

BOARD MEETING DATE: March 2, 2018

AGENDA NO. 1

MINUTES: Governing Board Monthly Meeting

SYNOPSIS: Attached are the Minutes of the February 2, 2018 meeting.

RECOMMENDED ACTION:

Approve Minutes of the February 2, 2018 Board Meeting.

Denise Garzaro
Clerk of the Boards

DG

FRIDAY, FEBRUARY 2, 2018

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

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

Mayor Ben Benoit,
Cities of Riverside County

Supervisor Marion Ashley
County of Riverside

Council Member Joe Buscaino
City of Los Angeles

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

Dr. Joseph K. Lyou
Governor's Appointee

Mayor Larry McCallon
Cities of San Bernardino County

Mayor Pro Tem Judith Mitchell
Cities of Los Angeles County – Western Region

Supervisor Shawn Nelson (Arrived at 9:50 a.m.)
County of Orange

Council Member Dwight Robinson
Cities of Orange County

Supervisor Janice Rutherford
County of San Bernardino

Supervisor Hilda L. Solis
County of Los Angeles

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

- Pledge of Allegiance: Led by Dr. Lyou.
- Opening Comments

Mayor Pro Tem Mitchell reported that she attended the Martin Luther King, Jr. Day of Service Forum in Los Angeles on January 15, 2018, where former Los Angeles Mayor Antonio Villaraigosa gave a wonderful speech and Danny Bakewell was honored with the Environmental Justice For All award. She encouraged her fellow Board Members to attend this annual event.

Dr. Lyou expressed appreciation to staff for their prompt response to a complaint regarding an odor issue by a neighbor.

Chairman Burke presented Kurt Wiese, General Counsel a retirement award in recognition of his 29 years of dedicated District service.

Mr. Wiese expressed appreciation to the Board and staff for the opportunity to serve in an agency that has made great accomplishments.

Council Member Cacciotti announced an upcoming demonstration project by Ford for hybrid police pursuit vehicles on February 13, 2018 at the Auto Club Speedway in Fontana and invited fellow Board Members and staff to attend. He added that the purchase of these vehicles will result in significant cost reductions for public safety agencies and emission reductions within the District.

Wayne Nastri, Executive Officer, noted that an errata sheet with amendments to the January 5, 2018 Board meeting minutes was distributed to Board Members and copies made available to the public.

- Swearing in of Reappointed Board Member Marion Ashley

Chairman Burke administered the oath of office to Supervisor Marion Ashley who was reappointed to the Board by the County of Riverside Board of Supervisors for a term ending January 15, 2022.

Supervisor Ashley expressed appreciation for the opportunity to continue to serve on the Board.

CONSENT CALENDAR

1. Approve Minutes of January 5, 2018 Board Meeting

An errata sheet containing amendments to the Board meeting minutes was distributed to Board Members and copies made available to the public.
2. Set Public Hearing March 2, 2018 to Consider Adoption of and/or Amendments to SCAQMD Rules and Regulations:

Certify Final Environmental Assessment and Amend Rule 1111 – Reduction of NOx Emissions from Natural-Gas-Fired, Fan-Type Central Furnaces

Budget/Fiscal Impact

3. Demonstrate Zero Emission Cargo Handling Vehicles at Port of Long Beach
4. Renew California Fuel Cell Partnership Membership and Participation, Receive and File California Fuel Cell Partnership Board Meeting Agenda and Quarterly Updates, and Participate in California Hydrogen Infrastructure Research Consortium
5. Recognize Revenue to Develop Test Standard for Performance Verification of Low-Cost Indoor Air Quality Sensors
6. Recognize Revenue and Appropriate and Transfer Funds for U.S. EPA PAMS Program and Issue RFQ and Purchase Orders for Equipment
7. Issue Request for Qualifications for Technical Assistance to Support Technology Advancement Activities
8. Authorize Funding, Recognize Anticipated Revenue and Conduct Air Quality Conferences for Seniors
9. Establish List of Prequalified Vendors to Provide Computer, Network, Printer, Hardware and Software, and Audio Visual Equipment
10. Execute Contract for Data Cabling Infrastructure Upgrade

11. Authorize Purchase of Servers and Storage Devices Maintenance and Support Services
12. Approve Contract Awards and Modification as Approved by MSRC
13. Approve Funding for Air Filtration Systems at East Los Angeles Schools

Items 14 through 19 - Information Only/Receive and File

14. Legislative, Public Affairs and Media Report
15. Hearing Board Report
16. Civil Filings and Civil Penalties Report
17. Lead Agency Projects and Environmental Documents Received by SCAQMD
18. Rule and Control Measure Forecast
19. Status Report on Major Ongoing and Upcoming Projects for Information Management

Dr. Lyou announced his abstention on Item No. 3 because the Port of Long Beach is a potential source of income to him; Item No. 12 because City of Long Beach is potential source of income to him; and Item No. 13 because IQAir North America is a potential source of income to him, all because they made contributions to his employer.

Mayor McCallon noted that he serves on the Board of Directors for the Southern California Regional Rail Authority which is involved with Item No. 12.

Mayor Pro Tem Mitchell noted that she is a Board Member of the CARB which is involved with Item Nos. 3 and 4.

Mayor Benoit and Supervisor Ashley noted that they are members of the Riverside County Transportation Commission which is involved with Item No. 12.

Due to a number of requests to speak received on Consent Calendar items including agenda Items 2, 4, 5, 8, 12, 13 and 14, the vote on the Consent Calendar was deferred until after those comments were made.

20. Items Deferred from Consent Calendar

2. Set Public Hearing March 2, 2018 to Consider Adoption of and/or Amendments to SCAQMD Rules and Regulations:

Certify Final Environmental Assessment and Amend Rule 1111 – Reduction of NOx Emissions from Natural-Gas-Fired, Fan-Type Central Furnaces

The following individuals addressed the Board on Agenda Item 2.

Rusty Tharp, Goodman Manufacturing, expressed appreciation to staff for their work with stakeholders during the rule making process. He expressed support for the current proposal to extend the mitigation fee as it fosters consumer choice and correctly applies a difference in mitigation fees due to actual emissions of the product and added support for the staging of the fee increase. He noted that the consumer rebate adequately rewards both manufacturers and consumers who are first to adopt compliant products.

David Winningham, Lennox International, expressed opposition to the proposed rule amendments which provide an economic advantage for non-compliant furnaces and do not support the manufacturers who have invested heavily in early adoption of compliant products. Lennox also finds the mitigation fee proposal to be too complex and difficult to administer with loopholes and exceptions for construction and propane use. He added that the extension of the mitigation period must be balanced with economic measures that ensure viability of compliant products on the market. He strongly urged continued discussions to address these issues.

Dr. Lyou asked Mr. Winningham if his position on the rule had changed as he recalled that he was previously in support of the rule.

Mr. Winningham commented that they were in support of the proposed amendments in October and November, but changed their position with the January proposal.

Harvey Eder, Public Solar Power Coalition, commented on the need to incorporate discussions on the cost benefits and application of solar technologies. He added that the District needs to look at complete toxics for natural gas and PM.

Dr. Lyou asked staff for clarification on the changes to the rule amendment as it relates to the change in position by Lennox and whether staff will be addressing their concerns before the public hearing.

Dr. Philip Fine, DEO/Planning, Rule Development and Area Sources, explained that changes to the proposed rule were made based on comments received by stakeholders to address concerns about the timing of increased mitigation fees in the middle of the compliance period, and after annual reporting and financial planning had already occurred. Staff also developed a graduated fee schedule to address concerns about larger units with higher emissions and a phased in fee schedule was developed to ease the transition of increased mitigation fees. Staff has worked to strike a balanced proposal while providing consumer choice. A rebate program is also proposed that will assist manufacturers and lower costs for consumers. Discussions with stakeholders are ongoing.

Mayor Benoit expressed concern that a sell-through provision is needed for manufacturers.

Dr. Fine explained that the 18-month mitigation fee period should provide the flexibility to handle the inventory issue but additional discussions with stakeholders are planned to better understand their concerns.

Council Member Cacciotti asked staff to explain the development and commercialization of compliant units.

Mr. Wiese recommended that further discussions about the rule amendments take place at next month's public hearing as this item is to set the matter for public hearing.

Mr. Nastri noted that staff will continue to meet with stakeholders to address the concerns that were expressed today and provide further information to the Board at next month's meeting.

MOVED BY BENOIT, SECONDED BY
CACCIOTTI, AGENDA ITEM NO. 2
APPROVED, AS RECOMMENDED, BY THE
FOLLOWING VOTE:

AYES: Ashley, Benoit, Burke, Buscaino,
Cacciotti, Lyou, McCallon,
Mitchell, Parker, Robinson,
Rutherford and Solis

NOES: None

ABSENT: Nelson

4. Renew California Fuel Cell Partnership Membership and Participation, Receive and File California Fuel Cell Partnership Board Meeting Agenda and Quarterly Updates, and Participate in California Hydrogen Infrastructure Research Consortium

Mr. Eder expressed support for the use of solar fuel cells rather than natural gas technologies and recommended that this be a condition of joining the partnership.

5. Recognize Revenue to Develop Test Standard for Performance Verification of Low-Cost Indoor Air Quality Sensors

Mr. Eder noted that radon is included in the monitoring of indoor air quality and recommended that indoor air monitoring sensors be expanded to include other radioactive materials.

8. Authorize Funding, Recognize Anticipated Revenue and Conduct Air Quality Conferences for Seniors

Mr. Eder referenced a study of premature deaths from NOx published in the New England Journal of Medicine and recommended that the information be disseminated to seniors.

Supervisor Solis expressed support for the item and encouraged staff to conduct outreach and potentially partner with AARP, Metrolink and others to assist in targeting outreach to the senior population and getting them to the event.

Chairman Burke commented that he participated in a meeting this morning to discuss outreach efforts to seniors.

Derrick Alatorre, DEO/Legislative, Public Affairs and Media, explained that an extensive outreach program is proposed to attract seniors and cosponsors.

Dr. Lyou left the room during discussion of Item Nos. 12 and 13.

12. Approve Contract Awards and Modification as Approved by MSRC

Supervisor Solis asked staff to explain what kind of technical assistance is provided to smaller cities to apply for grants.

Ray Gorski, MSRC Technical Advisor, explained that the MSRC works closely with public affairs staff and contracts with an outreach coordinator to provide focused outreach to cities that need assistance or lack technical resources.

Supervisor Solis noted that there are 88 cities in the County of Los Angeles and encouraged staff to conduct more targeted outreach and provide assistance to underrepresented areas and the County.

Council Member Cacciotti expressed concern that the Local Government Partnership Program deadline is March 2, 2018 and many cities may have difficulty meeting application deadlines because of budget cycles within their cities. He asked if there is a process in place for extension of the deadline.

Mr. Gorski explained that the Local Government Partnership Program was designed to be success-oriented giving the MSRC the authority to grant extensions. The 22 million dollars of funding has been set aside on a pro rata basis for each city and county and the goal is to provide funding for projects which further the goals of the 2016 AQMP, specifically for zero and near-zero emission technologies. MSRC staff will relay the Board's concerns to the committee regarding application deadlines so that cities within the District will have additional time to take advantage of the funding.

Mayor McCallon noted that as Vice Chair of the MSRC committee every effort will be made to ensure greater participation within the program.

13. Approve Funding for Air Filtration Systems at East Los Angeles Schools

Mr. Eder noted the importance of filtering for radon and other radioactive materials and expanding the funding to areas beyond East Los Angeles.

Supervisor Solis noted that the schools receiving this funding are within her district and asked staff to provide background information on the distribution of settlement funds and how communities are selected for funding.

Kurt Wiese, General Counsel, explained that the funds were from a two-part settlement agreement with Brenntag Pacific. There was a civil penalty paid to the District in the amount of one million dollars and a payment of \$250,000 to be used to fund a supplemental environmental project (SEP) to benefit the residents of the District. The Administrative Committee directed the funds be used to install filters near the Brenntag Pacific facility.

Supervisor Solis stressed the importance of using settlement monies in areas that are the most impacted by air pollution violations and asked if more mitigation measures could be considered for surrounding areas that may also be impacted.

Mr. Wiese noted that this penalty was distributed pursuant to an existing policy that sets forth that SEP funds are to be used, if possible, in the area where the particular violation occurred.

Supervisor Solis requested a report to the Board on the distribution of past settlement monies, so a policy to expand remedies for impacted areas could be considered.

Mr. Nastri explained that when an environmental penalty is imposed it is up to the Board to decide how to utilize the funds. The SEPs are in addition to the penalty, have a direct nexus to the violation and provide a benefit. Staff can come to the Board with suggestions and recommendations based on the comments.

Supervisor Solis recommended that staff return with a report detailing the use of penalty funds in highly impacted communities within 60 days.

Mr. Nastri replied that a report could be presented to the Administrative Committee within 60 to 90 days.

Supervisor Rutherford asked if funds have been allocated for air filtration systems for homes near the BNSF yard in San Bernardino.

Dr. Matt Miyasato, DEO/Science and Technology Advancement, responded that staff is continuing to work with CARB to identify additional SEP funds that can be used for homes near rail yards.

Council Member Robinson commented on the transient nature of emissions and noted that when monies are directed to the General Fund they are made available to other impacted communities and not just the area where the violation occurred. He requested that this information be included in the report to the Administrative Committee.

14. Legislative, Public Affairs and Media Report

Mayor McCallon noted that the report on outreach to communities is focused on several cities in Los Angeles and Orange counties and only a few cities in Riverside and San Bernardino counties. He asked for more outreach to Inland Empire communities.

Mr. Nastri provided assurance that many outreach efforts are directed to San Bernardino and the Inland Empire and will be enhanced with the implementation of AB 617 and the addition of CARB's headquarters in Riverside. The funds from AB 617 will be dedicated to mobile sources this year and discussion is taking place in the legislature to expand the funding to stationary sources which will provide greater opportunities for pollution reduction efforts in all counties within the District.

MOVED BY CACCIOTTI, SECONDED BY BENOIT, AGENDA ITEMS 1, 3 THROUGH 19 APPROVED AS RECOMMENDED, WITH THE MODIFICATION TO THE MINUTES AS SET FORTH BELOW, BY THE FOLLOWING VOTE:

AYES: Ashley, Benoit, Buscaino, Burke, Cacciotti, Lyou (*except Items # 3, #12, and #13*), McCallon, Mitchell, Parker, Robinson, Rutherford and Solis

NOES: None

ABSTAIN: Lyou (*Items #3, #12, and #13*)

ABSENT: Nelson

Amend Minutes of January 5, 2018 Board meeting as follows:

Add the following paragraphs after the seventh paragraph on Page 11:

Ms. Mitchell made a second inquiry regarding the fate of RTCs. Dr. Fine further explained that once a final determination is made and a facility completely exits RECLAIM, the facility RTC holdings are frozen. Which essentially means they cannot be used for compliance because if they are not in RECLAIM they will not be needed except potentially for that first year carry over for reconciliation. Otherwise the facility cannot sell or transfer the remaining RTCs, which no longer have value. That final notification and exit action renders them useless. The RTCs may however be used for SIP accounting or New Source Review purposes and potentially help with the transition as there is currently a dearth of ERCs in the open market. Decisions regarding the future of RTCs will be brought back to the Board for consideration.

Dr. Fine added that the proposed amendments specify that once a facility exits from RECLAIM, then the RTCs are frozen. The RTCs can be used for that current compliance year, but they cannot be sold or transferred. RTCs are not going to be used as a compliance tool for RECLAIM facilities that transition to a command and control regulatory program. However, staff is working with CARB and U.S. EPA regarding the accounting of RTCs for New Source Review and SIP commitments.

Modify the first paragraph on Page 12 to read:

Dr. Lyou ~~explained that since the discussion regarding RECLAIM from~~ **stated that since the minutes of the November Stationary Source Committee November meeting, as reflected in the minutes, is are** part of the record, and that discussion between Board Members and staff today has further clarified the intent of the rule, he would not be introducing a motion to amend the Resolution language. **He stated that he would expect that staff will not make decisions about the future of RTCs without returning to the Board. Mr. Nastri agreed.**

BOARD CALENDAR

21A. Administrative Committee

21B. Special Administrative Committee

22. Legislative Committee

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

Agenda Item	Recommendation
Proposed Legislative Concept for Approval	Approve

23. Mobile Source Committee

24. ***This item was withdrawn by staff.***

25. Technology Committee

- 26. Mobile Source Air Pollution Reduction Review Committee
- 27. Stationary Source Committee

MOVED BY SOLIS, SECONDED BY BUSCAINO, AGENDA ITEMS 21A THROUGH 23, AND 25 THROUGH 27 APPROVED AS RECOMMENDED, RECEIVING AND FILING THE COMMITTEE, AND MSRC REPORTS, AND APPROVING THE PROPOSED LEGISLATIVE CONCEPT, BY THE FOLLOWING VOTE:

AYES: Ashley, Benoit, Buscaino, Burke, Cacciotti, Lyou, McCallon, Mitchell, Parker, Robinson, Rutherford and Solis

NOES: None

ABSENT: Nelson

(Supervisor Nelson arrived at 9:50 a.m.)

Staff Presentation/Board Discussion

- 28. Update on Community Air Toxics Monitoring Efforts

Dr. Jason Low, Assistant DEO/Science and Technology Advancement, gave the staff presentation on Item 28.

Dr. Parker inquired about monitoring of hydrogen fluoride (HF) near refineries above 10 ppm. He expressed concerns that some refineries may be exceeding this level.

Dr. Low responded that as part of the implementation of Rule 1180 refineries may be required to monitor HF with perimeter monitoring. In addition, other electric chemical sensors to detect higher levels of HF will be investigated as part of the implementation of Rule 1180.

Mr. Nastri explained the challenges and limitations related to HF detection systems and notification to the community. Both refineries that use modified HF are upgrading their systems now.

Dr. Parker expressed concern for public safety due to the volatility of HF at relatively low temperature and stressed the importance of deploying sensors and monitors that can detect HF to provide immediate notification to the public.

Supervisor Solis inquired about the potential to include monitoring odors from landfills, recycling and scrap metal facilities in the future.

Mr. Nastri responded that AB 617 was designed to focus on disadvantaged communities that are impacted by odors and toxic emissions, and funding for community monitoring will be prioritized in these areas. Odor issues are challenging and SCAQMD takes action when we can.

Mayor Pro Tem Mitchell inquired about low-cost sensors that are part of the AQ-SPEC program and the pollutants that can be monitored reliably with these sensors.

Dr. Low explained that the low-cost sensors evaluated in the AQ-SPEC program are very reliable in measuring ozone and PM.

Mayor Pro Tem Mitchell asked if NO_x can be monitored with low cost sensors and inquired about monitoring and sensors for other pollutants.

Dr. Low replied that NO_x sensors are being used in MATES V and can indicate if levels are elevated but are not as accurate or consistent as ozone or PM sensors. He added that availability of sensors is driven by market demand and there is support in the statewide plan for VOC monitoring. The most popular sensors are those that measure PM because they are reliable and health related. As reliability and measurement capability improves for VOC sensors, the public interest and market demand would be expected to increase.

Mayor Pro Tem Mitchell inquired about the FluxSense mobile unit and the types of pollutants that are measured and whether the unit has been used to detect odors in Huntington Beach and Seal Beach.

Dr. Low explained that the FluxSense mobile van is fitted with a monitoring detection laboratory that evaluates levels of pollutants from the ground and a considerable distance to the air. The unit is driven around a perimeter of a site and has the ability to measure wind direction as well as pollutants. The unit measures VOCs and other types of pollutants and has been successful in detecting leaking tanks at a local refinery. He added that a monitor was mounted onto a boat and on land as part of an experimental demonstration project monitoring off-shore sources. Adverse weather conditions affected the demonstration, but the unit proved to have the ability to measure off-shore sources.

Dr. Lyou commented on the success and importance of monitoring toxics. He detailed multiple instances where monitoring has played a key role in uncovering air quality issues and public health concerns. He expressed concern about the results of the FluxSense study in which B-TEX measurements were on average six times higher than the refineries reported emissions and the inferred benzene measurements were 34 times higher than the emissions inventory had indicated. He suggested establishing a Board monitoring committee or ensuring a regular report is provided to the Board on the District's monitoring programs.

Chairman Burke noted the challenges associated with rapid changes in monitoring technology and the public health concerns about toxics emissions.

Supervisor Rutherford commented on the extensive monitoring and effort that will be required in the future under AB 617 and inquired about the sources of continued funding and the selection of communities for monitoring.

Mr. Nastri explained that the selection criteria for communities is determined in conjunction with CARB, other air districts, and community and industry groups and is based on a number of factors. The availability of funding is key and the monies need to be allocated and spent in order to show an ongoing need. The District is fortunate that past efforts through the MATES program and monitoring programs has provided a good understanding of air pollution and toxics. There are specific areas, such as communities near the Ports, rail yards and transportation corridors, where the District is aware of elevated risks due to air pollution and other communities will be identified through AB 617 programs. Toxics programs require extensive staff time and cannot be deployed without extensive funding. The idea is to identify many communities, but realistically the funding resources will be limited. The commitment for long-term funding is necessary. One option that staff is researching is funding for community air toxics programs through the greenhouse gas Cap and Trade program. Staff is moving forward to obtain additional funding, identify communities and the needs, and securing the long term commitment for funding of these programs. He added one of the challenges the District is facing is hiring qualified individuals at a time when several air districts are trying to hire the same individuals. Staff is recruiting at a number of colleges and encouraging students to intern and consider a career at the SCAQMD.

Council Member Cacciotti inquired about wind patterns and how toxics and air pollution from highly polluted areas dissipates to other areas within the District.

Dr. Low explained that many factors affect the way pollutants are dispersed. A gaseous or particulate pollutant will disperse differently and meteorology, topography and the source strength of the pollutant are additional factors. In general, toxic pollutants are localized, such as in Paramount where emissions of hexavalent chromium do not go beyond city borders. However, many other pollution sources, such as ozone, are not directly emitted and affect air quality in different areas.

Mr. Eder stressed the importance of studies on the health effects of PM exposure and noted the dangers of natural gas, benzene and formaldehyde. He expressed support for solar technologies which are cost-effective.

INFORMATION ONLY; NO ACTION NECESSARY.

29. Status Report on Regulation XIII – New Source Review

The presentation on Item No. 29 was waived.

INFORMATION ONLY; RECEIVE AND FILE.

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- Swearing in of Reappointed Board Member Shawn Nelson

Chairman Burke administered the oath of office to Supervisor Shawn Nelson who was reappointed to the Board by the Orange County Board of Supervisors for a term ending January 15, 2022.

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PUBLIC HEARING

30. Determine that Proposed Amendments to BACT Guidelines are Exempt from CEQA and Amend BACT Guidelines

The presentation on Item No. 30 was waived.

The public hearing was opened and the following individual addressed the Board on Item 30.

Mr. Eder commented that the CEQA document did not look at solar alternatives as BACT. He noted the social costs of premature deaths due to the use of fossil fuels and urged support for conversion to solar technologies.

There being no further public testimony on this item, the public hearing was closed.

MOVED BY CACCIOTTI, SECONDED BY
ROBINSON, AGENDA ITEM NO. 30
APPROVED, BY THE FOLLOWING VOTE:

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

NOES: None

ABSENT: None

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

Mr. Eder encouraged Board members to read a copy of a brief challenging the PUC's first solar proceedings for solar hot water. He added that the demurrer related to the legal case that he has filed is due and no settlement has been discussed.

Tatyana Reznik, VIG Furniture, explained that she submitted a letter to the Board detailing concerns regarding the sale of asbestos contaminated furniture from a warehouse that was previously rented by VIG Furniture. The warehouse was previously an asbestos manufacturing plant. She noted that VIG had filed a complaint with the SCAQMD over concerns for worker safety and the contamination of furniture inventory when the warehouse roof, which was found to contain asbestos, was being replaced. The District issued a Notice to Comply, but closed the case after the owners of the warehouse conducted a limited assessment and declared the warehouse and contents free of asbestos. VIG's insurance investigator deemed the furniture inventory to be contaminated with dangerous levels of asbestos. She added that the contaminated furniture is currently being sold at auction by the warehouse landlord and she has contacted the District, U.S. EPA and other agencies about the concern for public health over the sale of this furniture.

Chairman Burke requested that staff meet with Ms. Reznik.

CLOSED SESSION

The Board recessed to closed session at 11:15 a.m., pursuant to Government Code sections:

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

- 54956.9(a) and 54956.9(d)(1) to confer with its counsel regarding pending litigation which has been initiated formally and to which the SCAQMD is a party. The actions are:

People of the State of California, ex rel. SCAQMD v. Exide Technologies, Inc., Los Angeles Superior Court Case No. BC533528;

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

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).

CONFERENCE WITH LEGAL COUNSEL – INITIATING LITIGATION

- 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.

PUBLIC EMPLOYEE EMPLOYMENT/APPOINTMENT

- 54957 as specified below:

Title: General Counsel

CONFERENCE WITH NEGOTIATORS RE COMPENSATION

- 54957.6:

Agency Designated Representatives: Kurt R. Wiese and A. John Olvera

Unrepresented Employee: General Counsel

Following closed session, the Board reconvened in open session at 11:45 a.m. and Mr. Wiese reported that the Board had unanimously approved the appointment of Bayron Gilchrist as General Counsel effective February 20, 2018.

OPEN SESSION

31. Approval of Contract and Public Employee Compensation

Mr. Wiese explained that the proposed employment contract for Mr. Gilchrist includes compensation of \$202,684 per year with benefits including health, dental, vision, life and disability insurance premiums, two-thirds match to a deferred compensation program, annual physical and provision for the sell-back of 2 weeks vacation and 60 hours compensatory time per year.

Supervisor Nelson noted that he would not support the item because of the contract provision addressing sell-back of leave time and recommended increasing base salary rather than providing sell-back provisions to be more transparent. He asked that this matter be addressed in the future.

Council Member Robinson concurred with Supervisor Nelson and recommended the issue of restructuring compensation for unrepresented employees be agendized for a future Administrative Committee meeting.

DR. LYOU MOVED TO APPROVE THE COMPENSATION PACKAGE FOR MR. GILCHRIST AS RECOMMENDED BY STAFF, THE MOTION WAS SECONDED BY COUNCIL MEMBER CACCIOTTI, AND PASSED BY THE FOLLOWING VOTE:

AYES: Ashley, Benoit, Burke, Buscaino, Cacciotti, Lyou, Mitchell, Parker, Robinson, Rutherford and Solis

NOES: McCallon and Nelson

ABSENT: None

Mr. Wiese announced that a report of any reportable actions taken in closed session will be filed with the Clerk of the Board's office and made available to the public upon request.

ADJOURNMENT

There being no further business, the meeting was adjourned by Mr. Wiese at 11:50 a.m.

The foregoing is a true statement of the proceedings held by the South Coast Air Quality Management District Board on February 2, 2018.

Respectfully Submitted,

Denise Garzaro
Clerk of the Boards

Date Minutes Approved: _____

Dr. William A. Burke, Chairman

ACRONYMS

AQ-SPEC = Air Quality Sensor Performance Evaluation Center
BACT = Best Available Control of Technology
CARB = California Air Resources Board
CEQA = California Environmental Quality Act
DEO = Deputy Executive Officer
EJ = Environmental Justice
FY = Fiscal Year
MATES = Multiple Air Toxics Exposure Study
MSRC = Mobile Source (Air Pollution Reduction) Review Committee
NOx = Oxides of Nitrogen
PAMS = Photochemical Assessment Monitoring Stations
PM = Particulate Matter
RFP = Request for Proposals
U.S. EPA = United States Environmental Protection Agency
VOC = Volatile Organic Compound