



South Coast Air Quality Management District

South Coast
AQMD

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

MEETING, MARCH 6, 2020

A meeting of the South Coast Air Quality Management District Board will be held at 9:00 AM, in the Auditorium at South Coast AQMD Headquarters, 21865 Copley Drive, Diamond Bar, California.

Questions About an Agenda Item

- The name and telephone number of the appropriate staff person to call for additional information or to resolve concerns is listed for each agenda item.
- In preparation for the meeting, you are encouraged to obtain whatever clarifying information may be needed to allow the Board to move expeditiously in its deliberations.

Meeting Procedures

- The public meeting of the South Coast AQMD Governing Board begins at 9:00 a.m. The Governing Board generally will consider items in the order listed on the agenda. However, any item may be considered in any order.
- After taking action on any agenda item not requiring a public hearing, the Board may reconsider or amend the item at any time during the meeting.

Questions About Progress of the Meeting

- During the meeting, the public may call the Clerk of the Board's Office at (909) 396-2500 for the number of the agenda item the Board is currently discussing.

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 Board's Office, 21865 Copley Drive, Diamond Bar, CA 91765.

The Agenda is subject to revisions. For the latest version of agenda items herein or missing agenda items, check the South Coast AQMD's web page (www.aqmd.gov) or contact the Clerk of the Board, (909) 396-2500. Copies of revised agendas will also be available at the Board meeting.

Americans with Disabilities Act and Language Accessibility

Disability and language-related accommodations can be requested to allow participation in the Governing Board meeting. The agenda will be made available, upon request, in appropriate alternative formats to assist persons with a disability (Gov't Code Section 54954.2(a)). In addition, other documents may be requested in alternative formats and languages. Any disability or language-related accommodation must be requested as soon as practicable. Requests will be accommodated unless providing the accommodation would result in a fundamental alteration or undue burden to the South Coast AQMD. Please contact the Clerk of the Board Office at (909) 396-2500 from 7:00 a.m. to 5:30 p.m., Tuesday through Friday, or send the request to cob@aqmd.gov

A webcast of the meeting is available for viewing at:

<http://www.aqmd.gov/home/news-events/webcast>

Cleaning the air that we breathe...

CALL TO ORDER

- Pledge of Allegiance
- Opening Comments: William A. Burke, Ed.D., Chair
Other Board Members
Wayne Nastri, Executive Officer
- Swearing in of Reappointed Board Member Michael A. Cacciotti **Burke**
- Swearing in of Newly Appointed Board Member Gideon Kracov **Burke**

Staff/Phone (909) 396-

CONSENT CALENDAR (Items 1 through 19)

Note: Consent Calendar items held for discussion will be moved to Item No. 20

1. Approve Minutes of February 7, 2020 Board Meeting **Thomas/2500**

Budget/Fiscal Impact

2. Execute Contracts to Replace Heavy-Duty Diesel Trucks with Near-Zero Emissions Natural Gas Trucks **Berry/2363**

In October 2018, the Board approved awards totaling \$14 million to replace 140 heavy-duty diesel trucks with near-zero emissions natural gas trucks. The clean trucks will be funded using \$8 million in grant funds provided by the CEC plus \$6 million in local match funds. Since approval of these awards, some fleets have declined their award or opted to switch to a fuel type not allowed under the CEC grant. These changes resulted in available funds that may be reallocated to other eligible trucks. These actions are to execute two contracts in the amount of \$3,900,000 from the Community Air Protection AB 134 Fund (77) and, in the case of turnback funds, authorize the Executive Officer to execute additional contracts for eligible trucks meeting the CEC grant requirements from the applications received through the Proposition 1B-Goods Movement solicitation until all funds are exhausted. (Reviewed: Technology Committee, February 21, 2020; Less than a quorum was present; a concurrence of the staff recommendation will be forwarded to the Board)

3. **Adopt Resolution Recognizing Funds for FY 2019-20 Carl Moyer Program Award, Issue Program Announcements for Carl Moyer Program and SOON Provision and Transfer Funds for Voucher Incentive Program** **Berry/2363**

These actions are to adopt a Resolution recognizing up to \$37 million in Carl Moyer Program grant funds from CARB with its terms and conditions for FY 2019-20 and issue Program Announcements for “Year 22” of the Carl Moyer Program and SOON Provision to solicit applications for eligible zero and low emitting on- and off-road vehicles and equipment. 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 21, 2020; Less than a quorum was present; a concurrence of the staff recommendation will be forwarded to the Board)

4. **Recognize Revenue and Transfer and Appropriate Funds for Volkswagen Environmental Mitigation Trust** **Berry/2363**

In November 2018, the Board recognized \$150 million in revenue from CARB for the Volkswagen (VW) Environmental Mitigation Trust and authorized the transfer of up to 10 percent into the General Fund to reimburse administrative costs for this program. Subsequently, CARB and the South Coast AQMD executed a project agreement for this program totaling \$165 million, which included \$150 million for projects and \$15 million for administrative costs. These actions are to recognize up to \$15 million in additional revenue from CARB, transfer \$520,733 into the General Fund to reimburse FY 2018-19 Salaries & Employee Benefits and Service & Supplies, and transfer and appropriate up to \$898,000 into Science & Technology Advancement’s and Information Management’s FYs 2019-20 and 2020-21 Budgets, Professional and Special Services and Capital Outlays Major Objects, for administrative expenses to implement the VW Mitigation Program. (Reviewed: Technology Committee, February 21, 2020; Less than a quorum was present; a concurrence of the staff recommendation will be forwarded to the Board)

5. **Execute Contract to Conduct Airborne Measurements of NOx Emissions in the South Coast Air Basin** **Rees/2856**

Emission inventories are a critical component of South Coast AQMD’s air quality modeling and control strategy development. The University of California, Berkeley (UC Berkeley) has proposed to conduct airborne flux measurements by aircraft, offering a robust method to evaluate NOx emission inventories. CARB has committed \$700,000 for the parallel measurement of VOC fluxes during this field effort. This action is to execute a contract with the UC Berkeley to conduct airborne measurements of NOx emissions in the South Coast Air Basin at a cost not to exceed \$300,000 from the Clean Fuels Program Fund (31). (Reviewed: Technology Committee, February 21, 2020; Less than a quorum was present; a concurrence of the staff recommendation will be forwarded to the Board)

6. Recognize Revenue, Amend Contract for Heavy-Duty Truck Replacements and Reimburse General Fund for Administrative Costs **Miyasato/3249**

In November 2019, South Coast AQMD received approval of a revised project scope for a FY 18 U.S. EPA Diesel Emissions Reductions Act (DERA) grant previously awarded. The approved project scope will allow for replacement of older on-road heavy-duty diesel trucks with new near-zero emissions natural gas-powered trucks in non-drayage applications. Since Proposition 1B eligible projects qualify for these DERA funds, staff proposes to award the funds to a previously approved Proposition 1B project. These actions are to recognize \$1,601,523 in revenue from U.S. EPA DERA into the Advanced Technology Outreach and Education Fund (17), amend a contract for heavy-duty truck replacements adding DERA funds to reduce Proposition 1B-Goods Movement funding, and reimburse the General Fund for administrative costs up to \$99,444 to implement the project. (Reviewed: Technology Committee, February 21, 2020; Less than a quorum was present; a concurrence of the staff recommendation will be forwarded to the Board)

7. Execute Contract for Independent Audit Services for FYs Ending June 30, 2020, 2021 and 2022 **Jain/2804**

On November 1, 2019, the Board approved release of an RFP for independent financial audit services. Two proposals were submitted to the Administrative Committee for consideration at its February 14, 2020 meeting. After the Committee interviewed representatives of each of the firms, BCA Watson Rice, LLP was selected to be recommended to the full Board. (Reviewed: Administrative Committee, February 14, 2020; Recommended for Approval)

8. Approve South Coast AQMD Annual Investment Policy and Delegation of Authority to Appointed Treasurer to Invest South Coast AQMD Funds **Jain/2804**

The South Coast AQMD adopts an annual investment policy which, if done, must be considered at a public meeting of the Board. State law additionally requires South Coast AQMD to annually 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 South Coast AQMD funds. (Reviewed: Investment Oversight Committee, February 21, 2020; Recommended for Approval)

9. Appropriate Funds and Amend Contract for Consultant Services for South Coast AQMD's Why Healthy Air Matters High School Program **Alatorre/3122**

The current contract with Lee Andrews Group, Inc., for outreach efforts conducted for the WHAM Program, expires on April 17, 2020. This contract includes an option for two one-year extensions. Based on the firm's effective performance during their current contract, this action is to approve the one-year extension of the consultant's contract in the amount of \$500,000 for Calendar Year 2020 from the BP ARCO Settlement Projects Fund (46). (Reviewed: Administrative Committee, February 14, 2020; Recommended for Approval)

10. Issue Purchase Order to Promote "The Right to Breathe" Video **Alatorre/3122**

This action is to add \$500,000 to South Coast AQMD's Google AdWords campaign to promote South Coast AQMD's "The Right to Breathe" video. Funding for this effort will come from the BP ARCO Settlement Projects Fund (46). (Reviewed: Administrative Committee, February 14, 2020; Recommended for Approval)

Action Item/No Fiscal Impact

11. Annual Meeting of the 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 financial report. (No Committee Review)

Items 12 through 19 - Information Only/Receive and File

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

This report highlights the January 2020 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, 2020. (No Committee Review)

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

This reports the monthly penalties from January 1, 2020 through January 31, 2020, and legal actions filed by the General Counsel's Office from January 1, 2020 through January 31, 2020. An Index of South Coast AQMD Rules is attached with the penalty report. (No Committee Review)

15. Lead Agency Projects and Environmental Documents Received **Nakamura/3105**

This report provides a listing of CEQA documents received by the South Coast AQMD between January 1, 2020 and January 31, 2020, and those projects for which the South Coast AQMD is acting as lead agency pursuant to CEQA. (Reviewed: Mobile Source Committee, February 21, 2020)

16. Rule and Control Measure Forecast Fine/2239
This report highlights South Coast AQMD rulemaking activities and public hearings scheduled for 2020. (No Committee Review)
17. 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 South Coast AQMD operations. This action is to provide the monthly status report on major automation contracts and planned projects. (Reviewed: Administrative Committee, February 14, 2020)
18. FY 2019-20 Contract Activity Jain/2804
This report lists the number of contracts let during the first six months of FY 2019-20, the respective dollar amounts, award type, and the authorized contract signatory for the South Coast AQMD. (No Committee Review)
19. Report of RFPs Scheduled for Release in March Jain/2804
This report summarizes the RFPs for budgeted services over \$100,000 scheduled to be released for advertisement for the month of March. (Reviewed: Administrative Committee, February 14, 2020)
20. Items Deferred from Consent Calendar

BOARD CALENDAR

Note: The February meeting of the Mobile Source Air Pollution Reduction Review Committee (MSRC) was canceled. The next meeting of the MSRC is scheduled for March 19, 2020. The February meeting of the Stationary Source Committee was canceled. The next meeting of the Stationary Source Committee is scheduled for March 20, 2020.

21. Administrative Committee (Receive & File) Chair: Burke Nastri/3131
22. Investment Oversight Committee (Receive and File) Chair: Cacciotti Jain/2804
23. Legislative Committee Chair: Mitchell Alatorre/3122

Receive and file; and take the following action as recommended:

Agenda Item	Recommendation
H.R. 2616 (DeSaulnier, Porter, and Rouda) Clean Corridors Act of 2019	Withdrawn

- | | | | |
|-----|--|---------------------|---------------|
| 24. | Mobile Source Committee (Receive & File) | Chair: Burke | Fine/2239 |
| 25. | Technology Committee (Receive & File) | Chair: Buscaino | Miyasato/3249 |
| 26. | California Air Resources Board Monthly Report (Receive & File) | Board Rep: Mitchell | Thomas/2500 |

Staff Presentation/Board Discussion

- | | | | |
|-----|--|--|-----------|
| 27. | Update on MOU for the Marine Ports (<i>Presentation in lieu of Board Letter</i>) | | Rees/2856 |
|-----|--|--|-----------|

This staff presentation will provide an update on MOU development for the Marine Ports. Following Board's direction, staff has been pursuing an MOU with the Ports based on the San Pedro Bay Ports Clean Air Action Plan measures. Staff will provide an update on recent activities and will present options to proceed for consideration. (Reviewed: Mobile Source Committee, February 21, 2020)

PUBLIC HEARINGS

- | | | |
|-----|---|----------------|
| 28. | Approve and Adopt Technology Advancement Office Clean Fuels Program 2019 Annual Report and 2020 Plan Update, Resolution and Membership Changes for Clean Fuels Advisory Group and Receive and File Updated Membership of Technology Advancement Advisory Group | Miyasato/3249 |
| | <p>Each year by March 31, the South Coast AQMD 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. This action is to approve and adopt the Technology Advancement Clean Fuels Program Annual Report for 2019 and 2020 Plan Update as well as the Resolution finding that proposed projects do not duplicate any past or present programs. These actions are to also approve and adopt membership changes to the SB 98 Clean Fuels Advisory Group and receive and file membership changes to the Technology Advancement Advisory Group. (Reviewed: Technology Committee, February 21, 2020; Less than a quorum was present; a concurrence of the staff recommendation will be forwarded to the Board)</p> | |
| 29. | Approve Annual RECLAIM Audit Report for 2018 Compliance Year | Dejbakhsh/2618 |

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-fifth year of this program. Recent trends in trading future year RTCs are analyzed and presented in this report. A list of facilities that did not reconcile their emissions for the 2018 Compliance Year is also included in the report. (No Committee Review)

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.

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);
- 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, Court of Appeals, Second Appellate District, Case No. B294732; (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); Delaware District Court, Case No.: 19-00891 (Appellate Case);
- 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);
- 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;
- CalPortland Company v. South Coast Air Quality Management District; Governing Board of the South Coast Air Quality Management District; and Wayne Nastri, Executive Officer, and Does 1-100, San Bernardino County Superior Court, Case No. CIV DS 19258941;

- Downwinders at Risk et al. v. EPA, United States Court of Appeals D.C. Circuit, Case No. 19-1024 (consolidated with Sierra Club, et al. v. EPA, No. 15-1465);
- SCAQMD, et al. v. Elaine L. Chao, et al., District Court for the District of Columbia, Case No. 1:19-cv-03436-KBJ;
- SCAQMD, et al. v. EPA, United States Court of Appeals D.C. Circuit, Case No. 19-1241 (consolidated with Union of Concerned Scientists v. NHTSA, No. 19-1230);
- Association of Irrigated Residents v. U.S. EPA, SCAQMD, SJVUAPCD, et al., United States Court of Appeals, D.C. Circuit, Case No. 19-71223; and
- Communities for a Better Environment v. South Coast Air Quality Management District, Los Angeles Superior Court Case No. 19STCP05239 (Tesoro).

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 (four 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 (two cases).

Letter from Steven J. Olson, O'Melveny & Myers LLP, on behalf of ExxonMobil Corporation, dated August 22, 2018.

Email from Somerset Perry, California Deputy Attorney General, dated March 13, 2019, regarding Notice of Violation P61321.

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 South Coast AQMD 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 South Coast AQMD'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

RFQQ=Request for Qualifications and 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