

BOARD MEETING DATE: February 2, 2018

AGENDA NO. 13

PROPOSAL: Approve Funding for Air Filtration Systems at East Los Angeles Schools

SYNOPSIS: This item is to consider approval of funding for air filtration systems at Plaza Community Services Center, Resurrection Church Elementary School, and Salesian High School in the total amount of \$250,000. The funding is provided pursuant to a settlement agreement with Brenntag Pacific, Inc. The settlement agreement provided that \$250,000 in settlement funds would be used for supplemental environmental projects. The schools are located in East Los Angeles, near the location where Brenntag Pacific's air pollution violations occurred. This item also transfers the \$250,000 in funding for the supplemental environmental project from the General Fund to Fund 75, the Air Filtration Fund, and authorizes the Executive Officer to enter into a contract in a total amount up to \$250,000 with IQ Air to install filters at the schools.

COMMITTEE: Special Administrative, January 29, 2018; Recommended for Approval

RECOMMENDED ACTIONS:

1. Transfer up to \$250,000 from the General Fund (Undesignated/Unassigned Fund Balance) into the Air Filtration Fund (Fund 75);
2. Authorize the Executive Officer to execute a contract with IQAir North America in an amount not to exceed \$250,000 for installation of an air filtration system and filters at Plaza Community Services Center's location on Union Pacific Avenue in Los Angeles; for installation of air filters at Resurrection Church Elementary School in East Los Angeles; and at Salesian High School in East Los Angeles.

Wayne Nastri  
Executive Officer

## **Background**

In June of 2017, the District entered into a settlement agreement regarding air pollution violations with Brenntag Pacific Corporation that included payment of \$250,000 to be used to fund a supplemental environmental project to benefit the residents of the District. In addition to the payment for the supplemental environmental project, Brenntag Pacific paid the District a civil penalty of \$1,250,000. These penalties were due to air pollution violations occurring at Brenntag Pacific's facility located at 3629 Union Pacific Avenue in East Los Angeles.

Staff is recommending that the Governing Board approve a contract with IQAir North America, to install new filters at Resurrection Church Elementary School for five years; to install a filtration system at the Plaza Community Services Center daycare on Union Pacific Avenue and install new filters in the system for five years; and to install new filters at Salesian High School for three years. Plaza Community Services Center's daycare is approximately five blocks from the site of Brenntag Pacific's violations. Resurrection Church Elementary School—which already has an air filtration system installed—is less than one mile from the site of the Brenntag Pacific violations. Salesian High School is approximately two miles from the site of the violations.

Staff is recommending that the District contract with IQAir North America to install the filters. IQAir North America was previously selected through two separate competitive bid processes in 2011 and 2013 for air filtration projects. Last year staff worked with CARB staff on a technology status check to ensure no new, more effective technologies had come on the market. Furthermore, IQAir was the only qualified manufacturer of high performance filters and stand-alone units to meet the performance standards in SCAQMD's 2009 air filtration pilot study as well as through a national testing opportunity conducted by the University of California Riverside CE-CERT at Sunnyslope Elementary School in 2010. To date, through contracts with IQAir, SCAQMD has installed air filtration systems at 71 schools and community centers. Performance standards from SCAQMD's air filtration pilot study include an average removal efficiency of at least 85 percent for ultrafine PM and black carbon, no pressure drop for panel filters, no ozone generation, and a noise level below 45 decibels for standalone units.

## **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 a sole source award is made under provision B.2.c(1): The desired services are available from only the sole-source based upon the unique experience and capabilities of the proposed contractor or contractor team. IQAir is the only manufacturer of high performance panel filters and stand-alone units identified by SCAQMD and CARB Research Division staff that meet the performance standards in SCAQMD's 2009 air filtration pilot study. Staff has also consulted with CARB Research Division staff to confirm that no new

manufacturers of air filtration technologies that meet or exceed the performance standards in the pilot study have been identified since the last RFP process in 2013.

**Benefits to SCAQMD**

This project will reduce children’s exposure to criteria and toxic pollutants and ultrafine PM. Health studies have determined that fine and ultrafine PM, including diesel PM, present the greatest air pollution health risk to sensitive receptors in Environmental Justice communities in Southern California.

**Resource Impacts**

Amounts transferred from the General Fund pursuant to this action were placed there under a settlement agreement requiring the funds to be used for a special environmental project to benefit District residents. This will be accomplished by transferring the funds to the Air Filtration Fund and by contracting with IQ Air North America installation of filtrations systems at East Los Angeles schools.