

BOARD MEETING DATE: August 7, 2020

AGENDA NO. 20

REPORT: Administrative Committee

SYNOPSIS: The Administrative Committee held a meeting remotely on Friday, June 12, 2020. 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
Council Member Ben Benoit/Vice Chair
Council Member Judith Mitchell
Council Member Michael Cacciotti

Absent: None

Call to Order

Chair Burke called the meeting to order at 10:00 a.m.

DISCUSSION ITEMS:

1. **Board Members' Concerns:** None to report.
2. **Chairman's Report of Approved Travel:** None to report.
3. **Report of Approved Out-of-Country Travel:** None to report.
4. **Review August 7, 2020 Governing Board Agenda:** There were no comments.

5. **Approval of Compensation for Board Member Assistant(s)/Consultant(s):** Barbara Baird, Chief Deputy Counsel, reported that Legal has approved all Board Assistant/Consultant proposals for FY 2020-21, and that the new Board Consultant, Jose Zavala, meets the qualifications for a Board Consultant.

Moved by Mitchell; seconded by Benoit, unanimously approved.

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

This item was taken out of order:

7. **Pre-Audit Conference:** Helen Chu, Quality Control Partner for BCA, Watson & Rice, reported that the auditors will issue an opinion on the financial statements for the year ending June 30, 2020. The audit will begin on August 4, 2020 to plan and develop the interim audit, and to test internal controls. In addition, a single audit will be conducted on August 11, 2020, which is in compliance with the Office of Management & Budget supplement on each of the major federal programs of the South Coast AQMD. On August 18, 2020, substantive testing on the financial audit aspects will be done, and audit field work will be completed on September 30, 2020. At the end of the audit, the auditors will notify the Administrative Committee if adjustments were made or if there were any other issues encountered during the audit. Council Member Cacciotti asked when will the final audit be presented to the Board. Ms. Jain responded that the auditors will present their draft audit report at the November Administrative Committee. If there are no concerns at the November Administrative Committee, the draft audit report becomes final at the December Board meeting. Council Member Benoit asked if the Audit Committee is still active. Ms. Baird recalled that the Administrative Committee was appointed to serve as the Audit Committee.
6. **Budget and Economic Outlook Update:** Jill Whynot, Chief Operating Officer, provided a Budget and Economic Outlook update and provided responses to questions that arose at the June Board meeting. The current overall vacancy rate is 15.2%, but it is not evenly distributed by division. Dr. Burke asked why Human Resources' vacancy rate is lower than other departments. Ms. Whynot responded that Human Resources has 43 positions. There are 12 positions related to hiring and benefits and employee-related functions. Additional responsibilities include running the building, fleet maintenance, Print Shop, Subscription Services and their vacancy rate is skewed low because it includes career development interns even if they work in other departments. Dr. Burke asked about the career development intern program. John Olvera responded there are

six interns, and the program hires and trains foster youth. Dr. Burke requested that after the quarantine is over, that he would like to have breakfast with the career development interns. Mr. Olvera responded that he would be happy to make the arrangements. Mr. Bill La Marr, Executive Director/California Small Business Alliance, would like to have a copy of the staff presentation and commented that he agreed with Council Member Mitchell's recommendation to suspend the 50% reinstatement surcharge for small businesses. He would also like a Fee Review Committee tutorial, such as how decisions are made and if there are payment plans. Council Member Mitchell requested that staff evaluate the reinstatement fee to possibly reduce it, and to look at payment plan options. Ms. Whynot responded that the Fee Review Committee's purview is to correct errors and approve customized payment plans for up to 6 months.

8. **Status Report on Major Ongoing and Upcoming Projects for Information Management:** Ron Moskowitz, Chief Information Officer/Information Management reported that the Legal web-based management system is going live the weekend of June 13, 2020. Training for Legal staff has been finalized and there has been positive feedback. As part of the Office 365 strategy, Microsoft Teams is being deployed. Teams is a collaboration hub for workplace chats, video conferencing and file storage, and provides seamless integration with Microsoft Suite. Dr. Burke asked if there was an economic impact. Mr. Moskowitz responded there were no additional costs. Council Member Benoit asked which legal system was previously used. Mr. Moskowitz responded JWorks from Courtview, but since the system did not meet the needs of the business, it was decided to develop an in-house system. Council Member Benoit asked about costs if we had gone outside for a tracking system. Mr. Moskowitz responded it would have been more costly than an in-house developed system. Council Member Benoit praised staff for developing software internally. Harvey Eder, Public Power Solar Coalition, commented that the public needs training to learn how to participate in the Zoom meetings.

ACTION ITEMS:

9. **Establish a List of Prequalified Counsel to Represent and Advise South Coast AQMD on Legal Matters Related to Environmental Law and to Represent and Advise South Coast AQMD Hearing Board:** Bayron Gilchrist, General Counsel, reported that this is item is to establish a list of prequalified counsel to represent and advise the South Coast AQMD on environmental law matters, including CEQA, rulemaking and planning procedures, administrative law and related issues for both the South Coast AQMD and its Hearing Board. The evaluation panel has recommended three firms for the South Coast AQMD, and one firm who is currently representing the Hearing Board. Dr. Burke asked if any minorities are involved in the firms. Mr. Gilchrist responded not as much as he would have hoped for, but that the RFP could be re-opened and additional

outreach could be done. One of the firms was previously a minority firm. Council Member Mitchell commented that minority firms used to be given extra points. Mr. Gilchrist responded that no longer applies and Ms. Baird explained that Proposition 209 was enacted in the 1990s to prevent giving extra points based on ethnicity to contract employment on the basis of race or sex. Dr. Burke stated that there was a Bill introduced in the Senate recently which would bring a reversal to the vote of the people. Council Member Mitchell stated that we need to look on how we incorporate minorities, promote the hiring and training of the minority. Mr. Nastri reported that a number of efforts are underway. He spoke with CARB about the Government Alliance for Race and Equity program and we are looking at bringing outside firms to assist in race and equity issues and speakers. Council Member Mitchell asked that if staff could apprise the Administrative Committee about the progress of policy changes at upcoming Administrative Committees. Mr. Nastri responded that staff will do so on a monthly basis. Council Member Benoit asked if there will be policy changes in time to proceed with this item. Mr. Gilchrist stated that it would be acceptable to wait on this item in order to conduct additional outreach. Council Member Mitchell agreed and stated that outreach should be conducted at law schools. Dr. Burke stated we should do internships for law students so that they can become familiar with the work of the South Coast AQMD. Dr. Burke continued this item to allow for outreach. Council Member Cacciotti asked if the firm for the Hearing Board should be approved. Mr. Gilchrist responded that he recommends the approval of the existing contractor for the Hearing Board. Mr. Eder commented that this should also be extended to the disadvantaged population, and that there are structural problems that should be reevaluated.

Moved by Mitchell to approve the staff recommendation for the Hearing Board portion of this item only; seconded by Benoit, unanimously approved.

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

- 10. Amend Contract to Clarify Ownership of Equipment Funded by South Coast AQMD in High Efficiency and Low-NOx Combo Ribbon Burner Combustion System Demonstration:** Phil Fine, Deputy Executive Officer/Planning, Rule Development and Area Sources, reported that a project was started last year to demonstrate low NOx burners in commercial cooking applications, but the existing contract didn't specify who owns the equipment after the end of the project. This item is to ensure that once the equipment is installed that the South Coast AQMD can claim the emission reduction benefits and at the conclusion of the project, the contractor will retain ownership of the burners.

Moved by Mitchell; seconded by Benoit, unanimously approved.

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

- 11. Recognize Revenue, Appropriate Funds, and Issue Solicitations and Purchase Orders for Air Monitoring:** Jason Low, Deputy Executive Officer/Science & Technology Advancement, reported that this is a routine annual item to recognize up to \$247,416 in revenue from U.S. EPA for the NAATS program and to appropriate up to \$164,416 of those funds to the Science and Technology Advancement budget. In addition, this item is to appropriate remaining NAATS and PAMS funds to issue solicitations and purchase orders for air monitoring equipment and utility vans. Council Member Cacciotti asked if the committee be briefed on electric van technology prior to the purchase of electric vehicles. Mr. Nastri confirmed that Dr. Matt Miyasato will provide a technology briefing of existing technologies. Council Member Mitchell asked if this will cause a delay or is there an urgent need to move forward. Dr. Low responded that we would like to carry over the funds from this fiscal year to the next fiscal year to continue to support the programs. Council Member Benoit asked if there are any grants for small particulate sensors for neighborhoods that have complaints for dust and what are the options. Dr. Low responded that there are grants that are available through the STAR program that allow for communities to apply for outreach and sensor evaluations of their neighborhoods. Staff is developing a loan program that will assist with this in the future.

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 February 14, 2020 Meeting:** Mr. Derrick Alatorre, Deputy Executive Officer/Legislative, Public Affairs & Media reported that this item is a written report.

OTHER MATTERS:

13. **Other Business:** None.

14. **Public Comment:** Mr. Eder commented that the Solar plan has not been implemented and the South Coast AQMD needs to address it. He also expressed concerns about COVID-19 and homelessness.

15. **Next Meeting Date:** The next regular Administrative Committee meeting is scheduled for August 14, 2020 at 10:00 a.m.

Adjournment

The meeting adjourned at 11:14 a.m.

Attachment

Local Government & Small Business Assistance Advisory Group Meeting Minutes,
February 14, 2020



South Coast Air Quality Management District

21865 Copley Drive, Diamond Bar, CA 91765-4178
(909) 396-2000 • www.aqmd.gov

LOCAL GOVERNMENT & SMALL BUSINESS ASSISTANCE ADVISORY GROUP FRIDAY, FEBRUARY 14, 2020 MEETING MINUTES

MEMBERS PRESENT:

Council Member Ben Benoit, LGSBA Chairman (Board Member)
Supervisor V. Manuel Perez (Board Member)
Felipe Aguirre
Mayor Pro Tempore Rachelle Arizmendi, City of Sierra Madre
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
David Rothbart, Los Angeles County Sanitation Districts

MEMBERS ABSENT:

Supervisor Janice Rutherford (Board Member)

OTHERS PRESENT:

Tom Gross, Board Member Consultant (*Benoit*)
Andy Silva, San Bernardino County
Harvey Eder, Public Solar Power Coalition

SCAQMD STAFF:

Derrick Alatorre, Deputy Executive Officer
Philip Fine, Ph.D., Deputy Executive Officer
Fabian Wesson, Assistant Deputy Executive Officer
Naveen Berry, Assistant Deputy Executive Officer
Sarah Rees, Ph.D., Assistant Deputy Executive Officer
Nancy Feldman, Principal Deputy District Counsel
Joseph Impullitti, Planning and Rules Manager
Lisa Mirisola, Program Supervisor
Elaine-Joy Hills, Air Quality Specialist
Van Doan, Air Quality Specialist

Agenda Item #1 - Call to Order/Opening Remarks

Mr. Derrick Alatorre called the meeting to order at 11:34 a.m.

Agenda Item #2 – Approval of January 17, 2020 Meeting Minutes/Review of Follow-Up/Action Items

Mr. Bill LaMarr indicated, under Action Item #2 on the December minutes provided at the Administrative Committee meeting, that he was commenting on the retrospective analysis on various rules and Mr. Alatorre responded regarding the severe nonattainment of the South Coast basin, which were two separate items. Mr. Alatorre agreed and recalled that he would ask staff about studies on rules that were implemented and their cost-effectiveness.

Chair Benoit called for approval of the January 17, 2020 meeting minutes. The minutes were approved with one abstention due to absence.

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

Mr. Alatorre provided a response to an action item from the previous meeting and indicated that staff coordinated with Mr. David Rothbart regarding the LGSBA Goals and Objectives. Mr. Rothbart reiterated that the language has been clarified and addressed.

Agenda Item #4 – Information on Available Clean Air Vehicles

Ms. Lisa Mirisola presented on near- and zero-emission vehicles, as well as the infrastructure.

Mr. John DeWitt inquired on what the criteria is when choosing a plug-in hybrid, battery electric or fuel cell; if there is a standard that needs to be reached before being considered. Ms. Mirisola replied that we are looking to advance the technology over time, so each year staff looks at the new ones available and which get the most range. We started at plug-in hybrids that had a ten-mile range, but when the leases were done, we went to the next that had 30 to 40 miles. Ms. Mirisola further indicated that we are trying to cover four counties with our fleet. Although our goal is to get to zero emissions, staff has been seeing the ranges with the battery electric and more fueling infrastructure for the fuel cell vehicles, but the plug-in hybrids are a great transition. Therefore, each entity or each fleet will have different ways to evaluate what fits their needs, as well as each individual.

Mr. Paul Avila asked if buyers are required to purchase a warranty in the event of a malfunction. Ms. Mirisola indicated that the State of California requires an emission control warranty in order to get State incentives, which is more stringent than Federal requirements. Ms. Mirisola pointed out that there are optional warranties available at dealerships for different purposes. For plug-in hybrids, a 15-year warranty is required to receive all the incentives.

Mr. Todd Campbell commented that he thought, under the Blumenfield legislation, even though it was three years, there was a possibility of extensions on the carpool stickers. Ms. Mirisola replied she was not aware of any extension for individual stickers. Mr. Campbell asked if there is an increase in leases as opposed to purchases. Ms. Mirisola indicated that staff is not tracking that; our demonstration fleet has been leased since 2017 and our regular fleet is purchased.

Mr. Avila commented that it has been about six years since hybrids came out and asked if South Coast Air Quality Management District (South Coast AQMD) is tracking the sale of used vehicles that are five years and older. Ms. Mirisola specified that we are monitoring the vehicles and not measuring them and indicated that there are more vehicles coming off lease, which are seen in the used market. She further

stated that Replace Your Ride program allows low income families to replace used vehicles with newer used vehicles that are six years old or newer. Mr. Avila asked if the tax incentives stay the same or depreciate over time. Ms. Mirisola responded that the Federal tax credit is only for the first purchase.

Mr. DeWitt asked if Ms. Mirisola is the contact person for a prospective purchase of a car that may qualify for a rebate. Ms. Mirisola indicated that there are different staff that handle different parts of the incentive programs and she focuses on the technology portion and evaluates what to add to the demonstration fleet.

Mr. LaMarr referenced a Google search on electric cars, which indicated that, to date, 570,000 electric cars have been sold in California since 2011, approximately eight to nine years and about 60,000 cars per year. Mr. LaMarr asked what the secondary market is for electric or alternative vehicles and stated that the typical cost of a new car is arguably way out of reach for many people such as those in AB 617 communities. Mr. LaMarr commented that if South Coast AQMD and the State's objective is to lower pollution from mobile sources, then there should be facts as to what the secondary market is, what the trade-in values are, what incentives or warranties are available, and what the ideal mileage is to trade in the car. Ms. Mirisola replied that there are cost calculators for any kind of used cars and mentioned that there was proposed legislation to provide more incentives for used vehicles, which resulted in the Replace Your Ride program for low income individuals to purchase new or used cars. Mr. LaMarr stated that monetary incentives are one thing, but was concerned about the availability of mechanical help with maintenance and repairs for these types of vehicles. Mr. Naveen Berry provided feedback on the AB 617 communities and indicated that staff has done extensive outreach on the availability of programs such as Replace Your Ride. Some vehicles are available for \$9,500 or less for low-income residents who qualify, which covers the full cost of the car, and a lot of the used Nissan Leafs are well under \$10,000 and are more readily available now. Mr. Berry referenced Mr. LaMarr's search on over half a million of electric vehicles being sold, and stated that as that market is growing, the aftermarket support and non-dealer repair technicians are also growing. Mr. LaMarr stated that his thoughts are for the buying public who may pose questions such as "should I do this, am I getting a good bargain, am I doing this for clean air, how long will the car last?" Mr. Berry responded that we get two reasons for the Replace Your Program - the carpool lane stickers and the fuel cost savings, which is maintained over the life of the vehicle. In terms of warranty, anything that has an auxiliary, hybrid or full battery, has a seven year or 150,000 miles warranty required by the California Air Resources Board (CARB), as opposed to 36,000 or 50,000 miles for traditional internal combustion engines. Mr. Berry stated that there is a protection in the system for the higher cost components, such as battery packs.

Ms. Rita Loof indicated the carpool stickers are now expiring and asked if they are for people who purchase a new vehicle, what happens after three years when they expire, and how it works for people purchasing used vehicles. Ms. Mirisola replied, even though a vehicle was purchased new, if they did not get a carpool sticker, it would be available for the second owner. However, once a sticker has been issued, it is only good for three years. Ms. Mirisola further stated that there is a possibility that if you are low income, you may be able to get another sticker. The Department of Motor Vehicles (DMV) screens for qualifications, but Ms. Mirisola is not aware if the DMV is implementing that part of the legislation yet.

Mr. Eddie Marquez referenced slide #9 on California Hydrogen Stations and asked how this syncs with CARB's electrification rules. Ms. Mirisola responded that the buses are now making plans to transition to zero-emission buses, and many of them are adding battery electric buses. However, for the larger fleets, they are considering the hydrogen fuel cell as well. The station development is supporting some

of this role-out, but there are also some private investments that need to go with this. Ms. Mirisola indicated that these are co-funded and not entirely publicly funded. Mr. Marquez commented that in terms of upgrades with natural gas, hydrogen and other alternative sources of energy, there is a big electrification push. Mr. Marquez asked, with all the money already invested in these sources of energy, if it will all be electric at one point and what happens to the money invested in these alternative sources. Ms. Mirisola replied that we take a portfolio approach and try not to predict the market too strongly. We still see a role, especially for hydrogen in medium and heavy-duty trucks, other applications, as well as in seasonal and large storage. Mr. Joseph Impullitti stated that South Coast AQMD tries to be technology agnostic, we support both electric and hydrogen fuel cell technologies, and a lot of it depends on the transit authorities. Some are going the electric path, and some are going to hydrogen. The Orange County Transportation Authority (OCTA) is going both ways, which we deployed ten fuel cell buses and a fuel cell hydrogen station in Santa Ana, and they also ordered some electric buses to determine which fits their duty cycles before deciding which path to go down. It all depends on how it works with their situation and there are advantages to both.

Mr. Avila asked how much a hydrogen bus cost. Mr. Impullitti responded that they are more expensive than battery electric and cost about \$1.1 million per bus. Mr. Campbell commented that when they (Clean Energy) first developed CARB's first transit bus that moved away from diesel fuel, Ballard promised that the buses would be down to \$500,000 in 2008. Mr. Berry indicated that it is dependent on volumes and scale, and as Mr. Impullitti and Ms. Mirisola explained, transit authorities are going different pathways, testing them all out. Mr. Berry further explained that one of the analysis that staff is currently doing is looking at volumes from both perspectives, and as we get a better handle on pricing, volume and scale, we will be able to better address, in more detail, these questions. Mr. Campbell indicated that Los Angeles (LA) County is doing a progressive plan to switch over from natural gas to electric, and their preliminary estimates in the operations plan is approximately \$100 million for charging infrastructure per division for 12 divisions, which is about \$1.2 billion. This is a forecast that does not include the upstream power that needs to be delivered to each division, what must be spent on the utility side for repair, and the buses still have to be purchased. Mr. Berry stated that staff work closely with transit authorities and that is certainly a concern for them, which is why they are looking at alternatives. Mr. Impullitti added that staff is investigating to support electric and hydrogen infrastructures with microgrids.

Mr. LaMarr asked if there is any data on electric trucks, zero- or near-zero emission trucks that manufacturers might have. Ms. Mirisola responded that we are more in the demonstration phase and are accumulating mileage. However, they can make predictions before commercializing something and determine what type of warranties will be offered and what services will be required. Our demonstration data can help show what the life will be for the new products. Mr. Berry stated that the 8.9-Liter engines started rolling out in 2015/2016 and did not have any issues with engine durability. The 12-Liter engines rolled out of production about 18 months ago, and we did not receive any feedback. The one minor area of concern was specific to one manufacturer, and it was not related to the engine or power plant itself. We have not seen the long-term durability analysis yet, but we have put them through accelerated testing before the certification of the engines, showing strong performance in terms of grades, reliability and availability equal to today's diesel engines.

Mr. Campbell asked what the range was on Daimler battery electric trucks. Mr. Impullitti responded that their targeted range is 150 miles, but depending on load and duty cycle, going uphill or downhill, it could be greater. Mr. Campbell expressed concerns about the Federal implementation plan being a risk. He explained that when looking at a \$31 million demonstration project that covers 20 trucks, including

infrastructure, and did the same thing with a low NOx truck, which is equivalent to a zero-emission truck with upstream emissions, in terms of carbon emissions, it could be better with low NOx truck powered by renewable natural gas. Mr. Campbell further stated that you can get 130 trucks with a \$5 million station, and mentioned that when Metro went to CNG, they paid about \$60 million, and now will pay about \$1.2 billion to go electric. Mr. Campbell provided information on a conference in Napa Valley, discussion on the Carl Moyer program, and a workshop held by CARB regarding their concept on additional zero emission fleet regulations. Mr. Campbell recommended representation from South Coast AQMD at CARB's Mobile Source Strategy meeting. Mr. Berry indicated that staff has provided detailed comments to CARB on their advanced clean truck regulation, and that they have to do a regulatory approach to lower the emissions standards sooner than later. South Coast AQMD has been actively and closely working with CARB on a lot of different fronts. Mr. Campbell clarified his statement and complemented staff for advocating in Sacramento. Mr. DeWitt asked Mr. Campbell if this goes back to having people measure the cost and the results. Mr. Campbell agreed.

Mr. Harvey Eder provided information about the history of the zero-emissions program and money taken from solar power.

Mr. Campbell commented that under the low carbon fuel standard, renewable natural gas is the lowest carbon fuel, and if you put it towards electricity, the carbon benefits go from negative 380 carbon intensity to negative 600 to 700 carbon intensity towards electricity. Mr. Eder responded that the numbers are wrong.

Agenda Item #5 – Updates on 2016 Air Quality Management Plan (AQMP)

Dr. Sarah Rees provided an update on the 2016 AQMP and the development of the 2022 AQMP. She also provided information on meeting the 2023 attainment deadline and contingency plan adopted by the Governing Board (GB).

Mr. Avila asked what percentage of ocean-going vessels will impact or influence South Coast AQMD's plan. Dr. Rees responded that it is a significant amount. Currently, heavy duty trucks are the biggest source of NOx emissions, but by 2023, we expect that ocean-going vessels will be the single biggest source of NOx emissions in the South Coast basin because of the busy port complex.

Ms. Loof requested for elaboration on the regional vehicle miles travel (VMT) reductions and how they would play out. Dr. Rees explained that CARB has some strategies looking at VMT reduction. If you have less VMT, we would expect there would be some co-benefit of NOx emissions reductions associated with that. Dr. Rees indicated that it would be a relatively small amount, but that is one strategy that CARB is working on with regional transportation authorities.

Mr. LaMarr referenced slide #17 regarding contingency measures and reductions prior to 2023 and asked how optimistic is staff that the Environmental Protection Agency (EPA) will approve these measures. Dr. Rees responded that staff has worked hard with EPA, who has six months from the time of submittal to issue a completeness determination. For example, if all the required elements have been submitted and they do not act within six months, then it becomes complete by operation of law. Dr. Rees further explained that they will have time to take action to either approve, partially approve, or disapprove, but effectively we have between now and an 18-month window by which EPA could take action. If they are disapproving or partially approving, there could be some sanction clocks associated with that. Mr. LaMarr asked if the sanction clock starts at the end of the 18 months. Dr. Rees replied

that the sanction clock starts after the EPA takes action so anything less than a full approval, there could be a sanction clock started at that point, which could be within the next six months.

Mr. David Rothbart commented that all stationary sources would agree that South Coast AQMD has done everything that can possibly be done; there is nothing more that can be done within South Coast AQMD's regulatory control to get to attainment; EPA has not stepped up with the on-road, heavy duty standard needed to get to attainment; and CARB is focused on electrification, slowing down progress. He further stated that when there are penalties, stationary sources are in the "cross-hairs" of paying the penalty. Mr. Rothbart asked how this can be avoided or shift the paradigm and say that we are not responsible, it is other entities. Mr. Rothbart expressed he wanted a dialogue started up with Washington D.C. earlier to keep stationary sources from paying the penalty. Dr. Rees indicated that we are in a little bit of uncharted territory in terms of being in an area that has not triggered some of these actions in the Clean Air Act. Likely, in a different administration, EPA would probably work out a reasonable approach, it is unclear where that would unfold today, but we continue to work with Region 9 and in Washington D.C. to alert them of the issues that we face.

Mr. LaMarr commented that, in the past, we have been hearing terms like all reasonable measures, and staff goes through great lengths on building a case every time we come into situations like these. An obvious reasonable case is that we have done everything here with the sources under your jurisdiction, and no matter what we do, such as shutting down all sources, we still would not reach attainment. When you say negotiate with EPA, we get another 20 years going through the same issues. Dr. Rees responded that when you are in ozone nonattainment, there are multiple levels. If you start off far out of attainment, you are given a long time. The Clean Air Act never anticipated that the 20 years will not be enough time to reach attainment. It is focused on the districts putting regulations in place, take those actions, and it works out. We are faced with statutory provisions that have very hard deadlines and consequences associated with them. Mr. LaMarr commented that he recalls a conversation with Representative Henry Waxman, who indicated that his legislation had unintended consequences. Dr. Philip Fine responded that with a cooperative administration, there would be a way to work through it. However, today's administration, it is not just not being able to work through it, they will use it against California. Staff have visited Washington D.C. many times and provide the same message. Mr. Rothbart suggested working with other air pollution districts to find creative ways to focus the attention on our problems. Dr. Fine indicated that our legal staff is also looking at all possible options.

Ms. Loof requested for an explanation regarding the 128 tons per day of NOx reduction to meet the attainment and the contingency plan that mentions 108 tons per day, which has a difference of 20 tons per day. Dr. Rees explained that the 108 tons per day was for the further deployment of measures, which is the black box provision. We have 27 tons per day of defined measures on top of that, and with some accounting it adds up to 128 tons per day.

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

No comments.

Agenda Item #7 - Other Business

Mr. Rothbart asked if there is a policy as far as public comment. Ms. Nancy Feldman indicated that this is a Brown Act meeting, and we do provide for public comment, which can be limited by the Chair as needed.

Agenda Item #8- Public Comment

Mr. Eder commented on solar power.

Agenda Item #9 – Next Meeting Date

The next regular Local Government & Small Business Assistance Advisory Group meeting is scheduled for Friday, March 13, 2020 at 11:30 a.m.

Adjournment

The meeting adjourned at 1:24 p.m.