

BOARD MEETING DATE: September 4, 2020

AGENDA NO. 21

REPORT: Administrative Committee

SYNOPSIS: The Administrative Committee held a meeting remotely on Friday, August 14, 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 September 4, 2020 Governing Board Agenda:** There were no comments.
5. **Approval of Compensation for Board Member Assistant(s)/Consultant(s):** There were no proposals to consider.

6. **Update on South Coast AQMD Inclusion, Diversity and Equity Efforts:** Wayne Nastri, Executive Officer, reported that after the murder of George Floyd, a public statement was issued, as well as an internal statement to employees. Comments from staff were solicited through an anonymous survey, resulting in hundreds of comments. We are planning to bring in speakers to learn more about social equity and justice matters. We will be working with the Government Alliance of Race and Equity (GARE) which is an organization that works on a regional and state level. In addition, an employee advisory group was formed - the Inclusion, Diversity and Equity Advisory (IDEA) panel, to provide input and recommendations to the executive team. Mr. Nastri emphasized the importance of evaluating practices, policies and outreach, and the need for an Equity Officer. This will be a sustained long-term effort with monthly updates to the Administrative Committee.

Council Member Mitchell asked about the demographics of the South Coast AQMD workforce relative to Black employees. Mr. Nastri responded that seven percent of our workforce are Black employees which is similar to the 4-county average. Council Member Mitchell commented that identifying Black communities for AB 617 would be ideal for selecting future communities. Mr. Nastri responded that funding for the AB 617 program a concern due to the current economic conditions. Council Member Mitchell asked if we can legally give extra points for minority owned businesses in contracts. Bay Gilchrist, General Counsel, responded that there are significant limitations in current state and federal law, but we are evaluating how we can improve outreach. Senator Delgado remarked that the Latino population has been under-represented, but expressed gratitude for staff's efforts in addressing this issue. Dr. Burke shared his experience and expressed support for these efforts. Frances Keeler, public citizen, relayed that she was pleased that the South Coast AQMD is working on this effort and commented when she worked for the South Coast AQMD she was a member of the Affirmative Action Committee that worked to bring programs for diversity and different cultures. She expressed dismay because it wasn't a long-term effort. Dr. Burke stated that he believes that young people should be motivated to study disciplines associated with our mission. Harvey Eder, Public Solar Power Coalition, expressed concerns about climate change, natural gas and premature deaths and commented about renewable energy and distribution. Council Member Benoit applauded the efforts of staff and Board colleagues for bringing this item forward and is proud of the direction it is going. Dr. Burke thanked staff for starting to work on these issues so quickly.

7. **Budget and Economic Outlook Update:** Jill Whynot, Chief Operating Officer, provided an update and provided responses to questions that arose at the August Board meeting. One of the questions was if we have information about the ethnicity, gender and the nature of the businesses or applicants that apply for permits. There are discounts for small businesses so that information is available, but data is not collected for women-owned businesses or the ethnicity of the permit applicant. Approximately seven percent of the incoming applications for

new equipment or changes to existing equipment have been from small businesses. Dr. Burke asked if we are tracking the age of our employees because the age of an employee would have a direct correlation with their experience. Ms. Whynot responded that demographics relative to age will be provided for the next Administrative Committee.

### **ACTION ITEM:**

This item was taken out of order.

Dr. Burke appointed Senator Vanessa Delgado to the Administrative Committee for this meeting only.

14. **Amend Contract for Consultant Services for Why Healthy Air Matters Program, and Environmental Justice Program, to add funds to these programs:** Derrick Alatorre, Deputy Executive Officer, Legislative, Public Affairs & Media reported that this item is to amend a contract for consultant services for our high school program, Why Healthy Air Matters (WHAM) and the Environmental Justice Program. At the August Board meeting, the expansion of the WHAM Program and the elementary school program were discussed by the Board. Due to the pandemic, South Coast AQMD must adapt to its school educational outreach program to provide more flexible learning modules for teachers to accommodate distance learning and where possible, in-person learning. The contract amendment will provide an additional \$1 million to expand the WHAM program to reach a larger number of schools, as well as develop the foundation for curriculum that presents our region's unique air quality challenges. In addition, staff is requesting to expand the Clean Air Program for Elementary Students (C.A.P.E.S.) contract by \$100,000 to reach out to an additional 20 schools and add \$100,000 for program implementation to provide demonstrations at schools. Senator Delgado commented that she had the opportunity to see the program in action. It transformed rowdy elementary students into air quality rangers. The raising of the flags is done daily. It can reach so many lives and she is thankful that staff was able to get this program going so quickly. Dr. Burke asked if this would impact staffing in implementing the program. Ms. Kim responded on behalf of Mr. Alatorre that additional staff are needed to handle the increase in schools and Ms. Whynot responded that we will find a way to staff this priority program. Council Member Mitchell commented that possibly the volunteers that were not selected for the IDEA panel would be interested in assisting with this program. As a former high school teacher, Council Member Cacciotti supports Senator Delgado's motion and supports adding additional staff. Council Member Cacciotti asked how the money has been spent for this program. Mr. Alatorre responded that Lee Andrews agreed to continue to get 67 schools in addition to what they are required to do with the amended contract, for a total of 367 schools this year. Stephanie Graves, CEO/Lee Andrews Group, reported that they are a certified minority-owned business, woman-owned business and small business. We have

met our goal of having 100 classrooms committed to teaching the WHAM program. High Schools were identified based on criteria for environmental justice communities under AB 617 and AB 2588. 86 percent of the classroom teachers requested to begin the program during the second semester since the environmental science and air quality lessons are usually taught during the second semester. We received 84 onboarding questionnaires in all four counties, but then COVID-19 hit, and we were only able to implement 33 of the hundred confirmed classrooms, but we already have the new classrooms signed up in the new high schools. Mr. Eder commented that in 1977-1978, after teaching at UC Santa Cruz, he was the first to teach solar conservation and that we need structural changes relative to solar.

Moved by Mitchell; seconded by Cacciotti, unanimously approved.

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

**DISCUSSION ITEMS:**

8. **South Coast AQMD's FY 2019-20 Fourth Quarter ended June 30, 2020 Budget vs. Actual (Unaudited):** Sujata Jain, Chief Financial Officer, Finance provided a summary of the budget vs. actual results and then displayed comparisons for revenue and expenditures, and a five-year projection. Dr. Burke asked Ms. Jain for her evaluation of our overall current fiscal year. Ms. Jain responded that since the fiscal year just started, we are tracking the permits coming in, but the impact likely won't be known for about 8-9 months so staff will closely monitor the situation. Mr. Eder commented that he would like to see equitable justice on a solar transition.
9. **Report of RFPs/RFQs Scheduled for Release in September:** Ms. Jain reported that this item is to release one RFP to hire outside counsel and establish a prequalified list, and two RFQs for compressed gasses and cryogenic liquids for our laboratory, and to establish a list of prequalified vendors for mailing services.

**ACTION ITEM:**

This item was taken out of order.

12. **Appoint Alternate Medical Member to Hearing Board:** Faye Thomas, Clerk of the Boards, reported that this item is to fill the alternate medical member position on the Hearing Board. Twelve applications were received, and two candidates met the requirements specified in the Health and Safety Code. The Hearing Board Advisory Group also reviewed the applications and resumes of the two candidates as required by state law and recommended that both candidates move forward for interviews with the Administrative Committee.

Dr. Karin C. Li and Dr. Diego Ivan Kriger were both interviewed, and the committee recommended Dr. Karin C. Li.

Moved by Mitchell; seconded by Cacciotti, unanimously approved.

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

### **DISCUSSION ITEM:**

10. **Status Report on Major Ongoing and Upcoming Projects for Information Management:** The staff presentation was waived.

### **ACTION ITEMS:**

11. **Amend Contract to Provide Short- and Long-Term Systems Development, Maintenance and Support Services:** The staff presentation was waived.

Moved by Mitchell; seconded by Cacciotti, unanimously approved.

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

13. **Issue RFP for Legislative Representation in Sacramento, California:** The staff presentation was waived.

Moved by Mitchell; seconded by Cacciotti, unanimously approved.

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

### **WRITTEN REPORT:**

15. **Local Government & Small Business Assistance Advisory Group Minutes for the May 8, 2020 Meeting:** The report was acknowledged and received.

### **OTHER MATTERS:**

16. **Other Business:** None.
17. **Public Comment:** Mr. Eder expressed concern about the process to apply for VW Mitigation funds and asked that this item be postponed.
18. **Next Meeting Date:** The next regular Administrative Committee meeting is scheduled for September 11, 2020 at 10:00 a.m.

**CLOSED SESSION**

The Administrative Committee recessed to closed session at 12:12 p.m., pursuant to Government Code Sections 54956.9(a) and 54956.9(d)(4) to consider initiation of litigation (one case).

**Adjournment**

The meeting adjourned at 12:30 p.m.



# South Coast Air Quality Management District

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## LOCAL GOVERNMENT & SMALL BUSINESS ASSISTANCE ADVISORY GROUP FRIDAY, MAY 8, 2020 MEETING MINUTES

### MEMBERS PRESENT:

Council Member Ben Benoit, LGSBA Chairman (Board Member)  
Supervisor Janice Rutherford (Board Member)  
Felipe Aguirre  
Mayor Pro Tempore Rachelle Arizmendi, City of Sierra Madre  
Paul Avila, P.B.A. & Associates  
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 District

### MEMBERS ABSENT:

Supervisor V. Manuel Perez (Board Member)  
Geoffrey Blake, Metal Finishers of Southern California

### OTHERS PRESENT:

Mark Ambrowitz  
Tom Gross, Board Member Consultant (*Benoit*)  
Dan McGirney, SoCal Gas  
Andy Silva, San Bernardino County  
Patty Senecal  
Mark Taylor, Board Member Consultant (*Rutherford*)

### SCAQMD STAFF:

Jill Whynot, Chief Operating Officer  
Derrick Alatorre, Deputy Executive Officer  
Ron Moskowitz, Chief Information Officer  
Sarah Rees, Assistant Deputy Executive Officer  
Fabian Wesson, Assistant Deputy Executive Officer  
Teresa Barrera, Senior Deputy District Counsel  
Veera Tyagi, Principal Deputy District Counsel  
Lisa Tanaka O'Malley, Senior Public Affairs Manager  
Ian MacMillan, Planning & Rules Manager  
Philip Crabbe III, Public Affairs Manager  
Anthony Tang, Information Technology Supervisor

Van Doan, Air Quality Specialist  
Elaine-Joy Hills, Air Quality Specialist  
Paul Wright, Senior Information Technology Specialist  
Jeanette Short, Senior Public Information Specialist  
Stacy Day, Legislative Assistant

**Agenda Item #1 - Call to Order/Opening Remarks**

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

Mr. Derrick Alatorre provided guidelines and general instructions for participation in the remote meeting for the Local Government & Small Business Assistance Advisory Group (LGSBA) via Zoom webinar and teleconference.

**Agenda Item #2 – Approval of February Meeting Minutes/Review of Follow-Up/Action Items**

Chair Benoit called for approval of the February 14, 2020 meeting minutes. The minutes were approved unanimously.

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

Mr. Derrick Alatorre stated that there were no follow-up or action items.

**Agenda Item #4 – Update on Proposed Rule 2305 – Facility-Based Mobile Source Measures**

Mr. Ian MacMillan provided an update on the development of proposed Rule 2305 – Facility-Based Mobile Source Measures.

Chair Benoit stated it is interesting to see how this rule is shaping up and expressed appreciation for the hard work and effort put into this rule development. He further stated that meetings with stakeholders will continue despite changes resulted from the coronavirus disease 2019 (COVID-19) pandemic.

Mr. Bill LaMarr stated that cost assessments are typically conducted prior to determining if a rule is necessary. He further commented that the COVID-19 pandemic caused a reduction in global commerce, particularly the shipping industry, and asked if the warehouses are fully occupied. Mr. LaMarr stated that there have been emissions reductions at the ports, leading to emissions reductions in the Inland Empire (IE) and asked if South Coast Air Quality Management District (South Coast AQMD), California Air Resources Board (CARB), or anyone has recently completed an emissions inventory. Mr. MacMillan replied that different economic metrics are being monitored, showing container throughput decreased in March and increased in April. Mr. MacMillan stated that the economic shock to the system is impacting various industries in different ways; for example, grocery and cold storage space activities are increasing, whereas other industries are decreasing. Mr. MacMillan stated that there has been poor air quality in the IE in the last couple of weeks with high ozone levels, indicating there was continued goods-movement activities. There was some reduction in truck traffic and more reduction in car traffic; however, diesel fuel production level remained the same or increased, consistent with the increased demand for goods while people remained at home. What is happening now and within the next 6-12 months is likely temporary and things will eventually return to normal. This rule is not designed for a single, one-time action by warehouses. If this rule is approved by the Governing Board (GB) in the first quarter of next year, then the first compliance date will be a year after that and every year thereafter. The next working group meeting has been delayed as more information and input are needed from industry. The last several weeks demonstrated the air quality still needs significant improvement and proved that there is a long term need for this rule. Mr. LaMarr stated that businesses contribute to



climate change and affect the air quality in the IE; however, it is not a good use of a rule like this to have the businesses bear the financial burden during this time. Mr. LaMarr referenced slide #3 and suggested to establish a de minimis level for fee applicability and delay the responsibility for stationary sources. Mr. MacMillan stated that this rule is not targeting stationary sources and most warehouses are not required to be permitted by South Coast AQMD. Mr. MacMillan indicated that slide #3 referenced businesses with 100,000 ft<sup>2</sup> facilities, which are not considered small businesses. This rule is targeting larger operations, not small businesses. Mr. MacMillan mentioned that CARB is considering regulations on truck manufacturers and truck fleets and the Environmental Protection Agency (EPA) is also looking at truck manufacturers. The indirect source rule (ISR) targets the destination and how to set up an ecosystem of clean technology, including options for creating the infrastructure. Many businesses are taking steps to comply on their own; however, the challenge is to get others to help develop this ecosystem to improve the air quality.

Mr. David Rothbart stated that the purpose of this rule is to reach attainment as part of the Air Quality Management Plan (AQMP) and asked what the anticipated emissions reductions would be. Mr. Rothbart stated that attainment would not be achieved by 2023 and it is up to CARB and EPA to develop ways to control mobile sources to reach attainment. Mr. Rothbart further asked how ISR would fit into the overall ecosystem if a complex rule is implemented locally and included in the State Implementation Plan (SIP). Mr. MacMillan replied that ISR is not the only answer, but it is one piece of the toolkit that the South Coast AQMD could use to require emissions reductions from mobile sources. It could be used to focus on manufacturers, fleets, or destinations, while providing maximum flexibility for critical incentive programs. Mr. MacMillan stated the emissions reductions needed are substantial and with the attainment deadlines approaching, ISR is one of the few ways available to obtain such reductions. There is also a strong community voice expressing the desire to reduce emissions in the communities around the warehouses, indicating there is a wide variety of needs for a rule like this. Mr. Rothbart stated if EPA specifies alternative options to reach attainment, then South Coast AQMD might not want a rule that is not retractable because it is in the SIP. Mr. Rothbart suggested to include an option to remove the requirements when a certain emissions level is reached.

Mr. Todd Campbell referenced a study on heavy-duty vehicles emissions standards and actual emissions levels published by the International Council on Clean Transportation and stated that the actual emissions are 5-6 times above the standards. Mr. Campbell asked if there was a rule that addressed 34 tons of emissions per day. Mr. MacMillan replied the Regional Clean Air Incentives Market (RECLAIM) Program. Mr. Campbell stated if this rule gets adopted and requires emissions reductions from mobile sources, it could provide significant pressure relief to the stationary sources. Mr. MacMillan agreed that it would relieve pressure on stationary sources if there are more emissions reductions from mobile sources. Mr. Campbell stated that by 2023, federal sanctions would be placed if standards are not met and commented on the need to reduce emissions now. He asked if it would be better to reduce emissions now or in 20-30 years to which Mr. MacMillan replied that the agency is charged with meeting attainment as quickly as possible. Mr. Campbell stated that the point system does not reflect that as 126 points are given to zero-emission trucks and 55 to near-zero emission trucks, but the difference in emissions reduction is 1%. If those trucks are powered by renewable natural gas, then there would be better emissions and climate change. He commented on the need for a better point system and more cost-effective strategies for emissions reductions and expressed concern for the lack of near-zero emission yard tractors. Mr. MacMillan responded that a decision has not been made regarding the near-zero emission yard trucks and will consider the comments; however, many stakeholders asserted that only zero emission yard trucks should be included. As for the difference in point allocations for near-zero and zero emission on-road trucks, facilities typically select the cheapest method

to comply and possibly would obtain more near-zero emission trucks than zero emission trucks; therefore, the actions and points are not the only factors to consider, but the cost component is also important to include in the analysis. Mr. Campbell stated the point system does not reflect the current situation and cost-effectiveness should be considered, so the GB is unlikely to adopt the rule. Mr. MacMillan replied that discussion will continue in the next stage of the rulemaking process.

Ms. Rita Loof referenced slide #10 on Warehouse Actions and Investments to Reduce Emissions (WAIRE) menu items and asked if the filters are installed at the warehouses and if they are high-efficiency particulate air (HEPA) filters. Mr. MacMillan responded that the filters are not installed at the warehouses, but they are installed at nearby sensitive receptors, such as homes, schools, or daycare centers. Ms. Loof referenced slide #12 and asked if the cost of \$455k is to acquire one class 8 near-zero emission truck. Mr. MacMillan replied that the cost is for seven trucks. Ms. Loof asked for a brief explanation of the rule stringency level. Mr. MacMillan stated that the stringency level refers to the number of points each facility needs to earn. For example, a facility with more trucks would need to earn more points than a facility with less trucks; however, the actual levels have not been established and there will be an analysis of the economic condition, technological availability, air quality need, etcetera.

#### **Agenda Item #5 – Update on 2019-20 State and Federal Legislation**

Mr. Philip Crabbe III and Ms. Lisa Tanaka O'Malley provided an update on state and federal legislation.

Mr. Alatorre stated the Spot Bill 2241 did not go through because the deadline to introduce the bill was March 24, 2020, but the sessions were adjourned on March 19, 2020. However, there may be future opportunities for this bill to be introduced.

Mr. LaMarr asked for the status of Assembly Bill (AB) 2737 on Community Emissions Reduction Programs introduced by Assembly Member Cristina Garcia. Mr. Crabbe replied that staff has been in contact with Assembly Member Garcia's office and provided comments and confirmed that AB 2737 will not be moving forward this year.

Mr. Campbell indicated that the next senate stimulus package is being developed and asked if South Coast AQMD is seeking funding opportunities related to ports, truck drivers, and fleet operators, and have approached Senators Steven Bradford or Robert Hertzberg who represent the affected areas. Mr. Crabbe replied that South Coast AQMD is exploring different opportunities, such as funding for AB 617 implementation, green technology, and stimulus package and has been in contact with the Governor's office. Mr. Campbell stated that funding is needed for the SIP to work and encouraged staff to seek additional funding opportunities. Mr. Crabbe replied that South Coast AQMD has been aggressively seeking opportunities since January and continues to advocate for clean air, despite the pandemic. Studies have shown that there are disproportionate impacts of poor air quality on communities of color and that air pollution increases health risks, which puts people at great risk of serious illness from COVID-19.

Mr. Alatorre stated that South Coast AQMD staff spoke with the Chair of the Senate Budget and Fiscal Review Committee and found that state revenues are severely impacted in a negative sense due to lack of sales tax received. With an anticipated \$54 million deficit, it would be difficult to obtain additional funding, but staff will try their best given the current situation.

Mr. Campbell stated that South Coast AQMD has the direct link since air pollution could exacerbate COVID-19 effects. Mr. Campbell further stated that more money will be available and encouraged staff to keep trying.

Chair Benoit agreed with Mr. Campbell's comment and stated the next step is to convince the legislature.

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

No comments.

**Agenda Item #7 - Other Business**

None.

**Agenda Item #8- Public Comment**

None.

**Agenda Item #9 – Next Meeting Date**

The next regular Local Government & Small Business Assistance Advisory Group meeting is scheduled for Friday, June 12, 2020 at 11:30 a.m.

**Adjournment**

The meeting adjourned at 1:09 p.m.