

BOARD MEETING DATE: November 1, 2019

AGENDA NO. 21

REPORT: Administrative Committee

SYNOPSIS: The Administrative Committee held a meeting on Friday, October 11, 2019. The following is a summary of the meeting.

RECOMMENDED ACTION:
Receive and file.

Dr. William A. Burke, Chair
Administrative Committee

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Committee Members

Present: Dr. William A. Burke/Chair (videoconference)
Council Member Ben Benoit/Vice Chair (videoconference)
Mayor Judith Mitchell (videoconference)
Council Member Michael Cacciotti (videoconference)

Absent: None

Call to Order

Chair Burke called the meeting to order at 10:05 a.m.

DISCUSSION ITEMS:

- 1. Board Members' Concerns:** None to report.
- 2. Chairman's Report of Approved Travel:** As noted on the travel report, Dr. Burke will attend meetings with legislators in Sacramento on October 15, 2019 and attend the California Fuel Cell Partnership Executive Board meeting in Sacramento on October 16, 2019. Mayor Mitchell attended the joint CARB and California Transportation Commission Board meeting in Modesto on October 9-10, 2019 and will attend the following meetings: the monthly CARB Board meeting as South Coast AQMD's representative in Sacramento on October 23-24, 2019; and the CAPCOA Fall Membership Conference as a panel member in Monterey on October 28-29, 2019.

3. **Report of Approved Out-of-Country Travel:** None to report.
4. **Review November 1, 2019 Governing Board Agenda:**
There were no comments.
5. **Approval of Compensation for Board Member Assistant(s)/Consultant(s):**
None to report.
6. **Report of RFPs/RFQs Scheduled for Release in November:** Sujata Jain, Deputy Executive Officer/Chief Financial Officer, reported that this item is to release one Request for Proposal (Independent Financial Audit Services) and one Request for Qualified Quotation (Prequalified vendor list for purchase of computers, network printers, hardware and software).
7. **Status Report on Major Ongoing and Upcoming Projects for Information Management:** Ron Moskowitz, Deputy Executive Officer/Chief Information Officer reported that projects are going well. Staff training will begin in three weeks for Office 365. There will be substantial enhancements to the Annual Emissions Reporting program and it is scheduled to go live before January 1, 2020. South Coast AQMD continues to get compliments on the mobile application and there are almost 10,000 installs.

ACTION ITEMS:

8. **Establish Board Meeting Schedule for Calendar Year 2020:** Jill Whynot, Chief Operating Officer, reported that the proposed calendar for Year 2020 follows the standard Board meeting schedule of the first Friday of each month, with exceptions occurring in January and July as they occur close to holidays. August is typically dark. In addition, the proposed meeting dates for standing committees are listed as an informational item. Council Member Benoit commented that most kids are already back to school in August and suggested for next year going dark in July rather than August. Dr. Burke responded that going dark in July will be considered next year.

Moved by Mitchell; seconded by Benoit, unanimously approved.

Ayes: Benoit, Burke, Cacciotti, Mitchell
 Noes: None
 Absent: None

9. **Recognize Revenue, Appropriate Funds, and Issue Solicitations and Purchase Orders for Air Monitoring Programs:** Dr. Jason Low, Assistant Deputy Executive Officer/Science & Technology Advancement, reported that this request is a routine annual item for the recognition and appropriation of

funds from U.S. EPA as part of their PAMS program in the amount of \$800,000. The second part of this action is to restore approximately \$55,000 to the unbudgeted fixed assets account that was used for purchasing air monitoring equipment. The third part of this action is to restore \$225,000 for the support of the criteria pollutant network equipment, and lastly to issue solicitations for purchase orders to purchase air monitoring equipment.

Moved by Mitchell; seconded by Benoit, unanimously approved.

Ayes: Benoit, Burke, Cacciotti, Mitchell
Noes: None
Absent: None

- 10. Amend Contracts for Legislative Representation in Washington, D.C.:** Derrick Alatorre, Deputy Executive Officer/Legislative, Public Affairs & Media, reported that this item is to seek approval of the last of the one-year contract extensions for the Washington, D.C. consultants. The three consultants are Kadesh & Associates; Cassidy & Associates; and the Carmen Group. The consultants have assisted South Coast AQMD with the following: the Cleaner Trucks Initiative that U.S. EPA is reviewing to update their NOx standard; garnering support for our opposition to the rollback of Corporate Average Fuel Economy Standards and the support for the California Waiver; seeking an increase in funding for the Diesel Emission Reduction Act (DERA) program ; Targeted Airshed Grants and protecting diversions from the Targeted Airshed Grants. In 2020, the consulting firms will continue to work on existing issues, such as federal responsibility for reducing emissions and attainment, and the reauthorization of the Surface Transportation bill and other bills.

Moved by Benoit; seconded by Cacciotti, unanimously approved.

Ayes: Benoit, Burke, Cacciotti, Mitchell
Noes: None
Absent: None

- 11. Amend Contracts for Legislative Representation in Sacramento, California:** Mr. Alatorre reported that this item seeks to approve the first of two contract extensions for the three Sacramento consultants. The current legislative lobbying firms are Quintana, Watts and Hartmann; Joe A. Gonsalves & Son; and California Advisors. Over the last three years, the consultants have helped air districts secure over \$330 million in direct funding from the Greenhouse Gas Reduction Fund (GGRF), with a significant portion of those funds to be directed to the South Coast region. SB 732 will need an aggressive outreach in Sacramento to ensure that the South Coast AQMD voter authorization bill advances and is signed by the Governor. Dr. Burke stated that with the

anticipated legislation one additional consultant may be needed on a short-term basis to assist in getting the bill passed.

Moved by Mitchell; seconded by Cacciotti, unanimously approved.

Ayes: Benoit, Burke, Cacciotti, Mitchell

Noes: None

Absent: None

WRITTEN REPORT:

12. Local Government & Small Business Assistance Advisory Group Minutes for the July 19, 2019 Meeting:

This report was acknowledged by the Committee.

OTHER MATTERS:

13. Other Business:

None to report.

14. Public Comment:

There were no public comments.

15. Next Meeting Date

The next regular Administrative Committee meeting is scheduled for November 8, 2019 at 10:00 a.m.

Adjournment

The meeting adjourned at 10:18 a.m.

Attachment

Local Government & Small Business Assistance Advisory Group Minutes for the July 19, 2019 Meeting



South Coast Air Quality Management District

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LOCAL GOVERNMENT & SMALL BUSINESS ASSISTANCE ADVISORY GROUP FRIDAY, JULY 19, 2019 MEETING MINUTES

MEMBERS PRESENT:

Council Member Ben Benoit, LGSBA Chairman (Board Member)
Paul Avila, P.B.A. & Associates
Geoffrey Blake, Metal Finishers of Southern California
Todd Campbell, Clean Energy
LaVaughn Daniel, DancoEN
John DeWitt, JE DeWitt, Inc.
Bill LaMarr, California Small Business Alliance
Rita Loof, RadTech International
Eddie Marquez, Roofing Contractors Association
Council Member Carlos Rodriguez, City of Yorba Linda
David Rothbart, Los Angeles County Sanitation Districts

MEMBERS ABSENT:

Supervisor V. Manuel Perez (Board Member)
Supervisor Janice Rutherford (Board Member)
Felipe Aguirre
Mayor Pro Tempore Rachelle Arizmendi, City of Sierra Madre
Mayor Cynthia Moran, City of Chino Hills

OTHERS PRESENT:

Ruthanne Taylor Berger, Board Member Consultant (*Benoit*)
Andy Silva, San Bernardino County

SOUTH COAST AQMD STAFF:

Derrick Alatorre, Deputy Executive Officer
Sujata Jain, Chief Financial Officer
Nancy Feldman, Principal Deputy District Counsel
Ian MacMillan, Planning & Rules Manager
David Ono, Sr. AQ Engineering Manager
Saad Karam, Systems & Programming Supervisor
De Groeneveld, Sr. Information Technology Specialist
Elaine-Joy Hills, AQ Specialist
Van Doan, AQ Specialist

Agenda Item #1 - Call to Order/Opening Remarks

Chair Ben Benoit called the meeting to order at 11:30 a.m.

Agenda Item #2 – Approval of June 14, 2019 Meeting Minutes/Review of Follow-Up/Action Items

Chair Benoit called for approval of the June 14, 2019 meeting minutes. The minutes were approved unanimously.

Agenda Item #3 – Review of Follow Up/Action Items

Responses to the June 14, 2019 action items were provided during the discussion of Agenda Item #7 – Other Business.

Agenda Item #4 – Fiscal Year (FY) 2019-20 General Fund Budget and Fee Agreement

Ms. Sujata Jain presented on South Coast Air Quality Management District's (South Coast AQMD) Fiscal Year (FY) 2019-20 General Fund Budget and Fee Agreement.

Ms. Rita Loof stated the policy requires 20% unreserved funds, which the balance was reducing, and asked if the Governing Board (GB) approved that reduction. Ms. Jain replied that the policy maintains the unreserved fund at 20%. It is projected to be below 20% in the fourth and fifth years to accommodate delayed costly projects. However, they are only estimates and more accurate numbers are presented as we reach that year. Historically, the fifth year projections are low, but increases to approximately 20% as that year approaches. Ms. Loof asked if the GB needs to adopt a new policy if the projection deviates from the current policy of 20%. Ms. Jain replied that the GB does not need to change the policy annually as long as we stay near 20%.

Chair Benoit clarified that 20% is a goal and not a rigid requirement.

Mr. Paul Avila asked if the proposed tax increase is approved, would the funds be added to the general fund or a separate fund. Mr. Alatorre replied there isn't a tax increase, relating to South Coast AQMD, in the near future. The first step is to obtain authorization to create a voting district.

Mr. Bill LaMarr stated that the California Small Business Alliance members agree with the consumer price index (CPI) of 3.5%. Mr. LaMarr commented that it took South Coast AQMD a long time to recover funds from the state for Assembly Bill (AB) 617 activities and asked if the unreserved funds were used for those activities. Ms. Jain replied that the first fund allotment for AB 617 was received in June 2018 and South Coast AQMD was using its unreserved funds prior to reimbursement. Mr. Alatorre confirmed that South Coast AQMD gets reimbursed for funds used towards specific program expenses, such as AB 617.

Mr. LaMarr asked if potential interests gained from investment of unreserved funds are lost awaiting reimbursement. Chair Benoit indicated that the state fund reimbursement process is slow. However, interests gained from safe accounts used by government agencies are very low, therefore, such impacts are insignificant.

Mr. Carlos Rodriguez referenced the slide on the general fund budget five year projection and asked why \$5.1 million was drawn from the unreserved fund during FY 2018-19. Ms. Jain replied that during the mid-year budget balance, staff proposed to the GB to appropriate funds for expenses such as additional staffing, permit automation projects, and building repairs.

Agenda Item #5 – Permit Streamlining Efforts and Backlog Reduction Update

Mr. David Ono presented on permit streamlining efforts and provided an update on the permit backlog reduction.

Mr. Avila asked how long it would take to obtain a permit for simple applications, such as gasoline storage and dispensing equipment (GSD). Mr. Ono replied there is an online permit application tool available that allows applicants to obtain a permit for a GSD within an hour. However, if the equipment is located near a school or has a high potential to emit, then it would take longer than an hour as a public notice or further review is needed.

Mr. John DeWitt asked how many applications are received annually and monthly. Mr. Ono responded approximately 8,000 applications are received annually.

Mr. LaMarr commented that the dashboard status indicators are vague and suggested that it would be helpful if additional indicators are included to provide further details, such as source testing information. Mr. Ono indicated that additional details are currently available under “Application Detail.” Mr. LaMarr also suggested that specific details regarding source test review should be included to explain why a permit has not been issued. Mr. Ono stated that it is South Coast AQMD policy to not delay the issuance of Permits to Construct (PC) for certain required source tests because it serves as a temporary Permit to Operate (PO). For example, if it is a rule compliance requirement, then a PC is issued, which allows the facility to operate under specific conditions.

Mr. Geoffrey Blake suggested that online application forms should be in fillable format and requested that additional guidance regarding fees are provided when rules are amended. Mr. Ono responded that South Coast AQMD is in the process of making all 400-E-XX application forms available online and allowing them to be completed and submitted online. Mr. Ono stated that most forms currently available online should be in fillable format, but will verify that. Mr. Ono stated that outreach concerns regarding new rules should be deferred to the rule development team.

Ms. Loof asked if the pending application dashboard tool is already available online. Mr. Ono replied that the tool is in the testing phase and access is limited to select candidates. Ms. Loof asked when the tool would be available. Mr. Ono responded that it is pending approval by the executive council.

Mr. David Rothbart asked if it would be useful to add a widget for source test approval to the existing tool. Mr. Ian MacMillan indicated that as part of the last Regulation III amendment, staff is committed in look across at all of the divisions as source testing is related to compliance, emissions reporting, health risk assessments, and take a comprehensive look to streamline and make sure the process is more modern. Staff is planning on setting up a working group to obtain feedback and have committed to going back to the Stationary Source Committee with our source testing plan.

Ms. Loof asked if many applications with express permit processing requests are submitted since permit backlog reduction efforts began. Mr. Ono replied that a review of the number of applicants utilizing the express permit processing option relative to backlog reduction efforts has not been done. However, the same applicants tend to continue to use that option.

Chair Benoit asked if there is an alert system available to notify applicants when the permit application status changes. Mr. Ono replied that an alert system is currently unavailable. However, moving forward, such feedback may be incorporated into the program.

Mr. Rodriguez commended the GB and staff for pursuing greater transparency and efficiency. Mr. Rodriguez referenced slide #4 and asked if applicants are aware of the timeframe between each step of the process and if the online application submittal tool will be integrated into the pending application dashboard. Mr. Ono replied that the pending application dashboard could track the application process and provide information on the timeframe for future use. Currently, a generic timeframe is unavailable because each application is different and depends on various factors. Mr. Ono indicated that the online application submittal tool is integrated with pending application dashboard by sharing information that are available in systems that are currently utilized.

Mr. Rodriguez asked if South Coast AQMD has explored the costs to implement an online application submittal tool. Chair Benoit stated that there is an online application submittal tool that is being used; however, it's limited to certain types of applications.

Mr. LaMarr asked what the level of online application submittal is. Mr. Ono replied that number of online submittal is low; however, it is increasing. Mr. LaMarr suggested having staff available at the Permit Services booth to encourage applicants to use the online application submittal tool.

Ms. Loof commented that applicants are hesitant to use the online application submittal tool because of the misconception that the application fees are non-refundable if the applications get denied. Mr. Ono stated that the applications submitted online don't get denied. However, if information provided online cannot demonstrate compliance with all rules and regulations, the application will be further reviewed by staff to determine compliance.

Agenda Item #6 –Monthly Report on Small Business Assistance Activities

No comments.

Agenda Item #7 - Other Business

Mr. Derrick Alatorre provided responses to the June 14, 2019 action items. He stated that information regarding the Dry Cleaner Grant Program was provided to Mr. LaMarr. A presentation on the Cap-and-Trade program will be agendized at a future meeting and Mr. Ono presented on Permit Streamlining Efforts and Backlog Reduction Update today.

Mr. Alatorre announced that nominations for the upcoming Clean Air Awards may be submitted online for consideration.

Ms. Loof followed up on a previous request for a presentation on Rule 219 – Equipment Not Requiring a Written Permit Pursuant to Regulation II. Mr. Alatorre stated that it will be presented at a future meeting.

Agenda Item #8- Public Comment

No comments.

Agenda Item #9 – Next Meeting Date

The next regular Local Government & Small Business Assistance Advisory Group meeting is scheduled for Friday, September 13, 2019 at 11:30 a.m.

Adjournment

The meeting adjourned at 12:28 p.m.