

MEETING, MARCH 1, 2019

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
- Presentation of Retirement Award to Norma Martinez **Burke**
- Swearing in of Newly Appointed Board Member Lisa A. Bartlett **Burke**

Staff/Phone (909) 396-

CONSENT CALENDAR (Items 1 through 20)

Note: Consent Calendar items held for discussion will be moved to Item No. 21

1. Approve Minutes of February 1, 2019 Board Meeting **Garzaro/2500**
2. Set Public Hearing April 5, 2019 to Consider Adoption of and/or Amendments to SCAQMD Rules and Regulations **Nastri/3131**

Certify Final Subsequent Environmental Assessment and Amend Rule 1134 – Emissions of Oxides of Nitrogen from Stationary Gas Turbines **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 1134 applies to RECLAIM and non-RECLAIM stationary gas turbines and is being amended to update NOx emission limits to reflect current BARCT, establish ammonia emission limits, and provide implementation timeframes to facilitate the transition of the NOx RECLAIM program to a command-and-control regulatory structure. The proposed amended rule also establishes provisions for monitoring, reporting, and recordkeeping. Other provisions are incorporated to remove obsolete provisions and provide clarifications. This action is to adopt the Resolution: 1) Certifying the Final Subsequent Environmental Assessment for Proposed Amended Rule 1134 – Emissions of Oxides of Nitrogen from Stationary Gas Turbines, and 2) Amending Rule 1134 – Emissions of Oxides of Nitrogen from Stationary Gas Turbines. (Reviewed: Stationary Source Committee, February 15, 2019)

Budget/Fiscal Impact

3. Recognize Funds, Execute and Amend Agreements for Installation and Maintenance of Air Filtration Systems, and Reimburse General Fund for Administrative Costs **Miyasato/3249**

U.S. EPA is executing a Supplemental Environmental Project (SEP) agreement and has asked SCAQMD to act as the SEP Implementer to install and maintain air filtration systems at schools. This action is to recognize up to \$161,352 into the Air Filtration Fund (75). These actions are to also execute agreements to install and maintain air filtration systems in an amount not to exceed \$153,284; execute or amend access agreement with a local school district; amend contracts to purchase additional filters using unspent administrative funds; and reimburse the General Fund for administrative costs up to \$8,068 for SEP administration. (Reviewed: Technology Committee, February 15, 2019; Recommended for Approval)

4. Adopt Resolution Recognizing Funds and Accepting Terms and Conditions for FY 2018-19 Carl Moyer Program Award, Issue Program Announcements for Carl Moyer Program and SOON Provision, and Transfer Funds for Voucher Incentive Program **Miyasato/3436**

These actions are to adopt a Resolution recognizing up to \$31 million in Carl Moyer Program grant funds from CARB under SB 1107 with its terms and conditions for FY 2018-19 and issue Program Announcements for "Year 21" of the Carl Moyer Program and SOON Provision to provide incentive funding for zero and low emitting on- and off-road vehicles and equipment. Funding for the Carl Moyer and SOON projects will be provided from the Carl Moyer Program SB 1107, AB 923 and other funds that may become available for projects eligible under the Carl Moyer Program. This action is to also transfer \$3 million from the Carl Moyer Program AB 923 Special Revenue Fund (80) to the Voucher Incentive Program Fund (59) to continue funding truck replacement projects on a first-come, first-served basis. (Reviewed: Technology Committee, February 15, 2019; Recommended for Approval)

5. Approve SCAQMD Annual Investment Policy and Delegation of Authority to Appointed Treasurer to Invest SCAQMD Funds **Jain/2804**

State law requires a local government entity annually to provide a statement of investment policy for consideration at a public meeting and to renew its delegation of authority to its treasurer to invest or to reinvest funds of the local agency. This action is to approve the Annual Investment Policy and the Resolution to renew delegation of authority to the Los Angeles County Treasurer to invest and reinvest SCAQMD funds. (Reviewed: Investment Oversight Committee, February 15, 2019; Recommended for Approval)

6. **Transfer and Appropriate Funds and Amend Contracts to Provide Short- and Long-Term Systems Development, Maintenance and Support Services** **Moskowitz/3329**

SCAQMD currently has contracts with several companies for short- and long-term systems development, maintenance and support services. These contracts are periodically amended as additional needs are defined. This action is to transfer and appropriate funds totaling \$559,955 and amend three contracts previously approved by the Board to add funding for needed development and maintenance work. (Reviewed: Administrative Committee, February 8, 2019; Less than a quorum was present; the Committee Members concurred that this item be forwarded to the Board for consideration)

7. **Authorize Purchase of Maintenance and Support Services for Servers and Storage Devices** **Moskowitz/3329**

The servers and storage devices are used by enterprise-level software applications that currently support the Clean Air Support System for all SCAQMD core activities. Maintenance support for these systems will expire on April 30, 2019. This action is to obtain approval for the sole source purchase of hardware and software maintenance and support services for servers and storage devices from Hewlett Packard Enterprise Company for one year, in an amount not to exceed \$120,000. (Reviewed: Administrative Committee, February 8, 2019; Less than a quorum was present; the Committee Members concurred that this item be forwarded to the Board for consideration)

8. **Execute Contract for Consultant Services for SCAQMD Environmental Justice Outreach and Initiatives** **Alatorre/3122**

At the December 7, 2018 meeting, the Board approved the release of an RFP to solicit proposals from individuals and organizations to provide assistance with community and stakeholder outreach efforts related to SCAQMD's Environmental Justice Program, including but not limited to, the Environmental Justice Community Partnership Initiative meetings and conference. One proposal was submitted to the Administrative Committee for consideration at its February 8, 2019 meeting. After the Committee interviewed representatives from the Lee Andrews Group, Inc., the Committee Members present (less than a quorum) concurred that this item be forwarded to the full Board. This action is to execute a contract with Lee Andrews Group, Inc. for \$160,000 for a one-year contract with an option for up to two one-year term renewals, upon satisfactory performance, at the Board's discretion. Funding for year one services is contained in the Legislative, Public Affairs & Media FY 2018-19 budget. Future funding for FYs 2019-20 and 2020-21 will be subject to Board approval. (Reviewed: Administrative Committee, February 8, 2019; Less than a quorum was present; the Committee Members concurred that this item be forwarded to the Board for consideration)

9. Approve Contract Awards as Approved by MSRC **McCallon**

The MSRC approved two replacement contracts as part of their FYs 2012-14 Work Program. At this time the MSRC seeks Board approval of the contract awards as part of the FYs 2012-14 Work Program. (Reviewed: Mobile Source Air Pollution Reduction Review Committee, February 21, 2019; Recommended for Approval)

Action Item/No Fiscal Impact

10. Annual Meeting of Health Effects of Air Pollution Foundation **Gilchrist/3459**

This item is to conduct the annual meeting of the Health Effects of Air Pollution Foundation. The Foundation staff will present an annual report detailing the research supported by the Foundation over the past year, the Foundation's plans for the future, and a final report. (No Committee Review)

11. Amend Charter for Environmental Justice Community Partnership Advisory Council and Young Leaders Advisory Council **Alatorre/3122**

The Environmental Justice Community Partnership Advisory Council and the Young Leaders Advisory Council meet four times a year, and staff is requesting a change to the respective charters to reflect that missing two consecutive meetings without notifying the SCAQMD is cause for the member's removal from the Advisory Council. (Reviewed: Administrative Committee, February 8, 2019; Less than a quorum was present; the Committee Members concurred that this item be forwarded to the Board for consideration)

Items 12 through 20 - Information Only/Receive and File

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

This Report highlights the January 2019 outreach activities of the Legislative, Public Affairs and Media Office, which includes: Major Events, Community Events/Public Meetings, Environmental Justice Update, Speakers Bureau/Visitor Services, Communications Center, Public Information Center, Business Assistance, Media Relations and Outreach to Business and Federal, State, and Local Government. (No Committee Review)

13. Hearing Board Report **Prussack/2500**

This reports the actions taken by the Hearing Board during the period of January 1 through January 31, 2019. (No Committee Review)

14. Civil Filings and Civil Penalties Report **Gilchrist/3459**

This reports the monthly penalties from January 1 through January 31, 2019, and legal actions filed by the General Counsel's Office from January 1 through January 31, 2019. An Index of District Rules is attached with the penalty report. (Reviewed: Stationary Source Committee, February 15, 2019)

15. **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 January 1, 2019 and January 31, 2019, and those projects for which the SCAQMD is acting as lead agency pursuant to CEQA. (Reviewed: Mobile Source Committee, February 15, 2019)
16. **Report of RFPs Scheduled for Release in March** **Jain/2804**

This report summarizes the RFPs for budgeted services over \$75,000 scheduled to be released for advertisement for the month of March. (Reviewed: Administrative Committee, February 8, 2019)
17. **Rule and Control Measure Forecast** **Fine/2239**

This report highlights SCAQMD rulemaking activities and public hearings scheduled for 2019. (No Committee Review)
18. **FY 2018-19 Contract Activity** **Jain/2804**

This report lists the number of contracts let during the first six months of FY 2018-19, the respective dollar amounts, award type, and the authorized contract signatory for the SCAQMD. (No Committee Review)
19. **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, February 8, 2019)
20. **Approve Annual Report on AB 2766 Funds from Motor Vehicle Registration Fees for FY 2016-17** **Fine/2239**

This report contains data on the AB 2766 Subvention Fund Program for FY 2016-17 as requested by CARB. This action is to approve the AB 2766 Annual Report. (Reviewed: Mobile Source Committee, February 15, 2019; Recommended for Approval)
21. **Items Deferred from Consent Calendar**

BOARD CALENDAR

- | | | | |
|------|---|-----------------------|----------------|
| 22. | Administrative Committee (Receive & File) | Chair: Burke | Nastri/3131 |
| 23. | Investment Oversight Committee (Receive & File) | Chair: Cacciotti | Jain/2804 |
| 24A. | Legislative Committee (Receive & File) | Chair: Mitchell | Alatorre/3122 |
| 24B. | Legislative Committee (Receive & File) | Chair: Mitchell | Alatorre/3122 |
| 25. | Mobile Source Committee (Receive & File) | Chair: Parker | Fine/2239 |
| 26. | Stationary Source Committee (Receive & File) | Chair: Benoit | Tisopulos/3123 |
| 27. | Technology Committee (Receive & File) | Chair: Buscaino | Miyasato/3249 |
| 28. | Mobile Source Air Pollution Reduction Review Committee (Receive & File) | Board Liaison: Benoit | Berry/2363 |
| 29. | California Air Resources Board Monthly Report (Receive & File) | Board Rep: Mitchell | Garzaro/2500 |

Staff Presentation/Board Discussion

- | | | | |
|-----|---|--|-----------|
| 30. | Update on Development of Facility-Based Mobile Source Measures in 2016 AQMP (<i>Presentation in lieu of Board Letter</i>) | | Rees/2856 |
|-----|---|--|-----------|

This staff presentation will provide a summary of recent activities on Facility-Based Mobile Source Measures. Following Board direction, staff is developing indirect source rules for warehouses and rail yards, pursuing memoranda of understanding for marine ports and airports, and continuing to study potential regulatory and voluntary approaches for new/redevelopment projects. This update will cover activities since the last Board update six months ago, and preview upcoming activities expected in 2019. (Reviewed: Mobile Source Committee, February 15, 2019)

PUBLIC HEARINGS

31. Determine that Proposed Amendments to Rules 110, 212, 301, 303, 306, 307.1, 309, 315, 518.2, 1310, 1605, 1610, 1612, 1620, 1623, 1710, 1714, and 3006 are Exempt from CEQA; Amend Rules 110, 212, 301, 303, 306, 307.1, 309, 315, 518.2, 1310, 1605, 1610, 1612, 1620, 1623, 1710, 1714, and 3006 **Nakamura/3105**

Proposed amendments to the above referenced rules will expand noticing options to include email and web page display for public notices for Clean Air Act permit programs and rulemaking activities. California Senate Bill 1502, drafted in response to SCAQMD's initiative to modernize communication methods, and amendments to the U.S. EPA Code of Federal Regulations enable these changes. The option to deliver invoices to permit holders by email will also be included. This action is to adopt the Resolution: 1) Determining that the proposed amendments to the above referenced rules are exempt from the requirements of the California Environmental Quality Act; 2) Amending the above referenced rules; and 3) Adopting "Procedures for Including Electronic Public Notice." (Reviewed: Stationary Source Committee, January 18, 2019)

32. Approve and Adopt Technology Advancement Office Clean Fuels Program 2018 Annual Report and 2019 Plan Update and Resolution, Receive and File Revised Membership of Technology Advancement Advisory Group, and Approve and Adopt Membership Changes for Clean Fuels Advisory Group **Miyasato/3249**

Each year by March 31, SCAQMD must submit to the California Legislative Analyst an approved Annual Report for the past year and a Plan Update for the current calendar year for the Clean Fuels Program. Staff has reviewed the Clean Fuels Program with the Clean Fuels Advisory Group, the Technology Advancement Advisory Group and other technical experts. Additionally, the 2019 Clean Fuels Program Draft Plan Update was presented to the Technology Committee for review and comment at its October 19, 2018 meeting. This action is to approve and adopt the final Technology Advancement Clean Fuels Program Annual Report for 2018 and 2019 Plan Update as well as the Resolution finding that proposed projects do not duplicate any past or present programs. This action is to also receive and file a revised membership list of the Technology Advancement Advisory Group and approve and adopt membership changes to the SB 98 Clean Fuels Advisory Group. (Reviewed: Technology Committee, February 15, 2019; Recommended for Approval)

33. Approve Annual RECLAIM Audit Report for 2017 Compliance Year **Tisopolos/3123**

The annual report on the NOx and SOx RECLAIM program is prepared in accordance with Rule 2015 - Backstop Provisions. The report assesses emission reductions, availability of RECLAIM Trading Credits (RTCs) and their average annual prices, job impacts, compliance issues, and other measures of performance for the twenty-fourth year of this program. In addition, recent trends in trading future year RTCs are analyzed and presented in this report. Further, a list of facilities that did not reconcile their emissions for the 2017 Compliance Year is included in the report. This action is to approve the Annual RECLAIM Audit Report for 2017. (Reviewed: Stationary Source Committee, February 15, 2019)

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 enter into a contract with Gladstein, Neandross & Associates (Contract No. 19249), a license agreement with the City of Long Beach (Contract No. 182441), and contract modifications with IQAir North America, Inc. (Contract No. C182281) and Comite Civico del Valle, Inc. (Contract No. C173592). Gladstein, Neandross & Associates, City of Long Beach, and IQAir North America, Inc. are potential sources of income for Governing Board Member Joseph Lyou, which qualify for the remote interest exception of Section 1090 of the California Government Code. Comite Civico Del Valle, Inc. has entered into a contractual relationship with Dr. Lyou's non-profit employer, the Coalition for Clean Air, which also qualifies for the remote interest exception of Section 1090 of the Code. Dr. Lyou abstained from any participation in the making of the contract, license agreement, and contract modifications.

CLOSED SESSION - (No Written Material)

Gilchrist/3459

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);
- In the Matter of SCAQMD v. Browning-Ferris Industries of California, Inc. dba Sunshine Canyon Landfill, SCAQMD 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);
- 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 Appeal, First Appellate District, Case No. A148993 (formerly Contra Costa County Superior Court Case No. MSN14-0300) (SCIG);
- In the Matter of SCAQMD v. Southern California Gas Company, Aliso Canyon Storage Facility, SCAQMD Hearing Board Case No. 137-76 (Order for Abatement); People of the State of California, ex rel SCAQMD v. Southern California Gas Company, Los Angeles Superior Court Case No. BC608322; Judicial Council Coordinated Proceeding No. 4861;
- In the Matter of SCAQMD v. Torrance Refining Company, LLC, SCAQMD Hearing Board Case No. 6060-5 (Order for Abatement);
- State of California, et al. v. U.S. EPA, et al., U.S. Court of Appeals, D.C. Circuit, Case No. 18-1114 (mid-term evaluation for light-duty vehicles); and
- People of the State of California, ex rel South Coast Air Quality Management District v. The Sherwin-Williams Company, an Ohio Corporation, and Does 1 through 50, Inclusive, Los Angeles Superior Court Case No. PSCV 00136.

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).

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Also, it is necessary for the Board to recess to closed session pursuant to Government Code section 54956.9(d)(2) to confer with its counsel because there is a significant exposure to litigation against the SCAQMD (one case)—Letter from Steven J. Olson, O'Melveny & Myers LLP, on behalf of ExxonMobil Corporation, dated August 22, 2018.

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@aqmd.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

BARCT = Best Available Retrofit 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

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

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

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