

BOARD MEETING DATE: April 5, 2019

AGENDA NO. 2

PROPOSAL: Set Public Hearings May 3, 2019 to:

- (A) Determine that Proposed Amendments to Regulation III – Fees and Rule 209 – Transfer and Voiding of Permits Are Exempt from CEQA; Amend Regulation III; Amend Rule 209; and Adopt Executive Officer’s FY 2019-20 Proposed Goals and Priority Objectives, and Proposed Budget

The Executive Officer's Proposed Goals and Priority Objectives, and Proposed Budget for FY 2019-20 have been developed and are recommended for adoption. The Proposed Budget includes implementation of the phased fee increase adopted by the Board on June 2, 2017 to continue cost recovery efforts. In addition, staff is proposing amendments to Regulation III – Fees and Rule 209 – Transfer and Voiding of Permits. The amendments include: 1) pursuant to Rule 320, an increase of most fees by 3.5% consistent with the Consumer Price Index; 2) new or increased fees including toxics fees which are necessary to provide more specific cost recovery for agency activities by the agency; and 3) administrative changes that include clarification, deletions, or corrections of existing rule language, which have no fee impact; and 4) a clarification on how permit transfers are considered when there is a change of owner/operator. The fee increases were presented at a public consultation meeting on March 22, 2019; and the fee increases and proposed budget will be presented at a Budget Study Session, Budget Advisory Committee meeting, and a public consultation meeting in April with recommendations and comments provided to the Board. This action is to: 1) Determine that the proposed amendments to Regulation III - Fees and Rule 209 – Transfer and Voiding of Permits are exempt from the California Environmental Quality Act; 2) Adopt the Executive Officer’s Proposed Goals and Priority Objectives, and Proposed Budget for FY 2019-20; 3) Amend Regulation III; and 4) Amend Rule 209. (Review: Special Board Meeting/Budget Study Session, April 12, 2019)

(B) Certify Revised Final Environmental Assessment, Amend Rule 1106 – Marine Coating Operations, as set forth in Proposed Amended Rule 1106 - Marine and Pleasure Craft Coating Operations, and Rescission of Rule 1106.1 - Pleasure Craft Coating Operations

The proposed amendments would revise VOC content limits for marine and pleasure craft coatings to align limits with U.S. EPA Control Techniques Guidelines and other air districts, add new categories for coatings and sealants, and require the most restrictive VOC content limit for products that may be marketed for both marine and pleasure craft coatings use. The proposed amendments would also prohibit possession and sale of non-compliant coatings and establish requirements for transfer efficiency. Finally, the proposed amendments would move the requirements of Rule 1106.1 to Rule 1106 so that there would be a single rule covering both marine and pleasure craft coatings. This action is to adopt the Resolution: 1) Certifying the Revised Final Environmental Assessment for Proposed Amended Rule 1106 – Marine and Pleasure Craft Coatings and rescission of Rule 1106.1 – Pleasure Craft Coating Operations; 2) Amending Rule 1106 – Marine Coating Operations; and 3) Rescinding Rule 1106.1 – Pleasure Craft Coating Operations. (Reviewed: Stationary Source Committee, March 15, 2019)

The complete text of the proposed amendments, staff report and other supporting documents will be available from the SCAQMD's Public Information Center, (909) 396-2001 and on the Internet (www.aqmd.gov) as of April 3, 2019.

RECOMMENDED ACTION:

Set Public Hearings May 3, 2019 to Adopt the Executive Officer's Budget, Goals and Priority Objectives for FY 2019-20, Amend Rule 209 and Regulation III; and Amend Rule 1106 and Rescind Rule 1106.1.

Wayne Nastri
Executive Officer

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