

BOARD MEETING DATE: October 5, 2018

AGENDA NO. 28

REPORT: Stationary Source Committee

SYNOPSIS: The Stationary Source Committee held a meeting on Friday, September 21, 2018. The following is a summary of the meeting.

RECOMMENDED ACTION:  
Receive and file.

Ben Benoit, Chair  
Stationary Source Committee

LT:rs

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### **Committee Members**

Present: Mayor Ben Benoit/Chair (videoconference)  
Mayor Pro Tem Judith Mitchell  
Supervisor Shawn Nelson (videoconference)  
Supervisor Hilda Solis (videoconference)

Absent: Dr. Joseph Lyou/Vice Chair, Supervisor Janice Rutherford

### **Call to Order**

Chair Benoit called the meeting to order at 10:31 a.m.

### **INFORMATIONAL ITEMS:**

#### **1. Proposed Rule 1407.1 – Control of Emissions of Toxic Air Contaminants from Chromium Alloy Melting Operations.**

Planning and Rules Manager Michael Morris presented a summary of the proposed rule.

Dr. Victor Okhuysen, Professor at California State Polytechnic University, Pomona (Cal Poly, Pomona) indicated that his laboratory can conduct testing and simulate most industry conditions and melt most alloys. He also indicated that his laboratory can examine techniques to minimize hexavalent chromium formation. Mayor Benoit asked how long testing would take and Professor Okhuysen estimated approximately two days per alloy and explained that eight alloys could be completed

in about a month. Dr. Jason Low, Assistant Deputy Executive Officer for Monitoring and Analysis, stated that staff would need to review the source testing protocol, and with contracting felt that the project would take approximately one year. Mayor Benoit confirmed that the testing would take about six months. Susan Nakamura, Assistant Deputy Executive Officer for Planning, Rule Development and Area Sources commented that the testing would likely take at least one year and that testing would cost \$10,000 per day which does not include the cost for staff to conduct source testing, which would likely be needed after the university testing was completed.

Mr. James Simonelli, Executive Director for the California Metals Coalition commented that the proposed rule is premature and should not move forward. He stated that Proposed Rule 1407.1 lacks four critical elements: 1) literature to support conversion of chromium to hexavalent chromium; 2) science showing the conversion of chromium to hexavalent chromium; 3) the applicability of Test Method 425 does not specifically list metal melting so it is not appropriate to use this method for metal melting furnaces; and 4) the provided data that shows evidence for conversion of chromium to hexavalent chromium is based on a 1993 source test and other tests are for metal heat treating and forging facilities, not metal melting. He said that the only two studies that staff has provided to show the conversion of chromium to hexavalent chromium were conducted at temperatures 30 times higher than metal melting.

Mr. Peter Whittingham of Whittingham Public Advisors said that Cal Poly, Pomona could replicate the processes at the affected facilities and then staff could proceed to the next step of the rule development process. He added that California Metals Coalition requests that the proposed rule be tabled and that the California Metals Coalition would fund a study by Cal Poly, Pomona, monitored by SCAQMD. Staff could report back in three months after the study was initiated with an update on its status.

Mr. Don Van Heil of Technicast, Mr. Jason Gutierrez of Strategic Materials Corporation, Mr. Tim Strelitz of California Metal X, Mr. Ryan Pickett and Mr. Bob Rost of Griswold Industries, Mr. Jim Bonny of Certified Alloy Products, and Mr. Mark Regis of Pacific Alloy Casting Company stated their support of California Metal Coalition's comments to table the proposed rule and instead conduct testing at Cal Poly, Pomona.

Supervisor Solis felt that it was important to have good objective data and to do the university study. She had concerns about going forward with the rule and the test method, but also cautioned about taking too long to conduct the study. Mayor Benoit agreed with Supervisor Solis to conduct the university study. Supervisor Nelson supports tabling the rulemaking and proceeding with the formation of a group to create a study. He added that if SCAQMD tested at the fence line, then the

source should be investigated to identify where hexavalent chromium emissions are occurring. Supervisor Nelson stated that SCAQMD should fund the study and establish a research committee to form the parameters of the study.

Mayor Pro Tem Mitchell expressed concern about the potential public health impact regarding delaying the rule for a year to conduct a study. Mayor Pro Tem Mitchell recommended that initial testing can be conducted at Cal Poly, Pomona and if hexavalent chromium emissions are seen, then staff should come back to the rule proposal. Supervisor Solis supported that idea. Executive Officer Wayne Nastri explained that organizing the study will be a lengthy process. He agreed with Supervisor Nelson that SCAQMD should fund the study and stressed that the study will not address emissions from facilities. Dr. Philip Fine, Deputy Executive Officer for Planning, Rule Development and Area Sources explained that SCAQMD is likely to take four to five months developing a contract, emissions protocol, parameters of the study, with another several months for testing, and four to six months longer for analysis and completion of source test reports. Even after receiving the results, SCAQMD staff will have remaining questions and return a year or more later with a similar rule requiring source tests at facilities. Dr. Fine further commented that SCAQMD could conduct testing in parallel. Mr. Nastri stated that SCAQMD could share the reduced costs among eight facilities. Mayor Pro Tem Mitchell suggested that we move forward with the rule and have staff report back when early emissions tests results are available.

Mr. Nastri commented that some concerns could be addressed by doing screening tests. He added that we need to discuss the concept with impacted facilities and could pull the item in November if there is not consensus. Mayor Pro Tem Mitchell supported the idea. Mayor Benoit voiced concern about losing three months of study time with Cal Poly, Pomona and asked if the process could be bifurcated. Mr. Nastri affirmed that the process to begin the study could be done under Executive Officer authority. Mayor Benoit said that the study should get started quickly. Mayor Pro Tem Mitchell and Supervisor Solis supported that idea. Barbara Baird, Chief Deputy Counsel, confirmed that this is an informational item and stated that there appeared to be consensus on a path forward.

*Supervisor Nelson joined the meeting at 10:49 a.m. via videoconference.*

## **2. Proposed Amendments to Rules 2001 (Applicability) and 2002 (Allocations for NOx and SOx)**

Tracy Goss, Planning and Rules Manager, provided an update on Proposed Amended Rules 2001 and 2002 relative to transitioning RECLAIM to a command-and-control regulatory structure.

Bridget McCann from the Western States Petroleum Association expressed her concern that these proposed amendments are not ready to move forward because there is a lack of a programmatic CEQA analysis and New Source Review (NSR) issues for post RECLAIM are unresolved.

Bill Pearce from The Boeing Company commented that his facility would like to exit RECLAIM. He asked for clarification about his facility's ability to exit with regard to the proposed amendments, specifically for Rule 1146.2 equipment. Mr. Goss replied that staff would have to verify that all of the equipment is subject to a command-and-control rule before exiting. Ms. Nakamura added that the Rule 1146 series is expected to be amended in December 2018, which would allow the facility to exit. Dr. Fine added that facilities are less likely to be able to exit early without these proposed amendments.

Mike Carroll from Latham & Watkins, representing the Regulatory Flexibility Group, commented that these proposed amendments are stop gap measures that have resulted from a lack of a post-RECLAIM NSR program. Mr. Carroll added that NSR needs to be resolved quickly and suggested that staff have the same sense of urgency for amending NSR as they do for amending BARCT rules. Additionally, Mr. Carroll expressed concern about the possibility of not having a functional RECLAIM NSR program that allows remaining facilities to modify if exiting facilities are removing RECLAIM Trading Credits (RTCs) from the market. He acknowledged that NSR is complicated because it requires input from U.S. EPA, but emphasizes that he would like for it to progress quickly. Mr. Goss stated that the proposed amendments give facilities options and that the benefits for having the proposed provisions adopted are that, once NSR is amended, facilities can exit RECLAIM more quickly with these provisions already in place. Dr. Fine added that NSR work is progressing and is a high priority. The next RECLAIM Working Group Meeting will be dedicated to NSR, with staff providing updates.

Harvey Eder from the Public Solar Power Coalition made comments about solar equipment that is used for heating and cooling, and proposed that this technology can be implemented in RECLAIM facilities as well as in other facilities. He also mentioned thermal storage technology and stated that solar and wind power is cost-effective.

Mayor Pro Tem Mitchell asked for confirmation that the amendments will be presented to the Board at the October 5, 2018 public hearing and Mr. Goss provided that confirmation.

### **3. Test Method Guidance Document for Rule 1168 – Adhesive and Sealant Applications**

Michael Krause, Planning and Rules Manager, presented a summary of the Test Method Guidance Document for Rule 1168 – Adhesive and Sealant Applications that staff was directed to develop during the recent adoption of amendments to Rule 1168.

Ms. Rita Loof, Director of Environmental Affairs for RadTech International, spoke to the benefits of UV/EB/LED technology products, and expressed her concern with excessive scrutiny regarding testing of these products. She stated that a test method already exists and is ASTM approved, which she believes provides a measurement and not an estimate of the VOC for thin-film energy curable products. Ms. Loof also requested to have a cost analysis included in this document because test method development can be expensive.

## **WRITTEN REPORTS**

### **4. Notice of Violation Penalty Summary**

The report was acknowledged by the Committee.

### **5. Home Rule Advisory Group – Bi-Monthly Report for July 2018**

The report was acknowledged by the Committee.

## **OTHER MATTERS:**

### **6. Other Business**

There was no other business.

### **7. Public Comment Period**

Harvey Eder, Public Solar Power Coalition, expressed concern regarding emissions from mobile sources, high levels of greenhouse gases, and premature deaths from air pollution.

### **8. Next Meeting Date**

The next regular Stationary Source Committee meeting is scheduled for Friday, October 19, 2018.

## **Adjournment**

The meeting was adjourned at 12:03 p.m.

## **Attachments**

1. Attendance Record
2. Notice of Violation Penalty Summary
3. Home Rule Advisory Group – Bi-monthly Report for July 2018

## **ATTACHMENT 1**

### **SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT STATIONARY SOURCE COMMITTEE**

**Attendance – September 21, 2018**

Mayor Ben Benoit (videoconference) .....	SCAQMD Governing Board
Mayor Pro Tem Judith Mitchell .....	SCAQMD Governing Board
Supervisor Shawn Nelson (videoconference) .....	SCAQMD Governing Board
Supervisor Hilda L. Solis (videoconference) .....	SCAQMD Governing Board
.....	
David Czamanske .....	Board Consultant (Cacciotti)
Jim Bonny .....	Certified Alloy Products
Michael Carroll .....	Regulatory Flexibility Group
Albert Chong .....	Kermida
Nick Drakos .....	Custom Alloy
Harvey Eder .....	Public Solar Power Coalition
Jason Gutierrez .....	Strategic Materials Corporation
Ronald Hayes .....	Keramida
Bill LaMarr .....	California Small Business Alliance
Steven Livingston .....	Strategic Materials Corp.
Rita Loof .....	RadTech
Frank Lujan .....	Scott Sales
Bridget McCann .....	Western States Petroleum Association
Victor Okhuysen .....	California State Polytechnic University, Pomona
Pranav Patel .....	Heraeus
Bill Pearce .....	Boeing
Ryan Pickett .....	Griswold Industries
Mark Regus .....	Pacific Alloy Casting
David Rothbart .....	Los Angeles County Sanitation Districts
Bob Rost .....	Griswold Industries
Jackson Scott .....	SLR
James Simonelli .....	California Metals Coalition
Susan Stark .....	Andeavor
Andrew Stein .....	TST, Inc.
Karen Strelitz .....	California Metal X
Tim Strelitz .....	California Metal X
Don Van Hiel .....	Techni-Cast
Peter Whittingham .....	Whittingham Public Affairs Advisors

## **ATTACHMENT 1**

### **SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT STATIONARY SOURCE COMMITTEE**

**Attendance – September 21, 2018**

Barbara Baird.....	SCAQMD staff
Marian Coleman .....	SCAQMD staff
Amir Dejbakhsh.....	SCAQMD staff
Philip Fine .....	SCAQMD staff
Tracy Goss.....	SCAQMD staff
Michael Krause.....	SCAQMD staff
Jason Low .....	SCAQMD staff
Mike Morris.....	SCAQMD staff
Susan Nakamura.....	SCAQMD staff
Wayne Nastri .....	SCAQMD staff
Laki Tisopulos .....	SCAQMD staff
Kim White .....	SCAQMD staff
Jill Whynot .....	SCAQMD staff

**SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT**  
**General Counsel's Office**  
**DRAFT**  
**July 2018 Settlement Penalty Report**

<u><b>Total Penalties</b></u>	
<b>Civil Settlements:</b>	<b>\$302,950.00</b>
<b>MSPAP Settlements:</b>	<b>\$15,212.00</b>
<b>Total Cash Settlements:</b>	<b>\$318,162.00</b>
<b>Total SEP Value:</b>	<b>\$0.00</b>
<b>Fiscal Year through 7 / 2018 Cash Total:</b>	<b>\$318,162.00</b>
<b>Fiscal Year through 7 / 2018 SEP Value Only Total:</b>	<b>\$0.00</b>

<b>Fac ID</b>	<b>Company Name</b>	<b>Rule Number</b>	<b>Settled Date</b>	<b>Init</b>	<b>Notice Nbr</b>	<b>Total Settlement</b>
<b>Civil Settlements</b>						
141555	CASTAIC CLAY PRODUCTS, LLC	2004 3002(c)(1) 3003 2012	7/17/2018	MJR	P60272 P64373	\$4,000.00
86777	ECOLOGY AUTO WRECKING	203 (a)	7/10/2018	VKT	P64556	\$10,750.00
124838	EXIDE TECHNOLOGIES	42401 1420 1420.1 221	7/6/2018	NSF	P63301 P63302 P63303 P63305 P64561	\$21,000.00
800089	EXXONMOBIL OIL CORPORATION	201	7/12/2018	DH	P62850	\$8,000.00
800091	EXXONMOBIL OIL CORP	3002(c)(1)	7/17/2018	DH	P65315	\$2,500.00
800171	EXXONMOBIL OIL CORPORATION				P65316	
129376	FINAL TOUCH DYEING & FINISHING	1146 203	7/17/2018	DH	P64019	\$13,200.00



Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbr	Total Settlement
185472	FOUNDATION	401(b) 41701 13 CCR 2454	7/6/2018	BST	P63766	\$2,500.00
185823	RAPID WASTE SOLUTIONS INC KAREN BIR	1403	7/6/2018	BST	P65908	\$900.00
185936	FRANKS CLEANUP SERVICES				P65909	
160245	GATEWAY CREMATORY, SMART CREMATION CA	1147 42401	7/20/2018	BST	P65767 P65786	\$28,000.00
157359	HENKEL ELECTRONIC MATERIALS, LLC	1128 2004 2012 3002	7/6/2018	NSF	P57878 P65801 P66204	\$80,500.00
151843	INSULFOAM	1175 3002	7/10/2018	VKT	P62753	\$250.00
800335	LA CITY, DEPT OF AIRPORTS	2004 2012	7/6/2018	SMP	P66104	\$13,900.00
2619	MARTIN LUTHER KING JR MEDICAL CAMPUS	1415 222 3002	7/26/2018	NSF	P64015 P65052	\$15,000.00
152707	SENTINEL ENERGY CENTER LLC	2012(c)(3)(A)	7/17/2018	VKT	P64406	\$250.00
171670	SHERMAN OAKS HOSPITAL	1146.2 1415	7/25/2018	DH	P68202	\$31,200.00
9720	STILES ANIMAL REMOVAL INC	402 41700	7/5/2018	SMP	P62756 P66555	\$2,000.00
52742	STOROPACK INC	3002	7/6/2018	TRB	P52997 P67101	\$40,000.00

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbr	Total Settlement
181667	TORRANCE REFINING COMPANY LLC	1173	7/12/2018	DH	P45982	\$21,500.00
		1176			P45983	
		3002(c)(1)			P63410	
		402			P63411	
		H&S 41700				

**Total Civil Settlements: \$302,950.00**

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbr	Total Settlement
<b>MSPAP Settlements</b>						
105025	AIRCRAFT SERVICE INTERNATIONAL	461(c)(3)(Q)	7/12/2018	GC	P71018	\$200.00
130091	AKM OIL CO., INC.	461(c)(3)(Q)	7/12/2018	GC	P70635	\$200.00
173194	ARCO AM PM - SAFAR & SAFAR BROS, INC	461(c)(3)(Q)	7/12/2018	GC	P70879	\$400.00
155474	BICENT (CALIFORNIA) MALBURG LLC	2004	7/17/2018	TF	P62087	\$500.00
179701	CITRUS BASELINE 76, KAYKEL INVESTMENT PR	461	7/17/2018	TF	P63226	\$800.00
185615	CULP CONSTRUCTION COMPANY	403(d)(1) 403(d)(2)	7/17/2018	TF	P65368	\$2,400.00
147004	CUSTOM WOODWORKS, LOUIS BEDINI	203 (b)	7/17/2018	TF	P65563	\$400.00
99187	DESERT EUROPEAN MOTORCARS LTD	461(c)(3)(Q)	7/12/2018	GC	P71273	\$200.00
155640	EARTH TEK ENGINEERING CORP	403(d)(1) 403(d)(2)	7/25/2018	GC	P64172	\$1,800.00
184539	GOLDEN STATE ENTERPRISES, LLC	41960.2 461	7/17/2018	GC	P64981	\$562.00
94337	GRANDVIEW CEMETERY & CREMATORY	203 (a)	7/18/2018	GC	P65561	\$500.00
174214	HORT TECH INC	461(c)(3)(Q)	7/12/2018	TF	P71027	\$200.00
167561	ON SITE KRUSHING CO.	13 CCR 2460	7/25/2018	TF	P66603	\$850.00
167561	ON SITE KRUSHING CO.	13 CCR 2460	7/25/2018	TF	P66055	\$1,000.00
11301	SAN BERNARDINO CITY MUN WATER DEPT (WRP)	203	7/18/2018	TF	P61122	\$500.00
173381	SO. CALIFORNIA HOSPITAL AT CULVER CITY	2202	7/25/2018	TF	P64839	\$2,000.00
126498	STEELSCAPE, INC	3002(c)(1)	7/18/2018	TF	P64148	\$500.00

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbr	Total Settlement
10620	STRAUB FAMILY TRUST DIST CO	461(c)(3)(Q)	7/12/2018	GV	P70965	\$200.00
183639	UNITED ROCK PRODUCTS CORPORATION	403(d)(1)	7/18/2018	TF	P63770	\$2,000.00

**Total MSPAP Settlements: \$15,212.00**

**SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT**  
**General Counsel's Office**  
**DRAFT**  
**August 2018 Settlement Penalty Report**

	<b><u>Total Penalties</u></b>	
	<b>Civil Settlements:</b>	<b>\$374,050.00</b>
(*Suspended Penalty amount included in Civil Settlements):		\$34,000.00
	<b>MSPAP Settlements:</b>	<b>\$31,955.00</b>
	<b>Total Cash Settlements:</b>	<b>\$406,005.00</b>
	<b>Total SEP Value:</b>	<b>\$0.00</b>
<b>Fiscal Year through 8 / 2018 Cash Total:</b>		<b>\$724,167.00</b>
<b>Fiscal Year through 8 / 2018 SEP Value Only Total:</b>		<b>\$0.00</b>

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbr	Total Settlement
<b>Civil Settlements</b>						
74424	ANGELICA TEXTILE SERVICES	1146 2012	8/31/2018	BST	P64144	\$4,800.00
111110	BRISTOL FIBERLITE INDUSTRIES, INC	3002	8/1/2018	TRB	P60418	\$5,000.00
46268	CALIFORNIA STEEL INDUSTRIES INC	2004 2012	8/16/2018	NSF	P64378	\$5,000.00
22911	CARLTON FORGE WORKS	402 H&S 41700 2012	8/21/2018	DH	P52998 P52999 P60278 P60279 P60289 P61738 P63758 P63759 P63760 P63763 P63764	\$75,000.00

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbr	Total Settlement
					P63767	
					P64376	
					P65055	
					P65202	
					P65203	
					P65204	
					P65205	
					P65206	
					P65207	
					P65208	
					P65209	
					P65211	
					P65212	
156760	DAY & NIGHT REMOVAL & CREMATION	203(b)	8/16/2018	VKT	P62911	\$10,000.00
174371	DP3 HANGARS, LLC	2004	8/21/2018	SH	P60562	\$10,000.00
3277	INDUSTRIAL BATTERY ENGINEERING INC	1407	8/22/2018	NSF	P49177	\$25,000.00
		1420			P52415	
		1420.2				
		203				
180367	LINN OPERATING, INC.	2004	8/1/2018	NSF	P37246	\$16,750.00
		2012, Appen A			P62066	
180667	MATTIVI BROS LEASING, INC	203(b)	8/29/2018	NSF	P60533	\$2,500.00
		403(d)(1)			P63909	
173290	MEDICLEAN	2004	8/10/2018	DH	P60581	\$74,000.00
	<i>*Mediclean shall pay a suspended penalty amount up to \$34,000 if during the 2-year term of civil probabtion they are issued an NOV.</i>	2012, Appen A			P61733	
		1146			P61737	
					P64137	
180941	NUMA BROTHERS CONSTRUCTION, INC	1403	8/8/2018	TRB	P63360	\$7,500.00

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbr	Total Settlement
167739	PAUL M WOLFF CO	314	8/16/2018	BST	P64824	\$1,300.00
145553	PETER'S FAMILY CLEANER, PALACE CLEANER	203	8/23/2018	BST	P62757	\$1,400.00
800079	PETRO DIAMOND TERMINAL CO	1176(e)(1) 462(d)(1)(F)	8/14/2018	TRB	P61521	\$5,000.00
20604	RALPHS GROCERY CO	203 (a)	8/9/2018	DH	P65375	\$10,000.00
109855	SEARS ROEBUCK & CO UNIT #1209	1415	8/22/2018	TRB	P65751 P65759	\$5,000.00
800026	ULTRAMAR INC	2011 3002 1173 1176 1178 463 40 CFR 60, QQQ 2004 401 402 407 1118	8/31/2018	NAS	P60357 P60360 P60362 P60363 P60364 P60365 P60366 P60367 P63562	\$112,800.00
800393	VALERO WILMINGTON ASPHALT PLANT	1173	8/31/2018	NAS	P60361	\$3,000.00
<b>Total Civil Settlements: \$374,050.00</b>						

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbr	Total Settlement
<b>MSPAP Settlements</b>						
147215	AVIS CAR RENTAL	461(c)(3)(Q)	8/8/2018	GC	P71101	\$400.00
41536	AVIS RENT A CAR SYSTEM	461(c)(3)(Q)	8/8/2018	GC	P71029	\$400.00
54066	AVIS RENT A CAR SYSTEMS	461(c)(3)(Q)	8/8/2018	GC	P71001	\$400.00
146161	AVIS RENT-A CAR SYSTEMS, INC.	461(c)(3)(Q)	8/8/2018	GC	P71006	\$400.00
30619	AVIS RENT-A-CAR SYSTEM INC	461(c)(3)(Q)	8/8/2018	GC	P71225	\$400.00
180430	BIRCH HILLS GOLF MANAGEMENT, LLC	461(c)(3)(Q)	8/24/2018	GC	P71162	\$600.00
167880	BUDGET RENT A CAR - QTA SANTA ANA	461(c)(3)(Q)	8/8/2018	GC	P71244	\$400.00
55634	BUDGET RENT A CAR OF BEVERLY HILLS	461(c)(3)(Q)	8/8/2018	GC	P71241	\$400.00
186523	CARINA AUTO CENTER	109 203 (a)	8/8/2018	TF	P60695	\$600.00
174676	CIRCLE K STORES INC	461(c)(3)(Q)	8/24/2018	GC	P70611	\$600.00
174177	CIRCLE K STORES INC #2709493	461(c)(3)(Q)	8/24/2018	GC	P70558	\$600.00
54726	COUNTY OF RIVERSIDE (BA179)	461(c)(3)(Q)	8/24/2018	GC	P71214	\$200.00
68466	CR TRANSFER, INC.	203(a)	8/8/2018	TF	P63166	\$1,600.00
168673	DEL MAR PETROLEUM INC. #1	203(a) 461	8/8/2018	GC	P65724	\$2,350.00
180756	DEL MAR PETROLEUM INC. #2 TCCW	461	8/8/2018	GC	P65715	\$2,700.00
180756	DEL MAR PETROLEUM INC. #2 TCCW	461	8/8/2018	GC	P65721	\$800.00



Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbr	Total Settlement
185423	ELITE GENERAL CONTRACTING	403	8/8/2018	GC	P63717	\$2,300.00
142079	GLENDALE GALLERIA	1472 203 (b)	8/29/2018	GC	P65556	\$2,275.00
141648	HILLCREST CONTRACTING	461(c)(3)(Q)	8/17/2018	TF	P71141	\$200.00
172234	IFCO SYSTEMS US., INC	1146.1	8/29/2018	GC	P59543	\$680.00
158356	MAX MRI IMAGING	13 CCR 2460	8/29/2018	TF	P66753	\$150.00
180091	MY GOODS MARKET #5666	203	8/29/2018	TF	P65749	\$800.00
183720	PILLAR BUILDING GROUP	1403	8/29/2018	TF	P65952	\$500.00
186321	POINT SATURN LLC	1403	8/29/2018	TF	P66260	\$2,000.00
119652	PRINCESS CRUISES	203 (a)	8/8/2018	TF	P66152	\$1,600.00
128982	PRINCESS CRUISES	203 (a)	8/8/2018	TF	P66153	\$800.00
153780	SOUTH PASADENA SMOGPROS	461	8/29/2018	TF	P64922	\$800.00
127841	THE TEECOR GROUP, INC.	1403	8/29/2018	TF	P63084	\$3,400.00
186685	THOMPSON BUILDING MATERIALS	403	8/29/2018	TF	P50743	\$1,600.00
165192	TRIUMPH AEROSTRUCTURES, LLC	2004	8/29/2018	TF	P64375	\$500.00
186093	WEST COAST DEMO	1403	8/29/2018	TF	P66257	\$700.00
181741	WHEEL POWER INC	41960 461	8/29/2018	TF	P64926	\$800.00

**Total MSPAP Settlements: \$31,955.00**



**South Coast  
Air Quality Management District**  
21865 Copley Drive, Diamond Bar, CA 91765-4182  
(909) 396-2000 • [www.aqmd.gov](http://www.aqmd.gov)

**HOME RULE ADVISORY GROUP  
Wednesday, July 11, 2018  
MEETING MINUTES**

**CHAIR:** Dr. Joseph Lyou, SCAQMD Governing Board Member

**MEMBERS PRESENT:**

Mike Carroll (Regulatory Flexibility Group); Bill LaMarr (California Small Business Alliance); Bridget McCann (Western States Petroleum Association); Art Montez (AMA International); David Rothbart (Los Angeles County Sanitation District); Larry Smith (Cal Portland Cement); Kristen Torres Pawling (County of Los Angeles, Chief Sustainability Office) and TyRon Turner (Dakota Communications).

The following members participated by conference call: Rongsheng Luo (SCAG); Bill Quinn (California Council for Environmental & Economic Balance); Johnnie Raymond (CARB); and Amy Zimpfer (EPA).

**MEMBERS ABSENT:**

Ben Benoit (SCAQMD Governing Board Member); Curt Coleman (Southern California Air Quality Alliance); Michael Downs (Downs Energy);-Jaclyn Ferlita (Air Quality Consultants); Nan Harrold (Orange County Waste & Recycling); Dan McGivney (Southern California Gas); Dr. Clark Parker (SCAQMD Governing Board Member); and Larry Rubio (Riverside Transit Agency).

**OTHER ATTENDEES:**

Mark Abramowitz (Board Consultant to Dr. Lyou); Priscilla Hamilton (Southern California Gas); Warisa Niizawa (Orange County Waste and Recycling); and Rita Loof (RadTech).

**SCAQMD STAFF:**

Jill Whynot	Chief Operating Officer	Danielle Soto	Sr. Public Information Specialist
William Wong	Principal Deputy District Counsel	Daniel Wong	Sr. Public Information Specialist
Philip Crabbe	Community Relations Manager	Kelsey Baez	Student Intern
Debra Ashby	Sr. Public Information Specialist	Lia Bilodeau	Student Intern
Ann Scagliola	Administrative Secretary	Mitchell McMann	Student Intern
Pedro Piqueras	AQ Specialist		

**OPENING COMMENTS AND SELF-INTRODUCTIONS**

The meeting was called to order at 10:00 a.m. by Dr. Joseph Lyou (Chairman).

**APPROVAL OF MAY 2018 MEETING MINUTES**

Dr. Lyou asked for comments on the May 9, 2018 meeting minutes. Hearing none, the minutes were approved.

## **EPA AND FEDERAL ACTIVITIES**

Amy Zimpfer provided an update on recent U.S. Environmental Protection Agency (EPA) and federal activities.

### **SCAQMD Related Actions**

- Mike Stoker was appointed as the EPA Region 9 Administrator.
- EPA continues to review the attainment plans incorporated into the submitted 2016 Air Quality Management Plan (AQMP).
- The 2018 Targeted Airshed Grant RFP will be announced soon and it is anticipated that \$40M will be awarded in grant funding nationally.
- The Tribal DERA grant RFP opened on June 5, 2018 and will close on September 6, 2018.
- The National Diesel Emission Reduction Act (DERA) Request for Proposals (RFP) period has closed and the submitted proposals are being reviewed.
- To minimize air pollution through advanced technologies, tools and policies, EPA's Clean Air Technology Initiative will provide \$500,000 in regional funding to SCAQMD.

### **National Update**

- The 2015 Ozone National Ambient Air Quality Standards (NAAQS) SIP Implementation Rule is with the Office of Management and Budget for review.
- Chief Operating Officer, Henry Darwin has implemented the EPA Lean Management System (ELAM) and is creating effective ways to improve EPA's efficiency.

### **Discussion**

Jill Whynot inquired about EPA's glider (freight trucks) and enforcement rule. Ms. Zimpfer indicated that there was nothing to report at this time. Dr. Lyou added that there is a proposal to consider how cost effectiveness is calculated. Ms. Zimpfer indicated that there are a number of proposals nationwide, and if there is enough interest, this could be a topic at a future meeting.

Bill LaMarr inquired about the \$500,000 in funding to SCAQMD for clean air technology and the purpose. Ms. Zimpfer indicated that EPA has worked with Matt Miyasato to determine a high priority funding project.

## **CARB REGULATORY ACTIVITIES**

Johnnie Raymond provided updates on items scheduled to go to CARB's Board in July 2018 and recent regulatory activities.

- CARB released the proposed California greenhouse gas emissions standards for medium- and heavy-duty engines and vehicles and proposed amendments to the tractor-trailer greenhouse gas regulations. The public comment deadline is July 18, 2018.
- Nominations are being accepted for the 2018 Haagen-Smit Clean Air Awards. The submittal deadline is August 2, 2018.
- In June 2018, the draft AB 617 Community Air Protection Blueprint was released. The comments deadline is July 23, 2018.
- To assist crude oil and natural gas facilities with methane greenhouse gas compliance, methane emissions need to be recorded into CARB's CAL e-GGRT system.
- On July 26, 2018, CARB's Board will consider the updates to the 2018 Proposed Funding Guidelines for Agencies Administering California Climate Investment (CCI). Written comments must be received by July 23, 2018.

- A CARB funded NASA satellite study on PM2.5 emissions, which focused on Southern California, was recently released and further information is available on CARB's website.
- In June 2018, \$20M from the Cap-and-Trade Program proceeds was awarded to fund zero emission technology demonstrations related to freight, farm and transportation technologies.

### Discussion

David Rothbart inquired about development of CARB's indirect source rules for freight activities in California. Mr. Raymond indicated did not have the requested information, and would follow-up with CARB staff.

## **LEGISLATIVE UPDATE**

Philip Crabbe provided a recap of the June 2018 Legislative Committee meeting.

### **Update on Federal Legislative Issues**

SCAQMD's federal legislative consultants each provided a written report on various key Washington, D.C. issues.

It was reported that the US EPA Science Advisory Board met in late May and early June and recommended to the US EPA Administrator that the proposed rulemaking on CAFE standards and the pending final rule on glider trucks should be postponed, pending a better scientific review. Now, of course US EPA is under no obligation to accept this recommendation.

Reports leaked out that the Department of Transportation may be granting 27 awards, releasing \$1.5 billion dollars, for major highway projects under the "Infrastructure for Rebuilding America" (INFRA) grant program, including one congestion relief project in Los Angeles on Interstate 5.

It was reported that the House Interior Appropriations Subcommittee passed its appropriations bill, which would authorize \$100 million for the Diesel Emission Reduction Act (DERA) Program and \$55 million for the Targeted Airshed Grant Program.

It was also reported that SCAQMD has been working to apply pressure to the US EPA to take action on SCAQMD's petition for an ultra-low NOx emissions standard for heavy duty trucks.

The House passed their energy and water appropriations bill and it was waiting for Senate action. The House passed the Trump Administration's rescissions package, in which \$15 billion in previously allocated funding would be rescinded, including \$4.3 billion in loan funding for the DOE for fuel efficiency and advanced vehicle technology.

### **Update on State Legislative Issues**

SCAQMD's state legislative consultants provided written reports on various key issues in Sacramento.

Updates were provided on various state bills, including:

- AB 2091 (Grayson), which is supported by SCAQMD, is an omnibus bill relating to prescribed burn issues. The author took one of SCAQMD's suggested amendments and the bill has now moved onto the Senate.
- AB 327 (Gipson) which is an authorization bill sponsored by SCAQMD regarding the usage of cleaner technology in public fleets within the South Coast region. This bill passed the Senate Environmental Quality Committee, but unfortunately failed in the Senate Transportation & Housing Committee, so it is now dead.

- SB 1502, which is sponsored by SCAQMD, and allows local air districts to provide public notice electronically. This bill was passed by the Legislature and signed by the Governor.
- SB 210 (Leyva), which is supported by SCAQMD, and deals with creating a smog check program for heavy-duty trucks. SCAQMD staff is having ongoing conversations with Senator Leyva's Office about potential amendments to the bill. However, this bill now appears to be not moving forward.

It was reported that the negotiations on the state budget and the cap-and-trade expenditure plan, including AB 617 implementation funding were ongoing. Since then, those deals were struck with:

- \$50 million being allocated statewide to air districts for AB 617 implementation;
- \$245 million being allocated statewide for AB 617 oriented incentive funding for both mobile and stationery sources;
- \$132 million being allocated statewide for incentives for Agricultural Diesel Engine replacement and upgrades.

### **Recommend Position on State Bills**

**AB 2145 (Reyes) Vehicular air pollution.** This bill, which is sponsored by CALSTART, would modify the Clean Truck, Bus, and Off-Road Vehicle and Equipment Program (Clean Truck Program) to fund additional technologies and would expand the criteria for funding through the Alternative and Renewable Fuel and Vehicle Technology Program (ARFVTP).

This bill is in line with SCAQMD's goals of promoting the development and deployment of clean transportation technology, reducing criteria pollutant and toxic emissions, and protecting public health. *The Committee adopted staff's recommended position of SUPPORT on this item.*

**SB 1260 (Jackson) Fire prevention and protection: prescribed burns.** The bill is an omnibus fire prevention and forestry management bill that would, among other things: promote long-term forest health and wildfire resiliency; and require CAL-FIRE and CARB, in coordination with local air districts, to develop and fund a program to enhance air quality and smoke monitoring, and provide a public awareness campaign regarding prescribed burns. That program may include purchasing new air quality monitors and shall include adequate funding for local air district participation and implementation costs.

Staff recommends amendments to the bill that address an issue that complicates the granting of controlled burn permits at the local level. Current law only allows an air pollution control officer to permit controlled burns in counties with a population of 6 million or less. This provision complicates SCAQMD's ability to issue controlled burn permits for fire hazard mitigation within LA County, which has a population that far exceeds 6,000,000. Staff proposes an addition to the bill that would remove current law's reference to a county population restriction, so that SCAQMD can have clear authority to issue controlled burn permits within Los Angeles County. *The Committee adopted staff's recommended position of SUPPORT WITH AMENDMENTS on this item.*

### Discussion

Bill LaMarr inquired about the SB 1260 (Jackson) air monitoring funding legislation, regarding what type of air monitoring would be involved and where would it be used. Mr. Crabbe indicated that it appears that the bill is focused on monitoring controlled burns. Jill Whynot added that it could also apply to the sensors and monitors that SCAQMD purchases to monitor air pollution.

David Rothbart inquired about what happened with AB 327 (Gipson) during the Senate Transportation committee hearing and its current status. Mr. Crabbe explained that it is a two year

session and because this is the second year, bills that fail this year are dead and would need to be reintroduced in the future. Without a motion in committee, AB 327 missed a deadline to pass out of policy committee and therefore failed and would need to be reintroduced in the future.

Larry Smith inquired about the benefit of monitoring a controlled burn, once the permit has been issued. Mr. Crabbe indicated that open controlled burns can only occur on certain days, depending on the air quality levels. The bill amendment is to permit equipment that would allow for cleaner open burning and to reduce the related emissions. Dr. Lyou added that the monitoring could be for informational purposes, to educate, or to mitigate future PM emissions.

Jill Whynot reported that there will be \$50M in funding statewide for AB 617 implementation, this year, with the intent to have this funding again next year. She also indicated that SCAQMD was unable secure sustained funding for future years. Dr. Lyou inquired about SCAQMD's portion and Ms. Whynot indicated that it has not been determined.

Bill LaMarr inquired about the reluctance to sustain AB 617 funding. Ms. Whynot indicated that there could be many factors. Mr. Crabbe added that there is also no guarantee on the \$50M for next year.

Jill Whynot mentioned that at the July 2018 Legislative Committee meeting there is an agenda item to continue the discussion to seek legislative authority for a .25% sales tax increase to help support the AQMP.

## **UPDATE REGARDING LITIGATION ITEMS AND RELATED EPA ACTIONS**

William Wong had no updates to report.

### Discussion

Bill LaMarr inquired about the status of Case #8. Mr. Wong indicated that the status report reflects the current status.

## **COMMUNITY OUTREACH EFFORTS**

Debra Ashby provided an update on the outreach efforts of Legislative, Public Affairs and Media Relations (LPAM). The presentation covered numerous aspects of outreach for SCAQMD ranging from government relations to the general public to health, environmental, educational and business organizations. The presentation also included an overview of the types of LPAM outreach activities such as town hall meetings, events, speaker's bureau, small business assistance, environmental justice workshops, advisory groups and other initiatives. After the discussion, the Advisory Group offered several suggestions for additional outreach, such as presentations to neighborhood councils and local planning staff.

### Discussion

Bill LaMarr asked why there were no senior events in Orange County. Ms. Ashby replied that LPAM is looking into an Orange County event.

Tyron Turner inquired about the outreach efforts in South Los Angeles and the apparent lack of AQMD awareness within the community. Ms. Ashby indicated that during the senior event in Los Angeles, LPAM received this feedback and they are open to suggestions for improvement. Mr. Turner suggested the monthly evening neighborhood council meetings and offered his assistance as a contact person.

Bridget McCann asked where on the SCAQMD website the future outreach events are located. Ms. Ashby indicated that our Facebook page is the best source for this information.

Kristen Pawling suggested unincorporated town councils, outside the City of Los Angeles, that could benefit from outreach efforts. Dr. Lyou inquired about a list of these areas. Ms. Pawling indicated that she could provide a list. Dr. Lyou inquired if other counties have town councils or community leaders. Bill LaMarr indicated that Anaheim has neighborhood councils and suggested Supervisor Shawn Nelson or one of his assistants for information on Orange County community groups. Ms. Pawling also suggested City Manager Outreach meetings. Ms. Ashby indicated that the LPAM staff regularly attends various Los Angeles County City Manager's and Public Works Directors meetings, but other outreach suggestions are welcome.

Dr. Lyou suggested Nextdoor.com and Facebook advertising, to let them know that we exist. Ms. Ashby indicated that this has been discussed and she would follow-up.

Larry Smith suggested the cities local planning departments, to research when they do their local plan updates and to get involved in their outreach efforts. Ms. Pawling also suggested the Office of Planning and Research, who cities contact for assistance.

Art Montez expressed that many elected officials, for underserved communities, do not have adequate minority staff to represent the communities they serve. Mr. Montez suggested outreach with schools in the black, Asian and Latino communities.

Dr. Lyou suggested that SCAQMD should be engaged with what other agencies are doing and use some of their ideas for successful outreach.

## **SUBCOMMITTEE STATUS REPORTS**

### ***A. Freight Sustainability (Dan McGivney)***

There was no report.

### ***B. Small Business Considerations (Bill La Marr)***

An update was provided on the following items.

- CARB's criteria pollutants workshop
- CARB's Small Business Assistance Advisory Panel
- RECLAIM Working Group
- Rule 1147 outreach

### ***C. Environmental Justice and AB 617 Implementation (Curt Coleman)***

There was no report.

### **Discussion**

Dr. Lyou indicated that at the July 2018 SCAQMD Governing meeting, the Board voted on a list of communities to submit to CARB for their consideration. CARB is expected to provide their decision statewide in September 2018.

### ***D. Climate Change (David Rothbart)***

David Rothbart commented on the following items.

- The increased energy demands due to the temperature spikes, and the impact on the Southern California air quality models for attainment impacts and global warming.
- The foreseeable challenges on emission reporting criteria by EPA, CARB and local entities.

### Discussion

Jill Whynot indicated that there have been discussions with ARB and CAPCOA about emission reporting requirements. She further indicated that the challenge is to make emission reporting accurate, consistent and non-duplicative throughout the state, without being an overwhelming burden to the facilities.

Art Montez inquired about the approved cap-and-trade funding for Orange County. Mr. Crabbe indicated that the \$10M for technical assistance for community groups has not been appropriated yet to specific communities.

### **REPORT FROM AND TO THE STATIONARY SOURCE COMMITTEE**

Jill Whynot provided a summary of items on the June and July 2018 meeting agendas.

- RECLAIM Transition Quarterly Report
- Update on AB 617
- Memorandum of Agreement Between to Implement CARB's Greenhouse Gas Emission Standards for Crude Oil and Natural Gas Facilities
- 2017 Annual Report on AB 2588
- Status Report on Regulation XII
- Updates on PAR 1469, 2001, 2002, 1135 and 1138

### Discussion

David Rothbart inquired about future AB 2588 workshops on new processes. Ms. Whynot indicated that SCAQMD is deciding how to proceed.

Art Montez requested clarification on the charbroiler update. Ms. Whynot provided background information on the technology research update for the Board.

### **OTHER BUSINESS**

Tyron Turner shared that he mailed a letter to the Los Angeles World Airport (LAWA) regarding the increased air traffic and airport noise in South Los Angeles, and the lack of LAWA community involvement.

### **PUBLIC COMMENT**

There were no comments.

### **ADJOURNMENT**

The meeting was adjourned at 12:08 p.m. The next meeting of the Home Rule Advisory Group is scheduled for 10:00 a.m. on September 12, 2018, and will be held at SCAQMD in Conference Room CC-8.