D-Santa Barbara)

Democratic Caucus Chair – Assemblymember Mike Gipson (D-Carson)

LEGISLATIVE CALENDAR

The following will provide you with the upcoming Legislative deadlines for the 2017-18 legislative session:

January 1, 2017 – Statues Take Effect

January 4, 2017 – Legislature Reconvenes

January 10, 2017 – Governor Releases State Budget

January 20, 2017 – Last Day to Submit Bill Request to Legislative Counsel

February 17, 2017 – Last Day for Bills to be Introduced

April 6-17, 2017 – Spring Recess

April 28, 2017 – Last day for Policy Committees to Hear Fiscal Bills

May 12, 2017 – Last Day for Policy Committees to Hear Non-Fiscal Bills

May 19, 2017 – Last day for Policy Committees to Meet Prior to June 5, 2017

May 26, 2017 – Last Day for Fiscal Committees to Meet.

May 30-June 2, 2017 – Floor Session Only

June 2, 2017 – Last Day to Pass Bills out of Their House of Origin.

June 15, 2017 – Budget Bill Must be Adopted

July 14, 2017 – Last day for Policy Committees to Hear Fiscal Bills

July 21, 2017 – Last day for Policy Committees to Hear Bills.

July 21-August 21, 2017 – Summer Recess

September 1, 2017 – Last Day for Fiscal Committees to Hear Bills

September 5-15, 2017 – Floor Session Only
September 8, 2017 – Last Day to Amend on the Floor
September 15, 2017 – Last Day of Session



SCAQMD Report
Gonzalez, Quintana, Hunter & Cruz, LLC
January 5, 2017

General Update:

The past few weeks have seen a reshuffling of committee assignments in both the Assembly and the Senate. The Senate has finalized its assignment of both committee chairs and committee members. The Assembly has released its committee chair assignments but as of this morning the committee members have yet to be released.

Senate Committees

Senator Ben Hueso will continue as the chair of Senate Energy, Utilities and Communications, Senator Bob Hertzberg has taken over as the chair of Senate Natural Resources and Water, and Senator Bob Weickowski is the chair of Senate Environmental Quality. Environmental committees appear to be filled with more liberal members which would seem to indicate that environmental issues will be at the forefront this upcoming session.

Assembly Committees

Most were surprised by the Speaker's decision to split the Assembly Utilities and Commerce committee into Assembly Utilities and Energy and Assembly Communications and Conveyance. Assembly Member Miguel Santiago was named the chair of Assembly Communications and Conveyance and Assembly Member Holden was named the chair of Assembly Utilities and Energy. Assembly Water, Parks and Wildlife will be chaired by Assembly Member Eduardo Garcia, Assembly Natural Resources will be chaired by Assembly Member Cristina Garcia, and Assembly Environmental Safety and Toxic Materials will be chaired by Assembly Member Quirk.

Infrastructure Legislative Package

On the first day of session the Senate and Assembly introduced a package of transportation and housing infrastructure improvement bills. Of note are the following:

AB 1 (Frazier)

Would create the Road Maintenance and Rehabilitation Program to address deferred maintenance on the state highway system and on the local street and road system. The bill would require the California Transportation Commission to adopt performance criteria,

consistent with a specified asset management plan, to ensure efficient use of certain funds available for the program. The bill would provide for the deposit of various funds for the program in the Road Maintenance and Rehabilitation Account, which the bill would create in the State Transportation Fund.

SB 1 (Beall) (nearly identical to AB 1)

Would create the Road Maintenance and Rehabilitation Program to address deferred maintenance on the state highway system and the local street and road system. The bill would require the California Transportation Commission to adopt performance criteria, consistent with a specified asset management plan, to ensure efficient use of certain funds available for the program.

SB 4 (Mendoza)

Would, subject to voter approval at the June 5, 2018 statewide primary election, enact the Goods Movement and Clean Trucks Bond Act to authorize \$600,000,000 of state general obligation bonds as follows: \$200,000,000 to the California Transportation Commission for projects and programs eligible for funding from the Trade Corridors Improvement Fund; \$200,000,000 to the State Air Resources Board for projects and programs consistent with the Goods Movement Emission Reduction Program; and \$200,000,000 to the State Air Resources Board for projects and programs to expand the use of zero- and near-zero emission trucks in areas of the state that are designated as severe or extreme nonattainment areas for ozone and particulate matter.

Other Relevant Legislation

The following bills might be of interest to SCAQMD:

AB 18 (E. Garcia)

Would enact the California Clean Water, Climate, and Coastal Protection and Outdoor Access For All Act of 2018, which, if approved by the voters, would authorize the issuance of bonds in an amount of \$3,005,000,000 pursuant to the State General Obligation Bond Law to finance a clean water, climate, and coastal protection and outdoor access for all program.

SB 5 (De Leon) (nearly identical to AB 18)

This bill would enact the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access for All Act of 2018, which, if approved by the voters, would authorize the issuance of bonds in an amount of \$3,000,000,000 pursuant to the State General Obligation Bond Law to finance a drought, water, parks, climate, coastal protection, and outdoor access for all program.

AB 33 (Quirk)

Would state the intent of the Legislature to enact legislation to reduce net emissions from greenhouse gases from transportation by imposing fees and granting rebates on sales of new automobiles and light trucks.

SB 41 (Galgiani)

Would require the State Air Resources Board to deem a person, as defined, to be in compliance with all applicable rules and regulations of the state board and, notwithstanding the inadequacy of any required equipment, technologies, or practices, would prohibit the state board from requiring a person to expend further moneys to achieve compliance with, or from seeking to enforce against that person, the applicable rules and regulations, if specified conditions are met.

SB 53 (Hueso)

Current federal law authorizes a vehicle operated by an engine fueled primarily by natural gas to exceed weight limits, up to a specified maximum, by an amount equal to the difference between the weight of the vehicle attributable to the natural gas tank and fueling system carried by that vehicle and the weight of a comparable diesel tank and fueling system. This bill would authorize a vehicle operated by an engine fueled primarily by natural gas to exceed these weight limits, up to a specified maximum, by an amount equal to the difference between the weight of the vehicle attributable to the natural gas tank and fueling system carried by that vehicle and the weight of a comparable diesel tank and fueling system.

SB 4 (Mendoza)

Goods Movement: Allocation of Federal Funds: Goods Movement and Clean Trucks Bond Act

Summary: This bill would place on the June 2018 statewide ballot, subject to voter approval, a bond that would authorize \$600 million to improve infrastructure and reduce emissions from freight movement along California’s trade corridors and expand the use of zero- and near-zero emission trucks in severe or extreme nonattainment areas for ozone and particulate matter.

Background: As described by the author, as the 6th largest economy in the world, California has a robust and complex freight transportation system that supports significant international trade and domestic goods movement demands. Improving goods movement is critical to relieve congestion on freeways and increase mobility for all Californians. At the same time, while these goods movement activities are vital to the state’s economy, it is necessary to reduce air pollution and address the adverse effects on communities, the environment, and infrastructure that result from this active freight transportation system.

In part, this bill would help continue the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006 (Proposition 1B), which created the Trade Corridors Improvement Fund (TCIF) for infrastructure improvements on highway and rail corridors that have a high volume of freight movement. Proposition 1B also allocated \$1 billion in bond funds to the California Air Resources Board (CARB) for emission reductions, not otherwise required by law or regulation, from activities related to the movement of freight along California’s trade corridors, which was allocated by CARB pursuant to the Goods Movement Emission Reduction Program (GMERP). SCAQMD received over \$507 million in Proposition 1B GMERP funds as of December 2016, which fund an estimated 8,300+ projects and reduce an estimated 2,334,000 lbs. of PM2.5 and 87,663,000 lbs. of NOx emissions.

Existing law requires the California Transportation Commission (CTC), in determining projects eligible for funding from the TCIF, to consult various state freight and regional infrastructure and goods movement plans and the statewide port master plan.

Status: 12/06/2016 -- From printer. May be acted upon on or after January 5.

Specific Provisions: Specifically, this bill would place a bond on the June 2018 statewide ballot, that, if approved by the voters, would:

- 1) Enact the Goods Movement and Clean Trucks Bond Act to authorize \$600 Million in state general obligation bonds as follows:

- a. \$200 Million to the CTC for projects and programs eligible for funding from the TCIF. Priority shall be given to projects and programs identified under the Sustainable Freight Action Plan released in July 2016;
 - b. \$200 Million to CARB for projects and programs consistent with GMERP. Priority shall be given to projects and programs identified under the Sustainable Freight Action Plan released in July 2016; and
 - c. \$200 Million to CARB for projects and programs to expand the use of zero- and near-zero emission trucks in areas of the state that are designated as severe or extreme nonattainment for ozone and particulate matter.
- 2) Revise the list of plans to be consulted by the CTC in prioritizing projects for TCIF funding. The bill would expand eligible projects to include, among others, rail landside access improvements, landside freight access improvements to airports, and certain capital and operational improvements. The bill would identify specific amounts to be allocated from federal goods movement funds made available by the federal Fixing America's Surface Transportation (FAST) Act to certain project categories.

Impacts on AQMD's Mission, Operations or Initiatives: This bill is aligned with SCAQMD's priorities regarding reducing criteria pollutant and toxic emissions within the South Coast region, especially those related to goods movement. Heavy duty trucks are one of the largest sources of NOx emissions in the South Coast Basin, which greatly impact the health of communities located near ports, railyards, distribution centers, and roads with high truck activity. This bill would provide needed funding to facilitate the development and deployment of low- and zero-emission technologies and reduce air pollution from goods movement operations to help protect the health of South Coast residents.

Specifically, this bill would allocate \$200 million to GMERP to reduce emissions and health risks from freight operations in California's priority trade corridors through incentives. Under the program, local agencies apply to CARB and those agencies offer financial incentives to owners of equipment used in freight movement to upgrade to cleaner technologies. Projects funded under this Program must achieve early or extra emission reductions not otherwise required by law or regulation. This program was created by Proposition 1B and received \$1 billion in one time money distributed over multiple years. (Government Code Section 8879.23(c)(1)(C)).

This bill would allocate \$200 million to a new program that would increase the state's efforts to get old trucks, which contribute to pollution at the ports and along trade corridors, off the road and replace them with zero- and near-zero emission trucks. This program would support efforts by local agencies and port authorities to expand use of clean trucks and meet air quality targets.

Proposal: SCAQMD would propose to work with the author to increase the total amount of bond funding, with a corresponding increase in the amounts available for the GMERP and the program that expands the usage of zero- and near-zero emission trucks in areas of the state designated as severe or extreme nonattainment.

Recommended Position: Support and Work with Author

Introduced by Senator MendozaDecember 5, 2016

An act to add Chapter 12.495 (commencing with Section 8879.80) to Division 1 of Title 2 of the Government Code and to amend Section 2192 of the Streets and Highways Code, relating to goods movement, by providing the funds necessary therefor through an election for the issuance and sale of bonds of the State of California and for the handling and disposition of those funds.

LEGISLATIVE COUNSEL'S DIGEST

SB 4, as introduced, Mendoza. Goods Movement: allocation of federal funds: Goods Movement and Clean Trucks Bond Act.

(1) The Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006 (Proposition 1B) created the Trade Corridors Improvement Fund and provided for allocation by the California Transportation Commission of \$2 billion in bond funds for infrastructure improvements on highway and rail corridors that have a high volume of freight movement, and specified categories of projects eligible to receive these funds. Existing law continues the Trade Corridors Improvement Fund in existence in order to receive revenues from sources other than the bond act for these purposes. Proposition 1B also provided for the allocation of \$1 billion in bond funds to the State Air Resources Board for emission reductions, not otherwise required by law or regulation, from activities related to the movement of freight along California's trade corridors, which was allocated by the state board pursuant to the Goods Movement Emission Reduction Program.

This bill, subject to voter approval at the June 5, 2018, statewide primary election, would enact the Goods Movement and Clean Trucks Bond Act to authorize \$600,000,000 of state general obligation bonds

as follows: \$200,000,000 to the California Transportation Commission for projects and programs eligible for funding from the Trade Corridors Improvement Fund; \$200,000,000 to the State Air Resources Board for projects and programs consistent with the Goods Movement Emission Reduction Program; and \$200,000,000 to the State Air Resources Board for projects and programs to expand the use of zero- and near-zero emission trucks in areas of the state that are designated as severe or extreme nonattainment areas for ozone and particulate matter.

(2) Existing law requires the California Transportation Commission, in determining projects eligible for funding from the Trade Corridors Improvement Fund, to consult various state freight and regional infrastructure and goods movement plans and the statewide port master plan.

This bill would revise the list of plans to be consulted by the commission in prioritizing projects for funding. The bill would expand eligible projects to include, among others, rail landside access improvements, landside freight access improvements to airports, and certain capital and operational improvements. The bill would also identify specific amounts to be allocated from federal goods movement funds made available by the federal Fixing America’s Surface Transportation Act to certain categories of projects.

Vote: 2/3. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Chapter 12.495 (commencing with Section
2 8879.80) is added to Division 1 of Title 2 of the Government Code,
3 to read:

4
5 CHAPTER 12.495. THE GOODS MOVEMENT AND CLEAN TRUCKS
6 BOND ACT

7
8 Article 1. General Provisions

9
10 8879.80. (a) This chapter shall be known as the Goods
11 Movement and Clean Trucks Bond Act.

12 (b) This chapter shall only become operative upon adoption by
13 the voters at the June 5, 2018, statewide primary election.

1 8879.82. As used in this chapter, the following terms have the
2 following meanings:

3 (a) “Board” has the meaning as described in Section 8879.87.

4 (b) “Committee” means the Goods Movement and Clean Trucks
5 Bond Committee created pursuant to Section 8879.87.

6 (c) “Fund” means the Goods Movement and Clean Trucks Bond
7 Fund created pursuant to Section 8879.83.

8

9 Article 2. Goods Movement and Clean Trucks Bond Fund and
10 Program

11

12 8879.83. (a) The Goods Movement and Clean Trucks Bond
13 Fund is hereby created in the State Treasury.

14 (b) The proceeds of bonds deposited in the fund shall be used,
15 upon appropriation by the Legislature, to fund goods movement
16 and clean trucks improvements as follows:

17 (1) Two hundred million dollars (\$200,000,000) to the California
18 Transportation Commission for projects and programs eligible for
19 funding from the Trade Corridors Improvement Fund (TCIF) under
20 Section 2192 of the Streets and Highways Code and, to the extent
21 practicable, pursuant to the existing TCIF guidelines of the
22 commission. Priority shall be given to projects and programs
23 identified under the Sustainable Freight Action Plan released in
24 July 2016 pursuant to Executive Order B-32-15.

25 (2) Two hundred million dollars (\$200,000,000) to the State
26 Air Resources Board for projects and programs consistent with
27 the Goods Movement Emission Reduction Program (Chapter 3.2
28 (commencing with Section 39625) of Part 2 of Division 26 of the
29 Health and Safety Code). Priority shall be given to projects and
30 programs identified under the Sustainable Freight Action Plan
31 released in July 2016 pursuant to Executive Order B-32-15.

32 (3) Two hundred million dollars (\$200,000,000) to the State
33 Air Resources Board for projects and programs to expand the use
34 of zero- and near-zero emission trucks in areas of the state that are
35 designated as severe or extreme nonattainment areas for ozone
36 and particulate matter.

Article 3. Fiscal Provisions

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8879.85. Bonds in the total amount of six hundred million dollars (\$600,000,000), or so much thereof as is necessary, not including the amount of any refunding bonds, or so much thereof as is necessary, may be issued and sold to provide a fund to be used for carrying out the purposes expressed in this chapter and to reimburse the General Obligation Bond Expense Revolving Fund pursuant to Section 16724.5. The bonds, when sold, shall be and constitute a valid and binding obligation of the State of California, and the full faith and credit of the State of California is hereby pledged for the punctual payment of both principal of, and interest on, the bonds as the principal and interest become due and payable.

8879.86. The bonds authorized by this chapter shall be prepared, executed, issued, sold, paid, and redeemed as provided in the State General Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4), and all of the other provisions of that law as amended from time to time apply to the bonds and to this chapter and are hereby incorporated in this chapter as though set forth in full in this chapter.

8879.87. (a) Solely for the purpose of authorizing the issuance and sale, pursuant to the State General Obligation Bond Law, of the bonds authorized by this chapter, the Goods Movement and Clean Trucks Bond Committee is hereby created. For the purposes of this chapter, the Goods Movement and Clean Trucks Bond Committee is “the committee” as that term is used in the State General Obligation Bond Law. The committee consists of the Treasurer, the Controller, the Director of Finance, and the Secretary of Transportation, or a designated representative of each of those officials. The Treasurer shall serve as the chairperson of the committee. A majority of the committee may act for the committee.

(b) For the purposes of the State General Obligation Bond Law, the California Transportation Commission, with respect to paragraph (1) of subdivision (b) of Section 8879.83, and the State Air Resources Board, with respect to paragraphs (2) and (3) of subdivision (b) of Section 8879.83, is designated to be the “board.”

8879.88. The committee shall determine whether or not it is necessary or desirable to issue bonds authorized pursuant to this chapter in order to carry out the actions specified in Section

1 8879.83, and, if so, the amount of bonds to be issued and sold.
2 Successive issues of bonds may be authorized and sold to carry
3 out those actions progressively, and are not required to be sold at
4 any one time.

5 8879.89. There shall be collected each year and in the same
6 manner and at the same time as other state revenue is collected,
7 in addition to the ordinary revenues of the state, a sum in an amount
8 required to pay the principal of, and interest on, the bonds each
9 year. It is the duty of all officers charged by law with any duty in
10 regard to the collection of the revenue to do and perform each and
11 every act that is necessary to collect that additional sum.

12 8879.90. Notwithstanding Section 13340, there is hereby
13 appropriated from the General Fund in the State Treasury, for the
14 purposes of this chapter, an amount that will equal the total of the
15 following:

16 (a) The sum annually necessary to pay the principal of, and
17 interest on, bonds issued and sold pursuant to this chapter, as the
18 principal and interest become due and payable.

19 (b) The sum necessary to carry out Section 8879.91,
20 appropriated without regard to fiscal years.

21 8879.91. For the purposes of carrying out this chapter, the
22 Director of Finance may authorize the withdrawal from the General
23 Fund of an amount not to exceed the amount of the unsold bonds
24 that have been authorized by the committee to be sold for the
25 purpose of carrying out this chapter. Any amounts withdrawn shall
26 be deposited in the fund. Any moneys made available under this
27 section shall be returned to the General Fund from proceeds
28 received from the sale of bonds for the purpose of carrying out
29 this chapter.

30 8879.92. The board may request the Pooled Money Investment
31 Board to make a loan from the Pooled Money Investment Account,
32 including other authorized forms of interim financing that include,
33 but are not limited to, commercial paper, in accordance with
34 Section 16312, for purposes of carrying out this chapter. The
35 amount of the request shall not exceed the amount of the unsold
36 bonds that the committee, by resolution, has authorized to be sold
37 for the purpose of carrying out this chapter. The board shall execute
38 any documents required by the Pooled Money Investment Board
39 to obtain and repay the loan. Any amounts loaned shall be

1 deposited in the fund to be allocated by the board in accordance
2 with this chapter.

3 8879.93. Notwithstanding any other provision of this chapter,
4 or of the State General Obligation Bond Law, if the Treasurer sells
5 bonds pursuant to this chapter that include a bond counsel opinion
6 to the effect that the interest on the bonds is excluded from gross
7 income for federal tax purposes, subject to designated conditions,
8 the Treasurer may maintain separate accounts for the investment
9 of bond proceeds and for the investment of earnings on those
10 proceeds. The Treasurer may use or direct the use of those proceeds
11 or earnings to pay any rebate, penalty, or other payment required
12 under federal law or take any other action with respect to the
13 investment and use of those bond proceeds required or desirable
14 under federal law to maintain the tax-exempt status of those bonds
15 and to obtain any other advantage under federal law on behalf of
16 the funds of this state.

17 8879.94. All moneys deposited in the fund that are derived
18 from premium and accrued interest on bonds sold pursuant to this
19 chapter shall be reserved in the fund and shall be available for
20 transfer to the General Fund as a credit to expenditures for bond
21 interest, except that amounts derived from premium may be
22 reserved and used to pay the cost of bond issuance prior to any
23 transfer to the General Fund.

24 8879.95. Pursuant to Chapter 4 (commencing with Section
25 16720) of Part 3 of Division 4, the cost of bond issuance shall be
26 paid out of the bond proceeds, including premium, if any. To the
27 extent the cost of bond issuance is not paid from premiums received
28 from the sale of bonds, these costs shall be shared proportionately
29 by each program funded through this chapter by the applicable
30 bond sale.

31 8879.96. The bonds may be refunded in accordance with Article
32 6 (commencing with Section 16780) of Chapter 4 of Part 3 of
33 Division 4, which is a part of the State General Obligation Bond
34 Law. Approval by the voters of the state for the issuance of the
35 bonds described in this chapter includes the approval of the
36 issuance of any bonds issued to refund any bonds originally issued
37 under this chapter or any previously issued refunding bonds.

38 8879.97. The Legislature hereby finds and declares that,
39 inasmuch as the proceeds from the sale of bonds authorized by
40 this chapter are not “proceeds of taxes” as that term is used in

1 Article XIII B of the California Constitution, the disbursement of
2 these proceeds is not subject to the limitations imposed by that
3 article.

4 SEC. 2. Section 2192 of the Streets and Highways Code is
5 amended to read:

6 2192. (a) (1) The Trade Corridors Improvement Fund, created
7 pursuant to subdivision (c) of Section 8879.23 of the Government
8 Code, is hereby continued in existence to receive revenues from
9 state sources other than the Highway Safety, Traffic Reduction,
10 Air Quality, and Port Security Bond Act of 2006. ~~This chapter
11 shall govern expenditure of those other revenues.~~

12 (2) *Revenues apportioned to the state under Section 167 of Title
13 23 of the United States Code from the national highway freight
14 program, pursuant to the federal Fixing America's Surface
15 Transportation Act ("FAST Act," Public Law 114-94) shall be
16 allocated for projects approved pursuant to this chapter.*

17 (b) *This chapter shall govern the expenditure of those state and
18 federal revenues described in subdivision (a).*

19 ~~(b) The moneys in the fund from these other sources~~

20 (c) *The funding described in subdivision (a) shall be available
21 upon appropriation for allocation by the California Transportation
22 Commission for infrastructure improvements in this state on
23 federally designated Trade Corridors of National and Regional
24 Significance, on the Primary Freight Network, and along other
25 corridors that have a high volume of freight movement, as
26 determined by the ~~commission~~ *commission and as identified in
27 the state freight plan developed and adopted pursuant to Section
28 13978.8 of the Government Code. In ~~determining~~ *prioritizing* the
29 projects ~~eligible~~ for funding, the commission shall consult the
30 ~~Transportation Agency's state freight plan as described in Section
31 13978.8 of the Government Code, the State Air Resources Board's
32 Sustainable Freight Strategy adopted by Resolution 14-2, and the
33 trade infrastructure and goods movement plan submitted to the
34 commission by the Secretary of Transportation and the Secretary
35 for Environmental Protection. The commission shall also consult
36 California Sustainable Freight Action Plan released in July 2016
37 pursuant to Executive Order B-32-15, trade infrastructure and
38 goods movement plans adopted by regional transportation planning
39 agencies, adopted regional transportation plans required by state
40 and federal law, and the ~~statewide applicable port master plan~~~~**

1 ~~when determining eligible projects for funding.~~ *plan. Eligible*
2 *projects for the funding described in subdivision (a) shall further*
3 *the state's economic, environmental, and public health objectives*
4 *and goals for freight policy, as articulated in the plans to be*
5 *consulted pursuant to this subdivision. Eligible projects for these*
6 ~~funds include, but are not limited to, all of the following:~~ *are as*
7 *follows:*

8 (1) ~~Highway~~ *Highway, local road, and rail capital and capacity*
9 *improvements, rail landside access improvements, landside freight*
10 *access improvements to airports, seaports, and land ports, and*
11 *operational improvements to more efficiently accommodate the*
12 *movement of freight, particularly for ingress and egress to and*
13 *from the state's land ports of*~~entry~~ *entry, rail terminals, and*
14 *seaports, including navigable inland waterways used to transport*
15 *freight between seaports, land ports of entry, and airports, and to*
16 *relieve traffic congestion along major trade or goods movement*
17 *corridors.*

18 (2) *Freight rail system improvements to enhance the ability to*
19 *move goods from seaports, land ports of entry, and airports to*
20 *warehousing and distribution centers throughout California,*
21 *including projects that separate rail lines from highway or local*
22 *road traffic, improve freight rail mobility through mountainous*
23 *regions, relocate rail switching yards, and other projects that*
24 *improve the efficiency and capacity of the rail freight system.*

25 ~~(3) Projects to enhance the capacity and efficiency of ports.~~

26 (3) *Infrastructure improvement projects to enhance the capacity*
27 *and efficiency of ports without having the effect of displacing*
28 *workers in port operations.*

29 (4) *Truck corridor and capital and operational improvements,*
30 ~~including~~ *including, but not limited to, dedicated truck facilities*
31 *or truck toll facilities.*

32 (5) ~~Border~~ *access capital and operational improvements that*
33 *enhance goods movement between California and Mexico and that*
34 *maximize the state's ability to access*~~coordinated border~~
35 ~~infrastructure~~ *funds made available to the state by federal law.*

36 (6) *Surface transportation and connector road capital and*
37 *operational improvements to effectively facilitate the movement*
38 *of goods, particularly for ingress and egress to and from the state's*
39 *land ports of entry, airports, and seaports, to relieve traffic*
40 *congestion along major trade or goods movement corridors.*

1 ~~(e) (1) the commission shall allocate funds for trade~~
2 ~~infrastructure improvements from the fund consistent with Section~~
3 ~~8879.52 of the Government Code and the Trade Corridors~~
4 ~~Improvement Fund (TCIF) Guidelines adopted by the commission~~
5 ~~on November 27, 2007, or as amended by the commission, and in~~
6 ~~a manner that (A) addresses the state's most urgent needs, (B)~~
7 ~~balances the demands of various land ports of entry, seaports, and~~
8 ~~airports, (C) provides reasonable geographic balance between the~~
9 ~~state's regions, and (D) places emphasis on projects that improve~~
10 ~~trade corridor mobility while reducing emissions of diesel~~
11 ~~particulate and other pollutant emissions.~~

12 *(d) (1) In evaluating the program of projects to be funded with*
13 *funds described in paragraph (2) of subdivision (a), the commission*
14 *shall evaluate the total potential economic and noneconomic*
15 *benefits of the program of projects to California's economy,*
16 *environment, and public health. The commission shall consult with*
17 *the agencies identified in Executive Order B-32-15 and*
18 *metropolitan planning organizations in order to utilize the*
19 *appropriate models, techniques, and methods to develop the*
20 *parameters for evaluating the program of projects. The commission*
21 *shall allocate the funding described in paragraph (2) of subdivision*
22 *(a) for trade infrastructure improvements as follows:*

23 *(A) One hundred fifty million dollars (\$150,000,000) shall be*
24 *dedicated exclusively to fund improvements to California's existing*
25 *or planned land ports of entry on the border with Mexico. The*
26 *department, in consultation with the San Diego Association of*
27 *Governments and the Imperial County Transportation Commission,*
28 *shall nominate a program of projects for funding allocations that*
29 *make border capital and operational improvements to enhance*
30 *goods movement between California and Mexico and contribute*
31 *to the reduction of emissions.*

32 *(B) Seventy million dollars (\$70,000,000) shall be dedicated*
33 *exclusively to fund projects for the elimination, alteration, or*
34 *improvement of hazardous railroad-highway grade crossings.*
35 *Projects shall be jointly nominated by the department and a*
36 *regional transportation agency.*

37 *(C) Three hundred sixty million dollars (\$360,000,000) shall*
38 *be available for projects nominated by regional transportation*
39 *agencies and other public agencies, including counties, cities, and*
40 *port authorities, in consultation with the department, and consistent*

1 with corridor-based programming targets contained in the Trade
2 Corridors Investment Fund (TCIF) Guidelines adopted by the
3 commission on November 27, 2007, or as amended by the
4 commission, to provide reasonable geographic targets for funding
5 allocations without constraining what an agency may propose or
6 what the commission may approve. However, the San Diego
7 Association of Governments, the Imperial County Transportation
8 Commission, and other public agencies in San Diego and Imperial
9 Counties shall be excluded from nominating projects under this
10 subparagraph.

11 (2) The commission shall proportionately adjust the amounts
12 in subparagraphs (A), (B), and (C) of paragraph (1) if the amount
13 of funds described in paragraph (2) of subdivision (a) is less than
14 or greater than five hundred eighty million dollars (\$580,000,000).

15 (3) The commission shall adopt guidelines to allocate the
16 funding described in subdivision (a) for trade infrastructure
17 improvements in a manner that (A) addresses the state's most
18 urgent needs, (B) balances the demands of various land ports of
19 entry, seaports, and airports, (C) provides reasonable geographic
20 balance between the state's regions, (D) places emphasis on
21 projects that improve trade corridor mobility and safety while
22 reducing emissions of diesel particulates, greenhouse gases, and
23 other pollutants and reducing other negative community impacts,
24 and (E) makes a significant contribution to the state's economy.
25 The commission shall adopt any amendments to the 2007 guidelines
26 no later than 90 days after the effective date of the act adding this
27 paragraph in the 2017–18 Regular Session.

28 (4) In adopting amended guidelines, and developing and
29 adopting the program of projects, the commission shall do all of
30 the following:

31 (A) Accept nominations for projects to be included in the
32 program of projects from regional and local transportation
33 agencies and the department.

34 (B) Recognize the key role of the state in project identification
35 and support integrating statewide goods movement priorities into
36 the corridor approach.

37 (C) Give the highest priority for funding allocations to projects
38 jointly nominated by the department and a regional or other public
39 agency.

40 (2)

1 (5) In addition, the commission shall also consider the following
2 factors when allocating ~~these funds~~: *funds under this section*:

3 (A) “Velocity,” which means the speed by which large cargo
4 would travel from the land port of entry or seaport through the
5 distribution system.

6 (B) “Throughput,” which means the volume of cargo that would
7 move from the land port of entry or seaport through the distribution
8 system.

9 (C) “Reliability,” which means a reasonably consistent and
10 predictable amount of time for cargo to travel from one point to
11 another on any given day or at any given time in California.

12 (D) “Congestion reduction,” which means the reduction in
13 recurrent daily hours of delay to be achieved.

14 SEC. 3. Section 1 of this act shall become operative upon the
15 adoption by the voters of the Goods Movement and Clean Trucks
16 Bond Act, as set forth in Section 1 of this act.

17 SEC. 4. The Secretary of State shall submit the Goods
18 Movement and Clean Trucks Bond Act, as set forth in Section 1
19 of this act, to the voters at the June 5, 2018, statewide primary
20 election.

Attachment 5

LEGISLATIVE COMMITTEE MEETING
January 13, 2017

AGENDA ITEM #4

DRAFT LANGUAGE

HSC 42452.5.

(a) If the air pollution control officer determines that a person is constructing or operating any article, machine, equipment, or other contrivance without a permit required by this part, or is in violation of Section 41700 or 41701 or of any order, rule, or regulation prohibiting or limiting the discharge of air contaminants into the air and that the violation presents an imminent and substantial endangerment to the public health or welfare, or the environment, the air pollution control officer may issue an order of abatement to the person pending a hearing pursuant to Section 42450. The order shall be effective upon the notification of the person of the order. In notifying the person, the air pollution control officer shall also provide that person with an accusation specifying the grounds on which the order is issued and procedures by which the person may challenge the order.

(b) Upon receipt by the air district of a notice of defense to the accusation from the person, the air district shall, within 15 days, set the matter for a hearing pursuant to this article, which shall be held as soon as possible, but not later than 30 days after the receipt of the notice.

(c) The order shall remain in effect until the hearing is completed and the hearing board has made a final determination on the merits, which shall be made within 60 days after the completion of the hearing. If the determination is not transmitted within this period, the order shall be of no further effect.

Attachment 6

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT HOME RULE ADVISORY GROUP

MINUTES November 9, 2016

CHAIR

Dr. Joseph Lyou, Governing Board member

MEMBERS

Present: The following members participated from Conference Room CC-8 at SCAQMD: Jill Whynot; Curt Coleman; Jaclyn Ferlita; Jayne Joy; Bill LaMarr; Dan McGivney; Bill Quinn; and David Rothbart;. The following members participated by conference call: Chris Gallenstein (CARB); and Rongsheng Luo (SCAG).

Absent: Mike Carroll; Michael Downs; Adrian Martinez; Art Montez; Terry Roberts; Larry Rubio; Larry Smith; TyRon Turner; and Morgan Wyenn

AQMD STAFF

Philip Crabbe; Eugene Kang; Susan Nakamura; Bill Wong; and Ann Scagliola

OTHER ATTENDEES

Mark Abramowitz (Board Consultant to Dr. Lyou); Andy Steckel (EPA); Wienke Tax (EPA); Rita Loof (Radtech); Bill Pearce (Boeing); and Ron Wilkniss (WSPA)

WELCOME/INTRODUCTIONS

The meeting was called to order at 10:00 a.m. by Dr. Joseph Lyou (Chairman). Participants at the meeting were Jill Whynot (SCAQMD); Susan Nakamura (SCAQMD); Bill Wong (SCAQMD); Curt Coleman (Southern California Air Quality Alliance); Bill LaMarr (California Small Business Alliance); Jayne Joy (Eastern Municipal Water District); Jaclyn Ferlita (Air Quality Consultants); Dan McGivney (So Cal Gas); and David Rothbart (Los Angeles County Sanitation Districts). The following members participated by conference call: Chris Gallenstein (CARB); Rongsheng Luo (SCAG); Andy Steckel (EPA) and Wienke Tax (EPA).

OPENING COMMENTS

Dr. Lyou and other Advisory Group members discussed the Presidential election results.

MINUTES

Dr. Lyou asked for comments on the minutes from the September 21, 2016 Home Rule Advisory Group meeting. Hearing none, the minutes were approved.

EPA AND FEDERAL ACTIVITIES

Wienke Tax provided an update on recent U.S. EPA and federal activities.

- On November 2, 2016, the 2015 Ozone SIP Requirements Rule Proposal was signed
- On November 1, 2016, EPA published the proposal to approve the Coachella Valley 1997 Ozone SIP.

- On November 3, 2016, EPA published the proposal to partially approve and partially disapprove the South Coast Air Quality Management District's (SCAQMD) 2008 Ozone RACT SIP.
- EPA anticipates a final approval of the SCAQMD SOON Program, an incentive program for off-road fleets.
- EPA is considering how to respond to the On-Road Heavy Duty NO_x petition.
- EPA acknowledged they are officially in the transition period between Administrations.

Discussion

Dr. Lyou requested an explanation of the partial disapproval of the SCAQMD's 2008 Ozone RACT SIP. Ms. Tax indicated that the version of RECLAIM within the 2008 SIP is the 2010 version, and not all RECLAIM sources had a RACT level of control.

Bill Quinn inquired if the amendments adopted by the SCAQMD Board in December 2015 address this issue, or is there an outstanding issue that needs to be addressed? Ms. Tax replied that once it can be demonstrated that the modifications meet RACT, the disapprovals would be remedied.

CARB REGULATORY ACTIVITIES

Chris Gallenstein requested input from members on topics of interest for future 2017 meetings and provided some topics from an earlier discussion with Dr. Lyou.

- Why did ARB Board send back the PM_{2.5} Plan for the San Joaquin AQMD?
- Scoping Plan Measures

Bill Quinn inquired about the status of the December RECLAIM package and if any updates could be provided. Mr. Gallenstein commented that he could forward this recommendation onto appropriate ARB staff for a future discussion.

Jill Whynot indicated that this could possibly be a topic for a future RECLAIM Working Group meeting. Dr. Lyou commented that this would be a good topic for the January 2017 Home Rule Advisory Group meeting, if not being discussed at the next RECLAIM Working Group meeting.

Additional topics of interest for 2017 meetings, from the group discussion, included:

- SB 375 - The Sustainable Communities and Climate Protection Act of 2008
- Proposed Short-Lived Climate Pollutant Reduction Strategy
- Mobile Source Strategy
- Federal regulation for landfills

Chris Gallenstein reported on the following items discussed at the CARB Board meeting on October 20, 2016, as well as items to be discussed at the November 17, 2016 meeting.

October 20, 2016

- Considered the 2016 PM_{2.5} State Implementation Plan for the San Joaquin Valley
- Considered the proposed regulation to provide certification flexibility for heavy duty engines and California certification and installation procedures for medium- and heavy-duty vehicle hybrid conversion systems
- Considered modifications to the fiscal year 2016-17 Funding Plan for low carbon transportation and fuels investments and the Air Quality Improvement Program

November 17, 2016

- 2016 Legislative Update
- Proposed amendments to the evaporative emission requirements for small off-road engines
- Informational update on the AB 32 scoping plan development
- Annual update on the Cap-and-Trade Program
- Update on the Cap-and-Trade adaptive management process

LEGISLATIVE UPDATE

Philip Crabbe provided a recap on the following items from the October 2016 Legislative Committee meeting.

There was an update provided on the Governor’s Final Actions on 2015/16 Legislation. In Sacramento, the state’s legislative session officially ended on August 31st which marked the end of the two-year 2015/2016 legislative cycle. Climate change goals, the cap-and-trade program, and distribution of the Greenhouse Gas Reduction Fund (GGRF) monies took center stage to finish off the legislative year. In the end, through budget bill AB 1613, \$900 million was allocated, based on an agreement between the Governor and Legislative Leadership, with \$462 million left in reserve for future appropriation. The cap-and-trade program and its 2020 sunset, was not addressed, however SB 32 (Pavley) was approved and signed by the Governor to establish greenhouse gas reduction targets to 40% below 1990 levels by 2030. Governor Brown had until September 30th to take final action on bills sent to his desk by the Legislature. Overall, the Governor vetoed 15% of the 1,059 bills sent to him this year.

Following is a summary of SCAQMD position bills and bills of interest and their final dispositions based on the actions of the Legislature and the Governor:

SCAQMD Position Bills

AB 1550 (Gomez) - Greenhouse gases: investment plan: disadvantaged communities
Requires 25% of GGRF moneys to fund projects in disadvantaged communities. Requires an additional 5% to projects that benefit low-income households located within low-income communities anywhere in the state. Requires an additional 5% to fund projects that benefit low-income households within a 1/2 mile of DACs.
POSITION: Support STATUS: Chaptered

SB 380 (Pavley) - Natural gas storage: moratorium
Immediate moratorium on natural gas injections at Aliso Canyon storage facility.
POSITION: Support STATUS: Chaptered

SB 887 (Pavley) - Natural gas storage wells
DOGGR to inspect before 2018, and annually thereafter, and set standards for natural gas storage wells. Older wells to be phased out.
POSITION: Support and Continue to Work with Author STATUS: Chaptered

SB 888 (Allen) - Gas corporations: emergency management: leak mitigation
Establishes OES as the lead agency for emergency response to leak of natural gas from natural gas storage facility.
POSITION: Support and Continue to Work with Author STATUS: Chaptered

Other State Bills of Interest

A118 (Santiago) - Hazardous substances: cleanup: Exide Technologies facility
Appropriates \$176 million loaned to DTSC from the General Fund for Exide cleanup, job training and pursuit of responsible parties.

SB 93 (De León) - Budget Act of 2015
\$176 million loan from General Fund to DTSC for Exide cleanup.

STATUS: Both Chaptered

AB 2153 (Garcia, Cristina) - The Lead-Acid Battery Recycling Act of 2016
This bill requires a battery dealer to accept, at the point of transfer, used lead-acid batteries and prohibits the dealer from charging a fee. Requires a dealer to collect a refundable deposit for each new lead-acid battery from a person who purchases the battery but who does not simultaneously provide a used lead-acid battery.

STATUS: Chaptered

AB 1697 (Bonilla) - Alternative and Renewable Fuel and Vehicle Technology Program
Includes clean job promotion as a prioritization factor for project selection.

STATUS: Chaptered

SB 859 (Committee on Budget and Fiscal Review) - Public resources: greenhouse gas emissions and biomass
This budget trailer bill was the vehicle that, among other things, makes changes to the CVRP program to have stricter income limits (e.g. \$150,000 for single filers) and increases the incentive for low income applicants by \$500

STATUS: Chaptered

AB 2722 (Burke) - Transformative Climate Communities Program
Creates the Transformative Climate Communities Program, funded by \$140 million in GGRF monies, to reduce GHG and benefit disadvantaged communities.

STATUS: Chaptered

838 (budget bill)
One of the late budget trailer bills that included language removing the cap on the Green sticker program to allow for more alternative fuel single occupant vehicles access to HOV lanes. This program sunsets January 1, 2019.

STATUS: Chartered

AB 197 (Garcia, Eduardo) - State Air Resources Board: greenhouse gases: regulations
Adds two Members to the Legislature to the CARB board as ex officio, nonvoting members. Provides that voting members of the CARB board are appointed for staggered 6-year terms and upon expiration of the term of a voting member, they may be reappointed. Bill also directs CARB to "prioritize direct emission reductions" from stationary sources. Double joined to SB 32 (Pavley).

STATUS: Chaptered

SB 1383 (Lara) - Short-lived climate pollutants: methane emissions: dairy and livestock: organic waste: landfills
CARB to approve & begin implementing strategy to reduce short-lived climate pollutant emissions below 2013 levels by 2030.

STATUS: Chaptered

Note: There was no Legislative Committee in November 2016. Instead the Administrative Committee considered one legislative item at their November 2016 meeting: the draft 2017 SCAQMD State and Federal Legislative Goals and Objectives.

UPDATE REGARDING LITIGATION ITEMS AND RELATED EPA ACTIONS

William Wong provided an update to Cases 5 and 7 (World Logistics Center) on the litigation status report, and indicated that the SCAQMD has reached a settlement with the developer.

Discussion

Dan McGivney inquired if the settlement funds from these cases are designated for a specific area. Staff replied that the settlement does not specify this.

Jayne Joy inquired if the settlement funds are directed towards mobile sources. Staff replied that we will seek Board direction on how they want these funds spent. Dr. Lyou added that the Board usually directs staff to use the funds in the impacted areas.

EPA, CARB AND SCAQMD COORDINATION ON IMPLEMENTATION OF NON-PFOS FUME SUPPRESSANTS

Susan Nakamura provided an overview of agency coordination for implementation of non-PFOS fume suppressants, and an overview of the 2012 revision to EPA's NESHAP for Hard and Decorative Chromium Electroplating and Chromium Anodizing Tanks which prohibited the use of PFOS in fume suppressants effective September 21, 2015. Also provided was background information on how SCAQMD coordinated with CARB to certify non-PFOS fume suppressants and to work with facilities through the permitting process.

Discussion

Bill LaMarr inquired about the various types of controls. Staff replied that it would vary based on companies' operations and this will be considered during rule development.

Dr. Lyou inquired about providing options to chrome platers for emission controls and monitoring. Staff replied that some of this monitoring can be difficult, and requires special monitors and analysis.

Public Comment

Bill Pearce inquired about the possibility of streamlining the recordkeeping requirements when this rule comes up for adoption. Staff replied that this request will be considered.

CONSENSUS BUILDING

There was no report.

SUBCOMMITTEE STATUS REPORTS

A. Freight Sustainability (Dan McGivney)

There was no report.

Dr. Lyou reported that on November 17, 2016 the Port of Los Angeles is expected to release their Clean Air Plan 3.0 Proposal.

B. Small Business Considerations (Bill LaMarr)

There was no report.

C. Environmental Justice (Curt Coleman)

There was no report.

Jill Whynot reported that SCAQMD is having an Environmental Justice Conference on November 16, 2016 at The Center at Cathedral Plaza, in downtown Los Angeles.

D. New Source Review (Bill Quinn)

There was no report.

E. Climate Change (David Rothbart)

There was no report.

REPORT FROM AND TO THE STATIONARY SOURCE COMMITTEE

The following items were discussed at the October 2016 meeting, or are on the agenda for the November 2016 meeting.

October 2016

- Request by City of Newport Beach for Board to add Rule 444 – Open Burning to the Rule Forecast Calendar
- Report on Alkylation Technology Study by Norton Engineering Consultants
- Updates to the Facility Prioritization Procedures and Supplemental Guidelines for the AB 2588 Program

November 2016

- BACT Guidelines and Charter for BACT Scientific Review Committee
- Assessment of tertiary-Butyl Acetate (tBac)
- Report on Rule 1147 Technology Assessment

APPROVAL OF THE 2017 HRAG MEETING SCHEDULE

The Home Rule Advisory Group confirmed and Dr. Lyou approved the following meeting schedule for 2017.

January 11	May 10	September 13
March 8	July 12	November 8

Note: All meetings are scheduled to begin at 10:00 a.m. and will be held in Conference Room CC-8.

DRAFT 2016 ACCOMPLISHMENTS, 2017 GOALS & OBJECTIVES AND MISSION STATEMENT

Dr. Lyou asked for comments on the Home Rule Advisory Group 2016 Accomplishments and 2017 Goals and Objectives, and requested that members provide edits and updates by email.

It was determined that starting with the January 2017 meeting, the New Source Review Subcommittee report will only appear on meeting agendas when there are activities to report on.

After discussion and approval from Dr. Lyou, the Home Rule Advisory Group Mission Statement was revised as follows:

The mission of the Home Rule Advisory Group is to seek consolidation and consistency of federal, state, and local regulations to streamline regulatory compliance while achieving and fulfilling air quality goals and requirements. The group will focus on regulatory proposals and compliance issues that impose duplicative, conflicting or burdensome requirements. These goals will be accomplished by making recommendations including alternatives to the Stationary Source Committee on those issues that the group identifies, as well as pending legislation, litigation and regulatory proposals that have the potential to impose an unreasonable compliance burden on local businesses. The anticipated result is the development of recommendations that support reasonable and efficient approaches to attaining clean air goals.

Public Comment

Rita Loof (RadTech) is supportive of the revised Mission Statement.

OTHER BUSINESS

The membership roster for the term 2017-2019 has only a few changes. There will be a couple of changes to the environmental representative's membership, with the removal of Adrian Martinez and the addition of Penny Newman.

PUBLIC COMMENT

Rita Loof (RadTech) mentioned an audit conducted by EPA on the District's Title V program, which she has been unable to locate on the SCAQMD website.

ACTION ITEM – Jill Whynot commented that she could provide a copy of the Executive Summary and evaluation received from U.S. EPA, in regards to the Title V audit.

ADJOURNMENT

The meeting was adjourned at 12:15 p.m. The next meeting of the Home Rule Advisory Group is scheduled for 10:00 a.m. on January 11, 2017, and will be held at SCAQMD in Conference Room CC-8.

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BOARD MEETING DATE: February 3, 2017

AGENDA NO. 20

REPORT: Mobile Source Committee

SYNOPSIS: The Mobile Source Committee met on Friday, January 20, 2017. Following is a summary of that meeting. The next Mobile Source Committee meeting is scheduled for Friday, February 17, 2017 at 9:00 a.m.

RECOMMENDED ACTION:
Receive and file.

Dr. Joseph Lyou, Vice Chair
Mobile Source Committee

PMF:afm

Attendance

Committee Members Dr. Joseph Lyou, Sheila Kuehl, Larry McCallon and Judith Mitchell attended at SCAQMD headquarters. Committee Chair Dr. Clark E. Parker, Sr. was absent; Vice Chair Dr. Lyou called the meeting to order at 9:00 a.m.

INFORMATIONAL ITEMS:

1) SCAQMD Mobile Source Authority

Barbara Baird, Chief Deputy Counsel, presented on this item. Ms. Baird explained that under state law, in general CARB has authority over motor vehicles, while the air districts have authority over all other sources. She explained the exceptions to this principle. Air districts are authorized under state law to adopt indirect source control measures and transportation control measures, and the SCAQMD may adopt fleet rules, which will be discussed in the next item. The Clean Air Act (CAA) preempts most state and local emission standards for motor vehicles and non-road engines, except CARB may adopt such measures with U.S. EPA approval. But the Clean Air Act does not preempt “use and operation” measures that are not tailpipe standards, such as idling limits. Also SCAQMD may adopt rules that offer a

preempted alternative if there is a reasonable non-preempted alternative method of compliance.

Transportation control measures are strategies designed to reduce vehicle trips, vehicle use, vehicle miles traveled, vehicle idling, or traffic congestion. These are not emission standards and are not preempted by the CAA. Examples are HOV lanes and CARB's idling rules. CAA Section 108(f) lists examples. Vehicle Code Section 21 prohibits local regulation on areas covered by the Vehicle Code and may limit transportation controls.

Indirect source rules apply to facilities or installations that attract mobile sources. (CAA §110(a)(5)(C)). State law authorizes districts to implement such rules; Health & Safety Code §40716, 40440(a). An example is the San Joaquin Valley rule that requires new development to reduce emissions by a specific percentage, or pay a fee which the district uses to reduce emissions from other sources. Another example is the SCAQMD ridesharing Rule 2202 which offers a variety of compliance options. Characteristics of indirect source rules are that they apply to the entire facility or site, not a vehicle or a fleet; *National Association of Home Builders v. San Joaquin Valley Unified Air Pollution Control District*, 627 F. 3d. 730 (9th Cir. 2010). As a result, they are not preempted emission standards under the CAA. Often they can be met through operational limits, not tailpipe limits on mobile sources. The facility-based measures in the 2016 AQMP apply to indirect sources.

Indirect sources have argued that other federal statutes besides the Clean Air Act are preemptive, including the Interstate Commerce Commission Termination Act regarding rail operations and the Federal Aviation Administration Authorization Act regarding aircraft and commercial trucking. However, the Ninth Circuit has held that once a rule is approved by U.S. EPA into the state implementation plan, it is entitled to be "harmonized" with the allegedly preemptive federal statute and upheld wherever possible; *Association of American Railroads v. SCAQMD*, 622 F. 3d 1094 (9th Cir. 2010).

With regard to what SCAQMD can do if the Ports do not live up to any voluntary agreement they may make to reduce emissions, which was a question raised at the last Board Meeting, SCAQMD cannot adopt a rule requiring specific "tailpipe" standards for mobile sources. SCAQMD can adopt a rule requiring facility-wide or port-wide emission reductions as an indirect source rule, which will be more likely to be upheld once approved by U.S. EPA.

Ms. Baird briefly summarized certain arguments being made by the Ports, such as that the Tidelands Trust would prohibit SCAQMD adopting a rule applicable to them, and that they have no control over their tenants' activities. Ms. Baird noted that the Ports' previous programs such as the Clean Trucks Program indicate that

they do have certain control over activities at the Ports and these types of programs are not inconsistent with the Tidelands Trust.

Supervisor Kuehl asked about warehouse areas, whether they could be aggregated, and whether a rule could consider cumulative impacts. Ms. Baird responded that there needs to be a responsible party for the rule to apply to. If one entity is responsible for more than one warehouse they could be aggregated. Rules can include more stringent requirements for facilities in certain locations, such as our toxics rules which include more stringent requirements for sources near sensitive receptors.

Councilmember Mitchell asked whether we need to state specific names of warehouses subject to a rule, and can we distinguish among different warehouses such as based on size? Ms. Baird replied that each warehouse does not need to be listed in the rule, and a rule can make distinctions among different types of warehouses.

Dr. Lyou asked how far the District's authority goes under use and operation. Ms. Baird replied that we can adopt limits on operations, such as mass caps. Dr. Philip Fine, Deputy Executive Officer/Planning, Rules Development & Area Sources, reminded the Committee that the SCAQMD can adopt a rule that offers an option between complying with a use limit and a tailpipe standard.

Dr. Lyou asked if there could be a rule that says you can buy a certain vehicle but you cannot use it. Ms. Baird replied that this would probably be considered as a preempted emission standard.

Dr. Lyou asked whether our authority extends to roadways, e.g. could we require clean vehicle lanes on the 710 Freeway and if this would be considered a Transportation Control Measure (TCM)? Ms. Baird said this would fit within the definition of a TCM, but further research regarding the transportation planning process and federal requirements would be needed to provide a complete answer.

Dr. Lyou recommended that the SCAQMD should use partnerships with other entities and should maximize use of our mobile source authority.

There were no public comments on this item.

2) Update on South Coast AQMD Clean Fleet Vehicle Rules

Henry Hogo, Assistant Deputy Executive Officer/Science & Technology Advancement, provided an update on the implementation of the SCAQMD Clean Fleet Vehicle Rules. Mr. Hogo provided background information regarding the

SCAQMD's authority under the Health and Safety Code (HSC) to adopt regulations that require public and private fleets with 15 or more vehicles to acquire alternative fuel vehicles at the time the fleet is purchasing or leasing new vehicles to add or replace vehicles to their fleet. HSC Section 40447.5 provides the SCAQMD primary authority. In addition, HSC Section 40919(a)(4) provides that air districts with serious or worse nonattainment designations shall include measures in their attainment plan to "achieve the use of low-emission motor vehicles". The Draft Final 2016 AQMP contains measures that meet the provisions of this section. The definition of low-emission vehicles as defined in HSC 39037.05 precludes any vehicle operating on diesel fuel. Mr. Hogo discussed the various court decisions on the Fleet Rules and the settlement with the Engine Manufacturers Association that the Fleet Rules would be enforced only on vehicles owned or leased by public agencies or vehicles owned by private fleets providing services to public agencies under contract or exclusive agreements.

Mr. Hogo discussed the implementation of the Fleet Rules since Board adoption in 2000 and 2001. There are seven fleet rules that cover light-duty to heavy-duty vehicles owned by public agencies and certain private fleets which are under contract or exclusive agreement with public agencies, such as refuse collection services. Mr. Hogo indicated that Fleet Rule implementation has been very successful over the last 15 years. Mr. Hogo presented a snapshot of the number of natural gas vehicles operating in the SCAQMD in 2004 compared to the number operating in 2016. The number of transit buses doubled in this time period while the number of refuse trucks tripled in the same period. Mr. Hogo indicated that the number of natural gas refueling stations increased from 23 stations to over 200 stations from 2004 to 2016.

Mr. Hogo discussed staff's efforts to encourage fleets to purchase near-zero alternative fuel vehicles and zero-emission vehicles to comply with the Fleet Rules and the funding available for the purchase of near-zero and zero emission vehicles. In addition, an 11.9 liter near-zero natural gas engine is under development and will be available in the next 12-18 months. There was a discussion on CARB's efforts to adopt new ultra-low-NOx engine standards. Mr. Hogo concluded with a discussion of the Draft Final 2016 AQMP Control Measure MOB-08 where potentially the Fleet Rules could be expanded to the private sector. However, based on the current provisions of HSC Section 40447.5, legislative changes may be required for the rules to be effective in helping the region attain federal air quality standards in the near-term. As such, there is a desire to work with the trucking industry to see if there are actions that could lead to emission reduction in the near-term.

Dr. Lyou asked whether a vehicle with an overhead catenary providing power to an electric motor, but also operating on diesel fuel when the overhead catenary is not connected, would be allowed under the Fleet Rules. Mr. Hogo indicated that it

would not be allowed. However, the Fleet Rules do allow a small number of advanced technology vehicles if the vehicles have experimental permits. In addition, there are provisions to allow diesel vehicles if there are no commercially available alternative fueled vehicles.

Supervisor Kuehl asked for clarification regarding the gasoline definition under HSC Section 39037.05. Mr. Hogo indicated that the standards are established by CARB.

Supervisor Kuehl asked what percentage of the total vehicle population by vocation that the natural gas vehicles represent. Mr. Hogo indicated that it depended on the vocation. For transit buses, all of the large transit agencies purchase alternative fueled vehicles and the transit fleet is almost 100 percent natural gas buses. For refuse collection vehicles, it is around 50 percent since the fleet rules do not apply to private fleets that are not under contract or exclusive agreement with public agencies. Dr. Lyou commented that with refuse trucks, a large number of natural gas trucks have been purchased which help reduce the differential cost of the trucks compared to their diesel counterparts. Mayor Pro Tem McCallon noted that the weight of the refuse trucks contribute to the deterioration of surface streets.

Councilmember Mitchell commented that there are efforts underway to develop a near-zero diesel engine. Karen Magliano – Division Chief/Air Quality Planning and Science Division at CARB, responded that this will be beneficial, especially for interstate fleets.

Supervisor Kuehl commented that there has been a large amount of resources placed on advanced technology development and asked if there are tangible results from these efforts. Dr. Lyou commented that a Clean Fuels Program Annual Report will be brought to the Board which will discuss the results of many of these efforts. Wayne Nastri, Executive Officer, commented that there are many ways to measure the results and reduction in premature deaths is one of the measurable health impacts. Supervisor Kuehl asked how progress in air quality itself is measured. Dr. Lyou indicated that it can be done through both emission modeling and air quality measurements. Mayor Pro Tem McCallon commented that results are also dependent on cost-effectiveness which varies depending on the technology. Dr. Lyou indicated that benefits from some investments may occur in the longer-term.

Supervisor Kuehl asked if there are fleets that are being incentivized that are not subject to the Fleet Rules. Mr. Hogo indicated that it is primarily private fleets in the goods movement sector. Councilmember Mitchell asked for a clarification on the SCAQMD's authority over drayage fleets and how getting reductions from this sector is addressed. Dr. Fine indicated that a private fleet rule could be developed, but with the challenges discussed. Ms. Magliano indicated that the state has a drayage truck regulation which is now part of the Truck and Bus Regulation. The

question is how to effectively move forward from the current regulation. Mr. Hogo commented that SCAQMD staff is working with CARB to encourage private fleets to purchase zero and near-zero emission vehicles as they comply with the Truck and Bus Regulation.

Dr. Lyou asked if there are activities to update the fleet rule provisions of the Health and Safety Code. Councilmember Mitchell indicated that there have not been. Dr. Lyou requested that the Legislative Committee consider amendments to the HSC provision.

Mr. Harvey Eder commented that the 2016 AQMP is a “natural gas” plan and it violated the HSC Section 53002(b) provisions on fossil-based fuels. Mr. Eder indicated that he has been talking with staff on the need to go to solar as soon as possible. Mr. Nastri indicated that he plans to meet with Mr. Eder to discuss his comments.

Mr. Bill Pearce, Boeing Company, commented that his company has been making significant investments in on-road vehicles and off-road equipment in order to meet CARB requirements. Mr. Pearce wanted to make sure that as the SCAQMD is considering new requirements that their efforts will be taken into account.

3) Draft 2016 AQMP Proposed Approach on Mobile Source

Dr. Philip Fine, outlined the overall mobile source strategy proposed in the 2016 Air Quality Management Plan (AQMP or Plan) including the State-level commitment for mobile source emission reduction needs. He noted the strategy would be fulfilled with a combination of proposed regulations, such as ultra-low-NOx engine standards, and advanced deployment of cleaner technologies through new regulatory action, system efficiencies, local facility-based measures, and incentives.

Dr Fine discussed the proposed facility-based measures for ports, railyards, warehouses, airports and new and re-development that would involve working groups to identify actions that result in quantifiable, enforceable emission reductions. If, after one year, there is no agreement, the staff can quickly proceed to formal rulemaking.

Finally, Dr. Fine highlighted the mobile source control measure (MOB-08) that commits to enhanced fleet rules where feasible through rule amendments that could be designed like the SOON program, including an enforceable mechanism to accelerate deployment of low-NOx engines, and/or expand public fleet rules to private fleets. Voluntary or non-monetary incentives are other potential options to achieve reductions.

Supervisor Kuehl sought clarification that staff would report to the Board with proposed recommendations on how to proceed with implementing the facility-based control measures after one year. Staff emphasized that the year would be spent in a collaborative effort with affected stakeholders similar to a formal rulemaking process. Dr. Lyou viewed rulemaking as an important option in negotiating any agreement.

Councilmember Mitchell asked if the timeline was provided in the Plan and staff affirmed that the timeline to reporting to the Board is provided in each of the facility-based control measure write-ups (*Appendix IV-A*). Mr. Nastri added that the pivot to rulemaking after one year if no agreement is reached was included during the revisions to the original draft Plan. Dr. Lyou suggested strong maintenance of transparency and public participation to avoid past controversial actions such as CARB's contentious MOU with the railroads.

David Pettit from the Natural Resources Defense Council (NRDC) stressed the need for the AQMP to have enforceable measures and not solely rely on CARB to achieve reductions. He was concerned that the facility-based measures did not provide, in terms of emission reductions and timing, the specific trigger for the pivot to rulemaking, especially since the specific emission reductions for the facility-based measures were not included in the Plan.

WRITTEN REPORTS:

4) Rule 2202 Activity Report

The report was received as submitted.

5) Monthly Report on Environmental Justice Initiatives – CEQA Document Commenting Update

The report was received as submitted.

OTHER BUSINESS:

None

PUBLIC COMMENTS:

None

The meeting was adjourned at approximately 10:29 a.m.

Attachment

Attendance Roster

**SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
MOBILE SOURCE COMMITTEE MEETING
Attendance Roster – January 20, 2017**

Dr. Joseph Lyou	SCAQMD Governing Board
Supervisor Sheila Kuehl	SCAQMD Governing Board
Mayor Pro Tem Larry McCallon.....	SCAQMD Governing Board
Councilmember Judith Mitchell	SCAQMD Governing Board
Board Consultant Mark Abramowitz	SCAQMD Governing Board (Lyou)
Board Consultant Ron Ketcham	SCAQMD Governing Board (McCallon)
Board Consultant Marisa Perez	SCAQMD Governing Board (Mitchell)
Karen Magliano	CARB Staff
Rick Cameron	Port of Long Beach
Heather Tomley	Port of Long Beach
Chris Cannon	Port of Los Angeles
Curt Coleman.....	Southern California Air Quality Alliance
Harvey Eder.....	Public Solar Power Coalition
Matt Francois	Rutan & Tucker
Sue Gornick	Western States Petroleum Association
Peter Herzog	NAIOP SoCal and Inland Empire
William LaMarr.....	California Small Business Alliance
Noel Muyco	SoCal Gas
Bill Pearce.....	The Boeing Company
David Rothbart	L.A. Sanitation Districts
Susan Stark	Tesoro
Wayne Nastri	SCAQMD Staff
Jill Whynot	SCAQMD Staff
Philip Fine.....	SCAQMD Staff
Barbara Baird.....	SCAQMD Staff
Matt Miyasato.....	SCAQMD Staff
Henry Hogo	SCAQMD Staff
Laki Tisopulos	SCAQMD Staff
Sam Atwood	SCAQMD Staff
Naveen Berry	SCAQMD Staff
Arlene Farol.....	SCAQMD Staff
Carol Gomez.....	SCAQMD Staff
Monika Kim.....	SCAQMD Staff
Michael Krause.....	SCAQMD Staff
Megan Lorenz.....	SCAQMD Staff
Fred Minassian	SCAQMD Staff
Anthony Oliver	SCAQMD Staff
Dean Saito.....	SCAQMD Staff
Ryan Stromar	SCAQMD Staff
Veera Tyagi	SCAQMD Staff
Kim White	SCAQMD Staff
Jillian Wong.....	SCAQMD Staff

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BOARD MEETING DATE: February 3, 2017

AGENDA NO. 21

REPORT: Stationary Source Committee

SYNOPSIS: The Stationary Source Committee met Friday, January 20, 2017. Following is a summary of that meeting.

RECOMMENDED ACTION:
Receive and file.

Ben Benoit, Chair
Stationary Source Committee

LT:eb

Attendance

The meeting began at 10:40 a.m. In attendance at SCAQMD headquarters were Committee Chair Ben Benoit and Committee Members Judith Mitchell, Dr. Joseph Lyou, Sheila Kuehl, and Janice Rutherford. Committee Member Shawn Nelson attended via videoconference.

ACTION ITEM

1. 2017 – 2019 Home Rule Advisory Group Membership Roster

Based on the Blue Ribbon Panel Recommendations and approval by the Board, the 2017 - 2019 Home Rule Advisory Group Membership Roster was submitted for concurrence of this Committee.

Moved (Dr. Lyou), seconded (Mitchell) and approved as recommended by the following vote:

Ayes: Benoit, Rutherford, Dr. Lyou, Mitchell, Kuehl

Noes:

Absent: Nelson

Supervisor Nelson joined the meeting at 10:45 a.m., and therefore did not participate in the vote.

INFORMATIONAL ITEMS

2. Summary of Proposed Rule 1430 - Control of Emissions from Metal Grinding Operations at Metal Forging Facilities

Acting Assistant Deputy Executive Officer/Planning, Rule Development & Area Sources Susan Nakamura presented the proposal for Proposed Rule (PR) 1430 – Control of Emissions from Metal Grinding Operations at Metal Forging Facilities. PR 1430 establishes requirements for metal forging facilities to reduce fugitive metal emissions coming from metal grinding and metal cutting operations. The proposed requirements include the installation and implementation of pollution controls at grinding operations, installation of total enclosures, total enclosures with negative air for facilities near sensitive land uses, and implementation of housekeeping measures. The public hearing for the proposed rule is scheduled for March 3, 2017.

Supervisor Kuehl encouraged staff to consider increasing the distance between the facility and a sensitive receptor from 300 feet to 500 feet for more stringent requirements. She expressed concern about the 14 children diagnosed with leukemia at one school in Paramount and that while the rule requirements may result in additional costs to industry, the County of Los Angeles cannot afford the cost of health impacts. Supervisor Kuehl also requested that staff provide systematic reports about the bag leak detection system and pressure drops to the Board.

Dr. Lyou commented that he supports Supervisor Kuehl's request and reminded staff that risk levels drop off at shorter distances they are not eliminated. Councilmember Mitchell added that she also supports Supervisor Kuehl's request and asked staff to explain why this industry is unregulated. Ms. Nakamura responded that the local community helped to identify this source through complaints received, and ambient air monitoring near Carlton Forge Works substantiated the air quality issue from grinding at metal forging facilities. Councilmember Mitchell also stated that there is a feeling in the community that we have not done enough and that the time taken to address their concerns is not acceptable. Also, use of business licenses is a good tool to identify unpermitted facilities with air quality issues in the future. Dr. Lyou agreed.

Dr. Lyou asked staff if titanium metals used at these facilities are toxic metals. Executive Officer Wayne Natri responded that part of the challenge is titanium metals used at facilities like Valley Forge contain traces of other toxic metals. Dr. Lyou also asked if facilities subject to PR 1430 have baghouses, and if so, can they provide staff information through this rule. Ms. Nakamura responded that PR 1430 has requirements for baghouse catch samples which will provide information on toxic content. Dr. Lyou commented that PR 1430 could have disincentives that trigger additional requirements, such as increased monitoring.

Councilmember Mitchell commented that we do not have authority for immediate shutdown; however, our staff began a very collaborative process with the Los Angeles County Department of Public Health to address facilities of concern. She also mentioned the potential for soil contamination in Paramount. Mr. Nastri responded that the state Department of Toxic Substances Control is a part of our multi-agency task force and they have in the past dealt with similar issues. Chief Operating Officer Jill Whynot also noted that staff is sharing information learned from the Paramount effort with other air districts and CARB. Supervisor Kuehl expressed concern that pollution in soil and waterways can get into food sources.

Mike Pearce, representing Dodge Oil, commented that his company supports the rule; however, he is concerned that going forward there are thousands of facilities that conduct metal grinding and it is important that future regulations address the issues in a comprehensive manner.

James Simonelli, representing California Metals Coalition, commented that he would like PR 1430 to distinguish between toxic and non-toxic pollutants. He also expressed concern that Valley Forge cannot comply with the rule as currently written and would like the rule to separate toxic metals from non-toxic metals.

Harvey Eder, representing the Public Solar Power Coalition, commented that the hexavalent chromium discussion reminded him of the movie about Erin Brockovich. Dr. Lyou responded that it is the same pollutant except in air and not water.

3. Status Report on Rule 1147 Technology Assessment

Tracy Goss, Planning and Rules Manager, presented an update on the Technology Assessment for Rule 1147 – NO_x Reductions from Miscellaneous Sources, specifically assessing small and low-emission sources; and the results of an outside independent review of staff's findings and recommendations regarding future rule amendments.

Supervisor Kuehl asked if there is any decision regarding multiple spray booths. Mr. Goss responded that some of the booths may need to be retrofitted with a fuel meter and timers so they can be looked at individually. Gary Quinn, Planning and Rules Program Supervisor, added that staff would work with the regulated community during rule development.

Paul Engel, consultant representing Handbill Printers, stated that it would be too costly to install low-NO_x burners for emission sources less than 1 lb/day. Mark Messick, owner of Handbill Printers, expressed concerns on the burden of retrofitting their recently relocated burners that initially were permitted in the mid-

1990s. Two to three of their burners emit less than 1 lb/day of NOx. Mr. Goss stated that staff will meet with Handbill Printers regarding their issue.

Tony Endres, President/FDI, stated that he has some questions and concerns on how the ETS evaluation of staff's Technology Assessment was conducted. Mr. Endres passed out copies of his comments of the ETS study. He also stated that ETS diminished certain important issues, one of which was the cost-effectiveness analysis. Mr. Endres quoted an example analysis he conducted for Press Coating which was included in his handout.

Gerry Bonetto, Vice president/Government Affairs for Printing Industries of California, further explained Handbill Printers' situation. Mr. Bonetto emphasized Handbill Printers' issue was due to relocation which triggered retrofit requirement. Mr. Bonetto was certain that the NOx emissions from these burners are less than 1 lb/day.

Bill LaMarr, Executive Director/California Small Business Alliance, stated that this rule is more damaging than it is beneficial to air quality. Mr. LaMarr strongly believes that less than 1 lb/day emission sources should be exempted from the rule. He also urged the staff to remove the word "relocate" from the proposed amended rule.

Angela Johnson Meszaros from EarthJustice urged staff to think in a more comprehensive approach and recognize where our burdens lie in reducing NOx emissions while making sure we attain the ambient health standards.

Councilmember Mitchell noted that small businesses are the backbone of our economy and we really need to work with them. She requested that staff respond to the 1 lb/day issue, Rule 222, and relocation language. Mr. Goss explained that relocation triggers New Source Review for permitted sources. Mr. Nastri affirmed that staff will work with the stakeholders on these issues. Supervisor Kuehl commented that there are consequences associated with relocation which may not seem to be fair but people have to comply with it. Dr. Lyou advocated to have emission reductions from larger sources (e.g., heavy-duty trucks) without having severe impact on local businesses.

4. Update on Proposed Rules 1304.2 and 1304.3

Tracy Goss presented a brief update on Proposed Rules 1304.2 and 1304.3, and electrical generating facility projects potentially subject to the proposed rules. Mr. Goss stated that while the proposed rules were viewed as critical a few years ago, changes in the industry make them seem less critical at the present. Staff

recommended suspending rulemaking until more specific information supporting the need for Proposed Rules 1304.2 and 1304.3 becomes available.

Harvey Eder testified that combustion of natural gas generates fine particulates that cannot be controlled, even with HEPA filters, and urged the Committee for a total and immediate move to solar energy.

Angela Johnson Meszaros questioned the need for the rules and stated that it sends the wrong message to industry by implying that District offsets were available for a fee. She further stated that fossil fuels are not cost effective if the project proponent has to generate offsets by implementing emission reduction projects, and that instead, the Committee had an opportunity to send a message by directing staff to abandon rule development.

Karl Lany, Vice President/ES Engineering Services, commented that the City of Glendale had selected a project, contracted with specific equipment vendors, issued the Notice of Preparation for the project, and was finishing their environmental evaluation, with CEQA scheduled to start in March. The City would be submitting their air quality permit application in April and that there was an absolute need for the rule. Mr. Lany stated that the rule was critical in order to guarantee grid reliability by changing out old power generating equipment and avoid having to ask other municipalities for power. The City will explore working with brokers to see if purchasing offsets in the market was viable but he requested that the Committee just temporarily suspend rulemaking until more information could be provided and to keep stakeholders updated on developments. Dr. Lyou asked why the SCAQMD was providing sources with discounted offsets. Mr. Goss responded that the pricing was on par with Rule 1304.1 offset pricing. Dr. Laki Tisopulos, Deputy Executive Officer/Engineering & Permitting, stated that Rule 1304.1 pricing was based on weighted average ERC transaction prices over a 3 to 5 year span, but offered that these calculations could be repeated with the most recent data.

5. Update on Implementation of Rule 1111 - Reduction of NO_x Emissions from Natural-Gas-Fired, Fan-Type Central Furnaces

Tracy Goss presented an update on Rule 1111 implementation, status on the availability of compliant products, and recommendations for future activities. The following comments were made at the committee meeting.

Dr. Lyou mentioned that the Board received a letter from a burner system manufacturer suggesting that the testing method is not comprehensive. Mr. Goss responded that he does believe our test method is comprehensive and some manufacturers have expressed concerns about the high NO_x emissions during the burner's startup phase. However, the manufacturer did not provide information on

the burner system that they use. Mr. Goss also noted that the Rheem technology is compliant through the entire process, even during the startup phase.

Mr. Eder stated that solar technology needs to be evaluated in relation to space heating and cooling.

Karen Meyers, Vice President/Government Affairs, for Rheem, provided a handout showing that their product complies with the Rule 1111 limit for standard units. Ms. Meyers commented that Rheem will subject their compliant burner system to field tests next week. Ms. Meyers commented that this furnace is reliable and safe to operate and has been certified by the Canadian Standards Association (CSA), as well as by several other third-party consultants. Rheem understands that the SCAQMD will review this rule in the next 6 months. As this is a multimillion dollar project, Rheem is waiting to see what will happen to Rule 1111 before they move forward (i.e., commercialize their technology).

Dr. Lyou expressed appreciation for Rheem making their investment in developing a compliant system. Dr. Lyou asked if there would be a huge price difference (for consumers) so the manufacturer can cover the cost. Dr. Lyou stated we might have some discomfort if Rheem raises the price of their product to such an extent that it would be unaffordable for many customers. Ms. Meyers said that Rheem is willing to license their technology and requested that staff extend the mitigation fee to allow others to catch up with their technology.

Terry Stern, Rheem Product Manager, stated that his company came to the Board meeting in December 2016 to present their product. They were thankful to present their product to staff but were unable to present it to Board members. Rheem spent one week in the South Coast and another week in San Joaquin Valley to demonstrate their low-NO_x furnace (NO_x emissions at or below 14 ng/j). Rheem came back to the January 2017 Board meeting and introduced their product during the public comments session. Mr. Stern also emphasized that Rheem will not move forward to commercialize the product until they know what will happen to Rule 1111. Mr. Stern stated that Rheem will have the first field test in San Joaquin Valley next week. There will be life cycle testing and more training. Mr. Stern stated that Rheem would not want a monopoly and would welcome additional time for other manufacturers to catch up. To that end, Rheem is willing to license their product to other manufacturers. Councilmember Mitchell asked where the San Joaquin Valley APCD is in their rulemaking process. Mr. Stern stated that they have adopted the District's NO_x emission limit but their emission mitigation fees are higher.

6. Status Report on Reg. XIII

Due to time constraints, this item was delayed to the February meeting.

WRITTEN REPORTS

All written reports were acknowledged by the Committee.

PUBLIC COMMENTS

There were no public comments.

The next Stationary Source Committee meeting is scheduled for February 17, 2017.
The meeting was adjourned at 12:25 p.m.

Attachment

Attendance Roster

**SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
STATIONARY SOURCE COMMITTEE**

January 20, 2017

Attendance Roster (Voluntary)

Mayor Pro Tem Ben Benoit	SCAQMD Governing Board
Dr. Joseph Lyou.....	SCAQMD Governing Board
Councilmember Judith Mitchell	SCAQMD Governing Board
Supervisor Sheila Kuehl	SCAQMD Governing Board
Supervisor Janice Rutherford	SCAQMD Governing Board
Supervisor Shawn Nelson (videoconference)	SCAQMD Governing Board
Wayne Nastri	SCAQMD staff
Barbara Baird.....	SCAQMD staff
Philip Fine.....	SCAQMD staff
Laki Tisopoulos	SCAQMD staff
Jill Whynot	SCAQMD staff
Kurt Wiese.....	SCAQMD staff
Matt Miyasato.....	SCAQMD staff
Susan Nakamura	SCAQMD staff
Amir Dejbakhsh.....	SCAQMD staff
Tracy Goss.....	SCAQMD Staff
Gary Quinn	SCAQMD Staff
Bill LaMarr	California Small Business Alliance
David Rothbart	L.A. County Sanitation Districts
Dan McGivney	SoCalGas
Noel Muyco	SoCalGas
Rita Loof.....	RadTech
Susan Stark	Tesoro
James Simonelli.....	California Metals Coalition
Harvey Eder	Public Solar Power Coalition
Mike Pearce	W.S. Dodge Oil Co.
Rita Loof.....	RadTech
Karl Lany.....	Montrose Air Quality Service

BOARD MEETING DATE: February 3, 2017

AGENDA NO. 22

REPORT: Technology Committee

SYNOPSIS: The Technology Committee met on January 20, 2017. Major topics included Technology Advancement items reflected in the regular Board Agenda for the February Board meeting. A summary of these topics with the Committee's comments is provided. The next Technology Committee meeting will be held on February 17, 2017.

RECOMMENDED ACTION:
Receive and file.

Joe Buscaino
Technology Committee Chair

MMM:pmk

Attendance: Councilmember Joe Buscaino participated by videoconference. Supervisor Sheila Kuehl, Mayor Pro Tem Larry McCallon, Councilmember Judith Mitchell, Councilmember Dwight Robinson and Supervisor Janice Rutherford were in attendance at SCAQMD headquarters.

FEBRUARY BOARD AGENDA ITEMS

On the motion of Chair Buscaino, moved by Mitchell, seconded by Rutherford, the committee unanimously approved agenda items 2, 4, and 5.

Ayes: Buscaino, Kuehl, McCallon, Mitchell, Robinson and Rutherford

Noes: None

Absent: None

1. Execute Contracts to Conduct In-Use PM Emission Study for Gasoline Direct Injection Vehicles and Establish Renewable Natural Gas Research Center

Since mobile sources represent the largest NO_x and PM sources in the South Coast Air Basin, the Draft 2016 AQMP identifies development and implementation of new

technologies to reduce mobile source emissions as a key strategy. It is also equally important to assess new technologies to prevent or mitigate any negative impact on air quality and public health. The University of California Riverside (UCR) CE-CERT recently submitted two unsolicited proposals that address these needs and staff recommends cost-sharing the proposed projects to: 1) conduct an in-use emission study to characterize tailpipe PM emissions from gasoline direct injection vehicles under real-world driving conditions; and 2) support establishment of a research center to study promising renewable natural gas production technologies to expedite commercial implementation. This action is to execute contracts with UCR CE-CERT to cost-share these projects in an amount not to exceed \$322,000 from the Clean Fuels Fund (31).

Councilmember Mitchell and Supervisor Kuehl asked how the proposed in-use emission study differs from other tests previously conducted. Staff explained that the key difference is the use of portable emission measurement systems (PEMS) in real world driving conditions in the proposed project, whereas previous testing was mostly conducted using chassis dynamometers. Councilmember Mitchell concurred that field testing is beneficial.


As a part of public comments, Harvey Eder of the Public Solar Power Coalition voiced caution over supporting the proposed RNG center due to his concern with the safety of RNG produced from biomass feedstock that might have been tainted with antibiotics that are harmful to human health. Staff informed the Committee that the research center will investigate various RNG technologies, including Power-to-Gas using solar and wind power, not just bio-based feedstocks, and further clarified that the produced gas is pure methane, generally with significantly lower impurities than pipeline natural gas.

Moved by McCallon; seconded by Robinson; unanimously approved.

Ayes: Buscaino, Kuehl, McCallon, Mitchell, Robinson and Rutherford

Noes: None

Absent: None

2. Renew SCAQMD's Membership in CaFCP for Calendar Year 2017, Provide Office Space for CaFCP, and Receive and File California Fuel Cell Partnership Executive Board Meeting Agenda and Quarterly Updates 

The SCAQMD has been a member of the California Fuel Cell Partnership (CaFCP) since early 2000. This action is to renew SCAQMD's membership in the CaFCP in an amount not to exceed \$70,000 for Calendar Year 2017 and cofund 50 percent of the CaFCP Regional Coordinator position located at SCAQMD in an amount not to exceed \$50,000 from the Clean Fuels Fund (31). Further actions are to continue providing in-kind office space and utilities for CaFCP employees in 2017 in an

effort to educate the public and increase CaFCP's presence in Southern California. Finally, this action is to receive and file the CaFCP Executive Board Meeting Agenda for October 18, 2016, and Quarterly Updates beginning April and July 2016.

3. Recognize Revenue and Execute Contract for Development of Ultra-Low Emission Diesel Engine for On-Road Heavy-Duty Vehicles

On July 7, 2016, the Board released a Request for Information to obtain technical information on ultra-low NOx emission technologies for heavy-duty diesel engines. Two responses were received, one of which was from the Southwest Research Institute (SwRI). CARB had previously awarded a contract to SwRI to investigate and demonstrate emission control strategies for 13-liter diesel engines to achieve 90% emission reductions compared to the current NOx standard. As a follow-on to this successful demonstration project, CARB and the Port of Los Angeles (POLA) have expressed interest in cofunding the advancement of current larger displacement diesel engines to achieve ultra-low NOx emissions. Staff proposes to cost-share the project. CARB will contract directly with SwRI while the POLA cofunding will pass through the SCAQMD. These actions are to recognize up to \$287,500 from POLA and execute a contract with SwRI for development of an ultra-low emission heavy-duty diesel engine in an amount not to exceed \$575,000 from the Clean Fuels Fund (31).

Councilmember Buscaino indicated that this technology is exactly what is needed for port and regional NOx emission benefits and inquired about a potential increase in PM emissions. Staff responded that the goal is to ensure PM emissions remain below the standard and may be minimized or eliminated with renewable diesel.

Supervisor Kuehl inquired about fossil and renewable diesel and suggested that renewable diesel be part of the project. Staff concurred to include renewable diesel as part of the testing.

Councilmember Mitchell asked whether the project would be for the larger displacement engine and further inquired about the difference between bio- and renewable diesel. Staff verified this project would be for the 15L engine typically used for long haul trucking, and provided the key differences in feedstocks and respective emission profiles for bio and renewable diesel.

Councilmember Robinson inquired about durability testing, and staff replied that this is expected to be part of the next phase of the development effort.

As a part of public comments, Harvey Eder indicated that PM is still generated with renewable diesel and that focus should be on solar electric battery and fuel cell vehicles.

Moved by Mitchell; seconded by McCallon; unanimously approved.

Ayes: Buscaino, Kuehl, McCallon, Mitchell, Robinson and Rutherford

Noes: None

Absent: None

4. Issue Program Announcement for Ships at Berth and Cargo Handling Equipment Projects Under Proposition 1B-Goods Movement Program 

In September 2015, CARB approved Proposition 1B-Goods Movement Program funding awards to local agencies for projects that will reduce emissions from freight transportation. The award for the Los Angeles/Inland Empire trade corridor included \$14.1 million for ships at berth and cargo handling equipment projects. Following an earlier solicitation issued on February 5, 2016, and subsequent awards, there are still funds available for projects in this category. This action is to issue a Program Announcement for ships at berth and cargo handling equipment projects under the Proposition 1B-Goods Movement Program.

5. Recognize, Transfer and Appropriate Revenue, Amend and Execute Contracts, and Approve Eligible Participant Vouchers to Continue Implementation of Enhanced Fleet Modernization Program

Last September, the Board recognized up to \$10 million from CARB, approved issuance of vouchers to continue the Enhanced Fleet Modernization Program (EFMP) Plus-Up for FY 2016-17, and released an RFP to solicit proposals to administer the application process and conduct vehicle emissions testing. Subsequently, CARB advised that SCAQMD would receive \$15 million. Additionally, older vehicles retired under the EFMP are crushed for scrap metal generating revenue for EFMP. These actions are to: 1) recognize revenue up to \$5 million from CARB and up to \$500,000 from the scrap metal value of the vehicles retired under the EFMP into the HEROS II Special Revenue Fund (56); 2) authorize the Executive Officer to approve vouchers to qualified participants up to \$4,250,000 and execute agreements with participating dismantlers, dealerships and financial institutions; 3) amend and execute contracts for a total amount not to exceed \$765,000 from the HEROS II Special Revenue Fund (56); and 4) transfer and appropriate \$250,000 from the HEROS II Special Revenue Fund (56) into Science and Technology Advancement's FY 2016-17 and/or 2017-18 Budget for EFMP implementation and outreach.

INFORMATION ITEM ONLY

6. EVSE Installation and Charging Policy Recommendations

(Presentation only)

Installation of Level 2 chargers at the SCAQMD headquarters facility started in October 2016 with the first phase of installation of Level 2 chargers at the upper deck completed. Additional phases of installation at the solar carport, CC8 and the front lobby will be completed in spring 2017. Staff will present an update on the EVSE installation and on charging policy recommendations.

In response to an inquiry by Councilmember Mitchell, staff indicated that the chargers can be operated with a specific smart phone application or a radio-frequency identification (RFID) card, bill the user with a credit card, and be fully integrated with the building's energy management system. This will allow smart charging to minimize electricity costs by minimizing demand charges.

Supervisor Kuehl stated that alternative work hours to minimize daytime higher electricity rates could be a consideration as more electric vehicles are charging and further suggested promoting battery recycling programs.

Councilmember Robinson informed the committee that the City of Lake Forest charges \$5/hour after 4 hours and the proposed \$1/hour may be too low to discourage drivers from exceeding necessary time to charge. He also indicated that his company provides workplace charging without a cost to the employees as an incentive. Mayor Pro Tem McCallon concurred that a higher hourly rate may be more effective in having people move their cars. Councilmember Mitchell felt that 6 cents/kWh was pretty reasonable. Staff responded that they would consult employee bargaining units about this policy before initiating the cost recovery program, with reconsideration in 12 months.

7. Other Business

There was no other business.

8. Public Comments

There were no public comments.

Next Meeting: February 17, 2017

Attachment

Attendance

ATTACHMENT

**SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
TECHNOLOGY COMMITTEE MEETING**

Attendance – January 20, 2017

Councilmember Joe Buscaino (via videoconference).....SCAQMD Governing Board
Supervisor Sheila Kuehl.....SCAQMD Governing Board
Mayor Pro Tem Larry McCallonSCAQMD Governing Board
Councilmember Judith Mitchell.....SCAQMD Governing Board
Councilmember Dwight Robinson.....SCAQMD Governing Board
Supervisor Janice RutherfordSCAQMD Governing Board
Mark AbramowitzBoard Consultant (Lyou)
Ron Ketcham.....Board Consultant (McCallon)
Diane Moss.....Board Consultant (Kuehl)
Marisa PerezBoard Consultant (Mitchell)
Wayne Nastri.....SCAQMD Staff
John Olvera.....SCAQMD Staff
Ruby Fernandez.....SCAQMD Staff
Sheri Hanizavareh.....SCAQMD Staff
Matt Miyasato.....SCAQMD Staff
Henry HogoSCAQMD Staff
Fred MinassianSCAQMD Staff
Naveen Berry.....SCAQMD Staff
Dean SaitoSCAQMD Staff
Al BaezSCAQMD Staff
Lori BerardSCAQMD Staff
Brian Choe.....SCAQMD Staff
Dave Coel.....SCAQMD Staff
Seungbum HaSCAQMD Staff
Drue HargisSCAQMD Staff
Patricia Kwon.....SCAQMD Staff
Joseph Lopat.....SCAQMD Staff
Lisa Mirisola.....SCAQMD Staff
Mei WangSCAQMD Staff
Vicki WhiteSCAQMD Staff
Paul Wright.....SCAQMD Staff
Alejandra Vega.....SCAQMD Staff
Pat KrayserSCAQMD Staff
Harvey Eder.....Public Solar Power Coalition
Susan StarkTesoro
Timothy Lippman.....Los Angeles County

Katy YoungLos Angeles County

[↑ Back to Agenda](#)

BOARD MEETING DATE: February 3, 2017

AGENDA NO. 23

REPORT: Mobile Source Air Pollution Reduction Review Committee

SYNOPSIS: Below is a summary of key issues addressed at the Special Meeting of the MSRC on January 25, 2017. The next regular meeting is scheduled for Thursday, February 16, 2017, at 2:00 p.m., in Conference Room CC8.

RECOMMENDED ACTION:
Receive and file.

Ben Benoit
SCAQMD Representative on MSRC

MMM:HH:AP

At its January 25, 2017 special meeting, the MSRC considered a requested contract modification and approved the following:

FYs 16-18 Major Event Center Transportation Program

SCRRA, in partnership with the Auto Club Speedway, was awarded \$80,455 in MSRC Clean Transportation Funding™ to implement dedicated Metrolink rail service during the NASCAR Sprint Cup Series weekend. The program application approved by the MSRC, and subsequently by the SCAQMD Governing Board, specified that each of the special Metrolink trains would utilize a Tier 4 locomotive. SCRRA has notified MSRC staff that due to delays in receiving locomotive test plan approvals from the Federal Railroad Administration (FRA), the Tier 4 locomotives will most likely not be available to support the race scheduled for March 26, 2017. Currently, there remains uncertainty as to when the Tier 4 locomotives will be approved by FRA for use in revenue service. SCRRA requested the MSRC to modify the award to allow the use of Tier 2 locomotives, to the extent necessary, to perform the special rail service. The MSRC approved the proposed modification of locomotive specification as part of the FYs 16-18 AB 2766 Discretionary Fund Work Program.

This contract modification will be considered by the SCAQMD Board at its February 3, 2017 meeting.

[↑ Back to Agenda](#)

BOARD MEETING DATE: February 3, 2017

AGENDA NO. 24

REPORT: California Air Resources Board Monthly Meeting

SYNOPSIS: The California Air Resources Board met on January 27, 2017, in Sacramento, CA. The following is a summary of this meeting.

RECOMMENDED ACTION:
Receive and File.

Judith Mitchell, Member
SCAQMD Governing Board

dg

The Air Resources Board's (ARB or Board) January meeting was held on January 27, 2017 in Sacramento at the California Environmental Protection Agency Headquarters Building. Key items presented are summarized below.

Discussion Items

1. Public Meeting to Hear a Report on the Proposed 2030 Target Scoping Plan

The Board heard the first of three reports planned this year on the Draft 2030 Target Scoping Plan. The Draft recommends a suite of measures to meet the Governor's executive order to reduce greenhouse (GHG) emissions by 40 percent below 1990 levels in 2030. This target will put the State on a trajectory to meet the ultimate goal of reducing emissions to 80 percent below 1990 levels by 2050. The proposed Draft 2030 target scoping plan will provide for direct GHG emissions reductions, provide air quality co-benefits, minimize emissions leakage, support climate investment in disadvantaged communities, support cost-effective and flexible compliance and support the Clean Power Plan and other federal actions. The Board will revisit the Proposed Draft 2030 Target Scoping Plan in February to provide for further public comment and plans to bring the Final 2030 Target Scoping Plan to the Board for approval in April 2017.

2. Public Meeting to Hear a Report to the Board on the Air Resources Board Program Priorities for 2017

Executive Officer Richard Corey gave a presentation to the Board discussing the program priorities for the upcoming year. Mr. Corey began this presentation by recognizing ARB's 50th anniversary and the Board's leadership in cleaning the air in California. In the presentation, Mr. Corey highlighted the Board's achievements in 2016 including progress in meeting federal air quality standards, reducing exposure to harmful toxic air contaminants, and reducing greenhouse gas emissions to keep California on track to meet our 2020 goals. Other achievements in 2016 included the growth in zero and near-zero emissions technologies, and the landmark VW settlement. Key actions the Board will consider in 2017 to meet these goals are the 2030 Target Scoping Plan, the Statewide SIP Strategy, the Short-Lived Climate Pollutant Reduction Strategy, Federal Clean Power Plan Rules, an update to SB 375 targets, and more than a dozen local State Implementation Plan amendments to meet the latest federal ozone and fine particulate matter air quality standards. The Board will also review multiple regulations and amendments in 2017 that include midterm review of the Advanced Clean Cars rule, the California Heavy Duty Phase 2 GHG rulemaking, and amendments to the Cap-and-Trade Program.

3. Public Meeting to Hear an Informational Update on California's Emission Inventories for Criteria Pollutants, Toxic Air Contaminants, and Greenhouse Gas Air Pollution

The Board heard an informational update on California's emissions inventories for criteria pollutants, toxic air contaminants and greenhouse gas (GHG) pollution. Emission inventories serve as a fundamental tool to understand the sources of pollution, develop strategies to reduce emissions, and to track the progress and success of our programs. Staff briefed the Board on key program needs that are driving the move toward greater inventory integration, and some of the challenges that will need to be addressed. In the near-term, staff is focused on implementing the requirements of AB197 to provide easy public access to multi-pollutant data. The Board also heard staff's long-term plans for redesigning the current inventory systems into an integrated framework that will better support the transition to a more comprehensive, efficient, and accessible system to meet ARB's growing program goals.

Attachment

CARB January 27, 2017 Meeting Agenda

LOCATION:

California Environmental Protection Agency
Air Resources Board
Byron Sher Auditorium, 2nd Floor
1001 I Street
Sacramento, California 95814

PUBLIC MEETING AGENDA

**January 27, 2017
(Friday)**

[Webcast](#)

This facility is accessible by public transit. For transit information, call (916) 321-BUSS, website: <http://www.sacrt.com>
(This facility is accessible to persons with disabilities.)

TO SUBMIT WRITTEN COMMENTS ON AN AGENDA ITEM IN ADVANCE OF THE MEETING GO TO: <http://www.arb.ca.gov/lispub/comm/bclist.php>

**Friday
January 27, 2017
9:00 a.m.**

DISCUSSION ITEMS:

Note: The following agenda items may be heard in a different order at the Board meeting.

Agenda Item #

17-1-1: Public Meeting to Hear a Report on the Proposed 2030 Target Scoping Plan

Spanish translation will be provided at the Board Meeting for this item, Item 17-1-1.

The Board will hear a report on the Draft 2030 Target Scoping Plan. The Draft recommends a suite of measures to reduce greenhouse emissions 40 percent below 1990 levels by 2030 and put the State on a trajectory to meet the 2050 goal.

[More Information](#)

[Staff Presentation](#)

17-1-2: Report to the Board on the Air Resources Board Program Priorities for 2017

Executive Officer Richard Corey will provide the Board with an overview of Air Resources Board priorities for 2017.

[Staff Presentation](#)

17-1-3: Public Meeting to Hear an Informational Update on California's Emission Inventories for Criteria Pollutants, Toxic Air Contaminants, and Greenhouse Gas Air Pollution

New legislative mandates require that the Air Resources Board (ARB) provide on its website and update annually the emissions for criteria pollutants, toxic air contaminants, and greenhouse gases. The data are to be displayed graphically and show the change in emissions over time. The Board will hear a status report on the work to integrate the three separate inventory data sets currently available on ARB's webpages into a single web-based display system. The Board will also hear about future approaches for improving the emissions inventory data to better integrate efforts to simultaneously reduce community exposures, criteria pollution, and greenhouse gases.

[More Information](#)

[Staff Presentation](#)

CLOSED SESSION

The Board will hold a closed session, as authorized by Government Code section 11126(e), to confer with, and receive advice from, its legal counsel regarding the following pending or potential litigation, and as authorized by Government Code section 11126(a):

POET, LLC, et al. v. California Air Resources Board, et al., Superior Court of California (Fresno County), Case No. 15CECG03380.

American Fuels and Petrochemical Manufacturers, et al. v. Jane O’Keeffe, et al., U.S. District Court (D. Ore. Portland), Case No. 3:15-CV-00467; Plaintiffs’ appeal, U.S. Court of Appeals, Ninth Circuit, Case No. 15-35834.

POET, LLC, et al. v. Corey, et al., Superior Court of California (Fresno County), Case No. 09CECG04659; plaintiffs’ appeal, California Court of Appeal, Fifth District, Case No. F064045; California Supreme Court, Case No. S213394 [remanded to trial court]; plaintiff’s appeal of trial court order discharging peremptory writ of mandate, Court of Appeal, Fifth District, Case No. F073340.

Rocky Mountain Farmers Union, et al. v. Corey, U.S. District Court (E.D. Cal. Fresno), Case No. 1:09-CV-02234-LJO-DLB; ARB interlocutory appeal, U.S. Court of Appeals, Ninth Circuit, Case No. 09-CV-02234 [remanded to trial court].

American Fuels and Petrochemical Manufacturers, et al. v. Corey, et al., U.S. District Court (E.D. Cal. Fresno), Case No. 1:10-CV-00163-AWI-GSA; ARB’s interlocutory appeal, U.S. Court of Appeals, Ninth Circuit, Case No. 10-CV-00163 [remanded to trial court].

California Chamber of Commerce et al. v. California Air Resources Board, Sacramento Superior Court, Case No. 34-2012-80001313; plaintiffs’ appeal, California Court of Appeal, Third District, Case No. C075930.

Morning Star Packing Company, et al. v. California Air Resources Board, et al., Sacramento Superior Court, Case No. 34-2013-800001464; plaintiffs’ appeal, California Court of Appeal, Third District, Case No. C075954.

Kimberly-Clark Worldwide, Inc. v. California Air Resources Board, et al., Sacramento County Superior Court, Case No. 34-2015-80002246.

Sowinski v. California Air Resources Board, et al., United States District Court for the Central District of California, Case No. 8:15-cv-02123.

State of West Virginia et al. v. United States Environmental Protection Agency, U.S. Court of Appeals, District of Columbia Circuit, Case No. 15-1363.

Murray Energy Corporation v. United States Environmental Protection Agency, U.S. Court of Appeals, District of Columbia Circuit, Case No. 15-1385.

State of North Dakota, et al. v. United States Environmental Protection Agency, U.S. Court of Appeals, District of Columbia Circuit, Case No. 16-1242.

Alliance for California Business v. California Air Resources Board, et al., Glenn County Superior Court, Case No. 13CV01232; plaintiffs’ appeal, Court of Appeal, Third District, Case No. C082828.

Alliance for California Business v. California State Transportation Agency, et al., Sacramento County Superior Court, Case No. 34-2016-80002491.

Dalton Trucking, Inc. v. United States Environmental Protection Agency, U.S. Court of Appeals, District of Columbia Circuit, Case No. 13-1283 (dismissed), U.S. Court of Appeals, Ninth Circuit, Case No. 13-74019.

Owner-Operator Independent Drivers Association Inc. et al. v. Corey et al., U.S. District Court, (E.D. Cal. Fresno) Case No. 1:13-CV-01998-LJO-SAB (transferred by court to E.D. Cal. Sacramento, Case No. 2:14-CV-00186-MCE-AC), plaintiffs' appeal U.S. Court of Appeals, Ninth Circuit, Case Nos. 15-72101 and 15-16429.

Jack Cody dba Cody Transport v. California Air Resources Board, et al., Sacramento Superior Court, Case No. 34-2015-80002116; plaintiff's appeal, Court of Appeal, Third District, Case No. C083083.

John R. Lawson Rock & Oil, Inc. et al. v. California Air Resources Board et al., Fresno County Superior Court, Case No. 14-CECG01494; ARB's appeal, Court of Appeal, Fifth District, Case No. F074003.

Transportation Solutions Defense and Education Fund v. California Air Resources Board, Fresno County Superior Court, Case No. 14CECG01788 (plaintiff's transfer to Sacramento Superior Court, Case No. 34-2014-80001974-CU-WM-GDS).

Meeks v. California Air Resources Board, et al. Los Angeles County Superior Court, Case No. BC592558.

Adam Brothers Farming, Inc. v. California Air Resources Board, et al., Santa Barbara County Superior Court, Case No. 15 CV04432.

In re: Volkswagen "Clean Diesel" MDL, United States District Court, Northern District of California, Case No. 15-MD-2672-CRB (JSC).

American Coating Association, Inc. v. State of California and California Air Resources Board, Sacramento County Superior Court, Case No. 04CS01707.

Hamilton v. California Air Resources Board, et al., U.S. District Court for the Eastern District of California, Case No. 1:15-CV-01942-AWI-SKO.

Mahan v. California Air Resources Board, Sacramento County Superior Court, Case No. 34-2016-80002416.

California Air Resources Board v. Adam Brothers Farming Inc., Santa Barbara County Superior Court, Case No. 16CV01758.

California Air Resources Board v. SSA Containers, Inc., Los Angeles County Superior Court, Case No. BC628573 and No. BC628722.

People v. Southern California Gas Company, Los Angeles Superior Court, Case No. BC 602973.

California Air Resources Board v. BP West Coast Products LLC, Contra Costa County Superior Court, Case No. C12-00567.

California Air Resources Board v. West Coast Diesel, Inc., Fresno County Superior Court, Case No. 15 CECG 03337.

OPPORTUNITY FOR MEMBERS OF THE BOARD TO COMMENT ON MATTERS OF INTEREST

Board members may identify matters they would like to have noticed for consideration at future meetings and comment on topics of interest; no formal action on these topics will be taken without further notice.

OPEN SESSION TO PROVIDE AN OPPORTUNITY FOR MEMBERS OF THE PUBLIC TO ADDRESS THE BOARD ON SUBJECT MATTERS WITHIN THE JURISDICTION OF THE BOARD

Although no formal Board action may be taken, the Board is allowing an opportunity to interested members of the public to address the Board on items of interest that are within the Board's jurisdiction, but that do not specifically appear on the agenda. Each person will be allowed a maximum of three minutes to ensure that everyone has a chance to speak.

TO ELECTRONICALLY SUBMIT WRITTEN COMMENTS ON AN AGENDA ITEM IN ADVANCE OF THE MEETING GO TO:

<https://www.arb.ca.gov/lispub/comm/bclist.php>

(Note: not all agenda items are available for electronic submittals of written comments.)

IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT THE CLERK OF THE BOARD:

1001 I Street, 23rd Floor, Sacramento, California 95814
(916) 322-5594

ARB Homepage: www.arb.ca.gov

SPECIAL ACCOMMODATION REQUEST

Consistent with California Government Code Section 7296.2, special accommodation or language needs may be provided for any of the following:

- An interpreter to be available at the hearing;
- Documents made available in an alternate format or another language;
- A disability-related reasonable accommodation.

To request these special accommodations or language needs, please contact the Clerk of the Board at (916) 322-5594 or by facsimile at (916) 322-3928 as soon as possible, but no later than 7 business days before the scheduled Board hearing. TTY/TDD/Speech to Speech users may dial 711 for the California Relay Service.

Consecuente con la sección 7296.2 del Código de Gobierno de California, una acomodación especial o necesidades lingüísticas pueden ser suministradas para cualquiera de los siguientes:

- Un intérprete que esté disponible en la audiencia
- Documentos disponibles en un formato alterno u otro idioma
- Una acomodación razonable relacionados con una incapacidad

Para solicitar estas comodidades especiales o necesidades de otro idioma, por favor llame a la oficina del Consejo al (916) 322-5594 o envíe un fax a (916) 322-3928 lo más pronto posible, pero no menos de 7 días de trabajo antes del día programado para la audiencia del Consejo. TTY/TDD/Personas que necesiten este servicio pueden marcar el 711 para el Servicio de Retransmisión de Mensajes de California.

SMOKING IS NOT PERMITTED AT MEETINGS OF THE CALIFORNIA AIR RESOURCES BOARD

BOARD MEETING DATE: February 3, 2017

AGENDA NO. 26

PROPOSAL: Approve Schedule of Activities to Implement Draft Financial Incentives Funding Action Plan for 2016 AQMP

SYNOPSIS: A Draft Financial Incentives Funding Action Plan was prepared to help identify new revenue sources that the SCAQMD could pursue for incentive funding programs to help accelerate the turnover of existing vehicles and equipment to zero and near-zero emission technologies and help the region meet federal air quality standards. The Draft Action Plan includes a discussion of potential funding opportunities, public process, and a proposed schedule of activities to be initiated over the next year. The proposed activities include a schedule for staff to work with stakeholders through a public process to identify a set of funding opportunities to pursue, educating the state legislature and Congressional members on the funding needs of the region, and reporting to the Board on progress. This action is to seek the Board's approval on the schedule of activities proposed in the Draft Action Plan and have staff initiate the activities based on the Board's direction.

COMMITTEE: Mobile Source, July 22, 2016 and October 21, 2016; and Governing Board, January 6, 2017; Reviewed

RECOMMENDED ACTION:

Approve schedule of activities in Table 1 to implement the Draft Financial Incentives Funding Action Plan for the 2016 AQMP

Wayne Natri
Executive Officer

JW:MMM:HH

Background

The Draft Final 2016 AQMP includes many regulatory measures, but identified the need for additional incentives funding to accelerate turnover of older vehicles and equipment to zero and near-zero emission technologies. The early turnover is critical in the near-term (in the next six to seven years) as new regulatory proposals will take some time before the actions can be fully implemented. As part of the development of the

Draft Final 2016 AQMP, an analysis was performed to estimate the level of funding incentives that would be needed in the next seven to 15 years to turn over existing vehicles and equipment if no other actions are taken. The analysis was conducted with the primary purpose of helping to achieve the NO_x emission reductions associated with the State SIP Strategy “Further Deployment of Cleaner Technologies” measures. In addition to the State SIP Strategy mobile source measures, staff estimated funding incentives needed to help reduce stationary source emission reductions. The total estimated funding needed is approximately \$10 to \$14 billion over the next 15 years. A draft Financial Incentives Funding Action Plan (Action Plan or Plan) was prepared identifying potential opportunities to generate revenue for future incentives funding programs and proposed activities to pursue funding. The Draft Action Plan is available at: <http://www.aqmd.gov/docs/default-source/clean-air-plans/air-quality-management-plans/2016-air-quality-management-plan/draftfinancialincentivefundec2016.pdf>.

The Draft Action Plan provides a discussion of 17 potential funding opportunities that the SCAQMD and the region could pursue. A list of potential funding opportunities to provide funding opportunities to the South Coast Air Basin and Coachella Valley is provided in Table ES-1 of the Draft Final Action Plan. The comprehensive list of potential opportunities does not reflect staff’s recommendation to pursue such opportunities, but was compiled to be a starting point for public input. The Draft Action Plan provides discussion on potential next steps needed to realize such funding. Many of the potential funding opportunities will require state or federal legislative actions, and some opportunities may require voter approval. The Draft Action Plan does not provide an analysis of the SCAQMD’s ability or authority to authorize the potential opportunities and does not provide analysis of the legislative challenges to enact the funding opportunities. This analysis is proposed to be developed as part of the public process that will be undertaken to pursue the funding opportunities. Specific proposals will be brought to the Legislative Committee and/or other Board Committees as appropriate for a full discussion and the Board’s consideration before proceeding with specific funding opportunities.

Public Process

The Draft Financial Incentives Funding Action Plan was released on December 16, 2016 for a 30-day comment period. Prior to the release of the Draft Action Plan, the various elements of the Draft Action Plan were discussed with the 2016 AQMP Advisory Group and overview presentations were made to the Mobile Source Committee. In addition, the Draft Action Plan was presented to the Board at its January 2017 meeting to receive input and public comments on the Plan.

Proposal

Staff is proposing that the Draft Funding Action Plan remain a living document to serve as a starting point for public discussion. However, based on comments received regarding the guiding principles (see discussion under Public Comments), staff has revised the guiding principles (specifically, Guiding Principle 3) to further clarify their intent (see Attachment A). In addition, the proposed activities and a schedule to pursue and secure new funding proposed in the Draft Action Plan (see Chapter V of the Draft Action Plan) was drafted in November 2016 and needs to be updated. A list of the proposed activities is provided below.

Actions at the National Level

- Create a national collaborative – develop new partnerships with states and regions that are currently in nonattainment of existing federal air quality standards or may be in nonattainment of future air quality standards
- Create a National Clean Air Investment and Cleanup Fund
- Develop public/private partnerships to help identify and/or leverage public funding

Actions at the State Level

- Prioritize existing funding programs to maximize the co-benefits of criteria pollutant and greenhouse gas emission reductions
- Initiate new funding programs through state legislative process
- Develop public/private partnerships to help identify and/or leverage public funding

Actions at the Regional/Local Level

- Build consensus to develop new local ballot measures
- Expand implementation of the District's Strategic Alliance Initiative
- Develop public/private partnerships

Table 1 provides a proposed schedule of activities and milestones to pursue potential funding opportunities.

TABLE 1
Proposed Schedule and Milestones to Pursue Funding Opportunities

Activity	Proposed Schedule
Continue discussions with NACAA and Ultra-Low NOx Petition Co-Petitioners on formation of national collaborative	<ul style="list-style-type: none"> December 2016 – February 2017
Work with CAPCOA, CARB, and the West Coast Collaborative on forming coalitions to support additional funding opportunities	<ul style="list-style-type: none"> December 2016 – March 2017
Convene Working Group to discuss/identify and prioritize funding opportunities to pursue	<ul style="list-style-type: none"> February 2017
Report to SCAQMD Legislative Committee and/or other Board Committees as appropriate on process to move forward	<ul style="list-style-type: none"> Within two months from date of adoption of Final 2016 AQMP
On-Going Working Group Meetings <ul style="list-style-type: none"> Seek input on the various funding opportunities and prioritize potential opportunities to pursue Develop timelines to pursue funding Form coalition(s) to support legislative-related activities to pursue funding 	<ul style="list-style-type: none"> On-going on a monthly basis for six months from date of adoption of Final 2016 AQMP, quarterly or semi-annually after six months
Report to SCAQMD Legislative Committee and/or other Board Committees, as appropriate, on progress <ul style="list-style-type: none"> Discuss specific funding opportunities to pursue Specific actions for Committee’s consideration and Board approval 	<ul style="list-style-type: none"> Quarterly or semi-annually from date of adoption of Final 2016 AQMP; monthly as needed to consider specific actions

This action is to approve the proposed schedule of activities provided in Table 1. Upon approval by the Board of the proposed schedule of activities and the approval of the 2016 AQMP, staff will initiate public discussions on pursuing funding and report to the Legislative Committee and/or other Board Committees, as appropriate, on the progress in pursuing funding. Specific proposals will be brought to the Legislative Committee and/or other Board Committees as appropriate for a full discussion and the Board’s consideration to proceed with the pursuit of the specific funding proposal(s).

Public Comments

Since the release of the Draft Plan, staff received comments requesting clarification on the intent of the proposed guiding principles; recognition that certain mobile source emission inventory categories have been revised; the challenges posed with the potential funding opportunities; and whether the Funding Action Plan will be submitted into the SIP. In addition, comments on the need for a Funding Action Plan and identifying potential revenue sources for future incentives funding were received as part of the 2016

AQMP public process. Responses to those comments are provided as part of the 2016 AQMP public review process.

Three written comment letters were received by close of business January 20, 2017. The three comment letters are provided at: www.aqmd.gov/home/library/clean-air-plans/air-quality-mgt-plan. The comments are similar to those received verbally at the 2016 AQMP Advisory Group and Mobile Source Committee meetings, and the January 2017 Board meeting. A summary of the comments and staff responses is provided below.

- Comment: Clarification on Guiding Principles (3) and (6) regarding the relationship between the impact on the funding source and encouragement of maximum use of funding by other entities.

Response: Staff is providing revisions to the Guiding Principle (3) to clarify its intent. (See Attachment A)

- Comment: Recommendation of additional guiding principle stating that “any financial incentives be funded and implemented in ways that support the economy of the region and do not put South Coast businesses at a competitive disadvantage to other areas”.

Response: Staff has revised Guiding Principle (7) to reflect the concept of this recommendation.

- Comment: Clarification that the Draft Funding Action Plan is not proposed to be submitted to U.S. EPA for incorporation into the SIP.

Response: The Draft Funding Action Plan is not proposed to be submitted to U.S. EPA for inclusion into the SIP.

- Comment: The analysis of the funding levels are based on draft emission inventories provided in earlier public releases of the 2016 AQMP. There is a need to recognize the latest emission inventories and potentially update the analysis of funding levels.

Response: Staff will be providing updated information on emissions and funding levels as part of the public process.

- Comment: Through the working group process, address key topics missing from the funding plan including “inherent tension between seeking the most cost effective reductions versus investing in advanced control technologies that are economically infeasible and would not be made without financial support”;

discussions on funding for stationary sources as well as mobile sources; and how the District will prioritize and schedule its resources and actions among the many identified potential funding sources.

Response: The Draft Funding Action Plan was not intended to cover every topic related to funding. As the Commenter acknowledges, many of the topics raised will be discussed through the public process.

- Comment: The Cargo Container Fee potential funding opportunity inaccurately reflects various proposals over the last ten years. The potential funding opportunity should be removed or rewritten and more specific funding opportunities should be provided.

Response: Staff appreciates the comments on different proposals discussed under the Cargo Container Fee concept, which will be considered during the public process. In addition, the various funding opportunities and development of funding mechanisms will be discussed in greater detail as part of the public process.

- Comment: Incentives for near-zero heavy-duty trucks should be prioritized to maximize near-term emission reductions and be discussed through the Funding Working Group to rank potential funding sources, secure funding, and determine emission reduction priorities.

Response: Staff agrees that there is a need to maximize near-term emission reductions. As provided in Table 1, the working group objectives are to prioritize funding and identify mechanisms to secure funding.

Benefits to SCAQMD

The successful implementation of the 2016 AQMP will be based on adoption of new rules and regulations at all levels of government and identification and procurement of additional incentive funding needed in the near-term to accelerate turnover of older vehicles and equipment. The Draft Final Financial Incentives Funding Action Plan provides a series of activities to pursue revenue sources to fund financial incentive programs.

Resource Impacts

There will be some administrative and program costs associated with implementing the Funding Action Plan. Detailed costs have not been estimated at this time; however, staff resources have been identified in the FY 2016-17 Budget.

Attachment

Attachment A: Guiding Principles to Secure and Allocate Incentive Funds

Attachment B: Board Meeting Presentation

ATTACHMENT A

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

GUIDING PRINCIPLES TO SECURE AND

ALLOCATE INCENTIVES FUNDS

Guiding Principles to Secure and Allocate Incentives Funds

As the SCAQMD moves forward in seeking new funding opportunities, SCAQMD staff will follow a set of guiding principles that are based on public comments received on the Draft 2016 AQMP.

1) **Evaluate All Potential Opportunities**

As the South Coast Air Quality Management District (SCAQMD) works to identify sustained sources of financial incentives revenue needed in the next seven to 15 years to help accelerate the turnover of legacy vehicles and equipment to modern near-zero emissions vehicles and equipment and where feasible, zero-emission vehicles and equipment, the SCAQMD will evaluate all potential opportunities with a recognition that revenues may come from multiple sources that are locally, state, and/or federally derived.

2) **No Diversion from Purposes Other than Air Quality**

Any identified source(s) of revenue shall not be from the diversion of existing or future funds slated for purposes other than air quality (e.g., funding for transportation infrastructure improvement projects shall not be diverted for use to accelerate turnover of existing vehicles).

3) **Minimize Economic Impact to the Funding Source**

Any potential revenue source proposed to be pursued shall be analyzed and developed in a manner that: 1) wherever possible, incentive funding should be generated from those responsible for air pollution in a fair and proportionate manner (i.e., those who pollute the most should pay the most); 2) the burden for paying for incentive funding should be minimized to the maximum extent possible on those who can least afford it; and 3) where possible, maximize the use of funding back to the revenue source while being mindful of Guiding Principle No. 7.

4) **Collaborative Approach to Prioritize Revenue Sources to Pursue**

The SCAQMD will work with all interested stakeholders to build consensus on a prioritized specific set of potential revenue sources that could be pursued at the local, state, and/or federal level over the next one to three years.

5) **Develop Stakeholder Coalition**

The SCAQMD will work to develop a coalition of stakeholders that will help inform state legislators and Congressional members on the need for such funding and the benefits such funding will provide to meet current and future air quality standards, avoiding sanctions, and with a recognition that there will be substantial co-benefits of greater greenhouse gas emission reductions.

6) **Recognize Criteria Pollutant Emission Benefits from Projects Funded by Other Agencies**

The SCAQMD will work with entities such as county transportation agencies, Southern California Association of Governments (SCAG), local governments, Port of Long Beach, and Port of Los Angeles to ensure that the use of funding secured by these entities for the primary purpose of climate change, energy efficiency, or improved operational efficiencies provide additional criteria pollutant reduction co-benefits to the South Coast Air Basin and Coachella Valley to the greatest extent feasible.

7) **Maximize Disbursements/Benefits to Environmental Justice and Disadvantaged Communities**

Any funding realized shall be disbursed in such a manner that maximizes benefits to residents living in environmental justice and disadvantaged communities that are adversely affected by poor air quality, while ensuring that the region attains federal air quality standards as early as possible while continuing to foster the region's recovering economy and being sensitive to the region's economic competitiveness with other areas.

Approve Schedule of Activities to Implement Draft Financial Incentives Funding Action Plan for 2016 AQMP

Agenda No. 26

SCAQMD Governing Board Meeting

February 3, 2017

Draft Financial Incentives Funding Action Plan

- Guiding Principles to Secure and Allocate Incentives Funds
- Identifies 17 Potential Sources of Funding Revenues for Public Discussion
- Proposes Activities to Secure Additional Funding Revenues
- 3 Written Comments; Other Comments Provided as Part of 2016 AQMP Public Process

Draft Guiding Principles to Secure and Allocate Incentive Funds

1. Evaluate all potential opportunities
2. No diversion from purposes other than air quality
3. Minimize economic impact to the funding source
4. Collaborative approach to prioritized potential revenue sources
5. Develop coalition to educate elected officials on funding needs and benefits
6. Ensure funding provides criteria pollutant reduction co-benefits
7. Maximize disbursements/benefits to environmental justice and disadvantaged communities

Public Comments

- Clarifying Intent of Guiding Principle on Economic Impact on Funding Source
- Need to Prioritize Funding Opportunities and Resources
- Clarification on Emission Inventories Used for Funding Analysis
- Support for Early Emission Reductions Through Incentives for Near-Zero Emission Technologies
- Sensitivity to the Region's Economic Competitiveness with Other Areas

Proposed Activities to Pursue New Funding

Actions at the National Level

- Create a national collaborative – develop new partnerships with states and regions that are currently in nonattainment of existing federal air quality standards or may be in nonattainment of future air quality standards
- Create a National Clean Air Investment and Cleanup Fund
- Develop public/private partnerships to help identify and/or leverage public funding

Proposed Activities to Pursue New Funding

Actions at the State Level

- Prioritize existing funding programs to maximize the co-benefits of criteria pollutant and greenhouse gas emission reductions
- Initiate new funding programs through state legislative process with Board Direction
- Develop public/private partnerships to help identify and/or leverage public funding

Proposed Activities to Pursue New Funding

Actions at the Regional/Local Level

- Build consensus to develop potential local ballot measures
(with input from the Board and the public)
- Expand Implementation of the District's Strategic Alliance Initiative
- Develop public/private partnerships

Activities, Schedule, and Reporting

Activity	Proposed Schedule
Continue discussions with NACAA and Ultra-Low National Low-NOx Petition Co-Petitioners on formation of national collaborative	December 2016 – February 2017
Work with CAPCOA, CARB, and the West Coast Collaborative on forming coalitions to support additional funding opportunities	December 2016 – March 2017
Convene Working Group to discuss/identify and prioritize funding opportunities to pursue	February 2017
Report to SCAQMD Legislative Committee and/or other Board Committees as appropriate on process to move forward	Within two months from date of adoption of Final 2016 AQMP

Activities, Schedule, and Reporting

Activity	Proposed Schedule
<p>On-Going Working Group Meetings</p> <ul style="list-style-type: none"> • Seek input and prioritize funding opportunities • Develop timelines to pursue funding • Form coalition(s) to support legislative-related activities to pursue funding 	<p>On-going on a monthly basis for six months from date of adoption of Final 2016 AQMP, quarterly or semi-annually after six months</p>
<p>Report to SCAQMD Legislative Committee and/or other Board Committees, as appropriate, on progress</p> <ul style="list-style-type: none"> • Discuss specific funding opportunities to pursue • Specific actions for Committee’s consideration and Board approval 	<p>Quarterly or semi-annually from the date of adoption of the Final 2016 AQMP; monthly as needed to consider specific actions</p>

Staff Recommendation

- Approve Schedule of Activities to Implement Draft Financial Incentives Funding Action Plan