

MEETING, JANUARY 5, 2018

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.

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 5:30 p.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 Boards Office, 21865 Copley Drive, Diamond Bar, CA 91765.

CALL TO ORDER

- Pledge of Allegiance
- Opening Comments: William A. Burke, Ed.D., Chair
Other Board Members
Wayne Nastri, Executive Officer
- Swearing in of Chair and Vice Chair for Terms January 2018 – January 2020
- Swearing in of Reappointed Board Members Judith Mitchell and Marion Ashley and Swearing in of Newly Appointed Board Member Hilda Solis **Burke**

Staff/Phone (909) 396-

CONSENT CALENDAR (Items 1 through 13)

Note: Consent Calendar items held for discussion will be moved to Item No. 14

1. Approve Minutes of December 1, 2017 Board Meeting **Garzaro/2500**

Budget/Fiscal Impact

2. Recognize Revenue and Appropriate Funds, Approve Positions, Amend Contracts, Issue Solicitations and Purchase Orders for AB 617 Implementation and Transfer and Appropriate Funds and Approve Positions for AB 134 Implementation **Whynot/3104**

Under AB 617, recently adopted by the state legislature, CARB is developing the Community Air Protection Program to reduce exposure in neighborhoods most impacted by air pollution. SCAQMD is expected to receive \$10,700,000 for this effort and as a result the agency's workload will substantially increase in the areas of accelerated BARCT rulemaking, emissions monitoring, community emission reduction plans, and state-wide emission reporting consistency. This action is to recognize up to \$10,700,000 in the General Fund and appropriate \$5,644,888 into the FY 2017-18 Budget, approve 36.5 positions, amend contracts, and issue solicitations and purchase orders for AB 617 implementation. In November 2017, the Board recognized increased funding from AB 134 for the Carl Moyer program. This action is to also transfer and appropriate \$561,792 from the Carl Moyer Program Fund (32) into the General Fund FY 2017-18 budget and approve 10.5 positions for the implementation of AB 134. (Reviewed: Administrative Committee, December 8, 2017; Recommended for Approval)

3. Issue RFP for Emission Reduction Projects Using Incentive Funding from SCAQMD Special Revenue Funds, Allocate Funds, and Execute Contract **Fine/2239**

SCAQMD is seeking to incentivize stationary and mobile source projects that will result in emission reductions of NOx, VOC, and PM, in accordance with the approved control strategy in the 2016 AQMP. Project funding is proposed from existing special revenue funds related to mitigation fees, settlements, set-asides or grants from other agencies. The incentives would be issued for emission mitigation, reduced air toxics exposure, and new technology development and deployment. This action is to release an RFP to solicit bids for potential projects that achieve emission reductions consistent with 2016 AQMP goals, possible co-benefits of air toxic and/or GHG reductions, deployment of advanced clean technology, and reducing air quality impacts in environmental justice areas. This action is also to execute a sole source contract with Build it Green to incentivize deployment of solar water heating systems (Fund 27) and to direct funds to implement mobile source emission reduction projects (Fund 39). (Reviewed: Administrative Committee, December 8, 2017; Recommended for Approval)

4. Transfer and Appropriate Funds, Issue Purchase Orders for Monitoring and Lab Equipment, Approve Surrender of Fixed Assets, and Execute or Amend Contract for Monitoring Services **Gilchrist/3459**

A variety of field monitoring equipment is used to identify, characterize and quantify emissions. These tools are particularly useful when inspecting sources associated with petroleum production, refining, loading and distribution, which have fugitive emissions and are sometimes the source of public complaints. Additional monitoring services and equipment as well as laboratory supplies are needed to identify potential sources of odors and ensure compliance during routine inspections. This action is to transfer and appropriate funding up to \$561,000 from the Rule 1173 Mitigation Fee Special Revenue Fund (44) and \$10,000 from the AES Settlement Projects Fund (35) to Compliance & Enforcement's and Science & Technology Advancement's FY 2017-18 Budgets to purchase supplies and issue purchase orders for equipment. These actions are to also issue purchase orders up to \$542,000 for equipment and authorize surrender of five existing Toxic Vapor Analyzers (TVAs) for a credit toward new TVAs. Finally, this action is to execute or amend a contract with FluxSense, Inc., in an amount not to exceed \$55,000 from the AES Settlement Projects Fund (35) for professional monitoring services related to shoreline odors. (Reviewed: Administrative Committee, December 8, 2017; Recommended for Approval)

5. Recognize Revenue and Appropriate Funds to Maintain, Improve and Expand Existing Low-Cost Sensor Network for Monitoring PM Emissions **Low/2269**

SCAQMD and Rainbow Transfer/Recycling Inc., (Rainbow) have entered into a Stipulated Order for Abatement to resolve their dispute over application of Rule 410 and to achieve compliance with the Rule's enclosure requirement. The Order for Abatement also included \$70,000 from Rainbow for an air monitoring study to measure potential fugitive PM emissions from the facility using low-cost sensors. This action is to recognize \$70,000 in revenue and appropriate \$70,000 to the Science & Technology Advancement's FYs 2017-18 and/or 2018-19 Budgets to support and expand the existing fence-line PM sensor network and deploy sensors in nearby communities. (Reviewed: Administrative Committee, December 8, 2017; Recommended for Approval)

6. Amend Contracts for Legislative Representation in Washington, D.C. **Alatorre/3122**

The current contracts for legislative and regulatory representation in Washington, D.C. with Kadesh & Associates, LLC, Cassidy & Associates, and Carmen Group Inc. will expire on January 14, 2018. Each of these contracts includes an option for two one-year extensions. This action is to consider approval of the second one-year extension of the existing contracts for Calendar Year 2018 with Carmen Group Inc., Kadesh & Associates, LLC, and Cassidy & Associates as SCAQMD's legislative and regulatory representatives in Washington, D.C., to further the agency's policy positions at the federal level. (Reviewed: Administrative Committee, December 8, 2017; Recommended for Approval)

7. 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, 2018. Based on the firm's effective performance during their current contract, this action is to approve the second one-year extension of the consultant's contract for Calendar Year 2018, at the current contract amount. (Reviewed: Administrative Committee, December 8, 2017; Recommended for Approval)

Items 8 through 13 - Information Only/Receive and File

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

This report highlights the November 2017 outreach activities of Legislative, Public Affairs and Media, which include: Environmental Justice Update, Community Events/Public Meetings, Business Assistance, Media Relations, and Outreach to Business, Federal, State, and Local Government. (No Committee Review)

9. **Hearing Board Report** **Prussack/2500**
This reports the actions taken by the Hearing Board during the period of November 1 through November 30, 2017. (No Committee Review)
10. **Civil Filings and Civil Penalties Report** **Wiese/3460**
This reports the monthly penalties from November 1 through November 30, 2017, and legal actions filed by the General Counsel's Office from November 1 through November 30, 2017. An Index of District Rules is attached with the penalty report. (No Committee Review)
11. **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 November 1, 2017 and November 30, 2017, and those projects for which the SCAQMD is acting as lead agency pursuant to CEQA. (No Committee Review)
12. **Rule and Control Measure Forecast** **Fine/2239**
This report highlights SCAQMD rulemaking activities and public workshops potentially scheduled for 2018. (No Committee Review)
13. **Status Report on Major Ongoing and Upcoming Projects for Information Management** **Moskowitz/3329**
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, December 8, 2017)
14. **Items Deferred from Consent Calendar**

BOARD CALENDAR

Note: The December meeting of the MSRC Committee was canceled. The next meeting is scheduled for January 18, 2018. The Mobile Source, Stationary Source, and Technology Committees did not meet in December. The next regular meetings of the Mobile Source, Stationary Source, and Technology Committees are scheduled for January 19, 2018.

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

16. Legislative Committee Chair: Mitchell Alatorre/3122

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

Agenda Item	Recommendation
2018 Legislative Goals and Objectives	Approve

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

PUBLIC HEARINGS

18. Determine that Proposed Amendments to Rule 2001 – Applicability and Rule 2002 – Allocations for Oxides of Nitrogen (NOx) and Oxides of Sulfur (SOx) Are Exempt from CEQA and Amend Rules 2001 and 2002 Nakamura/3105

The adoption Resolution of the Final 2016 AQMP directed staff to achieve additional NOx emission reductions and to transition the RECLAIM program to a command and control regulatory structure as soon as practicable. Proposed Amended Rule 2001 will commence the initial steps of this transition by ceasing any future inclusions of facilities into NOx and SOx RECLAIM. Proposed Amended Rule 2002 will establish notification procedures for RECLAIM facilities that will exit the program and address the RECLAIM Trading Credit holdings for these facilities. This action is to adopt the Resolution: 1) Determining that the proposed amendments to Rule 2001 – Applicability and Rule 2002 - Allocations for Oxides of Nitrogen (NOx) and Oxides of Sulfur (SOx) are exempt from the requirements of the California Environmental Quality Act; and 2) Amending Rule 2001 – Applicability and Rule 2002 – Allocations for Oxides of Nitrogen (NOx) and Oxides of Sulfur (SOx). (Reviewed: Stationary Source Committee, November 17, 2017)

19. Determine that Proposed Amendments to Rule 301 – Permitting and Associated Fees Are Exempt from CEQA and Amend Rule 301 Fine/2239

On June 2, 2017, Rule 301 was amended to address cost recovery by refining the alignment of program revenue with program costs that have typically never been fully recovered. In addition to the annual across-the-board CPI adjustment, permit-related service fee rates were increased over a three-year period, with differential increases for Title V and non-Title V facilities. During the amendment, staff inadvertently deleted the SCAQMD's authority to charge for the preparation of a notice for a project requiring notification as defined in Rule 212(c). Proposed Amended Rule 301 consists of administrative changes to restore SCAQMD's deleted authority. This action is to adopt the Resolution: 1) Determining that the proposed amendments to Rule 301 – Permitting and Associated Fees are exempt from the requirements of the California Environmental Quality Act; and 2) Amending Rule 301 – Permitting and Associated Fees. (Reviewed: Administrative Committee, December 8, 2017)

OTHER BUSINESS

20. Approve Three-Year Labor Agreement with Teamsters Local 911 **Olvera/2309**

SCAQMD management and Teamsters Local 911, representing the Technical & Enforcement and Office Clerical & Maintenance bargaining units, have completed the bargaining process, and have reached a tentative agreement on a new 3-year MOU. This action is to present the proposed agreement to the Board for consideration and approval. (No Committee Review)

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.

CONFLICT OF INTEREST DISCLOSURES – (No Written Material)

Under the approval authority of the Executive Officer, the District will terminate a contract with American Honda Motor Co., Inc. (Contract No. MS14078A). The contractor is a potential source of income for Governing Board Member Joseph Lyou, which qualifies for the remote interest exception of Section 1090 of the California Government Code. Dr. Lyou abstained from any participation in the process of contract termination.

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:

- In the Matter of SCAQMD v. Aerocraft Heat Treating Co., Inc. and Anaplex Corp., SCAQMD Hearing Board Case No. 6066-1 (Order for Abatement);
- SCAQMD v. Anaplex, Los Angeles Superior Court Case No. BC608322 (Paramount Hexavalent Chromium);
- Arizona v. Bahr, United States Supreme Court Case No. 16-1369 (Contingency Measures);
- In the Matter of SCAQMD v. Browning-Ferris Industries of California, Inc. dba Sunshine Canyon Landfill, Hearing Board Case No. 3448-14;
- Communities for a Better Environment v. SCAQMD, Los Angeles Superior Court Case No. BS161399 (RECLAIM);
- Communities for a Better Environment v. South Coast Air Quality Management District, Los Angeles Superior Court Case No. BS169841; Safe Fuel and Energy Resources California, et al. v. South Coast Air Quality Management District, Los Angeles Superior Court Case No. BS169923 (Tesoro);
- Zbigniew (Phil) Szymanski v. SCAQMD, WCAB No: ADJ9752399;

- People of the State of California, ex rel. SCAQMD v. Exide Technologies, Inc., Los Angeles Superior Court Case No. BC533528;
- In re: Exide Technologies, Inc., U.S. Bankruptcy Court, District of Delaware, Case No. 13-11482 (KJC) (Bankruptcy Case);
- Fast Lane Transportation, Inc. et al. v. City of Los Angeles, et al., Court of Appeals, First Appellate District, Case No. A148993 (formerly Contra Costa County Superior Court Case No. MSN14-0300) (SCIG);
- Ferguson v. Coachella Valley Association of Governments, Riverside County Transportation Commission and South Coast Air Quality Management District, Riverside Superior Court Case No. PSC 1705629 (CV Link);
- SCAQMD v. EPA, U.S. Court of Appeals, D.C. Circuit, Case No. 15-1115 (consolidated with 15-1123, Sierra Club, et al. v. EPA) (Out-of-Area RFP);
- South Coast Air Quality Management District v. Top Shelf Consulting LLC, Los Angeles Superior Court, Case No. BC676606; and
- In the Matter of SCAQMD v. Torrance Refining Company, LLC, SCAQMD Hearing Board Case No. 6060-5 (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)—one case is a potential amicus brief in Valero Refining Co. v. Hearing Board of the BAAQMD, San Francisco Superior Court Case No. CPF-15-514407/Valero Refining Company – California v. Hearing Board of the Bay Area Air Quality Management District, et al., California Court of Appeals Case No. A151004.

CONFERENCE WITH NEGOTIATORS

It is also necessary to recess to closed session pursuant to Government Code Section 54957.6 to confer regarding upcoming labor negotiations with:

- designated representatives regarding represented employee salaries and benefits or other mandatory subjects within the scope of representation [Negotiator: A. John Olvera; Represented Employees: Teamsters Local 911 and SCAQMD Professional Employees Association].

ADJOURNMENT

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

Members of the public are afforded an opportunity to speak on any agenda item before 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 will be limited to a total of three (3) minutes for the Consent Calendar and Board Calendar and three (3) minutes or less for other agenda items.

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 the Public Comment Period 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@agmd.gov of 10 pages or less including attachment, in MS WORD, PDF, 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

AQIP = Air Quality Investment Program

AQMP = Air Quality Management Plan

AVR = Average Vehicle Ridership

BACT = Best Available Control Technology

Cal/EPA = California Environmental Protection Agency

CARB = California Air Resources Board

CEMS = Continuous Emissions Monitoring Systems

CEC = California Energy Commission

CEQA = California Environmental Quality Act

CE-CERT =College of Engineering-Center for Environmental
Research and Technology

CNG = Compressed Natural Gas

CO = Carbon Monoxide

CTG = Control Techniques Guideline

DOE = Department of Energy

EV = Electric Vehicle

FY = Fiscal Year

GHG = Greenhouse Gas

HRA = Health Risk Assessment

LEV = Low Emission Vehicle

LNG = Liquefied Natural Gas

MATES = Multiple Air Toxics Exposure Study

MOU = Memorandum of Understanding

MSERCs = Mobile Source Emission Reduction Credits

MSRC = Mobile Source (Air Pollution Reduction) Review
Committee

NATTS =National Air Toxics Trends Station

NESHAPS = National Emission Standards for
Hazardous Air Pollutants

NGV = Natural Gas Vehicle

NOx = Oxides of Nitrogen

NSPS = New Source Performance Standards

NSR = New Source Review

OEHHA = Office of Environmental Health Hazard
Assessment

PAMS = Photochemical Assessment Monitoring
Stations

PAR = Proposed Amended Rule

PEV = Plug-In Electric Vehicle

PHEV = Plug-In Hybrid Electric Vehicle

PM10 = Particulate Matter \leq 10 microns

PM2.5 = Particulate Matter \leq 2.5 microns

PR = Proposed Rule

RECLAIM=Regional Clean Air Incentives Market

RFP = Request for Proposals

RFQ = Request for Quotations

SCAG = Southern California Association of Governments

SIP = State Implementation Plan

SOx = Oxides of Sulfur

SOON = Surplus Off-Road Opt-In for NOx

SULEV = Super Ultra Low Emission Vehicle

TCM = Transportation Control Measure

ULEV = Ultra Low Emission Vehicle

U.S. EPA = United States Environmental Protection
Agency

VOC = Volatile Organic Compound

ZEV = Zero Emission Vehicle