



South Coast Air Quality Management District

South Coast
AQMD

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

A G E N D A

MEETING, FEBRUARY 7, 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.

The agenda and documents in the agenda packet will be made available upon request in appropriate alternative formats to assist persons with a disability. Disability-related accommodations will also be made available to allow participation in the Board meeting. Any accommodations must be requested as soon as practicable. Requests will be accommodated to the extent feasible. Please telephone the Clerk of the Boards Office at (909) 396-2500 from 7:00 a.m. to 5:30 p.m. Tuesday through Friday.

All documents (i) constituting non-exempt public records, (ii) relating to an item on the agenda, and (iii) having been distributed to at least a majority of the Governing Board after the agenda is posted, are available prior to the meeting for public review at the South Coast Air Quality Management District Clerk of the Board's Office, 21865 Copley Drive, Diamond Bar, CA 91765.

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 Larry McCallon **Burke**
- Swearing in of Newly Appointed Board Member Carlos Rodriguez **Burke**

Staff/Phone (909) 396-

CONSENT CALENDAR (Items 1 through 14)

Note: Consent Calendar items held for discussion will be moved to Item No. 15

1. Approve Minutes of January 10, 2020 Board Meeting **Thomas/2500**

Budget/Fiscal Impact

2. Amend and Execute Contracts to Perform Data Collection of Zero Emissions Heavy-Duty Infrastructure and Other Equipment **Miyasato/3249**

In November 2018, the Board approved an award of \$44,839,686 for the Volvo Low Impact Green Heavy Transport Solutions (LIGHTS) project. The Board also approved a \$1,096,658 contract with University of California Riverside (UCR) CE-CERT to perform data collection, analysis and reporting for the Volvo LIGHTS project. UCR had planned to subcontract data collection for infrastructure and other equipment to CALSTART, Inc., but it was subsequently determined that UCR's business services group is unable to subcontract services. These actions are to amend a contract with UCR CE-CERT reducing the amount to \$836,258 and to execute a contract with CALSTART, Inc., in an amount not to exceed \$260,400 from the GHG Reduction Projects Special Revenue Fund (67) for data collection, analysis and reporting for the Volvo LIGHTS project. (Reviewed: Technology Committee, January 24, 2020; Recommended for Approval)

3. **Renew South Coast AQMD's Membership in CaFCP for Calendar Year 2020 and Receive and File California Fuel Cell Partnership Executive Board Meeting Agenda and Activity Updates** **Miyasato/3249**

The South Coast AQMD has been a member of the California Fuel Cell Partnership (CaFCP) since 2000. These actions are to renew South Coast AQMD's membership in the CaFCP in an amount not to exceed \$70,000 for Calendar Year 2020 and cofund a portion of the CaFCP Regional Coordinator position and infrastructure development staff activities in an amount not to exceed \$50,000 from the Clean Fuels Program Fund (31). This action is to also receive and file the CaFCP Executive Board Meeting Agenda for October 16, 2019, and Activity Updates for the second and third quarters of 2019. (Reviewed: Technology Committee, January 24, 2020; Recommended for Approval)
4. **Recognize Revenue, Transfer and Appropriate Funds, Approve Positions, Issue Solicitations and Purchase Orders, and Execute Contracts and Agreements for Mid-Year Budget Adjustments** **Jain/2804**

South Coast AQMD is expected to receive up to \$20 million for AB 617 continued implementation. Additional resources of \$3,061,582 are needed in the FY 2019-20 Budget to enable the implementation of critical projects and programs. These actions are to: 1) Recognize revenue up to \$20 million for AB 617 implementation into the General Fund; 2) Appropriate \$3,061,582 from the General Fund Undesignated (Unassigned) Fund Balance into the FY 2019-20 and/or FY 2020-21 General Fund Budget for several key projects; 3) Transfer \$1,000,000 from the General Fund Undesignated (Unassigned) Fund Balance to the Infrastructure Improvement Fund (02); 4) Transfer up to \$30,794 from the AB 134 Community Air Protection Fund (77) into the FY 2019-20 General Fund Budget for administrative costs; 5) Approve the addition of positions from the General Fund; and 6) Issue solicitations and purchase orders and execute contracts and agreements for Mid-Year Budget Adjustments. (Reviewed: Administrative Committee, January 17, 2020, Recommended for Approval)
5. **Establish List of Prequalified Vendors to Provide Computer, Network, Printer, Hardware and Software, and Audio Visual Equipment** **Moskowitz/3329**

On November 1, 2019, the Board approved the release of an RFQQ to prequalify vendors for computer, network, printer, hardware and software and audio visual equipment. As a result of successful responses to this RFQQ, eight vendors were identified as capable of providing these products. This action is to approve these eight vendors to provide these products for a two-year period. Funds (\$300,000) for these purchases are included in Information Management FY 2019-20 Budget. (Reviewed: Administrative Committee, January 17, 2020; Recommended for Approval)

6. **Appropriate Funds and Amend Contract for Consultant Services for South Coast AQMD's Environmental Justice Outreach and Initiatives** **Alatorre/3122**

The current contract with Lee Andrews Group, Inc., for environmental justice efforts conducted for the Environmental Justice Community Partnership expires on March 29, 2020. The 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 a one-year extension of the consultant's contract in the amount of \$160,000 for Calendar Year 2020. (Reviewed: Administrative Committee, January 17, 2020; Recommended for Approval)

7. **Approve Contract Modifications as Approved by MSRC** **McCallon**

As part of their FYs 2018-21 Work Program, the MSRC approved a contract value increase to the MSRC's Programmatic Outreach Coordinator, Better World Group Advisors, to continue conducting research and outreach in support of Work Program development. Also, as part of their FYs 2016-18 Work Program the MSRC approved a modification to a contract under the Local Government Partnership Program. At this time the MSRC seeks Board approval of contract modifications as part of the FYs 2016-18 and 2018-21 Work Programs. (Reviewed: Mobile Source Air Pollution Reduction Review Committee, January 16, 2020; Recommended for Approval)

Items 8 through 14 - Information Only/Receive and File

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

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

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

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

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

This reports the monthly penalties from December 1, 2019 through December 31, 2019, and legal actions filed by the General Counsel's Office from December 1, 2019 through December 31, 2019. An Index of South Coast AQMD Rules is attached with the penalty report. (Reviewed: Stationary Source Committee, January 24, 2020)

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

This report provides a listing of CEQA documents received by the South Coast AQMD between December 1, 2019 and December 31, 2019, and those projects for which the South Coast AQMD is acting as lead agency pursuant to CEQA. (Reviewed: Mobile Source Committee, January 24, 2020)

12. Rule and Control Measure Forecast **Fine/2239**

This report highlights South Coast AQMD rulemaking activities and public hearings scheduled for 2020. (No Committee Review)

13. 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, January 17, 2020)

14. Receive and File Annual Report on 457 Deferred Compensation Plan **Olvera/2309**

South Coast AQMD sponsors an IRS-approved 457 deferred compensation program for its employees. The Annual Report addresses the Board's responsibility for monitoring the activities of the Deferred Compensation Plan Committee and ensuring the Committee carries out its fiduciary duties and responsibilities under the Committee Charter. This action is to receive and file the Annual Report. (Reviewed: Administrative Committee, December 13, 2019 and January 17, 2020)

15. Items Deferred from Consent Calendar

BOARD CALENDAR

- | | | | |
|-----|--|-----------------|-----------------------|
| 16. | Administrative Committee (Receive & File) | Chair: Burke | Nastri/3131 |
| 17. | Legislative Committee (Receive & File) | Chair: Mitchell | Alatorre/3122 |
| 18. | Mobile Source Committee (Receive & File) | Chair: Burke | Fine/2239 |
| 19. | Stationary Source Committee (Receive & File) | Chair: Benoit | Dejbakhsh/2618 |
| 20. | Technology Committee (Receive & File) | Chair: Buscaino | Miyasato/3249 |

21. Mobile Source Air Pollution Reduction Review Committee (Receive & File) Board Liaison: Benoit Berry/2363
22. California Air Resources Board Monthly Report (Receive & File) Board Rep: Mitchell Thomas/2500

Staff Presentation/Board Discussion

23. NOx BARCT Rulemaking Update (*Presentation in Lieu of Board Letter*) Nakamura/3105

The 2016 AQMP included a control measure, CMB-05, to achieve an additional five tons per day of NOx emission reductions as soon as practicable from facilities in RECLAIM, but no later than 2025. The approval of AB 617 in 2017 accelerated South Coast AQMD's efforts by requiring that air districts establish BARCT schedules no later than January 1, 2019, and implement BARCT no later than December 31, 2023 for facilities in the state greenhouse gas cap and trade program. Staff will provide an update on NOx BARCT rulemaking efforts. (No Committee Review)

24. Status Report on Regulation XIII - New Source Review Dejbakhsh/2618

This report presents the federal preliminary determination of equivalency for January 2018 through December 2018. As such, it provides information regarding the status of Regulation XIII – New Source Review (NSR), in meeting federal NSR requirements and shows that South Coast AQMD's NSR program is in preliminary compliance with applicable federal requirements from January 2018 through December 2018. (Reviewed: Stationary Source Committee, January 24, 2020)

PUBLIC HEARING

25. Determine That Proposed Amendments to Rule 1107 – Coating of Metal Parts and Products, Are Exempt from CEQA and Amend Rule 1107 Nakamura/3105

Rule 1107 was adopted in 1979 and last amended in 2006 and establishes VOC limits for most metal coatings operations. Proposed Amended Rule 1107 will be amended to be consistent with Reasonably Available Control Technology requirements as recommended in U.S. EPA's Control Techniques Guidelines for Miscellaneous Metal and Plastic Parts Coatings (September 2008). Proposed Amended Rule 1107 revises exemptions, adds work practices for coating-related activities, updates test methods, removes obsolete provisions, and provides additional clarifications. This action is to adopt the Resolution: 1) Determining that the proposed amendments to Rule 1107 – Coating of Metal Parts and Products, are exempt from the requirements of the California Environmental Quality Act, and 2) Amending Rule 1107 – Coating of Metal Parts and Products. (Reviewed: Stationary Source Committee, January 24, 2020)

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;
- Communities for a Better Environment v. South Coast Air Quality Management District, Los Angeles Superior Court Case No. 19STCP05239 (Tesoro); and
- SCAQMD v. City of Moreno Valley, et al., Riverside County Superior Court, Case Nos. RIC 1511213 and RIC 1601988 (World Logistics Center); Center for Community Action and Environmental Justice, et al. v. City of Moreno Valley, et al., California Court of Appeal, Fourth District, Div. 2, Case No. E067200; Albert Paulek, et al v. City of Moreno Valley, et al, California Court of Appeal, Fourth District, Div. 2, Case No. E071184.

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	NESHAPS = National Emission Standards for Hazardous Air Pollutants
AQIP = Air Quality Investment Program	NGV = Natural Gas Vehicle
AQMP = Air Quality Management Plan	NOx = Oxides of Nitrogen
AVR = Average Vehicle Ridership	NSPS = New Source Performance Standards
BACT = Best Available Control Technology	NSR = New Source Review
BARCT = Best Available Retrofit Control Technology	OEHHA = Office of Environmental Health Hazard Assessment
Cal/EPA = California Environmental Protection Agency	PAMS = Photochemical Assessment Monitoring Stations
CARB = California Air Resources Board	PEV = Plug-In Electric Vehicle
CEMS = Continuous Emissions Monitoring Systems	PHEV = Plug-In Hybrid Electric Vehicle
CEC = California Energy Commission	PM10 = Particulate Matter \leq 10 microns
CEQA = California Environmental Quality Act	PM2.5 = Particulate Matter \leq 2.5 microns
CE-CERT =College of Engineering-Center for Environmental Research and Technology	RECLAIM=Regional Clean Air Incentives Market
CNG = Compressed Natural Gas	RFP = Request for Proposals
CO = Carbon Monoxide	RFQ = Request for Quotations
DOE = Department of Energy	RFQQ=Request for Qualifications and Quotations
EV = Electric Vehicle	SCAG = Southern California Association of Governments
FY = Fiscal Year	SIP = State Implementation Plan
GHG = Greenhouse Gas	SOx = Oxides of Sulfur
HRA = Health Risk Assessment	SOON = Surplus Off-Road Opt-In for NOx
LEV = Low Emission Vehicle	SULEV = Super Ultra Low Emission Vehicle
LNG = Liquefied Natural Gas	TCM = Transportation Control Measure
MATES = Multiple Air Toxics Exposure Study	ULEV = Ultra Low Emission Vehicle
MOU = Memorandum of Understanding	U.S. EPA = United States Environmental Protection Agency
MSERCs = Mobile Source Emission Reduction Credits	VOC = Volatile Organic Compound
MSRC = Mobile Source (Air Pollution Reduction) Review Committee	ZEV = Zero Emission Vehicle
NATTS =National Air Toxics Trends Station	

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BOARD MEETING DATE: February 7, 2020

AGENDA NO. 1

MINUTES: Governing Board Monthly Meeting

SYNOPSIS: Attached are the Minutes of the January 10, 2020 meeting.

RECOMMENDED ACTION:

Approve Minutes of the January 10, 2020 Board Meeting.

Faye Thomas
Clerk of the Boards

FT:cmw

FRIDAY, JANUARY 10, 2020

Notice having been duly given, the regular meeting of the South Coast Air Quality Management District Board was held at District Headquarters, 21865 Copley Drive, Diamond Bar, California. Members present:

William A. Burke, Ed.D., Chairman
Speaker of the Assembly Appointee

Council Member Ben Benoit, Vice Chairman
Cities of Riverside County

Supervisor Kathryn Barger
County of Los Angeles

Supervisor Lisa A. Bartlett
County of Orange

Council Member Michael A. Cacciotti
Cities of Los Angeles County – Eastern Region

Senator Vanessa Delgado (Ret.)
Senate Rules Committee Appointee

Council Member Judith Mitchell
Cities of Los Angeles County – Western Region

Supervisor V. Manuel Perez
County of Riverside

Council Member Dwight Robinson
Cities of Orange County

Supervisor Janice Rutherford
County of San Bernardino

Members absent:

Council Member Joe Buscaino
City of Los Angeles

Mayor Larry McCallon
Cities of San Bernardino County

Vacant: Governor's Appointee

CALL TO ORDER: Chairman Burke called the meeting to order at 9:05 a.m.

- Pledge of Allegiance: Led by Council Member Robinson.
- Opening Comments

Council Member Benoit announced that he toured the Kore Infrastructure project in Los Angeles and displayed photos from the tour. He commented on the progress that is being made in the production of renewable energy from organic waste. He added that he also visited Southern California Edison's generating facility on Catalina Island and noted that diesel fuel is transported by barge to the island weekly to operate the diesel-fueled generators that provide electricity to the island. He commented that Edison is exploring other alternatives for power but land use restrictions may not allow for the replacement of their diesel engines.

Senator Delgado expressed concern regarding odors from rendering facilities in East Los Angeles and asked for the Board's support in sending Rule 415 - Odors from Rendering Facilities, back to the Stationary Source Committee to determine if more can be done to reduce odors. She commented that residents in environmental justice communities often do not call to report odor problems because they do not have contact information or do not want to call a government agency.

Mr. Nastri responded that Rule 415 had recently been amended to include better odor control requirements for rendering facilities, and that not all controls are in place yet. He added that part of the AB 617 community outreach includes reaching out to community representatives and conducting community meetings to distribute information and raise awareness within environmental justice communities. He noted that the first AB 617 community meeting in Huntington Park was well attended and commented on staff's outreach efforts through social media to increase coordination and communication with the community.

Senator Delgado expressed appreciation to staff for their responsiveness to complaints and commented that she is willing to work with staff on reviewing Rule 415 and improving communication in environmental justice communities.

Council Member Mitchell provided an update on AB 617 efforts and noted that two new communities within the South Coast AQMD had been approved (Coachella Valley and South East Los Angeles.) She added that CARB is reviewing Community Emission Reduction Plans and Community Air Monitoring Plans, and conducting meetings in AB 617 communities.

Council Member Cacciotti announced that he recently presented an overview of incentive programs for commercial electric lawn equipment at the City of Industry City Council meeting and displayed photos from the meeting. He also noted that Mr. Nastri presented at the Los Angeles League of California Cities on SB 732 (Allen), the Voting District Authorization for Clean Air bill.

Mr. Nastri announced that a technology demonstration forum would take place in the parking lot after today's Board meeting, highlighting some of the zero and near-zero emission projects approved by the Board.

Jill Whynot, Chief Operating Officer, announced the selection of Faye Thomas as the new Clerk of the Boards.

- Swearing in of Reappointed Board Member Larry McCallon

Chairman Burke announced that due to Mayor McCallon's absence he would be sworn in at the February Board meeting.

- Swearing in of Chair and Vice Chair for Terms January 2020 – January 2022

Council Member Mitchell administered the oath of office to Chairman Burke and Vice Chairman Benoit for terms ending January 15, 2022.

Chairman Burke presented an award to Council Member Robinson in recognition of four years of dedicated service to the South Coast AQMD and noted the air quality accomplishments that have been made during his tenure on the Board. Council Member Robinson expressed appreciation for the opportunity to serve on the South Coast AQMD Board.

Supervisor Rutherford presented a certificate of appreciation to Council Member Robinson from the San Bernardino County Board of Supervisors recognizing his years of service on the South Coast AQMD Board.

Council Member Mitchell and Supervisor Bartlett thanked Council Member Robinson for his years of service to the South Coast AQMD and the Board.

CONSENT CALENDAR

1. Approve Minutes of December 6, 2019 Board Meeting
2. Set Public Hearing February 7, 2020 to Consider Adoption of and/or Amendments to South Coast AQMD Rules and Regulations

Determine That Proposed Amendments to Rule 1107 – Coating of Metal Parts and Products, Are Exempt from CEQA and Amend Rule 1107

Budget/Fiscal Impact

3. Amend Contract for Kore Infrastructure Project

4. Reallocate and Appropriate Funds and Execute Purchase Orders for Air Monitoring Programs
5. Approve Transfer of Monies from Health Effects Research Fund to Health Effects of Air Pollution Foundation
6. Approve Transfer of Monies from General Fund to Health Effects Research Fund
7. Revise Procurement Policy and Procedure

Items 8 through 14 – Information Only/Receive and File

8. Legislative, Public Affairs and Media Report
9. Hearing Board Report
10. Civil Filings and Civil Penalties Report
11. Lead Agency Projects and Environmental Documents Received
12. Rule and Control Measure Forecast
13. Report of RFPs/RFQs Scheduled for Release in January
14. Status Report on Major Ongoing and Upcoming Projects for Information Management

Due to a number of requests to speak and Board member questions on Consent and Board Calendar items 1 through 17, the vote on the Consent and Board Calendar items was deferred until after public comments and Board member questions.

15. **Items Deferred from Consent Calendar**
 1. Approve Minutes of December 6, 2019 Board Meeting

2. Set Public Hearing February 7, 2020 to Consider Adoption of and/or Amendments to South Coast AQMD Rules and Regulations

Determine That Proposed Amendments to Rule 1107 – Coating of Metal Parts and Products, Are Exempt from CEQA and Amend Rule 1107

Rita Loof, Radtech International, commented that she has been working with staff on a test method to measure VOC content for low VOC products. Radtech is hopeful that the amendments to Rule 1107 will resolve the challenging issue of measuring low VOC materials for energy curable coatings content for these products. She expressed appreciation to the Board for their support.

Jessica Craven, North East Los Angeles (NELA) Climate Collective, expressed concerns about poor air quality in Los Angeles and that children cannot play outside on many days because of unhealthy pollution. She also expressed appreciation to the Board for their efforts to clean the air and stressed the urgency to take greater measures to reduce pollution.

3. Amend Contract for Kore Infrastructure Project

Council Member Mitchell inquired about the land use agreement for the Kore project noting that SoCalGas had agreed to extend the term to the end of 2020. She inquired about the future of the project beyond 2020.

Dr. Matt Miyasato, DEO/Science and Technology Advancement, noted that the technology shows promise in producing synthetic gas and hydrogen from feedstock and organic materials that could be put back into a pipe line. Negotiations are underway to either make the site permanent or find an alternative site. SoCalGas is exploring the true commercial potential for the technology before making any further investments.

Council Member Mitchell noted the importance of the production of hydrogen for fuel cell vehicles and to support the development of fueling infrastructure.

Dr. Miyasato noted that the largest production of hydrogen is from steam methane reformation that uses a high temperature process to convert methane to syngas. The Kore project uses different types of organic resources that would typically be thrown away to develop renewable energy.

Chairman Burke commented on the potential of generating fuel from different types of waste and the private investments that have already been made to support the project.

4. Reallocate and Appropriate Funds and Execute Purchase Orders for Air Monitoring Programs
5. Approve Transfer of Monies from Health Effects Research Fund to Health Effects of Air Pollution Foundation
6. Approve Transfer of Monies from General Fund to Health Effects Research Fund
7. Revise Procurement Policy and Procedure

Items 8 through 14 – Information Only/Receive and File

8. Legislative, Public Affairs and Media Report
9. Hearing Board Report
10. Civil Filings and Civil Penalties Report
11. Lead Agency Projects and Environmental Documents Received
12. Rule and Control Measure Forecast
13. Report of RFPs/RFQs Scheduled for Release in January
14. Status Report on Major Ongoing and Upcoming Projects for Information Management

Harvey Eder, Public Solar Power Coalition, requested to speak on items 1 through 14 and 16 and 17. He expressed concerns about climate change and described a book that supports a Green New Deal. He suggested that the Board consider placing an item on the agenda to discuss an article in the September issue of National Geographic titled the “Arctic is Melting.”

MOVED BY BENOIT, SECONDED BY CACCIOTTI, AGENDA ITEMS 1 THROUGH 14 APPROVED AS RECOMMENDED, BY THE FOLLOWING VOTE:

AYES: Barger, Bartlett, Benoit, Burke, Cacciotti, Delgado, Mitchell, Perez, Robinson and Rutherford

NOES: None

ABSENT: Buscaino and McCallon

BOARD CALENDAR

16. Administrative Committee

17. California Air Resources Board Monthly Report

MOVED BY MITCHELL, SECONDED BY BENOIT, AGENDA ITEMS 16 and 17, APPROVED AS RECOMMENDED, RECEIVING AND FILING THE COMMITTEE AND CARB REPORTS, BY THE FOLLOWING VOTE:

AYES: Barger, Bartlett, Benoit, Burke, Cacciotti, Delgado, Mitchell, Perez, Robinson and Rutherford

NOES: None

ABSENT: Buscaino and McCallon

PUBLIC HEARINGS

18. Determine That Proposed Amendments to Rule 102 – Definition of Terms, Are Exempt from CEQA and Amend Rule 102

The presentation on Item No. 18 was waived.

The public hearing was opened, and the following individual addressed the Board on Items 18 and 19.

Mr. Eder commented that solar powered technologies should be considered BARCT and noted support for solar co-ops and the Green New Deal. He noted opposition to the use of bio-fuels because of concerns related to exposure to drug resistant antibiotics.

There being no further testimony on this item, the public hearing was closed.

MOVED BY MITCHELL, SECONDED BY CACCIOTTI, AGENDA ITEM NO. 18 APPROVED AS RECOMMENDED, ADOPTING RESOLUTION NO. 20-1 DETERMINING THAT THE PROPOSED AMENDED RULE 102 – DEFINITION OF TERMS IS EXEMPT FROM THE REQUIREMENTS OF CEQA AND AMENDING RULE 102 – DEFINITION OF TERMS, BY THE FOLLOWING VOTE:

AYES: Barger, Bartlett, Benoit, Burke, Cacciotti, Delgado, Mitchell, Perez, Robinson, and Rutherford

NOES: None

ABSENT: Buscaino and McCallon

19. Determine That Proposed Amendment to Rule 1100 – Implementation Schedule for NO_x Facilities Is Exempt from CEQA and Amend Rule 1100

The presentation on Item No. 19 was waived.

The public hearing was opened, and there being no other requests to speak, the public hearing was closed.

MOVED BY MITCHELL, SECONDED BY CACCIOTTI, AGENDA ITEM NO. 19 APPROVED AS RECOMMENDED, ADOPTING RESOLUTION NO. 20-2 DETERMINING THAT THE PROPOSED AMENDED RULE 1100 – IMPLEMENTATION SCHEDULE FOR NO_x FACILITIES IS EXEMPT FROM THE REQUIREMENTS OF CEQA AND AMENDING RULE 1100 – IMPLEMENTATION SCHEDULE FOR NO_x FACILITIES, BY THE FOLLOWING VOTE:

AYES: Barger, Bartlett, Benoit, Burke,
Cacciotti, Delgado, Mitchell,
Perez, Robinson, and Rutherford

NOES: None

ABSENT: Buscaino and McCallon

PUBLIC COMMENT PERIOD – (Public Comment on Non-Agenda Items, Pursuant to Government Code Section 54954.3)

Matthew Holder expressed appreciation to Council Member Robinson for the opportunity to serve as his Board Consultant and commented on his character and integrity as a leader.

Council Member Robinson introduced Council Member Carlos Rodriguez who was recently appointed to replace him on the Board.

Mr. Eder expressed concerns regarding the challenges in reducing CO2 levels worldwide. He commented on pollution from ocean-going vessels and trucks servicing the Ports and premature deaths from diesel pollution. He also commented on the issues of homelessness and housing vouchers.

Emily Spokes, NELA Climate Collective, expressed concerns about climate and expressed appreciation to the Board for their efforts to improve air quality. She shared efforts that she has taken to reduce emissions. She commented on the cost impacts on local gardeners to replace their equipment and expressed the need for larger incentives to encourage the replacement of gasoline powered equipment.

Council Member Cacciotti shared information on South Coast AQMD's incentive programs for electric lawn and garden equipment and noted the cost and health benefits of replacing gasoline powered equipment.

CLOSED SESSION

Mr. Eder expressed support for tree planting programs in parks and statewide low-income solar equity programs. He expressed concerns related to the use of natural gas and discrepancies in the numbers reported for methane and CO2.

The Board recessed to closed session at 10:20 a.m., pursuant to Government Code sections:

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

- 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 South Coast AQMD is a party. The actions are:

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); and

CalPortland Company v. South Coast Air Quality Management District; Governing Board of the South Coast Air Quality Management District; and Wayne Natri, Executive Officer, and Does 1-100, San Bernardino County Superior Court, Case No. CIV DS 19258941.

CONFERENCE WITH LEGAL COUNSEL – INITIATING LITIGATION

- 54956.9(a) and 54956.9(d)(4) to consider initiation of litigation (five cases).

Following closed session, Bayron Gilchrist, General Counsel, announced that a report of any reportable actions taken in closed session will be filed with the Clerk of the Board's office and made available to the public upon request.

ADJOURNMENT

There being no further business, the meeting was adjourned by Mr. Gilchrist at 11:10 a.m.

The foregoing is a true statement of the proceedings held by the South Coast Air Quality Management District Board on January 10, 2020.

Respectfully Submitted,

Faye Thomas
Clerk of the Boards

Date Minutes Approved: _____

Dr. William A. Burke, Chairman

ACRONYMS

BARCT = Best Available Retrofit Control Technology
CARB = California Air Resources Board
CEQA = California Environmental Quality Act
CO2 = Carbon Dioxide
MSRC = Mobile Source (Air Pollution Reduction) Review Committee
NOx = Oxides of Nitrogen
RFP = Request for Proposals
RFQ = Request for Qualification
VOC = Volatile Organic Compound

BOARD MEETING DATE: February 7, 2020

AGENDA NO. 2

PROPOSAL: Amend and Execute Contracts to Perform Data Collection of Zero Emissions Heavy-Duty Infrastructure and Other Equipment

SYNOPSIS: In November 2018, the Board approved an award of \$44,839,686 for the Volvo Low Impact Green Heavy Transport Solutions (LIGHTS) project. The Board also approved a \$1,096,658 contract with University of California Riverside (UCR) CE-CERT to perform data collection, analysis and reporting for the Volvo LIGHTS project. UCR had planned to subcontract data collection for infrastructure and other equipment to CALSTART, Inc., but it was subsequently determined that UCR's business services group is unable to subcontract services. These actions are to amend a contract with UCR CE-CERT reducing the amount to \$836,258 and to execute a contract with CALSTART, Inc., in an amount not to exceed \$260,400 from the GHG Reduction Projects Special Revenue Fund (67) for data collection, analysis and reporting for the Volvo LIGHTS project.

COMMITTEE: Technology, January 24, 2020; Recommend for Approval

RECOMMENDED ACTIONS:

Authorize the Chairman to amend or execute the following from the GHG Reduction Projects Special Revenue Fund (67):

- a. Amend a contract with UCR CE-CERT for data collection, analysis and reporting of the Volvo LIGHTS project reducing the funding to an amount not to exceed \$836,258; and
- b. Execute a contract with CALSTART, Inc. for data collection, analysis and reporting of infrastructure and other equipment in an amount not to exceed \$260,400.

Wayne Nastri
Executive Officer

Background

In November 2018, the Board approved an award of \$44,839,686 for the Volvo Low Impact Green Heavy Transport Solutions (LIGHTS) project to develop and demonstrate zero emissions heavy-duty trucks, freight handling equipment, EV infrastructure and renewable energy under CARB's Low Carbon Transportation Greenhouse Gas Reduction Fund (GGRF) Investments. The Board also approved a \$1,096,658 contract to the University of California Riverside (UCR) CE-CERT to perform data collection, analysis and reporting for the LIGHTS project. UCR CE-CERT had planned to subcontract data collection for infrastructure to CALSTART, Inc., but it was subsequently determined that UCR's business services group is unable to subcontract services.

Proposal

These actions are to amend a contract with UCR CE-CERT reducing the amount to \$836,258 for data collection, analysis and reporting of the Volvo LIGHTS project and to execute a contract with CALSTART, Inc. for \$260,400 for data collection, analysis and reporting of off-road equipment, infrastructure, and solar, as well as provide a final report and analysis. UCR CE-CERT will deploy a multiple-method approach to ensure all project data collection, which includes mobile logging, stationary logging, emissions testing and innovation analysis, is performed to meet CARB requirements. CALSTART, Inc. will assist UCR CE-CERT on data collection of all other equipment.

Sole Source Justification

Section VIII.B.2. of the Procurement Policy and Procedure identifies four major provisions under which a sole source award may be justified. The request for sole source award for the CALSTART, Inc., contract is made under the provisions B.2.d.(6): Projects requiring compatibility with existing specialized equipment; and B.2.d.(8): Research and development efforts with educational institutions or nonprofit organizations. CALSTART, Inc., a nonprofit institution, will utilize its expertise on evaluation of advanced clean transportation technologies and fuels.

Benefits to South Coast AQMD

Projects to support development and demonstration of various electric container and freight transport technologies and infrastructure are included in the *Technology Advancement Office Clean Fuels Program 2019 Plan Update* under the categories of "Develop and Demonstrate Electric and Hybrid Vehicles," "Develop and Demonstrate Electric Container Transport Technologies," and "Develop and Demonstrate Electric Charging Infrastructure." This project is to develop and demonstrate zero emissions heavy-duty trucks, freight handling equipment, EV infrastructure and renewable energy. Successful demonstrations of such projects will contribute to the attainment of national ambient air quality standards in the South Coast Air Basin by eliminating PM and NOx emissions from replaced diesel heavy-duty trucks and off-road freight handling

equipment. The project also includes installation of EV infrastructure powered by renewable energy.

Resource Impacts

The amended contract with UCR CE-CERT will not exceed \$836,258 and the contract with CALSTART, Inc., will not exceed \$260,400 from the GHG Reduction Projects Special Revenue Fund (67). This will not exceed the total CARB funding of \$1,096,658 for data collection services. The funding sources and amounts for each project are detailed in the following table:

Proposed Data Collection Project Costs

Source	Amount	Match	Percent
UCR CE-CERT	\$836,258	\$200,000	76
CALSTART, Inc.	\$260,400	\$0	24
Total	\$1,096,658	\$200,000	100

Sufficient funds will be available in GHG Reduction Projects Special Revenue Fund (67) to amend or execute the UCR CE-CERT and CALSTART, Inc. contracts from the CARB grant for the Volvo LIGHTS project.

BOARD MEETING DATE: February 7, 2020

AGENDA NO. 3

PROPOSAL: Renew South Coast AQMD's Membership in CaFCP for Calendar Year 2020 and Receive and File California Fuel Cell Partnership Executive Board Meeting Agenda and Activity Updates

SYNOPSIS: The South Coast AQMD has been a member of the California Fuel Cell Partnership (CaFCP) since 2000. These actions are to renew South Coast AQMD's membership in the CaFCP in an amount not to exceed \$70,000 for Calendar Year 2020 and cofund a portion of the CaFCP Regional Coordinator position and infrastructure development staff activities in an amount not to exceed \$50,000 from the Clean Fuels Program Fund (31). This action is to also receive and file the CaFCP Executive Board Meeting Agenda for October 16, 2019, and Activity Updates for the second and third quarters of 2019.

COMMITTEE: Technology, January 24, 2020; Recommended for Approval

RECOMMENDED ACTIONS:

1. Authorize the Chairman to execute one or more contracts in an amount not to exceed \$120,000 from the Clean Fuels Program Fund (31) with Frontier Energy, Inc., acting on behalf of the CaFCP, to:
 - a. Continue South Coast AQMD's membership for Calendar Year 2020 for a total amount not to exceed \$70,000 for common expenses of the CaFCP; and
 - b. Support the CaFCP Southern California Regional Coordinator position and infrastructure development staff activities for a total amount not to exceed \$50,000.
2. Receive and file the attached CaFCP Executive Board Agenda for October 16, 2019, and Activity Updates for the second and third quarters of 2019.

Wayne Nastri
Executive Officer

Background

The California Fuel Cell Partnership (CaFCP) was initiated in 1999 to accelerate response to CARB's Zero Emission Vehicle (ZEV) regulations. The AQMP and the Technology Advancement Office's Clean Fuels Program 2019 Plan Update have identified fuel cells for on- and off-road applications as well as hydrogen technologies and infrastructure as a core technology for attaining and maintaining cleaner air quality. Because of the alignment of South Coast AQMD and CaFCP goals for accelerated fuel cell vehicle commercialization, the Board accepted the CaFCP's formal invitation to join as a full member in March 2000.

Initially, the CaFCP Program focused on development of vehicle, infrastructure and outreach plans. The CaFCP was involved in the demonstration of cars and buses using gaseous and liquid hydrogen as well as methanol through 2003. The first fleet customer placements began in 2002. The CaFCP and members demonstrated several generations of fuel cell cars and buses using gaseous hydrogen fuel at 350 bar and 700 bar pressures. Several automakers started retail placement of fuel cell vehicles near hydrogen stations in early market communities. The CaFCP, with member support, developed a "Roadmap" for the introduction of fuel cell passenger vehicles with sufficient hydrogen fueling stations in California, an initial "Bus Roadmap," a Medium- & Heavy-Duty Fuel Cell Electric Vehicle Action Plan, and the California Fuel Cell Revolution-2030 Vision Report.

With the commitment of funding under AB 8 in 2013 to develop and operate approximately 100 hydrogen retail fueling stations in California through 2023, and the collaboration of California with other states to support ZEVs, automakers are continuing to announce market launches. Some automakers are combining efforts to share intellectual property, build component supply chains and leverage resources. Germany, Japan and South Korea have also committed funding to build more hydrogen stations, and international momentum is building with the establishment of the Hydrogen Council in 2017 and former Governor Brown's Executive Order (EO B-48-18) in 2018 to work with the private sector to support 200 hydrogen retail fueling stations by 2025. Changes to CARB's Low Carbon Fuel Standard (LCFS) credit structure are encouraging additional infrastructure investment.

The CaFCP has expanded its presence in Southern California at the request of South Coast AQMD in light of the increased deployment of vehicles, the large number of fueling stations and the greatest air quality need in this region. A CaFCP Regional Coordinator based in our region supports member activities and outreach and an Infrastructure Specialist facilitates hydrogen station development. South Coast AQMD has cofunded 50 percent of the Regional Coordinator for the last several years.

Major accomplishments during Calendar Year (CY) 2019 include:

- Continued retail production and deployment of fuel cell cars, trucks and buses in California. As of November 1, 2019, there have been 7,703 cumulative total fuel cell electric vehicle (FCEV) sales and leases by Honda, Hyundai and Toyota in California¹, 43 retail hydrogen stations are open (21 in South Coast) with 20 more new/upgraded retail stations funded. There are 31 fuel cell buses in operation served by 4 stations and 3 truck stations are in development. As of November 21, 2019, 48 hydrogen stations were approved for CARB LCFS ZEV infrastructure crediting;
- Implementation of “Medium & Heavy-Duty Fuel Cell Electric Vehicle Action Plan
- Completed and released “A Road Map for Zero Emission, Fuel Cell Electric Buses in California²”; and
- Increased the presence of the CaFCP in Southern California through coordination of ombudsman activities in early market communities. Recent events in our region include presentation to Korean American Energy Association Symposium on Hydrogen in Buena Park, support for El Dorado National FC Bus Open House in Riverside, and support for Kenworth-Toyota Class 8 truck at FC Seminar & Energy Expo in Long Beach.

The CaFCP introduced varying levels of fees to increase interest and reduce the overall cost of membership. Each CaFCP Executive Member has a representative on the Executive Board. Current Executive Members include:

- Seven automotive manufacturers (General Motors, Toyota, Daimler, Honda, Hyundai, Nissan and Nikola Motor Co.);
- Six industry stakeholders (Air Liquide, Anglo American, Cummins, Energy Independence Now, Iwatani and Shell);
- Three government agencies (South Coast AQMD, CARB and CEC); and
- The Governor’s Office of Economic Development (GO-Biz).

In 2019, Cummins joined and Volkswagen withdrew from Executive Board membership. There are currently 33 Full and Associate Members, with commensurate benefits and voting rights.

The CaFCP retains Frontier Energy, Inc., to provide the needed support for the common tasks agreed to by the CaFCP, and each member contracts directly with Frontier Energy acting on behalf of the CaFCP.

¹Number of cumulative total FCEV sales data from HybridCars.com and Carsalesdatabase.com

²<https://cafc.org/sites/default/files/2019-CaFCP-FCEB-Road-Map.pdf>

Proposal

The fee of \$70,000 per Executive Member supports the activities planned for 2020, with additional membership levels designed to encourage participation albeit with lesser benefits and no voting rights on the Executive Board. The non-paying, advisory role is proposed to continue engagement with staff at federal agencies. The proposed budget for 2020 is \$1,248,580, with plans to continue encouraging new membership and evolving to a structure that will support additional growth. Mary Nichols (CARB), served as 2019 Vice-Chair, and Sandra Berg (CARB) will serve as 2020 Chair, with Jerome Gregeois (Hyundai) serving as Vice-Chair. Dr. Burke will serve as South Coast AQMD's representative, along with 16 other Executive Members. The majority of fuel cell vehicle deployment growth is anticipated to be within the South Coast Air Basin over the next couple of years, enhanced by the development of hydrogen stations in more early markets in California and beginning in several northeast states.

The proposed CaFCP activities for 2020 include:

- Develop the necessary infrastructure and processes to support expanded vehicle rollout for the first 200 hydrogen stations and longer-term exponential growth to reach 1,000 stations and related customer interface tools;
- Provide forums and opportunities for members to advance group collaboration and progress within CaFCP and among an expanding stakeholder base, including national coordination; and
- Reach target markets, audiences and communities to educate, inform and promote hydrogen and fuel cell vehicles and accelerate greater commercial adoption.

These actions are to execute a contract with Frontier Energy to renew South Coast AQMD's membership in the CaFCP for CY 2020 and cofund a portion of the CaFCP Regional Coordinator position and infrastructure development staff activities. This action is also to receive and file the CaFCP Executive Board Meeting Agenda for October 2019 and Activity Updates for the second (April-June) and third (July-September) quarters of 2019.

Sole Source Justification

Section VIII.B.2. of the Procurement Policy and Procedure identifies provisions under which a sole source award may be justified. This request for a sole source award is made under provision B.2.d.: Other circumstances exist which in the determination of the Executive Officer require such waiver in the best interests of South Coast AQMD. Specifically, these circumstances are B.2.d.(1): Projects involving cost-sharing by multiple sponsors. The major sponsors expected to contribute financially to the CaFCP include eight automakers, six industry stakeholders and two government agencies (in addition to the South Coast AQMD).

Benefits to South Coast AQMD

Membership in the CaFCP is consistent with the *Technology Advancement Office Clean Fuels Program 2019 Plan Update* under “Hydrogen and Mobile Fuel Cell Technologies & Infrastructure” and “Assessment and Technical Support of Advanced Technologies and Information Dissemination.” South Coast AQMD supports the development, demonstration and commercialization of zero and near-zero emission vehicles and strives to educate public and private organizations regarding the benefits and characteristics of these vehicles.

Resource Impacts

South Coast AQMD’s support of the CaFCP for CY 2020, provided through a contract(s) with Frontier Energy, Inc., will not exceed \$120,000 from the Clean Fuels Program Fund (31), comprised of up to \$70,000 for membership and up to \$50,000 for a portion of the cost of the Southern California Regional Coordinator position and infrastructure development staff activities.

Sufficient funds are available from the Clean Fuels Program Fund, established as a special revenue fund resulting from the state-mandated Clean Fuels Program. The Clean Fuels Program, under Health and Safety Code Sections 40448.5 and 40512 and Vehicle Code Section 9250.11, establishes mechanisms to collect revenues from mobile sources to support projects to increase the utilization of clean fuels, including the development of the necessary advanced enabling technologies. Funds collected from motor vehicles are restricted, by statute, to be used for projects and program activities related to mobile sources that support the objectives of the Clean Fuels Program.

Attachments

1. California Fuel Cell Partnership October 16, 2019, Executive Board Meeting Agenda
2. California Fuel Cell Partnership Activity Updates (Quarters 2 and 3 for 2019)

October 16 CaFCP Public Forum Agenda
Enabling Environmental and Economic Priorities
through Hydrogen and Fuel Cell Technologies



California Energy Commission – Rosenfeld Hearing Room
1516 9th Street, Sacramento CA 95814

15 minutes

9:00–9:15am
CaFCP Chair

1. Welcome and opening remarks

Welcome comments by chair and overview of the board agenda

75 minutes

9:15–10:30am
CaFCP
Hyundai
Air Liquide

2. Transitioning from Market Launch to Revolutionary Success

2019 witnessed strong progress and significant challenges in early market rollout, providing new insights as stakeholders transition the industry from market launch to scaled deployment. The board will hear the status of market rollout, lessons learned from early market challenges, and gain new understanding of the magnitude and opportunities for scaled rollout to achieve a [*sustainable market for 2030*](#).

30 minutes

10:30–11:00am

Break

60 minutes

11:00am–12:00pm
US EPA
Shell
Nikola

3. Heavy-duty Fuel Cell Electric Trucks: Analysis and Strategies

The CaFCP board tasked staff to focus more on HD applications, especially the nascent FCET market. Since April, staff have been assembling stakeholders, identifying opportunities and challenges, and developing strategies to accelerate progress. The board will hear about collaborations driving the market, the environmental advantages and challenges of FCET deployment, and approaches and strategies to capitalize on this important application.

75 minutes

12:00–1:15pm

Lunch - on your own

60 minutes

1:15–2:15pm
AC Transit
Ballard
New Flyer

4. Heavy-duty Fuel Cell Electric Buses: Progress and Acceleration

Commercial progress and new regulations have FCEBs poised for a full market transition, and CaFCP's new [*FCEB Roadmap*](#) outlines the necessary steps to help make this happen. The board will review a new transit agency outreach proposal designed to help the state reach its 100% zero emission transit bus purchase target with FCEBs.

30 minutes

2:15–2:45pm
CaFCP

5. California and National Outreach Activities

Since the April board meeting the CaFCP government relations and communications task force has been developing CaFCP's messaging priorities and strategies and have developed a proposal for the board to expand current SOSS capabilities. The board will also hear about a new national hydrogen study that will be useful for California's rollout activities.

30 minutes
2:45–3:15pm

Break

60 minutes
3:15–4:15pm
Air Liquide
GO Biz

6. National Organization Activities

As the commercial market advances in California, stakeholders and the board have encouraged consolidation and prioritization of collaborative efforts in California and nationally. Following up on the April directive to investigate a more effective national approach, board members will hear progress made, discuss priorities, and decide on next steps toward consolidated collaborative efforts that will propel the market forward.

30 minutes
4:15–4:45pm
CaFCP

7. CaFCP Executive Board Business Meeting

- April 2019 board meeting decisions and assignments
- Member updates
- Public comment period*

15 minutes
4:45-5:00pm
CaFCP Chair

8. Closing remarks

* **Public comment period:** The public comment period provides an opportunity for members of the public to address the CaFCP Executive Board on subjects related to the mission and activities of CaFCP. Each person will be allowed a maximum of three minutes to ensure that everyone has a chance to speak.

Agenda items may be taken out of order and times may vary from those listed in the agenda. The board may choose to limit public comment at the chair's discretion.

This meeting is open to the public and will not be available by phone. This facility is accessible to persons with disabilities. Deadline for requesting ADA modification is **October 14, 2019**. Meeting materials will be posted at www.cafcp.org.



EVENTS/ACTIVITIES | Staff Lead: J Contreras

Quarter 2 and 3, 2019

3/30-4/2	AICHe Test Drive and Center for Hydrogen Safety Ceremonial Event, New Orleans, LI – (J. Hamilton, K. Malone and J. Contreras)
4/4-5	Shell Econ Marathon Test Drive and Stakeholder Outreach Event, Sonoma, CA (K. Malone, N. Kendall, L. So and J. Contreras)
4/18	Air Liquide Driver Appreciation Day – Palo Alto, CA (J. Contreras)
4/18	Veloz Webinar April 18: Fuel Cell Electric Vehicles and Hydrogen Fueling Infrastructure, Sacramento, CA (Speaker: B. Elrick)
4/19	Air Liquide Driver Appreciation Day – LAX (K. Malone)
4/24-26	California Solar Power Expo, San Diego, CA (K. Malone. J. Contreras)
4/24-26	ACT Expo, Long Beach, CA (D. Park, N. Bouwkamp)
4/28	Santa Barbara Earth Day Event, Santa Barbara, CA (K. Malone)
4/29-5/2	Annual Merit Review, Washington, D.C. (B. Elrick, J. Hamilton and N. Bouwkamp)
5/14	Carson City, Stakeholder Outreach and Static Display, Carson City, NV. (B. Elrick, K. Malone and J. Contreras)
5/16	Iwatani Grand Opening of West Sacramento Hydrogen Station, West Sacramento, CA. (K. Malone)
5/21	Renewable Power to Fuels Symposium, Portland (Moderator, K. Malone)
5/21-23	Hydrogen Fuel Cell Conference, Vancouver, British Columbia (Speaker, B. Elrick)
5/23	Green Transportation Summit, Tacoma, WA (Speaker K. Malone)
5/31	Air Resources Board ZEV Workshop – Static Display (J. Contreras)
6/11	City of San Francisco Hydrogen Community Workshop, San Francisco, CA (Speaker, J. Hamilton, Speaker, K. Malone and J. Contreras)
6/12	KAEA Energy Symposium, Buena Park, CA (Speaker, D. Park)
8/9	Los Angeles on the International Stage event, (LAEDC offices) (K. Malone)
9/3-5	Pacific Fuels & Convenience Summit, San Diego, CA. (Speaker, K. Malone)
9/5	Webinar Fuel Cell Mobile Emergency Response Vehicle, (J. Hamilton)
9/23-27	Video Shoot for Center for Hydrogen Safety Program, Los Angeles, Palm Desert, Long Beach and San Juan Capistrano, CA (J. Hamilton)
9/23-26	Hydrogen + Fuel Cells International at Solar Power International & Energy Storage International in Salk Lake City, UT (Manage Panel Sessions, J. Contreras, K. Malone, B. Elrick)
9/25	Utah Hydrogen Strategy Outreach Meeting, Salt Lake City, UT (B. Elrick, K. Malone and J. Contreras)

9/26-27

International Zero Emission Bus Conference, San Francisco, CA (B. Elrick, N. Bouwkamp, and K. Malone)

SECTOR GROUPS

AUTOMOTIVE GROUP | Member Lead: M McClory | Staff Lead: D Park

The Automotive Group initiated activities around a number of SOSS topics

- To provide better clarity when communicating to customers.
- Standardization of station capacity reporting.
 - Evaluation of hardware options.
- Clearance of the Cal State LA hydrogen fueling station for listing on SOSS.
- Review of SOSS listing requirements.

The Group responded to California Energy Commission inquiries related to the Draft GFO (18-HYD-04).

- Station capacity criteria- Staff participated in CEC/USDOE NREL HySCapE workshop & coordinated a joint OEM SDO response to the 18-HYD-04 Docket.
 - HySCapE model usage in station characterization.
 - Fill time/time between fills.
- Near field communications at Point of Sale- Staff coordinated an OEM response on this topic to the 18-HYD-04 docket.

CARB AB8 Report.

- Staff conducted individual company discussions around CARB's 2019 AB8 Report findings and provided feedback to CARB staff.
- Staff facilitated Group discussion of AB8 Report findings and initiated a coordinated response.

Staff provided coverage of CARB and CEC meetings

GOVERNMENT GROUP | Member Lead: G Vacin | Staff Lead: B Xiong

The Station Confirmation Group discussed next steps to complete commissioning of the Cal State LA, Burbank, Berkeley, and the three San Francisco (3rd Street, Harrison Street, Mission Street) stations. Once ready, the Cal State LA station will be listed on SOSS as a "Legacy Open Retail Station". CaFCP and Go-Biz has worked with Cal State LA to understand the limitations of the station and language has been developed to communicate to customers the limitations. NEL is working on a timeline to complete lessons learned at the Burbank station from the Norway event. Current City of Burbank administration is asking for lease payment from H2Frontier and is not in their budget to provide this lease payment. A satellite group will be meeting to strategize how to help H2Frontier over this hurdle. Please refer to the Go-Biz SmartSheet for details.

HyStEP will next be at the San Francisco Mission Street station in October.

2 stations were set to Open-retail: Sacramento and Oakland

At the request of the Station Confirmation Group, CaFCP presented options using Power BI to create data visualization reports using SOSS availability data on a map with the ability to filter the data by region and over time. Proposals are being put together for consideration on implementation.

STATION DEVELOPER/OPERATOR GROUP | Member Lead: A Harris | Staff Lead: D Park

The SDO Group discussed a number of SOSS upgrade initiatives

- Staff conducted outreach to individual SDOs to determine capacity reporting logic to SOSS
- Staff held group SDO discussion around the topic of standardization of station capacity reporting.
 - Discussion of hardware options.

The Group responded to California Energy Commission inquiries related to the Draft GFO (18-HYD-04).

- Station capacity criteria- Staff participated in CEC/USDOE NREL HySCapE workshop & coordinated a joint OEM SDO response to the 18-HYD-04 Docket.
 - HySCapE model usage in station characterization.
 - Fill time/time between fills.

CARB AB8 Report.

- Staff facilitated Group discussion of AB8 Report findings and initiated a coordinated response.

Staff provided coverage of CARB and CEC meetings

MHD GROUP (FCET & FCEB) | Member Lead: N Berry | Staff Lead: K Malone

Emphasized need for dedicated funding to implement HD H2 ZEV fueling infrastructure at CARB HD funding meetings, both for buses and trucks.

Staff moderated the fuel cell electric truck manufacturer industry panel at CHBC's Hydrogen and Fuel Cells for Freight Workshop organized in conjunction with ACT Expo in Long Beach.

Staff met with the Congressional Research Service to discuss FCETs in Washington, DC.

Staff continued the drafting of an HD H2 infrastructure fact sheet for outreach purposes to decision makers based on industry input submitted for this purpose.

Staff attended Green Transportation Summit and Expo in Tacoma, participating in keynote panel and panel discussion on H2 and FCEVs. GTSE Expanded reference and interest in hydrogen and fuel cell technology in the heavy-duty realm. Prior to the event, staff led panel discussion on H2 and FCEVs at Renewable Power to Fuels Symposium in Portland.

Staff participated in and presented about maritime H2 fueling at US DOE and FCHJU's H2@Ports workshop in San Francisco

CaFCP released the Bus Road Map 2.0 "Fuel Cell Electric Buses Enable 100% Zero Emission Bus Procurement by 2029" via email blast and social media.

In collaboration with CHBC staff, staff updated the FCEB Fact Sheet.

Staff attend the Zero Emission Bus Conference in San Francisco. Copies of the Bus Road Map were placed in the hands of key stakeholders.

Staff continues to work with the CaFCP HD FCET industry members task force to draft a strategy for FCETs within CaFCP and for California.

PROJECT TEAMS

SAFETY CODES & STANDARDS | Member Lead: A Harris | Staff Lead: J Hamilton

CSA Group:

- HGV 4.3 *Fueling parameter evaluation* published in July 2019. Work on the next edition of HGV 4.3 will be to align with definitions in SAE J2601.
- HGV 4.1 *Hydrogen dispensing system* Industry Review closed. Some final comments are being dispositioned by the TSC currently
- HGV 4.9 *Hydrogen fueling stations*. All comments have been dispositioned. The revised draft is being edited and will then be finalized for Technical Committee Ballot.
- SPE 2.1.3 *Best practices for defueling, decommissioning, and disposal of compressed hydrogen gas vehicle fuel containers* is out for Public Review with a close date of October 19, 2019.
- CHMC 2 *Chemical compatibility (Non-Metals)* published in August 2019.
- CSA Group's U.S. Committee Week is scheduled for October 28-30th in Cleveland, Ohio. Meetings planned are as follows:
 - HGV 4.4 *Breakaway valves, manual valves and automatic valves* and HGV 2 *Containers*
 - HPRD 1 *Thermally activated pressure relief devices*
 - FC 1 *Stationary fuel cell power systems*
 - HGV 4.10 *Fittings*
 - Hydrogen projects to be launched:
 - HGV 3.1 *Fuel system components for compressed hydrogen gas powered vehicles*
 - HGV 4.2 *Hoses for compressed hydrogen fuel stations*
 - HGV 5.1 *Hydrogen Refueling Appliance*
 -

NFPA 2:

- Published/available as 2020 version Chris LaFleur (Sandia National Lab) is the new chair

IFC/CFC:

- Last call on this topic held

ISO/TC 197:

- **WG 24:** ISO/DIS 19880-1, *Gaseous hydrogen — Fueling stations — Part 1: General requirements*-. The Final Draft International Standard (FDIS) expected to go to ballot in Q4, 2019 upon which the working group will be disbanded.
- **WG 27:** Hydrogen Fuel Quality- ISO 14687 – In FDIS ballot (8/28 to 10/23/19); publication is expected by the end of 2019.
- **WG 28:** Hydrogen Quality Control- ISO 19880-8 In FDIS ballot (8/8 to 10/3/19); the WG will continue with H. Tomioka as the convener.

- **JWG 7: Analytical methods for hydrogen fuel — Proton exchange membrane (PEM) fuel cell applications for road vehicles-ISO 21087** Works in coordination with WGs 27 & 28; Published 6/26/19.

ASTM D03.14 Subcommittee on Hydrogen and Fuel Cells:

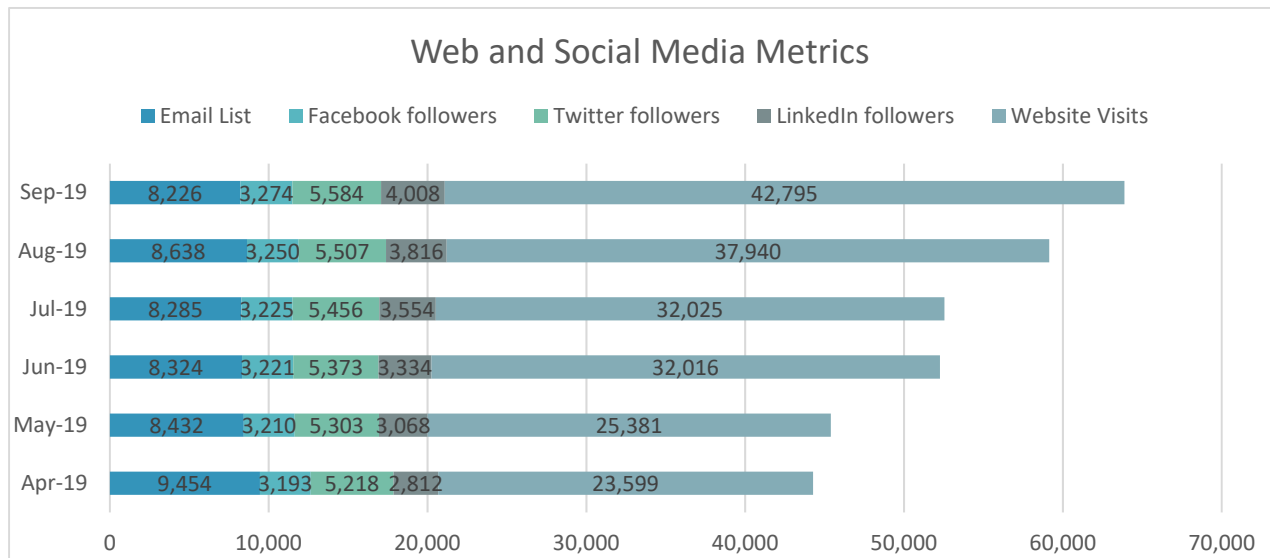
- In-person meeting held in June
 - ILS's on FTIR and Cavity Ring Down Spectroscopy are near completion; samples seemed to have degraded- last lab may not be included if this is the case. Updates to the corresponding documents will occur upon completion (ASTM D7653 and ASTM D7941/D7941M, respectively)
 - Committee agreed that D7652 Standard Test Method for Determination of Trace Hydrogen Sulfide, Carbonyl Sulfide, Methyl Mercaptan, Carbon Disulfide and Total Sulfur in Hydrogen Fuel by Gas Chromatography and Sulfur Chemiluminescence Detection should be put to ballot for withdrawal. The following reasons were cited:
 - Only one lab uses this method
 - There is no technical contact to revise it
 - Not enough labs to do an ILS beyond a single point study
- Planning for the June 2020 ASTM Workshop: Hydrogen Fuel Sampling and Analysis to be held at the in person meeting in Washington, D.C. (see Jennifer for information or to submit an abstract)

SAE International: In person Fuel Cell Interface and Safety Task Force meetings, June 2109

- **SAE J2600 (Fueling Hardware):** open for revision to add in HD fueling hardware; harmonize with ISO 17268; plan to have a draft doc by early December 2019;
- **SAE J2601 (Fueling Protocol):** proposed publication in late 2019 to early 2020
- **J2601/4 (Ambient Temperature Fueling Protocol):** comments to the draft still being discussed; regular meetings being held
- **SAE J2719 (Fuel Quality):** harmonize with ISO 14687; needs a 14-day affirmation ballot, with publication end of year 2019
- **SAE J2579 (Fuel Systems):** updating for HD storage cylinders and harmonizing with ISO and GTR #13 for material compatibility, performance-based stress rupture, permeation/leak requirement; localized/engulfing fire test

2030 VISION | Member Lead: M Forrest | Staff Lead: B Elrick

- California Fuel Cell Revolution continues to be referenced and insinuated in all CaFCP public activities, most recently the AB 8 report. Members can access *The California Fuel Cell Revolution* slide deck on Member resources (http://cafcpmembers.org/system/files/documents/CAFCR_Vision2030-Presentation-Final.zip)
- The one-year anniversary was acknowledged through an email blast and social media, highlighting key messages from the vision. A fact sheet is being prepared that provides the highlights and key messaging of the 2030 Vision.



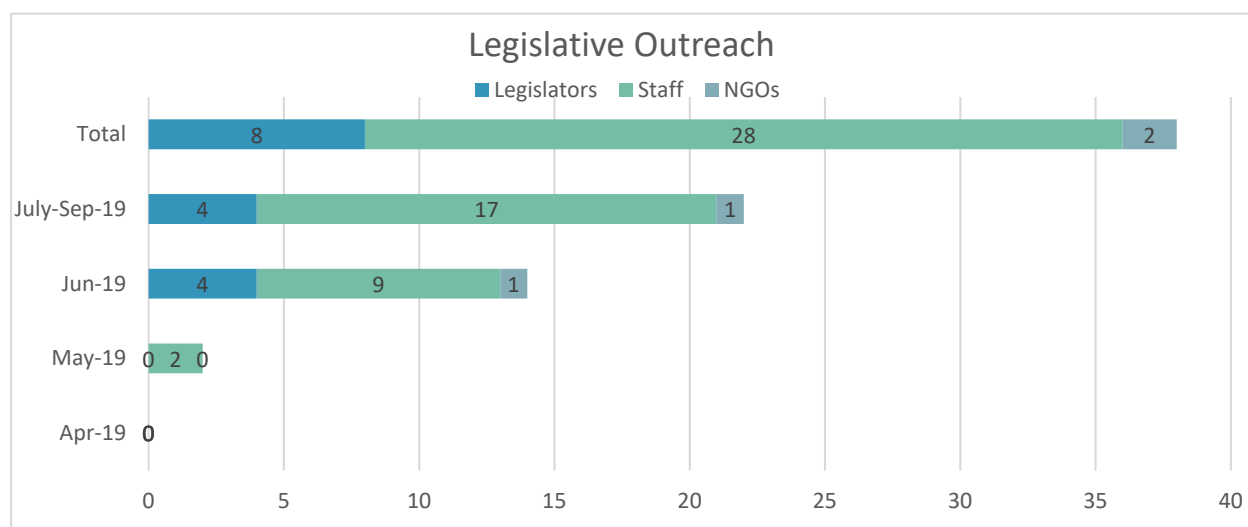
- Staff organized a panel presentation on hydrogen and fuel cell electric vehicles at the Pacific Convenience and Fuels Summit that resulted in strong attendance and strong interest. Based on questions and interactions at the summit, it is clear that gas station owners, fuel marketers and fuel carriers are increasingly interested in hydrogen as a new business opportunity.
- Staff assisted in the organizing and implementation of panel sessions and individual speakers at the Hydrogen + Fuel Cells International that took place in conjunction with Solar Power International in Salt Lake City. Unlike last two HFCIs, attendance at panel discussions were attended mostly by solar industry stakeholders, reflecting a growing interest in hydrogen as a business solution and opportunity.
- A side meeting of Utah stakeholders, including prominent state legislators, at Solar Power International initiated a long-term conversation about the role that state can play, reflecting great interest on the part of Utah. This follows outreach to Nevada state legislators earlier in the year; while it did not produce similar enthusiasm, legislators were interested and open to FCEVs and learning more. They did not harbor biases about the technology.
- Staff assisted in the organizing and implementation of station celebrations, including the Iwatani West Sacramento station and Air Liquide’s Palo Alto and LAX stations. All three experienced good turnout. While the Air Liquide events were focused exclusively on customers, the Iwatani event was focused on a broader audience. Given the amount of effort required for these types of events, and the number of stations expected to open over the next year, the ability for CaFCP staff to organize and manage events may be limited.
- Staff prepared messaging and information to assist members in talking about the Santa Clara Air Products incident in June.
- Staff continue to regularly field calls and emails from news media regarding a variety of topics. While CaFCP does not have the capacity to pitch stories, staff has the ability to respond, refer and assist with information requests.

SOSS | MEMBER LEAD: J BIRDSALL | STAFF LEAD: B XIONG

Working with CARB and station developers and operators on integrating SOSS and LCFS activities, ongoing. A proposal has been put together to request for an upgrade of SOSS that will cover four major areas: database upgrades, LCFS reporting, data visualization, and customer experience upgrades. A proposal will be presented at the Executive Board to request resources in 2019 to put together detailed proposals for the four areas.

Draft definitions for public-facing SOSS statuses (online, limited, offline, unknown) have been put together by the SDO group. Additional work is underway to produce internal definitions of the statuses and a path forward to make those updates at the stations to have all stations reporting using the same definitions.

GOVERNMENT AFFAIRS | Member Lead: S Baker | Staff Lead: K Malone



Email conversation with district aide of State Senator Anthony Portantino (D-Glendale/Pasadena) regarding state bidding process for hydrogen stations and incentives for in-state companies. Conversation was initiated because of complaint by constituent business in Senator’s district. Assembly Member Laura Friedman’s district office similarly reached out when the same business contacted them.

Email conversation with district director of Congresswoman Jackie Speier (D-San Mateo) regarding CaFCP email blast re the “2018 Annual Assessment of Time & Cost Needed to Attain 100 Hydrogen Refueling Stations in California” and CO2 emission reductions of hydrogen. Discussion of decarbonized hydrogen ensued.

Request from district office of Congressman Jim Costa (D-Fresno)office for a fuel cell vehicle in Fresno on National Hydrogen Day. Request came too late to enable assistance.

Staff worked with California Foundation on the Environment and the Economy to host a briefing for legislators and other key opinion leaders that included hydrogen and FCEVs as a topic. Bill Elrick participated in this and a subsequent briefing.

Assisted Renewable Hydrogen Alliance with messaging for their lobbying efforts in Washington State.

Assisted Utah Representative Ballard with industry-government workshop on developing hydrogen and fuel cell opportunities in Utah, leveraging H2+FC North America conference (part of Solar Power

International; largest North America solar and storage conference). Utah eager to learn from California and build upon and expand that success.

Early discussions with California Fuels + Convenience Alliance (gas station owners, fuel carriers and fuel marketers) may lead to a legislative briefing that focuses on fuel cell cars and trucks, and hydrogen infrastructure. The brief would position FCEVs and H2 as an on-ramp and just transition to zero-emission vehicles for this industry. Their March 30 "Day in the Capitol" may be the ideal time.

It should also be noted that many legislative staff are on CaFCP's mail list, and regularly receive emails.

Two meetings (July and October) of the Government Relations and Communications Task Force have taken place, helping guide development of the CaFCP legislative plan for 2020 and beyond. A draft plan will go before Steering Team in November. Fact sheet topics have been identified and staff will begin working with members to identify key message points, information and data. Goal is to have at least key fact sheets ready by end of the year. Task force discussions not only focused on material development, but also the need for a social media and news media educational campaign to complement legislative education and lobbying, and the need for grassroots lobbying development (FCEV drivers, etc.).

BOARD MEETING DATE: February 7, 2020

AGENDA NO. 4

PROPOSAL: Recognize Revenue, Transfer and Appropriate Funds, Approve Positions, Issue Solicitations and Purchase Orders, and Execute Contracts and Agreements for Mid-Year Budget Adjustments

SYNOPSIS: South Coast AQMD is expected to receive up to \$20 million for AB 617 continued implementation. Additional resources of \$3,061,582 are needed in the FY 2019-20 Budget to enable the implementation of critical projects and programs. These actions are to: (1) Recognize revenue up to \$20 million for AB 617 implementation into the General Fund; (2) Appropriate \$3,061,582 from the General Fund Undesignated (Unassigned) Fund Balance into the FY 2019-20 and/or FY 2020-21 General Fund Budget for several key projects; (3) Transfer \$1,000,000 from the General Fund Undesignated (Unassigned) Fund Balance to the Infrastructure Improvement Fund (02); (4) Transfer up to \$30,794 from the AB 134 Community Air Protection Fund (77) into the FY 2019-20 General Fund Budget for administrative costs; (5) Approve the addition of positions from the General Fund; and (6) Issue solicitations and purchase orders and execute contracts and agreements for Mid-Year Budget Adjustments.

COMMITTEE: Administrative, January 17, 2020; Recommended for Approval

RECOMMENDED ACTIONS:

1. Recognize, upon receipt, up to \$20 million from CARB into the General Fund for continued AB 617 implementation, including administrative costs, and authorize the Executive Office to accept terms and conditions of the grant award from CARB;
2. Appropriate \$3,061,582 from the General Fund Undesignated (Unassigned) Fund Balance to the FY 2019-20 and/or FY 2020-21 General Fund Budgets as listed in Tables 1-4;
3. Transfer \$1,000,000 from the General Fund Undesignated (Unassigned) Fund Balance to the Infrastructure Improvement Fund (02);
4. Transfer up to \$30,794 from the AB 134 Community Air Protection Fund (77) into the FY 2019-20 General Fund Budget to reimburse the General Fund for administrative costs;

5. Approve the addition of 3 new positions as listed in Table 1; and
6. Authorize the Executive Officer to issue solicitations and, based on results, issue purchase orders and execute contracts in accordance with South Coast AQMD Procurement Policy and Procedure for items listed in Tables 3-4.

Wayne Nasti
Executive Officer

SJ:DRP:AP

Background

This Board letter recognizes revenues for continued AB 617 implementation and addresses a mid-year budget adjustment including resource requests related to Infrastructure, Salaries, Service and Supplies and Capital Outlays.

Major elements of AB 617 include: accelerated BARCT rulemaking, statewide consistent emission reporting, air monitoring in communities, and community emission reduction plans. In January 2018, the Board approved 36.5 new positions, \$400,000 for contracts, \$865,000 for capital outlays, and \$1,460,000 for other services and supplies for initial work for AB 617, based on first-year AB 617 funding for South Coast AQMD. In December 2018, the Board approved additional 47 new staff positions, reassignment of 0.5 FTE and upgrade to 5 additional positions for the AB 617 program. AB 617 requires community emission reduction programs based on monitoring and other data. For FY 2019-20, CARB has allocated South Coast AQMD at least \$20 million as our portion of the state funding for the community monitoring and emission reduction plan elements. Additional funding is being considered and will be recognized in a subsequent Board letter.

The FY 2019-20 Annual Budget included continued cost recovery initiatives and cost reduction efforts, including no or minor increases in Services and Supplies expenditures and an increased vacancy rate. The reductions in the FY 2019-20 budget included decreases in Services and Supplies (2.4 percent) and Capital Outlays (63.7 percent) when compared to the FY 2018-19 adopted budget. South Coast AQMD ended FY 2018-19 with revenues exceeding expenses by \$3.3M, \$13.0M over the FY 2018-19 Amended Budget. In addition, since the FY 2019-20 Budget was adopted, several key projects with budget needs have been identified, including fleet vehicle replacement and information technology and infrastructure improvements.

Current grant funding levels are significantly greater than levels just a few years ago and are anticipated to continue increasing over the next few years. As such, a Financial Analyst (partially funded with AB134 and AB617 administrative funds) is needed to accommodate increased grants management and reporting activity as well as respond to

requests from auditors and various units within South Coast AQMD. A Senior Information Technology Specialist is needed to perform advanced work, and support various conference center and audio-visual functions within the department and provide technology solutions. A Senior Public Information Specialist is needed to support environmental justice activities.

The South Coast AQMD headquarters building is 28 years old and in critical need of improvements, upgrades, repairs and replacements of various infrastructure and systems. There are several key projects that staff have identified such as a parking deck renovation; upgrades and repairs to the heating, ventilation, air conditioning and refrigeration equipment; the replacement of the atrium's roof as well as the roof at the Child Care Center; the replacement of the cafeteria pollution control system; and the repair and re-sealing of the parking lot asphalt. The total cost estimate for these items exceeds several million dollars, and will be part of near- and long-term infrastructure planning for these projects.

The status of the current fleet necessitates the replacement of older, high-mileage, and high-cost vehicles with newer, safer vehicles that will improve driver safety, reliability, and reduce maintenance costs and repairs.

Various information technology initiatives require the upgrade of hardware and operating system software as they are nearing the end of their useful life and will no longer be supported by the vendors. Applications need to be built or enhanced to provide real-time or improved air quality reports to the public.

Proposal

These actions are to recognize an additional \$20 million into the General Fund from CARB for AB 617 Year 2 implementation.

Staff is also seeking Board approval to appropriate \$3,061,582 from the General Fund Undesignated (Unassigned) Fund Balance to the FY 2019-20 and/or FY 2020-21 General Fund Budgets as listed in Tables 1-4. These actions will provide the necessary funding of:

- \$256,582 in Salaries and Employee Benefits for three staff positions (including \$61,588 funded by AB 134 and AB 617);
- \$1,000,000 to the Infrastructure Improvement Fund (02) to provide funding for some of the critical building infrastructure improvement projects;
- \$580,000 for Service and Supplies; and
- \$1,225,000 for Capital Outlays.

Benefits to South Coast AQMD

The Year 2 funding for AB 617 implementation will allow South Coast AQMD to fulfill the legislative directives, which will result in benefits to environmental justice communities, and to the entire region.

Providing additional funding for FY 2019-20 and/or FY 2020-21 will allow staff to fully implement critical projects and programs, including setting aside funds for future infrastructure, the purchase of information technology hardware and software, source testing automation, monitoring and compliance efforts, system maintenance efforts and fleet vehicle replacement.

Resource Impacts

The General Fund Undesignated (Unassigned) Fund Balance position as of June 30, 2019 is sufficient to allow the proposed appropriation of funds and still meet the Board's Unreserved Fund Balance Policy of a minimum of 20 percent of revenues for this fiscal year.

Staff continues to monitor and assess resource needs and available funding for AB 617.

Attachment

Tables 1– 4

ATTACHMENT

Table 1

Proposed FY 2019-20 Funding Appropriations for Staffing Additions & Changes

Org Unit	Position Title	FTEs	Amount
FIN	Financial Analyst	1	\$ 92,382*
IM	Sr. Information Technology Specialist	1	79,205
LPAM	Sr. Public Information Specialist	1	84,995
	Total	3	\$ 256,582

Note: Appropriation is for January – June 2020

**This position is equally funded by AB 134, AB 617 and the General Fund)*

Table 2

Proposed FY 2019-20 Transfer to Special Revenue Fund

Transfer to Funds	Amount
Infrastructure Fund (02)	\$ 1,000,000
Total	\$ 1,000,000

Table 3

**Proposed FY 2019-20 and/or FY 2020-21 Additional Budget Adjustments
Services & Supplies Major Object**

Org Unit	Account/Description	Amount
IM	68100 – Office Expense (server hardware & operating system upgrade - \$280,000; work station/laptop replacements - \$200,000; cellphone replacement - \$100,000)	\$ 580,000
	Total	\$ 580,000

Note: Listed expenditures may be appropriated in the Capital Outlays Major Object as warranted.

Table 4

**Proposed FY 2019-20 and/or FY 2020-21 Additional Budget Adjustments
Capital Outlays Major Object**

Description	Org Unit	Account	Qty	Estimated Amount	Action
Fleet Vehicles	AHR	77000	15	\$ 450,000	RFP/RFQ
Special Monitoring Website	IM	77000	1	80,000	Already Approved Vendors
Application for Hourly Forecast Model	IM	77000	1	200,000	Already Approved Vendors
Advisories and Emergency Notifications	IM	77000	1	150,000	Already Approved Vendors
Mobile App Enhancements	IM	77000	1	60,000	Already Approved Vendors
Source Tests Automated System	IM	77000	1	250,000	Already Approved Vendors
Van	LPAM	77000	1	35,000	RFQ/ Cooperative Purchasing
				Total	\$ 1,225,000

Note: Listed expenditures may be appropriated in the Services and Supplies Major Object as warranted.

BOARD MEETING DATE: February 7, 2020

AGENDA NO. 5

PROPOSAL: Establish List of Prequalified Vendors to Provide Computer, Network, Printer, Hardware and Software, and Audio Visual Equipment

SYNOPSIS: On November 1, 2019, the Board approved the release of a Request for Qualifications and Quotations (RFQQ) to prequalify vendors for computer, network, printer, hardware and software, and audio visual equipment. As a result of successful responses to this RFQQ, eight vendors were identified as capable of providing these products. This action is to approve the eight vendors to provide these products for a two-year period. Funds (\$300,000) for these purchases are included in Information Management FY 2019-20 Budget.

COMMITTEE: Administrative, January 17, 2020; Recommended for Approval

RECOMMENDED ACTION:

Approve list of prequalified vendors in the Attachment for a two-year period to provide computer, network, printer, hardware and software, and audio visual equipment.

Wayne Nastri
Executive Officer

RMM:MH:RP:hlp

Background

On November 1, 2019 South Coast AQMD released Request for Qualifications and Quotations (RFQQ) #Q2020-04 for computer, network, printer, hardware and software, and audio visual equipment. The purpose of this RFQQ was to invite eligible vendors to submit quotations for eight categories, consisting of: 1) computer equipment (desktop and file server); 2) parts (desktop and file server); 3) software (desktop and network); 4) printers; 5) printer parts; 6) network LAN/WAN equipment; 7) desktop computer hardware upgrade systems; and 8) audio visual equipment. Vendors could bid on any or all, of the categories. The recommended vendors resulting from this RFQQ were used to compile a prequalified vendor list. Purchase orders may be placed with any or all of the vendors on the prequalified vendor list. This prequalified vendor list will be in effect for a period of two years, and will expire on February 7, 2022. Orders for equipment purchased under this RFQQ will be placed with the vendors who are determined to be the most advantageous to the South Coast AQMD at the time of

placing the order. It is expected that product orders will be placed throughout the duration of the qualification period. Consideration will be given to cost advantage, technical superiority, length of warranty, and services provided.

Outreach

In accordance with South Coast AQMD's Procurement Policy and Procedure, a public notice advertising the RFQQ and inviting bids was published in the Los Angeles Times, the Orange County Register, the San Bernardino Sun, and Riverside County's Press Enterprise newspapers to leverage the most cost-effective method of outreach to the South Coast Basin.

Additionally, potential bidders may have been notified utilizing South Coast AQMD's own electronic listing of certified minority vendors. Notice of the RFQQ has been emailed to the Black and Latino Legislative Caucuses and various minority chambers of commerce and business associations, and placed on the Internet at South Coast AQMD's website (<http://www.aqmd.gov>).

Bid Evaluation

Eighty-four copies of the RFQQ were mailed out and eight vendors responded when final bidding closed at 1:00 p.m. on December 4, 2019. Of the eight complete responses, one is near-zero compliant; two are women-owned business enterprises; four are minority-owned business enterprises; six are local business enterprises; and three are small business enterprises. All eight bids met the minimum requirements specified in the RFQQ and are recommended for prequalification in the appropriate categories.

The Attachment lists the eight vendors prequalified to provide computer, network, printer, hardware and software, and audio visual equipment.

The evaluation panel consisted of four South Coast AQMD staff from Information Management: a Systems and Programming Supervisor, two IT Supervisors and a Senior Information Technology Specialist. Of the four panelists, two are Asian-Pacific Islanders, and two are Hispanic; all are male.

Resource Impacts

Funds for the purchase of desktop, computer, and hardware upgrade systems are included in the FY 2019-20 Budget.

Attachment

List of Prequalified Vendors for Computer, Network, Printer, Hardware and Software, and Audio Visual Equipment.

ATTACHMENT

List of Prequalified Vendors for Computer, Network, Printer, Hardware and Software, and Audio Visual Equipment

	Vendor	Cat 1	Cat 2	Cat 3	Cat 4	Cat 5	Cat 6	Cat 7	Cat 8
1	CDW Government LLC	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2	Nth Generation Computing	Yes	Yes	No	No	No	No	No	No
3	PCMG, Inc	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4	Peacock Systems	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
5	JPK Micro Supply, INC	No	Yes	Yes	No	No	No	Yes	No
6	California Integrated Solutions, INC	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No
7	Communication Supply Corporation	No	No	No	No	No	Yes	No	No
8	Golden Star Technology	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes

Categories of Supplies and Services:

1. Computer Systems
2. Computer Parts
3. Computer Software
4. Printers
5. Printer Parts/Accessories
6. Network Equipment
7. Desktop Computer Hardware Upgrade Systems
8. Audio Visual Equipment

BOARD MEETING DATE: February 7, 2020

AGENDA NO. 6

PROPOSAL: Appropriate Funds and Amend Contract for Consultant Services for South Coast AQMD Environmental Justice Outreach and Initiatives

SYNOPSIS: The current contract with Lee Andrews Group, Inc., for environmental justice efforts conducted for the Environmental Justice Community Partnership expires on March 29, 2020. The 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 a one-year extension of the consultant's contract in the amount of \$160,000 for Calendar Year 2020.

COMMITTEE: Administrative, January 17, 2020; Recommended for Approval

RECOMMENDED ACTIONS:

1. Appropriate \$160,000 from the BP ARCO Settlement Project Fund (46) to the Legislative, Public Affairs & Media FY 2019-20 Budget, Services and Supplies Major Object, Professional & Specialized Services account; and
2. Authorize the Chairman to execute a one-year extension of the contract with Lee Andrews Group, Inc. at the current contract amount of \$160,000.

Wayne Natri
Executive Officer

DA:FW:AR:jf

Background

In February of 2015, the Chairman of the Governing Board, Dr. William Burke, launched the Environmental Justice Community Partnership (EJCP), to strengthen South Coast AQMD's relationships with stakeholders in environmental justice communities, in an effort to help clean the air. In October of 2015, Lee Andrews Group Inc. (LA Group) was contracted to support EJCP outreach efforts. Throughout 2019, LA Group supported South Coast AQMD in coordinating the following:

- 1. Four (4) Meetings for the Environmental Justice Community Partnership Advisory Council:** The Advisory Council assisted with the creation and

implementation of the Clean Air Ranger Education (CARE) Program and Inter-Agency Task Force that addresses the needs of environmental justice communities in Los Angeles, Orange, Riverside, and San Bernardino counties. LA Group supported South Coast AQMD with identifying and recruiting individuals to be part of the Advisory Council, coordinating meeting logistics, and implementing members' feedback into the execution of multiple events.

- 2. Four (4) School Assemblies for the CARE Program:** The assemblies provided elementary school students, located in environmental justice communities, information on air quality and the health effects of air pollution. The assembly presentations incorporated an interactive experiment, provided examples of things students could do to help clean the air, and an opportunity to ask questions. The CARE Program assists in fostering South Coast AQMD's relationships with school district officials, students, and families. Schools have the option to keep air quality flags and families are left with packets on South Coast AQMD programs. LA Group supported South Coast AQMD with each assembly by assisting with the script, identifying schools, reaching out to principals, coordinating walkthroughs and assisting throughout the presentations.
- 3. Four (4) Meetings for the Inter-Agency Task Force:** The Four Task Force meetings were held in Los Angeles to work with environmental justice leaders and executives from multiple federal, state, and local government agencies to work together on creating a public directory on who to contact for environmental complaints, planning an inter-agency staff training, and creating an internal inter-agency directory for government staff. LA Group supported South Coast AQMD with coordinating the logistics of each meeting by identifying venue locations, managing registration, and sourcing vendors. LA Group also provided updates to Task Force participants in-between meetings.
- 4. One (1) Environmental Justice Bus Tour:** Staff led approximately 40 students from Urban Planning Classes at California State University Los Angeles on a bus tour of environmental justice areas in Boyle Heights and near the Port of Long Beach. The tour provided a clear example of the environmental justice challenges facing those communities and provided insight into some of the technology solutions to those challenges. LA Group supported South Coast AQMD with coordinating the logistics of the tour, such as identifying venue locations and seeking guest speakers.
- 5. One (1) Environmental Justice Conference:** The half-day conference engaged stakeholders from impacted communities, academic researchers, health professionals, and others focused on the need to protect and improve the region's air quality. LA Group supported South Coast AQMD with the logistics of the

event and sourcing of vendors. LA Group also helped identify potential speakers, breakout session topics, panelists, and sponsors.

LA Group effectively collaborated with South Coast AQMD staff in executing the different requirements of the contract for the Environmental Justice Community Partnership, and as a result, helped advance the South Coast AQMD Board's environmental justice interests and policies.

In summary, the LA Group is an effective consulting team for South Coast AQMD. Their event planning skills strengthen the South Coast AQMD's ability to support the Board's environmental justice priorities. At this critical point in time, it is important that the momentum on stakeholder partnerships with environmental justice groups continue in the coming year as we work towards achieving clean air in disadvantaged communities, consistent with South Coast AQMD's mission and goals.

Proposal

The contract with the LA Group expires on March 29, 2020. South Coast AQMD staff is extremely satisfied with the performance of the firm and recommends the Board retain them for Calendar Year 2020. The present contract, based on a competitive selection process, has an option for up to two one-year extensions that may be exercised at the Board's discretion pursuant to the original RFP. This proposal is to approve the first one-year extension for the contract.

Resource Impacts

Sufficient funding will exist for this contract upon the transfer of \$160,000 from the BP ARCO Settlement Project Fund (46) to the Legislative, Public Affairs & Media FY 2019-20 Budget, Services and Supplies Major Object, Professional & Specialized Services account.

BOARD MEETING DATE: February 7, 2020

AGENDA NO. 7

PROPOSAL: Approve Contract Modifications as Approved by MSRC

SYNOPSIS: As part of their FYs 2018-21 Work Program, the MSRC approved a contract value increase to the MSRC's Programmatic Outreach Coordinator, Better World Group Advisors, to continue conducting research and outreach in support of Work Program development. Also, as part of their FYs 2016-18 Work Program the MSRC approved a modification to a contract under the Local Government Partnership Program. At this time the MSRC seeks Board approval of contract modifications as part of the FYs 2016-18 and 2018-21 Work Programs.

COMMITTEE: Mobile Source Air Pollution Reduction Review, January 16, 2020;
Recommended for Approval

RECOMMENDED ACTIONS:

1. Approve a \$15,079 contract value increase to existing contract #MS21002 with Better World Group Advisors, the MSRC's Programmatic Outreach Coordinator, for research and outreach in support of Work Program development as part of the FYs 2018-21 Work Program, as described in this letter;
2. Approve modified contract with City of Covina, substituting the installation of one dual-port charging station for two single-port charging stations, as part of approval of the FYs 2016-18 Work Program, as described in this letter;
3. Authorize the Chairman of the Board to execute the modified contracts under the FYs 2016-18 and 2018-21 Work Programs, as described above and in this letter.

Larry McCallon,
Chair, MSRC

MMM:NB:CR

Background

In September 1990, Assembly Bill 2766 was signed into law (Health & Safety Code Sections 44220-44247) authorizing the imposition of an annual \$4 motor vehicle registration fee to fund the implementation of programs exclusively to reduce air pollution from motor vehicles. AB 2766 provides that 30 percent of the annual \$4 vehicle

registration fee subvended to the South Coast AQMD be placed into an account to be allocated pursuant to a work program developed and adopted by the MSRC and approved by the Board.

At its January 16, 2020 meeting, the MSRC considered recommended contract modifications. Details are provided below in the Proposals section.

Proposals

At its January 16, 2020 meeting, the MSRC considered recommendations from its MSRC-TAC and approved the following:

FYs 2018-21 Programmatic Outreach

At their June 20, 2019 meeting, the MSRC approved a proposal from their Programmatic Outreach Coordinator, Better World Group Advisors (BWG), to perform additional research and outreach in support of development of the FYs 2018-21 Work Program. The MSRC authorized the work at a cost not to exceed \$25,165, to be met through a combination of reallocation from other tasks under BWG's Contract #MS16030 and the allocation of an additional \$15,000. Following modification of the contract, a task order was issued in the amount of \$25,165 to authorize the work. In coordination with MSRC staff, BWG has proceeded to participate in meetings and workshops, reach out to potential project partners, and investigate collaborative opportunities. Given staff direction and the potential project partners' schedules, BWG's work has not proceeded as rapidly as originally anticipated. Contract #MS16030 expired on December 31, 2019. BWG requests that their current Contract #MS21002 be increased by \$15,079, the unexpended balance of the task order, so that they can complete this work. The MSRC approved a value augmentation of \$15,079 to BWG's contract #MS21002. BWG will only be paid based upon actual hours expended and direct costs incurred; any funds not expended at the close of the contract will revert to the AB 2766 Discretionary Fund.

FYs 2016-18 Local Government Partnership Program

As part of the FYs 2016-18 Local Government Partnership Program, the MSRC approved an award of \$63,800 to the City of Covina for the procurement of four light-duty zero emission vehicles and installation of two electric vehicle charging stations. The City requested to substitute the installation of one dual-port charging station for the two single-port charging stations. The MSRC considered and approved the City's requested contract modification.

At this time the MSRC requests the South Coast AQMD Board to approve the contract modification as part of approval of the FYs 2016-18 and 2018-21 Work Programs as outlined above.

Resource Impacts

The South Coast AQMD acts as fiscal administrator for the AB 2766 Discretionary Fund Program (Health & Safety Code Section 44243). Money received for this program is recorded in a special revenue fund (Fund 23) and the contracts specified herein will be drawn from this fund.

BOARD MEETING DATE: February 7, 2020

AGENDA NO. 8

REPORT: Legislative, Public Affairs and Media Report

SYNOPSIS: This report highlights the December 2019 outreach activities of the Legislative, Public Affairs and Media Office, which includes Major Events, Community Events/Public Meetings, Environmental Justice Update, Speakers Bureau/Visitor Services, Communications Center, Public Information Center, Business Assistance, Media Relations, and Outreach to Community Groups and Federal, State, and Local Governments.

COMMITTEE: No Committee Review

RECOMMENDED ACTION:
Receive and file.

Wayne Natri
Executive Officer

DJA:FW:LTO:DM:jf:ar

BACKGROUND

This report summarizes the activities of the Legislative, Public Affairs and Media Office for December 2019. The report 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 Community Groups and Governments.

MAJOR EVENTS (HOSTED AND SPONSORED)

Each year South Coast AQMD staff engage in holding and sponsoring a number of major events throughout the South Coast AQMD's four county areas to promote, educate and provide important information to the public regarding reducing air pollution, protecting public health, and improving air quality and the economy.

December 5 and December 12

Staff assisted with organizing and outreach for a Rule 1180 Refinery Community and Fenceline Air Monitoring meeting held in Carson and El Segundo, respectively. The purpose of the meetings was to discuss air monitoring plans related to the implementation of Rule 1180 and solicit feedback.

COMMUNITY EVENTS/PUBLIC MEETINGS

Each year South Coast AQMD staff engage with thousands of residents, providing valuable information about the agency, incentive programs and ways individuals can help reduce air pollution through events and meetings sponsored solely by South Coast AQMD or in partnership with others. Attendees typically receive the following information:

- Tips on reducing their exposure to smog and its health effects;
- Clean air technologies and their deployment;
- Invitations or notices of conferences, seminars, workshops and other public events;
- South Coast AQMD incentive programs;
- Ways to participate in South Coast AQMD's rules and policy development; and
- Assistance in resolving air pollution-related problems.

South Coast AQMD staff attended and/or provided information and updates at the following December 2019 events and meetings:

December 7

Staff presented information on South Coast AQMD at a Los Angeles County Open House event held at City Terrace Park and provided community members with information related to the Los Angeles County Cogen project.

December 14

Staff participated and attended the Los Angeles County Open House event held at City Terrace Elementary School in Los Angeles. The primary purpose for South Coast AQMD participation in the event was to provide community members with information related to the Los Angeles County Cogen project.

ENVIRONMENTAL JUSTICE UPDATE

The following are key environmental justice-related activities in which staff participated throughout the month of December 2019. These events involve communities affected disproportionately from adverse air quality impacts.

December 3

Staff held a subcommittee meeting of the Environmental Justice Community Partnership Inter-Agency Task Force. The meeting focused on the development of staff training for environmental agencies to build on collaboration between agencies, coaching on inter-agency protocol, and best practices. The subcommittee also discussed an outreach plan for the draft Los Angeles County “Who to Call” Guide for Environmental Issues.

December 4

Staff held the fourth quarterly Environmental Justice Community Partnership (EJCP) Advisory Council meeting. Meeting topics included EJCP 2019 accomplishments, as well as the goals and objectives for 2020. An update was provided on the Clean Air Ranger Education (CARE) Program and Inter-Agency Task Force. There also was discussion on the Why Healthy Air Matters (WHAM) High School Program and outreach efforts for South Coast AQMD incentive programs.

December 11

Staff hosted the fourth quarterly Environmental Justice Inter-Agency Task Force meeting in Los Angeles. There were about 15 participating agencies and organizations. Updates on each of the Task Force goals were reviewed and goals for 2020 were discussed.

Staff hosted a joint public workshop with the CARB on concepts to reduce emissions from locomotives and railyards. The meeting was held at San Bernardino Valley Community College and was attended by representatives from the community, AB 617 Community Steering Committee members, environmental justice organizations and health organizations, elected officials, industry, and academia. The meeting focused on gathering input from stakeholders.

SPEAKERS BUREAU/VISITOR SERVICES

South Coast AQMD regularly receives requests for staff to speak on air quality-related issues from a wide variety of organizations, such as trade associations, chambers of commerce, community-based groups, schools, hospitals and health-based organizations. South Coast AQMD also hosts visitors from around the world who meet with staff on a wide range of air quality issues.

December 4

Representatives from the Chinese National Environmental Monitoring Center visited South Coast AQMD. Staff presented information on air quality management strategies, air monitoring stations, and the laboratory.

Staff from the state Bureau of Automotive Repair and Rio Hondo College toured the South Coast AQMD laboratory, fueling and charging stations and a clean car display.

December 10

A group of representatives from Seoul, South Korea Environmental Agency visited South Coast AQMD. Staff presented information on South Coast AQMD, the history of controlling air pollution, new clean air technologies, alternative fuel and clean vehicles.

December 12

Staff participated in Career Night at Bell Gardens High School. The event was organized in an interview format to enable professionals to meet directly with an individual or group of students.

COMMUNICATION CENTER STATISTICS

The Communication Center handles calls on South Coast AQMD’s main line, the 1-800-CUT-SMOG® line, the Spanish line, and after-hours calls to each of those lines. Total calls received in the months of December were:

Calls to South Coast AQMD’s Main Line and 1-800-CUT-SMOG® Line	3,214
Calls to South Coast AQMD’s Spanish-language Line	33
Calls to Clean Air Connections	<u>4</u>
Total Calls	3,251

PUBLIC INFORMATION CENTER STATISTICS

The Public Information Center (PIC) handles phone calls and walk-in requests for general information. Information for the month of December is summarized below:

Calls Received by PIC Staff	138
Calls to Automated System	<u>501</u>
Total Calls	639
Visitor Transactions	182
Email Advisories Sent emails	1,269

BUSINESS ASSISTANCE

South Coast AQMD notifies local businesses of proposed regulations so they can participate in the agency’s rule development process. South Coast AQMD also works with other agencies and governments to identify efficient, cost-effective ways to reduce air pollution and shares that information broadly. Staff provides personalized assistance to small businesses both over the telephone and via on-site consultation, as summarized below for December 2019.

- Provided permit application assistance to 162 companies
- Conducted 2 free on-site consultations
- Processed 81 Air Quality Permit Checklists

Types of businesses assisted:

Auto Body Shops	Gas Stations	Furniture Refinishing Facilities
Auto Repair Centers	Restaurants	Construction Firms
Printing Facilities	Plating Facilities	Architecture Firms
Manufacturing Facilities	Dry Cleaners	Engineering Firms
		Warehouses

MEDIA RELATIONS

The Media Office handles all South Coast AQMD outreach and communications with television, radio, newspapers and all other publications and media operations. December 2019 reports are listed:

Major Media Interactions: 23
Press Releases: 4
Air Quality Advisories Issued: 4

Major Media Topics For December

- American Reclamation Fire — Staff explained the Notice of Violation (NOV) process and referred the reporter to the L.A. Fire Department for further information.
- Air Pollution and Lung Health — USC Annenberg News inquired regarding the effects of air pollution on health and development of children’s lungs. Staff reached out to the reporters for their questions, but the reporters did not follow up.
- Los Angeles and Greenhouse Gases — National Geographic requested the most recent greenhouse gas emissions data for the Los Angeles area. Staff provided the reporter with NOx information.
- Airport Emissions — The Voice of OC submitted a series of questions regarding emissions at John Wayne Airport. Staff responded via email.
- Emissions and Oceangoing Vessels — L.A. Times asked for confirmation that oceangoing vessels were expected to become the leading source of NOx emissions by 2023. Staff provided a PowerPoint presentation on the subject
- Smog in the Basin — PBS requested an interview regarding general information about smog and other air pollution. The interview was conducted on December 13, 2019 with Bradley Whitaker.
- Air Quality and Strategies for Combatting Pollution — KBS requested an interview on California’s strategies for addressing air quality problems. Staff is working with the reporter to schedule an interview.

- Check Before You Burn — KDOC and KPCC requested interviews regarding health effects of wood smoke and the Check Before You Burn program. An interview was held with KPCC on December 18, 2019; Staff is arranging an interview with KDOC for early January.
- Allenco — LA Taco inquired about complaints regarding Allenco and the NOV's and Notices to Comply issued to that site. Staff provided the information.
- Commercial Harbor Craft Technology Assessment — National Fisherman inquired about a 2015 draft report on commercial harbor craft, but canceled the story.
- Coachella Energy Efficiency Event — NBC Palm Springs, CBS/FOX/ABC Palm Springs, Telemundo and Univision attended this event highlighting the home energy upgrade program. Staff met with reporters at the event.
- Odors — The Long Beach Report inquired about a possible odor event occurring in Long Beach on December 24, 2019. Staff confirmed complaint information and forwarded to the reporter.
- No-Burn Maps — A freelance reporter inquired about a map included on the No-Burn Alert for December 12, 2019. Staff provided the requested information.
- Check Before You Burn — News pitches were picked up by CBS/NBC LA, KNX and Patch for No Burn Days December 28 – December 29, 2019.

News Releases and Announcements

- No-Burn Day - Mandatory Wood-Burning Ban In Effect For Residents Of The South Coast Air Basin – December 3, 2019
- Supervisor Kathryn Barger Joins South Coast AQMD Governing Board - December 6, 2019
- \$30 Million Now Available for Trucks, Switcher Locomotives and Marine Vessels in California - December 6, 2019
- No-Burn Day - Mandatory Wood-Burning Ban In Effect For Residents Of The South Coast Air Basin - December 10, 2019
- No-Burn Day - Mandatory Wood-Burning Ban In Effect For Residents Of The South Coast Air Basin - December 11, 2019
- South Coast AQMD Launches New Refinery Flare Notification System - December 13, 2019
- Supervisor Perez and Assemblymember Garcia held a Press Conference on Energy Efficiency Upgrade Program on Wednesday - December 16, 2019

- No-Burn Day - Mandatory Wood-Burning Ban In Effect For Residents Of The South Coast Air Basin - December 28, 2019

Media/Google Campaign:

- During the month of December, the *Right to Breathe* Google Ads played 3,066,194 times (impressions), received 1,392,046 Views (counted when users watch at least 30 seconds of the ad), and were clicked 6,430 times.
- During the month of December there were 4,348 people in Tier 1 & Tier 2 regions watched the *Check Before You Burn* video advertisement as a result of Facebook hypertargeting.

Check Before You Burn

Thirteen no-burn days have been declared since November 1, 2019

Social Media Notable posts:

Daimler Clean Air Awards Video (December 5, 2019): 2,153 Twitter Impressions

VW Press Release (December 6, 2019): 2,642 Twitter Impressions

Gov Board Barger Sworn In (December 5, 2019): 2,032 Twitter Impressions

Check Before You Burn Reminder (December 10, 2019): 2,019 Facebook Users Reached (885 from paid boost)

Check Before You Burn (December 11, 2019): 5,646 Twitter Impressions

Clean Air Awards Video: Dr. Jill Johnston (December 13, 2019): 2,642 Twitter Impressions

Check Before You Burn infographic (December 17, 2019): 3,049 Twitter Impressions

#CleanCarFactFriday (December 20, 2019): 1,448 Twitter Impressions

Check Before You Burn map graphic (December 26, 2019): 1,504 Twitter impressions

Check Before You Burn Announce (December 27, 2019): 6,751 Twitter Impressions

Check Before You Burn Announce (December 27, 2019): 2,831 Facebook Users Reached

Check Before You Burn Ext Reminder (December 29, 2019): 3,809 Twitter Impressions

OUTREACH TO COMMUNITY GROUPS AND FEDERAL, STATE, AND LOCAL GOVERNMENTS

Field visits and/or communications in December 2019 were conducted with elected officials or staff from the following cities:

Big Bear	Huntington Beach	San Gabriel
Carson	Irwindale	Santa Ana
City of Industry	Jurupa Valley	South El Monte
Claremont	La Verne	South Pasadena
Colton	Laguna Niguel	Temple City
Duarte	Lake Forest	Torrance
El Monte	Manhattan Beach	Tustin
El Segundo	Monrovia	Twentynine Palms
Fontana	Ontario	Walnut
Fullerton	Pomona	West Covina
Hermosa Beach	Rosemead	

Visits and/or communications were conducted in December 2019 with elected officials and/or staff from the following state and federal offices:

- U.S. Representative Nanette Barragan
- U.S. Senator Dianne Feinstein
- U.S. Representative Harley Rouda
- U.S. Representative Mark Takano
- Senator Ben Allen
- Senator Bob Archuleta
- Senator Holly Mitchell
- Senator John Moorlach
- Senator Lena Gonzalez
- Senator Richard Roth
- Senator Susan Rubio
- Assemblymember Sabrina Cervantes
- Assemblymember Tyler Diep
- Assemblymember Cristina Garcia
- Assemblymember Eduardo Garcia
- Assemblymember Cottie Petrie-Norris
- Assemblymember Blanca Rubio

Staff represented South Coast AQMD in December 2019 and/or provided updates or a presentation to the following governmental agencies and business organizations:

Bell Gardens Department of Recreation and Community Services
Bureau of Automotive Repair
Green Zone Alliance
Huntington Beach Chamber of Commerce
Inland Action
Inland Empire Resource Conservation District
Los Angeles County Metropolitan Transportation Authority
Oak Glenn Growers Association
Omnitrans, San Bernardino

Orange County Business Council
Riverside County Board of Supervisors
Riverside County Department of Health
San Bernardino Board of Supervisors
San Bernardino County Transportation Authority
Sempra Energy
South Gate Chamber of Commerce
South Pasadena Chamber of Commerce
Southern California Edison
Tustin Chamber of Commerce
Union Pacific
United States Department of Agriculture
Valley Industry Commerce Association
Western States Petroleum Association

Staff represented South Coast AQMD in December 2019 and/or provided updates or a presentation to the following community and educational groups and organizations:

Alianza, Coachella Valley
Alta Loma Unified School District
American Cancer Society
Association of School Administrators
California School Board Association
Coachella Valley Environmental Justice Task Force
Healthy Jurupa Valley
Loma Linda University
Move LA
Reach Out Jurupa Valley
Southeast Los Angeles Collaborative

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BOARD MEETING DATE: February 7, 2020

AGENDA NO. 9

REPORT: Hearing Board Report

SYNOPSIS: This reports the actions taken by the Hearing Board during the period of December 1 through December 31, 2019.

COMMITTEE: No Committee Review

RECOMMENDED ACTION:
Receive and file.

Julie Prussack
Chairman of Hearing Board

ft

Two summaries are attached: **December 2019 Hearing Board Cases and Rules From Which Variances and Orders for Abatement Were Requested in 2019**. An index of South Coast AQMD Rules is also attached.

The total number of appeals filed during the period December 1 to December 31, 2019 is 0; and total number of appeals filed during the period of January 1 to December 31, 2019 is 3.

Report of December 2019 Hearing Board Cases

Case Name and Case No. (South Coast AQMD Attorney)	Rules	Reason for Petition/Hearing	South Coast AQMD Position/Hearing Board Action	Type and Length of Variance or Order	Excess Emissions
1. Air Liquide Large Industries, U.S. LP Case No. 5705-9 (D. Hsu)	203(b) 2004(f)(1) 3002(c)(1)	Ammonia CEMS unexpectedly and suddenly failed.	Not Opposed/Granted	Ex Parte EV granted commencing 12/26/19 and continuing for 30 days or until 1/18/20, whichever comes first.	NOx: TBD by 1/11/20 NH3: TBD by 1/11/20
2. Berry Petroleum Company Case No. 5364-4 (D. Hsu)	203(b) 2004(f)(1) 2012 3002(c)(1)	Petitioner unable to conduct required annual RATA test on non- operational boiler.	Not Opposed/Dismissed	Ex Parte EV dismissed without prejudice for lack of good cause.	N/A
3. City of San Bernardino Municipal Water District Case No. 6124-1 (S. Hanizavareh)	N/A	Status Report	No Action	The Hearing Board received a status report detailing petitioner's progress with the conditions and increments of progress of the existing variance.	N/A
4. OC Waste & Recycling Case No. 6151-2 (K. Roberts)	203(b) 1303(b)(2) 3002(c)(1)	Petitioner sought to continue operating landfill gas collection and control system while remediating failed PM-10 source test from Flare #2.	Opposed/Dismissed	IV dismissed without prejudice.	N/A
5. S & C Oil Co Inc. and JP Resources Inc. Case No. 6165-1 (M. Reichert)	203(b) 463(c) 1148.1(d)(8) 1173(d)(1)(B)	Due to recent changes in fuel specifications, petitioner's gas which is transported and used by a third party is unable to be processed.	Not Opposed/No Action	No action was taken by the Board on the IV because the motion failed for lack of three concurring votes.	N/A

Case Name and Case No. (South Coast AQMD Attorney)	Rules	Reason for Petition/Hearing	South Coast AQMD Position/Hearing Board Action	Type and Length of Variance or Order	Excess Emissions
6. South Coast AQMD vs. John Esposito Porsche Case No. 6164-1 (K. Roberts)	203(a)	Respondent operating a paint spray booth without a valid permit to operate.	Not Stipulated/Issued	O/A issued commencing 12/19/19; the Hearing Board shall retain jurisdiction over this matter until 2/29/20.	N/A
7. South Coast AQMD vs. Lubeco Inc. Case No. 6089-2 (Consent Calendar; No Appearance)	1402(g)(2)(C) 1469(h)(4)(C)(i)	Respondent failed to implement and install all risk reduction measures required in its Early Action Reduction Plan.	Stipulated/Issued	O/A issued commencing 12/4/19 and continuing until compliance is achieved.	N/A
8. Southern California Edison Case No. 1262-112 (M. Reichert)	203(b) 3002(c)(1)	Petitioner is unable to complete repairs in time to conduct source test within required time frame.	Not Opposed/Granted	IV granted commencing 1/1/20 and continuing for 90 days or until the SV hearing currently scheduled for 1/14/20, whichever comes first.	None

Acronyms

CARB: California Air Resources Board
 CEMS: Continuous Emissions Monitoring System
 CO: Carbon Monoxide
 EV: Emergency Variance
 FCD: Final Compliance Date
 GDF: Gasoline Dispensing Facility
 H&S: Health and Safety Code
 ICE: Internal Combustion Engine
 IV: Interim Variance
 Mod. O/A: Modification Order for Abatement
 N/A: Not Applicable
 NH3: Ammonia
 NOx: Oxides of Nitrogen
 O/A: Order for Abatement
 P/C: Permit to Construct
 PM: Particulate Matter
 PM-10: Particulate Matter ≤ 10 microns
 PPM: Parts Per Million
 RATA: Relative Accuracy Test Audit
 RV: Regular Variance
 SV: Short Variance
 SOx: Oxides of Sulfur
 TBD: To Be Determined
 VOC: Volatile Organic Compounds

Rules from which Variances and Orders for Abatement were Requested in 2019														
	2019	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total Actions
109(c)(1)								1						1
201			1											1
202(a)											1			1
202(c)			1					1						2
203(a)			1		1		1	1		1			1	6
203(b)		1	3	6	5	7	2	2	2	3	13	9	5	58
401(b)											1			1
401(b)(1)											2	1		3
401(b)(1)(B)									1					1
405(a)											1			1
407								1						1
407(a)												1		1
415(d)(1)(B)(ii)							1				1			2
415(d)(1)(C)(ii)							1				1			2
415(e)(1)							1				1			2
415(e)(5)							1				1			2
415(e)(6)							1				1			2
461(c)(1)(A)			2					1						3
461(c)(2)(A)			2											2
461(c)(3)(P)			2											2
461(e)(5)							1	1						2
463(c)											1	1	1	3
463(c)(2)						2	1							3
463(c)(3)											2			2
463(e)(4)						2	1							3
463(f)(1)(C)						2	1							3
1110.2(d)(1)(F)									1					1
1110.2(d)(1)(L)				1										1
1110.2(h)									1					1
1110.2(i)(1)(B)											2			2
1110.2(i)(1)(J)				1										1
1111											5	2		7
1111(c)(4)										1				1
1146(c)(5)											1			1
1147			1											1
1147(c)(1)					1									1
1148.1(d)(8)											3	1	1	5
1150.1(d)(1)(C)(i)						1								1
1150.1(d)(8)											2			2
1150.1(d)(10)											2			2
1150.1(d)(11)											2			2
1150.1(d)(12)											2			2
1150.1(d)(14)											3	2		5
1150.1(d)(16)												2		2
1150.1(d)(20)											2			2
1150.1(e)(1)											3	2		5
1150.1(e)(2)											1	2		3
1150.1(e)(2)(B)											2			2
1150.1(e)(2)(C)											2			2
1150.1(e)(3)											1	2		3
1150.1(e)(3)(B)											2			2

Rules from which Variances and Orders for Abatement were Requested in 2019

	2019	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total Actions
1150.1(e)(3)(C)											2			2
1150.1(e)(4)											3	2		5
1150.1(e)(4)(A)											2			2
1150.1(e)(4)(B)											2			2
1150.1(e)(7)											3	2		5
1150.1(e)(7)(C)											2			2
1150.1(f)(1)(A)											1	2		3
1150.1(f)(1)(A)(iii)(I)											2			2
1150.1(f)(1)(B)											3	2		5
1150.1(f)(1)(C)											1	2		3
1150.1(f)(1)(E)											1	2		3
1150.1(f)(1)(G)											1	2		3
1150.1(f)(1)(L)											3	2		5
1150.1(f)(2)(A)								1						1
1158(d)(2)						2	1							3
1173(d)(1)(B)											1	1	1	3
1178(d)(2)						2	1							3
1178(g)						1								1
1178(h)(2)						1	1							2
1178(h)(4)			1											1
1196											1			1
1303								1						1
1303(a)								1						1
1303(b)					1									1
1303(b)(2)													1	1
1402(g)(2)(C)													1	1
1420.2(g)(3)(B)										1				1
1430				1							1			2
1430(d)(8)			1											1
1430(e)(2)								1						1
1469(h)(4)(C)(i)													1	1
1470(c)(2)(C)(iv)(I)		1			1	3	2			1				8
2004(f)(1)										1	1	3	2	7
2012													1	1
2202(a)										1				1
2202(b)										1				1
2202(e)										1				1
2202(l)		1			1	5	2		2	1		3		15
3002(c)(1)									1		4		4	9
H&S 41701			1								3	1		5
H&S 41960.2			1											1

**SOUTH COAST AQMD RULES AND REGULATIONS INDEX
FOR 2019 HEARING BOARD CASES AS OF DECEMBER 31, 2019**

REGULATION I – GENERAL PROVISIONS

Rule 109 Recordkeeping for Volatile Organic Compound Emissions

REGULATION II – PERMITS

Rule 201 Permit to Construct
Rule 202 Temporary Permit to Operate
Rule 203 Permit to Operate

REGULATION IV – PROHIBITIONS

Rule 401 Visible Emissions
Rule 405 Solid Particulate Matter - Weight
Rule 407 Liquid and Gaseous Air Contaminants
Rule 415 Odors from Animal Rendering Facilities
Rule 461 Gasoline Transfer and Dispensing
Rule 463 Organic Liquid Storage

REGULATION XI - SOURCE SPECIFIC STANDARDS

Rule 1110.2 Emissions from Gaseous- and Liquid-Fueled Engines
Rule 1111 Reduction of NOx Emissions from Natural-Gas-Fired, Fan-Type Central Furnaces
Rule 1147 NOx Reductions from Miscellaneous Sources
Rule 1148.1 Oil and Gas Production Wells
Rule 1150.1 Control of Gaseous Emissions from Municipal Solid Waste Landfills
Rule 1153.1 Emissions of Oxides of Nitrogen from Commercial Food Ovens
Rule 1158 Storage, Handling, and Transport of Coke, Coal and Sulfur
Rule 1173 Control of Volatile Organic Compound Leaks and Releases from Components at Petroleum Facilities and Chemical Plants

Rule 1178 Further Reductions of VOC Emissions from Storage Tanks at Petroleum Facilities
Rule 1196 Clean On-Road Heavy-Duty Public Fleet Vehicles

REGULATION XIII – NEW SOURCE REVIEW

Rule 1303 Requirements

REGULATION XIV – TOXICS

Rule 1402 Control of Toxic Air Contaminants from Existing Sources

Rule 1420.2 Emission Standards for Lead from Metal Melting Facilities

Rule 1430 Control of Emissions from Metal Grinding Operations at Metal Forging Facilities

Rule 1469 Hexavalent Chromium Emissions from Chromium Electroplating and Chromic Acid Anodizing Operations

Rule 1470 Requirements for Stationary Diesel-Fueled Internal Combustion and Other Ignition Engines

REGULATION XX - REGIONAL CLEAN AIR INCENTIVES MARKET (RECLAIM)

Rule 2004 Requirements

Rule 2012 Requirements for Monitoring, Reporting, and Recordkeeping for Oxides of Nitrogen (NOx) Emissions

REGULATION XXII - ON-ROAD MOTOR VEHICLE MITIGATION

Rule 2202 On-Road Motor Vehicle Mitigation Options

REGULATION XXX - TITLE V PERMITS

Rule 3002 Requirements

CALIFORNIA HEALTH AND SAFETY CODE

§41701 Restricted Discharges

§41960.2 Maintenance of Vapor Control System

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BOARD MEETING DATE: February 7, 2020

AGENDA NO. 10

REPORT: Civil Filings and Civil Penalties Report

SYNOPSIS: This reports the monthly penalties from December 1, 2019 through December 31, 2019, and legal actions filed by the General Counsel's Office from December 1 through December 31, 2019. An Index of South Coast AQMD Rules is attached with the penalty report.

COMMITTEE: Stationary Source, January 24, 2020, Reviewed

RECOMMENDED ACTION:
Receive and file.

Bayron T. Gilchrist
General Counsel

BTG:ew

There are no Civil Filings for December 2019

Attachments

December 2019 Penalty Report

Index of South Coast AQMD Rules and Regulations

**SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
General Counsel's Office**

December 2019 Settlement Penalty Report

<u>Total Penalties</u>	
Civil Settlements:	\$308,400.00
MSPAP Settlements:	\$26,025.00
Hearing Board Settlements:	\$25,000.00
Total Cash Settlements:	\$359,425.00
Total SEP Value:	\$0.00

Fiscal Year through 12 / 2019 Cash Total:	\$9,563,084.86
Fiscal Year through 12 / 2019 SEP Value Only Total:	\$0.00

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbr	Total Settlement
Civil Settlements						
800196	AMERICAN AIRLINES, INC,	2004	12/17/2019	NSF	P66178	\$1,500.00
146336	AURORA LAS ENCINAS BEHAVIORAL HEALTHCARE	2202	12/18/2019	DH	P66956 P67018	\$27,000.00
800181	CALIFORNIA PORTLAND CEMENT CO	2004	12/26/2019	NSF	P64394	\$5,000.00
62649	CALIFORNIA PORTLAND CEMENT CO.	403	12/26/2019	NSF	P67104 P67115	\$5,000.00
137997	CANAY MFG., POWDER COATING PLUS, DBA	203(a) 1147	12/27/2019	NSF	P66155	\$7,500.00
110146	ECOLOGY CONTROL INDUSTRIES	402 H&S 41700	12/12/2019	KER	P65415	\$4,000.00

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbr	Total Settlement
800066	HITCO CARBON COMPOSITES INC	2004(f)(1) 3002(c)(1) 3003	12/6/2019	BST	P66860	\$3,900.00
11245	HOAG HOSPITAL	3002(c)(1)	12/19/2019	KCM	P64089	\$3,500.00
173061	SLAUSON @DEANE INC.	203	12/18/2019	KER	P68421 P68435	\$1,500.00
18931	TAMCO	221 1420.2 2004 2011 2012 3002	12/17/2019	NSF	P64426 P64428 P64859 P66111 P69702	\$182,500.00
800436	TESORO REFINING AND MARKETING CO, LLC	1173 1176(e)(1)	12/10/2019	NSF	P63366	\$15,000.00
800436	TESORO REFINING AND MARKETING CO, LLC	2004	12/10/2019	NSF	P60589	\$10,000.00
11119	THE GAS CO./ SEMPRA ENERGY	2004	12/4/2019	NSF	P67369	\$1,500.00
156547	THE VUE	203(a) 222 1146.2 1415 1470	12/6/2019	KER	P68066 P68068	\$5,500.00
175187	VENICE BAKING, TORRANCE FACILITY <i>Other related matter: HB Case# 6144-1</i>	202(a) 203(a)	12/17/2019	KCM	P65071	\$32,500.00

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbr	Total Settlement
187213	XEBEC CONSTRUCTION	1403	12/3/2019	NSF	P66417	\$2,500.00

Total Civil Settlements: \$308,400.00

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbr	Total Settlement
MSPAP Settlements						
189175	ADVANCED STRUCTURAL BUILDERS DBA ASB	1403 40 CFR 60, QQQ	12/18/2019	GC	P67463	\$1,600.00
177872	APRO LLC DBA UNITED OIL #103	203	12/27/2019	GC	P68411	\$1,700.00
115339	ARCO DLR, JOHNY'S ARCO, JOHNY BOULOS	461 H&S 41960.2	12/18/2019	GC	P68120	\$1,200.00
5663	CUSTOM CONTROL SENSORS INC	203(b)	12/18/2019	GC	P65588	\$800.00
58842	FELBRO, INC.	203(b)	12/18/2019	GC	P65271	\$1,000.00
46888	G & M OIL CO, LLC #23	461 H&S 41960.2	12/18/2019	GC	P67671	\$3,000.00
182842	G&M OIL COMPANY #77	461	12/19/2019	GC	P67216	\$2,975.00
148693	JIMENEZ DEMOLITION	1403	12/19/2019	GC	P65940	\$900.00
150554	MONTECITO MEMORIAL PARK	461	12/19/2019	TF	P68704	\$500.00
11218	ORANGE CO, CENTRAL UTILITY FACILITY	203(b)	12/19/2019	TF	P68566	\$800.00
14037	PHILATRON INTL	203(b)	12/19/2019	TF	P65863	\$1,600.00
49898	PORTOFINO OASIS MARINE FUELS	203(b) 461(c)(3)(Q)	12/27/2019	TF	P69503	\$2,000.00
190009	R.I.C. CONSTRUCTION CO., INC.	403	12/19/2019	TF	P59286	\$2,400.00
181758	RUDOLPH FOODS WEST, INC.	202	12/18/2019	TF	P68265	\$1,600.00

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbr	Total Settlement
114083	SOLUTIONS UNLIMITED, WILSON'S ART STUDIO	3002(c)(1)	12/27/2019	TF	P68756	\$500.00
48716	SUNRISE COUNTRY CLUB	203 461	12/27/2019	TF	P68261	\$800.00
152067	TESORO REFINING & MKTN RIMPCO.	461 H&S 41960.2	12/27/2019	TF	P67693	\$800.00
180478	US GASOLINE #2 INC	461	12/19/2019	GV	P67686	\$1,350.00
180478	US GASOLINE #2 INC	461(c)(3)(Q)	12/19/2019	GV	P67694	\$500.00

Total MSPAP Settlements: \$26,025.00

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbr	Total Settlement
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Hearing Board Settlements

104234	MISSION FOODS CORPORATION	202 203(b) 1153.1 1303	12/26/2019	KCM	5400-4	\$25,000.00
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Total Hearing Board Settlements: \$25,000.00

SOUTH COAST AQMD'S RULES AND REGULATIONS INDEX FOR DECEMBER 2019 PENALTY REPORT

REGULATION II - PERMITS

- Rule 202 Temporary Permit to Operate
- Rule 203 Permit to Operate
- Rule 221 Plans
- Rule 222 Filing Requirements for Specific Emission Sources Not Requiring a Written Permit Pursuant to Regulation II

REGULATION IV - PROHIBITIONS

- Rule 402 Nuisance
- Rule 403 Fugitive Dust - Pertains to solid particulate matter emitted from man-made activities
- Rule 461 Gasoline Transfer and Dispensing

REGULATION XI - SOURCE SPECIFIC STANDARDS

- Rule 1146.2 Emissions of Oxides of Nitrogen from Large Water Heaters and Small Boilers
- Rule 1147 NOx Reductions from Miscellaneous Sources
- Rule 1153.1 Emissions of Oxides of Nitrogen from Commercial Food Ovens
- Rule 1173 Fugitive Emissions of Volatile Organic Compounds
- Rule 1176 Sumps and Wastewater Separators

REGULATION XIII - NEW SOURCE REVIEW

- Rule 1303 Requirements

REGULATION XIV - TOXICS

- Rule 1403 Asbestos Emissions from Demolition/Renovation Activities
- Rule 1415 Reduction of Refrigerant Emissions from Stationary Refrigeration and Air Conditioning Systems
- Rule 1420.2 Emission Standards for Lead from Metal Melting Facilities
- Rule 1470 Requirements for Stationary Diesel-Fueled Internal Combustion and Other Compression Ignition Engines

REGULATION XX - REGIONAL CLEAN AIR INCENTIVES MARKET (RECLAIM)

- Rule 2004 RECLAIM Program Requirements
- Rule 2011 Requirements for Monitoring, Reporting, and Recordkeeping for Oxides of Sulfur (SOx) Emissions
- Rule 2012 Requirements for Monitoring, Reporting, and Recordkeeping for Oxides of Nitrogen (NOx) Emissions

REGULATION XXII ON-ROAD MOTOR VEHICLE MITIGATION

- Rule 2202 On-Road Motor Vehicle Mitigation Options

REGULATION XXX - TITLE V PERMITS

Rule 3002 Requirements for Title V Permits
Rule 3003 Applications

CALIFORNIA HEALTH AND SAFETY CODE

41700 Violation of General Limitations
41960.2 Gasoline Vapor Recovery

CODE OF FEDERAL REGULATIONS

40 CFR 60, QQQ – Standards of Performance for VOC Emissions from Petroleum Refinery Wastewater

BOARD MEETING DATE: February 7, 2020

AGENDA NO. 11

REPORT: Lead Agency Projects and Environmental Documents Received

SYNOPSIS: This report provides a listing of CEQA documents received by the South Coast AQMD between December 1, 2019 and December 31, 2019, and those projects for which the South Coast AQMD is acting as lead agency pursuant to CEQA.

COMMITTEE: Mobile Source, January 24, 2020, Reviewed

RECOMMENDED ACTION:
Receive and file.

Wayne Nastri
Executive Officer

PF:SN:JW:LS:JI

CEQA Document Receipt and Review Logs (Attachments A and B) – Each month, the South Coast AQMD receives numerous CEQA documents from other public agencies on projects that could adversely affect air quality. A listing of all documents received during the reporting period December 1, 2019 through December 31, 2019 is included in Attachment A. A list of active projects from previous reporting periods for which South Coast AQMD staff is continuing to evaluate or has prepared comments is included in Attachment B. A total of 64 CEQA documents were received during this reporting period and 20 comment letters were sent.

The Intergovernmental Review function, which consists of reviewing and commenting on the adequacy of the air quality analysis in CEQA documents prepared by other lead agencies, is consistent with the Board's 1997 Environmental Justice Guiding Principles and Environmental Justice Initiative #4. As required by the Environmental Justice Program Enhancements for FY 2002-03, approved by the Board in October 2002, each attachment notes proposed projects where the South Coast AQMD has been contacted regarding potential air quality-related environmental justice concerns. The South Coast AQMD has established an internal central contact to receive information on projects with

potential air quality-related environmental justice concerns. The public may contact the South Coast AQMD about projects of concern by the following means: in writing via fax, email, or standard letters; through telephone communication; and as part of oral comments at South Coast AQMD meetings or other meetings where South Coast AQMD staff is present. The attachments also identify, for each project, the dates of the public comment period and the public hearing date, if applicable. Interested parties should rely on the lead agencies themselves for definitive information regarding public comment periods and hearings as these dates are occasionally modified by the lead agency.

At the January 6, 2006 Board meeting, the Board approved the Workplan for the Chairman's Clean Port Initiatives. One action item of the Chairman's Initiatives was to prepare a monthly report describing CEQA documents for projects related to goods movement and to make full use of the process to ensure the air quality impacts of such projects are thoroughly mitigated. In response to describing goods movement, CEQA documents (Attachments A and B) are organized to group projects of interest into the following categories: goods movement projects; schools; landfills and wastewater projects; airports; general land use projects, etc. In response to the mitigation component, guidance information on mitigation measures was compiled into a series of tables relative to: off-road engines; on-road engines; harbor craft; ocean-going vessels; locomotives; fugitive dust; and greenhouse gases. These mitigation measure tables are on the CEQA webpages portion of the South Coast AQMD's website at: <http://www.aqmd.gov/home/regulations/ceqa/air-quality-analysis-handbook/mitigation-measures-and-control-efficiencies>. Staff will continue compiling tables of mitigation measures for other emission sources.

Staff focuses on reviewing and preparing comments for projects: where the South Coast AQMD is a responsible agency; that may have significant adverse regional air quality impacts (e.g. special event centers, landfills, goods movement); that may have localized or toxic air quality impacts (e.g. warehouse and distribution centers); where environmental justice concerns have been raised; and which a lead or responsible agency has specifically requested South Coast AQMD review. If staff provided written comments to the lead agency as noted in the column "Comment Status," there is a link to the "South Coast AQMD Letter" under the Project Description. In addition, if staff testified at a hearing for the proposed project, a notation is provided under the "Comment Status." If there is no notation, then staff did not provide testimony at a hearing for the proposed project.

During the period December 1, 2019 through December 31, 2019, the South Coast AQMD received 64 CEQA documents. Attachment B lists documents that are ongoing active projects. Of the 83 documents listed in Attachments A and B:

- 20 comment letters were sent;
- 30 documents were reviewed, but no comments were made;
- 25 documents are currently under review;
- 0 document did not require comments (e.g., public notices);
- 0 documents were not reviewed; and
- 8 documents were screened without additional review.

(The above statistics are from December 1, 2019 to December 31, 2019, and may not include the most recent “Comment Status” updates in Attachments A and B.)

Copies of all comment letters sent to lead agencies can be found on the South Coast AQMD’s CEQA webpage at the following internet address:
<http://www.aqmd.gov/home/regulations/ceqa/commenting-agency>.

South Coast AQMD Lead Agency Projects (Attachment C) – Pursuant to CEQA, the South Coast AQMD periodically acts as lead agency for stationary source permit projects. Under CEQA, the lead agency is responsible for determining the type of CEQA document to be prepared if the proposal for action is considered to be a “project” as defined by CEQA. For example, an Environmental Impact Report (EIR) is prepared when the South Coast AQMD, as lead agency, finds substantial evidence that the project may have significant adverse effects on the environment. Similarly, a Negative Declaration (ND) or Mitigated Negative Declaration (MND) may be prepared if the South Coast AQMD determines that the project will not generate significant adverse environmental impacts, or the impacts can be mitigated to less than significance. The ND and MND are written statements describing the reasons why projects will not have a significant adverse effect on the environment and, therefore, do not require the preparation of an EIR.

Attachments C to this report summarizes the active projects for which the South Coast AQMD is lead agency and is currently preparing or has prepared environmental documentation. As noted in Attachment C, the South Coast AQMD continued working on the CEQA documents for two active projects during December.

Attachments

- A. Incoming CEQA Documents Log
- B. Ongoing Active Projects for Which South Coast AQMD Has or Will Conduct a CEQA Review
- C. Active South Coast AQMD Lead Agency Projects

**ATTACHMENT A
INCOMING CEQA DOCUMENTS LOG
December 1, 2019 to December 31, 2019**

SOUTH COAST AQMD LOG-IN NUMBER PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<i>Industrial and Commercial</i> LAC191227-10 Inglewood Basketball and Entertainment Center	The proposed project consists of construction of a 915,000-square-foot entertainment center with 18,000 fixed seats and up to 500 temporary seats on 27 acres. The project will also include a hotel with 150 rooms. The project is located on the southeast corner of South Prairie Avenue and West Century Boulevard. Reference LAC180411-01 Comment Period: 12/27/2019 - 2/10/2020 Public Hearing: N/A	Notice of Availability of a Draft Environmental Impact Report	City of Inglewood	** Under review, may submit written comments
<i>Industrial and Commercial</i> ORC191205-01 Vans Headquarters Expansion	The proposed project consists of construction of a 91,032-square-foot office building on 15 acres. The project is located at 1588 South Coast Drive on the northeast corner of South Coast Drive and Hyland Avenue. Comment Period: 11/20/2019 - 12/9/2019 Public Hearing: 12/12/2019	Notice of Intent to Adopt a Mitigated Negative Declaration	City of Costa Mesa	Document reviewed - No comments sent
<i>Industrial and Commercial</i> RVC191217-03 Agua Mansa Commerce Park Specific Plan	The proposed project consists of construction of 4,216,000 square feet of industrial uses, 264,000 square feet of business and retail uses, and 70.9 acres of open space on 302.8 acres. The project is located on the southeast corner of Rubidoux Boulevard and El Rivino Road. Reference RVC181219-07, RVC181023-01, RVC180509-01, RVC180503-05, RVC171128-09, RVC170705-15, RVC161216-03, and RVC161006-06 Comment Period: 12/17/2019 - 1/31/2020 Public Hearing: N/A	Draft Environmental Impact Report	City of Jurupa Valley	** Under review, may submit written comments
<i>Industrial and Commercial</i> RVC191227-06 Pennington Industrial Project	The proposed project consists of construction of three industrial buildings totaling 91,140 square feet on 5.01 acres. The project is located on the southeast corner of Chaney Street and Minthorn Street. Comment Period: 12/23/2019 - 1/21/2020 Public Hearing: 2/4/2020	Notice of Intent to Adopt a Mitigated Negative Declaration	City of Lake Elsinore	** Under review, may submit written comments

- Project has potential environmental justice concerns due to the nature and/or location of the project.

** Disposition may change prior to Governing Board Meeting

Documents received by the CEQA Intergovernmental Review program but not requiring review are not included in this report.

**ATTACHMENT A
INCOMING CEQA DOCUMENTS LOG
December 1, 2019 to December 31, 2019**

SOUTH COAST AQMD LOG-IN NUMBER PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<i>Industrial and Commercial</i> RVC191231-01 Palomino Business Park	This document includes the tribal cultural resources analysis for the proposed project. The proposed project consists of demolition of 36 existing residential units and warehouses, and construction of 2,050,000 square feet of industrial, commercial, and office uses on 110 acres. The project is located on the southeast corner of Second Street and Pacific Avenue. Reference RVC191119-02 and RVC190402-02 Comment Period: 12/27/2019 - 2/10/2020 Public Hearing: N/A	Recirculated Draft Environmental Impact Report	City of Norco	Document reviewed - No comments sent
<i>Industrial and Commercial</i> SBC191210-07 Grand Terrace Trailer/Container Storage Project	The proposed project consists of construction of a truck yard facility with 650 trailer parking spaces and a 4,800-square-foot building on 21.92 acres. The project is located near the northeast corner of Railroad Access Road and Terrace Avenue. Comment Period: 12/6/2019 - 12/27/2019 Public Hearing: 2/13/2020	Notice of Intent to Adopt a Mitigated Negative Declaration	City of Grand Terrace	Document reviewed - No comments sent
<i>Waste and Water-related</i> ALL191217-08 Adoption of Regulations to Implement SB 1383 - Short Lived Climate Pollutants Organic Waste Methane Emission Reduction Requirements	The proposed project consists of addition of Chapter 12 - Short-lived Climate Pollutants to the California Code of Regulations, Title 14, Division 7, and Title 27, Division 2 to implement and/or modify organic waste handling, processing, and disposal requirements pursuant to Senate Bill 1383 requirements. Reference ALL190801-10 and ALL190104-03 Comment Period: N/A Public Hearing: N/A	Final Environmental Impact Report	California Department of Resources Recycling and Recovery	Document reviewed - No comments sent
<i>Waste and Water-related</i> LAC191213-01 Haynes Generating Station Intake Channel Infill Project	The proposed project consists of filling of a 2,150-foot channel 30 feet to 165 feet in width and 27 feet to 29 feet in depth on 160 acres. The project is located at 6801 East Second Street near the northeast corner of East Second Street and San Gabriel River in the City of Long Beach. Comment Period: 12/12/2019 - 1/24/2020 Public Hearing: N/A	Notice of Intent to Adopt a Mitigated Negative Declaration	City of Los Angeles Department of Water and Power	Document reviewed - No comments sent

- Project has potential environmental justice concerns due to the nature and/or location of the project.

** Disposition may change prior to Governing Board Meeting

Documents received by the CEQA Intergovernmental Review program but not requiring review are not included in this report.

**ATTACHMENT B
ONGOING ACTIVE PROJECTS FOR WHICH SOUTH COAST AQMD HAS
OR IS CONTINUING TO CONDUCT A CEQA REVIEW**

SOUTH COAST AQMD LOG-IN NUMBER PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<i>Warehouse & Distribution Centers</i> LAC191119-03 Greenleaf Business Center	The proposed project consists of construction of a 216,500-square-foot warehouse on 25.33 acres. The project is located on the northwest corner of Greenleaf Avenue and Los Nietos Road. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2019/december/LAC191119-03.pdf Comment Period: 11/18/2019 - 12/17/2019 Public Hearing: 1/13/2020	Mitigated Negative Declaration	City of Santa Fe Springs	South Coast AQMD staff commented on 12/12/2019
<i>Industrial and Commercial</i> RVC191119-02 Palomino Business Park	The proposed project consists of demolition of 36 existing residential units and warehouses, and construction of 2,050,000 square feet of industrial, commercial, and office uses on 110 acres. The project is located on the southeast corner of Second Street and Pacific Avenue. Reference RVC190402-02 http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2019/december/RVC191119-02.pdf Comment Period: 11/18/2019 - 1/2/2020 Public Hearing: N/A	Draft Environmental Impact Report	City of Norco	South Coast AQMD staff commented on 12/26/2019
<i>Waste and Water-related</i> LAC191105-01 Arroyo Seco Canyon Project Areas 2 and 3	The proposed project consists of demolition of an existing water diversion and intake structure, construction of an intake system with a flow rate of 25 cubic feet per second, and improvements to existing spreading basins for infiltration. The project is generally located on the southwest corner of Explorer Road and North Arroyo Boulevard. Reference LAC141009-06 http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2019/december/LAC191105-01.pdf Comment Period: 11/4/2019 - 12/6/2019 Public Hearing: 11/21/2019	Notice of Preparation	City of Pasadena	South Coast AQMD staff commented on 12/3/2019
<i>Transportation</i> ORC191107-05 South County Traffic Relief Effort	The proposed project consists of construction of four miles to 22 miles of freeway lanes and connections on Interstate 5, State Route 241, and State Route 73. The project traverses through the cities of Irvine, Lake Forest, Laguna Hills, Laguna Beach, Aliso Viejo, Laguna Niguel, Mission Viejo, Rancho Santa Margarita, San Juan Capistrano, Dana Point, San Clemente, and unincorporated areas of Orange County and San Diego County. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2019/december/ORC191107-05.pdf Comment Period: 11/8/2019 - 2/7/2020 Public Hearing: 11/20/2019	Notice of Preparation	California Department of Transportation	South Coast AQMD staff commented on 12/3/2019
<i>Transportation</i> RVC191122-01 State Route 60/World Logistics Center Parkway Interchange Project	The proposed project consists of construction of two auxiliary lanes along a two-mile segment of State Route 60 (SR-60) and improvements to the interchange of SR-60 and World Logistics Center Parkway. The project is located between Post Mile (PM) 20.0 and PM 22.0 in the City of Moreno Valley. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2019/december/RVC191122-01.pdf Comment Period: 11/25/2019 - 1/3/2020 Public Hearing: 12/16/2019	Notice of Preparation	California Department of Transportation	South Coast AQMD staff commented on 12/17/2019

- Project has potential environmental justice concerns due to the nature and/or location of the project.

** Disposition may change prior to Governing Board Meeting

ATTACHMENT B
ONGOING ACTIVE PROJECTS FOR WHICH SOUTH COAST AQMD HAS
OR IS CONTINUING TO CONDUCT A CEQA REVIEW

SOUTH COAST AQMD LOG-IN NUMBER PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
Institutional (schools, government, etc.) LAC191101-11 Burroughs Middle School Comprehensive Modernization Project	The proposed project consists of demolition of 51,469 square feet of existing buildings, modernization of seven buildings totaling 116,815 square feet, and construction of four school facilities totaling 76,036 square feet on 10.4 acres. The project is located at 600 South McCadden Place on the southeast corner of South McCadden Place and West 6th Street in the community of Hancock Park. Reference LAC180216-03 http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2019/december/LAC191101-11.pdf Comment Period: 10/30/2019 - 12/16/2019 Public Hearing: 11/21/2019	Notice of Availability of a Draft Environmental Impact Report	Los Angeles Unified School District	South Coast AQMD staff commented on 12/10/2019
Institutional (schools, government, etc.) LAC191114-01 3917 Long Beach Boulevard	The proposed project consists of demolition of an existing fire station and construction of a temporary modular structure on 0.13 acres. The project is located near the northwest corner of Long Beach Boulevard and East Roosevelt Boulevard. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2019/december/LAC191114-01.pdf Comment Period: 11/12/2019 - 12/12/2019 Public Hearing: N/A	Notice of Preparation	City of Long Beach	South Coast AQMD staff commented on 12/3/2019
Institutional (schools, government, etc.) SBC191126-02 Norton Science and Language Academy	The proposed project consists of construction of 11 school facilities totaling 121,633 square feet on 2.2 acres. The project is located on the northwest corner of East Valley Street and South Waterman Avenue. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2019/december/SBC191126-02.pdf Comment Period: 11/20/2019 - 12/19/2019 Public Hearing: 12/11/2019	Notice of Intent to Adopt a Mitigated Negative Declaration	City of San Bernardino	South Coast AQMD staff commented on 12/18/2019
Retail LAC191106-03 2500 North Hollywood Way - Dual Brand Hotel Project	The proposed project consists of construction of a 250,925-square-foot hotel with 420 rooms and a 191,802-square-foot parking structure on 11.76 acres. The project is located on the southeast corner of North Hollywood Way and Thornton Avenue. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2019/december/LAC191106-03.pdf Comment Period: 11/4/2019 - 12/4/2019 Public Hearing: 11/20/2019	Notice of Preparation	City of Burbank	South Coast AQMD staff commented on 12/3/2019
General Land Use (residential, etc.) LAC191121-03 The Commons	The proposed project consists of construction of 110 residential units and 5,000 square feet of retail uses on 9.5 acres. The project is located on the northeast corner of Foothill Boulevard and Monte Vista Avenue. Reference LAC180912-03 http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2019/december/LAC191121-03.pdf Comment Period: 11/19/2019 - 12/19/2019 Public Hearing: N/A	Notice of Preparation	City of Claremont	South Coast AQMD staff commented on 12/17/2019

- Project has potential environmental justice concerns due to the nature and/or location of the project.

** Disposition may change prior to Governing Board Meeting

ATTACHMENT B
ONGOING ACTIVE PROJECTS FOR WHICH SOUTH COAST AQMD HAS
OR IS CONTINUING TO CONDUCT A CEQA REVIEW

SOUTH COAST AQMD LOG-IN NUMBER PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
General Land Use (residential, etc.) LAC191127-01 Hyde Park Multi-Family Project	The proposed project consists of demolition of a 187,013-square-foot building with 206 residential units and construction of 782 residential units and subterranean parking on 7.96 acres. The project is located on the southwest corner of West Slauson Avenue and 8th Street in the community of West Adams-BaldwinHills-Leimert. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2019/december/LAC191127-01.pdf Comment Period: 11/25/2019 - 12/27/2019 Public Hearing: N/A	Notice of Preparation	City of Los Angeles	South Coast AQMD staff commented on 12/17/2019
General Land Use (residential, etc.) ORC191106-05 Tirador Residential Development Project	The proposed project consists of construction of 132 residential units totaling 229,591 square feet on 16.1 acres. The project is located on the southeast corner of Calle Arroyo and Interstate 5. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2019/december/ORC191106-05.pdf Comment Period: 11/7/2019 - 12/9/2019 Public Hearing: 11/20/2019	Notice of Preparation	City of San Juan Capistrano	South Coast AQMD staff commented on 12/3/2019
General Land Use (residential, etc.) ORC191108-02 Newport Village Mixed-Use Project	The proposed project consists of demolition of existing structures, and construction of 122 residential units and 128,640 square feet of office and commercial uses with subterranean parking on 9.4 acres. The project is located near the southwest corner of Cliff Drive and Irvine Avenue. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2019/december/ORC191108-02.pdf Comment Period: 11/8/2019 - 12/9/2019 Public Hearing: 11/20/2019	Notice of Preparation	City of Newport Beach	South Coast AQMD staff commented on 12/3/2019
General Land Use (residential, etc.) ORC191126-05 Cypress City Center	The proposed project consists of construction of a 43,200-square-foot theater with 840 seats, a hotel with 120 rooms, 20,800 square feet of retail and restaurant uses, and 251 residential units on 13 acres. The project is located on the northwest corner of Katella Avenue and Winners Circle. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2019/december/ORC191126-05.pdf Comment Period: 11/22/2019 - 12/23/2019 Public Hearing: N/A	Notice of Preparation	City of Cypress	South Coast AQMD staff commented on 12/17/2019
Plans and Regulations SBC191119-05 Central Park Master Plan Update reVISION Project	The proposed project consists of development of policies and programs to guide future park development and resource management on a 62.4-acre portion of 102 acres. The project is located at 11200 Base Line Road on the northwest corner of Base Line Road and Milliken Avenue. Reference SBC190822-02 http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2019/december/SBC191119-05.pdf Comment Period: 11/19/2019 - 12/19/2019 Public Hearing: 12/3/2019	Notice of Preparation	City of Rancho Cucamonga	South Coast AQMD staff commented on 12/17/2019

- Project has potential environmental justice concerns due to the nature and/or location of the project.

** Disposition may change prior to Governing Board Meeting

ATTACHMENT C
ACTIVE SOUTH COAST AQMD LEAD AGENCY PROJECTS
THROUGH DECEMBER 31, 2019

PROJECT DESCRIPTION	PROPONENT	TYPE OF DOCUMENT	STATUS	CONSULTANT
<p>The Phillips 66 (formerly ConocoPhillips) Los Angeles Refinery Ultra Low Sulfur Diesel project was originally proposed to comply with federal, state and South Coast AQMD requirements to limit the sulfur content of diesel fuels. Litigation regarding the CEQA document was filed. Ultimately, the California Supreme Court concluded that the South Coast AQMD had used an inappropriate baseline and directed the South Coast AQMD to prepare an EIR, even though the project has been built and has been in operation since 2006. The purpose of this CEQA document is to comply with the Supreme Court's direction to prepare an EIR.</p>	<p>Phillips 66 (formerly ConocoPhillips), Los Angeles Refinery</p>	<p>Environmental Impact Report (EIR)</p>	<p>The Notice of Preparation/Initial Study (NOP/IS) was circulated for a 30-day public comment period on March 26, 2012 to April 26, 2012. The consultant submitted the administrative Draft EIR to South Coast AQMD in late July 2013. The Draft EIR was circulated for a 45-day public review and comment period from September 30, 2014 to November 13, 2014 and two comment letters were received. South Coast AQMD staff edits on the draft responses to comment were incorporated into a draft Final EIR which is undergoing review.</p>	<p>Environmental Audit, Inc.</p>
<p>Quemetco is proposing to modify existing South Coast AQMD permits to allow the facility to recycle more batteries and to eliminate the existing daily idle time of the furnaces. The proposed project will increase the rotary feed drying furnace feed rate limit from 600 to 750 tons per day and increase the amount of total coke material allowed to be processed. In addition, the project will allow the use of petroleum coke in lieu of or in addition to calcined coke, and remove one existing emergency diesel-fueled internal combustion engine (ICE) and install two new emergency natural gas-fueled ICEs.</p>	<p>Quemetco</p>	<p>Environmental Impact Report (EIR)</p>	<p>A Notice of Preparation/Initial Study (NOP/IS) was released for a 56-day public review and comment period from August 31, 2018 to October 25, 2018, and 154 comment letters were received. Two CEQA scoping meetings were held on September 13, 2018 and October 11, 2018 in the community. South Coast AQMD staff received a preliminary Draft EIR on December 20, 2019 which is undergoing review.</p>	<p>Trinity Consultants</p>

BOARD MEETING DATE: February 7, 2020

AGENDA NO. 12

REPORT: Rule and Control Measure Forecast

SYNOPSIS: This report highlights South Coast AQMD rulemaking activities and public hearings scheduled for 2020.

COMMITTEE: No Committee Review

RECOMMENDED ACTION:
Receive and file.

Wayne Natri
Executive Officer

PMF:SN:SR:AK:ZS

2020 MASTER CALENDAR

The 2020 Master Calendar provides a list of proposed or proposed amended rules for each month, with a brief description, and a notation in the third column indicating if the rulemaking is for the 2016 AQMP, Toxics, AB 617 BARCT, or Other. Projected emission reductions will be determined during rulemaking.

The following symbols next to the rule number indicate if the rulemaking will be a potentially significant hearing, will reduce criteria pollutants, or is part of the RECLAIM transition. Symbols have been added to indicate the following:

- * *This rulemaking is a potentially significant hearing.*
- + *This rulemaking will reduce criteria air contaminants and assist toward attainment of ambient air quality standards.*
- # *This rulemaking is part of the transition of RECLAIM to a command-and-control regulatory structure.*

The following table summarizes changes to the schedule since last month's Rule and Control Measure Forecast Report. Staff will continue to work with all stakeholders as these projects move forward.

445*	Wood Burning Devices (PM 2.5 Contingency)
Proposed Amended Rule 445 has been moved from April to May 2020 to allow additional time for staff to work with U.S. EPA on the rule language and provide adequate public notice.	

2020 MASTER CALENDAR

Month	Title and Description	Type of Rulemaking
March		
N/A	<p>Ports MOU/Potential Regulations The proposed MOUs with the marine ports will implement the facility-based mobile source measure MOB-01 from the 2016 AQMP. In the event an agreement is not reached for an MOU approach with the ports, staff will pursue a regulatory approach. <i>Zorik Pirveysian 909.396.2431; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	AQMP/ AB 617 CERP
April		
218*# 218.1	<p>Continuous Emission Monitoring Continuous Emission Monitoring Performance Specifications Proposed Amended Rules 218 and 218.1 will revise provisions for continuous emissions monitoring systems for non-RECLAIM facilities, and RECLAIM and former RECLAIM facilities that transition to a command-and-control regulatory structure. <i>Michael Krause 909.396.2706; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	AQMP
May		
Reg. III	<p>Fees Proposed amendments to Regulation III will incorporate the Consumer Price Index adjustment to reflect inflation pursuant to Rule 320. Other proposed amendments may be needed to update and added fees associated with existing programs and implementation of new or revised programs. <i>Ian MacMillan 909.396.3244; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	Other
445*	<p>Wood Burning Devices (PM 2.5 Contingency) Proposed Amended Rule 445 will include contingency provisions in the event the region fails to attain the PM2.5 federal ambient air quality standards or to meet any reasonable further progress requirements. <i>Tracy Goss 909.396.3106; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	AQMP
2305*+	<p>Warehouse Indirect Source Rule – Warehouse Actions and Investments to Reduce Emissions (WAIRE) Program Proposed Rule 2305 will reduce and facilitate local and regional emission reductions associated with warehouses and mobile sources attracted to warehouses. <i>Ian MacMillan 909.396.3244; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	AQMP/ AB 617 CERP

Potentially significant hearing

+ Reduce criteria air contaminants and assist toward attainment of ambient air quality standards

Part of the transition of RECLAIM to a command-and-control regulatory structure

2020 MASTER CALENDAR (Continued)

Month	Title and Description	Type of Rulemaking
June		
1117 ^{+#}	Emissions of Oxides of Nitrogen from Glass Melting Furnaces Proposed Amended Rule 1117 will establish NOx emission limits to reflect Best Available Retrofit Control Technology for glass melting furnaces and will apply to RECLAIM and non-RECLAIM facilities. <i>Michael Morris 909.396.3282; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i>	AQMP/ AB 617 BARCT
1150.3 ^{*+}	NOx Emission Reductions from Combustion Equipment at Landfills Proposed Rule 1150.3 will establish NOx emission limits for combustion equipment burning biofuels to reflect Best Available Retrofit Control Technology and include monitoring, reporting, and recordkeeping requirements at landfills. <i>Michael Morris 909.396.3282; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i>	AQMP/ AB 617 BARCT
1179.1 ^{*+}	NOx Emission Reductions from Combustion Equipment at Publicly Owned Treatment Work Facilities Proposed Rule 1179.1 will establish NOx emission limits for combustion equipment burning biofuels to reflect Best Available Retrofit Control Technology and include monitoring, reporting, and recordkeeping requirements at publicly owned treatment works. <i>Michael Morris 909.396.3282; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i>	AQMP/ AB 617 BARCT
August		
1147 ^{*+#} 1147.1 ^{*+#}	NOx Reductions from Miscellaneous Sources NOx Reductions from Large Miscellaneous Combustion Proposed Rule 1147.1 will establish NOx emission limits to reflect Best Available Retrofit Control Technology for large miscellaneous combustion sources and will apply to RECLAIM and non-RECLAIM facilities. Proposed Amended Rule 1147 will remove equipment that will be regulated under Proposed Rule 1147.1 and, if needed, revise NOx emission limits to reflect current Best Available Retrofit Control Technology.	Other/ AB 617 BARCT
1100 ^{##}	Implementation Schedule for NOx Facilities Proposed Amended Rule 1100 will establish the implementation schedule for Rule 1147 and 1147.1 equipment at NOx RECLAIM and former NOx RECLAIM facilities. <i>Michael Krause 909.396.2706; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i>	

* Potentially significant hearing

+ Reduce criteria air contaminants and assist toward attainment of ambient air quality standards

Part of the transition of RECLAIM to a command-and-control regulatory structure

2020 MASTER CALENDAR (Continued)

Month		
August (Continued)	Title and Description	Type of Rulemaking
<p>1147*+ 1147.2*+ 1100*#</p>	<p>NOx Reductions from Miscellaneous Sources NOx Reductions from Metal Melting and Heat Treating Furnaces Proposed Rule 1147.2 will establish NOx emission limits to reflect Best Available Retrofit Control Technology for metal melting and heat treating furnaces and will apply to RECLAIM and non-RECLAIM facilities. Proposed Amended Rule 1147 will remove equipment that will be regulated under Proposed Rule 1147.2.</p> <p>Implementation Schedule for NOx Facilities Proposed Amended Rule 1100 will establish the implementation schedule for Rule 1147 and 1147.2 equipment at NOx RECLAIM facilities that are transitioning to command-and-control. <i>Michael Morris 909.396.3282; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	<p>AQMP/ AB 617 BARCT</p>
<p>442.1 1107 1124 1136 1145 1171</p>	<p>Usage of Solvent Coating of Metal Parts and Products Aerospace Assembly and Component Manufacturing Operations Wood Products Coatings Plastic, Rubber, Leather, and Glass Coatings Solvent Cleaning Operations Proposed Rule 442.1 will prohibit the sale, distribution, and application of materials that do not meet the VOC limits specified in Regulation XI rules. Proposed amendments may also be needed to prohibit circumvention of VOC limits in Rules 1107, 1124, 1136, 1145, and 1171. <i>TBD; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	<p>Other</p>

* Potentially significant hearing

+ Reduce criteria air contaminants and assist toward attainment of ambient air quality standards

Part of the transition of RECLAIM to a command-and-control regulatory structure

2020 MASTER CALENDAR (Continued)

Month	Title and Description	Type of Rulemaking
September		
1109*+ 1109.1*+ #	<p>Emissions of Oxides of Nitrogen from Boilers and Process Heaters in Petroleum Refineries Reduction of Emissions of Oxides of Nitrogen from Refinery Equipment</p> <p>Proposed Rule 1109.1 will establish NOx emission limits to reflect Best Available Retrofit Control Technology for NOx emitting equipment at petroleum refineries and related operations, and include monitoring, reporting, and recordkeeping requirements. Rule 1109 is proposed to be rescinded.</p> <p><i>Michael Krause 909.396.2706; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	AQMP/ AB 617 BARCT/ AB 617 CERP
October		
1450*	<p>Control of Methylene Chloride Emissions</p> <p>Proposed Rule 1450 will reduce methylene chloride emissions from furniture stripping and establish monitoring, reporting, and recordkeeping requirements.</p> <p><i>Michael Morris 909.396.3282; CEQA: Jillian Wong 909.396.3176; and Socio: Ian MacMillan 909.396.3244</i></p>	Toxics
1469.1*	<p>Spraying Operations Using Coatings Containing Chromium</p> <p>Proposed Amended Rule 1469.1 will establish additional requirements to address hexavalent chromium emissions from spraying operations using chromium primers or coatings.</p> <p><i>Jillian Wong 909.396.3176; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	Toxics/ AB 617 CERP
November		
1407.1*	<p>Control of Toxic Air Contaminant Emissions from Chromium Alloy Melting Operations</p> <p>Proposed Rule 1407.1 will establish requirements to reduce point source and fugitive toxic air contaminant emissions from metal melting operations.</p> <p><i>Michael Morris 909.396.2706; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	Toxics/ AB 617 CERP
1435*	<p>Control of Emissions from Metal Heat Treating Processes</p> <p>Proposed Rule 1435 will establish requirements to reduce point source and fugitive toxic air contaminants including hexavalent chromium emissions from heat treating processes. Proposed Rule 1435 will also include monitoring, reporting, and recordkeeping requirements.</p> <p><i>Jillian Wong 909.396.3176; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	Toxics/ AB 617 CERP

* Potentially significant hearing

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Part of the transition of RECLAIM to a command-and-control regulatory structure

2020 MASTER CALENDAR (Continued)

Month	Title and Description	Type of Rulemaking
December		
1147*+ 1147.3*+ #	<p>NO_x Reductions from Miscellaneous Sources NO_x Reductions for Equipment at Aggregate Facilities Proposed Rule 1147.3 will establish NO_x emission limits to reflect Best Available Retrofit Control Technology for NO_x equipment at aggregate facilities and will apply to RECLAIM and non-RECLAIM facilities. Proposed Amended Rule 1147 will remove equipment that will be regulated under Proposed Rule 1147.3.</p> <p><i>Michael Krause 909.396.2706; CEQA: Jillian Wong 909.396.3176 and Socio: Ian MacMillan 909.396.3244</i></p>	AQMP/ AB 617 BARCT
1426*	<p>Reduction of Toxic Air Contaminants from Metal Finishing Operations Proposed amendments to Rule 1426 will establish requirements to reduce nickel, cadmium, hexavalent chromium, and other air toxics from plating and related operations. Proposed Amended Rule 1426 will establish requirements to control point source and fugitive toxic air contaminant emissions.</p> <p><i>Jillian Wong 909.396.3176; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	Toxics/ AB 617 CERP
2202*	<p>On-Road Motor Vehicle Mitigation Options Proposed Amended Rule 2202 will streamline implementation for regulated entities, as well as reduce review and administration time for South Coast AQMD staff. Concepts may include program components to facilitate achieving average vehicle ridership (AVR) targets.</p> <p><i>Carol Gomez 909.396.3264; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	Other
Reg. XXIII*+ #	<p>Facility-Based Mobile Sources Proposed rules within Regulation XXIII would reduce emissions from indirect sources (e.g., mobile sources that visit facilities). The rule or set of rules that would be brought for Board consideration would reduce emissions from railyards.</p> <p><i>Ian MacMillan 909.396.3244; CEQA: Jillian Wong 909.396.3176 Socio: Ian MacMillan 909.396.3244</i></p>	AQMP/ Toxics/ AB 617 CERP

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Part of the transition of RECLAIM to a command-and-control regulatory structure

2020 To-Be-Determined

2020	Title and Description	Type of Rulemaking
209	<p>Transfer and Voiding of Permits Staff may propose amendments to clarify requirements for change of ownership and permits and the assessment of associated fees. <i>Michael Krause 909.396.2706; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	Other
219	<p>Equipment Not Requiring a Written Permit Pursuant to Regulation II Proposed Amended Rule 219 will add or revise equipment not requiring a written permit. <i>TBD; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	Other
222	<p>Filing Requirements for Specific Emission Sources Not Requiring a Written Permit Pursuant to Regulation II Proposed Amended Rule 222 will add or revise equipment subject to filing requirements. <i>Michael Krause 909.396.2706; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	Other
223	<p>Emission Reduction Permits for Large Confined Animal Facilities Proposed Amended Rule 223 will seek additional ammonia emission reductions from large confined animal facilities by lowering the applicability threshold. Proposed amendments will implement BCM-04 in the 2016 AQMP. <i>TBD; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	AQMP
407 [#]	<p>Liquid and Gaseous Air Contaminants Proposed Amended Rule 407 will update SO_x emission limits to reflect Best Available Retrofit Control Technology, if needed, remove exemptions for RECLAIM facilities, and update monitoring, reporting, and recordkeeping requirements. <i>TBD; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	AB 617 BARCT
425	<p>Odors from Cannabis Processing Proposed Rule 425 will establish requirements for control of odors from cannabis processing. <i>Tracy Goss 909.396.3106; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	Other
431.1 [#]	<p>Sulfur Content of Gaseous Fuels Proposed Amended Rule 431.1 will assess exemptions, including RECLAIM, and update other provisions, if needed. <i>Michael Krause 909.396.2706; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	AB 617 BARCT/ AB 617 CERP
431.2 [#]	<p>Sulfur Content of Liquid Fuels Proposed Amended Rule 431.2 will assess exemptions, including RECLAIM, and update other provisions, if needed. <i>Michael Krause 909.396.2706; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	AB 617 BARCT/ AB 617 CERP

* Potentially significant hearing

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Part of the transition of RECLAIM to a command-and-control regulatory structure

2020 To-Be-Determined (Continued)

2020	Title and Description	Type of Rulemaking
431.3 [#]	<p>Sulfur Content of Fossil Fuels Proposed Amended Rule 431.3 will assess exemptions, including RECLAIM, and update other provisions, if needed. <i>Michael Krause 909.396.2706; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	AB 617 BARCT/ AB 617 CERP
461	<p>Gasoline Transfer and Dispensing Proposed Amended Rule 461 will reflect information from CARB, corrections, revisions, and additions to improve the effectiveness, enforceability, and clarity of the rule. <i>TBD; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	AQMP/ Toxics
462	<p>Organic Liquid Loading Proposed Amended Rule 462 will incorporate the use of advanced techniques to detect fugitive emissions and Facility Vapor Leak. Other amendments may be needed to streamline implementation and add clarity. <i>TBD; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	Other
463	<p>Organic Liquid Storage Proposed Amended Rule 463 will address the current test method and improve the effectiveness, enforceability, and clarity of the rule. Proposed amendments may also be needed to ensure consistency with Rule 1178. <i>TBD; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	Other
468 [#]	<p>Sulfur Recovery Units Proposed Amended Rule 468 will update SO_x emission limits to reflect Best Available Retrofit Control Technology, if needed, remove exemptions for RECLAIM facilities, and update monitoring, reporting, and recordkeeping requirements. <i>TBD; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	AB 617 BARCT
469 [#]	<p>Sulfuric Acid Units Proposed Amended Rule 469 will update SO_x emission limits to reflect Best Available Retrofit Control Technology, if needed, remove exemptions for RECLAIM facilities, and update monitoring, reporting, and recordkeeping requirements. <i>TBD; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	AB 617 BARCT
1101 [#]	<p>Secondary Lead Smelters/Sulfur Oxides Proposed Amended Rule 1101 will update SO_x emission limits to reflect Best Available Retrofit Control Technology, if needed, remove exemptions for RECLAIM facilities, and update monitoring, reporting, and recordkeeping requirements. <i>TBD; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	AB 617 BARCT

* Potentially significant hearing

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Part of the transition of RECLAIM to a command-and-control regulatory structure

2020 To-Be-Determined (Continued)

2020	Title and Description	Type of Rulemaking
1105 [#]	<p>Fluid Catalytic Cracking Units SO_x Proposed Amended Rule 1105 will update SO_x emission limits to reflect Best Available Retrofit Control Technology, if needed, remove exemptions for RECLAIM facilities, and update monitoring, reporting, and recordkeeping requirements. <i>TBD; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	AB 617 BARCT/ AB 617 CERP
1110.2 ^{*+[#]}	<p>Emissions from Gaseous - and Liquid-Fueled Engines Proposed amendments may be needed for Rule 1110.2 to incorporate possible comments by U.S. EPA for approval in the SIP and/or to address use of emergency standby engines for Public Safety Power Shutoff programs. <i>Michael Morris 909.396.3282; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	AQMP/ AB 617 BARCT
1111	<p>Reduction of NO_x Emissions from Natural-Gas-Fired, Fan-Type Central Furnaces Proposed amendments may be needed for Rule 1111 to address furnaces used in high altitude areas and/or weatherized furnaces. <i>Michael Krause 909.396.2706; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	AQMP
1113	<p>Architectural Coatings Amendments may be needed to clarify applicability of the rule with respect to distribution. <i>Dave DeBoer 909.396.2329; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	Other
1118 [*]	<p>Control of Emissions from Refinery Flares Proposed Amended Rule 1118 will revise provisions to further reduce flaring. The AB 617 Community Emission Reduction Plan has an emission reduction target to reduce flaring by 50 percent if feasible. <i>Michael Krause 909.396.2706; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	AQMP/ AB 617 CERP
1119 [#]	<p>Petroleum Coke Calcining Operations – Oxides of Sulfur Proposed Amended Rule 1119 will update SO_x emission limits to reflect Best Available Retrofit Control Technology, if needed, remove exemptions for RECLAIM facilities, and update monitoring, reporting, and recordkeeping requirements. <i>TBD; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	AB 617 BARCT/ AB 617 CERP
1121 [*]	<p>Control of Nitrogen Oxides from Residential Type, Natural-Gas-Fired Water Heaters Proposed amendments may be needed further reduce NO_x emissions from water heaters. <i>Michael Krause 909.396.2706; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	AQMP

2020 To-Be-Determined (Continued)

2020	Title and Description	Type of Rulemaking
1133.3	<p>Emission Reductions from Greenwaste Composting Operations Proposed Amended Rule 1133.3 will seek additional VOCs and ammonia emission reductions from greenwaste and foodwaste composting. Proposed amendments will implement BCM-10 in the 2016 AQMP.</p> <p><i>TBD; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	AQMP
1134	<p>Emissions of Oxides of Nitrogen from Stationary Gas Turbines Proposed Amended Rule 1134 will revise monitoring, reporting, and recordkeeping provisions to reflect amendments to Proposed Amended Rules 218 and 218.1 and possibly other amendments to address comments from U.S. EPA and to streamline implementation.</p> <p><i>Michael Morris 909.396.3282; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	AQMP/ AB 617 BARCT
1135	<p>Emissions of Oxides of Nitrogen from Electricity Generating Facilities Proposed Amended Rule 1135 will revise monitoring, reporting, and recordkeeping provisions to reflect amendments to Proposed Amended Rules 218 and 218.1 and possibly other amendments to address comments from U.S. EPA.</p> <p><i>Michael Morris 909.396.3282; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	AQMP/ AB 617 BARCT
1138	<p>Control of Emissions from Restaurant Operations Proposed Amended Rule 1138 will further reduce emissions from char boilers.</p> <p><i>Tracy Goss 909.396.3106; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	AQMP
1142	<p>Marine Tank Vessel Operations Proposed Amended Rule 1142 will address VOC and hydrogen sulfide emissions from marine tank vessel operations and provide clarifications.</p> <p><i>TBD; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	Other
1146 [#]	<p>Emissions of Oxides of Nitrogen from Industrial, Institutional, and Commercial Boilers, Steam Generators, and Process Heaters Proposed amendments to Rule 1146 may be needed to clarify provisions for industry-specific categories and to incorporate comments from U.S. EPA.</p> <p><i>Michael Krause 909.396.2706; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	Other

2020 To-Be-Determined (Continued)

2020	Title and Description	Type of Rulemaking
1146.1 [#]	<p>Emissions of Oxides of Nitrogen from Small Industrial, Institutional, and Commercial Boilers, Steam Generators, and Process Heaters Proposed amendments to Rule 1146.1 may be needed to clarify provisions for industry-specific categories and to incorporate comments from U.S. EPA.</p> <p><i>Michael Krause 909.396.2706; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	Other
1146.2 [#]	<p>Emissions of Oxides of Nitrogen from Large Water Heaters and Small Boilers and Process Heaters Proposed Amended Rule 1146.2 will be revised to lower the NO_x emission limit to reflect Best Available Retrofit Control Technology.</p> <p><i>Michael Morris 909.396.3282; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	AQMP/ AB 617 BARCT
1148.1 [*]	<p>Oil and Gas Production Wells Proposed Amended Rule 1148.1 will evaluate exemptions under Rule 463 to harmonize implementation for low producers. Other proposed amendments may be needed to further reduce emissions from operations, implement early leak detection, odor minimization plans, and enhanced emissions and chemical reporting from oil and drilling sites consistent with the AB 617 Community Emission Reduction Plan.</p> <p><i>TBD; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	Other/ AB 617 CERP
1148.2	<p>Notification and Reporting Requirements for Oil and Gas Wells and Chemical Suppliers Proposed amendments to Rule 1148.2 may be needed to improve notifications of well working activities to the community.</p> <p><i>TBD; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	Other/ AB 617 CERP
1166	<p>Volatile Organic Compound Emissions from Decontamination of Soil Proposed Amended Rule 1166 will update requirements, specifically concerning notifications and usage of mitigation plans (site specific versus various locations).</p> <p><i>Michael Morris 909.396.3282; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	Other

2020 To-Be-Determined (Continued)

2020	Title and Description	Type of Rulemaking
1173	<p>Control of Volatile Organic Compound Leaks and Releases from Components at Petroleum Facilities and Chemical Plants Proposed revisions to Rule 1173 are being considered based on recent U.S. EPA regulations and CARB oil and gas regulations and revisions to improve the effectiveness, enforceability, and clarity of the rule. Other proposed amendments may be needed to further reduce emissions from operations, implement early leak detection, odor minimization plans, and enhanced emissions and chemical reporting from oil and drilling sites consistent with the AB 617 Community Emission Reduction Plan. <i>TBD; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	Other/ AB 617 CERP
1176	<p>VOC Emissions from Wastewater Systems Proposed Amended Rule 1176 will clarify the applicability of the rule to include bulk terminals under definition of "Industrial Facilities," and streamline and clarify provisions. <i>TBD; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	Other/ AB 617 CERP
1178	<p>Further Reductions of VOC Emissions from Storage Tanks at Petroleum Facilities Proposed Amended Rule 1178 will incorporate the use of more advanced detection methods for earlier leak detection and improve leak detection and repair programs for storage tanks to further reduce VOC emissions. Proposed amendments will implement one of the actions in the AB 617 Community Emission Reduction Plan. <i>TBD; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	AB 617 CERP
1180	<p>Refinery Fenceline and Community Air Monitoring Revisions to Rule 1180 could be considered to clarify applicability including modification or removal of the threshold exemption for petroleum refineries from the requirements of the rule. <i>Michael Krause 909.396.2706; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	Other
1403*	<p>Asbestos Emissions from Demolition/Renovation Activities Proposed Amended Rule 1403 will enhance implementation, improve rule enforceability, and align provisions with the applicable U.S. EPA National Emission Standard for Hazardous Air Pollutants (NESHAP) and other state and local requirements as necessary. <i>TBD; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	Toxics

2020 To-Be-Determined (Continued)

2020	Title and Description	Type of Rulemaking
1415 1415.1	<p>Reduction of Refrigerant Emissions from Stationary Air Conditioning Systems, and Reduction of Refrigerant Emissions from Stationary Refrigeration Systems</p> <p>Proposed Amended Rules 1415 and 1415.1 will align requirements with the proposed CARB Refrigerant Management Program and U.S. EPA's Significant New Alternatives Policy Rule provisions relative to prohibitions on specific hydrofluorocarbons.</p> <p style="text-align: right;"><i>David De Boer 909.396.2329; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	Other
1420	<p>Emissions Standard for Lead</p> <p>Proposed Amended Rule 1420 will update requirements to address arsenic emissions to close a regulatory gap between Rule 1420 and Rule 1407 - Control of Emissions of Arsenic, Cadmium, and Nickel from Non-Ferrous Metal Melting Operations.</p> <p style="text-align: right;"><i>Michael Morris 909.396.3282; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	Toxics
1420.2	<p>Emission Standards for Lead from Metal Melting Facilities</p> <p>Proposed Amended Rule 1420.2 will update requirements to address arsenic emissions to close a regulatory gap between Rule 1420 and Rule 1407 - Control of Emissions of Arsenic, Cadmium, and Nickel from Non-Ferrous Metal Melting Operations.</p> <p style="text-align: right;"><i>Michael Morris 909.396.3282; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	Toxics
1445	<p>Control of Toxic Emissions from Laser Arc Cutting</p> <p>Proposed Rule 1445 will establish requirements to reduce toxic metal particulate emissions from laser arc cutting.</p> <p style="text-align: right;"><i>TBD; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	Toxics
1469*	<p>Hexavalent Chromium Emissions from Chromium Electroplating and Chromic Acid Anodizing Operations</p> <p>Proposed amendments to Rule 1469 may be needed to address use of chemical fume suppressants or other implementation issues.</p> <p style="text-align: right;"><i>Jillian Wong 909.396.3176; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	Toxics
1470	<p>Requirements for Stationary Diesel-Fueled Internal Combustion and Other Compression Ignition Engines</p> <p>Proposed Amended Rule 1470 will establish additional provisions to reduce the exposure to diesel particulate from new and existing small (≤ 50 brake horsepower) diesel engines located near sensitive receptors. Proposed amendments may be needed to address use of engines during Public Safety Power Shutoffs.</p> <p style="text-align: right;"><i>Michael Morris 909.396.3282; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	Toxics

2020 To-Be-Determined (Continued)

2020	Title and Description	Type of Rulemaking
1472	<p>Requirements for Facilities with Multiple Stationary Emergency Standby Diesel-Fueled Internal Combustion Engines Proposed Amended Rule 1472 will remove provisions that are no longer applicable, update and streamline provisions, and assess the need for a Compliance Plans. <i>Michael Morris 909.396.3282; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	Toxics
1480	<p>Toxics Monitoring Proposed amendments to Rule 1480 may be needed to remove fee provisions if they are incorporated in Regulation III. <i>Jillian Wong 909.396.3176; CEQA: Jillian Wong 909.396.3176 and Socio: Ian MacMillan 909.396.3244</i></p>	Toxics/ AB 617 CERP
Reg. XIII [#]	<p>New Source Review Proposed Amended Regulation XIII will revise New Source Review provisions to address facilities that are transitioning from RECLAIM to a command-and-control regulatory structure. Staff may be proposing a new rule within Regulation XIII to address offsets for facilities that transition out of RECLAIM. <i>Michael Morris 909.396.3282; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	AQMP
Reg. XX [#]	<p>RECLAIM Proposed Amended Regulation XX will address the transition of RECLAIM facilities to a command and control regulatory structure <i>Michael Morris 909.396.3282; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	AQMP
Reg. II, IV, XIV, XI, XIX, XXIII, XXIV, XXX and XXXV	<p>Various rule amendments may be needed to meet the requirements of state and federal laws, implement OEHHA’s 2015 revised risk assessment guidance, changes from OEHHA to new or revised toxic air contaminants or their risk values, address variance issues/technology-forcing limits, to abate a substantial endangerment to public health or additional reductions to meet SIP short-term measure commitments. The associated rule development or amendments include, but are not limited to, South Coast AQMD existing, or new rules to implement the 2012 or 2016 AQMP measures. This includes measures in the 2016 AQMP to reduce toxic air contaminants or reduce exposure to air toxics from stationary, mobile, and area sources. Rule adoption or amendments may include updates to provide consistency with CARB Statewide Air Toxic Control Measures, or U.S. EPA’s National Emission Standards for Hazardous Air Pollutants. Rule adoption or amendments may be needed to implement AB 617 including but not limited to BARCT rules, Community Emission Reduction Plans prepared pursuant to AB 617, or new or amended rules to abate a public health issue identified through ambient monitoring.</p>	Other/ AQMP/ Toxics/ AB 617 BARCT/ AB 617 CERP

BOARD MEETING DATE: February 7, 2020

AGENDA NO. 13

REPORT: Status Report on Major Ongoing and Upcoming Projects for Information Management

SYNOPSIS: 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.

COMMITTEE: Administrative, January 17, 2020, Reviewed

RECOMMENDED ACTION:
Receive and file.

Wayne Nastri
Executive Officer

RMM:MAH:XC:agg

Background

Information Management (IM) provides a wide range of information systems and services in support of all South Coast AQMD operations. IM's primary goal is to provide automated tools and systems to implement Board-approved rules and regulations, and to improve internal efficiencies. The annual Budget and Board-approved amendments to the Budget specify projects planned during the fiscal year to develop, acquire, enhance, or maintain mission-critical information systems.

Summary of Report

The attached report identifies each of the major projects/contracts or purchases that are ongoing or expected to be initiated within the next six months. Information provided for each project includes a brief project description and the schedule associated with known major milestones (issue RFP/RFQ, execute contract, etc.).

Attachment

Information Management Status Report on Major Ongoing and Upcoming Projects During the Next Six Months

ATTACHMENT
February 7, 2020 Board Meeting
Information Management Status Report on Major Ongoing and
Upcoming Projects During the Next Six Months

Project	Brief Description	Estimated Project Cost	Completed Actions	Upcoming Milestones
Office 365 Implementation	Acquire and implement Office 365 for South Coast AQMD staff	\$350,000	<ul style="list-style-type: none"> • Pre-assessment evaluation and planning completed • Board approved funding on October 5, 2018 • Developed implementation and migration plan • Acquired Office 365 licenses • Implemented Office 365 email (Exchange) and migrated all users • Trained staff in Office 365 Pro Plus desktop software 	<ul style="list-style-type: none"> • Implement Office 365 internal website (SharePoint) and migrate existing content
Permitting System Automation Phase 1	New Web application to automate the filing of permit applications with immediate processing and issuance of permits for specific application types: Dry Cleaners, Gas Stations and Automotive Spray Booths	\$694,705	<ul style="list-style-type: none"> • Automated 400A form filing, application processing, and online permit generation for Dry Cleaner, Automotive Spray Booth and Gas Station Modules deployed to production • Enhanced processing of school locations with associated parcels • Deployed upgraded GIS Map integration and enhanced sensitive receptor identification and distance measurement work 	<ul style="list-style-type: none"> • Continue Phase 1.1 project outreach support

Project	Brief Description	Estimated Project Cost	Completed Actions	Upcoming Milestones
Permitting System Automation Phase 2	Enhanced Web application to automate filing of permit applications, Rule 222 equipment and registration for IC engines; implement electronic permit folder and workflow for internal South Coast AQMD users	\$525,000	<ul style="list-style-type: none"> • Board approved initial Phase 2 funding December 2017 • Phase 2 project startup and detail planning completed May 2018 • Business process model approved • Board approved remaining Phase 2 funding October 5, 2018 • Permitting Automation Workflow/Engineer shadowing/interviewing completed • Report outlining recommendations for automation of Permitting Workflow completed • Development of application submittals and form filing of the first nine of 32 400-E forms • Application submittals and form filing for 23 types of equipment under Rule 222 ready for User Testing • Deployment to production of top three most frequently used R222 forms: Negative Air Machines, Small Boilers, and Charbroilers 	<ul style="list-style-type: none"> • Complete User Testing for first nine 400-E forms • Deployment of remaining twenty three R222 forms to production

Project	Brief Description	Estimated Project Cost	Completed Actions	Upcoming Milestones
Information Technology Review Implementation	Complete Board requested Information Technology review and initiate work on implementation of key recommendations	\$75,000 (funding included in \$350,000 Office 365 implementation project)	<ul style="list-style-type: none"> • Initiated Implementation Planning and Resource Requirements for key recommendations • Completed Microsoft Project Plan training for all IM Managers, Supervisors and Secretaries • Established internal Information Technology Steering Committee, members and charter • Configured and deployed Project Management software for IM team 	<ul style="list-style-type: none"> • Office 365 deployment
Permit Application Status and Dashboard Statistics	New Web application to allow engineers to update intermediate status of applications; create dashboard display of status summary with link to FIND for external users	\$100,000	<ul style="list-style-type: none"> • Board approved funding December 2017 • Project startup and detail planning completed • Development of Release 1 and application search module completed • User testing for data capture and user reports modules completed • Internal deployment of application for engineers to populate application related data completed • Enhancements requested by users 	<ul style="list-style-type: none"> • Continue user data input for all open applications • Deploy of external application (and link to FIND) for regulated community to view application related data
Document Conversion Services	Document Conversion Services to convert paper documents stored at South Coast AQMD facilities to electronic storage in OnBase	\$83,000	<ul style="list-style-type: none"> • Released RFQ October 5, 2018 • Approved qualified vendors January 4, 2019 • Executed purchase orders for scanning services • Converted over 1,207,500 rule administrative record documents 	<ul style="list-style-type: none"> • Convert over 2,000,000 contract documents

Project	Brief Description	Estimated Project Cost	Completed Actions	Upcoming Milestones
Replace Your Ride (RZR)	New Web application to allow residents to apply for incentives to purchase newer, less polluting vehicles	\$301,820	<ul style="list-style-type: none"> • Phase 2 Fund Allocation, Administration and Management Reporting modules deployed and in production • Final Phase 2 user requested enhancements: VIN Number, Case Manager, Auto e-mail and document library updates deployed to production • Phase 3 moved to production • Implemented Electric Vehicle Service Equipment and other requested modifications 	<ul style="list-style-type: none"> • Implementation of RZR and PeopleSoft Financial integration module
South Coast AQMD Mobile Application Enhancements	Enhancement of Mobile application with addition of advance notification, alternative fuel station search, media integration, infrastructure for hourly migration, and performance improvements	\$100,000	<ul style="list-style-type: none"> • Project charter released • Task order issued, evaluated and awarded • Code development of Phase 1, alternative fuel, media integration, and performance improvements completed • User Acceptance Testing of Phase 1 completed 	<ul style="list-style-type: none"> • Deployment to App stores

Project	Brief Description	Estimated Project Cost	Completed Actions	Upcoming Milestones
Legal Division New System Development	Develop new web-based case management system for Legal Division to replace existing system	\$500,000	<ul style="list-style-type: none"> • Task order issued, evaluated and awarded • Project charter finalized • Business Process Model completed • Sprint 1, 2 and 3 functional and system design completed • Testing of Sprints 1–3: NOVs, MSPAP, settlements, civil and small claims completed • Sprint 4 functional and design requirements: criminal, bankruptcy, non-NOV cases and check registers completed • Sprint 5 functional and design requirements–investigative assignments completed 	<ul style="list-style-type: none"> • Deployment to IM servers and User Testing for Sprints 1-5 modules • OnBase and finance integration • Sprint 6 development: reports and data migration
Flare Event Notification – Rule 1118	Develop new web-based application to comply with Rule 1118 to improve current flare notifications to the public and staff	\$100,000	<ul style="list-style-type: none"> • Project charter released • Task order issued, evaluated and awarded • Requirement gathering and design for Sprint 1, 2, and 3 completed • Sprint 4, Public Portal implementation, completed • Major incident notification deployed • Refinery user training completed • Application demo completed • Deployed to production on December 12, 2019 including major incident reporting on public portal 	<ul style="list-style-type: none"> • Phase II (administrative and reporting pages) development

Project	Brief Description	Estimated Project Cost	Completed Actions	Upcoming Milestones
VW Environmental Mitigation Action Plan Project	Develop a web application for Zero-Emission Class 8 Freight and Port Drayage Truck Project & Combustion Freight and Marine Project, and incentive programs, and maintain a database that will be queried for reporting to CARB	\$355,000	<ul style="list-style-type: none"> • Project charter document released • Task order issued, evaluated and awarded • Requirement gathering and design for Phase 1 application acceptance completed • System development for Phase 1 completed • Phase 1 User Acceptance Testing completed • Phase 1 Beta testing completed • Deployed to production successfully after December Board approval 	<ul style="list-style-type: none"> • Developing ranking and reporting systems in the admin module • Form creation for Class 8
AQ-SPEC Cloud Platform	Develop a cloud-based platform to manage and visualize data collected by low-cost sensors	\$385,500	<ul style="list-style-type: none"> • Project charter released • Task order issued, evaluated and awarded • Business requirements gathering completed • System architecture, data storage, and design data ingestion completed • Data transformations, calculations, and averaging completed • Dashboards, microsites, data migration completed • Release 2 User Acceptance Testing completed 	<ul style="list-style-type: none"> • Deployment to production

Project	Brief Description	Estimated Project Cost	Completed Actions	Upcoming Milestones
PeopleSoft Electronic Requisition	South Coast AQMD is implementing electronic requisition for PeopleSoft Financials. This will allow submittal of requisitions online, tracking multiple levels of approval, electronic archival, pre-encumbrance of budget, and streamlined workflow	\$75,800	<ul style="list-style-type: none"> • Project charter released • Task order issued, evaluated and awarded • Requirement gathering and system design completed • System setup and code development and user testing for Information Management completed • System setup and code development and User Acceptance Testing completed for AHR (Administrative and Human Resources) 	<ul style="list-style-type: none"> • Deployment to IM and AHR divisions • Integrated User Testing for other divisions
Data Cable Infrastructure Installation	Vendor to install a full, turnkey data cable infrastructure system with the latest technical specifications that can provide connectivity and a broader network bandwidth	\$273,125	<ul style="list-style-type: none"> • Released RFP July 12, 2019 • Board approved funding on October 4, 2019 • Executed contract 	<ul style="list-style-type: none"> • Complete implementation February 28, 2020
Prequalify Vendor List for PCs, Network Hardware, etc.	Establish list of prequalified vendors to provide computer, network, and printer hardware and software, and to purchase desktop computer hardware upgrades	\$300,000	<ul style="list-style-type: none"> • Released RFQQ November 1, 2019 	<ul style="list-style-type: none"> • Approve Vendors List February 7, 2020

Project	Brief Description	Estimated Project Cost	Completed Actions	Upcoming Milestones
Annual Emission Reporting (AER) enhancement	AER is used by facilities to report annual emissions. Substantial enhancements are required to meet the requirements for Rule 301 changes and AB 617	\$275,800	<ul style="list-style-type: none"> • Project charter released • Task order issued, evaluated and awarded • Business requirements gathering completed • System architecture and system design completed • Development of Phase 1 completed • Phase 1 moved to production to begin January 1 reporting period • Phase 2 Development completed 	<ul style="list-style-type: none"> • Phase 2 move to production
Rule 1403 Enhancements	The Rule 1403 web application automates the Rule 1403 notification process. Enhancements to the system are now required to streamline the process and to meet the new rule requirements	\$68,575	<ul style="list-style-type: none"> • Project charter released • Task order issued, evaluated and awarded • Business requirements gathering completed • Development of Phase 1 completed • Development of Phase 2 completed • System Integration Testing and User Acceptance Testing completed 	<ul style="list-style-type: none"> • System deployment to production

Projects that have been completed within the last 12 months are shown below.

Completed Projects	
Project	Date Completed
Annual Emissions Reporting System	December 31, 2019
Rule 1180 Fence Line Monitoring web site	December 31, 2019
Online filing of Rule 222 – Negative Air Machines, Small Boilers, and Charbroilers modules	December 13, 2019
Flare Notification System	December 12, 2019
Volkswagen Environmental Mitigation Application Filing Portal	December 7, 2019
CLASS Database Software Licensing and Support	November 30, 2019
Office 365 Suite Implementation of File Storage (OneDrive for Business)	November 22, 2019
Ingres Database Migration to Version 11	August 23, 2019
Renewal of OnBase Software Support	July 15, 2019
Telecommunications Service	July 15, 2019
AB 617 – Community Monitoring Data Display Web Application	July 9, 2019
Online filing of Rule 1415 – Reduction of Refrigerant Emissions System	June 5, 2019
South Coast AQMD Mobile Application for Android devices	May 30, 2019
Renewal of HP Server Maintenance & Support	April 30, 2019
Implementation of Enterprise Geographic Information System (EGIS) Phase II	March 11, 2019
FIND (Facility INformation Detail) upgrade	February 21, 2019

BOARD MEETING DATE: February 7, 2020

AGENDA NO. 14

PROPOSAL: Receive and File Annual Report on 457 Deferred Compensation Plan

SYNOPSIS: South Coast AQMD sponsors an IRS-approved 457 deferred compensation program for its employees. The Annual Report addresses the Board's responsibility for monitoring the activities of the Deferred Compensation Plan Committee and ensuring the Committee carries out its fiduciary duties and responsibilities under the Committee Charter. This action is to receive and file the Annual Report.

COMMITTEE: Administrative, December 13, 2019 and January 17, 2020;
Recommended for Approval

RECOMMENDED ACTION:
Receive and file

Wayne Natri
Executive Officer

AJO:mm

Background

South Coast AQMD sponsors and administers a 457 deferred compensation program for its employees. The Deferred Compensation Plan ("Plan") is administered by Massachusetts Mutual Life Insurance Company (MassMutual), a retirement services, asset management and insurance firm. At the January 17, 2020 Administrative Committee meeting, staff provided a summary of the history and performance of the firms that have provided services for South Coast AQMD.

State law governs the fiduciary requirements for the operation and investment of 457 plans sponsored by governmental entities. South Coast AQMD Governing Board (Board) serves a fiduciary role, subject to the duties and obligations under Article XVI, Section 17 of the California Constitution. To meet its fiduciary responsibilities, the

Board, at the time it established South Coast AQMD's 457 Plan, also established a Deferred Compensation Plan Committee ("Committee") to oversee the administration of the Plan. On May 2, 2008, the Board approved the Deferred Compensation Plan Committee Charter, formalizing the fiduciary duties and responsibilities of the Committee. The four members of the Deferred Compensation Plan Committee are the Chief Financial Officer, the Deputy Executive Officer/Administrative and Human Resources, the Human Resources Manager for employee benefits, and the General Counsel.

In addition to the retirement plan administrator, South Coast AQMD utilizes the services of an independent, third-party consulting firm, Benefit Financial Services Group (BFSG), to provide services to the Plan as a fiduciary under a Registered Investment Advisor agreement.

Summary of Report

The Committee meets on a quarterly basis to review the Plan's design, investment options, asset allocation, and demographics, and to make changes as necessary. During the 2018-19 fiscal year period, the Committee placed one fund on the Watch List due to relative underperformance and removed another fund from the Watch List due to improved performance, replaced several target date fund models, added a new index fund category, replaced three specialty funds with an index fund for each respective sector, and replaced one small cap fund.

In addition, the Committee voted to adopt revisions to the Investment Policy Statement, and to extend the current contract with BFSG for one additional year.

As of June 30, 2019, the Plan has:

- 985 participants (employees and retirees);
- Approximately \$185 million in assets; and
- Outperformed the 3-, 5- and 10-year performance benchmarks.

The Annual Report provides detailed information regarding Plan Assets/Demographics and Plan Performance.

Proposal

Staff recommends the Board receive and file the 457 Deferred Compensation Plan Annual Report to the Board for FY 2018-19.

Attachment

457 Deferred Compensation Plan Annual Report for FY 2018-19



ANNUAL REPORT TO THE BOARD

**REPORT PERIOD: JULY 2018 -
JUNE 2019**

South Coast Air Quality Management District
457 Deferred Compensation & 401 (a)
Defined Contribution Plans

Table of Contents

Section I	Executive Summary
Section II	Year in Review
Section III	Plan Assets / Demographics
Section IV	Plan Performance
Section V	Appendix

SECTION I

EXECUTIVE SUMMARY

Executive Summary

South Coast Air Quality Management District ("South Coast AQMD") maintains a governmental 457(b) Deferred Compensation Plan and 401(a) Defined Contribution Plan (collectively, the "Plan") for the benefit of eligible employees. South Coast AQMD's Deferred Compensation Plan was adopted on January 1, 1987. South Coast AQMD's 401(a) Plan was adopted on January 1, 2017.

South Coast AQMD's Deferred Compensation Plan Committee ("Committee"), officially chartered in May 2008, and whose members are appointed by South Coast AQMD's Governing Board, meets on a regular basis to review the Plan's design, investment options, asset allocation/demographics, and to make changes as necessary. Current membership includes the Chief Financial Officer of Finance, General Counsel, the Deputy Executive Officer of Administrative and Human Resources, and a Human Resources Manager.

The Plan is administered by Massachusetts Mutual Life Insurance Company ("Mass Mutual"), a retirement services, asset management and insurance firm. MassMutual provides recordkeeping and administration services to more than 3,300 governmental plans, with over \$21 billion in total assets, as of December 31st, 2018. MassMutual has been administering 457 plans since 1979 and has an S&P credit rating of AA+ (as of May 28, 2019).

In addition to the retirement plan administrator, SCAQMD utilizes the services of Benefit Financial Services Group ("BFSG"). BFSG is a third-party consulting firm that provides services to the Plan as a fiduciary under a Registered Investment Advisor agreement. Their consulting services include investment analysis, review and recommendation of investment options offered in the Plan, fiduciary compliance assistance to Committee members and Plan cost benchmarking. BFSG has been providing services to the Plan since 2007.

The Plan was established to provide a retirement savings program for the employees of SCAQMD and is maintained for the exclusive purpose of benefiting the Plan participants and their beneficiaries. The Plan is also intended to operate in accordance with all applicable state and federal laws and regulations.

While Plan participants are ultimately responsible for their own investment decisions, the Committee endeavors to provide an appropriate range of investment options, allowing participants to invest in accordance with their own time horizons, risk tolerance, and retirement goals.

SECTION II

YEAR IN REVIEW

2018/2019 Year in Review

Items addressed and adopted by the Committee during the year are as follows:

Plan Updates

Meeting Date	Item	Update
December 12, 2018	Investment Policy Statement ("IPS")	The Committee unanimously agreed to adopt proposed revisions to the IPS.
March 29, 2019	BFSG Consulting Agreement	The Committee unanimously agreed to extend the current contract with BFSG for deferred compensation consulting services for one more year.
June 4, 2019	Plan Expense Reimbursement Account ("PERA") Review	The Committee unanimously agreed to continue using the balance in the PERA to pay outstanding qualified Plan-related expenses until the account is depleted.

2018/2019 Year in Review

Items addressed and adopted by the Committee during the year are as follows:

Investment Menu

Meeting Date	Item	Update
September 12, 2018	Watch List	The Committee unanimously agreed to remove MFS International New Discovery from the watch list due to improved performance.
	Fund Change	The Committee unanimously agreed to add Vanguard Emerging Markets Stock Index to the Plan. This change was effective December 3, 2018.
	Custom Target Date Models	The Committee unanimously agreed to adopt new custom target date models to replace the current asset allocation models that could not be replicated on the new MassMutual platform. BFGG were appointed as the 3(38) Investment Manager for the new custom target date models.
March 29, 2019	Watch List	The Committee unanimously agreed to add Vanguard Selected Value to the Watch List due to underperformance relative to peers.
	Fund Changes	The Committee unanimously agreed to replace MFS Utilities with Vanguard Utilities Index, and to replace Neuberger Berman Sustainable Equities with Vanguard FTSE Social Index. The Committee unanimously agreed, with Mr. Richards abstaining, to replace Invesco Real Estate with Vanguard Real Estate Index. These changes were effective June 17, 2019.
	Share Class Change	The Committee unanimously agreed to replace American Beacon Small Cap Value Inst with American Beacon Small Cap Value R6. This change was effective June 17, 2019.

SECTION III

PLAN ASSETS /
DEMOGRAPHICS

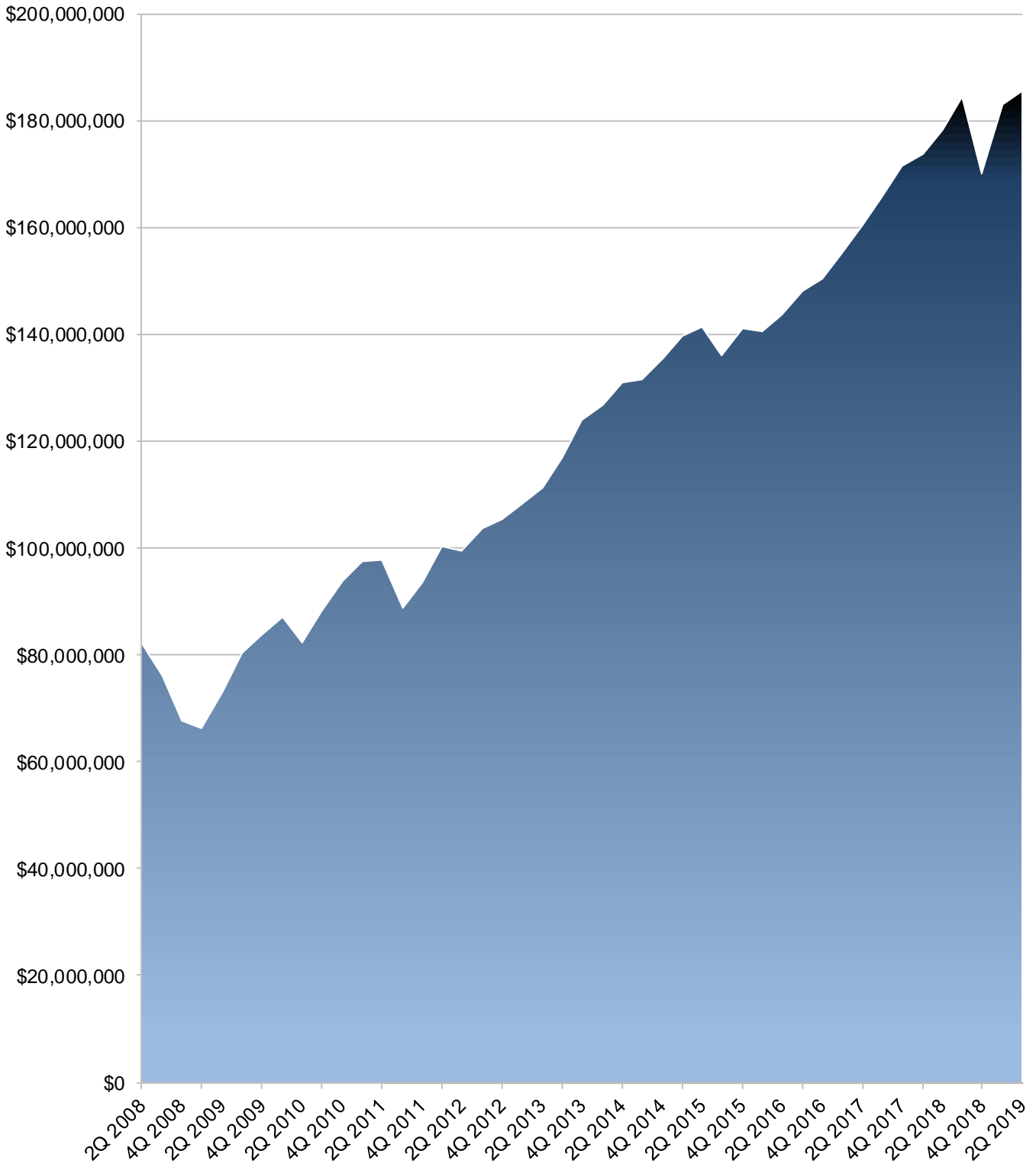
Plan Assets (Combined) / Demographics as of June 30, 2019

Investment Option	% of Plan Assets	Participants	Plan Assets
Guaranteed Interest Account	46.29%	653	\$85,625,036
T. Rowe Price Blue Chip Growth I	11.94%	460	\$22,076,079
American Funds Fundamental Invs R6	7.35%	232	\$13,595,832
Hartford MidCap Y	4.64%	369	\$8,587,535
Vanguard Institutional Index I	4.36%	217	\$8,068,127
Hartford Dividend and Growth R5	3.72%	364	\$6,886,988
Hartford International Opportunities R5	2.54%	388	\$4,690,055
Invesco Equity and Income A	2.23%	121	\$4,124,580
Hartford Healthcare R5	2.10%	99	\$3,889,216
Goldman Sachs Small Cap Gr Insights Inv	1.98%	322	\$3,670,851
Metropolitan West Total Return Bd I	1.87%	241	\$3,457,456
T. Rowe Price Retirement 2045	1.66%	88	\$3,077,106
Vanguard Selected Value Inv	1.32%	293	\$2,441,199
T. Rowe Price Retirement 2035	1.21%	34	\$2,233,007
American Beacon Small Cap Value R6	1.04%	291	\$1,927,960
Vanguard Total Bond Market Index Adm	0.96%	163	\$1,780,827
Vanguard Mid Cap Index Admiral	0.93%	135	\$1,714,052
MFS International New Discovery A	0.90%	116	\$1,658,478
Vanguard Small Cap Index Adm	0.71%	124	\$1,309,462
Vanguard Utilities Index Adm	0.67%	81	\$1,246,019
Vanguard Developed Markets Index Admiral	0.38%	83	\$695,563
Vanguard Real Estate Index Admiral	0.32%	54	\$591,688
Vanguard FTSE Social Index Admiral	0.22%	44	\$405,894
T. Rowe Price Retirement 2025	0.14%	17	\$249,745
Vanguard Small Cap Value Index Admiral	0.10%	124	\$183,635
T. Rowe Price Retirement 2050	0.10%	16	\$182,156
DFA US Large Cap Value I	0.09%	43	\$166,336
T. Rowe Price Retirement 2040	0.06%	5	\$111,127
T. Rowe Price Retirement 2055	0.05%	5	\$89,196
T. Rowe Price Retirement 2030	0.04%	2	\$72,328
T. Rowe Price Retirement 2060	0.04%	11	\$70,536
T. Rowe Price Retirement 2020	0.02%	5	\$31,050
Vanguard Emerging Mkts Stock Idx Adm	0.02%	3	\$28,785
T. Rowe Price Retirement 2015	0.01%	3	\$14,338
T. Rowe Price Retirement 2010	0.00%	1	\$3,896
Total	100.00%	985	\$184,956,139

Note: Total excludes Self-Directed Brokerage Account and loan balances

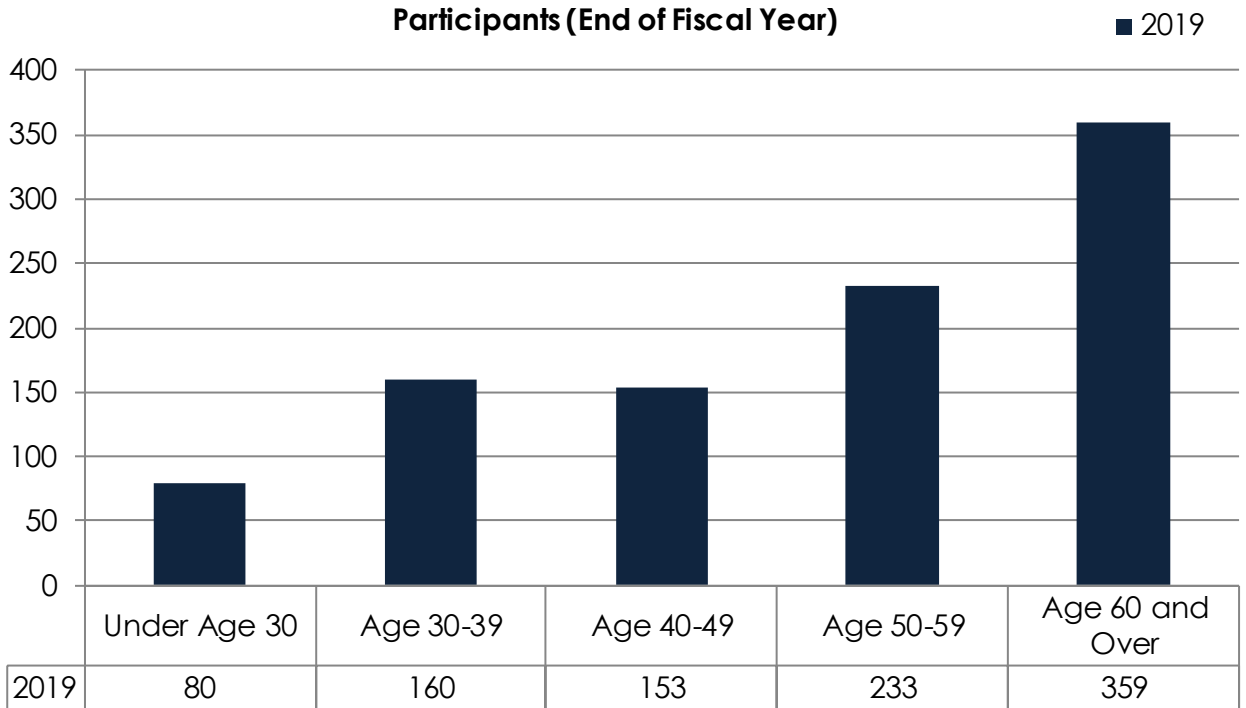
Plan Assets / Demographics

Growth of Plan Assets

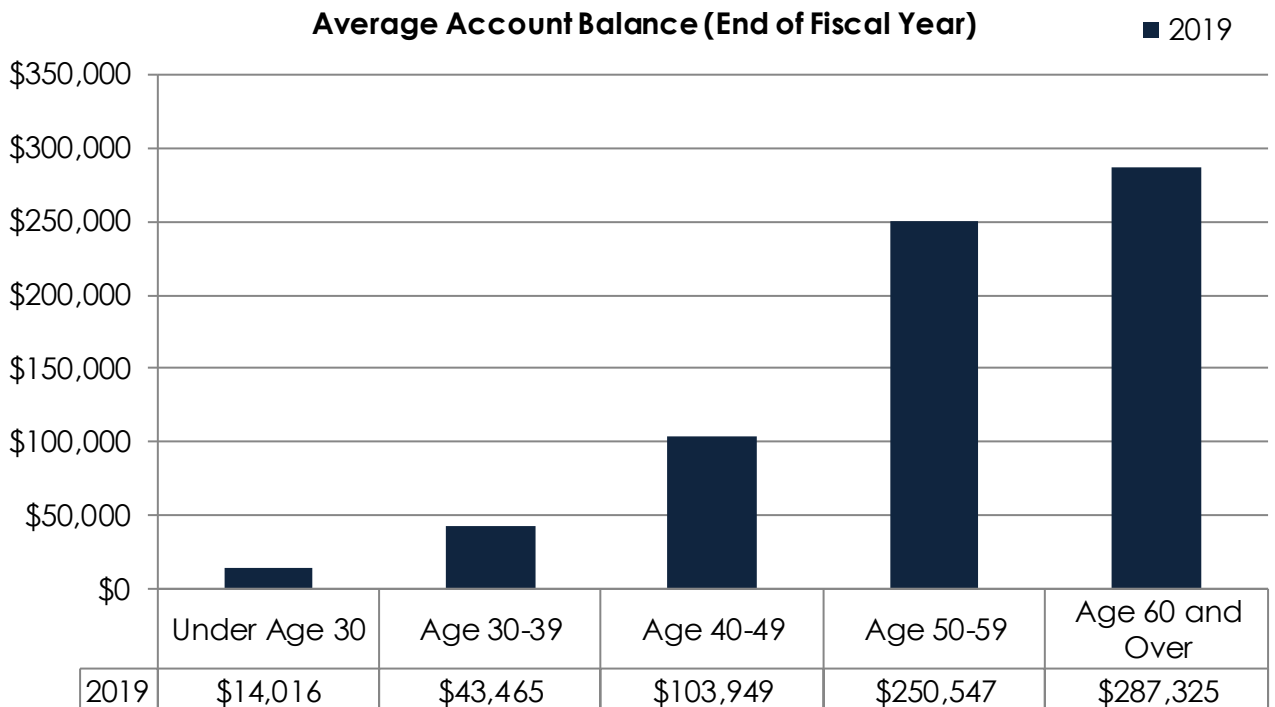


Plan Assets / Demographics

Plan Participants by Age



Average Account Balance by Age



Plan Assets / Demographics

Annual Net Cash Flow –YTD 2019

QUARTER ENDING	2019				YTD
	March 31st	June 30th	September 30th	December 31st	Jan 1st - Dec 31st
Cash Flow					
Beginning Market Value	\$170,072,234	\$183,074,206			\$170,072,234
Contributions	\$2,160,412	\$2,315,617			\$4,476,029
Withdrawals	-\$1,709,724	-\$3,995,084			-\$5,704,808
Net Loan Activity	\$95,537	-\$45,584			\$49,953
Fees	-\$35,728	-\$37,988			-\$73,716
NET CASH FLOW	\$510,497	-\$1,763,039			-\$1,252,542
Change in Value	\$12,191,791	\$4,229,828			\$16,421,619
Other Activity	\$299,684	\$35,665			\$335,349
Ending Market Value	\$183,074,206	\$185,576,660			\$185,576,660

Annual Net Cash Flow - 2018

QUARTER ENDING	2018				YTD
	March 31st	June 30th	September 30th	December 31st	Jan 1st - Dec 31st
Cash Flow					
Beginning Market Value			\$0	\$184,563,415	\$0
Contributions			\$1,018,884	\$1,814,111	\$2,832,996
Withdrawals			-\$681,356	-\$3,779,985	-\$4,461,341
Net Loan Activity			-\$1,412,461	\$62,778	-\$1,349,683
Fees			-\$25,031	-\$36,840	-\$61,871
NET CASH FLOW			-\$1,099,963	-\$1,939,936	-\$3,039,899
Change in Value			\$2,089,423	-\$12,551,245	-\$10,461,822
Net Transfers			\$183,573,954	\$0	\$183,573,954
Ending Market Value			\$184,563,415	\$170,072,234	\$170,072,234

Note: Assets transferred to MassMutual's "REFLEX" platform in July 2018.

SECTION IV

PLAN PERFORMANCE

Weighted Portfolio Return versus Custom Benchmark

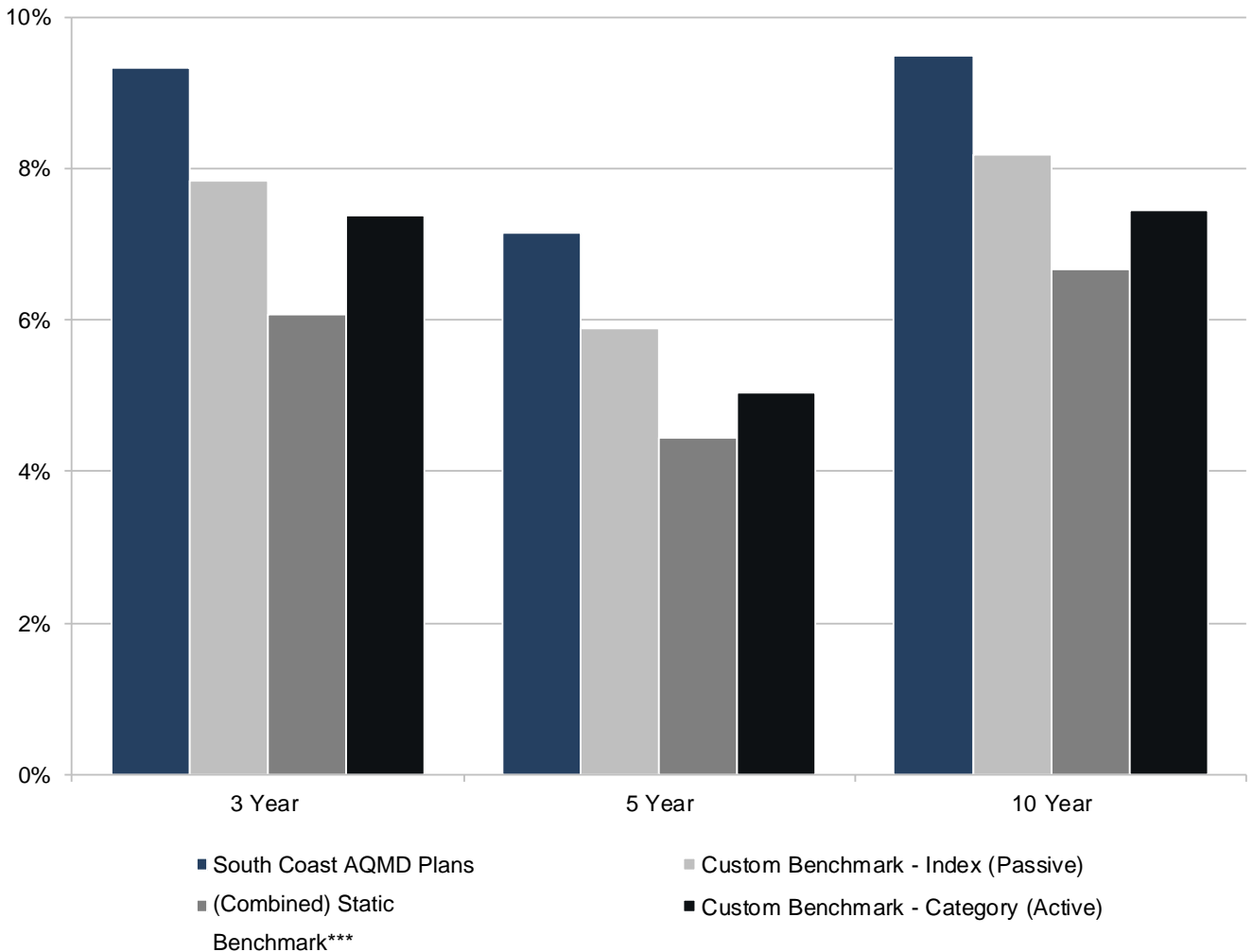
Performance as of June 30, 2019	3 Month	1 Year	Annualized Returns			3 YR	3 YR	Expense	Net
			3 Year	5 Year	10 Year	Std Dev	Sharpe	Ratio*	Expense**
South Coast AQMD Plans (Combined)	2.34%	5.92%	9.34%	7.15%	9.49%	6.22	1.23	0.63	0.66
Custom Benchmark - Index (Passive)	2.42%	5.99%	7.83%	5.88%	8.18%	6.07	1.03	N/A	N/A
Static Benchmark***	3.37%	7.18%	6.08%	4.45%	6.67%	4.93	0.93	N/A	N/A
Custom Benchmark - Category (Active)	2.30%	4.85%	7.38%	5.04%	7.44%	6.11	0.96	0.81	N/A

*Custom expense ratio represents the weighted expense (based upon current allocation) of Institutional and Retirement share classes in each asset category.

**Net Expense equals the Plan's weighted expense ratio plus 8 Bps levelized fee, minus revenue sharing reimbursement.

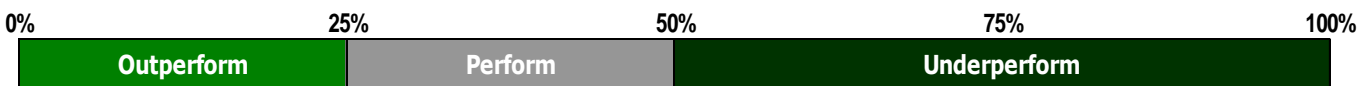
***Static Benchmark is comprised of 60% in Vanguard Total Bond Index and 40% in Vanguard Total World Stock Index.

Annualized Returns



Individual Fund Ranking (Per Investment Policy Statement Evaluation Criteria)

Investment Name	Quarterly Ranking			
	2Q19	1Q19	4Q18	3Q18
Intermediate Core-Plus Bond Metropolitan West Total Return Bd I	18	15	15	16
Allocation--50-70% Equity Invesco Equity and Income A	56	55	59	48
Large Value DFA US Large Cap Value I	6	4	4	3
Hartford Dividend and Growth R5	3	4	4	6
Large Blend American Funds Fundamental Invs R6	13	7	4	8
Large Growth T. Rowe Price Blue Chip Growth I	0	0	1	0
Mid Value Vanguard Selected Value Inv	34	42	43	31
Mid Growth Hartford MidCap Y	27	20	17	12
Small Value American Beacon Small Cap Value R6	12	13	12	8
Small Growth Goldman Sachs Small Cap Gr Insights Inv	48	41	34	28
Foreign Large Equity Hartford International Opportunities R5	34	33	43	30
Foreign Small/Mid Equity MFS International New Discovery A	28	28	29	42
Healthcare Hartford Healthcare R5	51	51	50	39
Target Date Series T. Rowe Price Retirement Series	12	13	16	17
Average Rank	24	28	28	26
Plan Weighted Rank (Reweighted)	18	17	17	15



Note: Average and Plan-Weighted Average rankings shown above reflect the actual funds offered in the Plan (and their respective weightings) during the applicable quarter.

SECTION V

APPENDIX



**South Coast
Air Quality Management District**

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

BOARD MEETING DATE: September 7, 2018

REPORT: Deferred Compensation Plan Committee

SYNOPSIS: The Deferred Compensation Plan Committee met on Wednesday, September 12, 2018 at 2:00pm at South Coast AQMD headquarters in Diamond Bar. The following is a summary of that meeting.

RECOMMENDED ACTION:
Receive and file.

A. John Olvera, Chair
Deferred Compensation Plan

Committee Members Present

Mr. John Olvera – Asst. Deputy Executive Officer/Admin and Human Resources

Mr. Bill Richards – Human Resources Manager

Mr. Bayron Gilchrist – General Counsel

Committee Members Absent

Ms. Sujata Jain - Asst. Deputy Executive Officer/Finance

Guests

Dario Gomez, MassMutual

Darren Stewart, Benefit Financial Services Group (“BFSG”)

Aksana Munoz, BFSG

Call to Order

Chair Olvera called the meeting to order at 2:04 pm.

ACTION ITEMS:

- 1. Approval of Prior Meeting Minutes (Administrative):** The Committee members in attendance reviewed and unanimously approved the minutes of the June 6, 2018 meeting.
- 2. 457 and 401(a) Plan Quarterly Investment Review (Fiduciary) - 2nd Quarter 2018 (Fiduciary):** The Committee members in attendance reviewed and unanimously approved the Retirement Plan Quarterly Investment Review (the “Report”) for the 457 Deferred Compensation Plan (the “Plan”) for the quarter ending June 30, 2018.

Mr. Stewart provided an overview of the economy and the capital markets during the quarter to provide context to the performance of the investment options in the Plan. He further provided a quantitative and qualitative review of the funds offered in the Plan, in accordance with the Evaluation Methodology criteria set forth in the Plan’s Investment Policy Statement (“IPS”). The following noteworthy funds were discussed in more detail.

Neuberger Berman Socially Responsive is currently on the Watch List due to performance-related issues and a change in fund management. The fund, which is now categorized by Morningstar as a large cap blend fund, has performed well relative to the index benchmark and category peers. During the quarter, the fund benefited from an underweight in consumer staples and strong stock selection in the financial sector. This position also helped to offset losses from its technology underweight. The Evaluation Methodology score improved in the last three quarters,

from 56 (“underperform”) to 26 (“perform”). After discussion, the Committee members in attendance unanimously agreed to keep the fund on the Watch List.

Vanguard Selected Value trailed the Russell Mid Cap Value Index and category peers for the quarter and one-year periods, largely due to a deep-value tilt. An overweight to the underperforming industrials and financials sectors also detracted from performance for the quarter, as did an underweight to energy. A significant underweight to the real estate sector benefited performance for the one-year period. The fund performance remains strong across all other measured time periods noted in the Report.

MFS International New Discovery is currently on the Watch List due to short-term underperformance. The fund outperformed both the benchmark index and category peers for the quarter, one-, and 3-year periods. An overweight to emerging markets detracted from performance during the quarter, but strong stock selection within the sector was additive. An overweight to United Kingdom also contributed to recent performance. The fund serves as a strong downside protector as shown by its down capture ratio. As a result of its improved performance, BFSG proposed removing the fund from the Watch List. The Committee members in attendance unanimously agreed.

MFS Utilities is currently on the Watch List due to performance-related issues. The fund outperformed both the benchmark index and category peers for the quarter and one-year periods. Strong stock selection in energy was additive to recent performance. The fund continues to trail both benchmarks on a 3- and 5-year basis. After discussion, the Committee members in attendance unanimously agreed to keep the fund on the Watch List.

Based on participant allocations as of June 30, 2018, the Plan performed in-line with its custom active and passive benchmarks for the quarter and outperformed both benchmarks across all other measured time periods noted in the Report. The funds take slightly more risk, as measured by 3-year standard deviation, though participants are rewarded for the additional risk, as measured by 3-year Sharpe ratio. The Plan-weighted expense ratio remains competitive relative to the category average, at 62 basis points versus the category at 90 basis points.

The Committee reviewed the revenue received by MassMutual for recordkeeping and administrative services. The annual revenue per participant was approximately \$113, based on the assets as of June 30, 2018. It was noted that the reason the revenue per participant appears to be on the high end of the range is because the bids used to benchmark the market segment, from the 2015 RFI, were lower than the current recordkeeper, as they did not include the favorable crediting rate of the current general account. The Committee will continue to monitor fees on an ongoing basis.

The Committee members in attendance reviewed and unanimously approved the Retirement Plan Quarterly Investment Review (the “Report”) for the South Coast AQMD 401(a) Plan (the “Plan”) for the quarter June 30, 2018. Based on participant allocations as of June 30, 2018, the Plan performed in-line with its custom active and passive benchmarks for the quarter and outperformed both benchmarks across all other measured time periods noted in the Report. The Plan-weighted expense ratio remains competitive relative to the category average, at 70 basis points versus the category at 91 basis points.

- 3. Fund Search Analysis (Fiduciary):** BFSG prepared a Fund Search analysis of available investment options in the emerging market category for the Committee’s consideration. Each investment option was reviewed in accordance with the Investment Policy Statement criteria, which included performance, risk-adjusted performance, style consistency, and expense, as well as qualitative criteria. After review and discussion, the Committee members in attendance unanimously agreed to make the following changes in the 457 and 401(a) Plans:

- Add Vanguard Emerging Markets Stock Index as a passive option in the emerging market category.

MassMutual will facilitate these changes as soon as administratively possible.

- 4. Model Portfolios (Fiduciary):** It was noted that the current custom asset allocation models, as constructed, cannot be replicated on the new MassMutual platform. As a result, BFSG prepared and distributed a Target Date Models presentation, which included BFSG’s model construction methodology and proposed asset allocation. The Committee discussed how utilization of the target date models could provide additional clarity to participants and make for easier investment decisions. After discussion, the Committee members in attendance unanimously agreed to adopt the new custom target date models and appoint BFSG as the 3(38) Investment Manager. MassMutual will work on implementing the target date models and updating the current Service Agreement as necessary. Participants would need to opt into the target date model. MassMutual will make sure it is communicated accordingly as part of ongoing employee education sessions.

- 5. Investment Policy Statement (Fiduciary):** The Committee reviewed potential changes to the current Investment Policy Statement (“IPS”). BFSG will bring an updated IPS for possible adoption at the next meeting.

DISCUSSION ITEMS:

- 6. The 457 Plan – Transition to new MassMutual Platform “Reflex” (Fiduciary):** Mr. Gomez informed the Committee that the transition of the 457 and OBRA Plans was completed in July. He recapped the benefits of utilizing the new platform,

including an improved participant website, enhanced automation to reduce SCAQMD's administrative responsibilities, and the ability to utilize fee levelization.

- 7. Quarterly Review - 457 and 401(a) Plans (Fiduciary).** The Committee was provided with a copy of the Q2 2018 Quarterly Review for both Plans. The Review of both Plans included the following information for the quarter ending June 30, 2018: assets, contributions, distributions, rollovers, loans, and plan participation.
- 8. Quarterly Reimbursement Calculation (Fiduciary):** The Committee received and filed the quarterly reimbursement calculation provided by MassMutual for the quarter ending June 30, 2018.

OTHER MATTERS:

- 10. Other Business** – There was no other business.
- 11. Public Comments** – There were no public comments.

Adjournment - The meeting adjourned at 3:30 p.m.



**South Coast
Air Quality Management District**

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

MEETING DATE: December 12, 2018

REPORT: Deferred Compensation Plan Committee

SYNOPSIS: The Deferred Compensation Plan Committee met on Wednesday, December 12, 2018 at 3:00 pm at South Coast AQMD headquarters in Diamond Bar. The following is a summary of that meeting.

RECOMMENDED ACTION:
Receive and file.

A. John Olvera, Chair
Deferred Compensation Plan

Committee Members Present

Mr. John Olvera – Asst. Deputy Executive Officer/Admin and Human Resources
Mr. Bill Richards – Human Resources Manager
Mr. Bayron Gilchrist – General Counsel
Ms. Sujata Jain - Asst. Deputy Executive Officer/Finance

Committee Members Absent

None

Guests

Dario Gomez, MassMutual
Darren Stewart, Benefit Financial Services Group (“BFSG”)
Aksana Munoz, BFSG

Call to Order

Chair Olvera called the meeting to order at 3:10 pm.

ACTION ITEMS:

- 1. Approval of Prior Meeting Minutes:** The Committee reviewed and unanimously approved the minutes of the September 12, 2018 meeting.
- 2. 457 and 401(a) Plan Quarterly Investment Review - 3rd Quarter 2018:** The Committee reviewed and unanimously approved the Retirement Plan Quarterly Investment Review (the “Report”) for the 457 Deferred Compensation Plan and the 401(a) Defined Contribution Plan (collectively the “Plan”) for the quarter ending September 30, 2018.

Mr. Stewart provided an overview of the economy and the capital markets during the quarter to provide context to the performance of the investment options in the Plan. He further provided a quantitative and qualitative review of the funds offered in the Plan, in accordance with the Evaluation Methodology criteria set forth in the Plan’s Investment Policy Statement (the “IPS”). The following noteworthy funds were discussed in more detail.

Invesco Equity and Income underperformed both the benchmark index and category peers for the quarter and one-year periods, due in part to its value-oriented tilt. An overweight to financials and consumer discretionary also detracted from recent performance. The fund’s large cash position and poor stock selection within the consumer discretionary sector weighed on performance during the quarter. Intermediate- and long-term performance remain strong.

American Funds Fundamental Investors underperformed on a quarter and one-year basis relative to its benchmark index and category peers. The underperformance was largely due to a traditionally high allocation to non-US equities and an overweight to the energy sector. On a longer-term basis, fund performance continues to rank in the top third relative to peers.

Neuberger Berman Sustainable Equity is currently on the Watch List due to performance-related issues. The fund underperformed its large blend category peers during the quarter. Recent underperformance was attributable to an overweight in international stock of 13% relative to a 3% weight for the category, and an underweight in technology. Poor stock selection in the technology sector also detracted from performance during the quarter. The fund has historically trailed its peers in up markets but has been a strong performer in volatile and declining markets. After discussion, the Committee unanimously agreed to keep the fund on the Watch List to monitor its performance.

Vanguard Selected Value significantly trailed its benchmark index and peers for the quarter and one-year periods measured in the Report. The underperformance was in large due to poor stock selection in the materials and technology sectors. Positions in gold and semiconductors were among the greatest detractors. The fund maintains a strong down capture ranking relative to its peers, which should be additive during volatile markets. Long-term performance remains strong. Mr. Stewart noted fund performance has improved since the end of the reporting period.

Hartford International Opportunities underperformed for the quarter and one-year periods relative to its benchmark index and category peers. Poor stock selection, particularly in the information technology, consumer discretionary, and energy sectors, was a primary detractor from performance. The fund's overweight to China and global trade concerns have adversely affected several of its holdings. On a long-term basis, fund performance remains strong.

Vanguard Emerging Markets Stock Index was added to the Plan on December 3, 2018.

MFS Utilities, which is currently on the Watch List, underperformed both the benchmark index and category peers during the quarter. A large overweight to the energy sector added to the fund's one-year outperformance. The same positioning detracted from performance during the quarter as energy stocks pulled back from a large run up earlier this year. Mr. Stewart noted Maura Shaughnessy, who has managed this fund since its 1992 inception, will retire in August 2019. The fund will be then run by Claud Davis and Scott Walker, who were comanagers on the fund since 2014 and 2017, respectively. In light of this development and the fund's performance-related issues, BFG proposed to bring an analysis of available alternates in the utilities sector for the Committee's review and consideration to the

next meeting. The Committee agreed and asked BFSG to also prepare a search for the other two sector funds in the Plan. BFSG agreed. In the meantime, the fund will remain on the Watch List.

Performance of the T. Rowe Price Retirement Funds was also reviewed. The Funds performed in-line and/or outperformed their respective benchmarks for the quarter and one-year periods. On a long-term basis, the series remain a top performer.

Based on participant allocations as of September 30, 2018, the Plan trailed its custom active and passive benchmarks for the quarter and outperformed both benchmarks across all other measured time periods noted in the Report. The funds take slightly more risk, as measured by 3-year standard deviation, though participants are rewarded for the additional risk, as measured by 3-year Sharpe ratio. The Plan-weighted expense ratio remains competitive relative to the category average.

The Committee reviewed the revenue received by MassMutual for recordkeeping and administrative services. The annual revenue per participant was approximately \$116 based on the assets as of September 30, 2018. It was noted that the reason the revenue per participant appears to be on the high end of the range is because the bids used to benchmark the market segment, from the 2015 Request for Information (“RFI”), were lower than the current recordkeeper, as they did not include the favorable crediting rate of the current general account. The Committee will continue to monitor fees on an ongoing basis.

- 3. Plan Expense Reimbursement Account Dissolution:** The Committee discussed the utilization of the Plan’s Expense Budget Account (the “EBA”), which was established during the transition to the new MassMutual platform back in July 2018. Mr. Gomez reminded the Committee that the annual reimbursement from the 457 Plan is being produced via a 0.02% asset charge in addition to the 0.06% required recordkeeping asset charge. He noted the revenue credit may be used to pay qualified plan-related expenses. The District may at any time request a reimbursement payment to offset plan expenses. Any unused amount in the EBA will be automatically allocated back to participant accounts before the last day of the Plan year. Mr. Gomez will provide an update on the account activity on a regular basis.

The Committee then reviewed the remaining balance in the Plan’s reimbursement account and unanimously agreed to use the balance to pay qualified plan-related expenses until the account is depleted.

- 4. Investment Policy Statement:** The Committee reviewed the revised Investment Policy Statement (IPS), a copy of which was sent by BFSG to each Committee

member prior to this meeting. After discussion, the Committee unanimously agreed to adopt the revisions to the IPS proposed by BFGS, with a few minor changes.

DISCUSSION ITEMS:

5. **Quarterly Review - 457 and 401(a) Plans.** Mr. Gomez presented the Q3 2018 Quarterly Review for both Plans to the Committee. His presentation included the following information for the quarter ending September 30, 2018: assets, rollovers, loans, Plan participation, and demographic statistics. Participant diversification and interactions with the Mass Mutual website and call centers were also reviewed and discussed.

6. **Quarterly Reimbursement Calculation:** The Committee received and filed the quarterly reimbursement calculation provided by MassMutual. Mr. Gomez noted the quarterly revenue shown was prorated based on the 26 days in the third quarter due to the Plan's transition to a fee leveling arrangement effective July 27, 2018. Mr. Gomez advised this report will no longer be available as the Expense Budget Account has been established for the Plan.

OTHER MATTERS:

7. **Other Business** – There was no other business.

8. **Public Comments** – There were no public comments.

Adjournment - The meeting adjourned at 4:45 p.m.



**South Coast
Air Quality Management District**

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

MEETING DATE: March 29, 2019

REPORT: Deferred Compensation Plan Committee

SYNOPSIS: The Deferred Compensation Plan Committee met on Wednesday, March 29, 2019 at 2:00 pm at South Coast AQMD headquarters in Diamond Bar. The following is a summary of that meeting.

RECOMMENDED ACTION:
Receive and file.

A. John Olvera, Chair
Deferred Compensation Plan

AJO:RH:tc

Committee Members Present

Mr. John Olvera – Asst. Deputy Executive Officer/Admin and Human Resources
Mr. Bill Richards – Human Resources Manager
Mr. Bayron Gilchrist – General Counsel
Ms. Sujata Jain - Asst. Deputy Executive Officer/Finance

Committee Members Absent

None

Guests

Dario Gomez, MassMutual (by phone)
Darren Stewart, Benefit Financial Services Group (“BFSG”)
Aksana Munoz, BFSG

Call to Order

Chair Olvera called the meeting to order at 2:05 pm.

ACTION ITEMS:

- 1. Approval of Prior Meeting Minutes:** The Committee reviewed and unanimously approved the minutes of the December 12, 2018 meeting.
- 2. 457 and 401(a) Plan Quarterly Investment Review – 4th Quarter 2018:** The Committee reviewed and unanimously approved the Retirement Plan Quarterly Investment Review (the “Report”) for the 457 Deferred Compensation Plan and the 401(a) Defined Contribution Plan (collectively the “Plan”) for the quarter ending December 31, 2018.

Mr. Stewart provided an overview of the economy and the capital markets during the quarter to provide context to the performance of the investment options in the Plan. He further provided a quantitative and qualitative review of the funds offered in the Plan, in accordance with the Evaluation Methodology criteria set forth in the Plan’s Investment Policy Statement (the “IPS”). The following noteworthy funds were discussed in more detail.

Invesco Equity and Income underperformed both the passive benchmark and category peers for the quarter. A significant overweight to financials and energy weighed on recent performance. Management maintains a value-tilted portfolio, which detracted from performance for the quarter and one-year periods. The fund positioned to perform well in rising markets as shown by its up capture ratio.

Vanguard Selected Value performed in-line with its active benchmark but trailed its passive benchmark for the quarter. Historically, the fund has performed better in

down-markets and its overweight in cash and gold-related stocks should have been beneficial. However, poor stock selection in industrials and technology as well as an underweight to real estate and utilities offset the defensive positions. The fund trailed both benchmarks on a one, 3- and 5-year basis. After review and discussion, the Committee unanimously agreed to place the fund on the Watch List due performance-related issues.

Hartford International Opportunities underperformed both the index benchmark and category peers for the quarter. An overweight to China and poor stock selection weighted on results during the period. On a long-term basis, fund performance remains strong.

The Committee reviewed and discussed performance of the funds that are currently on the Watch List, Neuberger Berman Sustainable Equity and MFS Utilities. The Neuberger Berman fund, which has been on the Plan's Watch List since December 2015, performed in line with the index benchmark and category peers for the quarter. An overweight to technology and an underweight to utilities weighed on recent results. Performance across all other measured time periods was noted as being average. The MFS Utilities fund trailed both benchmarks for the quarter, one-, 3- and 5-year periods. The underperformance was largely due to the fund's significant overweight to the energy sector. An analysis of available alternatives in both categories will be reviewed later in the meeting. In the meantime, the Committee unanimously agreed to keep both funds on the Watch List.

Performance of the T. Rowe Price Retirement Funds was reviewed. The Funds slightly underperformed their respective benchmarks for the quarter. Performance over the 3-, 5- and 10-year periods ranks in the top quartile relative to peers.

Based on participant allocations as of December 31, 2018, the Plan outperformed the equally-weighted active and passive benchmarks across all measured time periods noted in the Report. The Plan demonstrated better risk-adjusted returns than the active benchmark, as measured by 3-year Sharpe ratio, and had a lower expense ratio than the category average.

The Committee reviewed the revenue received by MassMutual for recordkeeping and administrative services. The annual revenue per participant was approximately \$107 based on Plan assets as of December 31, 2018. It was noted that the reason the revenue per participant appears to be on the high end of the range is because the bids used to benchmark the market segment, from the 2015 Request for Information ("RFI"), were lower than the current recordkeeper, as they did not include the favorable crediting rate of the current general account. The Committee will continue to monitor the recordkeeping fees on an ongoing basis.

3. Fund Search Analysis:

For the Committee's review and consideration, BFSG prepared and presented a Fund Search consisted of alternative investment options in the socially responsible, real estate, utilities, and healthcare categories. Each investment option was reviewed in accordance with the Plan's Investment Policy Statement criteria, which included performance, risk-adjusted performance, style consistency, and expense, as well as qualitative criteria.

After review and discussion, the Committee unanimously agreed to make the following changes to the Plan's fund line-up:

- Keep the Hartford Healthcare fund in the Plan;
- Remove MFS Utilities. Add Vanguard Utilities Index. Map all assets and future contributions from the MFS fund to the Vanguard index;
- Remove Neuberger Berman Sustainable Equities. Add Vanguard FTSE Social Index. Map all assets and future contributions from the Neuberger fund to the Vanguard index.

The Committee unanimously voted, with Mr. Richards abstaining, to make the following change in the real estate category:

- Remove Invesco Real Estate. Add Vanguard Real Estate Index. Map all assets and future contributions from the Invesco fund to the Vanguard index.

4. Share Class Review: To assist the Committee with fulfilling its fiduciary responsibilities, BFSG prepared and presented a Share Class Analysis ("Analysis") for review and consideration. The Analysis demonstrated efficient ways to reduce the expense ratios of certain funds in the Plan such that the participants would benefit from the lower costs. After discussion, the Committee unanimously agreed to move forward with the following share class change:

- American Beacon Small Cap Value Inst will be removed. All assets and future contributions will be mapped to American Beacon Small Cap Value R6.

MassMutual will facilitate this request as soon as administratively possible.

5. BFSG Consulting Agreement Expiration

The Committee unanimously agreed to extend the current contract with BFSG for deferred compensation consulting services for one more year. The consulting fees will remain the same.

DISCUSSION ITEMS:

- 6. Quarterly Review.** Mr. Gomez presented the Quarterly Review report for the quarter ending December 31, 2018. The Committee reviewed a quarter-by-quarter comparison of the following Plan statistics: assets, contributions, rollovers, distributions, loan utilization, asset allocation, and other Plan-related participant activity. Additionally, Mr. Gomez provided an update on MassMutual's financial wellness program, MapMyFinances, which enables participants to make more informal decisions about their finances at every life stage. The program will be available to Plan participants in May 2019. The 401(a) Plan activity for the reporting quarter was also reviewed.

The Committee reviewed the remaining balance in the Plan's reimbursement account. The Committee will continue to use the balance to pay qualified Plan-related expenses until the account is depleted.

OTHER MATTERS:

- 7. Other Business** – There was no other business.
- 8. Public Comments** – There were no public comments.

Adjournment - The meeting adjourned at 4:05 p.m.



**South Coast
Air Quality Management District**

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

MEETING DATE: June 4, 2019

REPORT: Deferred Compensation Plan Committee

SYNOPSIS: The Deferred Compensation Plan Committee met on Wednesday, June 4, 2019 at 2:00 pm at South Coast AQMD headquarters in Diamond Bar. The following is a summary of that meeting.

RECOMMENDED ACTION:
Receive and file.

A. John Olvera, Chair
Deferred Compensation Plan

AJO:RH:tc

Committee Members Present

Mr. John Olvera – Asst. Deputy Executive Officer/Admin and Human Resources

Mr. Bayron Gilchrist – General Counsel

Ms. Sujata Jain - Asst. Deputy Executive Officer/Finance

Committee Members Absent

Mr. Bill Richards – Human Resources Manager

Guests

Dario Gomez, MassMutual (by phone)

Darren Stewart, Benefit Financial Services Group (“BFSG”)

Aksana Munoz, BFSG

Call to Order

Chair Olvera called the meeting to order at 2:10 pm.

ACTION ITEMS:

- 1. Approval of Prior Meeting Minutes:** The Committee reviewed and unanimously approved the minutes of the March 29, 2019 meeting.
- 2. 457 and 401(a) Plan Quarterly Investment Review – 1st Quarter 2019:** The Committee reviewed and unanimously approved the Retirement Plan Quarterly Investment Review (the “Report”) for the 457 Deferred Compensation Plan and the 401(a) Defined Contribution Plan (collectively the “Plan”) for the quarter ending March 31, 2019.

Mr. Stewart provided an overview of the economy and the capital markets during the quarter to provide context to the performance of the investment options in the Plan. He further provided a quantitative and qualitative review of the funds offered in the Plan, in accordance with the Evaluation Methodology criteria set forth in the Plan’s Investment Policy Statement (the “IPS”). The following noteworthy funds were discussed in more detail.

Invesco Equity and Income had a strong quarter outperforming both the index benchmark and category peers during the period. An overweight to foreign equities was additive to recent performance. An overweight to the Financials and Energy sectors also contributed to performance during the quarter. Management maintains a value-tilted portfolio, which detracted from performance over the one-year period. The fund’s current share class shares 55 basis points in revenue, which was a detractor from its overall net performance. It was noted that this share class is the most efficient and it would not be in the best interest of participants to change to a cheaper option.

Vanguard Selected Value, which is currently on the Watch List, slightly underperformed for the quarter due to a large cash position and poor stock selection in Healthcare. The fund held a large out-of-benchmark position in Cigna, which declined more than 15% on political pressure regarding health plans. The fund's style purity has detracted from performance as many of its peers have increased allocations to growth-oriented holdings. After discussion, the Committee unanimously agreed to keep the fund on the Watch List.

Hartford International Opportunities outperformed both benchmarks during the quarter. The main contributors to recent performance were an overweight to China and Healthcare, and an underweight to Technology. On a long-term basis, fund performance remains strong.

The previously agreed upon fund and share class changes are scheduled to occur on June 17, 2019.

Other items reviewed in the Report include performance of the T. Rowe Price Retirement Funds, point-in-time Plan-level performance, and the recordkeeping fees paid to MassMutual.

- 3. Plan Expense Reimbursement Account Balance Review:** The Committee reviewed the remaining balance in the Plan's reimbursement account. As of the end of April, the balance in the account was approximately \$14,000. After review and discussion, the Committee unanimously agreed to continue using the balance to pay any outstanding qualified Plan-related expense until the account is depleted.

DISCUSSION ITEMS:

- 4. Quarterly Review:** Mr. Gomez presented the Quarterly Review report for the quarter ending March 31, 2019. The Committee reviewed a quarter-by-quarter comparison of the following statistics for the 457 Plan: assets, contributions, rollovers, distributions, loan utilization, and other Plan-related participant activity. The Plan overall participation rate increased quarter-over-quarter from 76% to 79%. Plan demographic statistics and asset allocation were reviewed.

Mr. Gomez reviewed and discussed MassMutual's financial wellness program, MapMyFinances, which has been recently rolled out to participants. It was noted the tool can be utilized during the upcoming open enrollment.

The Committee reviewed the activity in the Expense Budget Account (the "EBA") which was set up when the 457 Plan transitioned to the new platform at MassMutual, Reflex. Once the remaining balance in the Plan Expense Reimbursement Account is depleted, the balance in the EBA can be used to pay

qualified Plan-related expense. MassMutual will reallocate any unused balance in the account back to participants automatically at the end of the year.

The 401(a) Plan activity for the reporting quarter was also reviewed.

OTHER MATTERS:

5. Other Business – There was no other business.

6. Public Comments – There were no public comments.

Adjournment - The meeting adjourned at 3:30 p.m.

INVESTMENT POLICY STATEMENT

**South Coast Air Quality Management District
457 DEFERRED COMPENSATION &
401(a) DEFINED CONTRIBUTION PLAN**

Adopted at the December 12, 2018 meeting

Purpose of the Investment Policy Statement

This statement establishes the policies and objectives for the South Coast Air Quality Management District 457 Deferred Compensation Plan and the 401(a) Defined Contribution Plan (collectively the “Plan”). It outlines and prescribes a prudent and acceptable investment philosophy and sets out the investment management procedures that are designed to assist the Plan Sponsor, South Coast Air Quality Management District (the “District”) and the Deferred Compensation Plan Committee (the “Committee”) appointed by the District in the discharge of the fiduciary duties imposed by them under the State of California Constitution, Government Code, and where the California legal provisions are not developed follow the fiduciary duties imposed by the Employee Retirement Income Security Act of 1974, as amended (“ERISA”). This statement is not intended to and shall not be deemed to expand the fiduciary duties of the District or the Committee or to create duties that do not exist under the State of California Constitution, Government code and ERISA.

Purpose of the Plan

The Plan was established for the purpose of providing a retirement savings program for certain employees of the District who have adopted the Plan. The assets of the Plan are held for the exclusive purpose of providing benefits to the Plan participants and their beneficiaries and defraying reasonable expenses of administering the Plan. The Plan is intended to operate in accordance with all applicable state and federal laws and regulations.

Pursuant to the election of the District, assets of the Plan are subject to the investment direction of the participants or their beneficiaries. The Plan is intended to be consistent with the provisions of the Government Code section 53213.5 as it relates to the Department of Labor regulations issued pursuant to Section 404(c) of the Employee Retirement Income Security Act of 1974.

The goal of the Plan is to provide a framework for participants to establish a savings and investment program for their retirement. While Plan participants are ultimately responsible for their own investment decisions, the Committee will endeavor to provide a broad range of investment alternatives, allowing participants to invest in accordance with their own time horizons, risk tolerance and retirement goals.

Policy Goals

It is the Policy of the Investment Committee to ensure to the greatest extent feasible that the Plan shall:

- a) Encourage maximum participation by District employees and retirees
- b) Include funds such that participants with no special background or interest in investing are encouraged to achieve an age-appropriate diversification between equity and non-equity funds; and
- c) Reduce costs to participants

Statement of Responsibilities

The following parties associated with the Plan shall discharge their respective responsibilities in accordance with all applicable fiduciary standards of Article XVI, §17 of the California Constitution, Government Code section 53213.5 and Section 404(a) of ERISA as follows: (1) for the exclusive purpose of providing benefits to participants and their beneficiaries and defraying reasonable expenses of administering the Plan; (2) with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and of like aims; (3) in accordance with the documents and instruments governing the Plan insofar as such documents and instruments are consistent with the provisions of the State of California Constitution, Government Code and ERISA.

- a) Deferred Compensation Plan Committee: The members of the Committee have been appointed by the District to act as the “Investment Fiduciary.” The Committee, as the primary Investment Fiduciary, is responsible for investment and management of Plan Assets, and the selection of services related to those functions. The Committee shall be responsible for the Plan level investment selection process, as set forth in this Investment Policy Statement, but is not responsible for the individual fund performance and does not guarantee positive investment results.
- b) Investment Consultant: The Investment Consultant is a co-fiduciary of the Plan charged with the responsibility of advising the Committee on investment policy, advising on the selection of investment managers, providing performance analysis and monitoring services. The Investment Consultant shall provide assistance to the Committee for the Plan level investment selection process, as set forth in this Investment Policy Statement, but is not responsible for the individual fund performance and does not guarantee positive investment results.

Investment Choices

The Committee will endeavor to offer investment options for each of the selected asset classes as set forth in Appendix A, unless under the circumstances it is determined not prudent to do so. The Committee recognizes that options chosen for a specific asset class may drift from time to time and will address these variations as needed. These options shall be sufficient to provide participants and beneficiaries with a reasonable opportunity to:

- a) materially affect the potential return on amounts in their accounts with respect to which they are permitted to exercise control and the degree of risk to which such amounts are subject;
- b) choose from a minimum of three core investment alternatives, (i) each of which is diversified; (ii) each of which has materially different risk and return characteristics; (iii) which in the aggregate enable participants and beneficiaries to achieve a portfolio with aggregate risk and return characteristics at any point within the range normally appropriate for participants and beneficiaries; and (iv) each of which when combined with investments in the other alternatives tends to minimize through diversification the overall risk of a participant’s or beneficiary’s portfolio;

- c) diversify the investment of the accounts of participants and beneficiaries so as to minimize the risk of large losses, taking into account the nature of the Plan and the size of participants' or beneficiaries' accounts.

All investment choices will be publicly available mutual funds, collective investment trusts, separate accounts or similar vehicles. All investments being offered will fluctuate in value with market conditions and, when redeemed, may be worth more or less than the amount originally invested. Each of the chosen investment options is designed to follow a specific stated investment objective as outlined in Appendix A.

In addition, the Plan will offer participants a series of Strategic Asset Allocation Models (the "Models") designed for various risk profiles and expected retirement dates. The Plan's Investment Consultant shall have discretionary authority in developing and maintaining the allocations of the Models limited to utilization of investments offered directly to participants through the Plan. The Investment Consultant shall provide performance benchmarking against similar investment options on a quarterly basis and notify the Committee within 90 day of any allocation changes.

Performance Measurement Standards

The Committee shall evaluate all Plan investments against appropriate peer groups and index benchmarks as outlined in Appendix A on the performance measurement standards outlined in Appendix B. The Committee intends to use independent discretion and judgment in determining whether any investments are prudent and suitable for the Plan and its participants and beneficiaries, and while the evaluation criteria outlined in Appendix B is intended for guidance, it is not determinative.

The Committee shall have the authority to establish, modify, amend or adjust acceptable performance measurement standards by which each investment option is to be evaluated.

Investment Option Removal Procedure

The Committee shall maintain a "Watch List" for investment options that are not meeting the qualitative and quantitative criteria outlined in Appendix B. An investment option will be placed on the "Watch List" when the Committee determines that the option selected for the Plan fails to meet the criteria set forth in the performance measurement standards for a period of time to be determined by the Committee. The Committee may also remove an investment option for any reason it deems necessary.

Final selection, replacement and/or removal of an investment option from the line-up shall be completed only after conducting a thorough review of the identified investment option. In the event of a fund replacement, the Asset Allocation Models will be changed accordingly if the designated asset class is represented in the models.

If the Committee decides that an investment option should be eliminated and replaced with an appropriate alternative option, the following principles are among those that may be applied:

- The costs and fees of replacing an investment option should be identified and evaluated.
- Deleting an investment option or replacing it will not involve a prohibited transaction (e.g., there will be no conflicts of interest).

Should an investment option replacement or elimination be necessary, the Committee intends to satisfy the requirements for a qualified change as defined in ERISA Section 404(c)(4) by mapping the assets from the option replaced or eliminated to an alternative with reasonably similar characteristics, when available, and by mapping only the accounts of those participants who do not provide instructions contrary to the mapping instructions before the effective date.

Committee Review of Investment Performance Reports

Upon receipt of the Report by the Committee, copies will be provided to each of the Committee members to review and comment. While it is anticipated that the Committee will meet on a quarterly basis to discuss the Report, the Committee members may alternatively confer through individual conversations, conference calls, and other forums.

Investment Option Administrative Expenses

The Committee intends to operate the Plan under a level fee arrangement such that certain service provider costs, as determined by the Committee and permissible by law, are directly charged to Plan assets and allocated to participant accounts in a manner to be determined by the Committee so that an equitable fee rate applies to all participants.

To the extent investment options are offered in the Plan that generate revenue that would otherwise be used to offset service provider costs, such revenue will be refunded to those participant accounts from which the revenue was generated. Accordingly, the Committee may select share classes that are the least expensive after consideration of the revenue credit, unless using such share classes would increase the expense ratio in a way that may deter participant investment in the fund. Due to regular fluctuations in the expense ratio and revenue amounts, the Committee may periodically review the investment options offered in the Plan for more efficient share classes, but changes will only be made when the differential is material or an equally efficient share class with a lower expense ratio is available.

The fiduciaries of the Plan shall monitor the fees charged to the Plan and the participants, in accordance with all applicable fiduciary standards. This accounting and monitoring of fees shall be conducted at least annually. In the event fees are determined to be above average or not deemed reasonable for the services provided, the Committee may attempt to negotiate with the Plan's current service provider or evaluate alternate vendors.

Review and Revisions

The Committee reserves the right to amend the Investment Policy Statement at any time. Ordinarily, it is expected that this Statement will be amended to reflect such changes; however, formal amendment is not required.

APPENDIX A

Following is a list of the asset classes and their respective benchmarks used in evaluating investment options. Each investment option is compared to the respective Morningstar Category as the peer group and a widely accepted index. Mutual funds with a passive strategy will be benchmarked against the index which management attempts to track.

Asset Class	Peer Group	Index
Fixed/Stable Value	Stable Value Category	N/A
Intermediate Bond	Intermediate Term Bond Category	Barclays U.S. Aggregate Bond Index
Balanced	Allocation: 50% - 70% Equity Category	40% Barclays U.S. Aggregate Bond Index/60% S&P 500 Index
Large Cap Value	Large Cap Value Category	Russell 1000 Value Index
Large Cap Blend	Large Cap Blend Category	Standard & Poor's 500 Index
Large Cap Growth	Large Cap Growth Category	Russell 1000 Growth Index
Mid Cap Value	Mid Cap Value Category	Russell Mid Cap Value Index
Mid Cap Growth	Mid Cap Growth Category	Russell Mid Cap Growth
Small Cap Value	Small Cap Value Category	Russell 2000 Value Index
Small Cap Growth	Small Cap Growth Category	Russell 2000 Growth Index
Foreign Large Cap Value, Large Cap Blend, Large Cap Growth	Foreign Large Cap Equity Category	MSCI ACWI ex USA Index
Foreign Small / Mid Value, Foreign Small / Mid Growth	Foreign Small / Mid Cap Equity Category	MSCI ACWI ex USA Small Index
Specialty - Healthcare	Healthcare Category	S&P 500 Sector/Health Care Index
Specialty - Real Estate	Real Estate Category	Wilshire U.S. REIT Index
Specialty - Utilities	Utilities Category	S&P 500 Sector/Utilities
Target Date Funds	Morningstar Target Date Category Series	S&P Target Date Series Index

APPENDIX B

Investment Option Evaluation Methodology

Quantitative Criteria

1. Average trailing returns (3, 5 and 10 year) – Total returns are evaluated over different periods of time to analyze performance over various business cycles. .
2. Average rolling returns (3, 5, and 10 year) – Returns shall be evaluated over rolling 1 year periods to determine how consistently the fund manager performed against his peers in a variety of market cycles.
3. Average Sharpe Ratio (3, 5 and 10 year) – Sharpe Ratio shall be evaluated to determine the funds overall efficiency. The Sharpe Ratio is calculated by dividing the annualized return in excess of the risk free Treasury Bill by the standard deviation for that same time frame.
4. Average Up Capture Ratio (3, 5 and 10 year) – The percentage of an index return captured during up market cycles, referred to as Up Capture Ratio, shall be evaluated.
5. Average Down Capture Ratio (3, 5 and 10 year) – The percentage of an index return captured during down market cycles, referred to as Down Capture Ratio, shall be evaluated.
6. Style Consistency to the benchmark – The use of equally-weighted criteria ensures that the funds selected for the plan continue to operate and perform as expected within their appropriate asset class.

Equity funds: Average R^2 (3, 5 and 10 year), current style dispersion and 3 year average style consistency

Bond funds: Average R^2 (3, 5 and 10 year) and current average credit quality

7. Expense Ratio – The current expense ratio shall be compared as a percentage to the appropriate category average.

A fund's overall score from the above listed criteria is ranked against its respective category peer group as an initial indication as to whether a fund is outperforming, performing or underperforming. If a fund's score ranks in the top quartile (0 - 25%) it receives an "Outperform", if the score ranks in the 2nd quartile (26 - 50%) it receives a "Perform" and if the score ranks in the bottom half of the peer group it receives an "Underperform" (51 - 100%).

Qualitative Criteria

In addition to the above quantitative criteria, many additional qualitative factors will be monitored to determine the potential exposure to risk that may make a fund unsuitable as a

retirement plan investment option. The additional factors to be monitored include, but are not limited to, the following:

- Change in fund philosophy
- Change in fund manager
- Individual holding concentrations
- Economic sector concentrations
- Performance volatility as measured by standard deviation
- Portfolio turnover
- Manager tenure
- Asset base
- Average market capitalization

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BOARD MEETING DATE: February 7, 2020

AGENDA NO. 16

REPORT: Administrative Committee

SYNOPSIS: The Administrative Committee held a meeting on Friday, January 17, 2020. The following is a summary of the meeting.

RECOMMENDED ACTION:
Receive and file.

Dr. William A. Burke, Chair
Administrative Committee

nv

Committee Members

Present: Dr. William A. Burke/Chair (videoconference)
Council Member Ben Benoit/Vice Chair
Council Member Judith Mitchell
Council Member Michael Cacciotti (arrived at 10:05 a.m. via videoconference)

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:** As noted on the travel report, Council Member Mitchell will attend the monthly CARB Board meeting as South Coast AQMD's representative in Sacramento on March 25-27, 2020.

3. **Report of Approved Out-of-Country Travel:** None to report.
4. **Review February 7, 2020 Governing Board Agenda:** Dr. Burke inquired about World Logistics Center as being a February Board agenda item. Wayne Nastri, Executive Officer, responded that it has been confirmed as a Closed Session item. Mr. Nastri added that there will be an update provided regarding NSR and RECLAIM.
5. **Approval of Compensation for Board Member Assistant(s)/Consultant(s):** Supervisor Kathryn Barger has selected Jarrod De Gonia as her Board Consultant and Council Member Carlos Rodriguez has selected Matthew Holder as his Board Consultant. Dr. Burke asked how compensation is determined when committee assignments have not yet been established. Sujata Jain, Deputy Executive Officer/Chief Financial Officer, responded that the minimum is allocated when committee assignments are yet to be determined.

Moved by Mitchell; seconded by Benoit, unanimously approved.

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

Council Member Cacciotti arrived at 10:05 a.m.

6. **Status Report on Major Ongoing and Upcoming Projects for Information Management:** Ron Moskowitz, Deputy Executive Officer/Chief Information Officer, reported that AER (Annual Emissions Reporting) recently went live which now includes AB 617 enhancements. The Spanish version of the application will go live soon for iOS and Android. The newly-developed Legal system is currently in Beta testing and expected to go live in the next few weeks. The 1.5 million email addresses have been received, and Information Management is working with Legislative, Public Affairs and Media to strategize outreach efforts.

ACTION ITEMS:

7. **Establish List of Prequalified Vendors to Provide Computer, Network, Printer, Hardware and Software, and Audio Visual Equipment:** Mr. Moskowitz reported that this item is a bi-yearly standard request to approve a prequalified vendor list for computer, network, printer, hardware and software, and audio visual equipment. Funds are available in the budget. Council Member Mitchell commented that a two-year prequalified vendor list is a long time and inquired as to what the options are if a vendor with a better cost comes in after the list has been established for two years. Mr. Moskowitz responded the

process takes a long time and it would take a lot of resources to establish a list annually.

Moved by Mitchell; seconded by Benoit, unanimously approved.

Ayes: Benoit, Burke, Cacciotti, Mitchell

Noes: None

Absent: None

- 8. Approve Indemnification Agreement with Tesoro Refining and Marketing:** Barbara Baird, Chief Deputy Counsel, reported that in 2017, the Executive Officer approved permits for the Tesoro project unifying its former BP Refinery and the former Shell Refinery, and the issue is still under litigation. Recently Tesoro proposed minor changes that required an addendum under the California Environmental Quality Act, executed in November, 2019. Communities for a Better Environment sued to challenge the addendum on December 18, 2019. Under Rule 301, the permit holder must indemnify the South Coast AQMD for the cost of defending its permit, but the Administrative Committee must approve the attached agreement. This is an addendum to the previous addendum for ongoing litigation. There will be a change to add a reference to the citation in the South Coast AQMD rules, Rule 301(ab), that provide for this agreement. Council Member Cacciotti asked what is included in the cost. Ms. Baird responded attorney fees, cost of litigation and filing fees, and added that since it is a CEQA action, there would not be a damage claim.

Moved by Benoit; seconded by Mitchell, unanimously approved.

Ayes: Benoit, Burke, Cacciotti, Mitchell

Noes: None

Absent: None

- 9. Recognize Revenue, Transfer and Appropriate Funds, Approve Positions, Issue Solicitations and Purchase Orders, and Execute Contracts and Agreements for Mid-Year Budget Adjustments:** Sujata Jain, Deputy Executive Officer/Chief Financial Officer, reported that this item is to recognize up to \$20 million of AB 617 monies from CARB into the General Fund. Also, to appropriate \$3,061,582 from the Undesignated Fund Balance into the General Fund Budget to transfer \$1 million into the Infrastructure Improvement Fund and to add three new positions: Sr. Public Information Specialist, Financial Analyst, and Sr. Information Technology Specialist. In addition, authorize the Executive Officer to execute contracts and purchase orders in Services & Supplies in Capital Outlays mainly related to Information Management projects and to purchase vehicles. Council Member Mitchell disclosed that she does not have a

financial interest or conflict of interest, but she is a CARB Board Member and this allocation originates from the CARB Board.

Moved by Benoit; seconded by Cacciotti, unanimously approved.

Ayes: Benoit, Burke, Cacciotti, Mitchell

Noes: None

Absent: None

- 10. Receive and File Annual Report on 457 Deferred Compensation Plan:** John Olvera, Deputy Executive Officer/Administrative & Human Resources provided an update on the 2018-19 Annual Report for the 457 Deferred Compensation Plan. Dr. Burke inquired about using the same firm for eight years and whether it is due to providing a larger rate of return in the firm's guaranteed account. Mr. Olvera responded that is their primary advantage.

Moved by Cacciotti; seconded by Benoit, unanimously approved.

Ayes: Benoit, Burke, Cacciotti, Mitchell

Noes: None

Absent: None

- 11. Appropriate Funds and Amend Contract for Consultant Services for South Coast AQMD's Environmental Justice Outreach and Initiatives:** Derrick Alatorre, Deputy Executive Officer/Legislative, Public Affairs & Media, reported that this item is to appropriate funds and amend a contract with Lee Andrews Group for Environmental Justice Outreach and Initiatives. The current contract expires on March 29, 2020 and includes an option for two one-year extensions. This action is to appropriate \$160,000 to extend the contract for an additional year. The funds are available from the BP ARCO settlement fund. Council Member Mitchell commented that the contractor has been very good, responsible and is well-known in the area, and recommends the contract extension. Dr. Burke commented that the Legislative, Public Affairs & Media office's workload versus manpower should be evaluated.

Moved by Mitchell; seconded by Benoit, unanimously approved.

Ayes: Benoit, Burke, Cacciotti, Mitchell

Noes: None

Absent: None

WRITTEN REPORT:

- 12. Local Government & Small Business Assistance Advisory Group Minutes for the November 8, 2019 Meeting:** Mr. Alatorre reported that this item is a written report.

OTHER MATTERS:

- 13. Other Business:** Harvey Eder, Public Solar Power Coalition, provided public comment on Agenda Item #9 after the committee members had approved; therefore, the vote was opened for reconsideration.

Move to reconsider by Cacciotti; seconded by Mitchell, unanimously approved.

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

Move to approve by Mitchell; seconded by Cacciotti, unanimously approved.

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

- 14. Public Comment:** Mr. Eder provided public comment regarding natural gas issues.

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

Adjournment

The meeting adjourned at 10:35 a.m.

Attachment

Local Government & Small Business Assistance Advisory Group Minutes for the November 8, 2019 meeting



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, NOVEMBER 8, 2019 MEETING MINUTES

MEMBERS PRESENT:

Council Member Ben Benoit, LGSBA Chairman (Board Member)
Mayor Pro Tempore Rachele Arizmendi, City of Sierra Madre
Paul Avila, P.B.A. & Associates
Geoffrey Blake, Metal Finishers of Southern California
Todd Campbell, Clean Energy
John DeWitt, JE DeWitt, Inc.
Eddie Marquez, Roofing Contractors Association
Rita Loof, RadTech International
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
LaVaughn Daniel, DancoEN
Bill LaMarr, California Small Business Alliance
Mayor Cynthia Moran, City of Chino Hills

OTHERS PRESENT:

Ruthanne Taylor Berger, Board Member Consultant (*Benoit*)

SOUTH COAST AQMD STAFF:

Derrick Alatorre, Deputy Executive Officer
Sarah Rees, Ph.D., Asst. Deputy Executive Officer
Nancy Feldman, Principal Deputy District Counsel
Lisa Tanaka O'Malley, Sr. Public Affairs Manager
Vicky White, Technology Implementation Manager
De Groeneveld, Sr. Information Technology Specialist
Elaine-Joy Hills, Air Quality Specialist
Van Doan, Air Quality 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 September and October, 2019 Meeting Minutes/Review of Follow-Up/Action Items

Chair Benoit called for approval of the September 13 and October 11, 2019 meeting minutes. Roll call was initiated and the minutes were approved unanimously.

Mr. David Rothbart asked for clarification on the process to provide recommendations as a group. Ms. Nancy Feldman replied that was an action item and a response will be provided during discussion of agenda item #3.

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

Ms. Lisa Tanaka O'Malley provided responses to the October 11, 2019 action items. She stated that the September 13, 2019 minutes were revised and just approved. She indicated that staff provided Mr. Felipe Aguirre with an update on South Coast Air Quality Management District's (South Coast AQMD) participation on the Exide Community Advisory Committee.

Ms. Feldman provided a response to the October 11, 2019 action item regarding procedures for providing input to the Governing Board (GB). She referenced the mission statement on the Local Government & Small Business Assistance Advisory Group (LGSBA) charter and stated the group is authorized to provide input on the implementation of the Air Quality Management Plan (AQMP) and a host of other things within the jurisdiction of South Coast AQMD. Ms. Feldman further stated that the charter does not include the process to provide such input; however, it does call for monthly reports to the Administrative Committee (AC). She recommended that the group provide input through the AC to be forwarded to the GB for consideration. She indicated that the input could be provided in the form of a letter or a memo adopted through an action by this group or appear before the AC during the public comment period.

Mr. Carlos Rodriguez stated that this discussion began when SoCalGas provided a public comment recommending the formation of an ad hoc working group to address the asphalt policy in Rule 1403. He added that there was consensus amongst the members of this group to support that recommendation and encourage staff to consider it. Mr. Rodriguez asked what the process is for the group to provide recommendation when there is unanimous consensus to support a public request, similar to this situation. Ms. Feldman replied that input may be provided to the AC; however, if an item comes up during public comment, it would instigate this body to take formal action by requesting it to be agendized for the following meeting, where the body could determine the form to advance the recommendation, either by sending a representative to the AC meeting or adopting a written document that was previously prepared. Mr. Rodriguez referenced the SoCalGas example and asked if the body must follow this process as there is a compelling public comment and he wanted to express support. Ms. Feldman replied yes, and it must comply with the Brown Act, allowing the public to provide comments. Mr. Rodriguez stated that he is looking for a way to timely provide input. Chair Benoit agreed that items need to be agendized for formal actions and stated that there are three GB members on this advisory group and could convey the messages to the GB.

Ms. Rita Loof referenced a memo that was adopted by the GB (11/13/98) regarding advisory committees creating consensus and stated that there is a general process to provide input through the board committee, but no specific steps. Ms. Feldman agreed that the detailed steps in the process are missing;

however, she indicated that Chair Benoit provided the most expeditious method to provide input, which is to communicate through any GB member in attendance at the meeting. Ms. Feldman reiterated that if this group wants to make a statement as a body, then the item must be agendaized so that the group could determine the content of the statement and how it should be conveyed.

Mr. Rothbart asked if it is appropriate to propose a motion to get to consensus. Ms. Feldman replied that the votes establish consensus. For example, by taking a vote for a representative to report to the next committee or GB meeting will establish consensus to move forward.

Mr. John DeWitt asked if the group puts a resolution together 72 hours before this meeting, then it could be discussed at this meeting. Ms. Feldman replied that would be an item to be voted on to determine consensus.

3Agenda Item #4 – Cap & Trade Overview

Dr. Sarah Rees provided an overview on California's Cap & Trade Program to reduce Greenhouse Gas (GHG) emissions.

Mr. Paul Avila referenced the Chinese model and asked if the cap is dropped if production decreases. Dr. Rees replied that in a mass-based system, if a company exceeds its emissions allocation in a given year, it will have to purchase credits to offset that exceedance. On the other hand, if a company produces less than its emissions allocation, it will generate credits. In a Chinese rate-based system, there isn't a difference if the amount of steel produced per ton of GHG is the same, although the total production is less. The rate-based system doesn't have a cap on total production and is targeted to increase the production efficiency, not to reduce GHG emissions.

Mr. Avila asked if the credits auction is international or domestic. Dr. Rees replied that they are joint auctions with the province of Quebec. Mr. Avila asked if trading in the secondary market is permissible between different industries. Dr. Rees replied that trading in the secondary market is between private entities covered in the program and trading between different industries is permissible. Mr. Avila stated that there are different valuations. Dr. Rees agreed that there are different valuations and stated that carbon is priced higher in the secondary market due to demands.

Mr. Rodriguez asked for examples of the prices. Dr. Rees stated that at the most recent auction in August of this year, carbon was traded at \$17.15 per ton. Mr. Rodriguez asked what the price was in the secondary market. Dr. Rees replied that it is approximately \$1 more in the secondary market.

Mr. DeWitt referenced the slide on offsets and asked if the Multiple Air Toxics Study (MATES) program or a computer model was used to determine if emissions targets were met. Dr. Rees replied that the evaluation method for the forestry project is different than traditional methods used by South Coast AQMD. Mr. DeWitt asked if it is a computer program and not an actual air measurement. Dr. Rees replied that it is not an actual monitor measurement; it is a model. Mr. DeWitt inquired if the modeling results reflect reality. Dr. Rees replied that the concept of offset projects is very controversial. It is something that many oppose because they don't think the emissions reductions are real. Many of those projects involve carbon sequestration, which is the concept of carbon removed from the atmosphere, but are not destroyed. For example, in forestry offsets, theoretically the carbon could be released back into the atmosphere in the future. In California, there is a limit of 8% on the use of offsets and will be reduced and phased out. Mr. DeWitt asked if the effectiveness of any of the mitigation programs are determined using actual air measurements or only computer modeling programs. Dr. Rees

indicated that South Coast AQMD doesn't monitor GHG emissions; however, there are atmospheric measurements for GHG emissions, which is ambient carbon dioxide (CO₂), but is not tied to those regulatory programs.

Mr. Avila asked if one is allowed to purchase excess credits and retire them to help clean the air. Dr. Rees replied yes, and retirement would result in emissions reduction.

Mr. Avila inquired if there are financial audits conducted, assuming an annual report is submitted. Dr. Rees replied there are no annual reports; however, there are quarterly auction reports and triennial compliance reports, which are subject to third party audits.

Mr. Rodriguez asked if the emissions caps are standardized or vary with different facilities. Dr. Rees replied that the facilities are given a cap based on what is projected to generate and the cap declines over time. Mr. Rodriguez asked if there is a variation in the cap between different industries. Dr. Rees indicated that the initial cap is dependent on each facility's emissions. Mr. Rodriguez requested for examples of emissions caps for different industries. Dr. Rees stated that a facility must emit more than 25 metric tons of CO₂/year to be covered under this program. California gives the facility 90% of that and they are responsible to cover the remaining 10%.

Mr. DeWitt asked how many of the 450 entities have left. Dr. Rees stated that information may be available on California Air Resources Board's (CARB) website. She further stated that there are other economic forces that could influence a facility of this magnitude to relocate.

Ms. Loof asked for the average cost for a facility. Dr. Rees replied that the cost depends on how much a facility emits. The price per ton is low and will increase if the demand increases. Ms. Loof referenced a CARB announcement stating that the target was met ahead of schedule and asked for more information. Dr. Rees stated that CARB set a target to meet 1990's GHG levels by 2020 and that target has been met, possibly due to both the Cap & Trade Program and economic downturn in late 2000's.

Mr. Rothbart asked for an update on South Coast AQMD's efforts to obtain additional funding from the State for emissions reductions. Mr. Alatorre stated that South Coast AQMD has received funding allocations; however, there are competing interests and limited amounts to be allocated.

Mr. Geoffrey Blake asked if it is possible for a company to bank credits for future use in anticipation of price increase. Dr. Rees replied that banking is allowed; however, there are limits on how long they could be banked for. Mr. Blake further asked how long credits could be banked for. Dr. Rees responded that it used to be 3 years, but will double check.

Mr. DeWitt asked why South Coast AQMD has not asked the advisory group for assistance with bills. Mr. Alatorre replied that South Coast AQMD can educate the group, but is not allowed to ask the group to support or oppose a bill.

Agenda Item #5 – Assembly Bill (AB) 617 Incentives

Ms. Vicki White presented on incentives offered through Assembly Bill (AB) 617.

Mr. Avila asked if the funds are real money. Ms. White replied yes.

Mr. Blake asked what percentage of the funds have been allocated. Ms. White replied that all funds for AB 134 (year 1) have been allocated and will provide examples of projects for year 2 later in the presentation.

Ms. Rachelle Arizmendi referenced the AB 134 timeline and asked if anything is being done to ensure that applicants are on schedule and if there are any punitive measures. Ms. White replied that these are voluntary programs and don't have any punitive measures. The projects are closely monitored and the funds could be reallocated if the projects are incomplete.

Mr. Rodriguez referenced the list of incentive projects and asked if the projects consisted of private or public sectors. Ms. White replied that the applicants are primarily private entities, but public entities are welcomed to apply.

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

No comments.

Agenda Item #7 - Other Business

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, December 13, 2019 at 11:30 a.m.

Adjournment

The meeting adjourned at 12:56 p.m.

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BOARD MEETING DATE: February 7, 2020

AGENDA NO. 17

REPORT: Legislative Committee

SYNOPSIS: The Legislative Committee held a meeting on Friday, January 17, 2020. The following is a summary of the meeting.

RECOMMENDED ACTION:
Receive and file.

Judith Mitchell, Chair
Legislative Committee

DJA:LTO:PFC:sg

Committee Members

Present: Council Member Judith Mitchell/Chair
Council Member Joe Buscaino/Vice Chair (videoconference)
Dr. William A. Burke (videoconference)
Senator Vanessa Delgado (Ret.) (videoconference)
Supervisor V. Manuel Perez (videoconference)
Supervisor Janice Rutherford

Absent: None

Call to Order

Chair Mitchell called the meeting to order at 9:02 a.m.

DISCUSSION ITEMS:

1. Update on Federal Legislative Issues

South Coast AQMD's federal legislative consultants (Cassidy & Associates, Kadesh & Associates, and Carmen Group) each provided a written report on various key Washington, D.C. issues.

Ms. Angela Ebiner of Cassidy & Associates reported that the Presidential impeachment issue is the big news in Washington, DC and is expected to continue for at least the next few weeks. She further stated that the House of Representatives (House) draft Surface Transportation bill is expected to be unveiled at the end of the month. The House Democratic Climate Change bill includes increased funding for the Diesel Emissions Reduction Act program.

Mr. Mark Kadesh of Kadesh & Associates stated that their written report summarizes the Fiscal Year 2020 Appropriations bills. Programs that South Coast AQMD supports were funded at healthy levels due to support from our Congressional delegation. Mr. Kadesh reported on the House Surface Transportation bill that we are working through our Congressional delegation on issues related to air quality.

Mr. Gary Hoitsma of Carmen Group reported that U.S. EPA issued their Advanced Notice of Proposed Rulemaking for the Cleaner Trucks Initiative (CTI). He also advised that the Senate Environment and Public Works Committee may be holding an informational hearing on the CTI and he is in discussions with the staff on behalf of South Coast AQMD as the original petitioners for the initiative.

2. Update on State Legislative Issues

South Coast AQMD's state legislative consultants (California Advisors, LLC, Joe A. Gonsalves & Son, and Quintana Watts and Hartmann) provided written reports on various key issues in Sacramento.

Mr. Ross Buckley of California Advisors, LLC informed the Committee that state legislators recently returned to Sacramento after a few months of interim break. Governor Newsom released his proposed state budget for 2020-21, which includes \$153 billion of spending, and would increase the state reserves to over \$20 billion. This kicks off the state budget negotiation process and June 15, is the deadline for the budget to pass

Mr. Paul Gonsalves of Joe A. Gonsalves & Son reported that in the Governor's proposed state budget there is a proposal for \$12.5 billion over five years to address climate resistance needs in several different ways, including a \$1 billion climate catalyst fund, which is a 4-year loan program, and a \$4.75 billion climate resistance bond. There is also nearly \$1 billion in cap and trade funding available for allocation this year. Mr. Gonsalves added that through the budget committee and subcommittee process revisions will be made to this budget proposal. The Governor will submit a revised budget proposal in May 2020, with a final budget due by June 2020.

Mr. Wayne Natri, Executive Officer, commented that the Governor's proposed budget is not good for air quality interests in the South Coast region, as there were major funding cuts to programs, including AB 617. AB 617 incentive funding was cut to \$200 million from last year's \$245 million. Other groups have joined in criticizing these funding cuts. Staff has been telling CARB that it is not appropriate for the AB 617 program to be expanded with additional work for local air districts without additional funding being provided. South Coast AQMD will need to work hard to obtain more funding.

Supervisor Perez inquired as to the motivation to cut funds. Mr. Derrick Alatorre, Deputy Executive Officer of Legislative, Public Affairs and Media, responded that he believes that this is an opening proposal by the Governor to start budget negotiations with the legislature. Mr. Nastri commented that the AB 617 program was not created by Governor Newsom, rather he inherited it from a previous Administration and legislature. The Governor appears to be focused on wildfires and homelessness. Mr. Nastri continued that given the potentially severe impacts from federal sanctions for not attaining federal air quality standards, this approach shows a lack of investment and of understanding of where funding truly needs to go, and the consequences the South Coast region and California face without those investments.

Mr. Buckley informed the Committee there have been great efforts by legislators to get their special needs or programs funded through the Greenhouse Gas Reduction Fund (GGRF), with one example being the diversion of millions of dollars for water needs in the last budget. So there are many interested stakeholders trying to get access to GGRF monies.

Supervisor Perez responded that we should push our lobbyists in Sacramento to better understand why the Governor is cutting funding, and then South Coast AQMD Board Members and staff need to put extra effort into lobbying in Sacramento to get more funding. Mr. Gonsalves affirmed that the South Coast AQMD lobbyists will continue to push for and strategize on ways to get additional funding. Supervisor Perez responded by asking for the lobbyists' action plan and timelines. Dr. Burke expressed concern about the state consultants in that updates regarding the lack of budget funding for air quality is found out after the fact. Rather, information regarding these developments should be presented earlier, so that we can better influence the decision-making regarding budget allocations. Dr. Burke also believes that the Governor is more focused on wildfires and power shutoffs in Northern California, rather than Southern California and air quality. Supervisor Perez commented that there is still time to influence the state budget allocations and that we need to get a meeting with the Governor.

Mr. David Quintana of Quintana, Watts and Hartmann stated that he did not have anything to report beyond his written report.

3. Update on Legislation Regarding Voting District Authorization for Clean Air

Mr. Alatorre provided an update regarding South Coast AQMD-sponsored legislation, SB 732 (Allen), relating to the authorization of a voting district within the South Coast region to allow for potential ballot funding measures within the District.

Mr. Alatorre reported that South Coast AQMD received suggested bill amendment language from the Building Trades union and this language was incorporated into the bill, which is now publicly available online. South Coast AQMD continues to work with various stakeholders to secure support for the bill. Given the short timeline to move SB 732 (Allen) in January, the decision was made to pull the bill from the Senate Appropriations Committee agenda, so that a new bill could instead be introduced in February, allowing more time to work with stakeholders to obtain support. The Building Trades are very instrumental in the success of South Coast AQMD's sponsored bill, thus securing their support or at least a neutral position on the bill will be very impactful to the bill's success. Additionally, a new author for the bill will be considered. Senator Allen may be a co-author.

Senator Delgado had suggestions for potential authors and offered to help with discussions.

Supervisor Rutherford commented that Senator Leyva would receive negative pressure in San Bernardino County against authoring this bill because San Bernardino County Transportation Authority opposed the bill. She asked if the new bill will mirror the current bill language with possible updates to the language. Mr. Alatorre responded that he believed that negotiations regarding language with the Building Trades are complete; however, negotiations with other stakeholders, such as the Environmental Defense Fund, continue and could lead to small changes. Mr. Alatorre also mentioned that language from the International Longshore and Warehouse Union (ILWU) was received and incorporated into the bill that addresses automation issues. Supervisor Rutherford expressed disappointment regarding the language from the ILWU regarding non-automation and inquired about sunset language and whether it would be in the bill or a future funding measure. Mr. Alatorre responded that a sunset is still being discussed and that future federal standards and consequently air quality funding needs will need to be taken into account. Mr. Natri explained that negotiations did not develop enough last year to fully address the sunset issue because the bill did not move far enough through the legislative process. Supervisor Rutherford also inquired about "return to source" language in the bill that would guarantee that the Inland Empire received its fair share of funding. Mr. Natri responded that the spending scenario document that has been shared shows that the various counties, including the Inland Empire, would get their fair share of funding; however, specific details of how funding is spent in the future is hard to predict because things like the future development of technology and deployment of trucks is hard to determine. The independent oversight committee listed in the bill will have a role in helping fair allocation of funding.

Supervisor Rutherford also asked for an explanation of recent changes made to the bill text regarding how the funding gets spent. Mr. Philip Crabbe, Public Affairs Manager, responded that the focus of the bill has been ensuring full implementation of the South Coast AQMPs are funded. However, based on requests from multiple

stakeholders, the intention was to make it clear that other benefits can come from the bill, including ensuring that there are benefits for disadvantaged communities, reductions of toxic exposure, reductions of greenhouse gas emissions, and funding for clean transportation and transit projects. These areas are closely related to the effort to implement AQMPs and clean the air and can benefit the region as well. Mr. Nastri reiterated that this language was meant to benefit disadvantaged communities and emphasize that there will be co-benefit greenhouse gas emissions reductions, which is one of the Governor's priorities, and many electeds in Sacramento emphasize that our proposal needs to include climate change. With our focus on zero emissions, there are both air pollution and greenhouse gas emission reduction benefits.

Council Member Mitchell cautioned that CARB may have an issue with the South Coast AQMD trying to regulate climate change related issues. Mr. Nastri responded that South Coast AQMD staff, along with the California Air Pollution Control Officers Association, recently met with Richard Corey, Executive Officer of CARB, and there was an agreement that when air pollution is reduced, particularly to zero emissions, there are co-benefits in terms of reducing greenhouse gas emissions as well. However, there still needs to be a focus on achieving near-zero emissions now, in applications where solutions are not possible.

Supervisor Rutherford expressed concern about the language in the bill that says that funding can be used on clean transit and transportation projects that reduce air pollution because often funding that is meant for one purpose will be misdirected for another purpose. South Coast AQMD has to make sure that the language is very precise and stops this from happening and ensures funding remains for full implementation of present and future South Coast region AQMPs.

Dr. Burke asked that if the bill and a future funding measure are successful and get passed, would the funding come to the South Coast AQMD directly? Mr. Alatorre responded that South Coast AQMD staff met with the California Department of Tax and Fee Administration (CDTFA), which has replaced the Board of Equalization as the tax collecting agency, and they told us that they will collect the tax from the cities and counties, and then the funding would get sent to the South Coast AQMD directly on a monthly basis. Council Member Mitchell stated that there should be clear language in the bill that the funding comes to the South Coast AQMD directly. Mr. Crabbe responded that as part of the recent amendments to the bill, there is language that makes it clear that South Coast AQMD controls and determines the approved uses for any future funding from the bill, in line with the AQMP. As to any uses of funding for clean transit and transportation projects, the South Coast AQMD Board would have to agree.

Dr. Burke expressed concern about funding deriving from the bill possibly getting misdirected away from air quality needs. Supervisor Perez agreed and stated that we need to be precise in our bill language to ensure that such misdirection does not happen. Supervisor Perez asked that the latest bill language and any analysis done of SB 732 (Allen) be sent to the Legislative Committee members. Council Member Buscaino suggested that leveraging the experience and relationships of the two former state legislators on the Legislative Committee (Senator Delgado and Supervisor Perez) to help with the efforts on SB 732 (Allen).

Mr. Harvey Eder provided public comment for himself and the Public Solar Power Coalition on agenda items 1-3 regarding the Governor's concerns relating to homelessness, wildfires, and climate change. He mentioned a refundable solar tax credit for low income individuals that existed decades ago.

WRITTEN REPORT:

4. Report from South Coast AQMD Home Rule Advisory Group

Please refer to Attachment 4 for the written report.

OTHER MATTERS:

5. Other Business

There was no other business.

6. Public Comment Period

Mr. Eder provided public comment on homelessness, new housing projects in Santa Monica and expressed concern and urged action to address climate change.

7. Next Meeting Date

The next regular Legislative Committee meeting is scheduled for Friday, February 14, 2020 at 9:00 a.m.

Adjournment

The meeting adjourned at 9:50 a.m.

Attachments

1. Attendance Record
2. Update on Federal Legislative Issues – Written Reports
3. Update on State Legislative Issues – Written Reports
4. Report from the South Coast AQMD Home Rule Advisory Group

ATTACHMENT 1

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT LEGISLATIVE COMMITTEE MEETING ATTENDANCE RECORD – January 17, 2020

Dr. William A. Burke (videoconference).....	South Coast AQMD Board Member
Council Member Joe Buscaino (videoconference)	South Coast AQMD Board Member
Senator Vanessa Delgado (Ret.) (videoconference)	South Coast AQMD Board Member
Council Member Judith Mitchell	South Coast AQMD Board Member
Supervisor V. Manuel Perez (videoconference)	South Coast AQMD Board Member
Supervisor Janice Rutherford.....	South Coast AQMD Board Member
Thomas Gross	Board Consultant (Benoit)
Mark Taylor	Board Consultant (Rutherford)
Andrew Silva	Board Consultant (Rutherford)
Mark Kadesh (teleconference).....	Kadesh & Associates
Gary Hoitsma (teleconference).....	Carmen Group, Inc.
Angela Ebner (teleconference)	Cassidy & Associates
Paul Gonsalves (teleconference).....	Joe A. Gonsalves & Son
David Quintana (teleconference)	Quintana, Watts and Hartmann
Ross Buckley (teleconference).....	California Advisors, LLC
Harvey Eder	Public Solar Power Coalition
Bill LaMarr	California Small Business Alliance
Rita Loof	RadTech
David Rothbart.....	Los Angeles County Sanitation Districts
Susan Stark	Marathon Petroleum Corporation
Derrick Alatorre	South Coast AQMD Staff
Barbara Baird.....	South Coast AQMD Staff
Philip Crabbe	South Coast AQMD Staff
Amir Dejbakhsh.....	South Coast AQMD Staff
Philip Fine.....	South Coast AQMD Staff
Stacy Garcia	South Coast AQMD Staff
Megan Lorenz.....	South Coast AQMD Staff
Matt Miyasato	South Coast AQMD Staff
Ron Moskowitz	South Coast AQMD Staff
Wayne Natri	South Coast AQMD Staff
Robert Paud.....	South Coast AQMD Staff
Sarah Rees.....	South Coast AQMD Staff
Lisa Tanaka O'Malley	South Coast AQMD Staff
Mary Reichert	South Coast AQMD Staff
Aisha Reyes	South Coast AQMD Staff
Jeanette Short.....	South Coast AQMD Staff
Danielle Soto	South Coast AQMD Staff
Fabian Wesson	South Coast AQMD Staff
Kim White.....	South Coast AQMD Staff
Jill Whynot.....	South Coast AQMD Staff
Paul Wright.....	South Coast AQMD Staff

ATTACHMENT 2

CASSIDY&ASSOCIATES

733 Tenth Street, N.W., Suite 400
Washington, DC 20001-4886

(202) 347-0773
www.cassidy.com

To: South Coast Air Quality Management District
From: Cassidy & Associates
Date: January 2, 2020
Re: Federal Update

Look Ahead

The Senate will convene on Friday, January 3, 2020 and the House will convene on Tuesday, January 7, 2020. Issues on the table for early 2020 include impeachment, Senate ratification of the United States-Mexico-Canada (USMCA) trade agreement, the Fiscal Year (FY) 2021 budget request from President Trump to Congress, and legislative activity related to surprise billing/drug pricing and privacy/tech issues. We also expect House Transportation & Infrastructure Committee Chairman DeFazio to introduce the House version of the transportation bill early 2020 and the release of the Select Committee on the Climate Crisis report in March 2020.

Impeachment looms large as the 116th Congress second session begins. As you know, the House voted to impeach President Trump on Wednesday, December 17, 2019, passing two articles of impeachment (abuse and obstruction of Congress). However, Congress left town for the holidays without resolving next steps. Speaker Pelosi has delayed transmittal of the articles to the Senate until/unless Senate Majority Leader McConnell agrees to allow additional witnesses to testify. Pressure to resolve the stand-off will increase as members return next week.

Upcoming: We expect House Democrats to hold an Environmental Justice hearing in late January or early February. The House Transportation & Infrastructure Committee Subcommittee on Water Resources and Environment is holding a hearing on Thursday, January 9 on “Proposals for a Water Resources Development Act of 2020.” Senate Environment and Public Works (EPW) will hold a hearing on Wednesday, January 8, 2020, to examine “The Nonpoint Source Management Program Under the Clean Water Act: Perspectives from States.”

Congressional Activities in December

Government Funding

Before the Christmas recess, Congress successfully completed its FY 2020 appropriations process. As predicted, the 12 funding bills were bundled into two separate “mini-busses” instead of a full 12-bill omnibus package. One minibus included national security spending and the other included domestic programs, including South Coast AQMD’s Energy-Water and Interior-Environment priority programs, as well as foreign aid. President Trump signed the \$1.37 trillion combined package into law on December 20, 2019 to extend federal funding through September 30, 2020.

The final package was a bipartisan and bicameral compromise, and ultimately included both Democratic and Republican priorities that had held up previous negotiations. Democratic leadership touted increases for the EPA and National Institutes of Health, funding for gun violence research, election security, Export-Import Bank reauthorization, a pay raise for civilian federal employees, a fully-funded 2020 Census, and the highest funding level for Land and Water Conservation Fund in 15 years. Republican leadership touted the inclusion of border wall funding, a pay raise for the military, coal miner pension protections, and a significant increase in defense funding. The bill also repealed three taxes established in the Affordable Care Act, including the 2.3% excise tax on medical devices and the 40% “Cadillac tax,” an excise tax on the most expensive employer-sponsored health insurance plans.

Tax Extenders: Congress also attached a year-end tax package to the FY 20 funding bill that extended more than two dozen incentives retroactively and through 2020 and included some technical corrections to the 2017 Tax Cuts and Jobs Act, as well as natural disaster tax relief. Included in the tax extender package: Alternative Fuel Tax Credit extended from January 2018 through 2020; short-line railroad maintenance extension through 2022; the wind energy production tax credit (PTC) through 2021, 60% PTC through 2024; geothermal PTC retroactively extended from 2018 through 2020; incentives for biodiesel producers through 2022. There was no expansion of the electric vehicle tax credit due to opposition from the Administration, nor was energy storage, or solar energy included.

Additional extenders unrelated to transportation or energy: medical-expense deduction for individuals; employer credit for paid family and medical leave; mine rescue team training credit; Indian employment credit; excise tax breaks for brewers and distillers; deductions for mortgage insurance premium; deductions for college costs; credits for investors in low-income communities, and faster depreciation for racehorses and motor sports complexes; SECURE Act retirement bill (Chairman Neal priority).

Impeachment: Article I, Abuse of Power, passed 230-197 (former GOP Rep. Amash (MI) voted yay, Democrat Rep. Collin Peterson of MN opposed, Democrat but now Republican Rep. Van Drew of NJ voted no. Rep. Tulsi Gabbard (D-HI) voted present). Article II, Obstruction of Congress, passed 229-198 with Democrat Rep. Jared Golden of ME voting no on this article.

US-Mexico-Canada Agreement: The House passed the new NAFTA trade agreement, US-Mexico-Canada Agreement, 385-41 on December 19. The bill now moves to the Senate and will be considered in the Senate Finance Committee on Tuesday, January 7. Passage of the USMCA was a top priority for moderate Democrats from districts that the President won in 2016, who will inevitably face backlash on their impeachment vote from Trump supporters.

National Defense Authorization Act (NDAA): President Trump signed the NDAA into law on December 20. The bill passed the House 377-38 and passed the Senate 86-8.

House and Senate Committee Action

The **Senate Democrats’ Special Committee on the Climate Crisis** sent a letter on December 9 to leaders of the environmental justice movement asking for input on policy that could help mitigate the

impacts of climate change in low-income communities and communities of color. Responses are due January 31, 2020: <https://www.democrats.senate.gov/newsroom/press-releases/senate-democrats-seek-input-from-environmental-justice-leaders-on-ways-to-address-climate-change->

Senate Energy and Natural Resources Committee held a hearing on Dec. 19 to examine the impact of wildfire on electric grid reliability. Pacific Gas & Electric President Bill Johnson testified during a largely friendly hearing.

This month, the **House Energy and Commerce Committee** is expected to release legislation to reach 100 percent clean economy by 2050. The Committee held its final hearing examining this topic on Dec. 5 to examine carbon pricing and cap-and-trade systems.

The **House Transportation and Infrastructure Committee** Subcommittee on Highways and Transit held a hearing on Dec. 5 entitled, “Where’s My Stuff? Examining the Economic, Environmental, and Societal Impacts of Freight Transportation” to consider how trucking and freight rail transportation system is changing, especially with impact of growth in last mile deliveries and goods movement, as well as to examine how oversubscribed INFRA is. Witnesses: Coalition for America’s Gateways and Trade Corridors, American Short Line and Regional Railroad Association, University of Washington Supply Chain Transportation and Logistics Center, Association of American Railroads, Environmental Defense Fund, and AASHTO.

The **House Natural Resources Committee** introduced its flagship climate legislation, H.R. 5435, the American Public Lands and Waters Climate Solution Act, which directs the Department of Interior and U.S. Forest Service to achieve net-zero GHG emissions from public lands and waters by 2040. On Dec. 20 the Committee released its *Climate Action Report* detailing how the Committee has addressed the climate crisis, including 22 hearings and the introduction of H.R. 5435.

The **House Science Committee** Subcommittee on Energy marked up three bipartisan bills addressing geothermal R&D, energy storage, and grid security: H.R. 5374, the Advanced Geothermal Research and Development Act of 2019 (Lucas R-TX/Johnson D-TX); H.R. 2986 BEST Act to establish a research, development, and demonstration program for grid-scale energy storage systems (Foster D-IL); H.R. 5428, the Grid Modernization Research and Development Act of 2019 (Lamb D-PA).

The **Select Committee on the Climate Crisis** is expected to release its report and recommendations in March 2020 which will likely serve as a springboard for future legislating by House and Senate Democrats on climate change issues. The release in March is timed to allow the report to not only be incorporated within Congress in 2020, but also the different Democratic presidential contenders and their 2020 platform.

Introduced Legislation

The following bills related to climate/climate change/environment:

H.R.5435 American Public Lands and Waters Climate Solution Act

To require the Secretary of the Interior and the Chief of the United States Forest Service to meet certain targets for the reduction of the emission of greenhouse gases.

Rep. Grijalva, Raul M. [D-AZ-3]

Introduced 12/16/2019

Committees: House - Natural Resources; Agriculture; Education and Labor

H.R.5523 Energy Sector Innovation Credit Act of 2019

To amend the Internal Revenue Code of 1986 to provide investment and production tax credits for emerging energy technologies

Sponsor: Rep. Reed, Tom [R-NY-23]

Introduced 12/19/2019

Committees: House - Ways and Means

H.R.5519 Atmospheric Climate Intervention Research Act

Rep. McNerney, Jerry [D-CA-9]

Introduced 12/19/2019

Committees: House - Science, Space, and Technology

H.R.5428 Grid Modernization Research and Development Act of 2019

Rep. Lamb, Conor [D-PA-17]

Introduced 12/13/2019

Committees: House - Science, Space, and Technology

H.R.5416 National Climate Bank Act

Rep. Dingell, Debbie [D-MI-12]

Introduced 12/12/2019

Committees: House - Energy and Commerce; Financial Services; Ways and Means; Agriculture; Transportation and Infrastructure

H.R.5303 California Central Coast Conservation Act

Rep. Panetta, Jimmy [D-CA-20]

Introduced 12/04/2019

Committees: House - Natural Resources

Summary of Congressional Outreach

- ❖ Weekly calls with South Coast AQMD staff.
- ❖ Monitoring Congressional action related to FY 2020 appropriations and clean energy tax extenders.
- ❖ Monitoring Clean Trucks Initiative and ongoing Heavy-Duty NOx rulemaking.
- ❖ Meeting with Energy and Commerce Committee staff.

Kadesh & Associates

South Coast AQMD Report for the January 2020 Legislative Meeting (Covering December 2019)

December featured the ultimate successful passage of all Fiscal Year (FY) 2020 Appropriations bills and avoided a government shutdown. Following House action, the Senate passed the national security appropriations minibus containing the FY 2020 Defense, Homeland Security, Commerce, Justice and State, and Financial Services Appropriations bills, by a vote of 81 to 11 on December 19, 2019, as well as the domestic package by a vote of 71-23. That package contained: Labor, Health, and Human Service, Transportation, Housing, and Urban Development, Agriculture, Legislative Branch, Energy & Water, Interior, Military Construction, and State/Foreign Operations. The President signed both packages into law on December 20, 2019. Kadesh & Associates continued to work with South Coast AQMD staff on our non-compliance issue and sharing that information with Congressional stakeholders as appropriate as well as sharing information on the Senate Environment and Public Work's draft plans for a surface transportation bill.

DERA, Targeted Airshed Grants and Sec. 103/105 Funds

The FY 2019 levels were \$87M for the Diesel Emissions Reduction Act (DERA) and \$52M for Targeted Airshed Grants (TAG). The House Appropriations Committee in its FY 2020 Interior Appropriations bill initially funded DERA at only \$50M and \$30M for the Targeted Airshed Grant program. Through an effort led by southern California House Appropriations Members, \$5M was added to DERA for a total of \$55M. The Senate Appropriations marked their bill to \$85.166M for DERA and \$56.306M for TAG.

FY 2020 actual bill language:

Diesel Emission Reductions Grants (DERA): The agreement provides **\$87,000,000 for DERA grants** and the Agency is expected to allocate funds consistent with the guidance contained in the explanatory statement accompanying Public Law 116-6.*

Targeted Airshed Grants (TAS): The agreement **provides \$56,306,000**, and the Agency is directed to follow the guidance contained in the explanatory statement accompanying Public Law 116-6.*

TAS retains prioritization for top-5 nonattainment areas.

*From Joint Explanatory Note to PL116-6, the FY 2019 Appropriations bill. (Language that is not changed carries over to the next appropriations year if referenced as it is in the FY 2020 bill):

“Diesel Emission Reductions Grants (DERA). -The (FY19) bill provides \$87,000,000 for DERA grants. For fiscal year 2019, the Conferees direct the Agency to continue to make at least 70 percent of DERA grants available to improve air quality in non-attainment areas.

Targeted Airshed Grants. -The (FY19) bill provides \$52,000,000 for Targeted Airshed Grants. These grants shall be distributed on a competitive basis to non-attainment areas that EPA determines are ranked as the top five most polluted areas relative to annual ozone or particulate matter 2.5 standards, as well as the top five areas based on the 24-hour particulate matter 2.5 standard where the design values exceed the 35 mg/m³ standard. To determine these areas, the Agency shall use the most recent design values calculated from validated air quality data. The Conferees note that these funds are available for emission reduction activities deemed necessary for compliance with national ambient air

quality standards and included in a State Implementation Plan submitted to EPA. Not later than the end of fiscal year 2019, EPA should provide a report to the Committees that includes a table showing how fiscal year 2017 and 2018 funds were allocated. The table also should include grant recipients and metrics for anticipated or actual results.”

Section 103/105 grants are funded at \$228.2M in FY 2020, the same as in FY 2019.

Budget and Appropriations Highlights (Sources BGOV and E&E):

The Interior-Environmental Protection Agency (EPA) bill would provide \$13.86 billion for FY 2020, which is more than \$500 million over current spending. The increases target popular programs such as EPA Great Lakes, Chesapeake Bay and Long Island Sound conservation grants, as well as more funding for its polyfluoroalkyl substances (PFAS) and Superfund cleanup work. Interior saw boosts for the National Park Service and the highest funding for the Land and Water Conservation Fund in more than 15 years.

EPA is set to get a budget increase and, many lawmakers hope, halt the exodus of agency employees. EPA will receive more than \$9 billion in FY 2020. That sum is \$200M more than current funding. It's also nearly \$3 billion more than what President Trump proposed for the agency in his budget plan released earlier this year. Furthermore, in an explanatory statement accompanying the bill, appropriators showed concern for staffing at the agency. The spending committees requested EPA provide an operating plan for FY 2020. As part of that plan, the agency is expected to submit targets for the number of full-time employees in its headquarters and regional offices in line with its appropriations. EPA is directed to brief appropriators every quarter on how it plans to meet those goals.

Border Wall

A fight over funding for a U.S.-Mexico border wall that sparked a more than month-long government shutdown earlier this year and hamstrung budget talks for months was resolved with both sides claiming a win. Republicans and the White House say they prevailed by getting \$1.4 billion for border wall funding and no restrictions on moving more dollars for the wall from military construction accounts. But Democrats, who for months claimed they would provide no wall funding, say the bill provides far less than the \$8.6 billion proposed by the White House and noted they won't replenish military accounts that Trump takes money from for the barrier.

Riders

Lawmakers retained most environmental riders from previous spending bills, a priority for Senate Republicans that House Democrats fought. They include:

- Preserving restrictions on listing the Sage Grouse as an endangered species.
- Prohibiting new greenhouse gas emission restrictions for livestock.
- Allowing federal agencies to count biomass as carbon neutral.
- Blocking any federal regulation of lead ammunition and tackle.

Democrats failed to block a proposed rollback of mercury emissions standards by the Trump administration or win a ban on drilling in the Arctic National Wildlife Refuge. They did, however, achieve more modest victories with provisions seeking additional disclosures on offshore drilling safety waivers and banning expanding exemptions of the Clean Water Act for agriculture. An effort by Democrats to force the United States to rejoin the Paris climate accord was stripped. Also, a perennial GOP rider in recent years blocking dollars for the United Nations' Green Climate Fund was not attached.

Federal Pay:

Federal employees will receive a 3.1% pay raise, the largest in a decade, that was praised by public employee unions. Congress continued its decadelong ban on increasing pay for lawmakers.

Contacts:

Contacts included staff with California's Senators and the 23 House Members whose districts fall all or in part within AQMD's area of responsibility, the House and Senate Appropriations Committees, the Senate EPW Committee and individual offices.

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Carmen Group
I N C O R P O R A T E D

MEMORANDUM

To: South Coast AQMD Legislative Committee

From: Carmen Group

Date: January 2, 2020

Re: Federal Update -- Executive Branch

New Year Outlook: As the New Year dawns in Washington amid the polarizing effects of the on-going impeachment controversy and the inevitable upcoming presidential election-year political strife, there are – at least at the start -- hopeful expectations that the Administration and Congress can and will come together to achieve important business in the year ahead despite all the countervailing headwinds. Much of this hope stems from the manner in which 2019 was closed out, with late December agreements on the Fiscal Year (FY) 2020 Appropriations bills, the Defense Authorization bill and the United States-Mexico-Canada (USMCA) trade agreement, all of which at various points seemed hopelessly deadlocked amid threats of another possible government shutdown. But a shutdown was avoided thanks to compromises on both sides to be sure, but most notably with Administration moves that many would argue went counter to traditional Republican orthodoxy. By signing off on a summer budget agreement that called for a \$49 billion increase in FY 2020 spending levels (\$22 billion for defense and \$27 billion in non-defense programs), President Trump made the usual Republican budget hawks wince, while also making it much more difficult for Congress as a whole to accept a long-term continuing resolution (CR) at the much lower previous-year spending levels. Secondly, by securing the creation of his priority Space Force in the defense bill in exchange for the Democrats' non-defense priority of a \$3 billion Parental Leave program for Federal workers (long opposed by most Republicans) -- and then even claiming credit for it – Trump defied normal expectations for a Republican president. And thirdly, to win House approval of the US-Mexico-Canada trade agreement, Trump accepted a series of labor-related provisions advocated by the Democratic House Speaker and the President of the AFL-CIO – and opposed by key Republican Senate backers of the agreement. A key takeaway from all of these actions is that this non-traditional President is now in full reelection mode and is willing to make deals that might otherwise – or at other times -- have seemed inconceivable. For South Coast AQMD in particular, it presents the realistic prospect of a window of opportunity in the coming year – and every reason to stay fully engaged in pursuing its important clean air priorities in the Congress and in the relevant federal agencies.

Transportation and Infrastructure: On the legislative front, the Trump Administration faces two significant deadlines this year with regard to the important issues of transportation and infrastructure, both of which hold the promise to possibly carry important clean-air-related initiatives high on South Coast AQMD's federal priority list.

Proven Process. Proven Results.™

First, there is the September 30th deadline by which all federal surface transportation funding (highways and transit) expires, unless it is reauthorized in law passed by Congress and signed by the President. Second, there is the November 3rd Election Day deadline by which Trump would like to claim credit for fulfilling his 2016 campaign promise to sign a major comprehensive infrastructure bill, either in conjunction with the needed surface transportation bill or separately. Both the transportation reauthorization bill and a possible broader infrastructure bill are also high on Democrats' wish list for the coming year, making them ripe targets for bipartisan cooperation to the extent such cooperation is possible.

SAFE Rule: The Administration's final rule on fuel economy standards for cars and light trucks is expected to be published sometime in the first quarter, at least by April of this year. The rule itself is expected to include significant changes from the proposed rule published in August 2018. Administration sources say that one goal of the timing -- as with several other pending controversial rules on other topics -- is to ensure that follow-on litigation is fully engaged by May at the latest, making it more difficult for the substance of the rule(s) to be easily overturned should a new Administration take over next January.

Cleaner Trucks Initiative: Environmental Protection Agency (EPA/Agency) sources noted in December that the Agency was prepared to publish its Advance Notice of Proposed Rulemaking (ANPRM) on the Cleaner Trucks Initiative right around this time in early January 2020. The Notice is expected to be short on detail but be used to solicit comments about how best to approach a new ultra-low NOx emission standard for heavy-duty trucks and thus provide input for the Notice of Proposed Rulemaking expected to be published later in the year, leading to a final rule not likely to be out until early 2021. When asked if taking the ANPRM step (which is not normally done on many rules) would unnecessarily lengthen the rulemaking process, EPA said in this case they expect it will be just the opposite. They said it is being designed to help expedite things and hopefully eliminate the need for what they otherwise anticipate would be a special post-NPRM-comment and pre-final-rule solicitation for additional comment.

EPA Science Panel Questions Basis for Several Pending Rulemakings: On Dec. 31, the EPA's 41-member Science Advisory Board (SAB), pursuant to its normal review process to evaluate the agency's use of science in formulating regulatory actions, posted four draft letters to the EPA Administrator questioning elements of the scientific analysis behind four pending rulemakings. One of these addressed the SAFE Rule on fuel economy standards where the Board said there were "significant weaknesses in the scientific analysis of the proposed rule." The Administrator had not yet had a chance to formally respond.

Outreach: In December, relevant contacts included the office of Sen. James Inhofe, member of the Environment and Public Works Committee, on infrastructure and transportation reauthorization; and the office of Anne Idsal, EPA Assistant Administrator for Air and Radiation, on the SAFE rule and the Cleaner Trucks Initiative.

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ATTACHMENT 3



CALIFORNIA ADVISORS, LLC

South Coast AQMD Report
California Advisors, LLC
January 17, 2020 Legislative Committee Hearing

General Update

The Legislature reconvenes from Interim Recess on Monday, January 6th. With the start of the new legislative year, there are a couple of key dates to make note of as we enter the second year of this two-year session. First, on January 10th the Governor must submit his proposed budget for the new fiscal year. This will serve as an indicator of what the Administration’s priorities will be in 2020. Also, January 31st marks the deadline for when bills introduced in 2019 — commonly referred to as “two-year bills”— must move out of the house they were introduced in. Finally, as we look forward to seeing new legislation being introduced in 2020, February 21st will be the last day for Legislators to introduce bills.

In mid-December, the informal moderate caucus — also known as the “Mod Dems” — announced they had selected Assemblymember Joaquin Arambula (D-Fresno) as their next leader or the “convener” of the caucus. The decision was made during the group’s retreat that occurred earlier in the month. The caucus is a bloc of centrist, business-friendly Democratic Assemblymembers from throughout the state who serve as a counterweight to those farther left on the political spectrum. Members of the caucus tend to be more conservative on some key issues, such as taxes.

Finally, the Governor announced the special election dates to fill Senator Jeff Stone’s vacant seat after he abruptly resigned to accept a position within the Trump Administration. The primary election will be on March 3, 2020 and the run-off will be on May 12, 2020.

Elected Officials Contacted on Behalf of SCAQMD:

California Advisors met with the following legislators or their offices on behalf of the South Coast Air Quality Management District:

Senate:

Ben Allen (SB 732), Toni Atkins (SB 732), Maria Elena Durazo (SB 732), Lena Gonzalez (SB 732), Anthony Portantino (SB 732)

Assembly:

Wendy Carrillo (SB 732), Anthony Rendon (SB 732), Miguel Santiago (SB 732)

2019 Legislative Update

Voting District Authorization for Clean Air Legislation

SB 732 (Allen) was pulled from Senate Appropriations Committee at the request of the author on May 13th. We have continued to facilitate stakeholder meetings and work with the author on the legislation over the last year.



Joe A. Gonsalves & Son

Anthony D. Gonsalves

Jason A. Gonsalves

Paul A. Gonsalves

PROFESSIONAL LEGISLATIVE REPRESENTATION

925 L ST. · SUITE 250 · SACRAMENTO, CA 95814-3766

916 441-0597 · FAX 916 441-5061

Email: gonsalves@gonsalvi.com

TO: South Coast Air Quality Management District

FROM: Anthony, Jason & Paul Gonsalves

SUBJECT: Legislative Update – December 2019

DATE: Monday, December 30, 2019

As we approach the Holiday Seasons, it is a reminder that the next legislative session is upon us. The Legislature is scheduled to reconvene on January 6, 2020 with legislative deadlines to advance 2-year bills as early as January 17, 2020. The Governor will also be releasing his proposed State Budget on January 10, 2020.

COMMUNITY AIR PROTECTION PROGRAM:

On December 13, 2019, the California Air Resources Board (CARB) added 3 new communities to the Community Air Protection Program and announced \$5 million in Community Air Grants for 29 projects throughout the state.

The 3 communities, Eastern Coachella Valley, South East Los Angeles and Southwest Stockton, will be added to the original 10 communities selected in 2018 during the first round of approvals under AB 617 (C. Garcia, 2017), which establishes the program to reduce exposure in the communities most impacted by air pollution.

Under the Community Air Protection Program, local air districts work with community members and conduct air monitoring and prepare community emissions reduction programs. These include a mix of strategies to reduce air pollution at the community level, including new regulations, targeted incentive funding, enhanced enforcement, and coordinating efforts with other agencies based on community priorities.

The 3 communities chosen for the program this year were selected from among 12 nominations. Communities are nominated for the program by community members, local air districts, community-based organizations and other stakeholders. CARB staff performs a technical assessment of nominated communities followed by public comment. The Board makes the final decision on community selection.

This year, the Eastern Coachella Valley and the South East Los Angeles communities were selected for both community air monitoring and community emissions reduction programs. In addition, the Portside Environmental Justice Neighborhoods Community selected last year in the San Diego Air Pollution Control District was selected to transition from air pollution monitoring to development of a community emissions reduction program.

At the December CARB meeting, the Board also announced the recipients of the second round of Community Air Grants. A total of 29 projects across seven air districts will receive \$5 million in funding for technical and educational projects. The projects include:

- Coalition for a Safe Environment that will establish a low-cost, stationary air quality monitoring program in Wilmington and will also create a Community Advisory Committee; student and adult internship training programs; and a public website for displaying monitoring data.
- Blue Lake Rancheria will bring hands-on air quality monitoring and AB 617-focused curriculum to local elementary and high schools in the North Coast Air Basin.
- Valley Vision will engage the Norwood/Old North Sacramento and Oak Park communities through education and workshops on AB 617 and support community-led air monitoring efforts.

GOVERNOR'S APPOINTMENTS

On December 5, 2019, Alejandro Espinoza, 38, of Sacramento, was appointed deputy secretary for legislation at the California State Transportation Agency. Espinoza has served as a legislative representative at the California Department of Education since 2012. He held several positions in the Office of Assemblymember Warren T. Furutani from 2009 to 2012, including legislative director and legislative aide. Espinoza earned a Master of Arts degree in political science from Texas A&M University. This position does not require Senate confirmation.

On December 19, 2019, Meredith Williams, 57, of San Francisco, was appointed director of the Department of Toxic Substances Control, where she has served as acting director since 2019 and as deputy director of safer products and workplace programs since 2013. Williams held several positions at the San Francisco Estuary Institute – Aquatic Science Center from 2006 to 2013, including interim executive director, deputy director, program director of the environmental data, information and technology program and senior project manager. She held various positions at Applied Materials from 1995 to 2005, including, business operations manager, product manager, new product development manager and senior process engineer. She was a senior research physicist at 3M from 1994 to 1995. Williams earned a Doctor of Philosophy degree in physics from North Carolina State University. This position requires Senate confirmation

2020 LEGISLATIVE CALENDAR:

January Deadlines

Jan. 1 Statutes take effect (Art. IV, Sec. 8(c)).

Jan. 6 Legislature reconvenes (J.R. 51(a)(4)).

Jan. 10 Budget must be submitted by Governor (Art. IV, Sec. 12(a)).

Jan. 17 Last day for **policy committees** to hear and report to **fiscal committees** fiscal bills introduced in their house in the odd-numbered year (J.R. 61(b)(1)).

Jan. 20 Martin Luther King, Jr. Day.

Jan. 24 Last day for any committee to hear and report to the **floor** bills introduced in that house in the odd-numbered year. (J.R. 61(b)(2)). Last day to submit **bill requests** to the Office of Legislative Counsel.

Jan. 31 Last day for each house to pass bills introduced in that house in the odd-numbered year (J.R. 61(b)(3)) (Art. IV, Sec. 10(c)).

February Deadlines

Feb. 17 Presidents' Day.

Feb. 21 Last day for bills to be **introduced** (J.R. 61(b)(4), J.R. 54(a)).

March Deadlines

Mar. 27 Cesar Chavez Day observed.

April Deadlines

Apr. 2 Spring Recess begins upon adjournment (J.R. 51(b)(1)).

Apr. 13 Legislature reconvenes from Spring Recess (J.R. 51(b)(1)).

Apr. 24 Last day for **policy committees** to hear and report to fiscal committees **fiscal bills** introduced in their house (J.R. 61(b)(5)).

May Deadlines

May 1 Last day for **policy committees** to meet and report to the floor **nonfiscal** bills introduced in their house (J.R. 61(b)(6)).

May 8 Last day for **policy committees** to meet prior to June 1 (J.R. 61(b)(7)).

May 15 Last day for **fiscal committees** to hear and report to the **floor** bills introduced in their house (J.R. 61 (b)(8)). Last day for **fiscal committees** to meet prior to June 1 (J.R. 61 (b)(9)).

May 25 Memorial Day.

May 26-May 29 Floor session only. No committee may meet for any purpose except for Rules Committee, bills referred pursuant to Assembly Rule 77.2, and Conference Committees (J.R. 61(b)(10)).

May 29 Last day for each house to pass bills introduced in that house (J.R. 61(b)(11)).

June Deadlines

June 1 Committee meetings may resume (J.R. 61(b)(12)).

June 15 Budget Bill must be passed by midnight (Art. IV, Sec. 12(c)).

June 25 Last day for a legislative measure to qualify for the Nov. 3 General Election ballot (Elections Code Sec. 9040).

June 26 Last day for **policy committees** to hear and report fiscal bills to fiscal committees (J.R. 61(b)(13)).

July Deadlines

July 2 Last day for **policy committees** to meet and report bills (J.R. 61(b)(14)).

Summer Recess begins upon adjournment, provided Budget Bill has been passed (J.R. 51(b)(2)).

July 3 Independence Day observed.

August Deadlines

Aug. 3 Legislature reconvenes from **Summer Recess** (J.R. 51(b)(2)).

Aug. 14 Last day for **fiscal committees** to meet and report bills (J.R. 61(b)(15)).

Aug. 17-31 Floor session only. No committee may meet for any purpose except Rules Committee, bills referred pursuant to Assembly Rule 77.2, and Conference Committees (J.R. 61(b)(16)).

Aug. 21 Last day to **amend** bills on the floor (J.R. 61(b)(17)).

Aug. 31 Last day for each house to pass bills (Art. IV, Sec 10(c), J.R. 61(b)(18)). Final Recess begins upon adjournment (J.R. 51(b)(3)).

RESOLUTE

January 7, 2020

To: South Coast Air Quality Management District
From: David Quintana, Partner – RESOLUTE
RE: Report for December 2019

General Update:

The Legislature is adjourned. The Legislature will reconvene on January 6, 2020.

Legislative Update:

Met with Senator Ben Allen's staffer Zak Castillo Krings

Spoke with Assemblyman Eduardo Garcia

Spoke with Assemblywoman Laura Friedman

Spoke with Steve Veres, District Director for Senator Maria Elena Durazo

ATTACHMENT 4



South Coast

Air Quality Management District

21865 Copley Drive, Diamond Bar, CA 91765-4182

(909) 396-2000 • www.aqmd.gov

HOME RULE ADVISORY GROUP

Wednesday, July 10, 2019

MEETING MINUTES

MEMBERS PRESENT:

Mike Carroll (Regulatory Flexibility Group); Curt Coleman (Southern California Air Quality Alliance); Carlo De La Cruz (Sierra Club); Martin Hansberger (Holliday Rock Company); Francis Keeler (California Council for Environmental & Economic Balance); Bill LaMarr (California Small Business Alliance); Bridget McCann (Western States Petroleum Association); Art Montez (AMA International); Lauren Nevitt (Southern California Gas); and David Rothbart (Los Angeles County Sanitation District).

Participated by conference call: Brian Clerico (CARB); Rongsheng Luo (SCAG); Larry Rubio (Riverside Transit Agency); TyRon Turner (Dakota Communications); and Amy Zimpfer (EPA).

MEMBERS ABSENT:

Vice Chair Ben Benoit (South Coast AQMD Governing Board Member); Marc Carrel (Breathe California of Los Angeles County); Michael Downs (Downs Energy); and Jaclyn Ferlita (Air Quality Consultants).

OTHER ATTENDEES:

Susan Stark (Marathon)

SOUTH COAST AQMD STAFF:

Marian Coleman (Deputy Executive Officer, Compliance & Enforcement); Philip Fine (Deputy Executive Officer, PRDAS); Philip Crabbe (Public Affairs Manager); Xiang Li (Air Quality Specialist); Terrence Mann (Assistant Deputy Executive Officer, Compliance & Enforcement); Rafael Reynosa (Senior Enforcement Manager); Ann Scagliola (Administrative Secretary); Victor Yip (Senior Enforcement Manager); and William Wong (Principal Deputy District Counsel).

OPENING COMMENTS AND SELF-INTRODUCTIONS

Vice Chair Ben Benoit was not present, and the meeting was called to order at 10:03 a.m. by Dr. Philip Fine.

APPROVAL OF JULY 2018 MEETING MINUTES

Dr. Fine asked for comments or corrections on the May 8, 2019 meeting minutes. Hearing none, the minutes were approved.

EPA AND FEDERAL ACTIVITIES

Ms. Amy Zimpfer provided updates on recent U.S. Environmental Protection Agency (EPA) and federal activities.

- Full approval proposed for the South Coast AQMD Ozone Plan, and the comment period will close on July 17, 2019.
- Approval proposed for a CARB measure that allows SIP credits for incentives.

- EPA’s new Acting Assistant Administrator for the Office of Air and Radiation is Ann Idsal. <https://www.epa.gov/aboutepa/about-assistant-administrator-epas-office-air-and-radiation>
- Work continues with South Coast AQMD on changes for the RECLAIM program.
- Finalized the Coachella Valley ozone nonattainment area from “Severe-15” to “Extreme” for the 1997 8-hour ozone national ambient air quality standards (NAAQS), effective July 10, 2019.

CARB REGULATORY ACTIVITIES

Mr. Brian Clerico provided updates on proposed and recent regulatory activities. He also invited CARB staff Ms. Angela Csondes and Ms. Nicole Light Densberger to provide to an overview of a significant control measure on the July CARB Board agenda:

- Proposed Control Measure for Ocean-Going Vessels Operating at Berth and At Anchor Regulation (Shore Power).

Discussion

Ms. Frances Keeler inquired if the exceptions listed in the current compliance advisories will be incorporated into the new regulation. Ms. Csondes replied that the advisories will be incorporated into the new regulation.

LEGISLATIVE UPDATE

Mr. Philip Crabbe reported on key legislative updates from the June 14, 2019 Legislative Committee meeting.

Update on Federal Legislative Issues

South Coast AQMD’s federal legislative consultants each provided a written report on various key Washington, D.C. issues.

- The Diesel Emissions Reduction Act (DERA) program is pending in Congress. The House appropriations bill for the Interior and Environment, which funds programs like DERA, was passed by the House but is still pending in the U.S. Senate.
- The funding from the Targeted Airshed Grant (TAG) program which supports clean air initiatives for non-attainment areas is going to be used to increase funding for the DERA program. South Coast AQMD targeted the California Congressional delegation, key senior staff, Congressional Members from other affected states and businesses to prevent the redirection of TAG funds to DERA.

Update on State Legislative Issues

South Coast AQMD’s state legislative consultants provided written reports on various key issues in Sacramento.

- The California state budget, worth \$214.8 billion, was passed by the Legislature. Budget trailer bills, that implement policy related to the budget, were also passed including one that allocated \$245 million for incentive funding and \$50 million for AB 617 program implementation, to local air districts statewide.
- Two new state senators were elected: 1) Senator Brian Dahle – District 1; and Senator Lena Gonzalez – District 33.

Update on Legislation Regarding Voting District Authorization for Clean Air

An update regarding the South Coast AQMD-sponsored Voting District Authorization for Clean Air bill was provided.

- The South Coast AQMD staff continue to meet with stakeholders regarding SB 732 (Allen), including transportation agencies: 1) San Bernardino County Transportation Authority (SBCTA); 2) Riverside County Transportation Commission (RCTC); and 3) Orange County

Transportation Authority (OCTA). Staff held meetings with the Los Angeles County Metropolitan Transportation Authority (LA Metro) and Metrolink.

Recommend Position on State Bills:

SB 216 (Galgiani) Carl Moyer Memorial Air Quality Standards Attainment Program: used heavy-duty truck exchange.

- This bill would, until January 1, 2025, add a used heavy-duty truck exchange program as an eligible project for funding under the Carl Moyer Program. The bill is intended to create an incentive for larger companies – that are more financially equipped – to help smaller companies get older and dirtier trucks off the road by “passing through” a scrappage incentive.
- The bill would allow larger companies to buy a new truck and pass on their used, but still relatively clean trucks onto the smaller company. The smaller company would then either scrap or move out of state its higher emitting older truck and the larger company would receive the incentive.

South Coast AQMD staff recommended amendments to the bill:

- The bill requires that vehicles purchased as part of the truck exchange remain in the state during the vehicles’ entire project life. This requirement would be more stringent than the Carl Moyer program, which only requires at least 51% of the project life. Staff recommended amending the bill to make this requirement consistent with Moyer and state regulations.
- To ensure that the truck exchange results in actual emission reductions, staff recommended clarifying amendments that would:
 - Require that new vehicles purchased as part of the truck exchange meet or emit less than at least one of CARB’s optional low-NOx engine standards; and
 - Require owners of fleets purchasing a new vehicle as part of the program, to sell or otherwise provide their existing vehicle to the owner of a vehicle that is either higher emitting than the vehicle being transferred, or is older, if the trucks are certified at the same emission standard. The higher emitting or older vehicle would be scrapped or permanently moved out of state.

The Legislative Committee adopted a position of SUPPORT WITH AMENDMENTS on this item.

UPDATE REGARDING LITIGATION ITEMS AND RELATED EPA ACTIONS

Mr. William Wong had no updates for the provided July 2019 status report.

Discussion

Mr. Bill LaMarr inquired if the Sherwin Williams lawsuit was because of non-compliant solvents. Mr. Wong responded that he could not provide details, but there was an interest in reaching a settlement.

SOUTH COAST AQMD COMPLAINT REPORTING PROGRAM

Ms. Marian Coleman, Mr. Terrence Mann, Mr. Victor Yip and Mr. Rafael Reynosa, from the Compliance and Enforcement Division, provided presentations on two focused areas of the complaint reporting/investigation process and the Emergency Response Program.

Mr. Yip provided an overview on how complaints are reported through the telephone hotline or the online complaint reporting system, the types of complaints received and number of complaints received annually. He highlighted examples of the types of dust and smoke complaints received, and outlined how odor complaints are investigated and enforced. Also shared was an odor

complaint situation where the use of advanced technology assisted them with a high profile investigation, through the use of an optical gas imaging camera, ambient air sampling equipment and online resources.

Mr. Reynosa shared key points of the South Coast AQMD's Emergency Response Program. The South Coast AQMD is not a First Responder, however as an Emergency Response Team, 24/7 on-scene support and technical expertise is provided to First Responders (local fire departments, state and federal agencies). He explained how the Emergency Response Team responds and operates within the established Unified Incident Command System and outlined how continuous communication and coordination are maintained between Executive Council, Legislative, Public Affairs and Media, Science and Technology Advancement and the Emergency Response staff in the field until the team is released from the scene.

Discussion

Mr. LaMarr inquired about what has caused the increase in complaints. Ms. Coleman indicated that people have become more aware of the South Coast AQMD, the 1-800-CUT-SMOG complaint line, community outreach efforts, and the ability to file an electronic complaint. Mr. LaMarr indicated that at Community Steering Committee meetings, it has been stated that there is an abundance of unanswered complaints. Mr. Mann indicated that he reached out to the individuals who reported this and found that the South Coast AQMD staff did respond. Ms. Coleman added that a file is maintained to ensure that all complaints are addressed.

Mr. Art Montez inquired about complaints from ethnic communities versus more affluent communities, the level of response levels and how the complaints are mitigated. Ms. Coleman indicated that the inspectors do not go into the communities to seek complaints, and the majority of the complaints are received from Los Angeles communities. Ms. Coleman further explained that heatmaps are used to look for complaint clusters and to concentrate inspectors in problem areas, if necessary. She indicated that Legislative and Public Affairs and Media Division holds meetings in Environmental Justice communities and information is provided on the 1-800-CUT-SMOG complaint line. Mr. Montez requested data that reflects the South Coast AQMD initiatives to the minority Environmental Justice communities, in correlation to the complaints received. Dr. Fine indicated that this information could be provided by the Legislative and Public Affairs and Media Division.

After the meeting Mr. Montez was contacted and advised to submit a public records request for the requested data, and the public records link was also provided.

Mr. Carlo De La Cruz asked if there are plans to incorporate the electronic complaint reporting system in the phone app, to file complaints through the app. Ms. Coleman replied that this could be considered.

Mr. De La Cruz inquired if translation assistance is available when someone calls the compliant phone line. Ms. Coleman indicated that the South Coast AQMD has a list of certified bi-lingual employees that can provide assistance when needed.

Ms. Lauren Nevitt inquired about the odor complaint policy and how many complaints were necessary to take action against a facility. Mr. Yip indicated that six to ten verified complaints is a guideline, but there are also exceptions to consider.

Ms. Keeler commented that odor complaints are very difficult to verify and you have to consider that everyone smells the smell differently. Often you arrive on the scene and the odor is no longer occurring. These types of complaints are very complex and time consuming.

Mr. David Rothbart asked if facilities could be notified immediately when odor complaints are received, and expressed their desire to work together to have complaints resolved. Ms. Coleman indicated that most complainants do not want their information disclosed, and the goal is to identify the source of the problem and resolve the complaint.

Mr. TyRon Turner expressed appreciation for the South Coast AQMD online complaint site, and how he has used the information to instruct constituents at neighborhood council meetings on the complaint process.

Mr. Montez inquired about South Coast AQMD's authority to monitor ship emissions, if ships are regulated by EPA. Ms. Coleman indicated that both CARB and EPA regulate ships, and South Coast AQMD also has a rule which allows for the inspection of ships at the berth.

Mr. Montez noted the identified high emissions levels from both ships and locomotives, the burden placed on the manufacturers, and inquired whether the regulatory obligation is being weighed correctly. Dr. Fine acknowledged that overall ships are a major source of NOx emissions. Ms. Coleman indicated that ship emissions have been identified as a major contributor to the odor events, and a program is now in place to conduct surveillance on ships in the Ports or coastal area. Mr. Montez further inquired what EPA or the Federal government are doing about this problem. Ms. Zimpfer provided an outline of the enforcement collaboration and partnership between EPA, South Coast AQMD and the Coast Guard.

Mr. LaMarr commented that he expected to see a presentation on the complaint reporting process, specifically in the area of education. He expressed that if the South Coast AQMD is concerned about the increase in complaints, the Compliance and Enforcement Program should be directed towards the education of the business owners. Ms. Coleman replied that the goal is to increase source education. She indicated that inspectors do provide onsite training to business owners and businesses are always encouraged to call if they have questions. Mr. Wong indicated that he has reviewed many violations and noted the level of direct education provided by the inspectors. Ms. Coleman further indicated that the staff is collaborating with various city business and planning offices to also develop permit application training. She encouraged the Advisory Group to provide input on additional areas of needed source education. Mr. LaMarr suggested holding webinars for business owners. Mr. Crabbe added that businesses can also schedule a no-fault inspection with the Small Business Assistance Group, which is an educational opportunity and no violations are issued.

Mr. Rothbart indicated that companies want to stay in compliance, and suggested a forum where facilities could ask questions on the gray areas of enforcement and permit streamlining.

Ms. Bridget McCann commented that the emergency response presentation was very informative and suggested that sector specific training would be helpful. Dr. Fine expressed that there have been discussions, with the recent refinery fires, to better educate the public in the areas of emergency response. He further expressed that efforts are being made to build on the education and outreach for future AB 617 efforts, flare notification system and emergency response. Ms. Coleman noted that webinars would be a good addition to the training already provided, and the topics could be specific to areas of interest. Ms. Zimpfer emphasized that EPA's compliance staff would also be available continue the collaboration in future webinars and training.

Ms. Susan Stark expressed that there have been discussions about the odors along the coast and reaching out to the marine vessels. She suggested that an informational sheet could be provided to the shipping agents to remind them of their responsibilities and requirements.

SUBCOMMITTEE STATUS REPORTS

A. Freight Sustainability (Lauren Nevitt)

An update was provided on the following item.

- CARB is proposing to discontinue the low-NOx truck vouchers, for the hybrid and zero-emissions truck and bus incentive project (HVIP) voucher incentive program.

B. Small Business Considerations (Bill LaMarr)

No report was provided.

C. Environmental Justice and AB 617 Implementation (Curt Coleman)

An update was provided on the following items.

- Wilmington/Carson/West Long Beach AB 617 Community Steering Committee meeting, July 11, 2019.
- San Bernardino/Muscoy AB 617 Community Steering Committee meeting, July 18, 2019.
- Boyle Heights/East Los Angeles/West Commerce AB 617 Community Steering Committee meeting, July 25, 2019.
- CARB Community Air Grant Guidelines Teleconference, July 11, 2019.

Additional Updates

- Dr. Fine provided an update on the AB 617 Community Emissions Reduction Plans.

D. Climate Change (David Rothbart)

An update was provided on the following item.

- CARB's Climate Pollutant Strategy, comment period ending July 17, 2019.

REPORT TO AND FROM THE STATIONARY SOURCE COMMITTEE

Dr. Philip Fine provided a summary of items related to the June and July 2019 meetings.

- Laki Tisopulos has been appointed the new Air Pollution Control Officer at the Ventura Air Pollution Control District;
- Proposed Rule Amendments – 301, 1110.2, 1118, 1407;
- AB 617 Draft Community Emission Reduction Plans and recommendations for Year 2 communities;
- 2018 Annual Report on AB 2588;
- Status Report on Regulation XIII – New Source Review; and
- Air Quality Management Plan consultation meeting on July 19, 2019.

OTHER BUSINESS

There were no comments.

PUBLIC COMMENT

There were no comments.

ADJOURNMENT

The meeting was adjourned at 12:32 am. The next meeting of the Home Rule Advisory Group is scheduled for 10:00 a.m. on November 13, 2019, and will be held at the South Coast AQMD in Conference Room CC-8.

BOARD MEETING DATE: February 7, 2020

AGENDA NO. 18

REPORT: Mobile Source Committee

SYNOPSIS: The Mobile Source Committee held a meeting on Friday, January 24, 2020. The following is a summary of the meeting.

RECOMMENDED ACTION:
Receive and file.

Dr. William A. Burke, Chair
Mobile Source Committee

PF:SLR:AK

Committee Members

Present: Dr. William Burke/Chair (videoconference)
Supervisor Lisa Bartlett (videoconference)
Council Member Judith Mitchell

Absent: Mayor Larry McCallon
Supervisor V. Manuel Perez
Council Member Carlos Rodriguez

Call to Order

Chair Burke called the meeting to order at 9:00 a.m.

INFORMATIONAL ITEMS:

1. Follow-up Report on MOUs with Commercial Airports

Zorik Pirveysian, Planning and Rules Manager, provided a report on the implementation of the Memoranda of Understanding (MOU) with the five commercial airports which was approved by the Board in December 2019.

Dr. Burke inquired about potential pathways other than a regulatory approach if sufficient progress to implement the MOU measures were not demonstrated by the airports. Dr. Philip Fine, Deputy Executive Officer/Planning, Rule Development, and Area Sources, responded that, under such circumstances, recommendations will

be presented to the Mobile Source Committee for a regulatory approach as well as other potential options such as renegotiating MOUs and considering CARB rulemaking efforts affecting non-aircraft emission sources.

Yassi Kavezade, Sierra Club, commented that more stringent regulatory actions and accountability should be considered to reduce emissions from commercial airports including the San Bernardino Airport. Wayne Nastri, Executive Officer responded that staff has been engaged with the San Bernardino airport expansion project and will continue to work closely with the Sierra Club and the local community. Council Member Mitchell asked whether the San Bernardino Airport was primarily a cargo freight airport, which staff confirmed.

Harvey Eder, Public Solar Power Coalition, advocated for immediate equitable, total solar conversion.

2. Update on Proposed Rule 2305 - Warehouse Indirect Source Rule

Ian MacMillan, Planning and Rules Manager, provided an update on the status of the warehouse Indirect Source Rule (ISR) development.

Angie Balderas, Sierra Club and resident of Highland, stated the urgent need for a vote on the Warehouse ISR rule by May 2020. Developers and the fossil fuel industry are moving forward which is increasing the harm to the health of the community.

Carlo de la Cruz, Sierra Club, stated support for the warehouse ISR and submitted a comment letter on behalf of several organizations and groups. He stressed the need for urgent action and felt that ISR is well positioned to work in coordination with other regulations in development.

Peter Herzog, NAIOP, stated that the rule proposal is conceptual and needs more analysis on the costs, emission reductions, and stringency. There is not consensus on this rule. He expressed concern about incentive funds not being compatible with the proposed rule, and about cost caps on Warehouse Actions and Investments to Reduce Emissions (WAIRE) menu investments over \$100,000.

Justice Sandoval, coordinator for an after-school program, stated the need for a healthy community by not supporting near-zero emissions technology and enforcing rules on the warehouse industry.

Thomas Jelenic, Pacific Merchant Shipping Association, echoed the comments from Peter Herzog and stated the need for the warehouse ISR to coordinate with the port MOU, the importance of incentive funds to be available to purchase cleaner technology, and the need for emission reduction information.

Court Smith, Inland Empire Sunrise Movement Hub/warehouse worker, stated the need to protect the community and supports only zero-emission projects. She suggested the inclusion of designated onsite rest locations for heavy-duty trucks to benefit the communities outside the warehouse and requested that the rule be brought to a vote by May 2020.

Andrea Vidaurre, Center for Community Action and Environmental Justice, stated that stringency is the most important part of the rule development, and the warehouse ISR can make up for the failures of other agencies. Communities support a zero-emission logistics industry, and recommended differentiation of credit between near-zero emission and zero-emission technology options.

Yassi Kavezade, Sierra Club, echoed the statements of other speakers. The industry is still growing which has negative impacts on public health. She stressed the urgency of passing the rule.

Mr. Eder commented on the need for satellite monitoring of NOx emissions, and did not support the use of Low Carbon Fuel Standard incentives or renewable natural gas.

Ethan Sattanec, a Los Angeles resident, stated current emissions reductions are not adequate and air quality does not meet federal standards. He urged transition to zero-emission technology to support public health.

Francis Yang, Sierra Club, stated that the impacts of the climate crisis can be seen around the world and in the health impacts in the local area. He supported the idea that zero-emission technology is what is needed at this time.

Supervisor Bartlett noted the improvement in visible air quality in the City of Irvine since the 1980s. She was concerned that the \$100,000 investment cap could allow gaming of the system, and that warehouse operators often do not own the fleets visiting the facility. She also expressed a desire that the rule have SIP creditable emission reductions, and that facilities should receive credit for pre-rule actions and expressed concern for the potential limiting of the incentive funds for the warehouse industry. Dr. Fine clarified that the warehouse ISR does not limit incentive funding but that the WAIRE menu creates another type of incentive to encourage truck turnover. Mr. Nastri added that the proposed approach would allow a novel way to stack incentive funding, by providing an additional regulatory encouragement for the use of trucks that have received incentive funding, even if the purchase itself of a truck with incentive funds cannot be used to comply with the rule. Dr. Fine added that the warehouse operators who own their own fleet, which potentially may use incentives, are a minority of the warehouse operator industry. Supervisor Bartlett was concerned with impacts on the goods movement industry and on the price of

consumer products. Dr. Fine responded that the next step is developing the proposed rule stringency which will then allow an economic analysis. Supervisor Bartlett asked about San Joaquin Valley APCD's (SJVAPCD) approach for ISR on new development. Dr. Fine clarified that South Coast AQMD's approach focuses on the existing warehouses, where the bulk of emissions from this sector are, and that SJVAPCD's approach requires detailed site-specific plans and ultimately results in developers paying fees for few new projects in San Joaquin. If that approach was taken in South Coast it would require far more administrative resources due to the much larger number of development projects here. Supervisor Bartlett inquired about the emission reductions and SIP creditability. Dr. Fine responded that this will depend on the rule stringency, but some of the emission reductions will be SIP creditable. He further stated that an extensive CEQA analysis on such a controversial rule may affect the May 2020 timeline.

Council Member Mitchell inquired about how the Low Carbon Fuel Standard would be incorporated into the warehouse ISR. Mr. MacMillan responded that Low Carbon Fuel Standard can be used by the warehouse operator if available to reduce costs. Council Member Mitchell asked about the verification of the idling emissions. Mr. MacMillan stated that the proposed rule would include a new compliance program that would involve audits and field inspections. Council Member Mitchell wondered if the AB 617 communities can be involved as a pilot program and asked about the WAIRE point crediting system. Mr. MacMillan clarified that the WAIRE points are awarded to warehouse operators, not fleets, and would be based on the annual number of clean truck visits at a facility. Council Member Mitchell asked about the potential NOx emission reductions from the rule. Dr. Fine noted that concurrently, CARB is developing regulations that will also reduce emissions from trucks visiting warehouses and that South Coast AQMD and CARB will have to work together to not double count emission reductions from multiple regulations. Council Member Mitchell inquired about coordination with the ports. Dr. Fine stated that the port fee and warehouse ISR are both destination-based approaches which can work well with CARB's approach of setting regulations on manufacturers and fleets and that the multiple approaches can work well together. Council Member Mitchell asked about the accelerated point system over time. Mr. MacMillan responded that the stringency could be increased over time based on the changes in costs and technology. Council Member Mitchell asked about the timeline, and Dr. Fine responded that May 2020 would be challenging if a full CEQA analysis is needed, but mid-year is the goal.

Dr. Burke noted that he has received many inquiries regarding the warehouse ISR. He wants the Board to consider the rule in May 2020, but acknowledged the need for more work on developing the rule and that time is needed for stakeholders to evaluate the final proposed rule.

Barbara Baird, Chief Deputy Counsel, suggested modifying the agenda to clarify that the three-minute time limit to speak would apply to all items other than public comment. Dr. Burke expressed concern about that time limitation and will discuss with other committee members.

WRITTEN REPORTS:

3. Rule 2202 Activity Report: Rule 2202 Summary Status Report

This item was received and filed.

4. Monthly Report on Environmental Justice Initiatives: CEQA Document Commenting Update

This item was received and filed.

OTHER MATTERS:

5. Other Business

There was no other business.

6. Public Comment Period

Mr. Eder expressed concerns about the use of fossil fuels and described legal cases against the fossil fuel industry.

Todd Campbell, Clean Energy Fuels, stated that the warehouse ISR is a beacon of hope and an important rule especially with the ports announcing a truck rate of only \$10. He recommends flexibility for more near-zero emission technology options in the WAIRE menu and more points for the deployment of actual emission reduction technologies.

7. Next Meeting Date:

The next regular Mobile Source Committee meeting is scheduled for Friday, February 21, 2020.

Adjournment

The meeting adjourned at 10:45 a.m.

Attachments

1. Attendance Record
2. Rule 2202 Activity Report – Written Report
3. Monthly Report on Environmental Justice Initiatives: CEQA Document Commenting Update – Written Report

ATTACHMENT 1

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT MOBILE SOURCE COMMITTEE MEETING Attendance – January 24, 2020

Dr. William Burke (videoconference)	South Coast AQMD Board Member
Supervisor Lisa Bartlett (videoconference)	South Coast AQMD Board Member
Council Member Judith Mitchell	South Coast AQMD Board Member
Ron Ketcham	Board Consultant (McCallon)
Fred Minassian	Board Consultant (Mitchell)
Andy Silva	Board Consultant (Rutherford)
Carter Atkins	Los Angeles World Airports
Lori Balance	GD&B
Todd Campbell	Clean Energy
Curtis Coleman	Southern CA Air Quality Alliance
Ethan Critanic (videoconference)	Sierra Club
Harvey Eder	Public Solar Power Coalition
Yassi Kavezade	Sierra Club
Bill LaMarr	California Small Business Alliance
Eric Lu	Ramboll
Melinda McCoy	John Wayne Airport
Tami McCrossen-Orr	Los Angeles World Airports
Ryan McMullan	Long Beach Airport
Bill Pearce	Boeing
John Pehrseon	CDM Smith
Leslie Schenker	Sierra Club
Susan Stark	Marathon Petroleum
Chris Waller	Alta Environmental
Peter Whittingham	Whittingham Public Affairs
Tammy Yamasaki	Southern California Edison
Francis Yang (videoconference)	Sierra Club
Barbara Baird	South Coast AQMD Staff
Naveen Berry	South Coast AQMD Staff
Amir Dejbakhsh	South Coast AQMD Staff
Philip Fine	South Coast AQMD Staff
Carol Gomez	South Coast AQMD Staff
Angela Kim	South Coast AQMD Staff
Sang-Mi Lee	South Coast AQMD Staff
Jason Low	South Coast AQMD Staff
Wayne Nastri	South Coast AQMD Staff
Robert Paud	South Coast AQMD Staff
Zorik Pirveysian	South Coast AQMD Staff
Sarah Rees	South Coast AQMD Staff
Zafiro Sanchez	South Coast AQMD Staff
Lijin Sun	South Coast AQMD Staff
Veera Tyagi	South Coast AQMD Staff
Kim White	South Coast AQMD Staff
Jill Whynot	South Coast AQMD Staff



South Coast Air Quality Management District

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Rule 2202 Summary Status Report

Activity for January 1, 2019 to December 31, 2019

Employee Commute Reduction Program (ECRP)	
# of Submittals:	488

Emission Reduction Strategies (ERS)	
# of Submittals:	563

Air Quality Investment Program (AQIP) Exclusively		
County	# of Facilities	\$ Amount
Los Angeles	53	\$ 361,736
Orange	16	\$ 182,772
Riverside	2	\$ 30,375
San Bernardino	6	\$ 26,247
TOTAL:	77	\$ 601,130

ECRP w/AQIP Combination		
County	# of Facilities	\$ Amount
Los Angeles	6	\$ 25,553
Orange	1	\$ 187
Riverside	1	\$ 8,598
San Bernardino	2	\$ 18,797
TOTAL:	10	\$ 53,135

Total Active Sites as of December 31, 2019

ECRP (AVR Surveys)			TOTAL Submittals w/Surveys	AQIP	ERS	TOTAL
ECRP ¹	AQIP ²	ERS ³				
526	14	49	589	99	656	1,344
39.13%	1.04%	3.65%	43.82%	7.37%	48.81%	100% ⁴

Total Peak Window Employees as of December 31, 2019

ECRP (AVR Surveys)			TOTAL Submittals w/Surveys	AQIP	ERS	TOTAL
ECRP ¹	AQIP ²	ERS ³				
388,872	5,344	28,432	422,648	15,711	286,463	724,822
53.65%	0.74%	3.92%	58.31%	2.17%	39.52%	100% ⁴

- Notes:**
1. ECRP Compliance Option.
 2. ECRP Offset (combines ECRP w/AQIP). AQIP funds are used to supplement the ECRP AVR survey shortfall.
 3. ERS with Employee Survey to get Trip Reduction credits. Emission/Trip Reduction Strategies are used to supplement the ECRP AVR survey shortfall.
 4. Totals may vary slightly due to rounding.

DRAFT

BOARD MEETING DATE: February 7, 2020

AGENDA NO.

REPORT: Lead Agency Projects and Environmental Documents Received

SYNOPSIS: This report provides a listing of CEQA documents received by the South Coast AQMD between December 1, 2019 and December 31, 2019, and those projects for which the South Coast AQMD is acting as lead agency pursuant to CEQA.

COMMITTEE: Mobile Source, January 24, 2020, Reviewed

RECOMMENDED ACTION:
Receive and file.

Wayne Nastri
Executive Officer

PF:SN:JW:LS:JI

CEQA Document Receipt and Review Logs (Attachments A and B) – Each month, the South Coast AQMD receives numerous CEQA documents from other public agencies on projects that could adversely affect air quality. A listing of all documents received during the reporting period December 1, 2019 through December 31, 2019 is included in Attachment A. A list of active projects from previous reporting periods for which South Coast AQMD staff is continuing to evaluate or has prepared comments is included in Attachment B. A total of 64 CEQA documents were received during this reporting period and 20 comment letters were sent.

The Intergovernmental Review function, which consists of reviewing and commenting on the adequacy of the air quality analysis in CEQA documents prepared by other lead agencies, is consistent with the Board's 1997 Environmental Justice Guiding Principles and Environmental Justice Initiative #4. As required by the Environmental Justice Program Enhancements for FY 2002-03, approved by the Board in October 2002, each attachment notes proposed projects where the South Coast AQMD has been contacted regarding potential air quality-related environmental justice concerns. The South Coast AQMD has established an internal central contact to receive information on projects with

potential air quality-related environmental justice concerns. The public may contact the South Coast AQMD about projects of concern by the following means: in writing via fax, email, or standard letters; through telephone communication; and as part of oral comments at South Coast AQMD meetings or other meetings where South Coast AQMD staff is present. The attachments also identify, for each project, the dates of the public comment period and the public hearing date, if applicable. Interested parties should rely on the lead agencies themselves for definitive information regarding public comment periods and hearings as these dates are occasionally modified by the lead agency.

At the January 6, 2006 Board meeting, the Board approved the Workplan for the Chairman's Clean Port Initiatives. One action item of the Chairman's Initiatives was to prepare a monthly report describing CEQA documents for projects related to goods movement and to make full use of the process to ensure the air quality impacts of such projects are thoroughly mitigated. In response to describing goods movement, CEQA documents (Attachments A and B) are organized to group projects of interest into the following categories: goods movement projects; schools; landfills and wastewater projects; airports; general land use projects, etc. In response to the mitigation component, guidance information on mitigation measures was compiled into a series of tables relative to: off-road engines; on-road engines; harbor craft; ocean-going vessels; locomotives; fugitive dust; and greenhouse gases. These mitigation measure tables are on the CEQA webpages portion of the South Coast AQMD's website at: <http://www.aqmd.gov/home/regulations/ceqa/air-quality-analysis-handbook/mitigation-measures-and-control-efficiencies>. Staff will continue compiling tables of mitigation measures for other emission sources.

Staff focuses on reviewing and preparing comments for projects: where the South Coast AQMD is a responsible agency; that may have significant adverse regional air quality impacts (e.g. special event centers, landfills, goods movement); that may have localized or toxic air quality impacts (e.g. warehouse and distribution centers); where environmental justice concerns have been raised; and which a lead or responsible agency has specifically requested South Coast AQMD review. If staff provided written comments to the lead agency as noted in the column "Comment Status," there is a link to the "South Coast AQMD Letter" under the Project Description. In addition, if staff testified at a hearing for the proposed project, a notation is provided under the "Comment Status." If there is no notation, then staff did not provide testimony at a hearing for the proposed project.

During the period December 1, 2019 through December 31, 2019, the South Coast AQMD received 64 CEQA documents. Attachment B lists documents that are ongoing active projects. Of the 83 documents listed in Attachments A and B:

- 20 comment letters were sent;
- 30 documents were reviewed, but no comments were made;
- 25 documents are currently under review;
- 0 document did not require comments (e.g., public notices);
- 0 documents were not reviewed; and
- 8 documents were screened without additional review.

(The above statistics are from December 1, 2019 to December 31, 2019, and may not include the most recent “Comment Status” updates in Attachments A and B.)

Copies of all comment letters sent to lead agencies can be found on the South Coast AQMD’s CEQA webpage at the following internet address:

<http://www.aqmd.gov/home/regulations/ceqa/commenting-agency>.

South Coast AQMD Lead Agency Projects (Attachment C) – Pursuant to CEQA, the South Coast AQMD periodically acts as lead agency for stationary source permit projects. Under CEQA, the lead agency is responsible for determining the type of CEQA document to be prepared if the proposal for action is considered to be a “project” as defined by CEQA. For example, an Environmental Impact Report (EIR) is prepared when the South Coast AQMD, as lead agency, finds substantial evidence that the project may have significant adverse effects on the environment. Similarly, a Negative Declaration (ND) or Mitigated Negative Declaration (MND) may be prepared if the South Coast AQMD determines that the project will not generate significant adverse environmental impacts, or the impacts can be mitigated to less than significance. The ND and MND are written statements describing the reasons why projects will not have a significant adverse effect on the environment and, therefore, do not require the preparation of an EIR.

Attachments C to this report summarizes the active projects for which the South Coast AQMD is lead agency and is currently preparing or has prepared environmental documentation. As noted in Attachment C, the South Coast AQMD continued working on the CEQA documents for two active projects during December.

Attachments

- A. Incoming CEQA Documents Log
- B. Ongoing Active Projects for Which South Coast AQMD Has or Will Conduct a CEQA Review
- C. Active South Coast AQMD Lead Agency Projects

DRAFT

ATTACHMENT A *
INCOMING CEQA DOCUMENTS LOG
December 1, 2019 to December 31, 2019

<u>SOUTH COAST AQMD LOG-IN NUMBER</u> PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<i>Goods Movement</i> LAC191203-05 Berths 97-109 [China Shipping] Container Terminal Project	This document includes a CEQA appeal that staff filed to the City of Los Angeles City Council to overrule the Los Angeles Board of Harbor Commissioners' decision to approve the Final Supplemental Environmental Impact Report for the proposed project. The proposed project consists of modifications to ten of 52 mitigation measures that were previously approved in the 2008, and six of ten modified mitigation measures are related to air quality. The project will also include an increase in the cargo throughput by 147,504 twenty-foot equivalent units (TEUs) from 1,551,000 TEUs to 1,698,504 TEUs in 2030. The project is located at the Port of Los Angeles on the northeast corner of State Route 47 and Interstate 110 in the communities of San Pedro and Wilmington. Reference LAC190905-02, LAC181002-11, LAC170616-02, LAC150918-02, LAC081218-01, LAC080501-01, LAC060822-02, and LAC170725-01 http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2019/december/CEQA_Appeal_China_Shipp Comment Period: N/A Public Hearing: N/A	Other	City of Los Angeles Harbor Department	South Coast AQMD staff commented on 12/4/2019
<i>Warehouse & Distribution Centers</i> LAC191227-09 Bridge Point South Bay II Warehouse Project	The proposed project consists of construction of a 203,877-square-foot warehouse on 8.98 acres. The project is located at 20850 South Normandie Avenue on the southeast corner of South Normandie Avenue and Torrance Boulevard in the community of West Carson. Reference LAC190920-01 Comment Period: N/A Public Hearing: N/A	Response to Comments	County of Los Angeles	** Under review, may submit written comments
<i>Warehouse & Distribution Centers</i> RVC191217-07 World Logistics Center	This document includes revisions to the air quality, greenhouse gas, energy, and cumulative impacts analyses based on the 2017 California Emission Factor model for the proposed project. The proposed project consists of construction of 40.6 million square feet of warehouses on 2,600 acres. The project is located on the southeast corner of Redlands Boulevard and Eucalyptus Avenue. Reference RVC180725-03, RVC150612-04, RVC150430-07, and SBC130206-01 Comment Period: 12/17/2019 - 1/31/2020 Public Hearing: N/A	Notice of Availability of a Recirculated Revised Final Environmental Impact Report	City of Moreno Valley	** Under review, may submit written comments

*Sorted by Land Use Type (in order of land uses most commonly associated with air quality impacts), followed by County, then date received.

- Project has potential environmental justice concerns due to the nature and/or location of the project.

** Disposition may change prior to Governing Board Meeting

Documents received by the CEQA Intergovernmental Review program but not requiring review are not included in this report.

**ATTACHMENT A
INCOMING CEQA DOCUMENTS LOG
December 1, 2019 to December 31, 2019**

SOUTH COAST AQMD LOG-IN NUMBER PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<i>Warehouse & Distribution Centers</i> SBC191210-03 Goodman Logistics Center Fontana III	The proposed project consists of construction of three warehouses totaling 1,118,460 square feet on 47.5 acres. The project is located on the northwest corner of Jurupa Avenue and Juniper Avenue. Reference SBC190913-02 and SBC190314-04 Comment Period: N/A Public Hearing: 12/17/2019	Final Environmental Impact Report	City of Fontana	Document reviewed - No comments sent
<i>Warehouse & Distribution Centers</i> SBC191220-01 Bridge Point Upland	The proposed project consists of construction of a 201,096-square-foot warehouse on 50.25 acres. The project is located on the northeast corner of Central Avenue and Foothill Boulevard. Comment Period: 12/16/2019 - 1/21/2020 Public Hearing: N/A	Mitigated Negative Declaration	City of Upland	** Under review, may submit written comments
<i>Warehouse & Distribution Centers</i> SBC191231-04 Olympic Holdings Inland Center Warehouse	The proposed project consists of construction of a 101,464-square-foot warehouse on 5.25 acres. The project is located near the southeast corner of Inland Center Drive and Riverwalk Drive. Reference SBC191009-01 Comment Period: 12/19/2019 - 1/21/2020 Public Hearing: N/A	Recirculated Mitigated Negative Declaration	City of San Bernardino	Document reviewed - No comments sent
<i>Industrial and Commercial</i> LAC191210-04 The Park at Live Oak Specific Plan	The proposed project consists of construction of 1,550,000 square feet of industrial and commercial uses on 78.3 acres. The project is located on the northeast corner of Arrow Highway and Live Oak Avenue. Reference LAC190321-06 Comment Period: N/A Public Hearing: 12/18/2019	Final Environmental Impact Report	City of Irwindale	Document reviewed - No comments sent
<i>Industrial and Commercial</i> LAC191217-01 Star-Kist Cannery Facility Project	The proposed project consists of demolition of an existing 2,254-square-foot building and ancillary facilities on 16.5 acres. The project is located on the southeast corner of Ways Street and Bass Street within the Port of Los Angeles. Comment Period: 12/12/2019 - 1/13/2020 Public Hearing: N/A	Notice of Intent to Adopt a Negative Declaration	City of Los Angeles Harbor Department	Document reviewed - No comments sent

- Project has potential environmental justice concerns due to the nature and/or location of the project.

** Disposition may change prior to Governing Board Meeting

Documents received by the CEQA Intergovernmental Review program but not requiring review are not included in this report.

**ATTACHMENT A
INCOMING CEQA DOCUMENTS LOG
December 1, 2019 to December 31, 2019**

<u>SOUTH COAST AQMD LOG-IN NUMBER</u>	<u>PROJECT DESCRIPTION</u>	<u>TYPE OF DOC.</u>	<u>LEAD AGENCY</u>	<u>COMMENT STATUS</u>
PROJECT TITLE				
<i>Industrial and Commercial</i> LAC191227-10 Inglewood Basketball and Entertainment Center	The proposed project consists of construction of a 915,000-square-foot entertainment center with 18,000 fixed seats and up to 500 temporary seats on 27 acres. The project will also include a hotel with 150 rooms. The project is located on the southeast corner of South Prairie Avenue and West Century Boulevard. Reference LAC180411-01 Comment Period: 12/27/2019 - 2/10/2020 Public Hearing: N/A	Notice of Availability of a Draft Environmental Impact Report	City of Inglewood	** Under review, may submit written comments
<i>Industrial and Commercial</i> ORC191205-01 Vans Headquarters Expansion	The proposed project consists of construction of a 91,032-square-foot office building on 15 acres. The project is located at 1588 South Coast Drive on the northeast corner of South Coast Drive and Hyland Avenue. Comment Period: 11/20/2019 - 12/9/2019 Public Hearing: 12/12/2019	Notice of Intent to Adopt a Mitigated Negative Declaration	City of Costa Mesa	Document reviewed - No comments sent
<i>Industrial and Commercial</i> RVC191217-03 Agua Mansa Commerce Park Specific Plan	The proposed project consists of construction of 4,216,000 square feet of industrial uses, 264,000 square feet of business and retail uses, and 70.9 acres of open space on 302.8 acres. The project is located on the southeast corner of Rubidoux Boulevard and El Rivino Road. Reference RVC181219-07, RVC181023-01, RVC180509-01, RVC180503-05, RVC171128-09, RVC170705-15, RVC161216-03, and RVC161006-06 Comment Period: 12/17/2019 - 1/31/2020 Public Hearing: N/A	Draft Environmental Impact Report	City of Jurupa Valley	** Under review, may submit written comments
<i>Industrial and Commercial</i> RVC191227-06 Pennington Industrial Project	The proposed project consists of construction of three industrial buildings totaling 91,140 square feet on 5.01 acres. The project is located on the southeast corner of Chaney Street and Minthorn Street. Comment Period: 12/23/2019 - 1/21/2020 Public Hearing: 2/4/2020	Notice of Intent to Adopt a Mitigated Negative Declaration	City of Lake Elsinore	** Under review, may submit written comments

- Project has potential environmental justice concerns due to the nature and/or location of the project.

** Disposition may change prior to Governing Board Meeting

Documents received by the CEQA Intergovernmental Review program but not requiring review are not included in this report.

**ATTACHMENT A
INCOMING CEQA DOCUMENTS LOG
December 1, 2019 to December 31, 2019**

SOUTH COAST AQMD LOG-IN NUMBER PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
Industrial and Commercial RVC191231-01 Palomino Business Park	This document includes the tribal cultural resources analysis for the proposed project. The proposed project consists of demolition of 36 existing residential units and warehouses, and construction of 2,050,000 square feet of industrial, commercial, and office uses on 110 acres. The project is located on the southeast corner of Second Street and Pacific Avenue. Reference RVC191119-02 and RVC190402-02 Comment Period: 12/27/2019 - 2/10/2020 Public Hearing: N/A	Recirculated Draft Environmental Impact Report	City of Norco	Document reviewed - No comments sent
Industrial and Commercial SBC191210-07 Grand Terrace Trailer/Container Storage Project	The proposed project consists of construction of a truck yard facility with 650 trailer parking spaces and a 4,800-square-foot building on 21.92 acres. The project is located near the northeast corner of Railroad Access Road and Terrace Avenue. Comment Period: 12/6/2019 - 12/27/2019 Public Hearing: 2/13/2020	Notice of Intent to Adopt a Mitigated Negative Declaration	City of Grand Terrace	Document reviewed - No comments sent
Waste and Water-related ALL191217-08 Adoption of Regulations to Implement SB 1383 - Short Lived Climate Pollutants Organic Waste Methane Emission Reduction Requirements	The proposed project consists of addition of Chapter 12 - Short-lived Climate Pollutants to the California Code of Regulations, Title 14, Division 7, and Title 27, Division 2 to implement and/or modify organic waste handling, processing, and disposal requirements pursuant to Senate Bill 1383 requirements. Reference ALL190801-10 and ALL190104-03 Comment Period: N/A Public Hearing: N/A	Final Environmental Impact Report	California Department of Resources Recycling and Recovery	Document reviewed - No comments sent
Waste and Water-related LAC191213-01 Haynes Generating Station Intake Channel Infill Project	The proposed project consists of filling of a 2,150-foot channel 30 feet to 165 feet in width and 27 feet to 29 feet in depth on 160 acres. The project is located at 6801 East Second Street near the northeast corner of East Second Street and San Gabriel River in the City of Long Beach. Comment Period: 12/12/2019 - 1/24/2020 Public Hearing: N/A	Notice of Intent to Adopt a Mitigated Negative Declaration	City of Los Angeles Department of Water and Power	Document reviewed - No comments sent

- Project has potential environmental justice concerns due to the nature and/or location of the project.

** Disposition may change prior to Governing Board Meeting

Documents received by the CEQA Intergovernmental Review program but not requiring review are not included in this report.

**ATTACHMENT A
INCOMING CEQA DOCUMENTS LOG
December 1, 2019 to December 31, 2019**

<u>SOUTH COAST AQMD LOG-IN NUMBER</u> PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<i>Waste and Water-related</i> RVC191220-02 Murrieta Road Transmission Pipeline Project	The proposed project consists of construction of a 1.3-mile potable water pipeline 36 inches to 42 inches in diameter. The project is located along Murrieta Road between the Salt Creek Channel and La Piedra Road in the City of Menifee. Comment Period: 12/11/2019 - 1/10/2020 Public Hearing: 2/19/2020	Notice of Intent to Adopt a Mitigated Negative Declaration	Eastern Municipal Water District	Document reviewed - No comments sent
<i>Waste and Water-related</i> RVC191231-03 Former Riverside Cement Plant	The proposed project consists of development of cleanup actions to excavate, remove, and dispose contaminated soil with chromium, arsenic, lead, cobalt, thallium, mercury, and polychlorinated biphenyls on 281 acres. The project is located at 1500 Rubidoux Boulevard on the southeast corner of Rubidoux Boulevard and El Rivino Road in the City of Jurupa Valley. Reference RVC191217-03, RVC181219-07, RVC181023-01, RVC180509-01, RVC180503-05, RVC171128-09, RVC170705-15, RVC161216-03, and RVC161006-06 Comment Period: 12/27/2019 - 1/27/2020 Public Hearing: N/A	Draft Response Plan	Department of Toxic Substances Control	Document reviewed - No comments sent
<i>Waste and Water-related</i> SBC191227-05 Eastside Water Treatment Facility Expansion and Brine Pipeline	The proposed project consists of expansion of an existing water treatment facility to increase capacity from 3,500 gallons per minute (gpm) to 7,000 gpm, and construction of a 3.5-mile waste water pipeline six inches in diameter. The project is located at 7537 Schaefer Avenue on the southwest corner of Schaefer Avenue and South Bon View Avenue and along South Bon View Avenue, Merrill Avenue, and Euclid Avenue between Schaefer Avenue and Kimball Avenue in the City of Ontario. Comment Period: 12/26/2019 - 1/27/2020 Public Hearing: 2/18/2020	Notice of Intent to Adopt a Mitigated Negative Declaration	City of Chino	Document reviewed - No comments sent
<i>Transportation</i> RVC191231-02 Esplanade Avenue Widening Project - Phase I	The proposed project consists of widening of a 1.5-mile segment of Esplanade Avenue to include ancillary roadway improvements between Warren Road and Sanderson Avenue. Comment Period: 12/30/2019 - 1/30/2020 Public Hearing: 2/18/2020	Notice of Intent to Adopt a Mitigated Negative Declaration	City of San Jacinto	Document reviewed - No comments sent

- Project has potential environmental justice concerns due to the nature and/or location of the project.

** Disposition may change prior to Governing Board Meeting

Documents received by the CEQA Intergovernmental Review program but not requiring review are not included in this report.

**ATTACHMENT A
INCOMING CEQA DOCUMENTS LOG
December 1, 2019 to December 31, 2019**

SOUTH COAST AQMD LOG-IN NUMBER	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
PROJECT TITLE				
<i>Transportation</i> SBC191217-05 Sierra Avenue Widening Project	The proposed project consists of widening of a one-mile segment of Sierra Avenue between Foothill Boulevard and Baseline Avenue to include bicycle lanes in each direction and ancillary roadway improvements. Comment Period: 12/11/2019 - 1/16/2020 Public Hearing: 1/16/2020	Negative Declaration	City of Fontana	Document reviewed - No comments sent
<i>Institutional (schools, government, etc.)</i> LAC191206-02 Wedgeworth K-8 School and Residential Development Project	The proposed project consists of demolition of existing school facilities and construction of an 82,998-square-foot elementary school to accommodate an increase in enrollment capacity from 600 to 1,200 students on 20 acres. The project will also include construction of 160 residential units. The project is located at 16494 Wedgeworth Drive on the northwest corner of Wedgeworth Drive and Ridge Park Drive in the community of Hacienda Heights within Los Angeles County. Reference LAC190801-12 Comment Period: 12/5/2019 - 1/21/2020 Public Hearing: 2/27/2020	Draft Environmental Impact Report	Hacienda La Puente Unified School District	** Under review, may submit written comments
<i>Institutional (schools, government, etc.)</i> ORC191217-02 Chapman University Specific Plan Amendment No. 7	The proposed project consists of a project boundary expansion from 58.37 acres to 72.75 acres to accommodate an increase in enrollment capacity from 8,700 students to 10,185 students. The project is located near the southwest corner of Everett Place and Shaffer Street. Reference ORC150519-06 Comment Period: 12/12/2019 - 1/27/2020 Public Hearing: 1/16/2020	Notice of Preparation	City of Orange	** Under review, may submit written comments
<i>Institutional (schools, government, etc.)</i> RVC191210-06 Parking Structure 1	The proposed project consists of construction of a 350,728-square-foot parking structure with 1,079 spaces on 7.5 acres. The project is located on the southwest corner of Big Springs Road and Valencia Hill Drive in the City of Riverside. Comment Period: 12/6/2019 - 1/6/2020 Public Hearing: N/A	Notice of Intent to Adopt a Mitigated Negative Declaration	Regents of the University of California	Document reviewed - No comments sent

- Project has potential environmental justice concerns due to the nature and/or location of the project.

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**ATTACHMENT A
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SOUTH COAST AQMD LOG-IN NUMBER PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
Institutional (schools, government, etc.) RVC191217-04 Hazelden Betty Ford Center Preliminary Development Plan	The proposed project consists of demolition of 51,694 square feet of residential buildings with 80 beds, and construction of 61,870 square feet of residential buildings with 92 beds and 29,148 square feet of medical and office uses on 26.22 acres. The project is located near the northwest corner of Vista Del Sol and Country Club Drive. Comment Period: 12/16/2019 - 1/16/2020 Public Hearing: 1/8/2020	Notice of Preparation	City of Rancho Mirage	** Under review, may submit written comments
Institutional (schools, government, etc.) SBC191212-03 Butterfield Sentinel Quarry Expansion Project	The proposed project consists of expansion of existing quarries by 94.9 acres on 954 acres. The project is located on the southwest corner of State Route (SR) 247 and SR-18 in the community of Big Bear. Reference SBC180717-12 and SBC130305-02 Comment Period: N/A Public Hearing: 12/19/2019	Notice of Availability of a Final Environmental Impact Report/ Environmental Impact Statement	County of San Bernardino	Document reviewed - No comments sent
Retail RVC191210-05 CUP2019-0042 and CUP2019-0043	The proposed project consists of construction of a 5,185-square-foot convenience store, a 1,404-square-foot car wash facility, a gasoline service station with 16 pumps, and a 4,310-square-foot fueling canopy on 1.39 acres. The project is located on the southwest corner of Sixth Street and Pennsylvania Avenue. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2019/december/RVC191210-05.pdf Comment Period: 12/3/2019 - 12/18/2019 Public Hearing: N/A	Site Plan	City of Beaumont	South Coast AQMD staff commented on 12/17/2019
Retail RVC191220-05 Beyond Food Mart, Gas Station with Drive Thru and Car Wash, Conditional Use Permit 18-05248	The proposed project consists of construction of a 7,250-square-foot convenience store, a 1,870-square-foot car wash facility, a gasoline service station with 10 fueling pumps, and a 5,320-square-foot fueling canopy on 1.75 acres. The project is located on the southeast corner of Nuevo Road and Murrieta Road. Comment Period: 12/18/2019 - 1/6/2020 Public Hearing: N/A	Mitigated Negative Declaration	City of Perris	** Under review, may submit written comments

- Project has potential environmental justice concerns due to the nature and/or location of the project.

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**ATTACHMENT A
INCOMING CEQA DOCUMENTS LOG
December 1, 2019 to December 31, 2019**

SOUTH COAST AQMD LOG-IN NUMBER PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<i>General Land Use (residential, etc.)</i> LAC191212-02 ENV-2016-3413: 3600 West Wilshire Boulevard	The proposed project consists of demolition of a 224,890-square-foot structure, and construction of a 653,681-square-foot building with 760 residential units and subterranean parking on four acres. The project is located near the southwest corner of West Wilshire Boulevard and South Kingsley Drive in the community of Wilshire. Comment Period: 12/12/2019 - 1/2/2020 Public Hearing: N/A	Mitigated Negative Declaration	City of Los Angeles	Document reviewed - No comments sent
<i>General Land Use (residential, etc.)</i> LAC191217-06 56-Unit Townhome Project	The proposed project consists of construction of 56 residential units on 2.32 acres. The project is located at 13811 Valley View Avenue on the southwest corner of Valley View Avenue and Bora Drive. Reference LAC190827-05 Comment Period: N/A Public Hearing: N/A	Response to Comments	City of La Mirada	** Under review, may submit written comments
<i>General Land Use (residential, etc.)</i> LAC191219-04 De Soto/Burbank Master Plan Project	The proposed project consists of demolition of 340,339 square feet of existing commercial buildings, and construction of 1,009 residential units totaling 1,175,513 square feet, a 157,535-square-foot hotel with 228 rooms, and 1,301,200 square feet of office, retail, and restaurant uses with subterranean parking on 24.4 acres. The project is located on the northwest corner of Burbank Boulevard and De Soto Avenue in the community of Canoga Park-Winnetka-Woodland Hills-West Hills. Comment Period: 12/19/2019 - 1/17/2020 Public Hearing: N/A	Mitigated Negative Declaration	City of Los Angeles	** Under review, may submit written comments
<i>General Land Use (residential, etc.)</i> LAC191220-03 Rose Hill Courts Redevelopment Project	The proposed project consists of demolition of 82,645 square feet of existing structures, and construction of nine buildings totaling 156,926 square feet with 185 residential units and 6,366 square feet of office uses on 5.24 acres. The project is located at 4446 Florizel Street on the southwest corner of Florizel Street and McKenzie Street in the community of El Sereno. Reference LAC191112-04, LAC190906-07, and LAC180926-03 Comment Period: 12/27/2019 - 1/27/2020 Public Hearing: N/A	Notice of Availability of a Final Environmental Impact Statement	City of Los Angeles Housing Authority	** Under review, may submit written comments

- Project has potential environmental justice concerns due to the nature and/or location of the project.

** Disposition may change prior to Governing Board Meeting

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**ATTACHMENT A
INCOMING CEQA DOCUMENTS LOG
December 1, 2019 to December 31, 2019**

SOUTH COAST AQMD LOG-IN NUMBER PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<i>General Land Use (residential, etc.)</i> RVC191203-02 Menifee North Specific Plan 260, Amendment No. 3 (SPA 2010-090) Palomar Crossings	The proposed project consists of construction of 721 residential units totaling 637,000 square feet and 246,312 square feet of commercial uses on 63.24 acres. The project is located on the northeast corner of Palomar Road and State Route 74. Reference RVC190301-05 Comment Period: 12/3/2019 - 1/21/2020 Public Hearing: N/A	Draft Environmental Impact Report	City of Menifee	** Under review, may submit written comments
<i>General Land Use (residential, etc.)</i> RVC191213-02 Planning Cases P19-0388 and P19-0389	The proposed project consists of construction of 199 residential units on 6.86 acres. The project is located on the southwest corner of Indiana Avenue and Jackson Street. Comment Period: 12/13/2019 - 1/2/2020 Public Hearing: 1/9/2020	Notice of Intent to Adopt a Mitigated Negative Declaration	City of Riverside	Document reviewed - No comments sent
<i>Plans and Regulations</i> ALL191210-01 2020-2045 Regional Transportation Plan/Sustainable Communities Strategy	The proposed project consists of development of a long-range transportation plan and land use policies, strategies, actions, and programs to identify and accommodate current and future mobility goals, policies, and needs for the next 25 years. The project encompasses 38,000 square miles and includes counties of Imperial, Los Angeles, Orange, Riverside, San Bernardino, and Ventura. Reference ALL190123-01 Comment Period: 12/9/2019 - 1/24/2020 Public Hearing: 1/9/2020	Draft Program Environmental Impact Report	Southern California Association of Governments	** Under review, may submit written comments
<i>Plans and Regulations</i> LAC191204-01 Diamond Bar General Plan 2040 and Climate Action Plan	The proposed project consists of updates to the City’s General Plan elements and strategies for land use and economic development, circulation, resource conservation, public services and facilities, public safety, community characters, and community health and sustainability with a planning horizon of 2040. The project encompasses 13,039 acres and is bounded by City of Walnut to the north, City of Chino Hills to the east, City of Brea to the south, and the community of Rowland Heights to the west. Reference LAC190919-02 and LAC180612-16 Comment Period: N/A Public Hearing: N/A	Response to Comments	City of Diamond Bar	Document reviewed - No comments sent

- Project has potential environmental justice concerns due to the nature and/or location of the project.

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**ATTACHMENT A
INCOMING CEQA DOCUMENTS LOG
December 1, 2019 to December 31, 2019**

<u>SOUTH COAST AQMD LOG-IN NUMBER</u>	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
PROJECT TITLE				
<i>Plans and Regulations</i> LAC191219-03 ENV-2019-7046: Citywide	The proposed project consists of a citywide ordinance to allow use of non-primary residences for short-term rental units. The project encompasses 468.67 square miles and is bounded by City of Santa Clarita to the north, City of Burbank to the East, State Route One to the south, and City of Calabasas to the west. Comment Period: 12/19/2019 - 1/21/2020 Public Hearing: N/A	Negative Declaration	City of Los Angeles	Document reviewed - No comments sent
<i>Plans and Regulations</i> ORC191227-08 Historic Preservation Ordinance Update	The proposed project consists of amendments to the City's General Plan for designation and preservation of historic resources. The project encompasses 9.86 square miles and is bounded by State Route 133 to the north, City of Laguna Niguel to the east, City of Dana Point to the south, and the Pacific Ocean to the west. Comment Period: 12/24/2019 - 1/23/2020 Public Hearing: N/A	Negative Declaration	City of Laguna Beach	Document reviewed - No comments sent
<i>Plans and Regulations</i> RVC191219-06 City of Corona General Plan Technical Plan Update	The proposed project consists of updates to the City's General Plan to allow increases of future development from 59,128 residential units to 70,939 residential units and from 55,715,305 square feet to 82,191,657 square feet of commercial, office, and industrial uses with a planning horizon of 2040. The project will also include updates to the City's Climate Action Plan. The project encompasses 39.55 square miles and is bounded by City of Norco to the north, community of El Cerrito to the east, community of Arcilla to the south, and City of Chino Hills to the west. Reference RVC180815-03 Comment Period: 12/19/2019 - 2/3/2020 Public Hearing: N/A	Draft Environmental Impact Report	City of Corona	** Under review, may submit written comments

- Project has potential environmental justice concerns due to the nature and/or location of the project.

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ATTACHMENT B
ONGOING ACTIVE PROJECTS FOR WHICH SOUTH COAST AQMD HAS
OR IS CONTINUING TO CONDUCT A CEQA REVIEW

SOUTH COAST AQMD LOG-IN NUMBER PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<i>Warehouse & Distribution Centers</i> LAC191119-03 Greenleaf Business Center	The proposed project consists of construction of a 216,500-square-foot warehouse on 25.33 acres. The project is located on the northwest corner of Greenleaf Avenue and Los Nietos Road. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2019/december/LAC191119-03.pdf Comment Period: 11/18/2019 - 12/17/2019 Public Hearing: 1/13/2020	Mitigated Negative Declaration	City of Santa Fe Springs	South Coast AQMD staff commented on 12/12/2019
<i>Industrial and Commercial</i> RVC191119-02 Palomino Business Park	The proposed project consists of demolition of 36 existing residential units and warehouses, and construction of 2,050,000 square feet of industrial, commercial, and office uses on 110 acres. The project is located on the southeast corner of Second Street and Pacific Avenue. Reference RVC190402-02 http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2019/december/RVC191119-02.pdf Comment Period: 11/18/2019 - 1/2/2020 Public Hearing: N/A	Draft Environmental Impact Report	City of Norco	South Coast AQMD staff commented on 12/26/2019
<i>Waste and Water-related</i> LAC191105-01 Arroyo Seco Canyon Project Areas 2 and 3	The proposed project consists of demolition of an existing water diversion and intake structure, construction of an intake system with a flow rate of 25 cubic feet per second, and improvements to existing spreading basins for infiltration. The project is generally located on the southwest corner of Explorer Road and North Arroyo Boulevard. Reference LAC141009-06 http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2019/december/LAC191105-01.pdf Comment Period: 11/4/2019 - 12/6/2019 Public Hearing: 11/21/2019	Notice of Preparation	City of Pasadena	South Coast AQMD staff commented on 12/3/2019
<i>Transportation</i> ORC191107-05 South County Traffic Relief Effort	The proposed project consists of construction of four miles to 22 miles of freeway lanes and connections on Interstate 5, State Route 241, and State Route 73. The project traverses through the cities of Irvine, Lake Forest, Laguna Hills, Laguna Beach, Aliso Viejo, Laguna Niguel, Mission Viejo, Rancho Santa Margarita, San Juan Capistrano, Dana Point, San Clemente, and unincorporated areas of Orange County and San Diego County. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2019/december/ORC191107-05.pdf Comment Period: 11/8/2019 - 2/7/2020 Public Hearing: 11/20/2019	Notice of Preparation	California Department of Transportation	South Coast AQMD staff commented on 12/3/2019
<i>Transportation</i> RVC191122-01 State Route 60/World Logistics Center Parkway Interchange Project	The proposed project consists of construction of two auxiliary lanes along a two-mile segment of State Route 60 (SR-60) and improvements to the interchange of SR-60 and World Logistics Center Parkway. The project is located between Post Mile (PM) 20.0 and PM 22.0 in the City of Moreno Valley. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2019/december/RVC191122-01.pdf Comment Period: 11/25/2019 - 1/3/2020 Public Hearing: 12/16/2019	Notice of Preparation	California Department of Transportation	South Coast AQMD staff commented on 12/17/2019

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**ATTACHMENT B
ONGOING ACTIVE PROJECTS FOR WHICH SOUTH COAST AQMD HAS
OR IS CONTINUING TO CONDUCT A CEQA REVIEW**

SOUTH COAST AQMD LOG-IN NUMBER PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<i>Institutional (schools, government, etc.)</i> LAC191101-11 Burroughs Middle School Comprehensive Modernization Project	The proposed project consists of demolition of 51,469 square feet of existing buildings, modernization of seven buildings totaling 116,815 square feet, and construction of four school facilities totaling 76,036 square feet on 10.4 acres. The project is located at 600 South McCadden Place on the southeast corner of South McCadden Place and West 6th Street in the community of Hancock Park. Reference LAC180216-03 http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2019/december/LAC191101-11.pdf Comment Period: 10/30/2019 - 12/16/2019 Public Hearing: 11/21/2019	Notice of Availability of a Draft Environmental Impact Report	Los Angeles Unified School District	South Coast AQMD staff commented on 12/10/2019
<i>Institutional (schools, government, etc.)</i> LAC191114-01 3917 Long Beach Boulevard	The proposed project consists of demolition of an existing fire station and construction of a temporary modular structure on 0.13 acres. The project is located near the northwest corner of Long Beach Boulevard and East Roosevelt Boulevard. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2019/december/LAC191114-01.pdf Comment Period: 11/12/2019 - 12/12/2019 Public Hearing: N/A	Notice of Preparation	City of Long Beach	South Coast AQMD staff commented on 12/3/2019
<i>Institutional (schools, government, etc.)</i> SBC191126-02 Norton Science and Language Academy	The proposed project consists of construction of 11 school facilities totaling 121,633 square feet on 2.2 acres. The project is located on the northwest corner of East Valley Street and South Waterman Avenue. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2019/december/SBC191126-02.pdf Comment Period: 11/20/2019 - 12/19/2019 Public Hearing: 12/11/2019	Notice of Intent to Adopt a Mitigated Negative Declaration	City of San Bernardino	South Coast AQMD staff commented on 12/18/2019
<i>Retail</i> LAC191106-03 2500 North Hollywood Way - Dual Brand Hotel Project	The proposed project consists of construction of a 250,925-square-foot hotel with 420 rooms and a 191,802-square-foot parking structure on 11.76 acres. The project is located on the southeast corner of North Hollywood Way and Thornton Avenue. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2019/december/LAC191106-03.pdf Comment Period: 11/4/2019 - 12/4/2019 Public Hearing: 11/20/2019	Notice of Preparation	City of Burbank	South Coast AQMD staff commented on 12/3/2019
<i>General Land Use (residential, etc.)</i> LAC191121-03 The Commons	The proposed project consists of construction of 110 residential units and 5,000 square feet of retail uses on 9.5 acres. The project is located on the northeast corner of Foothill Boulevard and Monte Vista Avenue. Reference LAC180912-03 http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2019/december/LAC191121-03.pdf Comment Period: 11/19/2019 - 12/19/2019 Public Hearing: N/A	Notice of Preparation	City of Claremont	South Coast AQMD staff commented on 12/17/2019

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ATTACHMENT B
ONGOING ACTIVE PROJECTS FOR WHICH SOUTH COAST AQMD HAS
OR IS CONTINUING TO CONDUCT A CEQA REVIEW

SOUTH COAST AQMD LOG-IN NUMBER PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<i>General Land Use (residential, etc.)</i> LAC191127-01 Hyde Park Multi-Family Project	The proposed project consists of demolition of a 187,013-square-foot building with 206 residential units and construction of 782 residential units and subterranean parking on 7.96 acres. The project is located on the southwest corner of West Slauson Avenue and 8th Street in the community of West Adams-Baldwin Hills-Leimert. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2019/december/LAC191127-01.pdf Comment Period: 11/25/2019 - 12/27/2019 Public Hearing: N/A	Notice of Preparation	City of Los Angeles	South Coast AQMD staff commented on 12/17/2019
<i>General Land Use (residential, etc.)</i> ORC191106-05 Tirador Residential Development Project	The proposed project consists of construction of 132 residential units totaling 229,591 square feet on 16.1 acres. The project is located on the southeast corner of Calle Arroyo and Interstate 5. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2019/december/ORC191106-05.pdf Comment Period: 11/7/2019 - 12/9/2019 Public Hearing: 11/20/2019	Notice of Preparation	City of San Juan Capistrano	South Coast AQMD staff commented on 12/3/2019
<i>General Land Use (residential, etc.)</i> ORC191108-02 Newport Village Mixed-Use Project	The proposed project consists of demolition of existing structures, and construction of 122 residential units and 128,640 square feet of office and commercial uses with subterranean parking on 9.4 acres. The project is located near the southwest corner of Cliff Drive and Irvine Avenue. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2019/december/ORC191108-02.pdf Comment Period: 11/8/2019 - 12/9/2019 Public Hearing: 11/20/2019	Notice of Preparation	City of Newport Beach	South Coast AQMD staff commented on 12/3/2019
<i>General Land Use (residential, etc.)</i> ORC191126-05 Cypress City Center	The proposed project consists of construction of a 43,200-square-foot theater with 840 seats, a hotel with 120 rooms, 20,800 square feet of retail and restaurant uses, and 251 residential units on 13 acres. The project is located on the northwest corner of Katella Avenue and Winners Circle. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2019/december/ORC191126-05.pdf Comment Period: 11/22/2019 - 12/23/2019 Public Hearing: N/A	Notice of Preparation	City of Cypress	South Coast AQMD staff commented on 12/17/2019
<i>Plans and Regulations</i> SBC191119-05 Central Park Master Plan Update reVISION Project	The proposed project consists of development of policies and programs to guide future park development and resource management on a 62.4-acre portion of 102 acres. The project is located at 11200 Base Line Road on the northwest corner of Base Line Road and Milliken Avenue. Reference SBC190822-02 http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2019/december/SBC191119-05.pdf Comment Period: 11/19/2019 - 12/19/2019 Public Hearing: 12/3/2019	Notice of Preparation	City of Rancho Cucamonga	South Coast AQMD staff commented on 12/17/2019

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** Disposition may change prior to Governing Board Meeting

ATTACHMENT C
ACTIVE SOUTH COAST AQMD LEAD AGENCY PROJECTS
THROUGH DECEMBER 31, 2019

PROJECT DESCRIPTION	PROPONENT	TYPE OF DOCUMENT	STATUS	CONSULTANT
<p>The Phillips 66 (formerly ConocoPhillips) Los Angeles Refinery Ultra Low Sulfur Diesel project was originally proposed to comply with federal, state and South Coast AQMD requirements to limit the sulfur content of diesel fuels. Litigation regarding the CEQA document was filed. Ultimately, the California Supreme Court concluded that the South Coast AQMD had used an inappropriate baseline and directed the South Coast AQMD to prepare an EIR, even though the project has been built and has been in operation since 2006. The purpose of this CEQA document is to comply with the Supreme Court's direction to prepare an EIR.</p>	<p>Phillips 66 (formerly ConocoPhillips), Los Angeles Refinery</p>	<p>Environmental Impact Report (EIR)</p>	<p>The Notice of Preparation/Initial Study (NOP/IS) was circulated for a 30-day public comment period on March 26, 2012 to April 26, 2012. The consultant submitted the administrative Draft EIR to South Coast AQMD in late July 2013. The Draft EIR was circulated for a 45-day public review and comment period from September 30, 2014 to November 13, 2014 and two comment letters were received. South Coast AQMD staff edits on the draft responses to comment were incorporated into a draft Final EIR which is undergoing review.</p>	<p>Environmental Audit, Inc.</p>
<p>Quemetco is proposing to modify existing South Coast AQMD permits to allow the facility to recycle more batteries and to eliminate the existing daily idle time of the furnaces. The proposed project will increase the rotary feed drying furnace feed rate limit from 600 to 750 tons per day and increase the amount of total coke material allowed to be processed. In addition, the project will allow the use of petroleum coke in lieu of or in addition to calcined coke, and remove one existing emergency diesel-fueled internal combustion engine (ICE) and install two new emergency natural gas-fueled ICEs.</p>	<p>Quemetco</p>	<p>Environmental Impact Report (EIR)</p>	<p>A Notice of Preparation/Initial Study (NOP/IS) was released for a 56-day public review and comment period from August 31, 2018 to October 25, 2018, and 154 comment letters were received. Two CEQA scoping meetings were held on September 13, 2018 and October 11, 2018 in the community. South Coast AQMD staff received a preliminary Draft EIR on December 20, 2019 which is undergoing review.</p>	<p>Trinity Consultants</p>

 [Back to Agenda](#)

BOARD MEETING DATE: February 7, 2020

AGENDA NO. 19

REPORT: Stationary Source Committee

SYNOPSIS: The Stationary Source Committee held a meeting on Friday, January 24, 2020. The following is a summary of the meeting.

RECOMMENDED ACTION:
Receive and file.

Ben Benoit, Chair
Stationary Source Committee

AD:cr

Committee Members

Present: Council Member Judith Mitchell

Absent: Council Member Ben Benoit
Senator Vanessa Delgado (Ret)
Supervisor V. Manuel Perez
Supervisor Janice Rutherford

Call to Order

Chair Mitchell called the meeting to order at 10:47 a.m.

INFORMATIONAL ITEMS:

1. Food Waste Diversion Technology Assessment for Rule 1118.1 – Control of Emissions from Non- Refinery Flares

Michael Krause, Planning and Rules Manager, presented staff's assessment of statewide goals to divert organics from landfills as required under SB 1383 for facilities subject to Rule 1118.1.

Council Member Mitchell commented that a recent Southern California Association of Governments presentation on SB 1383 highlighted the increasing obligations placed on local governments for recycling and commercial organic waste diversion. Council Member Mitchell asked how staff will respond to local

governments. Mr. Krause responded that if facilities choose conventional methods, then they will meet the Rule 1118.1 emission limits. However, if other alternative processes are selected then staff will need to work with the facilities to assess any potential issues.

David Rothbart, Southern California Alliance of Publicly Owned Treatment Works (SCAP), highlighted that wastewater treatment plants attempt to beneficially use all biogas rather than flaring. However, when repairs or maintenance are required, biogas flares are needed to maintain safe and reliable operation of the sewage treatment plant. He stated, as an essential public service, wastewater treatment plants are obligated to accept and treat 100 percent of sewage generated. Specifically, the combination of restrictive flare limits and accepting increased food waste could negatively impact the operation of flares. Mr. Rothbart also stated that the underlying problem is that SB 1383 requirements are not yet enforceable until January 1, 2022, so there is minimal diversion activity today and the full impacts will not be realized until SB 1383 is fully implemented. Mr. Rothbart recommended that staff continue to work with stakeholders and report back to the Stationary Source Committee within a year.

Steve Jepsen, SCAP, commented that while the conclusions in the staff presentation are accurate, it could be misleading and are not representative of SCAP's participation in the conclusions. As an example, staff reports wastewater digestion facilities are currently meeting NOx limits, and while accurate, it is only for small pilot test operations and the full-scale food waste diversion has not yet begun. Mr. Jepsen requested more opportunity to partner and continue studying potential impacts from the implementation of SB 1383.

Harvey Eder, Public Solar Power Coalition, expressed concern that there was a methane problem that, compared to CO2 equivalents, has higher global potential by a hundred-fold.

2. BACT Technical Assessment for Flares Receiving Biogas Derived from Organic Waste Digestion

Staff presented the BACT Technical Assessment for flares receiving biogas derived from organic waste digestion.

Mr. Jepsen expressed concern regarding ammonia control technology described in the presentation and indicated that wet scrubbers have not been tested in a public works or wastewater facilities. Mr. Jepsen requested for SCAP to be more involved by providing their own costs. He indicated that organic waste digestion facilities shown in the presentation may not reflect sanitation districts since more waste and proteins are generated and control and feed rate cannot be controlled.

Mr. Rothbart agreed that food waste in any digester is unknown and digestion facilities in Northern California were unable to achieve the compliance limits imposed, which resulted in flare non-compliance. He stated that he does not believe industry will make investment in technology that is not proven to control ammonia to allow for flare NOx compliance. Mr. Rothbart requested sanitation districts return to the Stationary Source Committee and work with staff on addressing future compliance challenges.

Mr. Eder stated there is a problem with methane and natural gas which is as big as carbon dioxide or more and is the wrong fuel. He suggested that solar energy would be a better choice.

Council Member Mitchell indicated that a few cities are participating in a recycling organic waste program and Manhattan Beach is participating in a pilot program. She urged the South Coast AQMD to work together with the sanitation districts and perhaps consider a pilot program. Council Member Mitchell also acknowledged SCAP comments on the compliance path since it will be difficult for sanitation districts to invest in wet scrubber control technology if achieving compliance is unknown.

3. Summary of Proposed Amended Rule 1107 – Coating of Metal Parts and Products

Michael Morris, Planning and Rules Manager, provided a summary on Proposed Amended Rule 1107.

Rita Loof, Radtech, commented that test method ASTM D 7767 was approved in 2011 for thin-film coatings and there is no better way to determine VOC for those types of coatings. She added that a field sample procedure was provided to the South Coast AQMD laboratory. She requested that the test method be included in the test method section of the rule and voiced concern about potential violations users might face if another test method is used.

Council Member Mitchell noted that energy curable coatings are environmentally beneficial and asked staff to respond. Mr. Morris replied that energy curable coatings are generally low VOC and test methods would also show a compliant result. He added that test method ASTM D 7767 relies upon testing the coating with known interferences such as sunblockers. Manufacturers may use ASTM D 7767 to determine the VOC content, but field samples could not because there is currently no way to separate the coatings after admixing them. Mr. Morris also stated that the rule limits in Rule 1107 are higher than the VOC content seen in energy curable coatings and that any significantly lower permit limits should include a test method to determine compliance with the permit limit.

Council Member Mitchell said that South Coast AQMD wants to treat this product type fairly and encourages its use.

Mr. Eder commented that he wants a Control Techniques Guideline to be conducted for solar.

4. Status Report on Reg. XIII – New Source Review

David Ono, Senior Engineering Manager, gave a presentation on the history and status of the South Coast AQMD’s compliance with federal New Source Review (NSR) offset requirements. Both the preliminary Calendar Year (CY) 2018 and the projected CY 2019-2020 federal offsets account balances are determined to remain positive thus indicating continued compliance with federal NSR offset requirements. Mr. Ono also explained that this is a preliminary determination of equivalency for CY 2018, and therefore includes only debits not credits, and that credits will be included in the final determination of equivalency for CY 2018, which will be presented to Stationary Source Committee in August 2020 and to the Board in September 2020.

WRITTEN REPORTS:

5. Monthly Update of Staff’s Work with U.S. EPA on New Source Review Issues for the Transition of RECLAIM Facilities to a Command and Control Regulatory Program

The report was acknowledged by the Committee.

6. Twelve-month and Three-month Rolling Price of RTCs for Compliance Years 2019 and 2020

The report was acknowledged by the Committee.

7. Notice of Violation Penalty Summary

The report was acknowledged by the Committee.

OTHER MATTERS:

8. Other Business

There was no other business.

9. Public Comment Period

Mr. Eder emphasized the need for using solar energy instead of fossil fuels and expressed concern about climate change.

10. Next Meeting Date

The next regular Stationary Source Committee meeting is scheduled for Friday, February 21, 2020.

Adjournment

The meeting was adjourned at 11:42 a.m.

Attachments

1. Attendance Record
2. Monthly Update of Staff's Work with U.S. EPA on New Source Review Issues for the Transition of RECLAIM Facilities to a Command and Control Regulatory Program
3. Twelve-month and Three-month Rolling Price of RTCs for Compliance Years 2019 and 2020
4. Draft Notice of Violation Penalty Summary

ATTACHMENT 1

**SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
STATIONARY SOURCE COMMITTEE
Attendance – January 24, 2020**

Council Member Judith Mitchell South Coast AQMD Governing Board

Curtis Coleman Southern California Air Quality Alliance

Harvey Eder Public Solar Power Coalition

Steve Jepsen Southern California Alliance of Publicly Owned
Treatment Works (SCAP)

Rita Loof Radtech

David Rothbart SCAP

Peter Whittingham Whittingham Public Affairs Advisors

Tammy Yamasaki Southern California Edison

Andy Silva Board Consultant (Rutherford)

Jason Aspell South Coast AQMD staff

Alfonso Baez South Coast AQMD staff

Barbara Baird South Coast AQMD staff

Naveen Berry South Coast AQMD staff

Marian Coleman South Coast AQMD staff

Amir Dejbakhsh South Coast AQMD staff

Philip Fine South Coast AQMD staff

Michael Krause South Coast AQMD staff

Terrence Mann South Coast AQMD staff

Michael Morris South Coast AQMD staff

Susan Nakamura South Coast AQMD staff

Wayne Nastri South Coast AQMD staff

Jill Whynot South Coast AQMD staff

William Wong South Coast AQMD staff

January 2020 Update on Work with U.S. EPA on New Source Review Issues for the RECLAIM Transition

At the October 5, 2018 Board meeting, the Board directed staff to provide the Stationary Source Committee with a monthly update of staff’s work with U.S. EPA regarding resolving NSR issues for the transition of facilities from RECLAIM to a command and control regulatory structure. The table below summarizes key activities over the past two months as there was no Stationary Source Committee meeting in December.

Item	Discussion
Teleconference with U.S. EPA – December 5, 2019	<ul style="list-style-type: none"> • Staff discussed with U.S. EPA the supply of offsets and stakeholder comments on RECLAIM transition issues
Teleconference with U.S. EPA – January 9, 2020	<ul style="list-style-type: none"> • U.S. EPA provided a follow-up discussion from the December 5, 2019 teleconference
RECLAIM and Regulation XIII (New Source Review) Working Group Meeting – January 14, 2020	<ul style="list-style-type: none"> • Staff provided updates on rulemakings for the RECLAIM transition • Staff discussed with the working group the supply of Emission Reduction Credits (ERCs) in the open market and supply of offsets in South Coast AQMD’s internal bank



South Coast Air Quality Management District

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

Twelve-Month and Three-Month Rolling Average Price of Compliance Years 2019 and 2020 NOx and SOx RTCs

January 2020 Quarterly Report to Stationary Source Committee

Table I

Twelve-Month Rolling Average Price Data for Compliance Year 2019 NOx RTCs
(Report to Governing Board if rolling average price greater than \$22,500/ton)

Twelve-Month Rolling Average Price Data for Compliance Year 2019 NOx RTC					
Reporting Month	12-Month Period	Total Volume Traded with Price During Past 12-month (tons)	Total Price of Volume Traded During Past 12-month (\$)	Number of Trades with Price	Rolling Average Price ¹ (\$/ton)
Jan-19	Jan-18 to Dec-18	18.2	\$103,000	5	\$5,646
Feb-19	Feb-18 to Jan-19	19.0	\$108,200	6	\$5,682
Mar-19	Mar-18 to Feb-19	19.0	\$108,200	6	\$5,682
Apr-19	Apr-18 to Mar-19	29.6	\$181,921	8	\$6,153
May-19	May-18 to Apr-19	30.2	\$186,852	9	\$6,182
Jun-19	Jun-18 to May-19	31.2	\$195,323	10	\$6,256
Jul-19	Jul-18 to Jun-19	44.3	\$278,708	14	\$6,288
Aug-19	Aug-18 to Jul-19	54.2	\$336,213	18	\$6,200
Sep-19	Sep-18 to Aug-19	57.0	\$352,313	22	\$6,184
Oct-19	Oct-18 to Sep-19	121.2	\$648,018	29	\$5,348
Nov-19	Nov-18 to Oct-19	223.6	\$1,156,517	55	\$5,171
Dec-19	Dec-18 to Nov-19	241.4	\$1,243,747	59	\$5,153
Jan-20	Jan-19 to Dec-19	254.1	\$1,374,563	61	\$5,410

1. District Rule 2015(b)(6) - Backstop Provisions provides additional "evaluation and review of the compliance and enforcement aspects of the RECLAIM program" if the average RTC price exceeds \$15,000 per ton.

Table II

Twelve-Month Rolling Average Price Data for Compliance Year 2020 NOx RTCs
(Report to Governing Board if rolling average price greater than \$22,500/ton)

Twelve-Month Rolling Average Price Data for Compliance Year 2020 NOx RTC					
Reporting Month	12-Month Period	Total Volume Traded with Price During Past 12-month (tons)	Total Price of Volume Traded During Past 12-month (\$)	Number of Trades with Price	Rolling Average Price ¹ (\$/ton)
Jan-20	Jan-19 to Dec-19	71.0	\$865,215	11	\$12,190

1. District Rule 2015(b)(6) - Backstop Provisions provides additional "evaluation and review of the compliance and enforcement aspects of the RECLAIM program" if the average RTC price exceeds \$15,000 per ton. A single investor participated in nine of the 11 trades either as a buyer or seller (82%). Two of these nine trades represent 65% of the total value of all the trades, each with a price well above the average and above the \$15,000 per ton threshold, pushing the overall rolling average price (\$12,190 per ton) closer to the \$15,000 per ton threshold.

Table III

Three-Month Rolling Average Price Data for Compliance Year 2019 NOx RTCs
(Report to Governing Board if rolling average price greater than \$35,000/ton)

Three-Month Rolling Average Price Data for Compliance Year 2019 NOx RTC					
Reporting Month	3-Month Period	Total Volume Traded with Price During Past 3-month (tons)	Total Price of Volume Traded During Past 3-month (\$)	Number of Trades with Price	Rolling Average Price (\$/ton)
Jan-19	Oct-18 to Dec-18	18.2	\$102,300	4	\$5,621
Feb-19	Nov-18 to Jan-19	19.0	\$107,500	5	\$5,658
Mar-19	Dec-18 to Feb-19	14.0	\$80,000	4	\$5,714
Apr-19	Jan-19 to Mar-19	11.3	\$78,922	3	\$6,969
May-19	Feb-19 to Apr-19	11.2	\$78,653	3	\$7,034
Jun-19	Mar-19 to May-19	12.2	\$87,123	4	\$7,154
Jul-19	Apr-19 to Jun-19	14.8	\$96,787	6	\$6,560
Aug-19	May-19 to Jul-19	24.0	\$150,060	10	\$6,241
Sep-19	Jun-19 to Aug-19	25.8	\$157,690	13	\$6,113
Oct-19	Jul-19 to Sep-19	76.9	\$370,010	16	\$4,812
Nov-19	Aug-19 to Oct-19	169.4	\$820,304	37	\$4,842
Dec-19	Sep-19 to Nov-19	189.4	\$918,934	38	\$4,852
Jan-20	Oct-19 to Dec-19	151.1	\$828,845	36	\$5,485

Table IV

Three-Month Rolling Average Price Data for Compliance Year 2020 NOx RTCs
(Report to Governing Board if rolling average price greater than \$35,000/ton)

Three-Month Rolling Average Price Data for Compliance Year 2020 NOx RTC					
Reporting Month	3-Month Period	Total Volume Traded with Price During Past 3-month (tons)	Total Price of Volume Traded During Past 3-month (\$)	Number of Trades with Price	Rolling Average Price (\$/ton)
Jan-20	Oct-19 to Dec-19	71.0	\$865,215	11	\$12,190

Table V

Twelve-Month Rolling Average Price Data for Compliance Year 2019 SOx RTCs
(Report to Governing Board if rolling average price greater than \$50,000/ton)

Twelve-Month Rolling Average Price Data for Compliance Year 2019 SOx RTC					
Reporting Month	12-Month Period	Total Volume Traded with Price During Past 12-month (tons)	Total Price of Volume Traded During Past 12-month (\$)	Number of Trades with Price	Rolling Average Price ¹ (\$/ton)
Jan-19	Jan-18 to Dec-18	None	-	-	-
Feb-19	Feb-18 to Jan-19	None	-	-	-
Mar-19	Mar-18 to Feb-19	25.0	\$50,000	1	\$2,000
Apr-19	Apr-18 to Mar-19	25.0	\$50,000	1	\$2,000
May-19	May-18 to Apr-19	25.0	\$50,000	1	\$2,000
Jun-19	Jun-18 to May-19	26.4	\$53,376	2	\$2,021
Jul-19	Jul-18 to Jun-19	26.4	\$53,376	2	\$2,021
Aug-19	Aug-18 to Jul-19	78.9	\$263,384	5	\$3,338
Sep-19	Sep-18 to Aug-19	88.9	\$315,130	7	\$3,544
Oct-19	Oct-18 to Sep-19	88.9	\$315,130	7	\$3,544
Nov-19	Nov-18 to Oct-19	125.7	\$1,003,808	9	\$7,985
Dec-19	Dec-18 to Nov-19	125.7	\$1,003,808	9	\$7,985
Jan-20	Jan-19 to Dec-19	125.7	\$1,003,808	9	\$7,985

1. District Rule 2015(b)(6) - Backstop Provisions provides additional "evaluation and review of the compliance and enforcement aspects of the RECLAIM program" if the average RTC price exceeds \$15,000 per ton.

Table VI

Twelve-Month Rolling Average Price Data for Compliance Year 2020 SOx RTCs
(Report to Governing Board if rolling average price greater than \$50,000/ton)

Twelve-Month Rolling Average Price Data for Compliance Year 2020 SOx RTC					
Reporting Month	12-Month Period	Total Volume Traded with Price During Past 12-month (tons)	Total Price of Volume Traded During Past 12-month (\$)	Number of Trades with Price	Rolling Average Price¹ (\$/ton)
Jan-20	Jan-19 to Dec-19	None	-	-	-

1. District Rule 2015(b)(6) - Backstop Provisions provides additional "evaluation and review of the compliance and enforcement aspects of the RECLAIM program" if the average RTC price exceeds \$15,000 per ton.

**SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
 General Counsel's Office
 DRAFT
 December 2019 Settlement Penalty Report**

<u>Total Penalties</u>	
Civil Settlements:	\$308,400.00
MSPAP Settlements:	\$26,025.00
Hearing Board Settlements:	\$25,000.00
Total Cash Settlements:	\$359,425.00
Total SEP Value:	\$0.00

Fiscal Year through 12 / 2019 Cash Total:	\$9,563,084.86
Fiscal Year through 12 / 2019 SEP Value Only Total:	\$0.00

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbr	Total Settlement
Civil Settlements						
800196	AMERICAN AIRLINES, INC,	2004	12/17/2019	NSF	P66178	\$1,500.00
146336	AURORA LAS ENCINAS BEHAVIORAL HEALTHCARE	2202	12/18/2019	DH	P66956 P67018	\$27,000.00
800181	CALIFORNIA PORTLAND CEMENT CO	2004	12/26/2019	NSF	P64394	\$5,000.00
62649	CALIFORNIA PORTLAND CEMENT CO.	403	12/26/2019	NSF	P67104 P67115	\$5,000.00
137997	CANAY MFG., POWDER COATING PLUS, DBA	203(a) 1147	12/27/2019	NSF	P66155	\$7,500.00
110146	ECOLOGY CONTROL INDUSTRIES	402 H&S 41700	12/12/2019	KER	P65415	\$4,000.00

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbr	Total Settlement
800066	HITCO CARBON COMPOSITES INC	2004(f)(1) 3002(c)(1) 3003	12/6/2019	BST	P66860	\$3,900.00
11245	HOAG HOSPITAL	3002(c)(1)	12/19/2019	KCM	P64089	\$3,500.00
173061	SLAUSON @DEANE INC.	203	12/18/2019	KER	P68421 P68435	\$1,500.00
18931	TAMCO	221 1420.2 2004 2011 2012 3002	12/17/2019	NSF	P64426 P64428 P64859 P66111 P69702	\$182,500.00
800436	TESORO REFINING AND MARKETING CO, LLC	1173 1176(e)(1)	12/10/2019	NSF	P63366	\$15,000.00
800436	TESORO REFINING AND MARKETING CO, LLC	2004	12/10/2019	NSF	P60589	\$10,000.00
11119	THE GAS CO./ SEMPRA ENERGY	2004	12/4/2019	NSF	P67369	\$1,500.00
156547	THE VUE	203(a) 222 1146.2 1415 1470	12/6/2019	KER	P68066 P68068	\$5,500.00
175187	VENICE BAKING, TORRANCE FACILITY <i>Other related matter: HB Case# 6144-1</i>	202(a) 203(a)	12/17/2019	KCM	P65071	\$32,500.00

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbr	Total Settlement
187213	XEBEC CONSTRUCTION	1403	12/3/2019	NSF	P66417	\$2,500.00

Total Civil Settlements: \$308,400.00

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbr	Total Settlement
MSPAP Settlements						
189175	ADVANCED STRUCTURAL BUILDERS DBA ASB	1403 40 CFR 60, QQQ	12/18/2019	GC	P67463	\$1,600.00
177872	APRO LLC DBA UNITED OIL #103	203	12/27/2019	GC	P68411	\$1,700.00
115339	ARCO DLR, JOHNY'S ARCO, JOHNY BOULOS	461 H&S 41960.2	12/18/2019	GC	P68120	\$1,200.00
5663	CUSTOM CONTROL SENSORS INC	203(b)	12/18/2019	GC	P65588	\$800.00
58842	FELBRO, INC.	203(b)	12/18/2019	GC	P65271	\$1,000.00
46888	G & M OIL CO, LLC #23	461 H&S 41960.2	12/18/2019	GC	P67671	\$3,000.00
182842	G&M OIL COMPANY #77	461	12/19/2019	GC	P67216	\$2,975.00
148693	JIMENEZ DEMOLITION	1403	12/19/2019	GC	P65940	\$900.00
150554	MONTECITO MEMORIAL PARK	461	12/19/2019	TF	P68704	\$500.00
11218	ORANGE CO, CENTRAL UTILITY FACILITY	203(b)	12/19/2019	TF	P68566	\$800.00
14037	PHILATRON INTL	203(b)	12/19/2019	TF	P65863	\$1,600.00
49898	PORTOFINO OASIS MARINE FUELS	203(b) 461(c)(3)(Q)	12/27/2019	TF	P69503	\$2,000.00
190009	R.I.C. CONSTRUCTION CO., INC.	403	12/19/2019	TF	P59286	\$2,400.00
181758	RUDOLPH FOODS WEST, INC.	202	12/18/2019	TF	P68265	\$1,600.00

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbr	Total Settlement
114083	SOLUTIONS UNLIMITED, WILSON'S ART STUDIO	3002(c)(1)	12/27/2019	TF	P68756	\$500.00
48716	SUNRISE COUNTRY CLUB	203 461	12/27/2019	TF	P68261	\$800.00
152067	TESORO REFINING & MKTN RIMPCO.	461 H&S 41960.2	12/27/2019	TF	P67693	\$800.00
180478	US GASOLINE #2 INC	461	12/19/2019	GV	P67686	\$1,350.00
180478	US GASOLINE #2 INC	461(c)(3)(Q)	12/19/2019	GV	P67694	\$500.00

Total MSPAP Settlements: \$26,025.00

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbr	Total Settlement
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Hearing Board Settlements

104234	MISSION FOODS CORPORATION	202 203(b) 1153.1 1303	12/26/2019	KCM	5400-4	\$25,000.00
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Total Hearing Board Settlements: \$25,000.00

**SOUTH COAST AQMD'S RULES AND REGULATIONS INDEX
FOR DECEMBER 2019 PENALTY REPORT**

REGULATION II - PERMITS

- Rule 202 Temporary Permit to Operate
- Rule 203 Permit to Operate
- Rule 221 Plans
- Rule 222 Filing Requirements for Specific Emission Sources Not Requiring a Written Permit Pursuant to Regulation II

REGULATION IV - PROHIBITIONS

- Rule 402 Nuisance
- Rule 403 Fugitive Dust - Pertains to solid particulate matter emitted from man-made activities
- Rule 461 Gasoline Transfer and Dispensing

REGULATION XI - SOURCE SPECIFIC STANDARDS

- Rule 1146.2 Emissions of Oxides of Nitrogen from Large Water Heaters and Small Boilers
- Rule 1147 NOx Reductions from Miscellaneous Sources
- Rule 1153.1 Emissions of Oxides of Nitrogen from Commercial Food Ovens
- Rule 1173 Fugitive Emissions of Volatile Organic Compounds
- Rule 1176 Sumps and Wastewater Separators

REGULATION XIII - NEW SOURCE REVIEW

- Rule 1303 Requirements

REGULATION XIV - TOXICS

- Rule 1403 Asbestos Emissions from Demolition/Renovation Activities
- Rule 1415 Reduction of Refrigerant Emissions from Stationary Refrigeration and Air Conditioning Systems
- Rule 1420.2 Emission Standards for Lead from Metal Melting Facilities
- Rule 1470 Requirements for Stationary Diesel-Fueled Internal Combustion and Other Compression Ignition Engines

REGULATION XX - REGIONAL CLEAN AIR INCENTIVES MARKET (RECLAIM)

- Rule 2004 RECLAIM Program Requirements
- Rule 2011 Requirements for Monitoring, Reporting, and Recordkeeping for Oxides of Sulfur (SOx) Emissions
- Rule 2012 Requirements for Monitoring, Reporting, and Recordkeeping for Oxides of Nitrogen (NOx) Emissions

REGULATION XXII ON-ROAD MOTOR VEHICLE MITIGATION

- Rule 2202 On-Road Motor Vehicle Mitigation Options

REGULATION XXX - TITLE V PERMITS

Rule 3002 Requirements for Title V Permits
Rule 3003 Applications

CALIFORNIA HEALTH AND SAFETY CODE

41700 Violation of General Limitations
41960.2 Gasoline Vapor Recovery

CODE OF FEDERAL REGULATIONS

40 CFR 60, QQQ – Standards of Performance for VOC Emissions from Petroleum Refinery Wastewater

[↑ Back to Agenda](#)

BOARD MEETING DATE: February 7, 2020

AGENDA NO. 20

REPORT: Technology Committee

SYNOPSIS: The Technology Committee held a meeting on Friday, January 24, 2020. The following is a summary of the meeting.

RECOMMENDED ACTION:
Receive and file.

Joe Buscaino, Chair
Technology Committee

MMM:av

Committee Members

Present: Council Member Joe Buscaino/Chair (videoconference)
Supervisor Lisa Bartlett (videoconference)
Council Member Judith Mitchell

Absent: Council Member Rodriguez

Call to Order

Chair Buscaino called the meeting to order at 12:05 p.m.

ACTION ITEMS:

1. Amend and Execute Contracts to Perform Data Collection of Zero Emissions Heavy-Duty Infrastructure and Other Equipment

In November 2018, the Board approved an award of \$44,839,686 for the Volvo Low Impact Green Heavy Transport Solutions (LIGHTS) project. The Board also approved a \$1,096,658 contract with University of California Riverside (UCR) CE-CERT to perform data collection, analysis and reporting for the Volvo LIGHTS project. UCR had planned to subcontract data collection for infrastructure and other equipment to CALSTART, Inc., but it was subsequently determined that UCR's business services group is unable to subcontract services. These actions are to amend a contract with UCR CE-CERT reducing the amount

to \$836,258 and to execute a contract with CALSTART, Inc., in an amount not to exceed \$260,400 from the GHG Reduction Projects Special Revenue Fund (67) for data collection, analysis and reporting for the Volvo LIGHTS project.

Council Member Mitchell commented that she does not have a financial interest or conflict of interest, but is required to identify for the record that she is a Board Member of CARB which is involved in this item.

Moved by Bartlett; seconded by Mitchell; unanimously approved.

Ayes: Bartlett, Buscaino, Mitchell

Noes: None

Absent: Rodriguez

2. Renew South Coast AQMD's Membership in CaFCP for Calendar Year 2020 and Receive and File California Fuel Cell Partnership Executive Board Meeting Agenda and Activity Updates

The South Coast AQMD has been a member of the California Fuel Cell Partnership (CaFCP) since 2000. These actions are to renew South Coast AQMD's membership in the CaFCP in an amount not to exceed \$70,000 for Calendar Year 2020 and cofund a portion of the CaFCP Regional Coordinator position and infrastructure development staff activities in an amount not to exceed \$50,000 from the Clean Fuels Program Fund (31). This action is to also receive and file the CaFCP Executive Board Meeting Agenda for October 16, 2019, and Activity Updates for the second and third quarters of 2019.

Council Member Mitchell asked how many hydrogen stations are open now. Staff responded that CEC has co-funded 43 retail stations and there are currently 40 available to customers and listed on the CaFCP station operating status system and 3 are undergoing longer-term maintenance but are expected to return to service. Council Member Mitchell also asked when there will be 100 stations open. Staff replied that CEC has a solicitation open with \$45 million available now and over \$100 million available through 2023 to co-fund stations and attract enough private investment to open more than 100 stations.

Council Member Buscaino inquired about the Executive Board and the selection process. Staff explained that each Executive Board Member is selected by the member company and the Chair and Vice Chair positions are transitioned between government, automobile and other technology provider members. Council Member Buscaino expressed support for renewing membership in the CaFCP and their efforts to build relationships with a variety of energy and technology providers.

Moved by Buscaino; seconded by Bartlett; unanimously approved.

Ayes: Bartlett, Buscaino, Mitchell

Noes: None

Absent: Rodriguez

OTHER MATTERS:

3. Other Business

There was no other business.

4. Public Comment Period

There were no public comments.

5. Next Meeting Date

The next regular Technology Committee meeting is scheduled for Friday, February 21, 2020 at noon.

Adjournment

The meeting adjourned at 12:17 p.m.

Attachment

Attendance Record

ATTACHMENT

**SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
TECHNOLOGY COMMITTEE MEETING
Attendance Record – January 24, 2020**

Council Member Joe Buscaino (videoconference)	SCAQMD Board Member
Supervisor Lisa Bartlett (videoconference).....	SCAQMD Board Member
Council Member Judith Mitchell	SCAQMD Board Member
Marisa Perez	Board Consultant (Mitchell)
Fred Minassian	Board Consultant (Mitchell)
Mark Abramowitz	Public Member
Harvey Eder.....	Public Member
Tammy Yamasaki.....	Southern California Edison
Naveen Berry.....	SCAQMD Staff
Darren Ha	SCAQMD Staff
Lauren Henninger.....	SCAQMD Staff
Joseph Impullitti.....	SCAQMD Staff
Patricia Kwon.....	SCAQMD Staff
Lisa Mirisola.....	SCAQMD Staff
Wayne Nastro.....	SCAQMD Staff
Walter Shen	SCAQMD Staff
Cynthia Snyder.....	SCAQMD Staff
Veera Tyagi	SCAQMD Staff
Alejandra Vega.....	SCAQMD Staff
Paul Wright.....	SCAQMD Staff
Alyssa Yan	SCAQMD Staff

BOARD MEETING DATE: February 7, 2020

AGENDA NO. 21

REPORT: Mobile Source Air Pollution Reduction Review Committee

SYNOPSIS: Below is a summary of key issues addressed at the MSRC's meeting on January 16, 2020. The next meeting is scheduled for Thursday, February 20, 2020 at 2:00 p.m., in Conference Room CC8.

RECOMMENDED ACTION:
Receive and file.

Ben Benoit
SCAQMD Representative to MSRC

MMM:NB:pse

FYs 2018-2021 Work Program

FYs 2018-21 Programmatic Outreach

At their June 20, 2019 meeting, the MSRC approved a proposal from their Programmatic Outreach Coordinator, Better World Group Advisors (BWG), to perform additional research and outreach in support of development of the FYs 2018-21 Work Program. The MSRC authorized the work at a cost not to exceed \$25,165, to be met through a combination of reallocation from other tasks under BWG's Contract #MS16030 and the allocation of an additional \$15,000. Following modification of the contract, a task order was issued in the amount of \$25,165 to authorize the work. In coordination with MSRC staff, BWG has proceeded to participate in meetings and workshops, reach out to potential project partners, and investigate collaborative opportunities. Given staff direction and the potential project partners' schedules, BWG's work has not proceeded as rapidly as originally anticipated. Contract #MS16030 expired on December 31, 2019. BWG requests that their current Contract #MS21002 be increased by \$15,079, the unexpended balance of the task order, so that they can complete this work. The MSRC approved a value augmentation of \$15,079 to BWG's contract #MS21002.

UCLA Luskin Center for Innovation

As directed by MSRC, the UCLA's Luskin Center provided a summary of the MSRC-supported project to identify multi-unit dwelling (MUD) and workplace locations across Southern California where there is particularly high latent demand for plug-in vehicle (PEV) charging. By identifying locations where installed infrastructure has a high

likelihood of being used, the project is intended to support the growth of PEV use and electric vehicle miles traveled.

Update on MSRC's Regional Goods Movement Program

In June 2019, the MSRC established four subject matter areas for the Regional Goods Movement Program of its FYs 2018-21 Work Program. For the Zero & Near-Zero Emission Truck Maritime Ports, in December 2019 the Market Acceleration Program (MAP) NZE HD Truck Program in Partnership with SCAQMD & Implementation Partner Clean Energy® was launched. This program targets the near zero natural gas 0.02-gram/bhp-hr trucks. Staff will be bringing further near-zero deployment opportunities forward for discussion. Meanwhile, the second Zero/Near Zero Emission Truck Working Group Meeting will convene in February 2020; the focus will be on zero-emission truck demonstration. For the Inland Ports, a program opportunity notice has been released. Finally, the Last Mile Program will be the primary focus for the new year. Discussions with SCAG's Goods Movement staff have been underway and other stakeholders are being encouraged to participate.

Contract Modification Request

The MSRC considered seven contract modification requests and took the following actions:

1. For the County of Los Angeles, Contract #ML14030, which provided \$425,000 for Bicycle Racks, Outreach and Education, a two-month term extension;
2. For the City of Bellflower, Contract #ML12091, which provided \$100,000 to increase the number of EV charging stations to be installed from five to eleven and install all stations at the new City parking lot, with no change to the project cost;
3. For the City of Covina, Contract #ML18156, which provided \$63,800 to purchase four light-duty zero emission vehicles and to substitute one dual-port charging station for two charging, and a nine-month term extension, due to unforeseen delays in the delivery of the vehicles;
4. For the County of Los Angeles, Contract #ML14027, which provided \$500,000 to install New CNG Stations in Canyon Country and La Puente, an eighteen-month term extension;
5. For the Los Angeles County Metropolitan Transportation Authority (Metro), Contract #MS14057, which provided \$1,250,000 to implement Various Signal Synchronization Project, a three-year term extension;
6. For the County of Los Angeles, Contract #ML14096, which provided \$150,000 for San Gabriel Bike Trail Underpass Improvements, remove the tunnel lighting from the project and reduce the contract value by \$75,814; and
7. For the City of Eastvale, Contract #16040, which provided \$110,000 to install EV charging infrastructure, with no change to the project cost. The MSRC approved the request with these conditions: 1) approval of the substitution of twelve Level III chargers for twenty Level II chargers; and 2) that MSRC funds only be used for nonproprietary EVSE project components. This means that the

City could select to use a nonproprietary charger technology. Or, they could choose to install the Tesla chargers but apply the funding to elements other than the charging equipment itself, including but not limited to site work and permitting.

Received and Approved Final Reports

The MSRC received and unanimously approved three final reports this month as follows:

1. Rialto Unified School District, Contract #MS14076, which provided \$225,000 to construct new public access CNG station;
2. Orange County Transportation Authority, Contract #MS16029, which provided \$836,413 for the TCM Partnership Program; and
3. Orange County Transportation Authority, Contract #MS18005, which provided \$834,222 for the Clean Fuel Bus Service to OC Fair.

Contracts Administrator's Report

The MSRC's AB 2766 Contracts Administrator provides a written status report on all open contracts from FY 2004-05 through the present. The Contracts Administrator's Report for October 31 through December 26, 2019 is attached (*Attachment 1*) for your information.

Attachment

Attachment 1 – October 31 through December 26, 2019 Contracts Administrator's Report

MSRC-TAC Agenda Item No. 2

DATE: January 16, 2020

FROM: Cynthia Ravenstein

SUBJECT: AB 2766 Contracts Administrator's Report

SYNOPSIS: This report covers key issues addressed by MSRC staff, status of open contracts, and administrative scope changes from October 31 to December 26, 2019.

RECOMMENDATION: Receive and file report

WORK PROGRAM IMPACT: None

Contract Execution Status

2016-18 Work Program

On July 8, 2016, the SCAQMD Governing Board approved an award under the Event Center Transportation Program. This contract is executed.

On October 7, 2016, the SCAQMD Governing Board approved three awards under the Event Center Transportation Program and one award for a Regional Active Transportation Partnership Program. These contracts are executed.

On January 6, 2017, the SCAQMD Governing Board approved an award for development, hosting and maintenance of a new MSRC website. This contract is executed.

On April 7, 2017, the SCAQMD Governing Board approved an award under the Event Center Transportation Program. This contract is executed.

On June 2, 2017, the SCAQMD Governing Board approved an award under the Event Center Transportation Program. This contract is executed.

On July 7, 2017, the SCAQMD Governing Board approved an award under the Event Center Transportation Program. This contract is executed.

On September 1, 2017, the SCAQMD Governing Board approved one award under the Event Center Transportation Program and one award under the Natural Gas Infrastructure Program. These contracts are executed.

On October 6, 2017, the SCAQMD Governing Board approved two awards under the Event Center Transportation Program and one award under the Natural Gas Infrastructure Program. These contracts are executed.

On December 1, 2017, the SCAQMD Governing Board approved sole source awards for a Hydrogen Infrastructure Partnership Program, for a Southern California Future Communities Partnership Program, and for electric vehicle charging infrastructure planning analysis. These contracts are executed. The MSRC has replaced the award to the California Energy Commission with a Program Opportunity Notice for the Hydrogen Infrastructure Partnership Program.

On February 2, 2018, the SCAQMD Governing Board approved one award under the Event Center Transportation Program, two awards under the Natural Gas Infrastructure Program, four awards under the Local Government Partnership Program, and two awards under the County Transportation Commission Partnership Program. These contracts are executed.

On March 2, 2018, the SCAQMD Governing Board approved one award under the Major Event Center Transportation Program, two awards under the Natural Gas Infrastructure Program, and one award under the Local Government Partnership Program. These contracts are executed.

On April 6, 2018, the SCAQMD Governing Board approved one award under the Natural Gas Infrastructure Program and eight awards under the Local Government Partnership Program. These contracts are executed.

On May 4, 2018, the SCAQMD Governing Board approved twenty-seven awards under the Local Government Partnership Program and one award under the County Transportation Commission Partnership Program. These contracts are executed.

On June 1, 2018, the SCAQMD Governing Board approved six awards under the Local Government Partnership Program, one award under the Natural Gas Infrastructure Program, and one award under the County Transportation Commission Partnership Program. These contracts are with the SCAQMD Board Chair for signature or executed.

On July 6, 2018, the SCAQMD Governing Board approved nine awards under the Local Government Partnership Program. These contracts are executed.

On September 7, 2018, the SCAQMD Governing Board approved nineteen awards under the Local Government Partnership Program, three awards under the County Transportation Commission Partnership Program, one award under the Major Event Center Transportation Program, and twenty awards under the Natural Gas Infrastructure Program. These contracts are with the prospective contractor for signature, with the SCAQMD Board Chair for signature, or executed.

On October 5, 2018, the SCAQMD Governing Board approved forty-eight awards under the Local Government Partnership Program and one award under the Hydrogen Infrastructure Program. These contracts are with the prospective contractor for signature, with the SCAQMD Board Chair for signature, or executed.

On November 2, 2018, the SCAQMD Governing Board approved two awards under the Local Government Partnership Program. These contracts are executed.

2018-21 Work Program

On April 5, 2019, the SCAQMD Governing Board approved an award under the Major Event Center Transportation Program. This contract is executed.

On September 5, 2019, the SCAQMD Governing Board approved an award under the Major Event Center Transportation Program. This contract is under internal review.

On December 6, 2019, the SCAQMD Governing Board approved an award under the Major Event Center Transportation Program. This contract is under development.

Work Program Status

Contract Status Reports for work program years with open and/or pending contracts are attached.

FY 2010-11 Work Program Contracts

One contract from this work program year is open; and 16 are in “Open/Complete” status. 3 contracts closed during this period: City of Anaheim, Contract #ML11037 – Purchase 12 Natural Gas Heavy-Duty Vehicles; City of Redlands, Contract #MS11067 – Expansion of Existing CNG Station; and CR&R, Inc., Contract #MS11016 – Install New CNG Station in Perris. One contract passed into “Open/Complete” status during this period: City of Newport Beach, Contract #ML11045 – Purchase One Heavy-Duty Natural Gas Vehicle.

FY 2010-11 Invoices Paid

No invoices were paid during this period.

FY 2011-12 Work Program Contracts

7 contracts from this work program year are open, and 18 are in “Open/Complete” status. One contract closed during this period: USA Waste of California, Contract #MS12004 – Construct New Limited Access CNG Station. One contract passed into “Open/Complete” status during this period: City of Santa Monica, Contract #MS12060 – Implement Westside Bikeshare Program.

FY 2011-12 Invoices Paid

No invoices were paid during this period.

FYs 2012-14 Work Program Contracts

21 contracts from this work program year are open, and 29 are in “Open/Complete” status. One contract closed during this period: City of Torrance, Contract #ML14014 – Install EV Charging Infrastructure.

FYs 2012-14 Invoices Paid

No invoices were paid during this period.

FYs 2014-16 Work Program Contracts

47 contracts from this work program year are open, and 30 are in “Open/Complete” status. One contract closed during this period: City of Yucaipa, Contract #ML16054 – Implement a

“Complete Streets” Pedestrian Access Project. One contract passed into “Open/Complete” status during this period: City of Monterey Park, Contract #ML16013 – Purchase 3 Heavy-Duty Natural Gas Vehicles.

FYs 2014-16 Invoices Paid

3 invoices totaling \$587,681.75 were paid during this period.

FYs 2016-18 Work Program Contracts

130 contracts from this work program year are open, and 9 are in “Open/Complete” status. 3 contracts passed into “Open/Complete” status during this period: City of Culver City, Contract #ML18045 – Purchase 8 Heavy-Duty Near-Zero Emission Vehicles; City of Culver City, Contract #ML18076 – Purchase One Light-Duty ZEV; and City of Orange, Contract #ML18077 – Purchase 4 Light-Duty ZEVs and Install EV Charging Infrastructure.

13 invoices totaling \$477,393.71 were paid during this period.

Administrative Scope Changes

7 administrative scope changes were initiated during the period of October 31 to December 26, 2019:

- City of Desert Hot Springs, Contract #ML18022 (Synchronize Traffic Signals on Palm Drive) – One-year term extension
- County of Los Angeles, Contract #ML14096 (Enhance San Gabriel Bike Trail) – Three-month term extension
- City of Calabasas, Contract #ML18034 (Install EV Charging Stations) – One-year term extension
- Regents of the University of California, Contract #MS18014 (Planning for EV Charging Infrastructure Investments) – Three-month term extension
- County of Los Angeles, Contract #ML14030 (Install Bicycle Racks & Implement Bicycle Education) – Three-month term extension
- City of Redondo Beach, Contract #ML18098 (Install EV Charging Stations) – One-year term extension
- City of El Monte, Contract #ML16083 (Install EV Charging Stations) – Change vehicles serviced from five to six, and make all stations dual-outlet

Attachments

- FY 2007-08 through FYs 2016-18 (except FY 2009-10) Contract Status Reports



AB2766 Discretionary Fund Program Invoices

October 31, 2019 to December 26, 2019

Contract Admin.	MSRC Chair	MSRC Liaison	Finance	Contract #	Contractor	Invoice #	Amount
<i>2014-2016 Work Program</i>							
12/10/2019	12/11/2019	12/11/2019	12/11/2019	MS16110	City of Riverside	1	\$71,250.00
12/4/2019	12/11/2019	12/11/2019	12/11/2019	ML16122	City of Wildomar	1-Final	\$500,000.00
12/18/2019	1/3/2020	1/7/2020	1/7/2020	MS16124	Riverside County Transportation Commission	02128	\$16,431.75
Total: \$587,681.75							
<i>2016-2018 Work Program</i>							
12/18/2019	1/3/2020	1/7/2020	1/7/2020	MS18023	Riverside County Transportation Commission	02154	\$16,743.09
12/13/2019	1/3/2020	1/7/2020	1/7/2020	ML18035	City of Westlake Village	1-Final	\$50,000.00
12/10/2019	12/11/2019	12/11/2019	12/11/2019	ML18146	City of South Gate	011924	\$50,000.00
12/10/2019	12/11/2019	12/11/2019	12/11/2019	ML18161	City of Indio	1	\$10,000.00
12/24/2019	1/3/2020	1/7/2020	1/7/2020	ML18070	City of Lomita	1-Final	\$6,250.00
12/19/2019	1/3/2020	1/7/2020	1/7/2020	ML18074	City of Buena Park	C1000001-Fi	\$107,960.00
11/6/2019	11/21/2019	11/21/2019	11/22/2019	MS18003	Geographics	19-21809	\$373.00
12/3/2019	12/11/2019	12/11/2019	12/11/2019	ML18085	City of Orange	0114258	\$25,000.00
11/22/2019	12/11/2019	12/11/2019	12/11/2019	ML18080	City of Santa Monica	11192019	\$14,748.62
11/21/2019	12/11/2019	12/11/2019	12/11/2019	ML18057	City of Carson	356	\$50,000.00
11/21/2019	11/21/2019	11/21/2019	11/22/2019	MS18024	Riverside County Transportation Commission	02153	\$86,170.00
11/20/2019	11/21/2019	11/21/2019	11/22/2019	ML18077	City of Orange	114218/FINA	\$59,776.00
12/4/2019	12/11/2019	12/11/2019	12/11/2019	MS18003	Geographics	19-21867	\$373.00

Total: \$477,393.71

Total This Period: \$1,065,075.46



FYs 2007-08 Through 2018-21 AB2766 Contract Status Report

1/10/2020

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
<i>FY 2007-2008 Contracts</i>									
<i>Declined/Cancelled Contracts</i>									
ML08032	City of Irvine	5/1/2009	8/31/2010		\$9,000.00	\$0.00	36 Vehicles (Diagnostic)	\$9,000.00	No
ML08041	City of Los Angeles, Dept of Transpo	8/6/2010	7/5/2011	12/5/2011	\$8,800.00	\$0.00	73 Vehicles (Diagnostic)	\$8,800.00	No
ML08049	City of Cerritos	3/20/2009	1/19/2015	2/19/2017	\$25,000.00	\$0.00	1 CNG Heavy-Duty Vehicle	\$25,000.00	No
ML08051	City of Colton				\$75,000.00	\$0.00	3 CNG Heavy-Duty Vehicles	\$75,000.00	No
ML08080	City of Irvine	5/1/2009	5/31/2015		\$50,000.00	\$0.00	Two Heavy-Duty Nat. Gas Vehicles	\$50,000.00	No
MS08002	Orange County Transportation Autho				\$1,500,000.00	\$0.00	Big Rig Freeway Service Patrol	\$1,500,000.00	No
MS08008	Diversified Truck Rental & Leasing				\$300,000.00	\$0.00	10 H.D. Nat. Gas Vehicles	\$300,000.00	No
MS08010	Orange County Transportation Autho				\$10,000.00	\$0.00	20 H.D. Nat. Gas Vehicles	\$10,000.00	No
MS08011	Green Fleet Systems, LLC				\$10,000.00	\$0.00	30 H.D. Nat. Gas Vehicles	\$10,000.00	No
MS08052	Burrtec Waste Industries, Inc.	12/24/2008	11/23/2014	11/23/2015	\$100,000.00	\$0.00	New CNG Station - Fontana	\$100,000.00	No
MS08054	Clean Energy Fuels Corp.				\$400,000.00	\$0.00	New LNG Station - Fontana	\$400,000.00	No
MS08055	Clean Energy Fuels Corp.	11/26/2009	3/25/2016	3/25/2017	\$400,000.00	\$0.00	New LNG Station - Long Beach-Pier S	\$400,000.00	No
MS08059	Burrtec Waste Industries, Inc.	12/24/2008	11/23/2014		\$100,000.00	\$0.00	New CNG Station - San Bernardino	\$100,000.00	No
MS08060	Burrtec Waste Industries, Inc.	12/24/2008	11/23/2014		\$100,000.00	\$0.00	New CNG Station - Azusa	\$100,000.00	No
MS08062	Go Natural Gas	9/25/2009	1/24/2016	1/24/2017	\$400,000.00	\$0.00	New CNG Station - Rialto	\$400,000.00	No
MS08074	Fontana Unified School District	11/14/2008	12/13/2014		\$200,000.00	\$0.00	Expansion of Existing CNG station	\$200,000.00	No
MS08077	Hythane Company, LLC				\$144,000.00	\$0.00	Upgrade Station to Hythane	\$144,000.00	No
Total: 17									
<i>Closed Contracts</i>									
ML08023	City of Villa Park	11/7/2008	10/6/2012		\$6,500.00	\$5,102.50	Upgrade of Existing Refueling Facility	\$1,397.50	Yes
ML08024	City of Anaheim	7/9/2010	7/8/2017	1/8/2018	\$425,000.00	\$425,000.00	9 LPG Buses and 8 CNG Buses	\$0.00	Yes
ML08026	Los Angeles County Department of P	7/20/2009	7/19/2016		\$250,000.00	\$250,000.00	10 LPG Heavy-Duty Vehicles	\$0.00	Yes
ML08027	Los Angeles County Department of P	7/20/2009	1/19/2011	1/19/2012	\$6,901.00	\$5,124.00	34 Vehicles (Diagnostic)	\$1,777.00	Yes
ML08028	City of Santa Monica	9/11/2009	9/10/2016	5/10/2019	\$600,000.00	\$200,000.00	24 CNG Heavy-Duty Vehicles	\$400,000.00	Yes
ML08029	City of Gardena	3/19/2009	1/18/2015		\$25,000.00	\$25,000.00	1 Propane Heavy-Duty Vehicle	\$0.00	Yes
ML08030	City of Azusa	5/14/2010	3/13/2016		\$25,000.00	\$25,000.00	1 CNG Heavy-Duty Vehicle	\$0.00	No
ML08031	City of Claremont	3/27/2009	3/26/2013	3/26/2015	\$97,500.00	\$97,500.00	Upgrade of Existing CNG Station, Purchase	\$0.00	Yes
ML08033	County of San Bernardino Public Wo	4/3/2009	2/2/2010		\$14,875.00	\$14,875.00	70 Vehicles (Diagnostic)	\$0.00	Yes
ML08034	County of San Bernardino Public Wo	3/27/2009	7/26/2015		\$150,000.00	\$150,000.00	8 CNG Heavy-Duty Vehicles	\$0.00	Yes
ML08035	City of La Verne	3/6/2009	11/5/2009		\$11,925.00	\$11,925.00	53 Vehicles (Diagnostic)	\$0.00	Yes
ML08036	City of South Pasadena	5/12/2009	7/11/2013		\$169,421.00	\$169,421.00	New CNG Station	\$0.00	Yes

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
ML08037	City of Glendale	5/20/2009	5/19/2015		\$325,000.00	\$325,000.00	13 CNG Heavy-Duty Vehicles	\$0.00	Yes
ML08038	Los Angeles Department of Water an	7/16/2010	7/15/2017		\$1,050,000.00	\$1,050,000.00	42 CNG Heavy-Duty Vehicles	\$0.00	Yes
ML08039	City of Rancho Palos Verdes	6/5/2009	8/4/2015		\$50,000.00	\$50,000.00	2 LPG Transit Buses	\$0.00	Yes
ML08040	City of Riverside	9/11/2009	9/10/2016	3/10/2019	\$455,500.00	\$455,500.00	16 CNG Vehicles, Expand CNG Station & M	\$0.00	Yes
ML08042	City of Ontario, Housing & Municipal	5/1/2009	1/31/2016		\$175,000.00	\$175,000.00	7 CNG Heavy-Duty Vehicles	\$0.00	Yes
ML08044	City of Chino	3/19/2009	3/18/2015		\$25,000.00	\$25,000.00	1 CNG Heavy-Duty Vehicle	\$0.00	Yes
ML08045	City of Santa Clarita	2/20/2009	6/19/2010		\$3,213.00	\$3,150.00	14 Vehicles (Diagnostic)	\$63.00	Yes
ML08046	City of Paramount	2/20/2009	2/19/2015		\$25,000.00	\$25,000.00	1 CNG Heavy-Duty Vehicle	\$0.00	Yes
ML08047	City of Culver City Transportation De	5/12/2009	8/11/2015		\$150,000.00	\$150,000.00	6 CNG Heavy-Duty Vehicles	\$0.00	Yes
ML08048	City of Santa Clarita	2/20/2009	6/19/2015		\$25,000.00	\$25,000.00	1 CNG Heavy-Duty Vehicle	\$0.00	Yes
ML08050	City of Laguna Beach Public Works	8/12/2009	4/11/2016	10/11/2016	\$75,000.00	\$75,000.00	3 LPG Trolleys	\$0.00	Yes
MS08001	Los Angeles County MTA	12/10/2010	6/9/2014		\$1,500,000.00	\$1,499,999.66	Big Rig Freeway Service Patrol	\$0.34	Yes
MS08003	A-Z Bus Sales, Inc.	5/2/2008	12/31/2008	2/28/2009	\$1,480,000.00	\$1,400,000.00	Alternative Fuel School Bus Incentive Progra	\$80,000.00	Yes
MS08004	BusWest	5/2/2008	12/31/2008		\$1,440,000.00	\$1,440,000.00	Alternative Fuel School Bus Incentive Progra	\$0.00	Yes
MS08005	Burrtec Waste Industries, Inc.	10/23/2008	11/22/2014	10/22/2015	\$450,000.00	\$450,000.00	15 H.D. Nat. Gas Vehicles - Azusa	\$0.00	Yes
MS08006	Burrtec Waste Industries, Inc.	10/23/2008	11/22/2014	10/22/2015	\$450,000.00	\$450,000.00	15 H.D. Nat. Gas Vehicles - Saugus	\$0.00	Yes
MS08007	United Parcel Service West Region	12/10/2008	10/9/2014	4/9/2019	\$300,000.00	\$270,000.00	10 H.D. Nat. Gas Vehicles	\$30,000.00	Yes
MS08009	Los Angeles World Airports	12/24/2008	12/23/2014		\$870,000.00	\$870,000.00	29 H.D. Nat. Gas Vehicles	\$0.00	Yes
MS08012	California Cartage Company, LLC	12/21/2009	10/20/2015	4/20/2016	\$480,000.00	\$480,000.00	12 H.D. Nat. Gas Yard Tractors	\$0.00	Yes
MS08013	United Parcel Service West Region	12/10/2008	10/9/2014	3/9/2019	\$480,000.00	\$432,000.00	12 H.D. Nat. Gas Yard Tractors	\$48,000.00	No
MS08014	City of San Bernardino	12/5/2008	6/4/2015		\$390,000.00	\$360,000.00	13 H.D. Nat. Gas Vehicles	\$30,000.00	Yes
MS08015	Yosemite Waters	5/12/2009	5/11/2015		\$180,000.00	\$117,813.60	11 H.D. Propane Vehicles	\$62,186.40	Yes
MS08016	TransVironmental Solutions, Inc.	1/23/2009	12/31/2010	9/30/2011	\$227,198.00	\$80,351.34	Rideshare 2 School Program	\$146,846.66	Yes
MS08017	Omnitrans	12/13/2008	12/12/2015	12/12/2016	\$900,000.00	\$900,000.00	30 CNG Buses	\$0.00	Yes
MS08018	Los Angeles County Department of P	8/7/2009	10/6/2016	4/6/2018	\$60,000.00	\$60,000.00	2 CNG Vehicles	\$0.00	Yes
MS08019	Enterprise Rent-A-Car Company of L	2/12/2010	7/11/2016		\$300,000.00	\$300,000.00	10 CNG Vehicles	\$0.00	Yes
MS08020	Ware Disposal Company, Inc.	11/25/2008	2/24/2016		\$900,000.00	\$900,000.00	30 CNG Vehicles	\$0.00	Yes
MS08021	CalMet Services, Inc.	1/9/2009	1/8/2016	7/8/2016	\$900,000.00	\$900,000.00	30 CNG Vehicles	\$0.00	Yes
MS08022	SunLine Transit Agency	12/18/2008	3/17/2015		\$311,625.00	\$311,625.00	15 CNG Buses	\$0.00	Yes
MS08053	City of Los Angeles, Bureau of Sanit	2/18/2009	12/17/2015		\$400,000.00	\$400,000.00	New LNG/CNG Station	\$0.00	Yes
MS08056	Clean Energy Fuels Corp.	11/26/2009	2/25/2015		\$400,000.00	\$400,000.00	New LNG Station - POLB-Anah. & I	\$0.00	Yes
MS08057	Orange County Transportation Autho	5/14/2009	7/13/2015		\$400,000.00	\$400,000.00	New CNG Station - Garden Grove	\$0.00	Yes
MS08058	Clean Energy Fuels Corp.	11/26/2009	3/25/2016	3/25/2017	\$400,000.00	\$400,000.00	New CNG Station - Ontario Airport	\$0.00	Yes
MS08061	Clean Energy Fuels Corp.	12/4/2009	3/3/2015		\$400,000.00	\$400,000.00	New CNG Station - L.A.-La Cienega	\$0.00	Yes
MS08063	Go Natural Gas	9/25/2009	1/24/2016	1/24/2017	\$400,000.00	\$400,000.00	New CNG Station - Moreno Valley	\$0.00	Yes
MS08064	Hemet Unified School District	1/9/2009	3/8/2015		\$75,000.00	\$75,000.00	Expansion of Existing Infrastructure	\$0.00	Yes
MS08065	Pupil Transportation Cooperative	11/20/2008	7/19/2014		\$10,500.00	\$10,500.00	Existing CNG Station Modifications	\$0.00	Yes

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
MS08066	Clean Energy Fuels Corp.	11/26/2009	2/25/2015		\$400,000.00	\$400,000.00	New CNG Station - Palm Spring Airport	\$0.00	Yes
MS08067	Trillium CNG	3/19/2009	6/18/2015	6/18/2016	\$311,600.00	\$254,330.00	New CNG Station	\$57,270.00	Yes
MS08069	Perris Union High School District	6/5/2009	8/4/2015	8/4/2016	\$225,000.00	\$225,000.00	New CNG Station	\$0.00	Yes
MS08070	Clean Energy Fuels Corp.	11/26/2009	2/25/2015		\$400,000.00	\$400,000.00	New CNG Station - Paramount	\$0.00	Yes
MS08071	ABC Unified School District	1/16/2009	1/15/2015		\$63,000.00	\$63,000.00	New CNG Station	\$0.00	Yes
MS08072	Clean Energy Fuels Corp.	12/4/2009	3/3/2015		\$400,000.00	\$354,243.38	New CNG Station - Burbank	\$45,756.62	Yes
MS08073	Clean Energy Fuels Corp.	11/26/2009	2/25/2015		\$400,000.00	\$400,000.00	New CNG Station - Norwalk	\$0.00	Yes
MS08075	Disneyland Resort	12/10/2008	2/1/2015		\$200,000.00	\$200,000.00	Expansion of Existing CNG Infrastructure	\$0.00	Yes
MS08076	Azusa Unified School District	10/17/2008	11/16/2014	1/31/2017	\$172,500.00	\$172,500.00	New CNG station and maint. Fac. Modificati	\$0.00	Yes
MS08078	SunLine Transit Agency	12/10/2008	6/9/2015	2/9/2016	\$189,000.00	\$189,000.00	CNG Station Upgrade	\$0.00	Yes

Total: 59

Closed/Incomplete Contracts

ML08025	Los Angeles County Department of P	10/30/2009	3/29/2011		\$75,000.00	\$0.00	150 Vehicles (Diagnostic)	\$75,000.00	No
MS08068	Regents of the University of Californi	11/5/2010	11/4/2017	11/4/2019	\$400,000.00	\$0.00	Hydrogen Station	\$400,000.00	No
MS08079	ABC Unified School District	1/16/2009	12/15/2009	12/15/2010	\$50,000.00	\$0.00	Maintenance Facility Modifications	\$50,000.00	No

Total: 3

Open/Complete Contracts

ML08043	City of Desert Hot Springs	9/25/2009	3/24/2016	3/24/2021	\$25,000.00	\$25,000.00	1 CNG Heavy-Duty Vehicle	\$0.00	Yes
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Total: 1

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
FY 2008-2009 Contracts									
Declined/Cancelled Contracts									
ML09017	County of San Bernardino Public Wo	1/28/2010	7/27/2016		\$200,000.00	\$0.00	8 Nat. Gas Heavy-Duty Vehicles	\$200,000.00	No
ML09018	Los Angeles Department of Water an	7/16/2010	9/15/2012		\$850,000.00	\$0.00	Retrofit 85 Off-Road Vehicles w/DECS	\$850,000.00	No
ML09019	City of San Juan Capistrano Public	12/4/2009	11/3/2010		\$10,125.00	\$0.00	Remote Vehicle Diagnostics/45 Vehicles	\$10,125.00	No
ML09022	Los Angeles County Department of P				\$8,250.00	\$0.00	Remote Vehicle Diagnostics/15 Vehicles	\$8,250.00	No
ML09025	Los Angeles County Department of P	10/15/2010	12/14/2012	6/14/2013	\$50,000.00	\$0.00	Remote Vehicle Diagnostics/85 Vehicles	\$50,000.00	No
ML09028	Riverside County Waste Manageme				\$140,000.00	\$0.00	Retrofit 7 Off-Road Vehicles w/DECS	\$140,000.00	No
ML09039	City of Inglewood				\$310,000.00	\$0.00	Purchase 12 H.D. CNG Vehicles and Remot	\$310,000.00	No
ML09040	City of Cathedral City				\$83,125.00	\$0.00	Purchase 3 H.D. CNG Vehicles and Remote	\$83,125.00	No
ML09044	City of San Dimas				\$425,000.00	\$0.00	Install CNG Station and Purchase 1 CNG S	\$425,000.00	No
ML09045	City of Orange				\$125,000.00	\$0.00	Purchase 5 CNG Sweepers	\$125,000.00	No
Total: 10									
Closed Contracts									
ML09007	City of Rancho Cucamonga	2/26/2010	4/25/2012		\$117,500.00	\$62,452.57	Maintenance Facility Modification	\$55,047.43	Yes
ML09008	City of Culver City Transportation De	1/19/2010	7/18/2016	7/18/2017	\$175,000.00	\$175,000.00	8 Nat. Gas Heavy-Duty Vehicles	\$0.00	Yes
ML09009	City of South Pasadena	11/5/2010	12/4/2016	3/4/2019	\$125,930.00	\$125,930.00	CNG Station Expansion	\$0.00	Yes
ML09010	City of Palm Springs	1/8/2010	2/7/2016		\$25,000.00	\$25,000.00	1 Nat. Gas Heavy-Duty Vehicle	\$0.00	Yes
ML09011	City of San Bernardino	2/19/2010	5/18/2016		\$250,000.00	\$250,000.00	10 Nat. Gas Heavy-Duty Vehicles	\$0.00	Yes
ML09012	City of Gardena	3/12/2010	11/11/2015		\$25,000.00	\$25,000.00	1 Nat. Gas Heavy-Duty Vehicle	\$0.00	Yes
ML09013	City of Riverside Public Works	9/10/2010	12/9/2011	7/31/2013	\$144,470.00	\$128,116.75	Traffic Signal Synchr./Moreno Valley	\$16,353.25	Yes
ML09014	City of Riverside Public Works	9/10/2010	12/9/2011	7/31/2013	\$113,030.00	\$108,495.94	Traffic Signal Synchr./Corona	\$4,534.06	Yes
ML09015	City of Riverside Public Works	9/10/2010	12/9/2011	7/31/2013	\$80,060.00	\$79,778.52	Traffic Signal Synchr./Co. of Riverside	\$281.48	Yes
ML09016	County of San Bernardino Public Wo	1/28/2010	3/27/2014		\$50,000.00	\$50,000.00	Install New CNG Station	\$0.00	Yes
ML09020	County of San Bernardino	8/16/2010	2/15/2012		\$49,770.00	\$49,770.00	Remote Vehicle Diagnostics/252 Vehicles	\$0.00	Yes
ML09021	City of Palm Desert	7/9/2010	3/8/2012		\$39,450.00	\$38,248.87	Traffic Signal Synchr./Rancho Mirage	\$1,201.13	Yes
ML09023	Los Angeles County Department of P	12/10/2010	12/9/2017		\$50,000.00	\$50,000.00	2 Heavy-Duty Alternative Fuel Transit Vehicl	\$0.00	Yes
ML09024	Los Angeles County Department of P	10/15/2010	12/14/2012	6/14/2013	\$400,000.00	\$0.00	Maintenance Facility Modifications	\$400,000.00	No
ML09026	Los Angeles County Department of P	10/15/2010	10/14/2017	4/14/2019	\$150,000.00	\$80,411.18	3 Off-Road Vehicles Repowers	\$69,588.82	Yes
ML09027	Los Angeles County Department of P	7/23/2010	3/22/2012	6/22/2012	\$150,000.00	\$150,000.00	Freeway Detector Map Interface	\$0.00	Yes
ML09029	City of Whittier	11/6/2009	4/5/2016		\$25,000.00	\$25,000.00	1 Nat. Gas Heavy-Duty Vehicle	\$0.00	Yes
ML09030	City of Los Angeles GSD/Fleet Servi	6/18/2010	6/17/2011		\$22,310.00	\$22,310.00	Remote Vehicle Diagnostics/107 Vehicles	\$0.00	Yes
ML09031	City of Los Angeles Dept of General	10/29/2010	10/28/2017		\$825,000.00	\$825,000.00	33 Nat. Gas Heavy-Duty Vehicles	\$0.00	Yes
ML09032	Los Angeles World Airports	4/8/2011	4/7/2018		\$175,000.00	\$175,000.00	7 Nat. Gas Heavy-Duty Vehicles	\$0.00	Yes
ML09033	City of Beverly Hills	3/4/2011	5/3/2017	1/3/2019	\$550,000.00	\$550,000.00	10 Nat. Gas Heavy-Duty Vehicles & CNG St	\$0.00	Yes
ML09034	City of La Palma	11/25/2009	6/24/2015		\$25,000.00	\$25,000.00	1 LPG Heavy-Duty Vehicle	\$0.00	Yes

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
ML09035	City of Fullerton	6/17/2010	6/16/2017	6/16/2018	\$450,000.00	\$450,000.00	2 Heavy-Duty CNG Vehicles & Install CNG	\$0.00	Yes
ML09037	City of Redondo Beach	6/18/2010	6/17/2016		\$50,000.00	\$50,000.00	Purchase Two CNG Sweepers	\$0.00	Yes
ML09038	City of Chino	9/27/2010	5/26/2017		\$250,000.00	\$250,000.00	Upgrade Existing CNG Station	\$0.00	Yes
ML09041	City of Los Angeles, Bureau of Sanit	10/1/2010	9/30/2017		\$875,000.00	\$875,000.00	Purchase 35 H.D. Nat. Gas Vehicles	\$0.00	Yes
ML09042	Los Angeles Department of Water an	12/10/2010	12/9/2017		\$1,400,000.00	\$1,400,000.00	Purchase 56 Dump Trucks	\$0.00	Yes
ML09043	City of Covina	10/8/2010	4/7/2017	10/7/2018	\$179,591.00	\$179,591.00	Upgrade Existing CNG Station	\$0.00	Yes
ML09046	City of Newport Beach	5/20/2010	5/19/2016		\$162,500.00	\$162,500.00	Upgrade Existing CNG Station, Maintenance	\$0.00	Yes
ML09047	Los Angeles County Department of P	8/13/2014	8/12/2015	11/12/2015	\$400,000.00	\$272,924.53	Maintenance Facility Modifications	\$127,075.47	No

Total: 30

Open/Complete Contracts

ML09036	City of Long Beach Fleet Services B	5/7/2010	5/6/2017	11/6/2022	\$875,000.00	\$875,000.00	Purchase 35 Natural Gas Refuse Trucks	\$0.00	Yes
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Total: 1

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
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FY 2010-2011 Contracts

Open Contracts

ML11029	City of Santa Ana	9/7/2012	3/6/2020	3/6/2023	\$262,500.00	\$75,000.00	Expansion of Existing CNG Station, Install N	\$187,500.00	No
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Total: 1

Declined/Cancelled Contracts

ML11038	City of Santa Monica	5/18/2012	7/17/2018		\$400,000.00	\$0.00	Maintenance Facility Modifications	\$400,000.00	No
MS11013	Go Natural Gas, Inc.				\$150,000.00	\$0.00	New CNG Station - Huntington Beach	\$150,000.00	No
MS11014	Go Natural Gas, Inc.				\$150,000.00	\$0.00	New CNG Station - Santa Ana	\$150,000.00	No
MS11015	Go Natural Gas, Inc.				\$150,000.00	\$0.00	New CNG Station - Inglewood	\$150,000.00	No
MS11046	Luis Castro				\$40,000.00	\$0.00	Repower One Heavy-Duty Vehicle	\$40,000.00	No
MS11047	Ivan Borjas				\$40,000.00	\$0.00	Repower One Heavy-Duty Vehicle	\$40,000.00	No
MS11048	Phase II Transportation				\$1,080,000.00	\$0.00	Repower 27 Heavy-Duty Vehicles	\$1,080,000.00	No
MS11049	Ruben Caceras				\$40,000.00	\$0.00	Repower One Heavy-Duty Vehicle	\$40,000.00	No
MS11050	Carlos Arrue				\$40,000.00	\$0.00	Repower One Heavy-Duty Vehicle	\$40,000.00	No
MS11051	Francisco Vargas				\$40,000.00	\$0.00	Repower One Heavy-Duty Vehicle	\$40,000.00	No
MS11053	Jose Ivan Soltero				\$40,000.00	\$0.00	Repower One Heavy-Duty Vehicle	\$40,000.00	No
MS11054	Albino Meza				\$40,000.00	\$0.00	Repower One Heavy-Duty Vehicle	\$40,000.00	No
MS11059	Go Natural Gas				\$150,000.00	\$0.00	New Public Access CNG Station - Paramou	\$150,000.00	No
MS11063	Standard Concrete Products				\$310,825.00	\$0.00	Retrofit Two Off-Road Vehicles under Showc	\$310,825.00	No
MS11070	American Honda Motor Company				\$100,000.00	\$0.00	Expansion of Existing CNG Station	\$100,000.00	No
MS11072	Trillium USA Company DBA Californi				\$150,000.00	\$0.00	New Public Access CNG Station	\$150,000.00	No
MS11077	DCL America Inc.				\$263,107.00	\$0.00	Retrofit of 13 Off-Road Diesel Vehicles with	\$263,107.00	No
MS11083	Catrac Construction, Inc.				\$500,000.00	\$0.00	Install DECS on Eight Off-Road Vehicles	\$500,000.00	No
MS11084	Ivanhoe Energy Services and Develo				\$66,750.00	\$0.00	Retrofit One H.D. Off-Road Vehicle Under S	\$66,750.00	No
MS11088	Diesel Emission Technologies				\$32,750.00	\$0.00	Retrofit Three H.D. Off-Road Vehicles Under	\$32,750.00	No
MS11089	Diesel Emission Technologies				\$9,750.00	\$0.00	Retrofit One H.D. Off-Road Vehicle Under S	\$9,750.00	No
MS11090	Diesel Emission Technologies				\$14,750.00	\$0.00	Retrofit One H.D. Off-Road Vehicle Under S	\$14,750.00	No

Total: 22

Closed Contracts

ML11007	Coachella Valley Association of Gov	7/29/2011	7/28/2012		\$250,000.00	\$249,999.96	Regional PM10 Street Sweeping Program	\$0.04	Yes
ML11021	City of Whittier	1/27/2012	9/26/2018	6/26/2019	\$210,000.00	\$210,000.00	Purchase 7 Nat. Gas H.D. Vehicles	\$0.00	Yes
ML11022	City of Anaheim	3/16/2012	7/15/2018		\$150,000.00	\$150,000.00	Purchase of 5 H.D. Vehicles	\$0.00	Yes
ML11026	City of Redlands	3/2/2012	10/1/2018		\$90,000.00	\$90,000.00	Purchase 3 Nat. Gas H.D. Vehicles	\$0.00	Yes
ML11027	City of Los Angeles, Dept. of Genera	5/4/2012	7/3/2015	1/3/2016	\$300,000.00	\$300,000.00	Maintenance Facility Modifications	\$0.00	Yes
ML11028	City of Glendale	1/13/2012	5/12/2018		\$300,000.00	\$300,000.00	Purchase 10 H.D. CNG Vehicles	\$0.00	Yes
ML11030	City of Fullerton	2/3/2012	3/2/2018		\$109,200.00	\$109,200.00	Purchase 2 Nat. Gas H.D. Vehicles, Retrofit	\$0.00	Yes

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
ML11031	City of Culver City Transportation De	12/2/2011	12/1/2018		\$300,000.00	\$300,000.00	Purchase 10 H.D. Nat. Gas Vehicles	\$0.00	Yes
ML11033	City of Los Angeles, Bureau of Sanit	3/16/2012	1/15/2019		\$1,080,000.00	\$1,080,000.00	Purchase 36 LNG H.D. Vehicles	\$0.00	Yes
ML11034	City of Los Angeles Dept of General	5/4/2012	1/3/2019		\$630,000.00	\$630,000.00	Purchase 21 H.D. CNG Vehicles	\$0.00	Yes
ML11035	City of La Quinta	11/18/2011	11/17/2012		\$25,368.00	\$25,368.00	Retrofit 3 On-Road Vehicles w/DECS	\$0.00	Yes
ML11037	City of Anaheim	12/22/2012	12/21/2019		\$300,000.00	\$300,000.00	Purchase 12 Nat. Gas H.D. Vehicles	\$0.00	Yes
ML11039	City of Ontario, Housing & Municipal	1/27/2012	9/26/2018		\$180,000.00	\$180,000.00	Purchase 6 Nat. Gas H.D. Vehicles	\$0.00	Yes
ML11042	City of Chino	2/17/2012	4/16/2018		\$30,000.00	\$30,000.00	Purchase 1 Nat. Gas H.D. Vehicle, Repower	\$0.00	Yes
ML11043	City of Hemet Public Works	2/3/2012	2/2/2019		\$60,000.00	\$60,000.00	Purchase 2 H.D. Nat. Gas Vehicles	\$0.00	Yes
ML11044	City of Ontario, Housing & Municipal	1/27/2012	6/26/2019		\$400,000.00	\$400,000.00	Expand Existing CNG Station	\$0.00	Yes
MS11001	Mineral LLC	4/22/2011	4/30/2013	4/30/2015	\$111,827.00	\$103,136.83	Design, Develop, Host and Maintain MSRC	\$8,690.17	Yes
MS11002	A-Z Bus Sales, Inc.	7/15/2011	12/31/2011	6/30/2013	\$1,705,000.00	\$1,705,000.00	Alternative Fuel School Bus Incentive Progra	\$0.00	Yes
MS11003	BusWest	7/26/2011	12/31/2011	12/31/2012	\$1,305,000.00	\$1,305,000.00	Alternative Fuel School Bus Incentive Progra	\$0.00	Yes
MS11004	Los Angeles County MTA	9/9/2011	2/29/2012		\$450,000.00	\$299,743.34	Clean Fuel Transit Service to Dodger Stadiu	\$150,256.66	Yes
MS11006	Orange County Transportation Autho	10/7/2011	2/29/2012	8/31/2012	\$268,207.00	\$160,713.00	Metrolink Service to Angel Stadium	\$107,494.00	Yes
MS11011	EDCO Disposal Corporation	12/30/2011	4/29/2019		\$100,000.00	\$100,000.00	New CNG Station - Signal Hill	\$0.00	Yes
MS11012	EDCO Disposal Corporation	12/30/2011	4/29/2019		\$100,000.00	\$100,000.00	New CNG Station - Buena Park	\$0.00	Yes
MS11016	CR&R Incorporated	4/12/2013	10/11/2019		\$100,000.00	\$100,000.00	New CNG Station - Perris	\$0.00	Yes
MS11017	CR&R, Inc.	3/2/2012	2/1/2018		\$100,000.00	\$100,000.00	Expansion of existing station - Garden Grove	\$0.00	Yes
MS11018	Orange County Transportation Autho	10/14/2011	1/31/2012		\$211,360.00	\$211,360.00	Express Bus Service to Orange County Fair	\$0.00	Yes
MS11052	Krisda Inc	9/27/2012	6/26/2013		\$120,000.00	\$120,000.00	Repower Three Heavy-Duty Vehicles	\$0.00	Yes
MS11055	KEC Engineering	2/3/2012	8/2/2018	8/2/2019	\$200,000.00	\$200,000.00	Repower 5 H.D. Off-Road Vehicles	\$0.00	Yes
MS11056	Better World Group Advisors	12/30/2011	12/29/2013	12/29/2015	\$206,836.00	\$186,953.46	Programmatic Outreach Services	\$19,882.54	Yes
MS11057	Riverside County Transportation Co	7/28/2012	3/27/2013		\$100,000.00	\$89,159.40	Develop and Implement 511 "Smart Phone"	\$10,840.60	Yes
MS11058	L A Service Authority for Freeway E	5/31/2013	4/30/2014		\$123,395.00	\$123,395.00	Implement 511 "Smart Phone" Application	\$0.00	Yes
MS11061	Eastern Municipal Water District	3/29/2012	5/28/2015		\$11,659.00	\$1,450.00	Retrofit One Off-Road Vehicle under Showc	\$10,209.00	Yes
MS11062	Load Center	9/7/2012	1/6/2016	12/6/2016	\$175,384.00	\$169,883.00	Retrofit Six Off-Road Vehicles under Showc	\$5,501.00	Yes
MS11065	Temecula Valley Unified School Distr	8/11/2012	1/10/2019		\$50,000.00	\$48,539.62	Expansion of Existing CNG Station	\$1,460.38	Yes
MS11066	Torrance Unified School District	11/19/2012	9/18/2018		\$42,296.00	\$42,296.00	Expansion of Existing CNG Station	\$0.00	Yes
MS11067	City of Redlands	5/24/2012	11/23/2018	11/23/2019	\$85,000.00	\$85,000.00	Expansion of Existing CNG Station	\$0.00	Yes
MS11068	Ryder System Inc.	7/28/2012	10/27/2018		\$175,000.00	\$175,000.00	New Public Access L/CNG Station (Fontana)	\$0.00	Yes
MS11069	Ryder System Inc.	7/28/2012	8/27/2018		\$175,000.00	\$175,000.00	New Public Access L/CNG Station (Orange)	\$0.00	Yes
MS11074	SunLine Transit Agency	5/11/2012	7/31/2012		\$41,849.00	\$22,391.00	Transit Service for Coachella Valley Festival	\$19,458.00	Yes
MS11079	Bear Valley Unified School District	2/5/2013	10/4/2019		\$175,000.00	\$175,000.00	New Limited Access CNG Station	\$0.00	Yes
MS11080	Southern California Regional Rail Au	4/6/2012	7/31/2012		\$26,000.00	\$26,000.00	Metrolink Service to Auto Club Speedway	\$0.00	Yes
MS11086	DCL America Inc.	6/7/2013	10/6/2016		\$500,000.00	\$359,076.96	Retrofit Eight H.D. Off-Road Vehicles Under	\$140,923.04	Yes
MS11087	Cemex Construction Material Pacific,	10/16/2012	2/15/2016		\$448,766.00	\$448,760.80	Retrofit 13 H.D. Off-Road Vehicles Under Sh	\$5.20	Yes
MS11091	California Cartage Company, LLC	4/5/2013	8/4/2016	2/4/2018	\$55,000.00	\$0.00	Retrofit Two H.D. Off-Road Vehicles Under	\$55,000.00	No

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
MS11092	Griffith Company	2/15/2013	6/14/2016	12/14/2017	\$390,521.00	\$78,750.00	Retrofit 17 H.D. Off-Road Vehicles Under Sh	\$311,771.00	No

Total: 45

Closed/Incomplete Contracts

MS11064	City of Hawthorne	7/28/2012	8/27/2018	8/27/2019	\$175,000.00	\$0.00	New Limited Access CNG Station	\$175,000.00	No
MS11076	SA Recycling, LLC	5/24/2012	9/23/2015		\$424,801.00	\$0.00	Retrofit of 13 Off-Road Diesel Vehicles with	\$424,801.00	No
MS11081	Metropolitan Stevedore Company	9/7/2012	1/6/2016		\$45,416.00	\$0.00	Install DECS on Two Off-Road Vehicles	\$45,416.00	No
MS11082	Baumot North America, LLC	8/2/2012	12/1/2015		\$65,958.00	\$4,350.00	Install DECS on Four Off-Road Vehicles	\$61,608.00	Yes
MS11085	City of Long Beach Fleet Services B	8/23/2013	12/22/2016		\$159,012.00	\$0.00	Retrofit Seven H.D. Off-Road Vehicles Unde	\$159,012.00	No

Total: 5

Open/Complete Contracts

ML11020	City of Indio	2/1/2013	3/31/2019	9/30/2020	\$15,000.00	\$9,749.50	Retrofit one H.D. Vehicles w/DECS, repower	\$5,250.50	Yes
ML11023	City of Rancho Cucamonga	4/20/2012	12/19/2018	9/19/2020	\$260,000.00	\$260,000.00	Expand Existing CNG Station, 2 H.D. Vehicl	\$0.00	Yes
ML11024	County of Los Angeles, Dept of Publi	12/5/2014	6/4/2022		\$90,000.00	\$90,000.00	Purchase 3 Nat. Gas H.D. Vehicles	\$0.00	Yes
ML11025	County of Los Angeles Department o	3/14/2014	9/13/2021		\$150,000.00	\$150,000.00	Purchase 5 Nat. Gas H.D. Vehicles	\$0.00	Yes
ML11032	City of Gardena	3/2/2012	9/1/2018	10/1/2020	\$102,500.00	\$102,500.00	Purchase Heavy-Duty CNG Vehicle, Install	\$0.00	Yes
ML11036	City of Riverside	1/27/2012	1/26/2019	3/26/2021	\$670,000.00	\$670,000.00	Install New CNG Station, Purchase 9 H.D. N	\$0.00	Yes
ML11040	City of South Pasadena	5/4/2012	1/3/2019	1/3/2022	\$30,000.00	\$30,000.00	Purchase 1 Nat. Gas H.D. Vehicle	\$0.00	Yes
ML11041	City of Santa Ana	9/7/2012	11/6/2018	1/6/2021	\$265,000.00	\$244,651.86	Purchase 7 LPG H.D. Vehicles, Retrofit 6 H.	\$20,348.14	Yes
ML11045	City of Newport Beach	2/3/2012	8/2/2018	3/2/2021	\$30,000.00	\$30,000.00	Purchase 1 Nat. Gas H.D. Vehicle	\$0.00	Yes
MS11008	USA Waste of California, Inc.	10/24/2013	4/23/2020		\$125,000.00	\$125,000.00	Expansion of Existing LCNG Station	\$0.00	Yes
MS11009	USA Waste of California, Inc.	10/24/2013	4/23/2020		\$125,000.00	\$125,000.00	Expansion of Existing LCNG Station	\$0.00	Yes
MS11010	Border Valley Trading	8/26/2011	10/25/2017	4/25/2020	\$150,000.00	\$150,000.00	New LNG Station	\$0.00	Yes
MS11019	City of Corona	11/29/2012	4/28/2020		\$225,000.00	\$225,000.00	Expansion of Existing CNG Station	\$0.00	Yes
MS11060	Rowland Unified School District	8/17/2012	1/16/2019	1/16/2020	\$175,000.00	\$175,000.00	New Limited Access CNG Station	\$0.00	Yes
MS11071	City of Torrance Transit Department	12/22/2012	1/21/2019	1/21/2020	\$175,000.00	\$175,000.00	New Limited Access CNG Station	\$0.00	Yes
MS11073	Los Angeles Unified School District	9/11/2015	2/10/2022		\$175,000.00	\$175,000.00	Expansion of Existing CNG Station	\$0.00	Yes

Total: 16

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
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FY 2011-2012 Contracts

Open Contracts

ML12014	City of Santa Ana	11/8/2013	8/7/2020		\$384,000.00	\$4,709.00	9 H.D. Nat. Gas & LPG Trucks, EV Charging	\$379,291.00	No
ML12018	City of West Covina	10/18/2013	10/17/2020	8/17/2023	\$300,000.00	\$0.00	Expansion of Existing CNG Station	\$300,000.00	No
ML12043	City of Hemet	6/24/2013	9/23/2019	11/23/2021	\$30,000.00	\$0.00	One Heavy-Duty Nat. Gas Vehicles	\$30,000.00	No
ML12045	City of Baldwin Park DPW	2/14/2014	12/13/2020	6/13/2025	\$400,000.00	\$0.00	Install New CNG Station	\$400,000.00	No
ML12057	City of Coachella	8/28/2013	8/27/2019	1/27/2022	\$57,456.00	\$57,456.00	Purchase One Nat. Gas H.D. Vehicle/Street	\$0.00	No
ML12090	City of Palm Springs	10/9/2015	10/8/2021	9/8/2025	\$21,163.00	\$0.00	EV Charging Infrastructure	\$21,163.00	No
ML12091	City of Bellflower	10/5/2018	10/4/2019	6/30/2020	\$100,000.00	\$0.00	EV Charging Infrastructure	\$100,000.00	No

Total: 7

Declined/Cancelled Contracts

ML12016	City of Cathedral City	1/4/2013	10/3/2019		\$60,000.00	\$0.00	CNG Vehicle & Electric Vehicle Infrastructur	\$60,000.00	No
ML12038	City of Long Beach Public Works				\$26,000.00	\$0.00	Electric Vehicle Charging Infrastructure	\$26,000.00	No
ML12040	City of Duarte				\$30,000.00	\$0.00	One Heavy-Duty Nat. Gas Vehicle	\$30,000.00	No
ML12044	County of San Bernardino Public Wo				\$250,000.00	\$0.00	Install New CNG Station	\$250,000.00	No
ML12048	City of La Palma	1/4/2013	11/3/2018		\$20,000.00	\$0.00	Two Medium-Duty LPG Vehicles	\$20,000.00	No
ML12052	City of Whittier	3/14/2013	7/13/2019		\$165,000.00	\$0.00	Expansion of Existing CNG Station	\$165,000.00	No
ML12053	City of Mission Viejo				\$60,000.00	\$0.00	EV Charging Infrastructure	\$60,000.00	No
MS12007	WestAir Gases & Equipment				\$100,000.00	\$0.00	Construct New Limited-Acess CNG Station	\$100,000.00	No
MS12027	C.V. Ice Company, Inc.	5/17/2013	11/16/2019		\$75,000.00	\$0.00	Purchase 3 Medium-Heavy Duty Vehicles	\$75,000.00	No
MS12030	Complete Landscape Care, Inc.				\$150,000.00	\$0.00	Purchase 6 Medium-Heavy Duty Vehicles	\$150,000.00	No
MS12067	Leatherwood Construction, Inc.	11/8/2013	3/7/2017		\$122,719.00	\$0.00	Retrofit Six Vehicles w/DECS - Showcase III	\$122,719.00	No
MS12070	Valley Music Travel/CID Entertainme				\$99,000.00	\$0.00	Implement Shuttle Service to Coachella Mus	\$99,000.00	No

Total: 12

Closed Contracts

ML12013	City of Pasadena	10/19/2012	3/18/2015	9/18/2015	\$200,000.00	\$65,065.00	Electric Vehicle Charging Infrastructure	\$134,935.00	Yes
ML12019	City of Palm Springs	9/6/2013	7/5/2015		\$38,000.00	\$16,837.00	EV Charging Infrastructure	\$21,163.00	Yes
ML12021	City of Rancho Cucamonga	9/14/2012	1/13/2020		\$40,000.00	\$40,000.00	Four Medium-Duty Nat. Gas Vehicles	\$0.00	Yes
ML12023	County of Los Angeles Internal Servi	8/1/2013	2/28/2015		\$250,000.00	\$192,333.00	EV Charging Infrastructure	\$57,667.00	Yes
ML12037	Coachella Valley Association of Gov	3/14/2013	3/13/2014		\$250,000.00	\$250,000.00	Street Sweeping Operations	\$0.00	Yes
ML12039	City of Redlands	2/8/2013	10/7/2019		\$90,000.00	\$90,000.00	Three Heavy-Duty Nat. Gas Vehicles	\$0.00	Yes
ML12041	City of Anaheim Public Utilities Depa	4/4/2014	11/3/2015	11/3/2017	\$68,977.00	\$38,742.16	EV Charging Infrastructure	\$30,234.84	Yes
ML12042	City of Chino Hills	1/18/2013	3/17/2017		\$87,500.00	\$87,500.00	Expansion of Existing CNG Station	\$0.00	Yes
ML12047	City of Orange	2/1/2013	1/31/2019		\$30,000.00	\$30,000.00	One Heavy-Duty Nat. Gas Vehicle	\$0.00	Yes
ML12049	City of Rialto Public Works	7/14/2014	9/13/2015		\$30,432.00	\$3,265.29	EV Charging Infrastructure	\$27,166.71	Yes
ML12050	City of Baldwin Park	4/25/2013	4/24/2014	10/24/2014	\$402,400.00	\$385,363.00	EV Charging Infrastructure	\$17,037.00	Yes

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
ML12054	City of Palm Desert	9/30/2013	2/28/2015		\$77,385.00	\$77,385.00	EV Charging Infrastructure	\$0.00	Yes
ML12055	City of Manhattan Beach	3/1/2013	12/31/2018		\$10,000.00	\$10,000.00	One Medium-Duty Nat. Gas Vehicle	\$0.00	Yes
ML12056	City of Cathedral City	3/26/2013	5/25/2014		\$25,000.00	\$25,000.00	Regional Street Sweeping Program	\$0.00	Yes
ML12066	City of Manhattan Beach	1/7/2014	4/6/2015		\$5,900.00	\$5,900.00	Electric Vehicle Charging Infrastructure	\$0.00	Yes
MS12001	Los Angeles County MTA	7/1/2012	4/30/2013		\$300,000.00	\$211,170.00	Clean Fuel Transit Service to Dodger Stadiu	\$88,830.00	Yes
MS12002	Orange County Transportation Autho	9/7/2012	4/30/2013		\$342,340.00	\$333,185.13	Express Bus Service to Orange County Fair	\$9,154.87	Yes
MS12003	Orange County Transportation Autho	7/20/2012	2/28/2013		\$234,669.00	\$167,665.12	Implement Metrolink Service to Angel Stadiu	\$67,003.88	Yes
MS12004	USA Waste of California, Inc.	10/24/2013	11/23/2019		\$175,000.00	\$175,000.00	Construct New Limited-Access CNG Station	\$0.00	Yes
MS12005	USA Waste of California, Inc.	10/19/2012	8/18/2013		\$75,000.00	\$75,000.00	Vehicle Maintenance Facility Modifications	\$0.00	Yes
MS12006	Waste Management Collection & Re	10/19/2012	8/18/2013		\$75,000.00	\$75,000.00	Vehicle Maintenance Facility Modifications	\$0.00	Yes
MS12010	Murrieta Valley Unified School Distric	4/5/2013	9/4/2019		\$242,786.00	\$242,786.00	Construct New Limited-Access CNG Station	\$0.00	Yes
MS12012	Rim of the World Unified School Dist	12/20/2012	5/19/2014		\$75,000.00	\$75,000.00	Vehicle Maintenance Facility Modifications	\$0.00	Yes
MS12025	Silverado Stages, Inc.	11/2/2012	7/1/2018		\$150,000.00	\$150,000.00	Purchase Six Medium-Heavy Duty Vehicles	\$0.00	Yes
MS12026	U-Haul Company of California	3/14/2013	3/13/2019		\$500,000.00	\$353,048.26	Purchase 23 Medium-Heavy Duty Vehicles	\$146,951.74	Yes
MS12028	Dy-Dee Service of Pasadena, Inc.	12/22/2012	1/21/2019		\$45,000.00	\$40,000.00	Purchase 2 Medium-Duty and 1 Medium-He	\$5,000.00	Yes
MS12029	Community Action Partnership of Or	11/2/2012	11/1/2018		\$25,000.00	\$14,850.00	Purchase 1 Medium-Heavy Duty Vehicle	\$10,150.00	Yes
MS12031	Final Assembly, Inc.	11/2/2012	11/1/2018		\$50,000.00	\$32,446.00	Purchase 2 Medium-Heavy Duty Vehicles	\$17,554.00	Yes
MS12032	Fox Transportation	12/14/2012	12/13/2018		\$500,000.00	\$500,000.00	Purchase 20 Medium-Heavy Duty Vehicles	\$0.00	Yes
MS12035	Disneyland Resort	1/4/2013	7/3/2019		\$25,000.00	\$18,900.00	Purchase 1 Medium-Heavy Duty Vehicle	\$6,100.00	Yes
MS12036	Jim & Doug Carter's Automotive/VS	1/4/2013	11/3/2018		\$50,000.00	\$50,000.00	Purchase 2 Medium-Heavy Duty Vehicles	\$0.00	Yes
MS12058	Krisda Inc	4/24/2013	1/23/2019		\$25,000.00	\$25,000.00	Repower One Heavy-Duty Off-Road Vehicle	\$0.00	Yes
MS12059	Orange County Transportation Autho	2/28/2013	12/27/2014		\$75,000.00	\$75,000.00	Maintenance Facilities Modifications	\$0.00	Yes
MS12061	Orange County Transportation Autho	3/14/2014	3/13/2017		\$224,000.00	\$114,240.00	Transit-Oriented Bicycle Sharing Program	\$109,760.00	Yes
MS12062	Fraser Communications	12/7/2012	5/31/2014		\$998,669.00	\$989,218.49	Develop & Implement "Rideshare Thursday"	\$9,450.51	Yes
MS12064	Anaheim Transportation Network	3/26/2013	12/31/2014		\$127,296.00	\$56,443.92	Implement Anaheim Circulator Service	\$70,852.08	Yes
MS12065	Orange County Transportation Autho	7/27/2013	11/30/2013		\$43,933.00	\$14,832.93	Ducks Express Service to Honda Center	\$29,100.07	Yes
MS12068	Southern California Regional Rail Au	3/1/2013	9/30/2013		\$57,363.00	\$47,587.10	Implement Metrolink Service to Autoclub Sp	\$9,775.90	Yes
MS12069	City of Irvine	8/11/2013	2/28/2014		\$45,000.00	\$26,649.41	Implement Special Transit Service to Solar	\$18,350.59	Yes
MS12071	Transit Systems Unlimited, Inc.	5/17/2013	12/16/2018		\$21,250.00	\$21,250.00	Expansion of Existing CNG Station	\$0.00	Yes
MS12072	99 Cents Only Stores	4/5/2013	9/4/2019		\$100,000.00	\$100,000.00	Construct New CNG Station	\$0.00	Yes
MS12074	Arcadia Unified School District	7/5/2013	9/4/2019		\$175,000.00	\$175,000.00	Expansion of Existing CNG Infrastructure	\$0.00	Yes
MS12076	City of Ontario, Housing & Municipal	3/8/2013	4/7/2015		\$75,000.00	\$75,000.00	Maintenance Facilities Modification	\$0.00	Yes
MS12078	Penske Truck Leasing Co., L.P.	1/7/2014	1/6/2016		\$75,000.00	\$73,107.00	Maintenance Facility Modifications - Vernon	\$1,893.00	Yes
MS12081	Penske Truck Leasing Co., L.P.	1/7/2014	1/6/2016		\$75,000.00	\$75,000.00	Maintenance Facility Modifications - Santa A	\$0.00	Yes
MS12085	Bear Valley Unified School District	4/25/2013	6/24/2014		\$75,000.00	\$75,000.00	Maintenance Facility Modifications	\$0.00	Yes
MS12086	SuperShuttle International, Inc.	3/26/2013	3/25/2019		\$225,000.00	\$225,000.00	Purchase 23 Medium-Heavy Duty Vehicles	\$0.00	Yes
MS12087	Los Angeles County MTA	8/29/2013	11/28/2015		\$125,000.00	\$125,000.00	Implement Rideshare Incentives Program	\$0.00	Yes

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
MS12088	Orange County Transportation Autho	12/6/2013	3/5/2016		\$125,000.00	\$18,496.50	Implement Rideshare Incentives Program	\$106,503.50	Yes
MS12089	Riverside County Transportation Co	10/18/2013	9/17/2015		\$249,136.00	\$105,747.48	Implement Rideshare Incentives Program	\$143,388.52	No
MS12Hom	Mansfield Gas Equipment Systems				\$296,000.00	\$0.00	Home Refueling Apparatus Incentive Progra	\$296,000.00	No

Total: 51

Closed/Incomplete Contracts

ML12051	City of Bellflower	2/7/2014	2/6/2016	5/6/2018	\$100,000.00	\$0.00	EV Charging Infrastructure	\$100,000.00	No
MS12077	City of Coachella	6/14/2013	6/13/2020		\$225,000.00	\$0.00	Construct New CNG Station	\$225,000.00	No
MS12079	Penske Truck Leasing Co., L.P.	1/7/2014	1/6/2016		\$75,000.00	\$0.00	Maintenance Facility Modifications - Boyle H	\$75,000.00	No
MS12084	Airport Mobil Inc.	12/6/2013	5/5/2020		\$150,000.00	\$0.00	Install New CNG Infrastructure	\$150,000.00	No

Total: 4

Open/Complete Contracts

ML12015	City of Fullerton	4/25/2013	11/24/2020	11/24/2021	\$40,000.00	\$40,000.00	HD CNG Vehicle, Expand CNG Station	\$0.00	Yes
ML12017	City of Los Angeles, Bureau of Sanit	6/26/2013	5/25/2020	11/25/2021	\$950,000.00	\$950,000.00	32 H.D. Nat. Gas Vehicles	\$0.00	Yes
ML12020	City of Los Angeles Dept of General	9/27/2012	3/26/2019	3/26/2020	\$450,000.00	\$450,000.00	15 H.D. Nat. Gas Vehicles	\$0.00	Yes
ML12022	City of La Puente	12/6/2013	6/5/2020		\$110,000.00	\$110,000.00	2 Medium-Duty and Three Heavy-Duty CNG	\$0.00	Yes
ML12046	City of Irvine	8/11/2013	3/10/2021		\$30,000.00	\$30,000.00	One Heavy-Duty Nat. Gas Vehicle	\$0.00	Yes
MS12008	Bonita Unified School District	7/12/2013	12/11/2019	4/11/2021	\$175,000.00	\$175,000.00	Construct New Limited-Access CNG Station	\$0.00	Yes
MS12009	Sysco Food Services of Los Angeles	1/7/2014	4/6/2020		\$150,000.00	\$150,000.00	Construct New Public-Access LNG Station	\$0.00	Yes
MS12011	Southern California Gas Company	6/14/2013	6/13/2019	5/28/2021	\$150,000.00	\$150,000.00	Construct New Public-Access CNG Station -	\$0.00	Yes
MS12024	Southern California Gas Company	6/13/2013	12/12/2019	11/12/2020	\$150,000.00	\$150,000.00	Construct New Public-Access CNG Station -	\$0.00	Yes
MS12033	Mike Diamond/Phace Management	12/22/2012	12/21/2018	6/21/2021	\$148,900.00	\$148,900.00	Purchase 20 Medium-Heavy Duty Vehicles	\$0.00	No
MS12034	Ware Disposal Company, Inc.	11/2/2012	11/1/2018	5/1/2022	\$133,070.00	\$133,070.00	Purchase 8 Medium-Heavy Duty Vehicles	\$0.00	No
MS12060	City of Santa Monica	4/4/2014	8/3/2017	8/3/2019	\$500,000.00	\$434,202.57	Implement Westside Bikeshare Program	\$65,797.43	No
MS12063	Custom Alloy Light Metals, Inc.	8/16/2013	2/15/2020		\$100,000.00	\$100,000.00	Install New Limited Access CNG Station	\$0.00	Yes
MS12073	FirstCNG, LLC	7/27/2013	12/26/2019		\$150,000.00	\$150,000.00	Construct New CNG Station	\$0.00	Yes
MS12075	CR&R Incorporated	7/27/2013	1/26/2021	1/26/2022	\$100,000.00	\$100,000.00	Expansion of Existing CNG Infrastructure	\$0.00	No
MS12080	City of Pasadena	11/8/2013	8/7/2020	2/7/2022	\$225,000.00	\$225,000.00	Expansion of Existing CNG Infrastructure	\$0.00	Yes
MS12082	City of Los Angeles, Bureau of Sanit	11/20/2013	2/19/2021	2/19/2023	\$175,000.00	\$175,000.00	Install New CNG Infrastructure	\$0.00	Yes
MS12083	Brea Olinda Unified School District	7/30/2015	2/29/2024		\$59,454.00	\$59,454.00	Install New CNG Infrastructure	\$0.00	Yes

Total: 18

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
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FY 2012-2014 Contracts

Open Contracts

ML14012	City of Santa Ana	2/13/2015	10/12/2021		\$244,000.00	\$0.00	EV Charging and 7 H.D. LPG Vehicles	\$244,000.00	No
ML14018	City of Los Angeles Dept of General	3/6/2015	9/5/2021	5/5/2025	\$810,000.00	\$720,000.00	Purchase 27 H.D. Nat. Gas Vehicles	\$90,000.00	No
ML14021	Riverside County Regional Park and	7/24/2014	12/23/2016	9/30/2020	\$250,000.00	\$0.00	Bicycle Trail Improvements	\$250,000.00	No
ML14023	County of Los Angeles Department o	10/2/2015	9/1/2017	9/1/2020	\$230,000.00	\$0.00	Maintenance Fac. Modifications-Westcheste	\$230,000.00	No
ML14024	County of Los Angeles Department o	10/2/2015	9/1/2017	9/1/2020	\$230,000.00	\$0.00	Maintenance Fac. Modifications-Baldwin Par	\$230,000.00	No
ML14027	County of Los Angeles Dept of Publi	10/2/2015	5/1/2023	6/1/2024	\$500,000.00	\$0.00	Construct New CNG Station in Canyon Coun	\$500,000.00	No
ML14030	County of Los Angeles Internal Servi	1/9/2015	3/8/2018	4/8/2020	\$425,000.00	\$25,000.00	Bicycle Racks, Outreach & Education	\$400,000.00	No
ML14068	City of South Pasadena	9/12/2014	10/11/2015	1/11/2020	\$10,183.00	\$0.00	Electric Vehicle Charging Infrastructure	\$10,183.00	No
ML14069	City of Beaumont	3/3/2017	3/2/2025		\$200,000.00	\$0.00	Construct New CNG Infrastructure	\$200,000.00	No
ML14072	City of Cathedral City	8/13/2014	1/12/2021	7/12/2022	\$66,000.00	\$35,089.03	Install EV Charging, Bike Racks & Education	\$30,910.97	No
ML14096	County of Los Angeles Dept of Pub	5/3/2019	12/2/2019	3/2/2020	\$150,000.00	\$0.00	San Gabriel BikeTrail Underpass Improveme	\$150,000.00	No
ML14097	County of Los Angeles Internal Servi	9/6/2019	9/5/2020		\$104,400.00	\$0.00	Electric Vehicle Charging Infrastructure	\$104,400.00	No
MS14037	Penske Truck Leasing Co., L.P.	4/7/2017	6/6/2020		\$75,000.00	\$0.00	Vehicle Maint. Fac. Modifications - Carson	\$75,000.00	No
MS14057	Los Angeles County MTA	11/7/2014	10/6/2019	10/6/2020	\$1,250,000.00	\$0.00	Implement Various Signal Synchronization P	\$1,250,000.00	No
MS14059	Riverside County Transportation Co	9/5/2014	3/4/2018	4/4/2020	\$1,250,000.00	\$0.00	Implement Various Signal Synchronization P	\$1,250,000.00	No
MS14072	San Bernardino County Transportatio	3/27/2015	3/26/2018	3/26/2020	\$1,250,000.00	\$887,566.17	Implement Various Signal Synchronization P	\$362,433.83	No
MS14076	Rialto Unified School District	6/17/2015	2/16/2022	6/25/2023	\$225,000.00	\$213,750.00	New Public Access CNG Station	\$11,250.00	No
MS14079	Waste Resources, Inc.	9/14/2016	8/13/2022	2/13/2024	\$100,000.00	\$0.00	New Limited Access CNG Station	\$100,000.00	No
MS14083	Hacienda La Puente Unified School	7/10/2015	3/9/2022		\$175,000.00	\$0.00	New Limited Access CNG Station	\$175,000.00	No

Total: 19

Declined/Cancelled Contracts

ML14063	City of Hawthorne				\$32,000.00	\$0.00	Expansion of Existng CNG Infrastructure	\$32,000.00	No
MS14035	Penske Truck Leasing Co., L.P.				\$75,000.00	\$0.00	Vehicle Maint. Fac. Modifications - Sun Valle	\$75,000.00	No
MS14036	Penske Truck Leasing Co., L.P.				\$75,000.00	\$0.00	Vehicle Maint. Fac. Modifications - La Mirad	\$75,000.00	No
MS14038	Penske Truck Leasing Co., L.P.				\$75,000.00	\$0.00	Vehicle Maint. Fac. Modifications - Fontana	\$75,000.00	No
MS14043	City of Anaheim				\$175,000.00	\$0.00	Expansion of Existing CNG Station	\$175,000.00	No
MS14078	American Honda Motor Co., Inc.	9/4/2015	8/3/2022		\$150,000.00	\$0.00	New Public Access CNG Station	\$150,000.00	No
MS14085	Prologis, L.P.				\$100,000.00	\$0.00	New Limited Access CNG Station	\$100,000.00	No
MS14086	San Gabriel Valley Towing I				\$150,000.00	\$0.00	New Public Access CNG Station	\$150,000.00	No
MS14091	Serv-Wel Disposal				\$100,000.00	\$0.00	New Limited-Access CNG Infrastructure	\$100,000.00	No

Total: 9

Closed Contracts

ML14010	City of Cathedral City	8/13/2014	10/12/2015		\$25,000.00	\$25,000.00	Street Sweeping Operations	\$0.00	Yes
ML14011	City of Palm Springs	6/13/2014	1/12/2016		\$79,000.00	\$78,627.00	Bicycle Racks, Bicycle Outreach & Educatio	\$373.00	Yes

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
ML14014	City of Torrance	9/5/2014	12/4/2019		\$56,000.00	\$56,000.00	EV Charging Infrastructure	\$0.00	Yes
ML14015	Coachella Valley Association of Gov	6/6/2014	9/5/2015		\$250,000.00	\$250,000.00	Street Sweeping Operations	\$0.00	Yes
ML14020	County of Los Angeles Dept of Pub	8/13/2014	1/12/2018		\$150,000.00	\$0.00	San Gabriel BikeTrail Underpass Improveme	\$150,000.00	No
ML14029	City of Irvine	7/11/2014	6/10/2017		\$90,500.00	\$71,056.78	Bicycle Trail Improvements	\$19,443.22	Yes
ML14051	City of Brea	9/5/2014	1/4/2017	7/4/2018	\$450,000.00	\$450,000.00	Installation of Bicycle Trail	\$0.00	Yes
ML14054	City of Torrance	11/14/2014	4/13/2017	7/13/2017	\$350,000.00	\$319,908.80	Upgrade Maintenance Facility	\$30,091.20	Yes
ML14055	City of Highland	10/10/2014	3/9/2018	3/9/2019	\$500,000.00	\$489,385.24	Bicycle Lanes and Outreach	\$10,614.76	Yes
ML14056	City of Redlands	9/5/2014	5/4/2016	5/4/2018	\$125,000.00	\$125,000.00	Bicycle Lanes	\$0.00	Yes
ML14065	City of Orange	9/5/2014	8/4/2015		\$10,000.00	\$10,000.00	Electric Vehicle Charging Infrastructure	\$0.00	Yes
ML14070	City of Rancho Cucamonga	9/3/2016	12/2/2018		\$365,245.00	\$326,922.25	Bicycle Trail Improvements	\$38,322.75	Yes
ML14071	City of Manhattan Beach	1/9/2015	11/8/2018		\$22,485.00	\$22,485.00	Electric Vehicle Charging Infrastructure	\$0.00	Yes
ML14094	City of Yucaipa	6/9/2017	6/8/2018		\$84,795.00	\$84,795.00	Installation of Bicycle Lanes	\$0.00	Yes
ML14095	City of South Pasadena	1/10/2019	7/9/2019		\$142,096.00	\$134,182.09	Bicycle Trail Improvements	\$7,913.91	Yes
MS14001	Los Angeles County MTA	3/6/2015	4/30/2015		\$1,216,637.00	\$1,199,512.68	Clean Fuel Transit Service to Dodger Stadiu	\$17,124.32	Yes
MS14002	Orange County Transportation Autho	9/6/2013	4/30/2014		\$576,833.00	\$576,833.00	Clean Fuel Transit Service to Orange Count	\$0.00	Yes
MS14003	Orange County Transportation Autho	8/1/2013	4/30/2014	10/30/2014	\$194,235.00	\$184,523.00	Implement Metrolink Service to Angel Stadiu	\$9,712.00	Yes
MS14004	Orange County Transportation Autho	9/24/2013	4/30/2014		\$36,800.00	\$35,485.23	Implement Express Bus Service to Solar De	\$1,314.77	Yes
MS14005	Transit Systems Unlimited, Inc.	4/11/2014	2/28/2016		\$515,200.00	\$511,520.00	Provide Expanded Shuttle Service to Hollyw	\$3,680.00	Yes
MS14007	Orange County Transportation Autho	6/6/2014	4/30/2015		\$208,520.00	\$189,622.94	Implement Special Metrolink Service to Ang	\$18,897.06	Yes
MS14008	Orange County Transportation Autho	8/13/2014	5/31/2015		\$601,187.00	\$601,187.00	Implement Clean Fuel Bus Service to Orang	\$0.00	Yes
MS14009	A-Z Bus Sales, Inc.	1/17/2014	12/31/2014	3/31/2015	\$388,000.00	\$388,000.00	Alternative Fuel School Bus Incentive Progra	\$0.00	Yes
MS14039	Waste Management Collection and	7/10/2015	4/9/2016		\$75,000.00	\$75,000.00	Vehicle Maint. Fac. Modifications - Irvine	\$0.00	Yes
MS14040	Waste Management Collection and	7/10/2015	4/9/2016		\$75,000.00	\$75,000.00	Vehicle Maint. Fac. Modifications - Santa An	\$0.00	Yes
MS14047	Southern California Regional Rail Au	3/7/2014	9/30/2014		\$49,203.00	\$32,067.04	Special Metrolink Service to Autoclub Speed	\$17,135.96	Yes
MS14048	BusWest	3/14/2014	12/31/2014	5/31/2015	\$940,850.00	\$847,850.00	Alternative Fuel School Bus Incentive Progra	\$93,000.00	Yes
MS14058	Orange County Transportation Autho	11/7/2014	4/6/2016	4/6/2017	\$1,250,000.00	\$1,250,000.00	Implement Various Signal Synchronization P	\$0.00	Yes
MS14073	Anaheim Transportation Network	1/9/2015	4/30/2017		\$221,312.00	\$221,312.00	Anaheim Resort Circulator Service	\$0.00	Yes
MS14087	Orange County Transportation Autho	8/14/2015	4/30/2016		\$239,645.00	\$195,377.88	Implement Special Metrolink Service to Ang	\$44,267.12	Yes
MS14088	Southern California Regional Rail Au	5/7/2015	9/30/2015		\$79,660.00	\$66,351.44	Special Metrolink Service to Autoclub Speed	\$13,308.56	Yes
MS14089	Top Shelf Consulting, LLC	1/18/2017	8/4/2016	3/31/2017	\$200,000.00	\$200,000.00	Enhanced Fleet Modernization Program	\$0.00	Yes

Total: 32

Closed/Incomplete Contracts

ML14050	City of Yucaipa	7/11/2014	9/10/2015	7/1/2016	\$84,795.00	\$0.00	Installation of Bicycle Lanes	\$84,795.00	No
ML14060	County of Los Angeles Internal Servi	10/6/2017	1/5/2019		\$104,400.00	\$0.00	Electric Vehicle Charging Infrastructure	\$104,400.00	No
ML14066	City of South Pasadena	9/12/2014	7/11/2016	2/11/2018	\$142,096.00	\$0.00	Bicycle Trail Improvements	\$142,096.00	No
ML14093	County of Los Angeles Dept of Pub	8/14/2015	1/13/2019		\$150,000.00	\$0.00	San Gabriel BikeTrail Underpass Improveme	\$150,000.00	No
MS14092	West Covina Unified School District	9/3/2016	12/2/2022		\$124,000.00	\$0.00	Expansion of Existing CNG Infrastructure	\$124,000.00	No

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
Total: 5									
Open/Complete Contracts									
ML14013	City of Los Angeles, Bureau of Sanit	10/7/2016	2/6/2025		\$400,000.00	\$400,000.00	Purchase 14 H.D. Nat. Gas Vehicles	\$0.00	Yes
ML14016	City of Anaheim	4/3/2015	9/2/2021		\$380,000.00	\$380,000.00	Purchase 2 H.D. Vehicles, Expansion of Exi	\$0.00	Yes
ML14019	City of Corona Public Works	12/5/2014	6/4/2020	3/6/2023	\$111,518.00	\$111,517.18	EV Charging, Bicycle Racks, Bicycle Locker	\$0.82	Yes
ML14022	County of Los Angeles Department o	10/2/2015	5/1/2022		\$270,000.00	\$270,000.00	Purchase 9 H.D. Nat. Gas Vehicles	\$0.00	Yes
ML14025	County of Los Angeles Dept of Publi	10/2/2015	7/1/2018	7/1/2024	\$300,000.00	\$300,000.00	Construct New CNG Station in Malibu	\$0.00	Yes
ML14026	County of Los Angeles Dept of Publi	10/2/2015	5/1/2023	5/1/2024	\$300,000.00	\$300,000.00	Construct New CNG Station in Castaic	\$0.00	Yes
ML14028	City of Fullerton	9/5/2014	1/4/2022		\$126,950.00	\$126,950.00	Expansion of Existing CNG Infrastructure	\$0.00	Yes
ML14031	Riverside County Waste Manageme	6/13/2014	12/12/2020		\$90,000.00	\$90,000.00	Purchase 3 H.D. CNG Vehicles	\$0.00	Yes
ML14032	City of Rancho Cucamonga	1/9/2015	1/8/2022		\$113,990.00	\$104,350.63	Expansion of Existing CNG Infrast., Bicycle L	\$9,639.37	Yes
ML14033	City of Irvine	7/11/2014	2/10/2021	2/10/2022	\$60,000.00	\$60,000.00	Purchase 2 H.D. CNG Vehicles	\$0.00	Yes
ML14034	City of Lake Elsinore	9/5/2014	5/4/2021		\$56,700.00	\$56,700.00	EV Charging Stations	\$0.00	Yes
ML14049	City of Moreno Valley	7/11/2014	3/10/2021		\$105,000.00	\$101,976.09	One HD Nat Gas Vehicle, EV Charging, Bicy	\$3,023.91	Yes
ML14061	City of La Habra	3/11/2016	3/10/2022		\$41,600.00	\$41,270.49	Purchase Two Heavy-Duty Nat. Gas Vehicle	\$329.51	Yes
ML14062	City of San Fernando	3/27/2015	5/26/2021	10/31/2023	\$325,679.00	\$325,679.00	Expand Existing CNG Fueling Station	\$0.00	Yes
ML14064	City of Claremont	7/11/2014	7/10/2020	1/10/2021	\$60,000.00	\$60,000.00	Purchase Two Heavy-Duty Nat. Gas Vehicle	\$0.00	Yes
ML14067	City of Duarte	12/4/2015	1/3/2023	6/3/2024	\$60,000.00	\$60,000.00	Purchase Two Electric Buses	\$0.00	Yes
MS14041	USA Waste of California, Inc.	9/4/2015	10/3/2021		\$175,000.00	\$175,000.00	Limited-Access CNG Station, Vehicle Maint.	\$0.00	Yes
MS14042	Grand Central Recycling & Transfer	6/6/2014	9/5/2021		\$150,000.00	\$150,000.00	Expansion of Existing CNG Station	\$0.00	Yes
MS14044	TIMCO CNG Fund I, LLC	5/2/2014	11/1/2020		\$150,000.00	\$150,000.00	New Public-Access CNG Station in Santa A	\$0.00	Yes
MS14045	TIMCO CNG Fund I, LLC	6/6/2014	12/5/2020		\$150,000.00	\$150,000.00	New Public-Access CNG Station in Inglewoo	\$0.00	Yes
MS14046	Ontario CNG Station Inc.	5/15/2014	5/14/2020	11/14/2021	\$150,000.00	\$150,000.00	Expansion of Existing CNG Infrastructure	\$0.00	Yes
MS14052	Arcadia Unified School District	6/13/2014	10/12/2020		\$78,000.00	\$78,000.00	Expansion of an Existing CNG Fueling Statio	\$0.00	Yes
MS14053	Upland Unified School District	1/9/2015	7/8/2021		\$175,000.00	\$175,000.00	Expansion of Existing CNG Infrastructure	\$0.00	No
MS14074	Midway City Sanitary District	1/9/2015	3/8/2021		\$250,000.00	\$250,000.00	Limited-Access CNG Station & Facility Modif	\$0.00	Yes
MS14075	Fullerton Joint Union High School Di	7/22/2016	11/21/2023		\$300,000.00	\$293,442.00	Expansion of Existing CNG Infrastructure/Ma	\$6,558.00	Yes
MS14077	County Sanitation Districts of L.A. Co	3/6/2015	5/5/2021		\$175,000.00	\$175,000.00	New Limited Access CNG Station	\$0.00	Yes
MS14080	CR&R Incorporated	6/1/2015	8/31/2021	8/31/2022	\$200,000.00	\$200,000.00	Expansion of Existing CNG Infrastructure/Ma	\$0.00	No
MS14081	CR&R Incorporated	6/1/2015	5/30/2021		\$175,000.00	\$100,000.00	Expansion of Existing CNG Infrastructure/Ma	\$75,000.00	No
MS14082	Grand Central Recycling & Transfer	12/4/2015	3/3/2023	3/3/2024	\$150,000.00	\$150,000.00	Construct New Public Access CNG Station	\$0.00	Yes
MS14084	US Air Conditioning Distributors	5/7/2015	9/6/2021		\$100,000.00	\$100,000.00	Expansion of Existing CNG Infrastructure	\$0.00	Yes
MS14090	City of Monterey Park	5/7/2015	5/6/2021		\$225,000.00	\$225,000.00	Expansion of Existing CNG Infrastructure	\$0.00	Yes
Total: 31									

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
FY 2014-2016 Contracts									
Open Contracts									
ML16006	City of Cathedral City	4/27/2016	4/26/2022		\$25,000.00	\$0.00	Purchase 1 H.D. Nat. Gas Vehicle, Bicycle	\$25,000.00	No
ML16007	City of Culver City Transportation De	10/6/2015	4/5/2023		\$246,000.00	\$210,000.00	Purchase 7 H.D. Nat. Gas Vehicles, EV Cha	\$36,000.00	No
ML16008	City of Pomona	9/20/2016	11/19/2022	5/19/2025	\$60,000.00	\$0.00	Purchase 3 Medium-Duty and 1 Heavy-Duty	\$60,000.00	No
ML16010	City of Fullerton	10/7/2016	4/6/2023		\$370,500.00	\$27,896.71	Expand Existing CNG Station, EV Charging I	\$342,603.29	No
ML16017	City of Long Beach	2/5/2016	8/4/2023		\$1,445,400.00	\$1,131,400.00	Purchase 50 Medium-Duty, 17 H.D. Nat. Ga	\$314,000.00	No
ML16018	City of Hermosa Beach	10/7/2016	1/6/2023		\$29,520.00	\$23,768.44	Purchase 2 M.D. Nat. Gas Vehicles, Bicycle	\$5,751.56	No
ML16019	City of Los Angeles, Dept of General	1/25/2017	3/24/2023		\$102,955.00	\$0.00	Install EV Charging Infrastructure	\$102,955.00	No
ML16022	Los Angeles Department of Water an	5/5/2017	3/4/2024	9/4/2025	\$360,000.00	\$0.00	Purchase 12 H.D. Nat. Gas Vehicles	\$360,000.00	No
ML16025	City of South Pasadena	6/22/2016	4/21/2023	10/21/2024	\$160,000.00	\$0.00	Purchase H.D. Nat. Gas Vehicle, Expand Ex	\$160,000.00	No
ML16032	City of Azusa	9/9/2016	4/8/2019	4/8/2020	\$474,925.00	\$0.00	Implement a "Complete Streets" Pedestrian	\$474,925.00	No
ML16034	City of Riverside	3/11/2016	10/10/2018	7/10/2020	\$500,000.00	\$0.00	Implement a "Complete Streets" Pedestrian	\$500,000.00	No
ML16038	City of Palm Springs	4/1/2016	7/31/2022		\$230,000.00	\$0.00	Install Bicycle Lanes & Purchase 4 Heavy-D	\$230,000.00	No
ML16039	City of Torrance Transit Department	1/6/2017	9/5/2022	9/5/2023	\$32,000.00	\$0.00	Install EV Charging Infrastructure	\$32,000.00	No
ML16040	City of Eastvale	1/6/2017	7/5/2022	7/5/2024	\$110,000.00	\$0.00	Install EV Charging Infrastructure	\$110,000.00	No
ML16041	City of Moreno Valley	9/3/2016	1/2/2021	7/2/2023	\$20,000.00	\$0.00	Install EV Charging Infrastructure	\$20,000.00	No
ML16042	City of San Dimas	4/1/2016	12/31/2019	12/31/2021	\$55,000.00	\$0.00	Install EV Charging Infrastructure	\$55,000.00	No
ML16046	City of El Monte	4/1/2016	5/31/2021	5/31/2023	\$20,160.00	\$0.00	Install EV Charging Infrastructure	\$20,160.00	No
ML16047	City of Fontana	1/6/2017	8/5/2019	8/5/2021	\$500,000.00	\$0.00	Enhance an Existing Class 1 Bikeway	\$500,000.00	No
ML16048	City of Placentia	3/26/2016	5/25/2021	6/25/2022	\$90,000.00	\$18,655.00	Install a Bicycle Locker and EV Charging Infr	\$71,345.00	No
ML16052	City of Rancho Cucamonga	9/3/2016	11/2/2019	9/30/2020	\$315,576.00	\$0.00	Install Two Class 1 Bikeways	\$315,576.00	No
ML16053	City of Claremont	3/11/2016	7/10/2018	5/10/2020	\$498,750.00	\$0.00	Implement a "Complete Streets" Pedestrian	\$498,750.00	No
ML16057	City of Yucaipa	4/27/2016	1/26/2019	1/26/2021	\$380,000.00	\$0.00	Implement a "Complete Streets" Pedestrian	\$380,000.00	No
ML16058	Los Angeles County Department of P	10/7/2016	4/6/2024		\$491,898.00	\$0.00	Purchase 15 H.D. Nat. Gas Vehicles and Ins	\$491,898.00	No
ML16069	City of West Covina	3/10/2017	6/9/2021		\$54,199.00	\$0.00	Installation of EV Charging Infrastructure	\$54,199.00	No
ML16070	City of Beverly Hills	2/21/2017	6/20/2023		\$90,000.00	\$0.00	Purchase 3 H.D. Nat. Gas Vehicles	\$90,000.00	No
ML16071	City of Highland	5/5/2017	1/4/2020	1/4/2022	\$264,500.00	\$0.00	Implement a "Complete Streets" Pedestrian	\$264,500.00	No
ML16075	City of San Fernando	10/27/2016	2/26/2019	2/26/2020	\$354,000.00	\$0.00	Install a Class 1 Bikeway	\$354,000.00	No
ML16077	City of Rialto	5/3/2018	10/2/2021	2/2/2023	\$463,216.00	\$0.00	Pedestrian Access Improvements, Bicycle L	\$463,216.00	No
ML16083	City of El Monte	4/1/2016	4/30/2021	4/30/2023	\$57,210.00	\$0.00	Install EV Charging Infrastructure	\$57,210.00	No
ML16126	City of Palm Springs	7/31/2019	7/30/2020		\$40,000.00	\$0.00	Install Bicycle Racks, and Implement Bicycle	\$40,000.00	No
MS16029	Orange County Transportation Autho	1/12/2018	6/11/2020		\$836,413.00	\$526,701.06	TCM Partnership Program - OC Bikeways	\$309,711.94	No
MS16030	Better World Group Advisors	12/19/2015	12/31/2017	12/31/2019	\$271,619.00	\$226,561.68	Programmic Outreach Services to the MSR	\$45,057.32	No
MS16086	San Bernardino County Transportatio	9/3/2016	10/2/2021		\$800,625.00	\$349,377.27	Freeway Service Patrols	\$451,247.73	No
MS16090	Los Angeles County MTA	10/27/2016	4/26/2020	10/26/2020	\$2,500,000.00	\$0.00	Expansion of the Willowbrook/Rosa Parks Tr	\$2,500,000.00	No

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
MS16094	Riverside County Transportation Co	1/25/2017	1/24/2022		\$1,909,241.00	\$0.00	MetroLink First Mile/Last Mile Mobility Strate	\$1,909,241.00	No
MS16096	San Bernardino County Transportatio	10/27/2016	12/26/2019	6/30/2020	\$450,000.00	\$0.00	EV Charging Infrastructure	\$450,000.00	No
MS16110	City of Riverside	10/6/2017	2/5/2025		\$300,000.00	\$71,250.00	Expansion of Existing CNG Station and Main	\$228,750.00	No
MS16115	City of Santa Monica	4/14/2017	7/13/2025		\$870,000.00	\$356,250.00	Repower 58 Transit Buses	\$513,750.00	No
MS16117	Omnitrans	4/21/2017	6/20/2023		\$175,000.00	\$166,250.00	Expansion of Existing CNG Infrastructure	\$8,750.00	No
MS16118	Omnitrans	4/21/2017	6/20/2023		\$175,000.00	\$166,250.00	Expansion of Existing CNG Infrastructure	\$8,750.00	No
MS16119	Omnitrans	4/21/2017	8/20/2022		\$150,000.00	\$0.00	New Public Access CNG Station	\$150,000.00	No
MS16120	Omnitrans	4/7/2017	5/6/2025		\$945,000.00	\$0.00	Repower 63 Existing Buses	\$945,000.00	No
MS16121	Long Beach Transit	11/3/2017	4/2/2024	11/30/2026	\$600,000.00	\$14,250.00	Repower 39 and Purchase 1 New Transit Bu	\$585,750.00	No
MS16123	Orange County Transportation Autho	12/7/2018	11/6/2023		\$91,760.00	\$0.00	Install La Habra Union Pacific Bikeway	\$91,760.00	No
MS16124	Riverside County Transportation Co	12/14/2018	12/14/2019	5/14/2020	\$253,239.00	\$178,716.15	Extended Freeway Service Patrols	\$74,522.85	No
MS16125	San Bernardino County Transportatio	9/20/2019	11/19/2020		\$1,000,000.00	\$0.00	Traffic Signal Synchronization Projects	\$1,000,000.00	No

Total: 46

Declined/Cancelled Contracts

ML16014	City of Dana Point				\$153,818.00	\$0.00	Extend an Existing Class 1 Bikeway	\$153,818.00	No
ML16065	City of Temple City				\$500,000.00	\$0.00	Implement a "Complete Streets" Pedestrian	\$500,000.00	No
ML16067	City of South El Monte				\$73,329.00	\$0.00	Implement an "Open Streets" Event	\$73,329.00	No
ML16074	City of La Verne	7/22/2016	1/21/2023		\$365,000.00	\$0.00	Install CNG Fueling Station	\$365,000.00	No
MS16043	LBA Realty Company LLC				\$100,000.00	\$0.00	Install Limited-Access CNG Station	\$100,000.00	No
MS16080	Riverside County Transportation Co				\$1,200,000.00	\$0.00	Passenger Rail Service for Coachella and St	\$1,200,000.00	No
MS16098	Long Beach Transit				\$198,957.00	\$0.00	Provide Special Bus Service to Stub Hub Ce	\$198,957.00	No
MS16104	City of Perris				\$175,000.00	\$0.00	Expansion of Existing CNG Infrastructure	\$175,000.00	No
MS16106	City of Lawndale	3/1/2019	11/30/2025		\$175,000.00	\$0.00	Expansion of Existing CNG Infrastructure	\$175,000.00	No
MS16107	Athens Services				\$100,000.00	\$0.00	Construct a Limited-Access CNG Station	\$100,000.00	No
MS16108	VNG 5703 Gage Avenue, LLC				\$150,000.00	\$0.00	Construct Public-Access CNG Station in Bell	\$150,000.00	No
MS16109	Sanitation Districts of Los Angeles C				\$275,000.00	\$0.00	Expansion of an Existing L/CNG Station	\$275,000.00	No
MS16111	VNG 925 Lakeview Avenue, LLC				\$150,000.00	\$0.00	Construct Public Access CNG Station in Pla	\$150,000.00	No

Total: 13

Closed Contracts

ML16009	City of Fountain Valley	10/6/2015	2/5/2018	5/5/2019	\$46,100.00	\$46,100.00	Install EV Charging Infrastructure	\$0.00	Yes
ML16015	City of Yorba Linda	3/4/2016	11/3/2017		\$85,000.00	\$85,000.00	Install Bicycle Lanes	\$0.00	No
ML16020	City of Pomona	4/1/2016	2/1/2018	8/1/2018	\$440,000.00	\$440,000.00	Install Road Surface Bicycle Detection Syste	\$0.00	Yes
ML16026	City of Downey	5/6/2016	9/5/2017		\$40,000.00	\$40,000.00	Install EV Charging Infrastructure	\$0.00	No
ML16028	City of Azusa	9/9/2016	4/8/2018		\$25,000.00	\$25,000.00	Enhance Existing Class 1 Bikeway	\$0.00	Yes
ML16031	City of Cathedral City	12/19/2015	2/18/2017		\$25,000.00	\$25,000.00	Street Sweeping in Coachella Valley	\$0.00	Yes
ML16033	Coachella Valley Association of Gov	4/27/2016	4/26/2018		\$250,000.00	\$250,000.00	Street Sweeping Operations in Coachella Va	\$0.00	Yes
ML16035	City of Wildomar	4/1/2016	11/1/2017		\$500,000.00	\$0.00	Install Bicycle Lanes	\$500,000.00	No

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
ML16036	City of Brea	3/4/2016	12/3/2018		\$500,000.00	\$500,000.00	Install a Class 1 Bikeway	\$0.00	Yes
ML16045	City of Anaheim	6/22/2016	8/21/2019		\$275,000.00	\$255,595.08	Maintenance Facility Modifications	\$19,404.92	Yes
ML16049	City of Buena Park	4/1/2016	11/30/2018		\$429,262.00	\$429,262.00	Installation of a Class 1 Bikeway	\$0.00	Yes
ML16051	City of South Pasadena	2/12/2016	1/11/2017	12/11/2017	\$320,000.00	\$258,691.25	Implement "Open Streets" Event with Variou	\$61,308.75	Yes
ML16054	City of Yucaipa	3/26/2016	7/26/2018	10/25/2019	\$120,000.00	\$120,000.00	Implement a "Complete Streets" Pedestrian	\$0.00	Yes
ML16060	City of Cudahy	2/5/2016	10/4/2017		\$73,910.00	\$62,480.00	Implement an "Open Streets" Event	\$11,430.00	Yes
ML16064	County of Orange, OC Parks	2/21/2017	10/20/2018		\$204,073.00	\$157,632.73	Implement "Open Streets" Events with Vario	\$46,440.27	Yes
ML16066	City of Long Beach Public Works	1/13/2017	9/12/2018		\$75,050.00	\$63,763.62	Implement an "Open Streets" Event	\$11,286.38	Yes
ML16068	Riverside County Dept of Public Heal	12/2/2016	8/1/2018		\$171,648.00	\$171,648.00	Implement "Open Streets" Events with Vario	\$0.00	Yes
ML16073	City of Long Beach Public Works	1/13/2017	7/12/2017		\$50,000.00	\$50,000.00	Implement an "Open Streets" Event	\$0.00	Yes
ML16078	City of Moreno Valley	5/6/2016	11/5/2017	5/5/2018	\$32,800.00	\$31,604.72	Install Bicycle Infrastructure & Implement Bi	\$1,195.28	Yes
ML16122	City of Wildomar	6/8/2018	6/7/2019		\$500,000.00	\$500,000.00	Install Bicycle Lanes	\$0.00	Yes
MS16001	Los Angeles County MTA	4/1/2016	4/30/2017		\$1,350,000.00	\$1,332,039.84	Clean Fuel Transit Service to Dodger Stadiu	\$17,960.16	Yes
MS16002	Orange County Transportation Autho	10/6/2015	5/31/2016		\$722,266.00	\$703,860.99	Clean Fuel Transit Service to Orange Count	\$18,405.01	Yes
MS16003	Special Olympics World Games Los	10/9/2015	12/30/2015		\$380,304.00	\$380,304.00	Low-Emission Transportation Service for Sp	\$0.00	Yes
MS16004	Mineral LLC	9/4/2015	7/3/2017	1/3/2018	\$27,690.00	\$9,300.00	Design, Develop, Host and Maintain MSRC	\$18,390.00	Yes
MS16084	Transit Systems Unlimited, Inc.	5/6/2016	2/28/2018		\$565,600.00	\$396,930.00	Implement Special Shuttle Service from Uni	\$168,670.00	No
MS16085	Southern California Regional Rail Au	3/11/2016	9/30/2016		\$78,033.00	\$64,285.44	Special MetroLink Service to Autoclub Spee	\$13,747.56	No
MS16089	Orange County Transportation Autho	7/8/2016	4/30/2017		\$128,500.00	\$128,500.00	Implement Special Bus Service to Angel Sta	\$0.00	Yes
MS16092	San Bernardino County Transportatio	2/3/2017	1/2/2019		\$242,937.00	\$242,016.53	Implement a Series of "Open Streets" Event	\$920.47	Yes
MS16093	Orange County Transportation Autho	9/3/2016	3/2/2018	9/2/2018	\$1,553,657.00	\$1,499,575.85	Implement a Mobile Ticketing System	\$54,081.15	Yes
MS16095	Orange County Transportation Autho	7/22/2016	5/31/2017		\$694,645.00	\$672,864.35	Implement Special Bus Service to Orange C	\$21,780.65	Yes
MS16099	Foothill Transit	3/3/2017	3/31/2017		\$50,000.00	\$50,000.00	Provide Special Bus Service to the Los Ange	\$0.00	Yes
MS16100	Southern California Regional Rail Au	5/5/2017	9/30/2017		\$80,455.00	\$66,169.43	Provide Metrolink Service to Autoclub Speed	\$14,285.57	Yes

Total: 32

Closed/Incomplete Contracts

ML16005	City of Palm Springs	3/4/2016	10/3/2017		\$40,000.00	\$0.00	Install Bicycle Racks, and Implement Bicycle	\$40,000.00	No
MS16082	Riverside County Transportation Co	9/3/2016	8/2/2018		\$590,759.00	\$337,519.71	Extended Freeway Service Patrols	\$253,239.29	No
MS16091	San Bernardino County Transportatio	10/7/2016	11/6/2018		\$1,000,000.00	\$0.00	Traffic Signal Synchronization Projects	\$1,000,000.00	No

Total: 3

Open/Complete Contracts

ML16011	City of Claremont	10/6/2015	6/5/2022		\$90,000.00	\$90,000.00	Purchase 3 Heavy-Duty Nat. Gas Vehicles	\$0.00	Yes
ML16012	City of Carson	1/15/2016	10/14/2022		\$60,000.00	\$60,000.00	Purchase 2 Heavy-Duty Nat. Gas Vehicles	\$0.00	Yes
ML16013	City of Monterey Park	12/4/2015	7/3/2022	7/3/2024	\$90,000.00	\$90,000.00	Purchase 3 Heavy-Duty Nat. Gas Vehicles	\$0.00	Yes
ML16016	City of Los Angeles Dept of General	2/5/2016	12/4/2022		\$630,000.00	\$630,000.00	Purchase 21 Heavy-Duty Nat. Gas Vehicles	\$0.00	Yes
ML16021	City of Santa Clarita	10/7/2016	6/6/2024		\$49,400.00	\$49,399.00	Install EV Charging Infrastructure	\$1.00	Yes
ML16023	City of Banning	12/11/2015	12/10/2021		\$30,000.00	\$30,000.00	Purchase 1 H.D. Nat. Gas Vehicle	\$0.00	Yes

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
ML16024	City of Azusa	4/27/2016	2/26/2022		\$30,000.00	\$30,000.00	Purchase 1 H.D. Nat. Gas Vehicle	\$0.00	Yes
ML16027	City of Whittier	1/8/2016	11/7/2022		\$30,000.00	\$30,000.00	Purchase 1 H.D. Nat. Gas Vehicle	\$0.00	Yes
ML16037	City of Rancho Cucamonga	2/5/2016	11/4/2022		\$30,000.00	\$30,000.00	Purchase One Heavy-Duty Natural Gas Vehi	\$0.00	Yes
ML16050	City of Westminster	5/6/2016	7/5/2020	5/5/2022	\$115,000.00	\$93,925.19	Installation of EV Charging Infrastructure	\$21,074.81	No
ML16055	City of Ontario	5/6/2016	5/5/2022		\$270,000.00	\$270,000.00	Purchase Nine Heavy-Duty Natural-Gas Veh	\$0.00	Yes
ML16056	City of Ontario	3/23/2016	9/22/2020	9/22/2021	\$106,565.00	\$106,565.00	Expansion of an Existing CNG Station	\$0.00	Yes
ML16059	City of Burbank	4/1/2016	2/28/2022		\$180,000.00	\$180,000.00	Purchase 6 H.D. Nat. Gas Vehicles	\$0.00	No
ML16061	City of Murrieta	4/27/2016	1/26/2020		\$11,642.00	\$9,398.36	Installation of EV Charging Infrastructure	\$2,243.64	Yes
ML16062	City of Colton	6/3/2016	7/2/2020		\$21,003.82	\$21,003.82	Installation of EV Charging Infrastructure	\$0.00	Yes
ML16063	City of Glendora	3/4/2016	4/3/2022		\$30,000.00	\$30,000.00	Purchase One H.D. Nat. Gas Vehicle	\$0.00	Yes
ML16072	City of Palm Desert	3/4/2016	1/4/2020	1/3/2022	\$56,000.00	\$56,000.00	Installation of EV Charging Infrastructure	\$0.00	Yes
ML16076	City of San Fernando	2/21/2017	8/20/2021		\$43,993.88	\$43,993.88	Install EV Charging Infrastructure	\$0.00	Yes
ML16079	City of Yucaipa	4/1/2016	3/31/2020		\$5,000.00	\$5,000.00	Purchase Electric Lawnmower	\$0.00	Yes
MS16081	EDCO Disposal Corporation	3/4/2016	10/3/2022		\$150,000.00	\$150,000.00	Expansion of Existing Public Access CNG St	\$0.00	Yes
MS16087	Burrtec Waste & Recycling Services,	7/8/2016	3/7/2023		\$100,000.00	\$100,000.00	Construct New Limited-Access CNG Station	\$0.00	Yes
MS16088	Transit Systems Unlimited, Inc.	5/12/2017	1/11/2023		\$17,000.00	\$17,000.00	Expansion of Existing CNG Station	\$0.00	Yes
MS16097	Walnut Valley Unified School District	10/7/2016	11/6/2022		\$250,000.00	\$250,000.00	Expand CNG Station & Modify Maintenance	\$0.00	Yes
MS16102	Nasa Services, Inc.	2/21/2017	4/20/2023		\$100,000.00	\$100,000.00	Construct a Limited-Access CNG Station	\$0.00	No
MS16103	Arrow Services, Inc.	2/3/2017	4/2/2023		\$100,000.00	\$100,000.00	Construct a Limited-Access CNG Station	\$0.00	Yes
MS16105	Huntington Beach Union High School	3/3/2017	7/2/2024		\$175,000.00	\$175,000.00	Expansion of Existing CNG Infrastructure	\$0.00	Yes
MS16112	Orange County Transportation Autho	4/14/2017	3/13/2024		\$1,470,000.00	\$1,470,000.00	Repower Up to 98 Transit Buses	\$0.00	No
MS16113	Los Angeles County MTA	5/12/2017	4/11/2024		\$1,875,000.00	\$1,875,000.00	Repower Up to 125 Transit Buses	\$0.00	Yes
MS16114	City of Norwalk	3/3/2017	6/2/2024		\$45,000.00	\$32,170.00	Purchase 3 Transit Buses	\$12,830.00	Yes
MS16116	Riverside Transit Agency	3/3/2017	1/2/2023		\$10,000.00	\$9,793.00	Purchase One Transit Bus	\$207.00	No

Total: 30

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
FY 2016-2018 Contracts									
Open Contracts									
ML18019	City of Hidden Hills	5/3/2018	5/2/2022	5/2/2023	\$49,999.00	\$43,427.00	Purchase Two Light-Duty ZEVs and EVSE	\$6,572.00	No
ML18020	City of Colton	5/3/2018	4/2/2024		\$67,881.00	\$35,667.00	Purchase One Medium-Duty and One Heavy	\$32,214.00	No
ML18022	City of Desert Hot Springs	5/3/2018	1/2/2020	1/2/2021	\$50,000.00	\$0.00	Traffic Signal and Synchronization Project	\$50,000.00	No
ML18028	City of Artesia	6/28/2018	3/27/2025		\$50,000.00	\$0.00	Install EVSE	\$50,000.00	No
ML18030	City of Grand Terrace	6/28/2018	3/27/2022	3/27/2025	\$45,000.00	\$0.00	Install EVSE	\$45,000.00	No
ML18031	City of Diamond Bar	9/7/2018	11/6/2025		\$73,930.00	\$0.00	Install EVSE, Purchase up to 2-LD Vehicles	\$73,930.00	No
ML18032	City of Arcadia	2/1/2019	4/30/2025		\$24,650.00	\$0.00	Purchase 1 Heavy-Duty Near-ZEV	\$24,650.00	No
ML18034	City of Calabasas	6/8/2018	3/7/2022	3/7/2023	\$50,000.00	\$0.00	Install EVSE	\$50,000.00	No
ML18035	City of Westlake Village	8/8/2018	11/7/2022		\$50,000.00	\$50,000.00	Install EVSE	\$0.00	No
ML18036	City of Indian Wells	8/8/2018	5/7/2023		\$50,000.00	\$0.00	Install EV Charging Station	\$50,000.00	No
ML18037	City of Westminster	6/28/2018	6/27/2024	12/27/2026	\$120,900.00	\$0.00	Install EVSE, Purchase up to 3-LD ZEV & 1-	\$120,900.00	No
ML18038	City of Anaheim	10/5/2018	5/4/2025		\$221,500.00	\$71,659.27	Purchase 5 Light-Duty ZEVs and Install EVS	\$149,840.73	No
ML18039	City of Redlands	6/28/2018	7/27/2024	1/27/2025	\$87,000.00	\$0.00	Purchase 1 Medium/Heavy-Duty ZEV and In	\$87,000.00	No
ML18041	City of West Hollywood	8/8/2018	12/7/2023		\$50,000.00	\$0.00	Install EV Charging Infrastructure	\$50,000.00	No
ML18043	City of Yorba Linda	9/7/2018	12/6/2023		\$87,990.00	\$0.00	Install EV Charging Infrastructure	\$87,990.00	No
ML18044	City of Malibu	8/8/2018	10/7/2022	10/7/2023	\$50,000.00	\$0.00	Install EV Charging Infrastructure	\$50,000.00	No
ML18046	City of Santa Ana	11/9/2018	7/8/2026		\$385,000.00	\$0.00	Purchase 6 Light-Duty ZEVs, 9 Heavy-Duty	\$385,000.00	No
ML18047	City of Whittier	8/8/2018	4/7/2026		\$113,910.00	\$0.00	Purchase 5 Heavy-Duty Near-Zero Emission	\$113,910.00	No
ML18048	City of Lynwood	6/28/2018	10/27/2024		\$93,500.00	\$0.00	Purchase Up to 3 Medium-Duty Zero-Emissi	\$93,500.00	No
ML18049	City of Downey	7/6/2018	5/5/2023		\$148,260.00	\$0.00	Install EV Charging Stations	\$148,260.00	No
ML18050	City of Irvine	9/7/2018	8/6/2028		\$330,490.00	\$0.00	Purchase 1 Medium/Heavy-Duty ZEV and In	\$330,490.00	No
ML18051	City of Rancho Cucamonga	3/1/2019	10/31/2025		\$227,040.00	\$0.00	Purchase 9 Light-Duty ZEVs, 2 Med-Duty Z	\$227,040.00	No
ML18052	City of Garden Grove	8/8/2018	10/7/2022		\$53,593.00	\$0.00	Purchase 4 L.D. ZEVs and Infrastructure	\$53,593.00	No
ML18053	City of Paramount	9/7/2018	3/6/2023		\$64,675.00	\$0.00	Install EV Charging Infrastructure	\$64,675.00	No
ML18054	City of La Habra Heights	8/8/2018	4/7/2022		\$9,200.00	\$0.00	Purchase 1 L.D. ZEV	\$9,200.00	No
ML18055	City of Long Beach Fleet Services B	11/29/2018	11/28/2026		\$622,220.00	\$198,581.82	Install EV Charging Stations	\$423,638.18	No
ML18056	City of Chino	3/29/2019	9/28/2023		\$103,868.00	\$0.00	Install EV Charging Infrastructure	\$103,868.00	No
ML18057	City of Carson	10/5/2018	7/4/2023		\$106,250.00	\$50,000.00	Purchase 5 Zero-Emission Vehicles and Infr	\$56,250.00	No
ML18058	City of Perris	10/12/2018	11/11/2024		\$94,624.00	\$0.00	Purchase 1 Med. H.D. ZEV and EV Chargin	\$94,624.00	No
ML18059	City of Glendale Water & Power	2/1/2019	7/31/2026		\$260,500.00	\$0.00	Install Electric Vehicle Charging Infrastructur	\$260,500.00	No
ML18060	County of Los Angeles Internal Servi	10/5/2018	8/4/2026		\$1,367,610.00	\$0.00	Purchase 29 Light-Duty Zero Emission Vehi	\$1,367,610.00	No
ML18061	City of Moreno Valley	4/9/2019	2/8/2025		\$25,000.00	\$0.00	Purchase 1 Heavy-Duty Near-ZEV	\$25,000.00	No
ML18063	City of Riverside	6/7/2019	1/6/2027		\$383,610.00	\$0.00	Expand Existing CNG Station	\$383,610.00	No
ML18064	City of Eastvale	11/29/2018	4/28/2026		\$80,400.00	\$0.00	Purchase 2 Light-Duty, One Medium-Duty. Z	\$80,400.00	No

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
ML18067	City of Pico Rivera	9/7/2018	11/6/2022		\$83,500.00	\$0.00	Instal EVSE	\$83,500.00	No
ML18068	City of Mission Viejo	7/31/2019	6/30/2027		\$125,690.00	\$0.00	Purchase 2 Light-Duty ZEVs, Install EVSE &	\$125,690.00	No
ML18069	City of Torrance	3/1/2019	7/31/2027		\$187,400.00	\$0.00	Purchase 4 Heavy-Duty Near-Zero Emission	\$187,400.00	No
ML18071	City of Chino Hills	9/7/2018	10/6/2022		\$30,000.00	\$20,000.00	Purchase 2 Light-Duty ZEVs and Install EVS	\$10,000.00	No
ML18072	City of Anaheim	12/18/2018	11/17/2026		\$239,560.00	\$0.00	Purchase 9 Light-Duty ZEVs & 2 Med/Hvy-D	\$239,560.00	No
ML18078	County of Riverside	10/5/2018	10/4/2028		\$425,000.00	\$100,000.00	Purchase 17 Heavy-Duty Vehicles	\$325,000.00	No
ML18079	City of Pasadena	12/7/2018	11/6/2023		\$183,670.00	\$100,000.00	EV Charging Infrastructure	\$83,670.00	No
ML18080	City of Santa Monica	1/10/2019	12/9/2023		\$121,500.00	\$14,748.62	Install EV Charging Stations	\$106,751.38	No
ML18081	City of Beaumont	10/5/2018	10/4/2022	10/4/2023	\$31,870.00	\$0.00	EV Charging Infrastructure	\$31,870.00	No
ML18082	City of Los Angeles Bureau of Sanita	8/30/2019	8/29/2028		\$900,000.00	\$0.00	Purchase Medium-Duty Vehicles and EV Ch	\$900,000.00	No
ML18083	City of San Fernando	11/2/2018	11/1/2022		\$20,000.00	\$0.00	Implement Traffic Signal Synchronization	\$20,000.00	No
ML18084	City of South El Monte	10/18/2019	9/17/2023		\$30,000.00	\$0.00	EV Charging Infrastructure	\$30,000.00	No
ML18085	City of Orange	4/12/2019	10/11/2026		\$50,000.00	\$25,000.00	Purchase Two Heavy-Duty Near-Zero Emiss	\$25,000.00	No
ML18087	City of Murrieta	3/29/2019	3/28/2025		\$143,520.00	\$0.00	Install Four EV Charging Stations	\$143,520.00	No
ML18088	City of Big Bear Lake	11/29/2018	8/28/2020		\$50,000.00	\$0.00	Install Bicycle Trail	\$50,000.00	No
ML18089	City of Glendora	7/19/2019	4/18/2025		\$50,760.00	\$0.00	Purchase a medium-duty ZEV	\$50,760.00	No
ML18090	City of Santa Clarita	5/9/2019	2/8/2023		\$122,000.00	\$0.00	Install Nine EV Charging Stations	\$122,000.00	No
ML18091	City of Temecula	1/19/2019	7/18/2023		\$141,000.00	\$0.00	Install Sixteen EV Charging Stations	\$141,000.00	No
ML18092	City of South Pasadena	2/1/2019	1/31/2025		\$50,000.00	\$0.00	Procure Two Light-Duty ZEVs and Install EV	\$50,000.00	No
ML18093	City of Monterey Park	2/1/2019	2/28/2026		\$25,000.00	\$0.00	Purchase Heavy-Duty Near-ZEV	\$25,000.00	No
ML18094	City of Laguna Woods	7/12/2019	12/11/2024		\$50,000.00	\$0.00	Install Two EV Charging Stations	\$50,000.00	No
ML18095	City of Gardena	11/9/2018	12/8/2024		\$25,000.00	\$0.00	Purchase Heavy-Duty Near-ZEV	\$25,000.00	No
ML18096	City of Highland	12/13/2019	8/12/2024		\$70,210.00	\$0.00	Purchase Light-Duty ZEV and Install Three	\$70,210.00	No
ML18097	City of Temple City	11/29/2018	7/28/2022		\$16,000.00	\$0.00	Purchase Two Light-Duty ZEVs	\$16,000.00	No
ML18098	City of Redondo Beach	2/1/2019	3/31/2023		\$89,400.00	\$0.00	Install Six EV Charging Stations	\$89,400.00	No
ML18099	City of Laguna Hills	3/1/2019	5/31/2023		\$32,250.00	\$0.00	Install Six EV Charging Stations	\$32,250.00	No
ML18101	City of Burbank	2/1/2019	4/30/2024		\$137,310.00	\$0.00	Install Twenty EV Charging Stations	\$137,310.00	No
ML18126	City of Lomita	12/7/2018	1/6/2020		\$26,500.00	\$0.00	Install bicycle racks and lanes	\$26,500.00	No
ML18127	City of La Puente	2/1/2019	2/28/2023		\$27,800.00	\$7,113.70	Purchase One Light-Duty ZEV & Install One	\$20,686.30	No
ML18128	City of Aliso Viejo	8/30/2019	11/29/2023		\$65,460.00	\$0.00	Purchase Two Light-Duty ZEVs and Install S	\$65,460.00	No
ML18129	City of Yucaipa	12/14/2018	3/13/2023		\$63,097.00	\$0.00	Install Six EV Charging Stations	\$63,097.00	No
ML18130	City of Lake Forest	3/1/2019	9/30/2022		\$106,480.00	\$0.00	Install Twenty-One EVSEs	\$106,480.00	No
ML18131	City of Los Angeles, Police Departm	5/3/2019	12/2/2022		\$19,294.00	\$0.00	Purchase Three Light-Duty ZEVs	\$19,294.00	No
ML18132	City of Montclair	4/5/2019	9/4/2023		\$50,000.00	\$0.00	Install Eight EVSEs	\$50,000.00	No
ML18133	City of Rancho Mirage	12/7/2018	11/6/2020		\$50,000.00	\$0.00	Traffic Signal Synchronization	\$50,000.00	No
ML18134	City of Los Angeles Dept of General	5/3/2019	5/2/2028		\$290,000.00	\$0.00	Purchase Five Medium-Duty ZEVs	\$290,000.00	No
ML18136	City of Orange	4/12/2019	8/11/2024		\$42,500.00	\$0.00	Purchase Four Light-Duty ZEVs and Install	\$42,500.00	No

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
ML18137	City of Wildomar	3/1/2019	5/31/2021		\$50,000.00	\$0.00	Install Bicycle Trail	\$50,000.00	No
ML18138	City of La Canada Flintridge	2/8/2019	5/7/2023		\$50,000.00	\$9,499.90	Install Four EVSEs and Install Bicycle Racks	\$40,500.10	No
ML18139	City of Calimesa	8/30/2019	7/29/2020		\$50,000.00	\$0.00	Install Bicycle Lane	\$50,000.00	No
ML18140	City of Bell Gardens	12/14/2018	12/13/2028		\$50,000.00	\$0.00	Purchase Two Heavy-Duty Near-ZEVs	\$50,000.00	No
ML18142	City of La Quinta	4/24/2019	2/23/2023		\$51,780.00	\$0.00	Install Two EV Charging Stations	\$51,780.00	No
ML18143	City of La Habra	10/18/2019	9/17/2025		\$80,700.00	\$0.00	Install Two EV Charging Stations	\$80,700.00	No
ML18144	City of Fontana Public Works	10/4/2019	12/3/2023		\$269,090.00	\$0.00	Install Twelve EVSEs	\$269,090.00	No
ML18146	City of South Gate	3/1/2019	11/30/2023		\$127,400.00	\$50,000.00	Purchase Five Light-Duty ZEVs and Install T	\$77,400.00	No
ML18147	City of Palm Springs	1/10/2019	1/9/2024		\$60,000.00	\$0.00	Install Eighteen EV Charging Stations	\$60,000.00	No
ML18153	City of Cathedral City	5/3/2019	4/2/2025		\$52,215.00	\$0.00	Install EV Charging Infrastructure	\$52,215.00	No
ML18154	City of Hemet	11/22/2019	9/1/2023		\$30,000.00	\$0.00	Purchase Two Light-Duty ZEV and EV Char	\$30,000.00	No
ML18155	City of Claremont	7/31/2019	9/30/2023		\$50,000.00	\$0.00	Install EV Charging Infrastructure	\$50,000.00	No
ML18156	City of Covina	2/1/2019	3/31/2023		\$63,800.00	\$0.00	Purchase Four Light-Duty ZEVs and EV Cha	\$63,800.00	No
ML18157	City of Los Angeles Bureau of Street	6/21/2019	5/20/2027		\$85,000.00	\$0.00	Purchase One Medium-Duty ZEV	\$85,000.00	No
ML18159	City of Rialto	12/13/2019	5/12/2024		\$135,980.00	\$0.00	Purchase Nine Light-Duty ZEVs and EV Cha	\$135,980.00	No
ML18160	City of Irwindale	3/29/2019	12/28/2022		\$14,263.00	\$0.00	Purchase Two Light-Duty ZEVs	\$14,263.00	No
ML18161	City of Indio	5/3/2019	10/2/2025		\$50,000.00	\$10,000.00	Purchase 1 Light-Duty Zero Emission, 1 Hea	\$40,000.00	No
ML18163	City of San Clemente	3/8/2019	12/7/2024		\$85,000.00	\$0.00	Purchase Three Light-Duty ZEVs and EV Ch	\$85,000.00	No
ML18165	City of Baldwin Park	2/1/2019	1/30/2024		\$49,030.00	\$0.00	Expand CNG Station	\$49,030.00	No
ML18167	City of Beverly Hills	3/29/2019	6/28/2025		\$50,000.00	\$0.00	Purchase Two Heavy-Duty Near-Zero Emiss	\$50,000.00	No
ML18168	City of Maywood	3/29/2019	11/28/2022		\$7,059.00	\$0.00	Purchase EV Charging Infrastructure	\$7,059.00	No
ML18169	City of Alhambra	6/14/2019	8/13/2024		\$111,980.00	\$0.00	Install EV Charging Infrastructure	\$111,980.00	No
ML18171	City of El Monte	3/1/2019	4/30/2025		\$119,757.00	\$0.00	Purchase One Heavy-Duty ZEVs and EV Ch	\$119,757.00	No
ML18172	City of Huntington Park	3/1/2019	2/28/2025		\$65,450.00	\$0.00	Purchase One Heavy-Duty ZEV	\$65,450.00	No
ML18173	City of Manhattan Beach	3/29/2019	2/28/2023		\$49,000.00	\$0.00	Purchase Two Light-Duty ZEVs and EV Cha	\$49,000.00	No
ML18174	City of Bell	11/22/2019	7/21/2026		\$25,000.00	\$0.00	Purchase One Heavy-Duty ZEV	\$25,000.00	No
ML18176	City of Coachella	3/1/2019	11/30/2024		\$58,020.00	\$0.00	Install EV Charging Stations	\$58,020.00	No
ML18177	City of San Bernardino	6/7/2019		12/6/2026	\$279,088.00	\$0.00	Purchase Medium- and Heavy-Duty Evs and	\$279,088.00	No
ML18178	City of La Puente	11/1/2019	11/30/2025		\$25,000.00	\$0.00	Purchase One Heavy-Duty Near-Zero Emiss	\$25,000.00	No
MS18002	Southern California Association of G	6/9/2017	11/30/2018	10/31/2020	\$2,500,000.00	\$593,455.98	Regional Active Transportation Partnership	\$1,906,544.02	No
MS18003	Geographics	2/21/2017	2/20/2021		\$70,453.00	\$56,971.61	Design, Host and Maintain MSRC Website	\$13,481.39	No
MS18005	Orange County Transportation Autho	1/5/2018	4/30/2019		\$834,222.00	\$834,222.00	Clean Fuel Bus Service to OC Fair	\$0.00	No
MS18006	Anaheim Transportation Network	10/6/2017	2/28/2020		\$219,564.00	\$9,488.22	Implement Anaheim Circulator Service	\$210,075.78	No
MS18009	Penske Truck Leasing Co., L.P.	8/8/2018	12/7/2020		\$82,500.00	\$0.00	Modify Maintenance Facility & Train Technici	\$82,500.00	No
MS18012	City of Hermosa Beach	2/2/2018	2/1/2024		\$36,000.00	\$0.00	Construct New Limited-Access CNG Station	\$36,000.00	No
MS18014	Regents of the University of Californi	10/5/2018	12/4/2019	3/4/2020	\$254,795.00	\$206,604.79	Planning for EV Charging Infrastructure Inve	\$48,190.21	No
MS18015	Southern California Association of G	7/13/2018	2/28/2021		\$2,000,000.00	\$0.00	Southern California Future Communities Par	\$2,000,000.00	No

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
MS18023	Riverside County Transportation Co	6/28/2018	6/27/2021		\$500,000.00	\$136,722.48	Weekend Freeway Service Patrols	\$363,277.52	No
MS18024	Riverside County Transportation Co	6/28/2018	8/27/2021		\$1,500,000.00	\$402,060.00	Vanpool Incentive Program	\$1,097,940.00	No
MS18025	Los Angeles County MTA	11/29/2018	5/31/2019		\$1,324,560.00	\$706,235.69	Special Bus and Train Service to Dodger Sta	\$618,324.31	No
MS18026	Omnitrans	10/5/2018	1/4/2020		\$83,000.00	\$0.00	Modify Vehicles Maintenance Facility and Tr	\$83,000.00	No
MS18027	City of Gardena	11/2/2018	9/1/2026		\$365,000.00	\$0.00	Install New Limited Access CNG, Modify Mai	\$365,000.00	No
MS18029	Irvine Ranch Water District	8/8/2018	10/7/2024		\$185,000.00	\$0.00	Install New Limited Access CNG Station & T	\$185,000.00	No
MS18065	San Bernardino County Transportatio	3/29/2019	8/28/2023		\$2,000,000.00	\$0.00	Implement Metrolink Line Fare Discount Pro	\$2,000,000.00	No
MS18073	Los Angeles County MTA	1/10/2019	2/9/2026		\$2,000,000.00	\$0.00	Purchase 40 Zero-Emission Transit Buses	\$2,000,000.00	No
MS18102	Orange County Transportation Autho	10/4/2019	5/31/2020		\$1,146,000.00	\$0.00	Implement OC Flex Micro-Transit Pilot Proje	\$1,146,000.00	No
MS18103	Orange County Transportation Autho	2/8/2019	9/7/2020		\$642,000.00	\$0.00	Install Hydrogen Detection System	\$642,000.00	No
MS18106	R.F. Dickson Co., Inc.	7/19/2019	1/18/2026		\$265,000.00	\$0.00	Expansion of Existing Infrastructure/Mechani	\$265,000.00	No
MS18108	Capistrano Unified School District	2/1/2019	5/30/2025		\$116,000.00	\$0.00	Expansion of Existing Infrastructure & Train	\$116,000.00	No
MS18110	Mountain View Unified School Distric	2/1/2019	3/31/2025		\$275,000.00	\$0.00	Install New Limited-Access CNG Infrastructu	\$275,000.00	No
MS18112	Banning Unified School District	11/29/2018	11/28/2024	11/28/2025	\$275,000.00	\$0.00	Install New CNG Infrastructure	\$275,000.00	No
MS18114	Los Angeles County Department of P	11/15/2019	11/14/2026		\$175,000.00	\$0.00	Install New Limited-Access CNG Infrastructu	\$175,000.00	No
MS18115	City of Commerce	6/7/2019	12/6/2025		\$275,000.00	\$0.00	Expansion of Existing L/CNG Infrastructure	\$275,000.00	No
MS18116	Los Angeles County Department of P	11/15/2019	11/14/2026		\$175,000.00	\$0.00	Install New Limited-Access CNG Infrastructu	\$175,000.00	No
MS18117	City of San Bernardino	6/7/2019	11/6/2025		\$240,000.00	\$0.00	Expansion of Existing CNG Infrastructure/Me	\$240,000.00	No
MS18118	City of Beverly Hills	3/29/2019	7/28/2025		\$85,272.00	\$0.00	Expansion of Existing CNG Infrastructure	\$85,272.00	No
MS18120	City of Redondo Beach	2/1/2019	9/30/2025		\$275,000.00	\$0.00	Install New Limited-Access CNG Infrastructu	\$275,000.00	No
MS18122	Universal Waste Systems, Inc.	2/1/2019	3/31/2025		\$200,000.00	\$0.00	Install New Limited Access CNG Infrastructur	\$200,000.00	No
MS18123	City Rent A Bin DBA Serv-Wel Dispo	12/14/2018	2/13/2025		\$200,000.00	\$180,000.00	Install New Limited-Access CNG Infrastructu	\$20,000.00	No
MS18124	County Sanitation Districts of Los An	7/31/2019	2/28/2027		\$275,000.00	\$0.00	Install New Limited-Access CNG Infrastructu	\$275,000.00	No
MS18125	US Gain	5/9/2019	8/8/2025		\$200,000.00	\$0.00	Install New Limited-Access CNG Infrastructu	\$200,000.00	No
MS18175	Regents of the University of Californi	6/7/2019	8/6/2025		\$1,000,000.00	\$0.00	Expansion of Existing Hydrogen Station	\$1,000,000.00	No

Total: 133

Pending Execution Contracts

ML18100	City of Brea				\$56,500.00	\$0.00	Install Thirteen EV Charging Stations	\$56,500.00	No
ML18135	City of Azusa				\$55,000.00	\$0.00	Purchase Three Light-Duty ZEVs and One H	\$55,000.00	No
ML18141	City of Rolling Hills Estates				\$40,000.00	\$0.00	Purchase One Light-Duty ZEV and Install T	\$40,000.00	No
ML18145	City of Los Angeles Dept of Transpor				\$1,400,000.00	\$0.00	Provide One Hundred Rebates to Purchaser	\$1,400,000.00	No
ML18148	City of San Dimas				\$50,000.00	\$0.00	Implement Bike Share Program	\$50,000.00	No
ML18149	City of Sierra Madre				\$50,000.00	\$0.00	Implement Bike Share Program	\$50,000.00	No
ML18150	City of South El Monte				\$20,000.00	\$0.00	Implement Bike Share Program	\$20,000.00	No
ML18151	County of San Bernardino Departme				\$200,000.00	\$0.00	Purchase Eight Heavy-Duty Near Zero Emis	\$200,000.00	No
ML18152	County of San Bernardino Flood Con				\$108,990.00	\$0.00	Purchase Five Heavy-Duty Near Zero Emissi	\$108,990.00	No
ML18158	City of Inglewood				\$146,000.00	\$0.00	Purchase 4 Light-Duty Zero Emission, 4 Me	\$146,000.00	No

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
ML18162	City of Costa Mesa				\$148,210.00	\$0.00	Purchase Four Light-Duty ZEVs and EV Cha	\$148,210.00	No
ML18164	City of Pomona				\$200,140.00	\$0.00	Purchase Three Heavy-Duty ZEVs	\$200,140.00	No
ML18166	City of Placentia				\$25,000.00	\$0.00	Purchase One Heavy-Duty Near-Zero Emiss	\$25,000.00	No
ML18170	City of Laguna Niguel				\$85,100.00	\$0.00	Purchase Two Light-Duty ZEVs and EV Cha	\$85,100.00	No
MS18066	El Dorado National				\$100,000.00	\$0.00	Install New Limited-Access CNG Station	\$100,000.00	No
MS18104	Orange County Transportation Autho				\$212,000.00	\$0.00	Implement College Pass Transit Fare Subsi	\$212,000.00	No
MS18121	City of Montebello				\$70,408.00	\$0.00	Expansion of Existing CNG Infrastructure	\$70,408.00	No

Total: 17

Declined/Cancelled Contracts

ML18075	City of Orange				\$25,000.00	\$0.00	One Heavy-Duty Vehicle	\$25,000.00	No
MS18013	California Energy Commission				\$3,000,000.00	\$0.00	Advise MSRC and Administer Hydrogen Infr	\$3,000,000.00	No
MS18017	City of Banning				\$225,000.00	\$0.00	Expansion of Existing CNG Infrastructure	\$225,000.00	No
MS18018	City of Norwalk	6/8/2018	9/7/2019		\$75,000.00	\$0.00	Vehicle Maintenance Facility Modifications	\$75,000.00	No
MS18107	Huntington Beach Union High School				\$225,000.00	\$0.00	Expansion of Existing Infrastructure	\$225,000.00	No
MS18109	City of South Gate				\$175,000.00	\$0.00	Install New Limited-Access CNG Infrastructu	\$175,000.00	No
MS18111	Newport-Mesa Unified School Distric				\$175,000.00	\$0.00	Expansion of Existing CNG Infrastructure	\$175,000.00	No
MS18113	City of Torrance				\$100,000.00	\$0.00	Expansion of Existing CNG Infrastructure	\$100,000.00	No
MS18119	LBA Realty Company XI LP				\$100,000.00	\$0.00	Install New Limited-Access CNG Infrastructu	\$100,000.00	No

Total: 9

Closed Contracts

MS18001	Los Angeles County MTA	6/29/2017	4/30/2018		\$807,945.00	\$652,737.07	Provide Clean Fuel Transit Service to Dodge	\$155,207.93	No
MS18004	Orange County Transportation Autho	8/3/2017	4/30/2019		\$503,272.00	\$456,145.29	Provide Special Rail Service to Angel Stadiu	\$47,126.71	Yes
MS18008	Foothill Transit	1/12/2018	3/31/2019		\$100,000.00	\$99,406.61	Special Transit Service to LA County Fair	\$593.39	Yes
MS18010	Southern California Regional Rail Au	12/28/2017	7/31/2019		\$351,186.00	\$275,490.61	Implement Special Metrolink Service to Unio	\$75,695.39	Yes
MS18011	Southern California Regional Rail Au	2/9/2018	6/30/2018		\$239,565.00	\$221,725.12	Special Train Service to Festival of Lights	\$17,839.88	Yes
MS18016	Southern California Regional Rail Au	1/10/2019	3/31/2019		\$87,764.00	\$73,140.89	Special Train Service to Auto Club Speedwa	\$14,623.11	Yes
MS18105	Southern California Regional Rail Au	1/10/2019	6/30/2019		\$252,696.00	\$186,830.04	Special Train Service to the Festival of Light	\$65,865.96	Yes

Total: 7

Open/Complete Contracts

ML18021	City of Signal Hill	4/6/2018	1/5/2022		\$49,661.00	\$46,079.31	Install EV Charging Station	\$3,581.69	Yes
ML18033	City of Duarte	8/8/2018	2/7/2025		\$50,000.00	\$50,000.00	Purchase 1-HD ZEV	\$0.00	Yes
ML18040	City of Agoura Hills	7/13/2018	6/12/2022		\$17,914.00	\$17,914.00	Install EV Charging Infrastructure	\$0.00	Yes
ML18042	City of San Fernando	6/28/2018	2/27/2024		\$10,000.00	\$10,000.00	Purchase 1 Light-Duty ZEV	\$0.00	Yes
ML18045	City of Culver City Transportation De	6/28/2018	6/27/2025		\$51,000.00	\$51,000.00	Purchase Eight Near-Zero Vehicles	\$0.00	Yes
ML18062	City of Beaumont	8/8/2018	9/7/2024		\$25,000.00	\$25,000.00	Purchase 1 Heavy-Duty Near-ZEV	\$0.00	Yes
ML18070	City of Lomita	11/29/2018	6/28/2022		\$6,250.00	\$6,250.00	Purchase 1 Light-Duty ZEV	\$0.00	No
ML18074	City of Buena Park	12/14/2018	6/13/2026		\$107,960.00	\$107,960.00	EV Charging Infrastructure	\$0.00	No

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
ML18076	City of Culver City Transportation De	10/5/2018	10/4/2023		\$1,130.00	\$1,130.00	Purchase Light-Duty ZEV	\$0.00	Yes
ML18077	City of Orange	11/2/2018	10/1/2022		\$59,776.00	\$59,776.00	Four Light-Duty ZEV and EV Charging Infr	\$0.00	Yes
ML18086	City of Los Angeles Bureau of Street	2/8/2019	4/7/2023		\$300,000.00	\$300,000.00	Install Sixty EV Charging Stations	\$0.00	Yes

Total: 11

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
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FY 2018-2021 Contracts

Open Contracts

MS21001	Los Angeles County MTA	8/30/2019	7/29/2020		\$1,148,742.00	\$0.00	Implement Special Transit Service to Dodge	\$1,148,742.00	No
MS21002	Better World Group Advisors	11/1/2019	12/31/2022		\$250,000.00	\$0.00	Programmatic Outreach Services	\$250,000.00	No

Total: 2

Pending Execution Contracts

MS21003	Orange County Transportation Autho				\$468,298.00	\$0.00	Provide Express Bus Service to the Orange	\$468,298.00	No
MS21004	Los Angeles County MTA				\$2,188,899.00	\$0.00	Clean Fuel Bus Service to Dodger Stadium	\$2,188,899.00	No

Total: 2

BOARD MEETING DATE: February 7, 2020

AGENDA NO. 22

REPORT: California Air Resources Board Monthly Meeting

SYNOPSIS: The California Air Resources Board met on January 15, 2020, and January 23, 2020. The following are summaries of the meetings.

RECOMMENDED ACTION:

Receive and file.

Judith Mitchell, Member
South Coast AQMD Governing Board

ft

The California Air Resources Board (CARB or Board) held a meeting on January 15, 2020 at the Old Eucalyptus Schoolhouse, El Centro, California. Key items presented are summarized below.

DISCUSSION ITEM

20-1-1: Public Meeting to Consider Assembly Bill 617 Community Emissions Reduction Program - El Centro-Heber-Calexico Corridor

The Board approved the El Centro-Heber-Calexico community emissions reduction program (community program). The community program was developed through a partnership between the *Imperial County Air Pollution Control District (ICAPCD)*, *Comite Civico del Valle (CCV)* and the community steering committee, and adopted by the ICAPCD Governing Board under the requirements of Assembly Bill (AB) 617. CARB staff reviewed the community program and determined that it meets the criteria set out in the AB 617 legislation and the Community Air Protection Blueprint, in addition to reflecting community priorities. The Board further directed ICAPCD to continue working with CCV and the community steering committee to define and implement strategies to reduce exposure to air pollution in the El Centro-Heber-Calexico community, and to report annually on the progress on CARB's recommended actions.

The California Air Resources Board (CARB or Board) held a meeting on January 23, 2020 at the California Environmental Protection Agency Headquarters Building in Sacramento. Key items presented are summarized below.

CONSENT ITEMS

20-2-1: Public Meeting to Consider Proposed Contract with the University of California, Berkeley, Titled "Air Pollution Measurements, Exposure Assessment, and Evaluation of the Sources of Particulate Matter in Fresno, California"

The Board approved funding for the proposed research contract with the University of California, Berkeley titled "Air Pollution Measurements, Exposure Assessment, and Evaluation of the Sources of Particulate Matter in Fresno, California." The research proposal was developed in response to the Board-approved research projects in fiscal year 2019-2020. The research proposal supports an exposure assessment that will be used in an ongoing study of the health impacts of air pollution in Fresno.

20-2-2: Public Meeting to Consider Proposed Contract with the University of California, Davis, Titled "Barriers to Reducing the Carbon Footprint of Transportation Network Companies: A Survey of Drivers and Riders"

The Board approved funding for the proposed research contract with the University of California, Davis titled, "Barriers to Reducing the Carbon Footprint of Transportation Network Companies: A Survey of Drivers and Riders." The execution of this contract will inform the development of the Clean Miles Standard regulation per Senate Bill (SB) 1014 (Skinner, Ch. 369, Stat. 2018) and related programs. This project is proposed to survey drivers and riders of transportation network companies (TNC) in order to identify the barriers to pooling, vehicle electrification, reducing deadheading, and complementing active transportation and public transit in California. Information gained through this contract will support the Board's decision-making and effective program implementation.

20-2-3: Public Meeting to Consider Compliance Offsets Protocol Task Force Members and Chair

The Board approved members, and a chair, to the Compliance Offsets Protocol Task Force (Task Force). AB 398 (Garcia, Ch. 135, Stat. 2017) established the Task Force to provide guidance to the Board in approving new offset protocols for the Cap-and-Trade Program. These new protocols will serve the purposes of increasing offset projects with direct environmental benefits in the state while prioritizing disadvantaged communities, Native American or tribal lands, and rural and agricultural regions. AB 398 also directs the Board to appoint members to the Task Force that include, but are not limited to, a

representative from each of the following stakeholder groups: scientists, air pollution control and air quality management districts, carbon market experts, tribal representatives, environmental justice advocates, labor and workforce representatives, forestry experts, agriculture experts, environmental advocates, conservation advocates, and dairy experts. Approval of the Task Force members will allow the Task Force to provide the guidance AB 398 specifies in a timely manner.

DISCUSSION ITEMS

20-2-4: Report to the Board on the California Air Resources Board Program Priorities for 2020

The Board heard a report from the Executive Officer providing an overview of CARB's program priorities for 2020. In 2020, CARB will continue pursuing strategies to mitigate the effects of climate change, providing clean air for all Californians with an emphasis to improve air quality in California's most impacted communities. A focus on cleaner transportation will be a priority in 2020 through new regulations and supporting zero-emission technologies. Transitioning the transportation sector to cleaner emitting vehicles will be necessary for meeting many of CARB's ambitious clean air goals. CARB will also continue working to address the growing wildfire seasons by mitigating exposure to smoke and improving public awareness of their exposure.

20-2-6: Public Meeting to Consider Policy Recommendations to Increase the Use of Zero-Emission Vehicles Per Senate Bill 498

The Board approved a report to the Legislature on CARB's zero-emission vehicle (ZEV) programs. SB 498 (Skinner, Ch. 628, Stat. 2017) tasked CARB with reporting on its programs that affect the adoption of light-, medium-, and heavy-duty ZEVs, including reviewing the program goals and status in meeting those goals, conducting cost-benefit analyses, comparing CARB's ZEV programs with ZEV programs in other states and countries, identifying policy recommendations for increasing the adoption and use of ZEVs in California, and identifying actions fleets can take to increase the use of ZEVs within their operations. SB 498 also requires that the Board consider public comments on the policy recommendations prior to submitting the report to the Legislature. CARB staff presented the policy recommendations in the draft report to the Board, and the draft report is also available to the public for review and comment. If implemented, the policy recommendations are anticipated to accelerate the adoption and use of ZEVs

20-2-7: Public Meeting to Hear an Informational Update on the Clean Miles Standard

The Board directed CARB staff to work with the California Public Utilities Commission and consider a number of guiding principles in designing the Clean Miles Standard as required by SB 1014 (Skinner, Ch. 369, Stat. 2018). SB 1014, the California Clean Miles Standard and Incentive Program, requires the Board to develop a 2018 base-year emissions and vehicle inventory for vehicles participating in a Transportation Network Company, (TNC) service (companies such as Uber and Lyft) and establish, by January 1, 2021, annual targets and goals for the TNCs that would start in 2023, including a grams of carbon dioxide per-passenger-mile-travelled emissions target and a zero-emission vehicle goal. The staff presentation included an overview of the program considerations, regulatory process, as well as the 2018 base-year emissions and vehicle inventory. The Board resolution sets guiding principles that include decreasing greenhouse gas emissions while increasing zero-emission miles, promoting the use of pooling, transit, and active transport, and directs CARB staff to design a forward-looking regulation that anticipates a transportation future that includes automated vehicles.

Attachments

CARB January 15, 2020 Meeting Agenda

CARB January 23, 2020 Meeting Agenda



LOCATION:
Old Eucalyptus Schoolhouse
796 West Evan Hewes Highway
El Centro, California 92243

PUBLIC MEETING AGENDA

**Wednesday
January 15, 2020**

[Webcast](#)

**TO SUBMIT WRITTEN COMMENTS ON AN AGENDA
ITEM IN ADVANCE OF THE MEETING GO TO:**
<http://www.arb.ca.gov/lispub/comm/bclist.php>

**Wednesday
January 15, 2020
4:00 p.m.**

DISCUSSION ITEM:

Agenda Item #

20-1-1: Public Meeting to Consider Assembly Bill 617 Community Emissions Reduction Program - El Centro-Heber-Calexico Corridor

Spanish translation will be provided at the Board Meeting for this item, Item 20-1-1.

The community emissions reduction program was developed through a partnership between the Imperial County Air Pollution Control District, Comite Civico del Valle and the community steering committee. The Board will consider the Calexico/Heber/El Centro community emissions reduction program as required by AB 617.

[More Information](#)

[Staff Presentation](#)

OPPORTUNITY FOR MEMBERS OF THE BOARD TO COMMENT ON MATTERS OF INTEREST

Board members may identify matters they would like to have noticed for consideration at future meetings and comment on topics of interest; no formal action on these topics will be taken without further notice.

OPEN SESSION TO PROVIDE AN OPPORTUNITY FOR MEMBERS OF THE PUBLIC TO ADDRESS THE BOARD ON SUBJECT MATTERS WITHIN THE JURISDICTION OF THE BOARD

Although no formal Board action may be taken, the Board is allowing an opportunity to interested members of the public to address the Board on items of interest that are within the Board's jurisdiction, but that do not specifically appear on the agenda. Each person will be allowed a maximum of three minutes to ensure that everyone has a chance to speak.

TO ELECTRONICALLY SUBMIT WRITTEN COMMENTS ON AN AGENDA ITEM IN ADVANCE OF THE MEETING GO TO:

<https://www.arb.ca.gov/lispub/comm/bclist.php>

(Note: not all agenda items are available for electronic submittals of written comments.)

PLEASE NOTE: No outside memory sticks or other external devices may be used at any time with the Board audio/visual system or any CARB computers. Therefore, PowerPoint presentations to be displayed at the Board meeting must be electronically submitted via email to the Clerks' Office at cotb@arb.ca.gov no later than noon on the business day prior to the scheduled Board meeting.

IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT THE CLERKS' OFFICE:
1001 I Street, 23rd Floor, Sacramento, California 95814
(916) 322-5594
CARB Homepage: www.arb.ca.gov

SPECIAL ACCOMMODATION REQUEST

Consistent with California Government Code Section 7296.2, special accommodation or language needs may be provided for any of the following:

- An interpreter to be available at the hearing;
- Documents made available in an alternate format or another language;
- A disability-related reasonable accommodation.

To request these special accommodations or language needs, please contact the Clerks' Office at (916) 322-5594 or by facsimile at (916) 322-3928 as soon as possible, but no later than 7 business days before the scheduled Board hearing. TTY/TDD/Speech to Speech users may dial 711 for the California Relay Service.

Consecuente con la sección 7296.2 del Código de Gobierno de California, una acomodación especial o necesidades lingüísticas pueden ser suministradas para cualquiera de los siguientes:

- Un intérprete que esté disponible en la audiencia
- Documentos disponibles en un formato alternativo u otro idioma
- Una acomodación razonable relacionados con una incapacidad

Para solicitar estas comodidades especiales o necesidades de otro idioma, por favor llame a la oficina del Consejo al (916) 322-5594 o envíe un fax a (916) 322-3928 lo más pronto posible, pero no menos de 7 días de trabajo antes del día programado para la audiencia del Consejo. TTY/TDD/Personas que necesiten este servicio pueden marcar el 711 para el Servicio de Retransmisión de Mensajes de California.



PUBLIC MEETING AGENDA

**Thursday,
January 23, 2020**

[Webcast](#)

LOCATION:

California Environmental Protection Agency
California Air Resources Board
Byron Sher Auditorium, 2nd Floor
1001 I Street
Sacramento, California 95814

This facility is accessible by public transit. For transit information, call (916) 321-BUSS, website:

<http://www.sacrt.com>

(This facility is accessible to persons with disabilities.)

TO SUBMIT WRITTEN COMMENTS ON AN AGENDA ITEM IN ADVANCE OF THE MEETING GO TO:

<http://www.arb.ca.gov/lispub/comm/bclist.php>

**Thursday
January 23, 2020
9:00 a.m.**

CONSENT CALENDAR:

The following items on the consent calendar will be presented to the Board immediately after the start of the public meeting, unless removed from the consent calendar either upon a Board member's request or if someone in the audience wishes to speak.

Consent Item #

- 20-2-1: Public Meeting to Consider Proposed Contract with the University of California, Berkeley, Titled "Air Pollution Measurements, Exposure Assessment, and Evaluation of the Sources of Particulate Matter in Fresno, California"**

The California Air Resources Board (CARB or Board) will consider approving this research proposal that was developed in response to the Board-approved research projects in fiscal year 2019-2020. This item is listed on the consent agenda to comply with Board approval requirements in Government Code section 1091 because one Board member is affiliated with the contractor, the University of California at Berkeley.

[More Information](#)

- 20-2-2: Public Meeting to Consider Proposed Contract with the University of California, Davis, Titled "Barriers to Reducing the Carbon Footprint of Transportation Network Companies: A Survey of Drivers and Riders"**

The Board will consider approving a contract that will inform the development of the Clean Miles Standard regulation per Senate Bill 1014 (Skinner, Ch. 369, Stat. 2018) and related programs. This project is proposed to survey drivers and riders of transportation network companies in order to identify the barriers to pooling, vehicle electrification, reducing deadheading, and complementing active transportation and public transit in California. This item is listed on the consent agenda to comply with Board approval requirements in Government Code section 1091 because two Board members are affiliated with the contractor, the University of California at Davis.

[More Information](#)

20-2-3: Public Meeting to Consider Compliance Offsets Protocol Task Force Members and Chair

The Board will consider approval of members and a chair to the Compliance Offsets Protocol Task Force (Task Force). Assembly Bill 398 (Garcia, Ch. 135, Stat. 2017) established the Task Force to provide guidance to the Board in approving new offset protocols with direct environmental benefits to the state.

[More Information](#)

[Proposed Resolution](#)

DISCUSSION ITEMS:

Note: The following agenda items may be heard in a different order at the Board meeting.

Agenda Item #**20-2-4: Report to the Board on the California Air Resources Board Program Priorities for 2020**

Executive Officer Richard Corey will provide the Board with an overview of California Air Resources Board priorities for 2020.

[Staff Presentation](#)

20-2-6: Public Meeting to Consider Policy Recommendations to Increase the Use of Zero-Emission Vehicles Per Senate Bill 498

The Board will hear a summary of staff policy recommendations to increase zero-emission vehicle (ZEV) uptake developed in response to Senate Bill (SB) 498 (Skinner, Ch. 628, Stat. 2017). SB 498 tasked CARB with reporting on its programs that affect the adoption of light-, medium-, and heavy-duty ZEVs, including reviewing the program goals and status in meeting those goals, conducting a cost-benefit analysis, comparing CARB's ZEV programs with ZEV programs in other states and countries, identifying policy recommendations for increasing the adoption of ZEVs in the state, and identifying actions fleets can take to increase the number of ZEVs in their fleet. The Board will consider public comments on the policy recommendation before submitting the report to the Legislature, as required.

[More Information](#)

[Staff Presentation](#)

20-2-7: Public Meeting to Hear an Informational Update on the Clean Miles Standard

Senate Bill (SB) 1014 (Skinner, Ch. 369, Stat. 2018), the California Clean Miles Standard and Incentive Program, requires the Board to determine a 2018 base-year emissions inventory for vehicles participating in a transportation network company (TNC) service and establish, by January 1, 2021, annual targets and goals for the TNCs that would start in 2023, including a per-passenger mile emissions target and a zero-emission vehicle goal. The staff presentation will include an overview of the program considerations, regulatory process, as well as the 2018 base-year emissions and vehicle inventory.

[More Information](#)

[Staff Presentation](#)

[Guest Presentation](#)

CLOSED SESSION

The Board may hold a closed session, as authorized by Government Code section 11126(e), to confer with, and receive advice from, its legal counsel regarding the following pending or potential litigation:

Alliance for California Business v. California State Transportation Agency, et al., Sacramento County Superior Court, Case No. 34-2016-80002491.

American Coatings Association, Inc. v. State of California and California Air Resources Board, Sacramento County Superior Court, Case No. 04CS01707.

California Air Resources Board v. Key Disposal, Inc. and John Katangian, Los Angeles Superior Court, Case No. BC650014.

California Air Resources Board v. United States Environmental Protection Agency, U.S. Court of Appeals, District of Columbia Circuit, Case No. 18-1085.

California Air Resources Board v. United States Environmental Protection Agency and National Highway Traffic and Safety Administration, United States District Court, District of Columbia Case No. 1:19-cv-00965-CKK.

Dalton Trucking, Inc. v. United States Environmental Protection Agency, U.S. Court of Appeals, District of Columbia Circuit, Case No. 13-1283 (dismissed), U.S. Court of Appeals, Ninth Circuit, Case No. 13-74019.

Friends of Oceano Dunes, Inc. v. California Coastal Commission, et al., San Luis Obispo County Superior Court, Case No. 17CV-0576; U.S. District Court for the Central District of California, Case No. 2:17-cv-8733.

In re Pacific Gas and Electric Company, U.S. Bankruptcy Court, Northern District of California, Case No. 19-30089.

John Mahan v. California Air Resources Board, Sacramento County Superior Court, Case No. 34-2016-80002416.

John R. Lawson Rock & Oil, Inc. et al. v. California Air Resources Board et al., Fresno County Superior Court, Case No. 14-CECG01494; ARB's appeal, Court of Appeal, Fifth District, Case No. F074003.

Murray Energy Corporation v. United States Environmental Protection Agency, U.S. Court of Appeals, District of Columbia Circuit, Case No. 15-1385.

Sowinski v. California Air Resources Board, et al., United States District Court for the Northern District of California, No. 3:18-cv-03979-LHK.

State of California v. United States Environmental Protection Agency, United States Court of Appeals, District of Columbia Circuit, Case No. 18-1096.

State of California, et al. v. Chao, et al., United States District Court for the District of Columbia, Case No. 1:19-cv-02826.

State of California, et al. v. David Bernhardt, et al., United States District Court. Northern District of California, Case No. 3:18-cv-5712-DMR.

State of California, et al. v. United States Environmental Protection Agency, U.S. Court of Appeals, District of Columbia Circuit, Case No. 18-1114.

State of California, et al., v. United States Environmental Protection Agency, United States District Court, Northern District of California, Case No. 4:18-cv-03237.

State of California, et al. v. United States Environmental Protection Agency et al., U.S. District Court, Northern District of California, Oakland Division, Case No. 4:17-cv-6936-HSG.

State of New York, et al. v. Andrew Wheeler and the United States Environmental Protection Agency, U.S. District Court, District of Columbia, Case No. 1:18-cv-00773.

State of North Dakota v. United States Environmental Protection Agency, U.S. Court of Appeals, District of Columbia Circuit, Case No. 15-1381.

State of North Dakota, et al. v. United States Environmental Protection Agency, U.S. Court of Appeals, District of Columbia Circuit, Case No. 16-1242.

State of Wyoming, et al. v. United States Department of the Interior, et al., U.S. District Court, District of Wyoming, Case No. 16-CV-285-SWS.

Truck Trailer Manufacturers Association, Inc. v. United States Environmental Protection Agency, et al., U.S. Court of Appeals, District of Columbia Circuit, Case No. 16-1430.

Valero Refining Co. California v. Hearing Board of the Bay Area Air Quality Management District et al., Court of Appeal, First Appellate District, Case No. A151004.

People v. Southern California Gas Company, Los Angeles Superior Court, Case No. BC 602973.

The Two Hundred, et al. v. California Air Resources Board, et al., Fresno County Superior Court, Case No. 18CECG01494.

United States v. California, United States District Court, Eastern District of California, Case No. 2:19-cv-02142-WBS-EFB.

OPPORTUNITY FOR MEMBERS OF THE BOARD TO COMMENT ON MATTERS OF INTEREST

Board members may identify matters they would like to have noticed for consideration at future meetings and comment on topics of interest; no formal action on these topics will be taken without further notice.

OPEN SESSION TO PROVIDE AN OPPORTUNITY FOR MEMBERS OF THE PUBLIC TO ADDRESS THE BOARD ON SUBJECT MATTERS WITHIN THE JURISDICTION OF THE BOARD

Although no formal Board action may be taken, the Board is allowing an opportunity to interested members of the public to address the Board on items of interest that are within the Board's jurisdiction, but that do not specifically appear on the agenda. Each person will be allowed a maximum of three minutes to ensure that everyone has a chance to speak.

TO ELECTRONICALLY SUBMIT WRITTEN COMMENTS ON AN AGENDA ITEM IN ADVANCE OF THE MEETING GO TO:

<https://www.arb.ca.gov/lispub/comm/bclist.php>

(Note: not all agenda items are available for electronic submittals of written comments.)

PLEASE NOTE: No outside memory sticks or other external devices may be used at any time with the Board audio/visual system or any CARB computers. Therefore, PowerPoint presentations to be displayed at the Board meeting must be electronically submitted via email to the Clerks' Office at cotb@arb.ca.gov no later than noon on the business day prior to the scheduled Board meeting.

IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT THE CLERKS' OFFICE:
1001 I Street, 23rd Floor, Sacramento, California 95814
(916) 322-5594
CARB Homepage: www.arb.ca.gov

SPECIAL ACCOMMODATION REQUEST

Consistent with California Government Code Section 7296.2, special accommodation or language needs may be provided for any of the following:

- An interpreter to be available at the hearing;
- Documents made available in an alternate format or another language;
- A disability-related reasonable accommodation.

To request these special accommodations or language needs, please contact the Clerks' Office at (916) 322-5594 or by facsimile at (916) 322-3928 as soon as possible, but no later than 7 business days before the scheduled Board hearing. TTY/TDD/Speech to Speech users may dial 711 for the California Relay Service.

Consecuente con la sección 7296.2 del Código de Gobierno de California, una acomodación especial o necesidades lingüísticas pueden ser suministradas para cualquiera de los siguientes:

- Un intérprete que esté disponible en la audiencia
- Documentos disponibles en un formato alternativo u otro idioma
- Una acomodación razonable relacionados con una incapacidad

Para solicitar estas comodidades especiales o necesidades de otro idioma, por favor llame a la oficina del Consejo al (916) 322-5594 o envíe un fax a (916) 322-3928 lo más pronto posible, pero no menos de 7 días de trabajo antes del día programado para la audiencia del Consejo. TTY/TDD/Personas que necesiten este servicio pueden marcar el 711 para el Servicio de Retransmisión de Mensajes de California.

NO_x BARCT Rulemaking Update

February 7, 2020

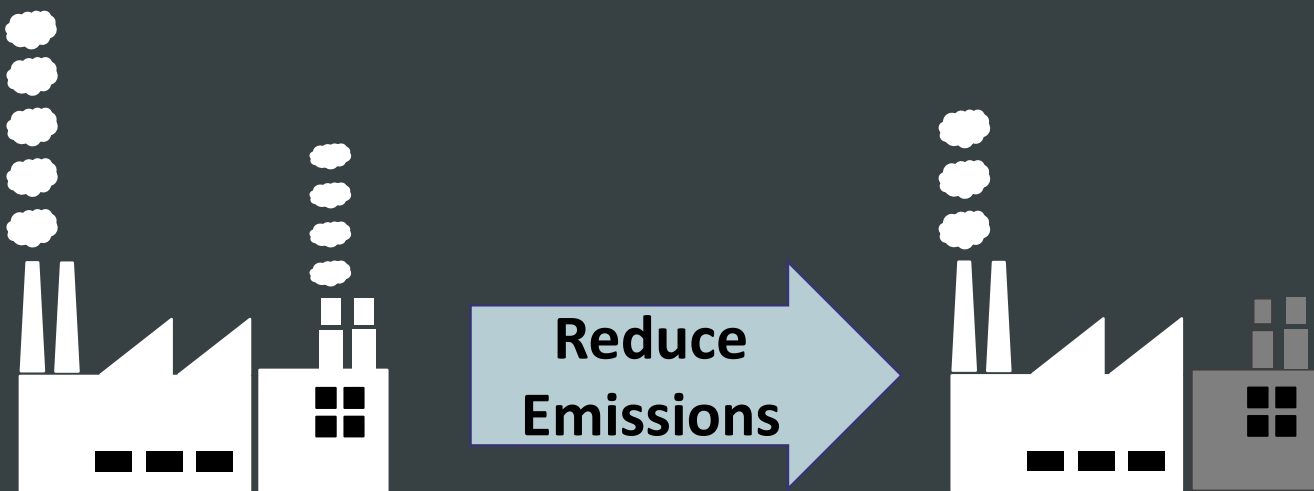
Governing Board Meeting

Background

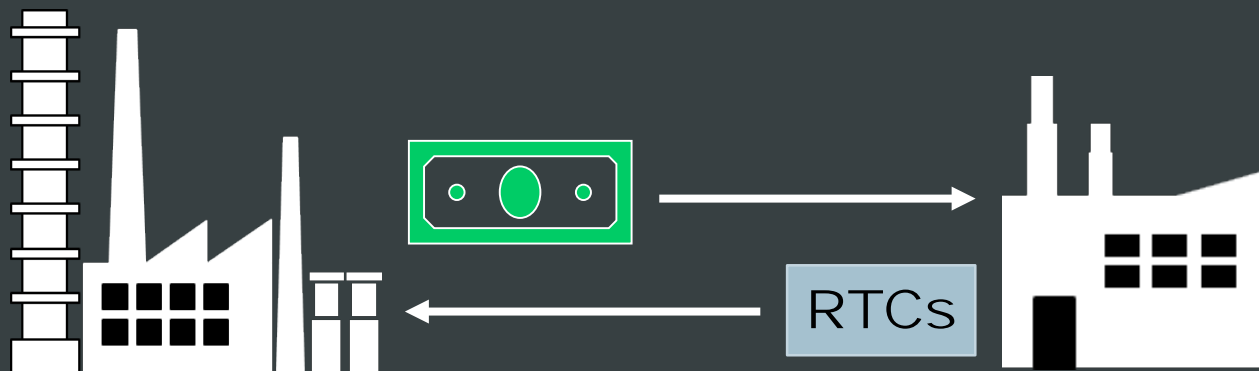
- Regional Clean Air Incentives Market (RECLAIM) was adopted on October 15, 1993
- Includes two markets for facilities with NO_x or SO_x emissions \geq 4 tons per year
- Facilities were initially issued an Allocation of RECLAIM Trading Credits (RTCs)
 - Facilities must hold RTCs that are equal to or greater than their actual emissions
- RECLAIM was designed to achieve emission reductions and allow compliance flexibility



RECLAIM Compliance Options

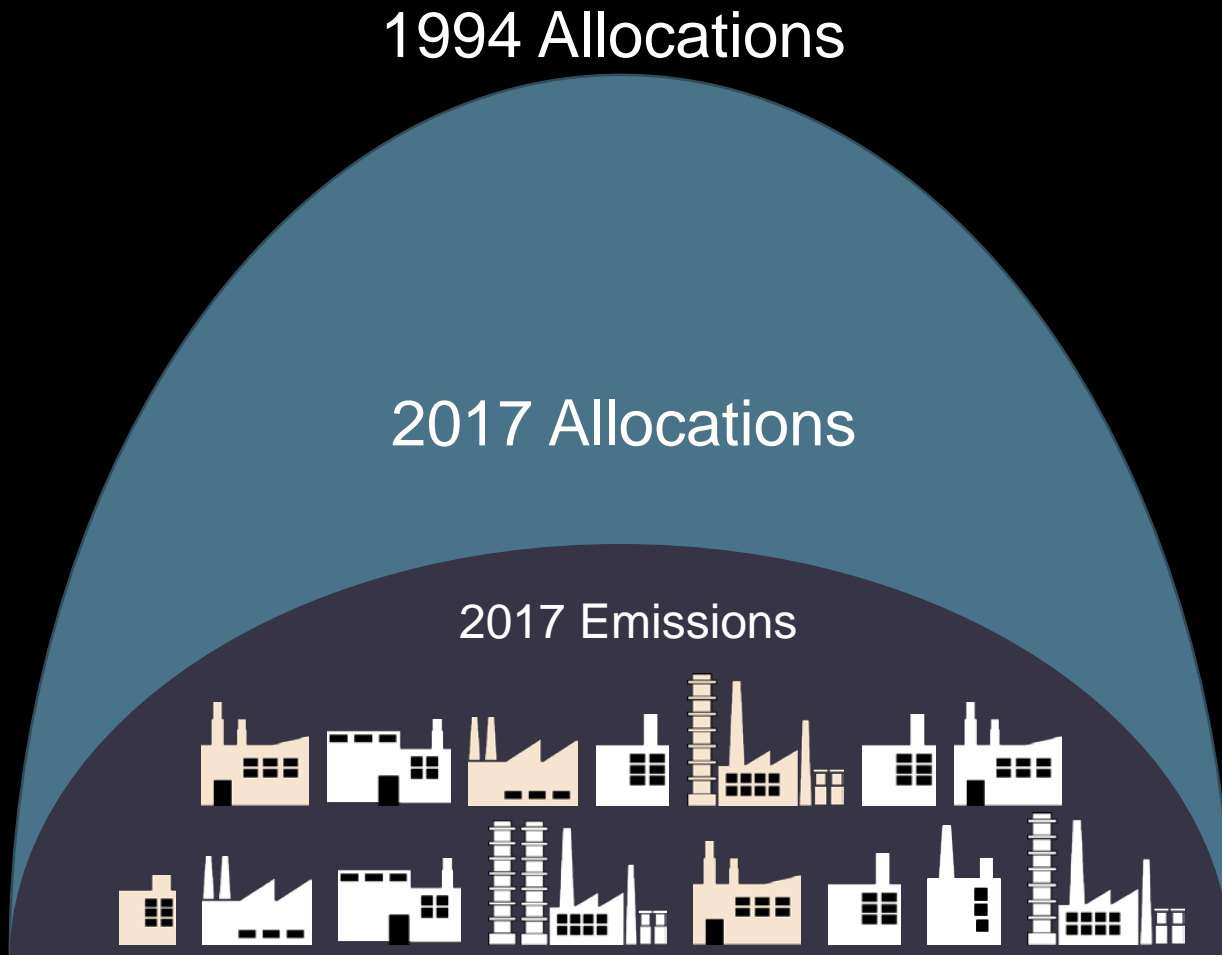


- Reduce emissions through:
- Installation of pollution controls;
 - Throughput reductions; or
 - Equipment or process shutdowns



- Purchase RTCs from:
- Another facility that has excess RTCs; or
 - Another entity such as a broker

About NOx RECLAIM



Facilities

- 1994: 392 facilities¹
- 2017: 258 facilities

NOx Allocations

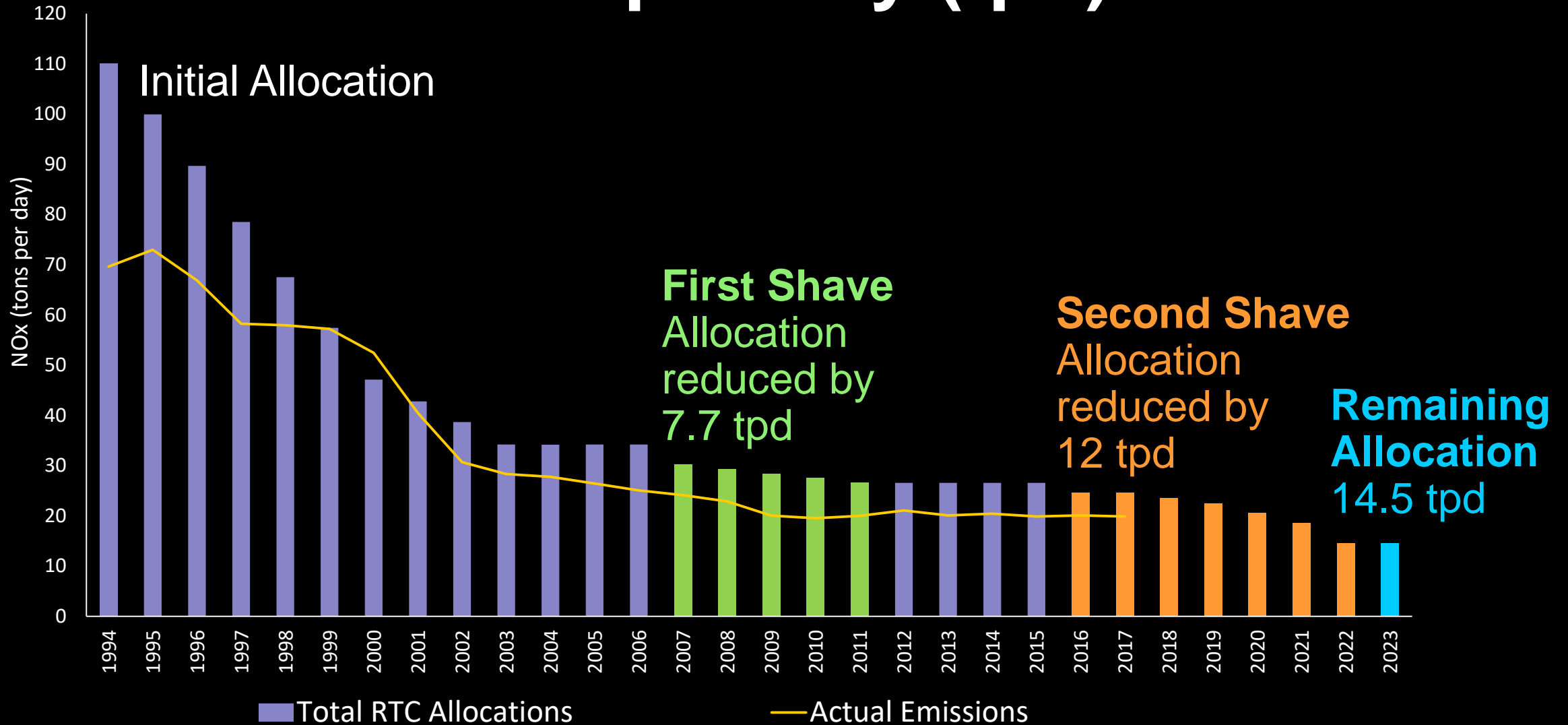
- 1994: 110 tons per day
- 2017: 25 tons per day

NOx Emissions

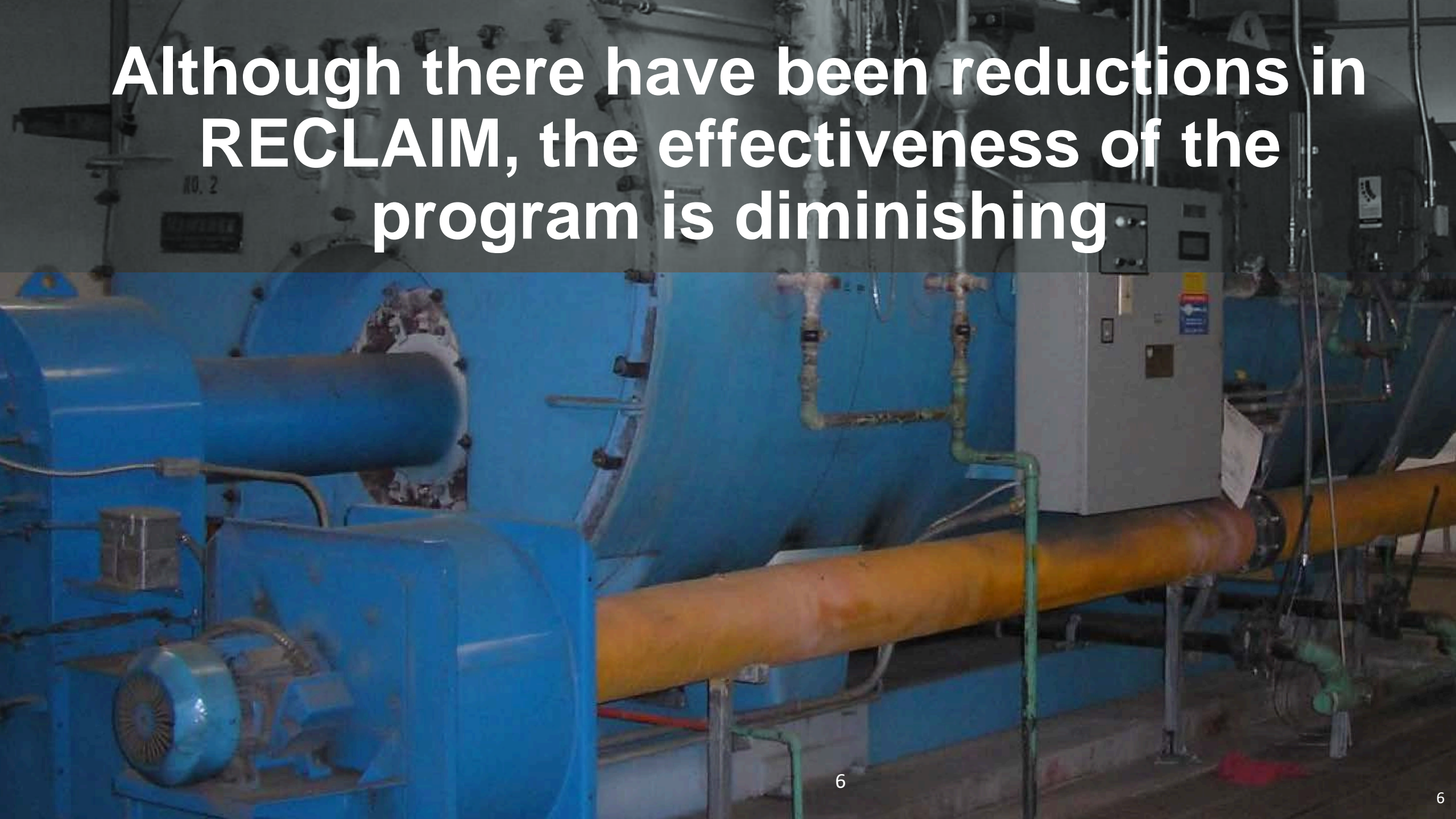
- 1994: 70 tons per day
- 2017: 20 tons per day

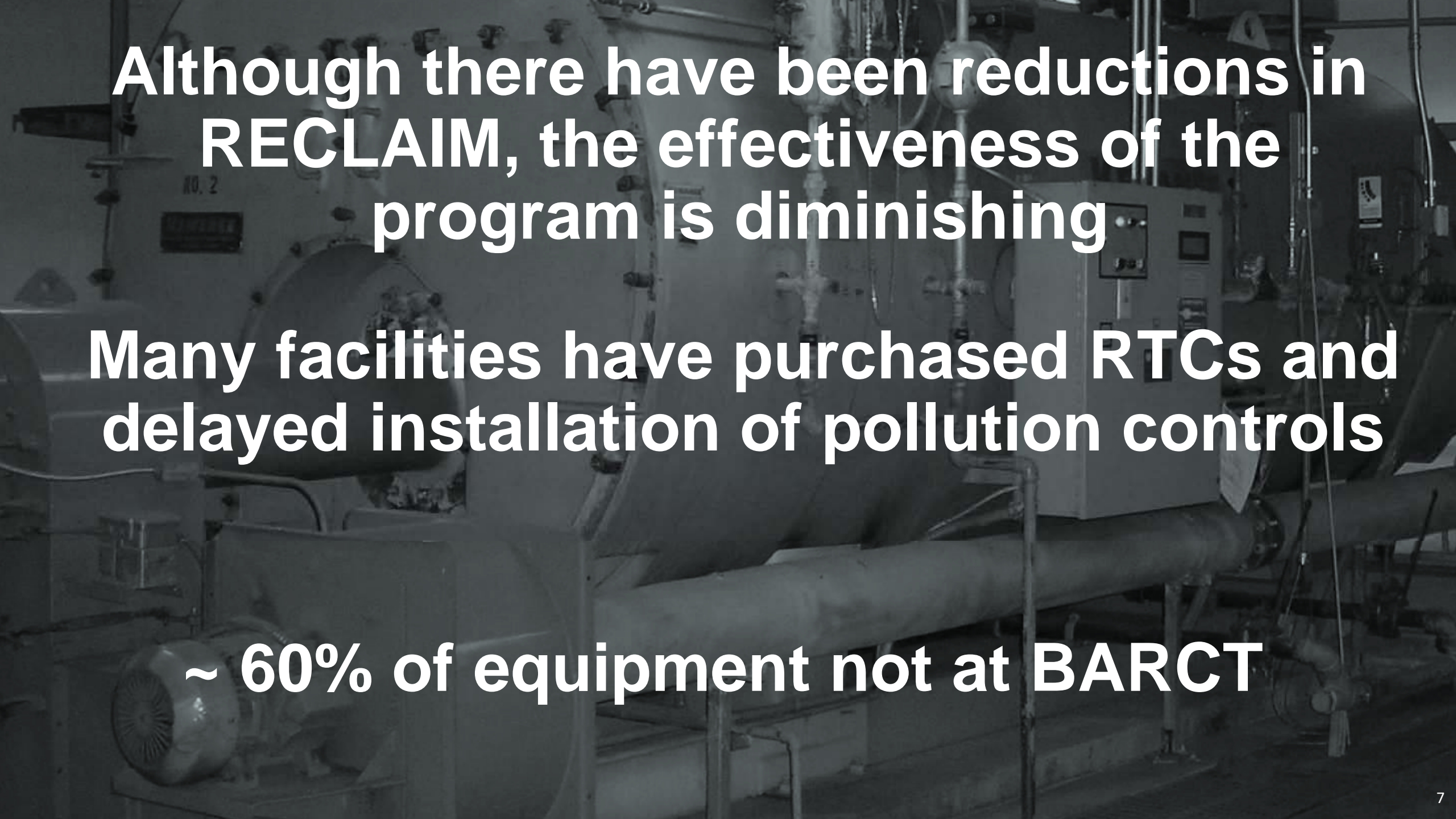
¹ Initially 392 facilities were identified. 70 facilities were excluded that did not meet the applicability criteria, category exemption, or facility merger.

NOx Allocations and Actual Emissions Tons per Day (tpd)



Although there have been reductions in RECLAIM, the effectiveness of the program is diminishing



A grayscale photograph of an industrial facility, likely a power plant or refinery, with various pipes, valves, and machinery. The text is overlaid on this background.

Although there have been reductions in RECLAIM, the effectiveness of the program is diminishing

Many facilities have purchased RTCs and delayed installation of pollution controls

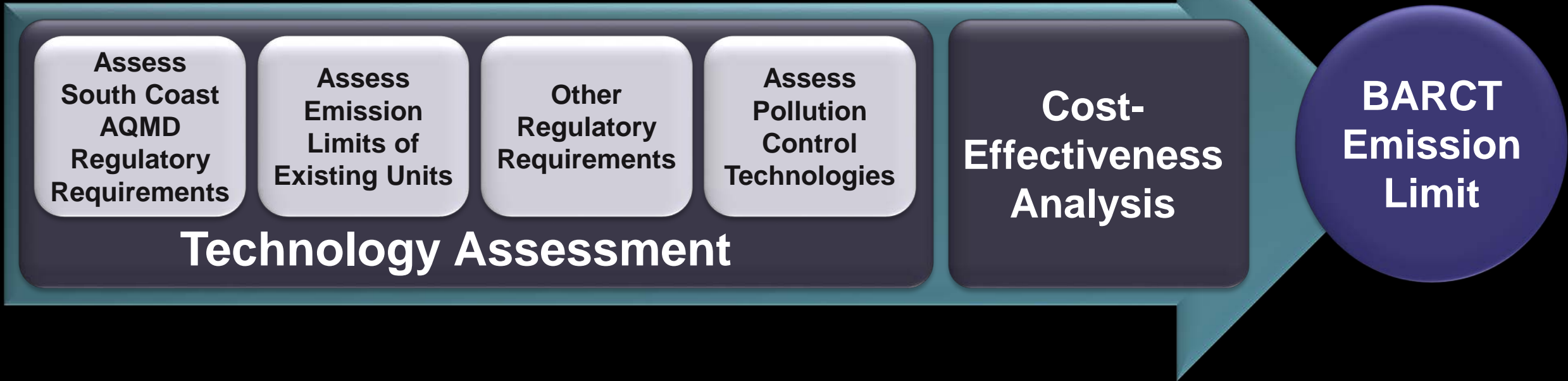
~ 60% of equipment not at BARCT

2016 AQMP and AB 617

- 2016 AQMP includes Control Measure CMB-05
 - Achieve further NO_x reductions of 5 tons per day by 2025 from RECLAIM sources
 - Transition RECLAIM to a command-and-control regulatory structure requiring BARCT level controls as soon as practicable
- AB 617 accelerated BARCT schedules
 - Requires adoption of BARCT by the earliest feasible date, but no later than December 31, 2023



BARCT Analysis Process



- BARCT emission limits represents the maximum degree of reduction achievable¹
- Must include a technology and cost-effectiveness analysis for each class and category of equipment¹
- Applicable to equipment retrofits and replacements
- Using 2016 AQMP cost-effectiveness of \$50,000 per ton of NOx reduced as guidance

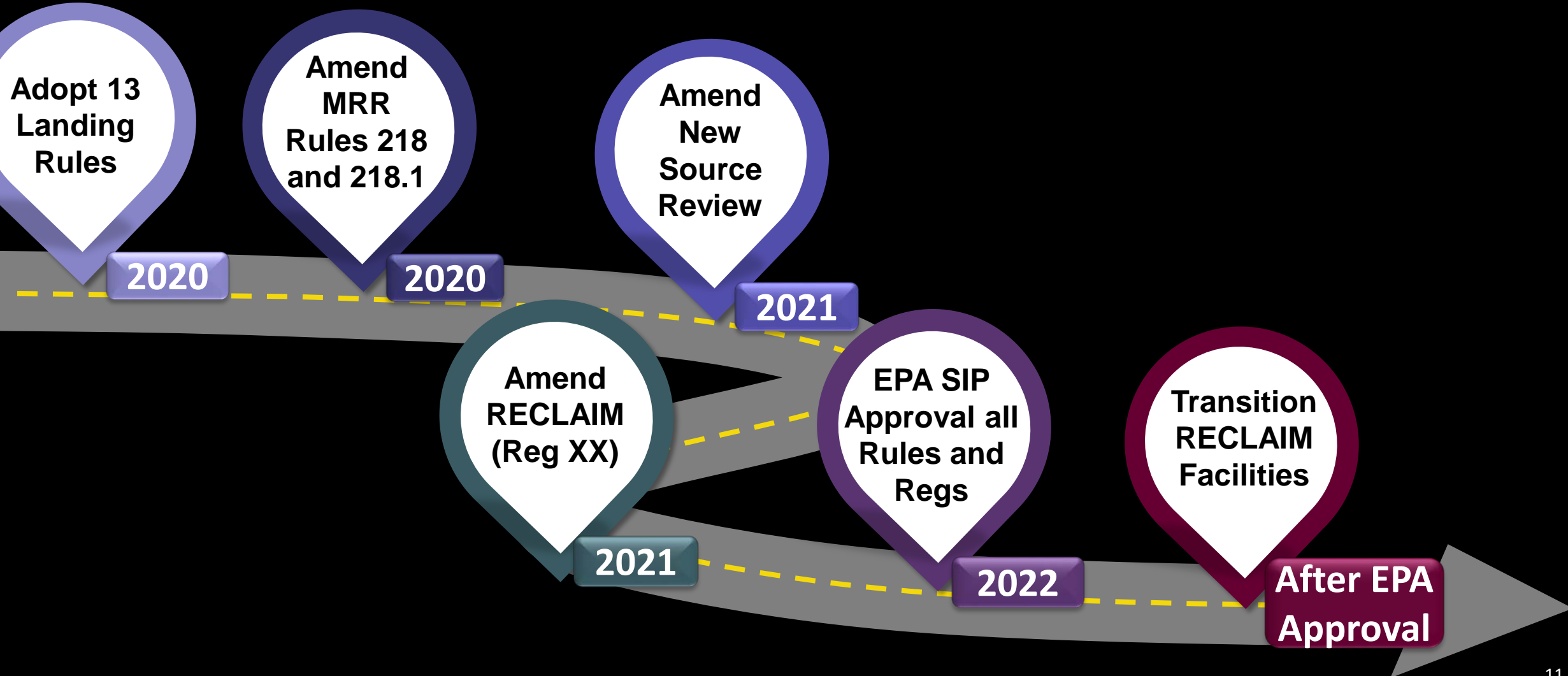
¹ Health and Safety Code Section 40406



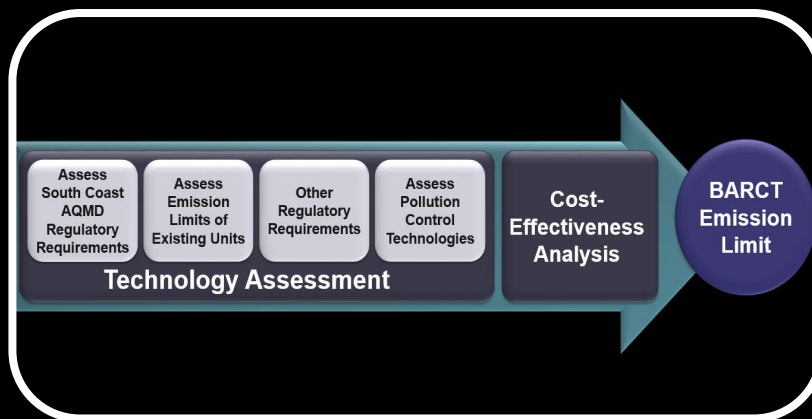
Command-and-Control

- Establishes BARCT NO_x emission limit for equipment categories
 - Specified in rules that are either equipment or industry specific
- Operators required to meet BARCT emission limit
 - Cannot purchase credits in lieu of meeting limits
- Can build in some flexibility
 - Implementation schedule
 - Compliance options

Current Approach to Transitioning RECLAIM to Command-and-Control



Challenges



New Source Review

- Complex program
- Availability of offsets post-RECLAIM
- Applicability
- Offset calculations

BARCT Analysis

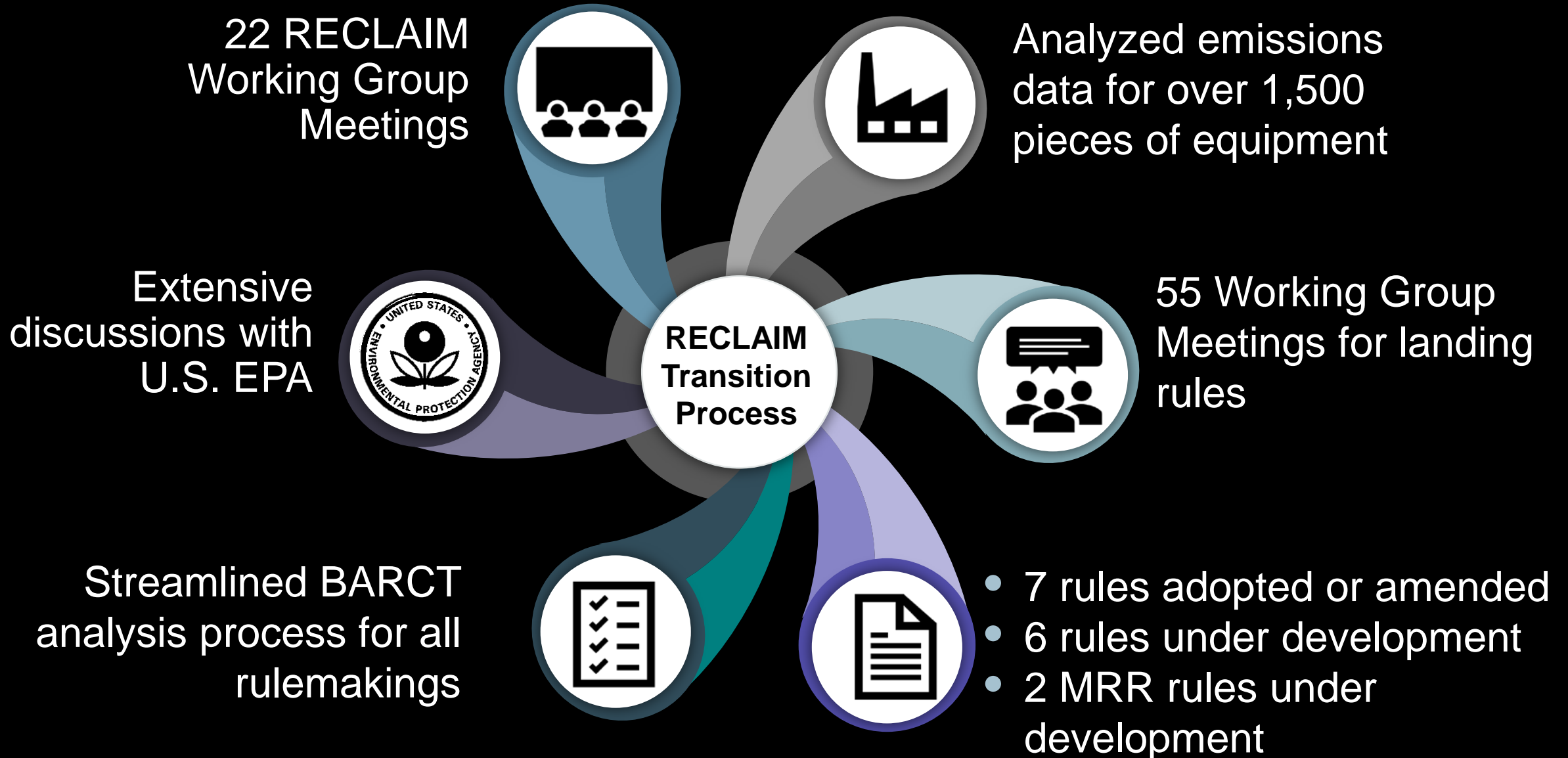
- ~1,600 pieces of equipment¹
- BARCT analysis needed for each class and category
- Establish NOx emission limits

RECLAIM Transition

- EPA approval
- 250+ facilities to transition
- Amending permits

¹ Excludes emergency engines and equipment exempt from permitting

Progress to Date



Adopted/Amended Landing Rules



Rules 1146, 1146.1, and 1146.2 –
Boilers, heaters, and steam generators

0.27
tons per day*



Rule 1118.1 - Non Refinery Flares

0
tons per day*



Rule 1134 - Gas Turbines

1.8
tons per day*



Rule 1135 - Electric Generating Facilities

1.9
tons per day*



Rule 1110.2 - Gaseous- and Liquid-Fueled Engines

0.29
tons per day*

4.26
tons per day
of NOx*

Rules Under Development



PAR 1117 – Glass Melting
Furnaces

Public Hearing: June 2020



PR 1147.2 – Metal
Processing Equipment

Public Hearing: August 2020



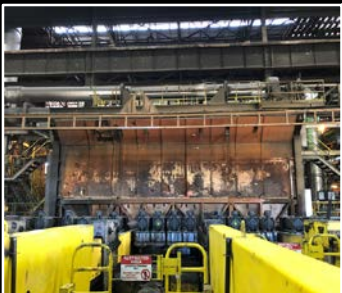
PAR 1147 – Miscellaneous
Combustion Sources

Public Hearing: August 2020



PR 1109.1 – Refinery Equipment

Public Hearing: September 2020



PR 1147.1 – Large Miscellaneous
Combustion Sources

Public Hearing: August 2020



PR 1147.3 – Aggregate Facilities

Public Hearing: December 2020

*PAR 218/218.1 – Requirements for Continuous Emissions Monitoring Systems public hearing currently schedule for April 2020

Update on Proposed Refinery Rule (Proposed Rule 1109.1)

- Refineries represents the largest emissions category in RECLAIM
- 2017 emissions represented ~50 percent of RECLAIM emissions
- Substantial emission reduction potential – more than 5 tpd
- 9 Working Group Meetings and numerous individual and industry meetings
- Conducting detailed BARCT analysis on each piece of equipment
- Initial BARCT limits for all categories expected in next few months
- Two consultants on contract reviewing staff's BARCT analysis



Next Steps

- Continue working with U.S. EPA, CARB, and stakeholders on addressing NSR issues
- Continue rulemaking activities
- Monthly RECLAIM Working Group and Regulation XIII New Source Review Working Group meetings
- Quarterly Stationary Source Committee updates
- Update RECLAIM Transition Plan

BOARD MEETING DATE: February 7, 2020

AGENDA NO. 24

REPORT: Status Report on Regulation XIII – New Source Review

SYNOPSIS: This report presents the federal Preliminary Determination of Equivalency for January 2018 through December 2018. As such, it provides information regarding the status of Regulation XIII – New Source Review (NSR) in meeting federal NSR requirements and shows that South Coast AQMD’s NSR program is in preliminary compliance with applicable federal requirements from January 2018 through December 2018.

COMMITTEE: Stationary Source, January 24, 2020, Reviewed

RECOMMENDED ACTION:
Receive and file.

Wayne Nastri
Executive Officer

AD:DO:GL:SKT

Summary

South Coast AQMD’s New Source Review (NSR) rules and regulations are designed to comply with federal and state Clean Air Act requirements and to ensure that emission increases from new and modified sources do not interfere with efforts to attain and maintain the federal and state air quality standards, while economic growth in the South Coast region is not unnecessarily impeded. Regulation XIII - New Source Review, regulates and accounts for all emission changes (both increases and decreases) from the permitting of new, modified, and relocated stationary sources within South Coast AQMD, excluding NO_x and SO_x sources that are subject to Regulation XX – Regional Clean Air Incentives Market (RECLAIM)¹.

¹ While the RECLAIM program is different than command-and-control rules for NO_x and SO_x, its NSR requirements, as specified in Rule 2005, are designed to comply with the governing principles of NSR contained in the federal Clean Air Act (CAA) and the California State Health and Safety Code.

Rule 1315 – Federal New Source Review Tracking System, was adopted by the Board on February 4, 2011 to maintain South Coast AQMD’s ability to issue permits to major sources that require offsets, but obtain offset credits from the South Coast AQMD’s Priority Reserve under Rule 1309.1 - Priority Reserve, and/or that are exempt from offsets under South Coast AQMD Rule 1304 - Exemptions. In addition, Rule 1315 requires that, commencing with calendar year 2010, and for each calendar year thereafter, the Executive Officer prepare a Preliminary Determination of Equivalency (PDE) and Final Determination of Equivalency (FDE) which cover NSR activities for twelve-month periods. The calendar year 2018 PDE and FDE are required to be reported to the Board at the February and September 2020 Board meetings, respectively. Rule 1315 also requires the Executive Officer to aggregate and track offsets debited from and deposited to South Coast AQMD’s offset accounts for specified periods between October 1, 1990 and December 31, 2005 and each calendar year from 2006 through 2030 for the purpose of making periodic determinations of compliance. The last annual report submitted to the Board on September 6, 2019 presented the FDE for calendar year 2017 and demonstrated that South Coast AQMD’s NSR program met the federal offset requirements for calendar year 2017.

This report, which presents the PDE covering the calendar year 2018 reporting period, demonstrates compliance with federal NSR requirements by establishing aggregate equivalence with federal offset requirements for sources that were not exempt from federal offset requirements, but were either exempt from South Coast AQMD offset requirements or obtained their offsets from South Coast AQMD pursuant to Regulation XIII.

The PDE for calendar year 2018 is summarized in Table 1. Additionally, the projections of South Coast AQMD’s federal offset account balances for January 2019 through December 2019 and January 2020 through December 2020 as specified and required pursuant to Rule 1315(e) are presented in Table 2. These results demonstrate that there were, and project that there will be, adequate offsets available to mitigate all applicable emission increases during these reporting periods. This report demonstrates that, for calendar years 2018 through 2020, South Coast AQMD’s NSR program continues to meet and is projected to meet federal offset requirements and is equivalent to those requirements on an aggregate basis². Since U.S. EPA designated the South Coast AQMD as attainment with the federal CO standard effective June 11, 2007, South Coast AQMD does not need to report CO accumulated credits and account balances in this report. All data will be maintained in the unlikely event it is needed in the future.

² South Coast AQMD’s NSR program is deemed to be equivalent to federal offset requirements because South Coast AQMD’s ending offset account balances remained positive, indicating there were adequate offsets during this reporting period.

Table 1
PDE for January 2018 through December 2018

DESCRIPTION	VOC	NO _x	SO _x	PM10
2017 Actual Ending Balance^a (tons/day)	107.86	23.74	4.27	16.02
2018 Discount of Credits for Surplus Adjustment ^b (tons/day)	0.00	0.00	0.00	0.00
2018 Starting Balance (tons/day)	107.86	23.74	4.27	16.02
2018 Actual Total Debits ^c (lbs./day)	-326	-385	-120	-467
2018 Actual Total Debits^c (tons/day)	-0.16	-0.19	-0.06	-0.23
2018 Actual Total Credits ^d (lbs./day)	0	0	0	0
2018 Actual Total Credits^d (tons/day)	0.00	0.00	0.00	0.00
2018 Preliminary Ending Balance^e (tons/day)	107.70	23.55	4.21	15.79

^a Updated “2017 Actual Ending Balance”. VOC balance was updated to correct information previously reported in Table 1 of the 2017 FDE dated September 6, 2019.

^b This adjustment is surplus at the time of use discount, which is also discussed in Rule 1315(c)(4). Note: there were no control requirements implemented that became effective during the previous calendar year.

^c For an explanation of the sources of debits please refer to page 7 of this report, as well as Rule 1315(c) and the February 4, 2011 Rule 1315 staff report.

^d PDE does not account for any credits for calendar year 2018. Credits will be included in the Final Determination of Equivalency.

^e “2018 Preliminary Ending Balance” equals the “2017 Actual Ending Balance” reduced by any surplus adjustments and the sum of actual debits.

Table 2
Projections of South Coast AQMD’s Federal Offset Account Balances for
January 2019 through December 2019, and
January 2020 through December 2020^a

DESCRIPTION	VOC	NO _x	SO _x	PM ₁₀
2018 Preliminary Ending Balance^b (tons/day)	107.70	23.55	4.21	15.79
2019 Projected Starting Balance (tons/day)	107.70	23.55	4.21	15.79
2019 Total Projected Debits ^c (lbs./day)	-984	-375	-93	-303
2019 Total Projected Credits ^c (lbs./day)	8,804	2,496	512	1,275
2019 Sum of Projected Debits/Credits^c (lbs./day)	7,820	2,121	419	972
2019 Sum of Projected Debits/Credits^c (tons/day)	3.91	1.06	0.21	0.49
2019 Projected Ending Balance^d (tons/day)	111.61	24.61	4.42	16.28
2020 Projected Starting Balance (tons/day)	111.61	24.61	4.42	16.28
2020 Total Projected Debits ^c (lbs./day)	-984	-375	-93	-303
2020 Total Projected Credits ^c (lbs./day)	8,804	2,496	512	1,275
2020 Sum of Projected Debits/Credits^c (lbs./day)	7,820	2,121	419	972
2020 Sum of Projected Debits/Credits^c (tons/day)	3.91	1.06	0.21	0.49
2020 Projected Ending Balance^e (tons/day)	115.52	25.67	4.63	16.77

- ^a Prior reports included a projected discount of credits for surplus adjustment. However, because the rule does not require such discount for balance projections, this will no longer be included.
- ^b “2018 Preliminary Ending Balance” is as shown in Table 1.
- ^c Projections are based upon the average of the total annual debits and the average of the total annual credits for the five reporting periods most recently included in a PDE or an FDE, pursuant to Rule 1315(e). For an explanation of the sources of debits and credits please refer to page 7 of this report, as well as Rule 1315(c) and the Rule 1315 staff report. Debits are shown as negative and credits as positive, while the sum of debits/credits are shown as negative or positive, as appropriate.
- ^d “2019 Projected Ending Balance” equals the “2018 Preliminary Ending Balance” plus the sum of 2019 projected debits and projected credits.
- ^e “2020 Projected Ending Balance” equals the “2019 Projected Ending Balance” plus the sum of 2020 projected debits and projected credits.

Background

South Coast AQMD originally adopted its New Source Review Rules and Regulations (NSR program) in 1976. U.S. EPA approved South Coast AQMD’s NSR program into the State Implementation Plan (SIP) initially on January 21, 1981 (46FR5965) and again on December 4, 1996 (61FR64291). U.S. EPA approved South Coast AQMD’s May 3,

2002 Rule 1309.1 amendments into the SIP on June 19, 2006 (71FR35157). The original program has evolved into the current version of the Regulation XIII rules in response to federal and state legal requirements and the changing needs of the local environment and economy. Specific amendments to the NSR rules were adopted by the Board on December 6, 2002 to facilitate and provide additional options for credit generation and use. Rule 1315 was adopted and re-adopted on September 8, 2006 and August 3, 2007, respectively. Rule 1309.1 was amended on September 8, 2006 and replaced on August 3, 2007. On November 3, 2008, in response to a law suit filed by a group of environmental organizations, a California State Superior Court Judge in the County of Los Angeles invalidated the August 3, 2007 adopted Rule 1315 and amendments to Rule 1309.1, and prohibited South Coast AQMD from taking any action to implement Rule 1315 or the amendments to Rule 1309.1 until it had prepared a new environmental assessment under the California Environmental Quality Act (CEQA). On February 4, 2011 South Coast AQMD adopted a revised and enhanced version of Rule 1315, which included a new CEQA assessment. U.S. EPA approved Rule 1315 in 2012 (77FR31200).

One element of South Coast AQMD's NSR program design is to offset emission increases in a manner at least equivalent to federal and state statutory NSR requirements. South Coast AQMD's NSR program implements the federal and state statutory requirements for NSR and ensures that construction and operation of new, relocated and modified stationary sources does not interfere with progress towards attainment of the National and State Ambient Air Quality Standards. South Coast AQMD's computerized emission tracking system is used to demonstrate equivalence with federal and state offset requirements on an aggregate basis. Specific NSR requirements of federal law are presented below.

Federal Law

Federal NSR requirements vary with respect to the area's attainment status and classification. Based on their classification in 2007, the South Coast Air Basin (SOCAB) and Salton Sea Air Basin (SSAB) must comply with the requirements for severe 17 and severe non-attainment areas, respectively, for ozone precursors (*i.e.*, VOC and NO_x). However, in May 2010, the SOCAB was re-designated as an extreme non-attainment area for ozone. During the 2018 equivalency period, both the SOCAB and the SSAB complied with their respective requirements for ozone non-attainment and serious non-attainment for PM₁₀ and its precursors (*i.e.*, VOC, NO_x and SO_x)³. SSAB is considered attainment for CO. U.S. EPA designated the SOCAB as attainment with federal CO standards on June 11, 2007. Both SOCAB and SSAB are considered attainment for SO₂ and NO₂,

³ As of July 26, 2013, SOCAB was redesignated as attainment for the federal 24-hour PM₁₀ standard and U.S. EPA approved a PM₁₀ maintenance plan; however, Rule 1303 still requires offsets for PM₁₀ since SOCAB is considered non-attainment for state PM₁₀ Ambient Air Quality Standards, so that pollutant continues to be tracked. Although the Clean Air Act no longer requires offsets for PM₁₀ major sources in SOCAB, PM_{2.5} is not covered by Rule 1315 or Rule 1304 and is subject to Rule 1325 - Federal PM_{2.5} New Source Review Program.

however SOx and NOx are precursors to pollutants for which both SOCAB and SSAB are designated as non-attainment⁴. The Mojave Desert Air Basin (MDAB) under South Coast AQMD’s jurisdiction is unclassifiable. Federal law requires the use of Lowest Achievable Emission Rate (LAER) and offsets for emissions of nonattainment pollutants (or their precursors) for new, modified, and relocated stationary sources, when the source is considered a major stationary source⁵ for the nonattainment pollutants (or their precursors). This report demonstrates compliance with the federal NSR offsets requirements.

Overview of Analysis Methodology

The two most important elements of federal non-attainment NSR requirements are LAER and emission offsetting for major sources. As set forth in South Coast AQMD’s Best Available Control Technology (BACT) Guidelines, South Coast AQMD’s BACT requirements are at least as stringent as federal LAER for major sources. Furthermore, the NSR emission offset requirements that South Coast AQMD implements through its permitting process ensure that sources provide emission reduction credits (ERCs) to offset their emission increases in compliance with federal requirements. As a result, these sources comply with federal offset requirements by providing ERCs. However, certain sources are exempt from South Coast AQMD’s offset requirements pursuant to Rule 1304 or qualify for offsets from South Coast AQMD’s Community Bank (applications received between October 1, 1990 and February 1, 1996 only) or Priority Reserve, both pursuant to Rule 1309.1. Providing offset exemptions and the Priority Reserve (as well as the previously-administered Community Bank) is important to the NSR program and the local economy. Therefore, South Coast AQMD has assumed the responsibility of providing the necessary offsets for exempt sources, the Priority Reserve, and the Community Bank. This report examines withdrawals from South Coast AQMD emission offset accounts during calendar year 2018 and demonstrates programmatic equivalence on an aggregate basis with federal emission offset requirements for the sources exempt from providing offsets and the sources that receive offsets from the Priority Reserve or the Community Bank.

⁴ SOx is a precursor to PM10 (and PM2.5) and NOx is a precursor to both PM10 (and PM2.5) and ozone.

⁵ The major source thresholds for SOCAB, SSAB and MDAB, based on their attainment status during calendar year 2018 reporting periods are summarized below:

Pollutant	SOCAB	SSAB	MDAB
VOC	10 tons/year	25 tons/year	100 tons/year
NOx	10 tons/year	25 tons/year	100 tons/year
SOx	70 tons/year	70 tons/year	100 tons/year
PM10	70 tons/year	70 tons/year	100 tons/year
CO	50 tons/year	100 tons/year	100 tons/year

South Coast AQMD's Offset Accounts

For the purposes of this report, federal debit and credit accounting for South Coast AQMD offset accounts was conducted pursuant to the same procedures previously agreed to by U.S. EPA and as delineated in Rule 1315 and described in the staff report dated January 7, 2011. Each of the pollutants subject to offset requirements has its own federal offset account. South Coast AQMD's NSR program is considered to provide equivalent or greater offsets of emissions as required by federal requirements for each subject pollutant provided the balance of offsets in South Coast AQMD's federal offset account for each pollutant remains positive, indicating that there were adequate offsets available.

Debit Accounting

Staff tracks all emission increases that are offset through the Priority Reserve or the Community Bank, as well as all increases that are exempt from offset requirements pursuant to Rule 1304 – Exemptions. These increases are all debited from South Coast AQMD's federal offset accounts when they occur at federal major sources. For federal equivalency demonstrations, South Coast AQMD uses an offset ratio of 1.2-to-1.0 for extreme non-attainment pollutants (ozone and ozone precursors, *i.e.*, VOC and NO_x) and uses 1.0-to-1.0 for all other non-attainment pollutants (non-ozone precursors, *i.e.*, SO_x and PM₁₀) to offset any such increases. That is, 1.2 pounds are deducted from South Coast AQMD offset accounts for each pound of maximum allowable permitted potential to emit VOC or NO_x increase at a major source and 1.0 pound is deducted for each pound of maximum allowable permitted potential to emit SO_x or PM₁₀ at a major source. A more detailed description of federal debit accounting is provided in the Rule 1315 staff report dated January 7, 2011 and Rule 1315(c)(2).

Furthermore, to comply with U.S. EPA's NSR Reform requirements applicable to extreme non-attainment areas for ozone, the South Coast AQMD tracks changes to facility-wide limits under Rule 1304 – Exemptions, and debits any increases from the federal offset accounts accordingly.

Credit Accounting

When emissions from a permitted source are permanently reduced (*e.g.*, installation of control equipment, removal of the source) and the emission reduction is not required by rule or law and is not called for by an AQMP control measure that has been assigned a target implementation date⁶, the permit holder may apply for ERCs for the pollutants reduced. If the permit holder for the source generating the emission reduction had previously received offsets from South Coast AQMD or has a "positive NSR balance" (*i.e.*, pre-1990 net emission increase), the quantity of South Coast AQMD offsets used or the amount of the positive NSR balance is subtracted from the reduction and "paid back" to South Coast AQMD's accounts prior to issuance of an ERC pursuant to Rule 1306.

⁶ Refer to Rule 1309(b) for a complete explanation of eligibility requirements.

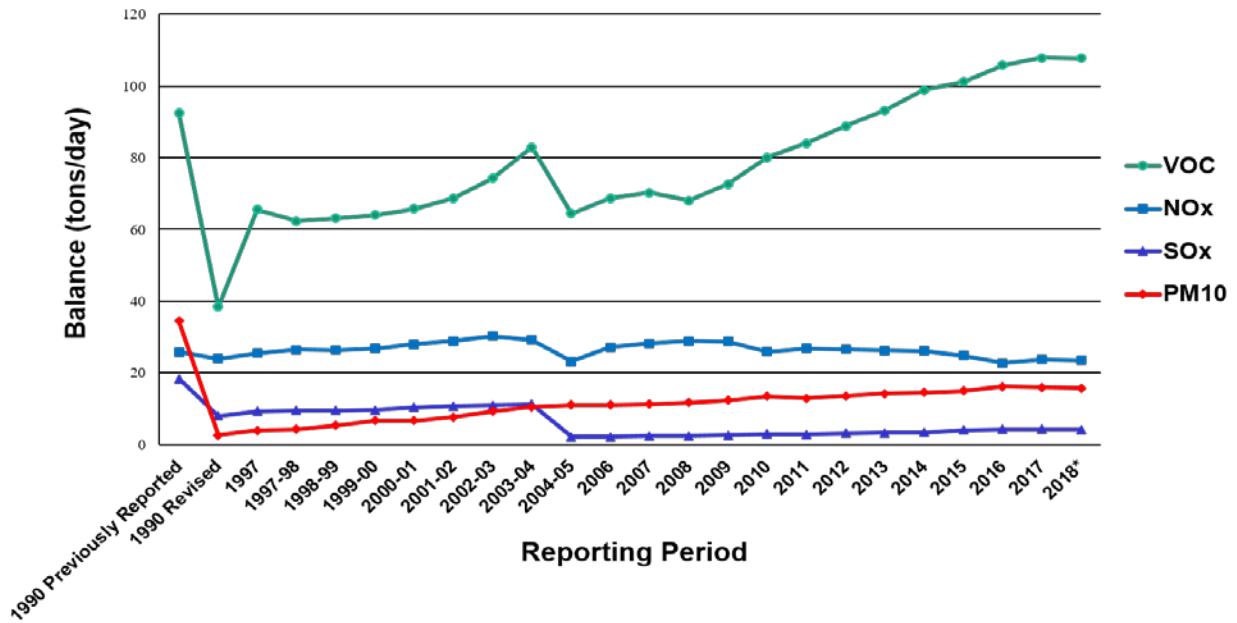
In certain other cases, permit holders do not always submit applications to claim ERCs or do not qualify to obtain ERCs for their equipment shutdowns or other eligible emission reductions. These unclaimed reductions are referred to as “orphan shutdowns” and are deposited in South Coast AQMD’s offset accounts. ERCs provided as offsets by major sources in excess of the applicable federally-required offset ratio and all ERCs provided as offsets by minor sources not subject to federal offset requirements are also deposited in South Coast AQMD’s federal offset accounts. A more detailed description of federal credit accounting is provided in Rule 1315(c)(3)(A) and its staff report dated January 7, 2011.

Determination of Equivalency with Federal Offset Requirements

Figure 1 illustrates South Coast AQMD’s federal offset account balances for calendar years 1990 and after. The calendar year 2018 balances are based on preliminary determinations.

Figure 1:

South Coast AQMD’s Federal Offset Account Balances (1990 – 2018*)



***Preliminary determination**

The federal offset requirements PDE for calendar year 2018 and the projections for calendar years 2019 and 2020 are summarized in Tables 1 and 2, respectively. The detailed listing of actual final withdrawals, deposits, and sum of withdrawals and deposits

are shown in Tables A and B of Attachment 1 to this letter; the account balances shown in Tables A and B reflect the tracking sequence described under Rule 1315(c)(5).

Conclusions

The analysis presented in this report demonstrates the following:

- For calendar year 2018, South Coast AQMD's NSR program provided equivalent offsets to those required by federal NSR requirements. The program is at least preliminarily equivalent to the federal requirements on an aggregate basis because the preliminary ending offset account balances for the calendar year reporting period, as shown in Table 1, remained positive for all pollutants.
- South Coast AQMD's projected offset account balances for 2019 and 2020 are projected to remain positive. This means that the sum of the estimated withdrawals from and deposits to South Coast AQMD's offset accounts during 2019 and 2020 are projected to remain positive.

Attachments

1. Detailed listing of actual debits, preliminary credits, and sum of debits and credits
2. Board Meeting Presentation

ATTACHMENT 1

Detailed listing of actual final debits, credits and sum of debits and credits

Table A
Total Actual Debits from South Coast AQMD's Federal Offset Accounts
(January 2018 through December 2018)

DISTRICT OFFSETS USED	VOC	NOx	SOx	PM10
Priority Reserve (lbs./day)	-13	-11	0	0
Community Bank (lbs./day)	-4	0	0	0
Rule 1304 Exemptions (lbs./day)	-255	-310	-120	-467
Sum Total of South Coast AQMD Offsets (lbs./day)	-272	-321	-120	-467
1.2-to-1.0 Offset Ratio (lbs./day)	-54	-64	N/A	N/A
Total Actual Debits to South Coast AQMD Account (lbs./day)	-326	-385	-120	-467
Total Actual Debits to South Coast AQMD Account (tons/day)	-0.16	-0.19	-0.06	-0.23

Table B
Sum of Preliminary Debits/Credits Activities in
South Coast AQMD's Federal Offset Accounts
(January 2018 through December 2018)

	VOC	NOx	SOx	PM10
Total Actual Debits* (lbs./day)	-326	-385	-120	-467
Total Actual Credits* (lbs./day)	0	0	0	0
Sum of Actual Debits(-)/Credits(+)* (lbs./day)	-326	-385	-120	-467
Sum of Actual Debits(-)/Credits(+)* (tons/day)	-0.16	-0.19	-0.06	-0.23

* Debits are shown as negative and Credits as positive, while their sum is shown as negative or positive, as appropriate. No credits are accounted for in the Preliminary Determination of Equivalency analysis.



Status Report on Regulation XIII – New Source Review

Governing Board Meeting
February 7, 2020



NSR Status Report Overview

Purpose:

Demonstrate South Coast AQMD's NSR program meets federal NSR offset requirements for Major Sources, as required by EPA, for sources that are exempt from offsets under South Coast AQMD's NSR rule



NSR Status Report History

- South Coast AQMD has produced Annual NSR Status Reports since 1990
- Around 2002-2004 EPA requested South Coast AQMD adopt a rule to memorialize equivalency demonstrations
- Rule 1315 - Federal NSR Tracking System adopted in 2006/2007 and revised February 2011
- EPA approved Rule 1315 into the SIP and it became effective on June 25, 2012



Rule 1315

Federal NSR Tracking System

- Rule 1315 established procedures to demonstrate equivalency with federal NSR offset requirements
 - Tracks debits from and credits to South Coast AQMD's federal internal offset account for each pollutant
 - Annual Preliminary Determinations of Equivalency (PDE), Final Determinations of Equivalency (FDE) and Projections
 - Balances in South Coast AQMD's federal offset accounts must remain positive



South Coast AQMD's Federal NSR Offset Accounts Preliminary Determination of Equivalency (PDE)* Calendar Year (CY) 2018

DESCRIPTION	VOC	NOx	SOx	PM10
2017 Final Ending Balance (tons/day)	107.86	23.74	4.27	16.02
2018 Total Discount of Credits for Surplus Adjustment (tons/day)	0.00	0.00	0.00	0.00
2018 Total Debits (tons/day)*	-0.16	-0.19	-0.06	-0.23
2018 Total Credits (tons/day)	0.00	0.00	0.00	0.00
2018 Preliminary Ending Balance (tons/day)	107.70	23.55	4.21	15.79

***The PDE does not account for any credits for CY 2018. Credits will be included in the Final Determination of Equivalency.**



South Coast AQMD's Projected Federal NSR Offset Accounts CY 2019

DESCRIPTION	VOC	NOx	SOx	PM10
2018 Preliminary Ending Balance (tons/day)	107.70	23.55	4.21	15.79
2019 Total Projected Debits (tons/day)	-0.49	-0.19	-0.05	-0.15
2019 Total Projected Credits (tons/day)	4.40	1.25	0.26	0.64
2019 Projected Ending Balance (tons/day)	111.61	24.61	4.42	16.28

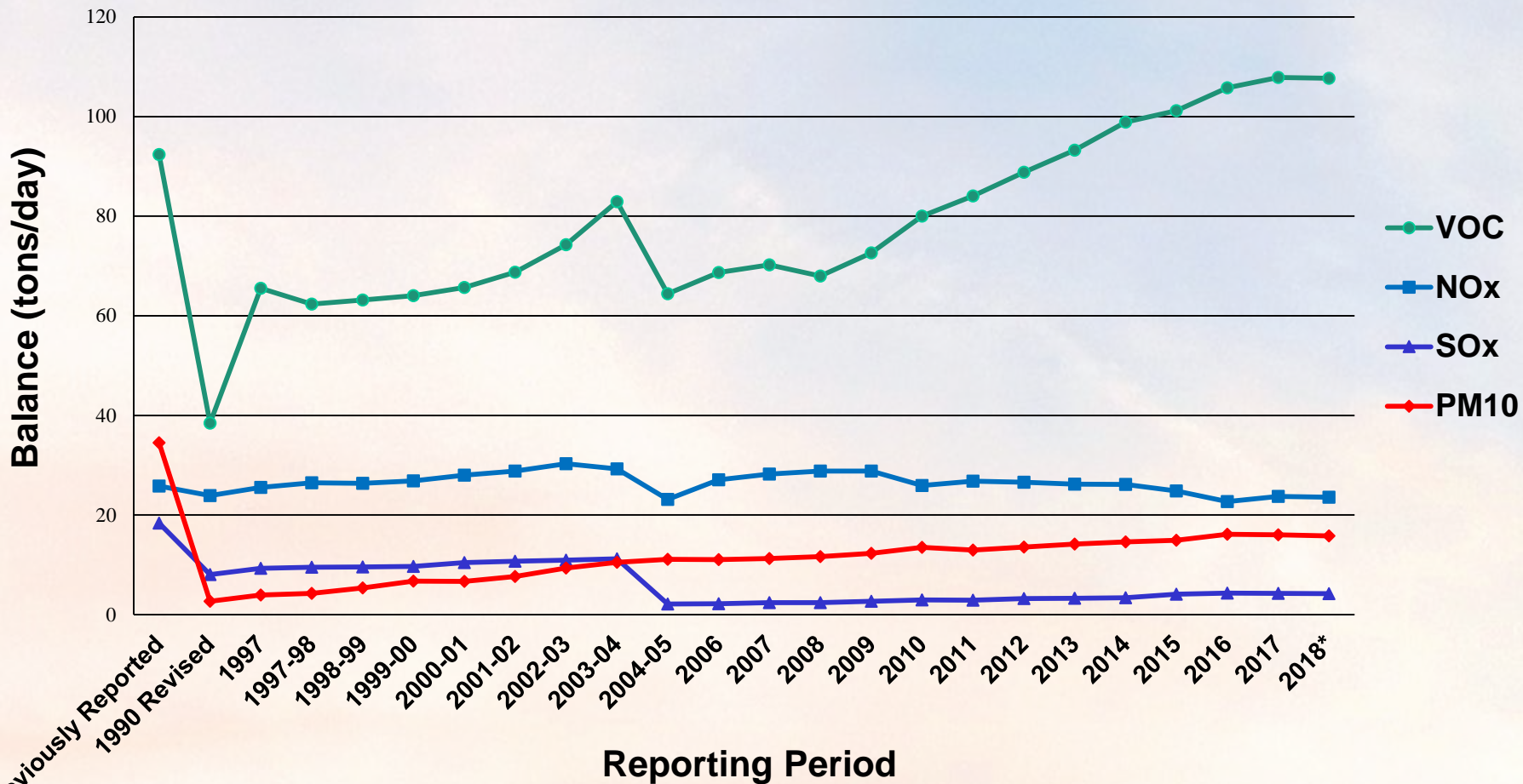


South Coast AQMD's Projected Federal NSR Offset Accounts CY 2020

DESCRIPTION	VOC	NOx	SOx	PM10
2019 Projected Ending Balance (tons/day)	111.61	24.61	4.42	16.28
2020 Total Projected Debits (tons/day)	-0.49	-0.19	-0.05	-0.15
2020 Total Projected Credits (tons/day)	4.40	1.25	0.26	0.64
2020 Projected Ending Balance (tons/day)	115.52	25.67	4.63	16.77



South Coast AQMD's Federal Offset Account Balances (1990 – 2018*)



*Preliminary determination



Conclusions

- The preliminary analysis for CY 2018 shows South Coast AQMD's NSR program continued to be at least equivalent to the federal NSR offset requirements
- For CYs 2019 and 2020 it is also projected that South Coast AQMD's NSR program will continue to be equivalent to the federal NSR offset requirements
- The Final Determination of Equivalency for CY 2018 will be presented to the Board at its September 2020 meeting

BOARD MEETING DATE: February 7, 2020

AGENDA NO. 25

PROPOSAL: Determine That Proposed Amendments to Rule 1107 – Coating of Metal Parts and Products, are Exempt from CEQA and Amend Rule 1107

SYNOPSIS: Rule 1107 was adopted in 1979 and last amended in 2006 and establishes VOC limits for most metal coatings operations. Proposed Amended Rule 1107 will be amended to be consistent with Reasonably Available Control Technology requirements as recommended in U.S. EPA’s Control Techniques Guidelines for Miscellaneous Metal and Plastic Parts Coatings (September 2008). Proposed Amended Rule 1107 revises exemptions, adds work practices for coating-related activities, updates test methods, removes obsolete provisions, and provides additional clarifications.

COMMITTEE: Stationary Source, January 24, 2020, Reviewed

RECOMMENDED ACTIONS:

Adopt the attached Resolution:

1. Determining that the proposed amendments to Rule 1107 – Coating of Metal Parts and Products, are exempt from the requirements of the California Environmental Quality Act; and
2. Amending Rule 1107 – Coating of Metal Parts and Products.

Wayne Natri
Executive Officer

PMF:SN:MM

Background

Rule 1107 – Coating of Metal Parts and Products, was adopted in June 1979 to control volatile organic compound (VOC) emissions from metal coating operations. The rule has been amended 17 times, with the last amendment in January 2006. Rule 1107 establishes VOC limits for 22 categories of coatings classified as air-dried (cured below 194 degrees F) or baked (cured at or above 194 degrees F).

Non-attainment areas, such as the South Coast AQMD, are required to implement recommendations in applicable Control Techniques Guidelines (CTG). U.S. EPA issued a CTG for Miscellaneous Metal and Plastic Parts Coatings in September 2008. CARB also requested that the limits for baked metallic and baked camouflage coatings be reduced to be consistent with other air districts rules.

Proposed Amended Rule (PAR) 1107 addresses the Reasonably Available Control Technology (RACT) deficiencies raised by U.S. EPA and the changes to VOC limits requested by CARB.

Public Process

A public workshop was held on December 4, 2019.

Proposed Amendments

PAR 1107 will remove the exemptions for high-performance architectural, vacuum-metalizing, and pretreatment coatings. The high-volume exemption for electrocoatings will also be removed. The VOC limits for baked metallic and baked camouflage coatings will be reduced from 420 grams/liter (g/L) to 360 g/L as requested by CARB. The coating technology in these coating categories has been in use for two decades and these limits have been in place in multiple air districts during that time. Work practices will be added to require that VOC-containing materials and VOC-laden application tools and waste be stored in closed containers. A test method has been added to reflect changes to U.S. EPA's technical guidance document for capture efficiency. These amendments will make Rule 1107 consistent with U.S. EPA's CTGs and address CARB's request.

Additionally, PAR 1107 includes a definition for Energy Curable Coatings and provides manufacturers a test method to measure VOC content. Test method ASTM D7767-11 (2018) provides manufacturers a test method to more accurately determine VOC content for recordkeeping and reporting. PAR 1107 also updates test methods, exempts high-viscosity coatings from transfer efficiency requirements, removes obsolete provisions, and adds clarifications.

Emission Reductions

PAR 1107 is not expected to result in direct emission reductions and will not increase costs because manufacturers are already achieving the VOC emission limits.

Key Issues

Staff is not aware of any key issues.

California Environmental Quality Act

Pursuant to the California Environmental Quality Act (CEQA), the South Coast AQMD, as Lead Agency, has prepared a Notice of Exemption pursuant to CEQA Guidelines Section 15062 – Notice of Exemption for the proposed project. Proposed Amended Rule 1107 has been reviewed pursuant to: 1) CEQA Guidelines Section 15002(k) – General Concepts, the three-step process for deciding which document to prepare for a project subject to CEQA; and 2) CEQA Guidelines Section 15061 – Review for Exemption, procedures for determining if a project is exempt from CEQA. Since Proposed Amended Rule 1107 does not contain any project elements requiring physical modifications that would cause an adverse effect on the environment, it can be seen with certainty that there is no possibility that the proposed project may have a significant adverse effect on the environment. Therefore, the project is exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) – Common Sense Exemption. If the project is approved, the Notice of Exemption will be filed with the county clerks of Los Angeles, Orange, Riverside, and San Bernardino counties.

Socioeconomic Analysis

The amendments proposed are not expected to impose any additional costs to facilities or result in other socioeconomic impacts. The proposed amendments do not significantly affect air quality or emissions limitations since facilities are already using compliant coatings, and therefore, no socioeconomic analysis is required under California Health and Safety Code Sections 40440.8 and 40728.5.

AQMP and Legal Mandates

Proposed Amended Rule 1107 partially implements 2016 AQMP Control Measure CTS-01: Further Emission Reductions from Coatings, Solvents, Adhesives, and Sealants. The amendments address RACT deficiencies raised by U.S. EPA and changes to VOC limits requested by CARB to be consistent with other air districts rules.

Resource Impacts

Existing staff resources are adequate to implement the proposed amendments.

Attachments

- A. Summary of Proposal
- B. Key Issues and Responses
- C. Rule Development Process
- D. Key Contacts List
- E. Resolution
- F. Proposed Amended Rule 1107
- G. Final Staff Report
- H. Notice of Exemption
- I. Board Meeting Presentation

ATTACHMENT A

SUMMARY OF PROPOSAL

Proposed Amended Rule 1107 – Coating of Metal Parts and Products

Definitions

- Adds Energy Curable Coatings and provides manufacturers a test method (ASTM D7767-11 (2018)) to measure volatile organic compound (VOC) content

Requirements

- Reduces VOC limits for baked metallic and baked camouflage coatings from 420 grams/liter (g/L) to 360 g/L
- Includes provision for VOC-containing materials and VOC-laden application tools and waste to be stored and disposed in closed containers

Methods of Analysis

- Adds test method for capture efficiency to reflect changes to U.S. EPA's technical guidance document
- Adds titles of test methods for clarity

Exemptions

- Removes high-performance architectural, vacuum-metalizing, and pretreatment coating exemptions for facilities that emit less than 10 tons per year of VOC
- Removes high volume exemption for electrocoatings
- Includes exemption from transfer efficiency for high-viscosity coatings

ATTACHMENT B

KEY ISSUES AND RESPONSES

Proposed Amended Rules 1107 – Coating of Metal Parts and Products

Staff is not aware of any remaining key issues.

ATTACHMENT C

RULE DEVELOPMENT PROCESS

Proposed Amended Rules 1107 – Coating of Metal Parts and Products



Three (3) months spent in rule development.

One (1) Public Workshop.

One (1) Stationary Source Committee Meeting.

ATTACHMENT D

KEY CONTACTS LIST

Proposed Amended Rule 1107 – Coating of Metal Parts and Products

- * American Coatings Association
- * Boral Industries
- * California Air Resources Board
- * Cardinal Paint
- * Clow Valve
- * Embee Processing
- * ITW Polymer Sealants
- * Metropolitan Water District
- * RadTech International
- * SA Recycling
- * Sherwin Williams
- * Southern California Edison
- * U.S. Environmental Protection Agency

ATTACHMENT E

RESOLUTION NO. 20-____

A Resolution of the Governing Board of the South Coast Air Quality Management District (South Coast AQMD) determining that Proposed Amended Rule 1107 – Coating of Metal Parts and Products, is exempt from the requirements of the California Environmental Quality Act (CEQA).

A Resolution of the South Coast AQMD Governing Board amending Rule 1107 – Coating of Metal Parts and Products

WHEREAS, the South Coast AQMD Governing Board finds and determines that the Proposed Amended Rule 1107 is considered a “project” pursuant to CEQA Guidelines Section 15002(k) – General Concepts, the three-step process for deciding which document to prepare for a project subject to CEQA; and

WHEREAS, the South Coast AQMD has had its regulatory program certified pursuant to Public Resources Code Section 21080.5 and CEQA Guidelines Section 15251(l) and has conducted a CEQA review pursuant to such program (South Coast AQMD Rule 110); and

WHEREAS, the South Coast AQMD Governing Board finds and determines that after conducting a review of the proposed project in accordance with CEQA Guidelines Section 15002(k) – General Concepts, the three-step process for deciding which document to prepare for a project subject to CEQA, and CEQA Guidelines Section 15061 - Review for Exemption, procedures for determining if a project is exempt from CEQA, that Proposed Amended Rule 1107 is exempt from CEQA; and

WHEREAS, the South Coast AQMD Governing Board finds and determines that, because the project would not cause any physical changes that would affect any environment topic area, it can be seen with certainty that there is no possibility that the Proposed Amended Rule 1107 may have any significant effects on the environment, and is therefore exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) – Common Sense Exemption; and

WHEREAS, the South Coast AQMD staff has prepared a Notice of Exemption for Proposed Amended Rule 1107 that is completed in compliance with CEQA Guidelines Section 15062 – Notice of Exemption; and

WHEREAS, Proposed Amended Rule 1107 and supporting documentation, including but not limited to, the Notice of Exemption and the Final Staff Report, were presented to the South Coast AQMD Governing Board and the South Coast AQMD Governing Board has reviewed and considered this information, as well as has taken and considered staff testimony and public comment prior to approving the project; and

WHEREAS, Proposed Amended Rule 1107 will be submitted for inclusion into the State Implementation Plan; and

WHEREAS, the South Coast AQMD staff conducted a Public Workshop regarding Proposed Amended Rule 1107 on December 4, 2019; and

WHEREAS, Health and Safety Code Section 40727 requires that prior to adopting, amending or repealing a rule or regulation, the South Coast AQMD Governing Board shall make findings of necessity, authority, clarity, consistency, non-duplication, and reference based on relevant information presented at the public hearing and in the Final Staff Report; and

WHEREAS, the South Coast AQMD Governing Board has determined that Proposed Amended Rule 1107 is needed to revise exemptions and amend work practices to be consistent with Reasonably Available Control Technology requirements as recommended in United States Environmental Protection Agency's *Control Techniques Guidelines for Miscellaneous Metal and Plastic Parts Coatings (September 2008)*; and

WHEREAS, the South Coast AQMD Governing Board obtains its authority to adopt, amend or repeal rules and regulations from Sections 39002, 40000, 40001, 40440, 40702, 40725 through 40728, and 41508 of the Health and Safety Code; and

WHEREAS, the South Coast AQMD Governing Board has determined that Proposed Amended Rule 1107 is written or displayed so that the meaning can be easily understood by the persons directly affected by it; and

WHEREAS, the South Coast AQMD Governing Board has determined that Proposed Amended Rule 1107 is in harmony with and not in conflict with or contradictory to, existing statutes, court decisions, or state or federal regulations; and

WHEREAS, the South Coast AQMD Governing Board has determined that Proposed Amended Rule 1107 will not impose the same requirements as any existing state or federal regulations. The amendments are necessary and proper to execute the powers and duties granted to, and imposed upon, South Coast AQMD; and

WHEREAS, the South Coast AQMD Governing Board, in amending Rule 1107, references the following statutes which the South Coast AQMD hereby implements, interprets, or makes specific: Health and Safety Code Sections 39002, 40001, 40702, 40440(a), 40725 through 40728.5; and

WHEREAS, California Health and Safety Code Section 40727.2 requires the South Coast AQMD to prepare a written analysis of existing federal air pollution control requirements applicable to the same source type being regulated whenever it adopts, or amends a rule, and the South Coast AQMD's comparative analysis of Proposed Amended Rule 1107 is included in the staff report; and

WHEREAS, the South Coast AQMD Governing Board finds that there is a problem that Proposed Amended Rule 1107 will alleviate and that the proposed amended

rule will promote the attainment or maintenance of state or federal ambient air quality standards; and

WHEREAS, the South Coast AQMD Governing Board finds that Proposed Amended Rule 1107 does not significantly affect air quality or emissions limitations, and therefore a socioeconomic impact assessment, pursuant to Health and Safety Code Sections 40440.8, 40728.5, or 40920.6 is not required; and

WHEREAS, the South Coast AQMD specifies the Planning and Rules Manager of Rule 1107 as the custodian of the documents or other materials which constitute the record of proceedings upon which the adoption of these proposed amendments is based, which are located at the South Coast Air Quality Management District, 21865 Copley Drive, Diamond Bar, California; and

WHEREAS, a public hearing has been properly noticed in accordance with the provisions of Health and Safety Code Section 40725; and

WHEREAS, the South Coast AQMD Governing Board has held a public hearing in accordance with all provisions of law; and

NOW, THEREFORE, BE IT RESOLVED, that the South Coast AQMD Governing Board does hereby determine, pursuant to the authority granted by law, that Proposed Amended Rule 1107 is exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) – Common Sense Exemption. This information was presented to the South Coast AQMD Governing Board, whose members reviewed, considered and approved the information therein prior to acting on Proposed Amended Rule 1107; and

BE IT FURTHER RESOLVED, that the South Coast AQMD Governing Board does hereby adopt, pursuant to the authority granted by law, Proposed Amended Rule 1107 as set forth in the attached, and incorporated herein by reference.

DATE: _____

CLERK OF THE BOARDS

ATTACHMENT F

(Adopted June 1, 1979)(Amended December 4, 1981)(Amended May 7, 1982)
(Amended December 2, 1983)(Amended March 2, 1984)(Amended January 9, 1987)
(Amended June 5, 1987)(Amended May 5, 1989)(Amended March 2, 1990)
(Amended November 2, 1990)(Amended August 2, 1991)(Amended May 12, 1995)
(Amended March 8, 1996)(Amended August 14, 1998)
(Amended November 17, 2000)(Amended November 9, 2001)
(Amended November 4, 2005)(Amended January 6, 2006)
(PAR 1107 February 2020)

PROPOSED AMENDED RULE 1107. COATING OF METAL PARTS AND PRODUCTS

[Rule Index to be included after adoption]

(a) Purpose and Applicability

The purpose of Rule 1107 is to reduce volatile organic compound (VOC) emissions from the coating of metal parts and products. This rule applies to all metal coatings operations except those performed on aerospace assembly, magnet wire, marine craft, motor vehicle, metal container, and coil coating operations. This rule does not apply to the coating of architectural components coated at the structure site or at a temporary unimproved location designated exclusively for the coating of structural components.

(b) Definitions

For the purpose of this rule, the following definitions shall apply:

- (1) AEROSOL COATING PRODUCT is a pressurized coating product containing pigments or resins that dispenses product ingredients by means of a propellant, and is packaged in a disposable can for hand-held application, or for use in specialized equipment for ground traffic/marketing applications.
- (2) AIR-DRIED COATING is a coating that is cured at a temperature below 90°C (194°F).
- (3) ALTERNATIVE EMISSION CONTROL PLAN is a plan that allows a source to demonstrate an alternative method of rule compliance, pursuant to Rule 108 – Alternative Emission Control Plans.
- (4) BAKED COATING is a coating that is cured at a temperature at or above 90°C (194°F).
- (5) CAMOUFLAGE COATING is a coating used, principally by the military, to conceal equipment from detection.

- (6) CAPTURE EFFICIENCY is the percentage of ~~volatile organic compounds~~ VOCs used, emitted, evolved, or generated by the operation, that are collected and directed to an air pollution control device.
- (7) CATALYST is a substance that alters the rate of a chemical reaction without participating in that reaction or changing during the course of that reaction.
- (8) COATING is a material which is applied to a surface and which forms a continuous film in order to beautify and/or protect such surface.
- (9) CONTRACT PAINTER is a non-manufacturer of metal parts and products who applies coatings to such products at his facility exclusively under contract with one or more parties that operate under separate ownership and control.
- (10) DIP COATING is a method of applying coatings to a substrate by submersion into and removal from a coating bath.
- (11) ELECTRIC-INSULATING VARNISH is a non-convertible-type coating applied to electric motors, components of electric motors, or power transformers, to provide electrical, mechanical, and environmental protection or resistance.
- (12) ELECTRIC-INSULATING AND THERMAL-CONDUCTING COATING is a coating that displays an electrical insulation of at least 1000 volts DC per mil on a flat test plate and an average thermal conductivity of at least 0.27 BTU per hour-foot-degree-Fahrenheit.
- (13) ELECTROCOATING is a process that uses coating concentrates or pastes added to a water bath. The coating is applied by using an electrical current in either an anodic or cathodic process.
- (14) ELECTROSTATIC APPLICATION is a method of applying coating particles or coating droplets to a grounded substrate by electrically charging them.
- (15) ENERGY CURABLE COATINGS are single-component reactive products that cure upon exposure to visible-light, ultra-violet light, or an electron beam. The VOC content of thin film energy curable coatings may be measured by manufacturers using ASTM D7767-11 (2018) – Standard Test Method to Measure Volatiles from Radiation Curable Acrylate Monomers, Oligomers, and Blends and Thin Coatings Made from Them.
- ~~(15)~~ (16) ESSENTIAL PUBLIC SERVICE COATING is a protective (functional) coating applied to components of power, water, and natural gas production, transmission, or distribution systems during repair and maintenance procedures.
- ~~(16)~~ (17) ETCHING FILLER is a coating that contains less than 23 percent solids by weight and at least 1/2-percent acid by weight, and is used instead of applying a pretreatment coating followed by a primer.

- (1718) EXEMPT COMPOUNDS (see Rule 102_–_Definition of Terms).
- (1819) EXTREME HIGH-GLOSS COATING is a coating which, when tested by the American Society for Testing Material ASTM –Test Method D-523-14 (2018) – Standard Test Method for Specular Gloss ~~adopted in 1980~~, shows a reflectance of 75 or more on a 60° meter.
- (1920) EXTREME-PERFORMANCE COATING is a coating used on a metal surface where the coated surface is, in its intended use, subject to the following:
- (A) Chronic exposure to corrosive, caustic or acidic agents, chemicals, chemical fumes, chemical mixtures, or solution; or
 - (B) Repeated exposure to temperatures in excess of 250°-F; or
 - (C) Repeated heavy abrasion, including mechanical wear and repeated scrubbing with industrial grade solvents, cleansers, or scouring agents.
- (2021) FLOW COAT is a non-atomized technique of applying coatings to a substrate with a fluid nozzle in a fan pattern with no air supplied to the nozzle.
- (2122) GRAMS OF VOC PER LITER OF COATING LESS WATER AND LESS EXEMPT COMPOUNDS is the weight of VOC per combined volume of VOC and coating solids and can be calculated by the following equation:

Grams of VOC per Liter of Coating Less Water and Less Exempt Compounds

$$= \frac{W_s - W_w - W_{es}}{V_m - V_w - V_{es}}$$

- Where:
- W_s = weight of volatile compounds in grams
 - W_w = weight of water in grams
 - W_{es} = weight of exempt compounds in grams
 - V_m = volume of material in liters
 - V_w = volume of water in liters
 - V_{es} = volume of exempt compounds in liters

- (2223) GRAMS OF VOC PER LITER OF MATERIAL is the weight of VOC per volume of material and can be calculated by the following equation:

$$\text{Grams of VOC per Liter of Material} = \frac{W_s - W_w - W_{es}}{V_m}$$

- Where:
- W_s = weight of volatile compounds in grams
 - W_w = weight of water in grams
 - W_{es} = weight of exempt compounds in grams

V_m = volume of material in liters

- (2324) HAND APPLICATION METHODS is the application of coatings by manually held non-mechanically operated equipment. Such equipment includes paintbrushes, hand rollers, caulking guns, trowels, spatulas, syringe daubers, rags, and sponges.
- (2425) HARDENER is a substance or mixture of substances that controls the viscosity of the reactants and products of a chemical reaction; while participating in chemical reaction and becoming part of the product or products of chemical reaction.
- (2526) HEAT-RESISTANT COATING is a coating that must withstand a temperature of at least 400°F during normal use.
- (2627) HIGH-PERFORMANCE ARCHITECTURAL COATING is a coating used to protect architectural subsections and which meets the requirements of the Architectural Aluminum Manufacturer Association's publication numbers AAMA 605.2-19802604-05 – Voluntary Specification, Performance Requirements and Test Procedures for High Performance Organic Coatings on Aluminum Extrusions and Panels or AAMA 2605-05 – Voluntary Specification, Performance Requirements and Test Procedures for Superior Performing Organic Coatings on Aluminum Extrusions and Panels.
- (2728) HIGH-TEMPERATURE COATING is a coating that is certified to withstand a temperature of 1000°F for 24 hours.
- (2829) HIGH-VOLUME, LOW-PRESSURE (HVLP) SPRAY is a coating application system which is designed to be operated and which is operated between 0.1 and 10 pounds per square inch gauge (psig) air pressure, measured dynamically at the center of the air cap and the air horns.
- (2930) INK is a fluid that contains dyes and/or colorants and is used to make markings but not to protect surfaces.
- (3031) MAGNETIC DATA STORAGE DISK COATING is a coating used on a metal disk which stores data magnetically.
- (3132) METAL PARTICLES are pieces of an elemental pure metal or a combination of elemental metals.
- (3233) METAL PARTS AND PRODUCTS are any components or complete units fabricated from metal, except those subject to the coating provisions of other source specific rules of Regulation XI – Source Specific Standards.
- (3334) METALLIC COATING is a coating which contains more than 5 grams of metal particles per liter of coating, as applied.
- (3435) MIL is 0.001 inch.

- (3536) MILITARY SPECIFICATION COATING is a coating applied to metal parts and products and which has a paint formulation approved by a United States Military Agency for use on military equipment.
- (3637) MOLD-SEAL COATING is the initial coating applied to a new mold or repaired mold to provide a smooth surface which, when coated with a mold release coating, prevents products from sticking to the mold.
- (3738) MOTOR VEHICLE is a passenger car, light-duty truck, medium-duty vehicle, or heavy-duty vehicle as defined in ~~Section 1902, Title 13, of the California Administrative Code, Section 1902.~~
- (3839) MULTI-COMPONENT COATING is a coating requiring the addition of a separate reactive resin, commonly known as a catalyst or hardener, before application to form an acceptable dry film.
- (3940) ONE-COMPONENT COATING is a coating that is ready for application as it comes out of its container to form an acceptable dry film. A thinner, necessary to reduce the viscosity, is not considered a component.
- (4041) OPTICAL ANTI-REFLECTION COATING is a coating with a low reflectance in the infrared and visible wavelength range and is used for anti-reflection on or near optical and laser hardware.
- (4142) PAN-BACKING COATING is a coating applied to the surface of pots, pans, or other cooking implements that are exposed directly to a flame or other heating elements.
- (4243) PHOTORESIST COATING is a coating applied directly to a metal substrate to protect surface areas when chemical milling, etching, or other chemical surface operations are performed on the substrate.
- (4344) PHOTORESIST OPERATION is a process for the application and development of photoresist coating on a metal substrate, including preparation (except primary cleaning), soft bake, development, hard bake, and stripping, and can be generally subdivided as follows:
- (A) NEGATIVE PHOTORESIST OPERATION is a process where the photoresist hardens when exposed to light and the unhardened photoresist is stripped, exposing the metal surface for etching.
 - (B) POSITIVE PHOTORESIST OPERATION is a process where the photoresist softens when exposed to light and the softened photoresist is stripped, exposing the metal surface for etching.

- (4445) PREFABRICATED ARCHITECTURAL COMPONENT COATINGS are coatings applied to metal parts and products which are to be used as an architectural structure.
- (4546) PRETREATMENT COATING is a coating which contains no more than 12 percent solids by weight, and at least 1/2-percent acid, by weight, is used to provide surface etching, and is applied directly to metal surfaces to provide corrosion resistance, adhesion, and ease of stripping.
- (4647) REACTIVE DILUENT is a liquid which is a VOC during application and one in which, through chemical reaction such as polymerization, 20 percent or more of the VOC becomes an integral part of a finished coating.
- (4748) REPAIR COATING is a coating used to recoat portions of a product which has sustained mechanical damage to the coating following normal painting operations.
- (4849) ROLL COAT is a coating method using a machine that applies coating to a substrate by continuously transferring coating through a pair or set of oppositely rotating rollers.
- (4950) SAFETY-INDICATING COATING is a coating which changes physical characteristics, such as color, to indicate unsafe conditions.
- (5051) SILICONE-RELEASE COATING is any coating which contains silicone resin and is intended to prevent food from sticking to metal surfaces such as baking pans.
- (5152) SOLAR-ABSORBENT COATING is a coating which has as its prime purpose the absorption of solar radiation.
- (5253) SOLID-FILM LUBRICANT is a very thin coating consisting of a binder system containing as its chief pigment material one or more of molybdenum disulfide, graphite, polytetrafluoroethylene (PTFE)₂ or other solids that act as a dry lubricant between faying surfaces.
- (5354) STENCIL COATING is an ink or a coating which is rolled or brushed onto a template or stamp in order to add identifying letters and/or numbers to metal parts and products.
- (5455) TEXTURED FINISH is a rough surface produced by spraying and splattering large drops of coating onto a previously applied coating. The coatings used to form the appearance of the textured finish are referred to as textured coatings.
- (5556) TOUCH-UP COATING is a coating used to cover minor coating imperfections appearing after the main coating operation.
- (5657) TRANSFER EFFICIENCY is the ratio of the weight or volume of coating solids adhering to an object to the total weight or volume, respectively, of coating solids used in the application process, expressed as a percentage.

(~~57~~58) VACUUM-METALIZING COATING is the undercoat applied to the substrate on which the metal is deposited or the overcoat applied directly to the metal film.

(~~58~~59) VOLATILE ORGANIC COMPOUND (VOC) (see Rule 102__Definition of Terms).

(c) Requirements

(1) Operating Equipment

A person shall not apply VOC-containing coatings to metal parts and products subject to the provisions of this rule unless the coating is applied with equipment operated according to the equipment manufacturer specifications, and by the use of one of the following methods:

- (A) Electrostatic application;~~;~~ ~~or~~
- (B) Flow coat;~~;~~ ~~or~~
- (C) Dip coat;~~;~~ ~~or~~
- (D) Roll coat;~~;~~ ~~or~~
- (E) High-Volume, Low-Pressure (HVLP) Spray;~~;~~ ~~or~~
- (F) Hand Application Methods;~~;~~ or
- (G) Such other coating application methods as are demonstrated to the Executive Officer to be capable of achieving a transfer efficiency equivalent or better to the method listed in subparagraph (c)(1)(E) and for which written approval of the Executive Officer has been obtained.

(2) VOC Content of Coatings

A person shall not apply to metal parts and products subject to the provisions of this rule any coatings, including any VOC-containing materials added to the original coating supplied by the manufacturer, which contain VOC_s in excess of the limits specified below:

VOC LIMITS Less Water and Less Exempt Compounds Effective Dates								
Coating	Air-Dried				Baked			
	gm/Ag/L		lb/gal		gm/Ag/L		lb/gal	
	Current	7/1/07	Current	7/1/07	Current	7/1/07	Current	7/1/07
General One-Component	275	275	2.3	2.3	275	275	2.3	2.3
General Multi-Component	340	340	2.8	2.8	275	275	2.3	2.3
Military Specification	340	340	2.8	2.8	275	275	2.3	2.3
Etching Filler	420	420	3.5	3.5	420	420	3.5	3.5
Solar-Absorbent	420	420	3.5	3.5	360	360	3.0	3.0
Heat-Resistant	420	420	3.5	3.5	360	360	3.0	3.0
Extreme High-Gloss	420	340	3.5	2.8	360	360	3.0	3.0
Metallic	420	420	3.5	3.5	420	<u>420</u> <u>360</u>	3.5	<u>3.5</u> <u>3.0</u>
Extreme Performance	420	420	3.5	3.5	360	360	3.0	3.0
Prefabricated Architectural One-Component	420	275	3.5	2.3	275	275	2.3	2.3
Prefabricated Architectural Multi-Component	420	340	3.5	2.8	275	275	2.3	2.3
Touch Up	420	420	3.5	3.5	360	360	3.0	3.0
Repair	420	420	3.5	3.5	360	360	3.0	3.0
Silicone Release	420	420	3.5	3.5	420	420	3.5	3.5
High-Performance Architectural	420	420	3.5	3.5	420	420	3.5	3.5
Camouflage	420	420	3.5	3.5	420	<u>420</u> <u>360</u>	3.5	<u>3.5</u> <u>3.0</u>
Vacuum-Metalizing	420	420	3.5	3.5	420	420	3.5	3.5
Mold-Seal	420	420	3.5	3.5	420	420	3.5	3.5

VOC LIMITS (Continued)								
Less Water and Less Exempt Compounds								
Effective Dates								
Coating	Air-Dried				Baked			
	gm/g/L		lb/gal		gm/g/L		lb/gal	
	Current	7/1/07	Current	7/1/07	Current	7/1/07	Current	7/1/07
High-Temperature	420	420	3.5	3.5	420	420	3.5	3.5
Electric-Insulating Varnish	420	420	3.5	3.5	420	420	3.5	3.5
Pan Backing	420	420	3.5	3.5	420	420	3.5	3.5
Pretreatment Coatings	420	420	3.5	3.5	420	420	3.5	3.5

- (3) A person shall not use VOC-containing materials which have a VOC content of more than 200 grams per liter of material for stripping any coating governed by this rule.
- (4) A person shall store and dispose of the following in closed containers, except when depositing or removing material from the container:
 - (A) VOC-containing coatings, thinners, and coating-related waste materials applied to any metal parts and products subject to the provisions of this rule;
 - (B) ~~Containers used for the disposal of cloth or paper used in stripping cured coating; shall be closed except when depositing or removing the cloth or paper from the container; and~~
 - (C) VOC-laden application tools, such as a brush, pad, rag, cloth, or paper, used in the application of coatings applied to any metal parts and products subject to the provisions of this rule.
- (5) Solvent cleaning of application equipment, parts, products, tools, machinery, equipment, general work areas, and the storage and disposal of VOC-containing materials used in cleaning operations shall be carried out pursuant to Rule 1171 – Solvent Cleaning Operations.
- (6) For coatings that contain reactive diluents, the Grams of VOC per Liter of Coating; Less Water and Less Exempt Compounds shall be calculated by the following equation:

Grams of VOC per Liter of Coating Less Water and Less Exempt Compounds

$$= \frac{W_s - W_w - W_{es}}{V_m - V_w - V_{es}}$$

- Where:
- W_s = weight of volatile compounds not consumed during curing, in grams
 - W_w = weight of water not consumed during curing, in grams
 - W_{es} = weight of exempt compounds not consumed during curing, in grams
 - V_m = volume of the material prior to reaction, in liters
 - V_w = volume of water not consumed during curing, in liters
 - V_{es} = volume of exempt compounds not consumed during curing, in liters

- (7) Owners ~~and~~/or operators of control equipment may comply with provisions of paragraph (c)(1) and/or (c)(2) by using approved air pollution control equipment provided:
- (A) ~~the~~The control device reduces VOC emissions from an emission collection system by at least 95 percent by weight or the output of the air pollution control device is no more than 5 ~~PPM~~parts per million (ppm) VOC by volume calculated as carbon with no dilution; and
 - (B) ~~the~~The owner~~/or~~ operator demonstrates that the emission collection system collects at least 90 percent by weight of the VOC emissions generated by the sources of VOC emissions.
- (d) Prohibition of Specifications
- A person shall not specify the use in the ~~District~~South Coast AQMD of any coating to be applied to any metal parts and products subject to the provisions of this rule that does not meet the limits and requirements of this rule. The requirements of this paragraph shall apply to all written and oral contracts.
- (e) Methods of Analysis
- All applicable methods of analysis shall be as cited in paragraphs (e)(1) through (e)(6) ~~below~~, or any other applicable method approved in writing by the Executive Officer, United States Environmental Protection Agency (U.S. EPA), and the California Air Resources Board (CARB).
- (1) Determination of VOC ~~content~~Content

The ~~volatile organic~~VOC content of coatings subject to the provisions of this rule shall be determined by the following methods:

- (A) U.S. EPA Reference Method 24 (~~Title 40, Code of Federal Regulations, Title 40-Part 60, Appendix A~~) – Determination of Volatile Matter Content, Water Content, Density, Volume Solids, and Weight Solids of Surface Coatings. The exempt solvent content shall be determined by South Coast AQMD Method 303 – ~~(Determination of Exempt Compounds)~~ contained in the South Coast AQMD "Laboratory Methods of Analysis for Enforcement Samples" manual; or;
- (B) South Coast AQMD Method 304 – ~~{Determination of Volatile Organic Compounds (VOCs) in Various Materials}~~ contained in the South Coast AQMD "Laboratory Methods of Analysis for Enforcement Samples" manual.

- (C) Exempt Perfluorocarbon Compounds

The following classes of compounds:

cyclic, branched, or linear, completely fluorinated alkanes;

cyclic, branched, or linear, completely fluorinated ethers with no unsaturations;

cyclic, branched, or linear, completely fluorinated tertiary amines with no unsaturations; and

sulfur-containing perfluorocarbons with no unsaturations and with sulfur bonds only to carbon and fluorine,

will be analyzed as exempt compounds for compliance with ~~paragraph~~ subdivision (c), only when manufacturers specify which individual compounds are used in the coating formulation. In addition, the manufacturers must identify the U.S. EPA, CARB, and the South Coast AQMD approved test methods used to quantify the amount of each exempt compound.

- (2) Determination of the Acid Content of Pretreatment Coatings and Etching Fillers
The acid content of pretreatment coatings and etching fillers shall be ~~measured~~ determined by ASTM Test Method D1613-17 – Standard Test Method for Acidity in Volatile Solvents and Chemical Intermediates Used in Paint, Varnish, Lacquer, and Related Products.

- (3) Determination of the Metal Particle Content of Metallic Coatings

The metal particle content of metallic coatings subject to the provisions of this rule shall be determined by the following methods:

- (A) South Coast AQMD Method 318 – (Determination of Weight Percent of Elemental Metal in Coatings by X-ray-Ray Defraction-DiffractionMethod) contained in the South Coast AQMD "Laboratory Methods of Analysis of for Enforcement Samples" manual for coatings containing elemental aluminum metal; or
 - (B) South Coast AQMD Method 311 –(Analysis of Percent Metal in Metallic Coatings by Spectrographic Method) contained in the South Coast AQMD "Laboratory Methods of Analysis of for Enforcement Samples" manual for all other non-aluminum particle content analyses.
- (4) Determination of Efficiency of Emission Control System
- (A) Capture efficiency specified in paragraph (c)(7), shall be determined by the procedures verifying the use of a Permanent Total Enclosure (PTE) and 100% capture efficiency as defined by U.S. EPA Method 204 – Permanent (PTE) or Temporary Total Enclosure (TTE) for Determining Capture Efficiency. Alternatively, if a U.S. EPA Method 204 defined PTE is not employed, capture efficiency shall be determined using a minimum of three sampling runs subject to data quality criteria presented in the U.S. EPA technical guidance document, "Guidelines for Determining Capture Efficiency", January 9, 1995." Individual capture efficiency test runs subject to the U.S. EPA technical guidance document shall be determined by:
 - (i) The Temporary Total Enclosure (TTE) approach of U.S. EPA Methods 204 through 204F; or
 - (ii) The South Coast AQMD "Protocol for Determination of Volatile Organic Compounds (VOC) Capture Efficiency."

Notwithstanding the test methods specified by the Guidelines technical guidance document, any other method approved in writing by the U.S. EPA, CARB, and the South Coast AQMD Executive Officer may be substituted.
 - (B) The efficiency of the control device of the emission control system as specified in paragraph (c)(7) and the VOC content in the control device exhaust gases, measured and calculated as carbon, shall be determined by the U.S. EPA Test Methods 25 – Determination of Total Gaseous Nonmethane Organic Emissions as Carbon, U.S. EPA Test Method 25A – Determination of Total Gaseous Organic Concentration Using a Flame Ionization Analyzer, South Coast AQMD Method 25.1 – (Determination of Total Gaseous Non-Methane Organic Emissions as Carbon), or South Coast

AQMD Method 25.3 ~~– (Determination of Low Concentration Non-Methane Non-Ethane Organic Compound Emissions from Clean Fueled Combustion Sources)~~, as applicable. U.S. EPA Test Method 18 – Measurement of Gaseous Organic Compound Emissions by Gas Chromatography, or CARB Method 422 – Determination of Volatile Organic Compounds in Emissions from Stationary Sources shall be used to determine emissions of exempt compounds.

(5) Multiple Test Methods

When more than one test method or set of methods are specified for any testing, a violation of any requirement of this rule established by any one of the specified test methods or set of test methods shall constitute a violation of the rule.

(6) Demonstrations of transfer efficiency shall be conducted in accordance with South Coast AQMD method "Spray Equipment Transfer Efficiency Test Procedure for Equipment User," May 24, 1989 and South Coast AQMD "Guidelines for Demonstrating Equivalency with District Approved Transfer Efficiency Spray Guns", September 26, 2002.

(f) Exemptions

(1) The provisions of paragraphs (c)(1) and (c)(2) of this rule shall not apply to:

- (A) Stencil coatings;
- (B) Safety-indicating coatings;
- (C) Magnetic data storage disk coatings;
- (D) Solid-film lubricants; and
- (E) Electric-insulating and thermal-conducting coatings.

(2) The provisions of paragraph (c)(1) of this rule shall not apply to the application of touch-up coatings, repair coatings, and textured finishes. ~~This exemption shall expire for the application of metallic coatings which have a metallic content of 30 grams per liter, mold seal coatings, and to facilities that use less than 3 gallons per day or less than 66 gallons per calendar month of coating, as applied, including an VOC containing materials added to the original coating as supplied by the manufacturer, effective July 1, 2006.~~

(3) The provisions of paragraphs (c)(1), (c)(2), and (c)(3) of this rule do not apply to the application of coatings and use of cleaning solvents while conducting performance tests on the coatings at paint manufacturing facilities.

(4) ~~The provisions of paragraph (c)(2) of this rule shall not apply to high performance architectural, vacuum metalizing, and/or pretreatment coatings used at a facility~~

~~which has the potential to emit a total of 10 tons or less per year of VOCs, before application of add-on controls.~~

- (54) The provisions of paragraph (c)(2) of this rule shall not apply to aerosol coating products.
- (65) The provisions of paragraph (c)(2) of this rule shall not apply to the use of essential public service coatings provided such aggregate use does not exceed 55 gallons in any one calendar year per facility.
- (76) The provisions of paragraph (c)(2) of this rule shall not apply to the use of optical anti-reflective coatings provided such aggregate use does not exceed 10 gallons in any one calendar year, per facility.
- (8) ~~The provisions of paragraph (c)(2) shall not apply to electrocoatings provided the VOC content of coating concentrates do not exceed 450 grams per liter, less water and less exempt compounds, and the usage of coating concentrates is less than 66 gallons per calendar month, per facility, including any VOC-containing materials added to the concentrate, as supplied by the manufacturer, and any VOC-containing materials added to the bath as make-up solvents.~~
- (97) The provisions of paragraph (c)(2) shall not apply to photoresist operations applying liquid photoresist coating used for photofabrication of metal substrates with a thickness not exceeding 0.060 inches provided the annual usage per facility is 10 gallons or less.
- (8) The provisions of paragraph (c)(1) shall not apply to metal coatings with a viscosity of 650 centipoise or greater, as applied.
- (g) Rule 442 Applicability
Any coating, coating operation, or facility which is exempt from all or a portion of the VOC limits of this rule shall comply with the provisions of Rule 442 – Usage of Solvents.
- (h) Alternative Emission Control Plan
An owner/ or operator may achieve compliance with paragraph (c)(2) by means of an Alternative Emission Control Plan pursuant to Rule 108 – Alternative Emission Control Plans.
- (i) Qualification for Classification as Extreme-Performance Coating
A coating may be classified as an extreme-performance coating provided that the applicator requests and receives written approval of such classification from the Executive Officer, ~~or designee,~~ prior to application of such coating, and shows that the intended use of each coated object would require coating with an extreme-performance coating.

- (j) Recordkeeping
Records of coating and solvent usage shall be maintained pursuant to Rule 109 – Recordkeeping for Volatile Organic Compound Emissions.

- (k) Emission Reduction Credits
Facilities that use high-performance architectural, pretreatment, or vacuum-metalizing coatings shall not receive emission reduction credit(s) pursuant to ~~SCAQMD~~-Rule 1309 – Emission Reduction Credits and Short Term Credits above those emission reduction credit(s) that the facility would have received if it was operated with coatings having a VOC content of no more than 420 grams per liter, less water and less exempt compounds.

ATTACHMENT G

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

Final Staff Report Proposed Amended Rule 1107 – Coating of Metal Parts and Products

February 2020

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CHAPTER 1: BACKGROUND

INTRODUCTION

BACKGROUND

REASONABLY AVAILABLE CONTROL TECHNOLOGY

NEED FOR PROPOSED AMENDED RULE 1107

AFFECTED INDUSTRIES

PUBLIC PROCESS

INTRODUCTION

Rule 1107 – Coating of Metal Parts and Products was adopted in June 1979 to control volatile organic compound (VOC) emissions from metal coating operations. The rule has been amended 17 times since, the last in January 2006. Rule 1107 establishes VOC limits for 22 categories of coatings classified as air-dried (cured below 194 degrees F) or baked (cured at or above 194 degrees F). VOC limits are prescribed for metal coatings in general and include multiple specialty categories. The broadest of the specialty categories include prefabricated architectural one- and multi- component coatings and extreme high-gloss coatings. The remainder of the coating categories encompasses mostly niche operations.

Non-attainment areas are required to implement recommendations in applicable Control Techniques Guidelines (CTG) as soon as practicable. The United States Environmental Protection Agency (U.S. EPA) issued a CTG for Miscellaneous Metal and Plastic Parts Coatings in September 2008.¹ Proposed Amended Rule 1107 is needed to address Reasonably ~~Achievable~~ Available Control Technology (RACT) deficiencies raised by U.S. EPA for certain exemptions that are overly broad. The California Air Resources Board (CARB) also requested that the limits for baked metallic and baked camouflage coatings be reduced consistent with other air districts.

BACKGROUND

Metal coatings protect, and in some cases, beautify the substrate they are applied upon. These coatings provide some level of protection from impact, abrasion, and corrosion. They may also need to retain a consistent color and gloss level over an extended period of time. In addition to the desired properties of coating after curing, coatings must also have other acceptable characteristics, especially during application. This can include shelf life, sprayability, rheology, flow, pot life (for multi-component coatings), time-to-tack free, time-to-dry to recoat, and time until full cure. Quick drying times are not always the most desired feature. Acceptable drying times usually fall within a range that varies per the coating process and operation.

The industry sectors that make extensive use of coatings applied to metal parts and products include:

- Steel Product Manufacturing from Purchased Steel (NAICS 3312)
- Cutlery and Handtool Manufacturing (NAICS 3322)
- Architectural and Structural Metals Manufacturing (NAICS 3323)
- Boiler, Tank, and Shipping Container Manufacturing (NAICS 3324)
- Hardware Manufacturing (NAICS 3325)
- Coating, Engraving, Heat Treating, and Allied Activities (NAICS 3328)
- Other Fabricated Metal Product Manufacturing (NAICS 3329)
- Machinery Manufacturing (NAICS 333)
- Computer and Electronic Product Manufacturing (NAICS 334)
- Electrical Equipment, Appliance, and Component Manufacturing (NAICS 335)

¹ Control Techniques Guidelines for Miscellaneous Metal and Plastic Parts Coatings, U.S. Environmental Protection Agency, Office of Air Quality Planning Standards, Sector Policies and Program Division, September 2008, https://www3.epa.gov/airquality/ctg_act/200809_voc_epa453_r-08-003_misc_metal_plasticparts_coating.pdf

- Motor Vehicle Parts Manufacturing (NAICS 3363)
- Other Transportation Equipment Manufacturing (NAICS 3369)
- Metal Household Furniture Manufacturing (NAICS 337124)
- Institutional Furniture Manufacturing (NAICS 337127)
- Office Furniture (except Wood) Manufacturing (NAICS 337214)
- Showcase, Partition, Shelving, and Locker Manufacturing (NAICS 337215)
- Other Miscellaneous Manufacturing (NAICS 3399)

The industries that supply coatings to facilities are covered by the Paint and Coating Manufacturing sector (NAICS 325510).

REASONABLY AVAILABLE CONTROL TECHNOLOGY (RACT)

The U.S. EPA has defined Reasonably Available Control Technology (RACT) as the lowest emission limitation that a particular source is capable of meeting by the application of control technology that is reasonably available considering technological and economic feasibility. RACT for a particular source is determined on a case-by-case basis, considering the circumstances of the individual source. Non-attainment areas are required to implement recommendations in applicable Control Techniques Guidelines (CTG) as soon as practicable². The U.S. EPA issued a CTG for Miscellaneous Metal and Plastic Parts Coatings in September 2008³. As part of the development of the CTG, U.S. EPA evaluated the sources of VOC emissions from the metal products coating industries and the available control approaches for addressing these emissions, including the costs of such approaches.

NEED FOR PROPOSED AMENDED RULE 1107

PAR 1107 is needed to address several RACT deficiencies identified by the U.S. EPA. In particular, the exemptions for high-performance architectural, vacuum-metalizing, and pretreatment coatings (paragraph (f)(4)) and for electrocoatings (paragraph (f)(8)) are overly broad. In both cases, the exemption threshold is in excess of those allowed under the CTG. Additionally, U.S. EPA recommended improving work practices for storage and handling of metal coatings. CARB requested that the VOC limits for baked metallic and baked camouflage coatings be reduced from 420 grams/liter (g/L) to 360 g/L to improve rule effectiveness as these limits have been in place in multiple air districts for two decades. Other amendments update test methods, remove obsolete language, and clarify rule language.

AFFECTED INDUSTRIES

Approximately 1,100 facilities are subject to existing Rule 1107. Proposed Amended Rule 1107 (PAR 1107) will not result in direct emission reductions and will not increase costs. Facilities are already using compliant coatings in the high-performance architectural, vacuum-metalizing, and pretreatment coatings and electrocoating categories. Excluding electrocoating, these specialty

² Title 40, Code of Federal Regulations (CFR), Section 51.912

³ Control Techniques Guidelines for Miscellaneous Metal and Plastic Parts Coatings, U.S. Environmental Protection Agency, Office of Air Quality Planning Standards, Sector Policies and Program Division, September 2008, https://www3.epa.gov/airquality/ctg_act/200809_voc_epa453_r-08-003_misc_metal_plasticparts_coating.pdf

coating categories already have a 420 g/L VOC limit with numerous compliant coatings available for each category. Electrocoatings are a low-VOC alternative to traditional metal coatings. Reducing the limits for baked metallic and baked camouflage coatings will not result in emission reductions as these technologies have been in use for two decades. The work practice for storage and handling of metal coatings, application equipment, and waste materials consists of keeping VOC-containing or VOC-laden materials in closed containers when not in use. The updated test methods and removal of obsolete language provide clarification only.

PUBLIC PROCESS

PAR 1107 is being developed through a public process. A Public Workshop was held December 4, 2019.

CHAPTER 2: SUMMARY OF PROPOSED AMENDED RULE 1107

INTRODUCTION

PROPOSED AMENDED RULE 1107

Definitions (Subdivision (b))

Requirements (Subdivision (c))

Methods of Analysis (Subdivision (e))

Exemptions (Subdivision (f))

INTRODUCTION

Proposed Amended Rule 1107 (PAR 1107) will revise certain exemptions to be consistent with Reasonable Available Control Technology (RACT) requirements as recommended in United States Environmental Protection Agency's (U.S. EPA's) *Control Techniques Guidelines for Miscellaneous Metal and Plastic Parts Coatings* (September 2008). Baked metallic and baked camouflage coating limits will be reduced to be consistent with other air districts. Other amendments address work practices for coating-related activities, update test methods, remove obsolete provisions, and add clarifications.

PROPOSED AMENDED RULE 1107

Definitions (Subdivision (b))

A definition for Energy Curable Metal Coatings has been included to recognize this technology and provide manufacturers a test method to measure volatile organic compound (VOC) content from these coatings. An Energy Curable Coating is a single-component reactive product that cures when exposed to visible light, ultra-violet light, or an electron beam. ASTM D7767-11 (2018) – Standard Test Method to Measure Volatiles from Radiation Curable Acrylate Monomers, Oligomers, and Blends and Thin Coatings Made from Them may be used to calculate VOC content for Energy Curable Metal Coatings. Manufacturers will be able to use this test method to more accurately determine VOC content for recordkeeping and reporting. The method relies upon testing the coating for VOC content prior to admixing with known interferences such as pigments and sunblockers. Manufacturers then use U.S. EPA Reference Method 24 (Title 40, Code of Federal Regulations, Part 60, Appendix A) – Determination of Volatile Matter Content, Water Content, Density, Volume Solids, and Weight Solids of Surface Coatings to determine the VOC content of the known interferences separately. The overall VOC content is calculated from the results of ASTM D7767-11 and U.S. EPA Reference Method 24. The separation aspect limits the utility of the method for compliance samples taken from the field as there is currently no way to separate the coatings after admixing them. Staff will continue to work with interested parties to develop an acceptable procedure to further incorporate into ASTM D7767-11. However, until the field sample issue is resolved, compliance sample testing will continue to be conducted using U.S. EPA Reference Method 24 or other applicable test methods.

The test method for extreme high-gloss coating has been updated to identify the correct method. The test method identified in high-performance architectural coatings has been updated to reflect changes made in Architectural Aluminum Manufacturer Association publications.

Requirements (Subdivision (c))

Obsolete language in the table containing VOC limits in paragraph (c)(2) has been removed. VOC limits for baked metallic and baked camouflage are reduced from 420 grams/liter (g/L) to 360 g/L. The technology has been in use for two decades and these limits have been in place in multiple air districts during that time.

Work practices for storage and handling of metal coatings, application materials, and waste materials is included in paragraph (c)(4). VOC emissions may be reduced by storing VOC-containing coatings, thinners, and coating-related waste materials in closed containers. VOC-laden application tools, including brushes, cloth, or paper, shall be stored and disposed in closed containers.

Methods of Analysis (Subdivision (e))

For clarity, the titles have been added to: (e)(1)(A) for U.S. EPA Reference Method 24; (e)(2) for ASTM D1613; (e)(5) for U.S. EPA Test Methods 25, 25A and 18 and CARB Method 422.

Paragraph (e)(4) adds additional test methods to determine capture efficiency to reflect changes to U.S. EPA's technical guidance document¹. The test methods in the 1995 guidelines were codified into Title 40, Code of Federal Regulations, Part 51, Appendix M, Methods 204-204F. Although several test methods are listed in paragraph (e)(4) for determination of capture efficiency and control device efficiency, staff's experience is that the majority of capture efficiency determinations will utilize EPA Method 204 and control efficiency determinations will utilize South Coast AQMD Methods 25.1 and/or 25.3. Other methods listed in paragraph (e)(4) may be used in rare circumstances but are most often not applicable.

Paragraph (e)(6) includes the guideline document that complement the referenced test procedure.

Exemptions (Subdivision (f))

Obsolete language has been removed from the exemption in paragraph (f)(2), the provision became effective July 1, 2006.

The exemption in paragraph (f)(4) for high-performance architectural, vacuum-metalizing and pretreatment coatings used at facilities that emit a total of 10 tons or less of VOC per year will be eliminated. The categories listed in this exemption already are allowed specialty VOC content coating limits of 420 g/L. The only facility that qualified under the existing high-performance architectural coating category already vents emissions to a control device. Previous rule amendments have eliminated the one gallon per day exemption. There are no known impacts from removing this exemption.

The high volume (66 gallon per month) exemption in paragraph (f)(8) for electrocoating will be eliminated. Advances in electrocoating technology have made electrocoating a low-VOC, non-Hazardous Air Pollutant (HAP) extension of the electroplating line. The electrocoating process is now a low-VOC alternative to traditional VOC-containing metal painting.

The exemption in paragraph (f)(8) adds flexibility to allow other spray equipment options where high viscosity coatings are used, typically in industrial maintenance applications. This situation may arise for very high solids coatings that would otherwise need to be thinned in order to be sprayed with HVLP guns. Thinning the coating would increase the VOC content. This exemption is consistent with similar provisions in Rule 1168 – Adhesive and Sealant Applications and Rule 1106 – Marine and Pleasure Craft Coatings.

¹ Guidance Document for Correcting Common VOC & Other Rule Deficiencies, U.S. Environmental Protection Agency, August 2001, <https://ww3.arb.ca.gov/drdb/lbb2001.pdf>

CHAPTER 3: IMPACT ASSESSMENT

INTRODUCTION

RULE ADOPTION RELATIVE TO COST EFFECTIVENESS

COMPLIANCE COSTS

SOCIOECONOMIC ASSESSMENT

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

DRAFT FINDINGS UNDER CALIFORNIA HEALTH AND SAFETY CODE SECTION
40727

Requirements to Make Findings

Necessity

Authority

Clarity

Consistency

Non-Duplication

Reference

COMPARATIVE ANALYSIS

INTRODUCTION

PAR 1107 is applicable to approximately 1,100 metal coating facilities. These facilities include fabricated metal product manufacturing, architectural and structural metals manufacturing, hardware and machinery manufacturing, and motor vehicle parts manufacturing among other categories. It does not include coatings used for aerospace assembly, magnet wire, marine craft, motor vehicle, metal container, and coil coating operations, or for architectural components coated at the structure site.

RULE ADOPTION RELATIVE TO COST EFFECTIVENESS

PAR 1107 is not expected to result in direct emission reductions and will not increase costs.

COMPLIANCE COSTS

No additional costs are expected to be incurred. Facilities are already using compliant coatings in the high-performance architectural, vacuum-metalizing, and pretreatment coatings and electrocoating categories. Those specialty coating categories already have a 420 g/L limit with numerous compliant coatings available for each category. Reducing the limits for baked metallic and baked camouflage coatings reflects technology that has been in use for the past two decades. The work practice for storage and handling of metal coatings, application equipment, and waste materials consists of keeping VOC-containing or VOC-laden materials in closed containers when not in use. The exemption for transfer efficiency on high-viscosity coatings provides added flexibility. The updated test methods and removal of obsolete language provide clarification only.

SOCIOECONOMIC ASSESSMENT

The amendments proposed are not expected to impose any additional costs to facilities or result in other socioeconomic impacts. The proposed amendments do not significantly affect air quality or emissions limitations since facilities are already using compliant coatings, and therefore, no socioeconomic analysis is required under California Health and Safety Code Sections 40440.8 and 40728.5.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

Pursuant to the California Environmental Quality Act (CEQA), the South Coast AQMD, as Lead Agency, ~~will~~ has prepared a Notice of Exemption pursuant to CEQA Guidelines Section 15062 – Notice of Exemption for the proposed project. Proposed Amended Rule 1107 has been reviewed pursuant to: 1) CEQA Guidelines Section 15002(k) – General Concepts, the three-step process for deciding which document to prepare for a project subject to CEQA; and 2) CEQA Guidelines Section 15061 – Review for Exemption, procedures for determining if a project is exempt from CEQA. Since Proposed Amended Rule 1107 does not contain any project elements requiring physical modifications that would cause an adverse effect on the environment, it can be seen with certainty that there is no possibility that the proposed project may have a significant adverse effect on the environment. Therefore, the project is exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) – Common Sense Exemption. If the project is approved, the Notice of Exemption will be filed with the county clerks of Los Angeles, Orange, Riverside and San Bernardino counties.

DRAFT FINDINGS UNDER CALIFORNIA HEALTH AND SAFETY CODE SECTION 40727***Requirements to Make Findings***

California Health and Safety Code Section 40727 requires that prior to adopting, amending or repealing a rule or regulation, the South Coast AQMD Governing Board shall make findings of necessity, authority, clarity, consistency, non-duplication, and reference based on relevant information presented at the public hearing and in the staff report.

Necessity

Proposed Amended Rule 1107 is needed to revise exemptions to be consistent with Reasonable Available Control Technology requirements as recommended in United States Environmental Protection Agency's *Control Techniques Guidelines for Miscellaneous Metal and Plastic Parts Coatings* (September 2008). Other amendments address work practices for coating-related activities, update test methods, remove obsolete provisions, align requirements with other air districts, provide flexibility, and add clarifications.

Authority

The South Coast AQMD Governing Board has authority to adopt Proposed Amended Rule 1107 pursuant to the California Health and Safety Code Sections 39002, 40000, 40001, 40440, 40702, 40725 through 40728, and 41508 and Title 40 of the Code of Federal Regulations (CFR) Section 51.912.

Clarity

Proposed Amended Rule 1107 is written or displayed so that its meaning can be easily understood by the persons directly affected by it. The removal of obsolete provisions and clarifications will improve the clarity.

Consistency

Proposed Amended Rule 1107 is in harmony with and not in conflict with or contradictory to, existing statutes, court decisions, or state or federal regulations.

Non-Duplication

Proposed Amended Rule 1107 will not impose the same requirements as any existing state or federal regulations. The proposed amended rule is necessary and proper to execute the powers and duties granted to, and imposed upon, the South Coast AQMD.

Reference

By adopting Proposed Amended Rule 1107 the South Coast AQMD Governing Board will be implementing, interpreting or making specific the provisions of the Title 40 CFR 51.192.

COMPARATIVE ANALYSIS

Under California Health and Safety Code Section 40727.2, the South Coast AQMD is required to perform a comparative written analysis when adopting, amending, or repealing a rule or regulation. The comparative analysis is relative to existing federal requirements, existing or proposed South Coast AQMD rules and air pollution control requirements and guidelines which are applicable to metal coating operation. See Table 3-1 below.

Table 3-1: PAR 1107 Comparative Analysis

Rule Element	PAR 1107	40 CFR Subpart MMM National Emission Standard for Hazardous Air Pollutants (NESHAP): Surface Coating of Miscellaneous Metal Parts and Products	40 CFR Subpart NNN National Emission Standard for Hazardous Air Pollutants (NESHAP): Surface Coating of Large Appliances	Control Techniques Guidelines for Metal Furniture Coatings	Control Techniques Guidelines for Miscellaneous Metal and Plastic Parts	Control Techniques Guidelines for Large Appliance Coatings
Applicability	Coating of metal parts and products excluding aerospace assembly, magnet wire, marine craft, motor vehicle, metal container, and coil coating operations, or for architectural components coated at the structure site	Metal coating operations excluding aerospace, large appliances, metal wire or cable, marine craft, coil coating, motor vehicles located at a major source of Hazardous Air Pollutant emissions	Metal coating operations on large appliances located at a major source of Hazardous Air Pollutant emissions	Coatings on metal furniture	Metal coatings excluding aerospace, large appliances, metal wire or cable, marine craft, coil coating, motor vehicles	Coatings on large metal appliances
VOC Limits	VOC limits by individual coating category or use of add-on controls; VOC limits are the same or lower than U.S. EPA Control Techniques Guidelines	Organic Hazardous Air Pollutant (HAP) emissions limited to 0.31 kg organic HAP per liter of coating solids used during each 12-month compliance period	Organic Hazardous Air Pollutant (HAP) emissions limited to 0.23 kg organic HAP per liter of coating solids used during each 12-month compliance period	VOC limits by individual coating category or use of add-on controls; all VOC limits are higher than PAR 1107	VOC limits by individual coating category or use of add-on controls; VOC limits are the same or higher than PAR 1107	VOC limits by individual coating category or use of add-on controls; all VOC limits are the same as PAR 1107
Transfer Efficiency	Use of HVLP or equivalent transfer efficiency	None	None	Use of HVLP or equivalent transfer efficiency	Use of HVLP or equivalent transfer efficiency	Use of HVLP or equivalent transfer efficiency
Work Practices	Storage, use, and disposal of coatings and waste; VOC limits and work practices for solvent cleaning	None	None	Storage, use, and disposal of coatings and waste; VOC limits and work practices for solvent cleaning	Storage, use, and disposal of coatings and waste; VOC limits and work practices for solvent cleaning	Storage, use, and disposal of coatings and waste; VOC limits and work practices for solvent cleaning

Reporting	None	Semiannual compliance, performance test reports, startup, shutdown, and malfunction reports	Semiannual compliance, performance test reports, startup, shutdown, and malfunction reports	None	None	None
Notification	None	Initial, performance test compliance status, and continuous emission monitor	Initial and compliance status	None	None	None
Recordkeeping	Compliance documentation maintained for two years	Compliance documentation maintained for five years	Compliance documentation maintained for five years	None	None	None

APPENDIX A: COMMENTS AND RESPONSES

Comment Letter #1
Metropolitan Water District
December 9, 2019

Hi Mr. Morris,

We appreciate that Rule 1107, Coating of Metal Parts and Products, is currently being amended for consistency with US EPA Reasonable Available Control Technology requirements, update of test methods, and language clean-up and clarifications. Along these lines and as has been discussed in the previous PAR 1107 rulemaking activities (5-11-11 correspondence attached), Metropolitan is requesting that a transfer efficiency provision for high viscosity coatings be also incorporated into the amended rule.

Specifically, the wording provided in the 7/18/12 Draft Proposed Amended Rule language, page 19, Section (f) Exemptions (8) (copy attached), is as follows: "The provisions of paragraph (c)(1) shall not apply to metal coatings with a viscosity of 650 centipoise or greater, as applied." This provision will recognize the lower VOC containing coatings and facilitate their proper application on a practical scale, as these types of coatings can require specialized applicators such as heated plural component airless, air-assisted spray guns or cartridge guns. Such an amendment would provide an alternative to using the higher VOC containing compliant coatings which typically are more readily applied with a HVLP gun.

Thank you for your consideration of this request. Incorporation of a transfer efficiency provision for high viscosity coatings will be consistent with similar requirements existing in Rules 1168 (Adhesive and Sealant Applications) and 1106 (Marine Coating Operations).

Should you have any questions or wish to discuss this matter further, please do not hesitate to contact me or Roxana Ramirez [ramirez@mwdh2o.com; (213) 217-6407].

Best Regards,

CAROL KAUFMAN

Air Quality Program Manager

Metropolitan Water District of Southern California

700 North Alameda Street

Los Angeles, CA 90012

213-217-6207

FAX 213-217-6700

Cell 310-850-6105



1-1

<u>Proposed Amended Rule 1107</u>	(Amended January 6, 2006)
containing materials added to the original coating as supplied by the manufacturer, effective July 1, 2006.	
(3) The provisions of paragraphs (c)(1), (c)(2), and (c)(3), (d)(1) and (d)(2) of this rule do not apply to the application of coatings and use of cleaning solvents while used for conducting performance tests on the coatings at paint manufacturing facilities.	
(4) The provisions of paragraph (c)(2) of this rule shall not apply to high performance architectural, vacuum metalizing, and/or pretreatment coatings used at a facility which has the potential to emit a total of 10 tons or less per year of VOCs, before application of add-on controls.	
(54) The provisions of paragraphs (c)(1), (c)(2), (d)(1), (d)(2) and (f)(1) of this rule shall not apply to aerosol coating products.	
(65) The provisions of paragraphs (c)(2), (c)(3), (d)(1), (d)(2) and (f)(1) of this rule shall not apply to the use of essential public service coatings with VOC contents of 500 g/l or less provided such aggregate use does not exceed 55 gallons in any one calendar year per facility.	
(76) The provisions of paragraphs (c)(2) and (d)(1) of this rule shall not apply to the use of optical anti-reflective coatings provided such aggregate use does not exceed 10 gallons in any one calendar year, per facility.	
(8) The provisions of paragraph (c)(2) shall not apply to electrocoatings provided the VOC content of coating concentrates do not exceed 450 grams per liter, less water and less exempt compounds, and the usage of coating concentrates is less than 66 gallons per calendar month, per facility, including any VOC-containing materials added to the concentrate, as supplied by the manufacturer, and any VOC-containing materials added to the bath as make-up solvents.	
(97) The provisions of paragraphs (c)(2) and (d)(1) shall not apply to photoresist operations applying liquid photoresist coating used for photofabrication of metal substrates with a thickness not exceeding 0.060 inches provided the annual usage per facility is 10 gallons or less.	
(8) The provisions of paragraph (c)(1) shall not apply to metal coatings with a <u>viscosity</u> of 650 centipoise or greater, as applied.	
(9) <u>The provisions of paragraph (f)(1) shall not apply to any Super Compliant Material(s). This exemption shall only apply to facilities that demonstrate that total permitted and non-permitted facility VOC emissions do not</u>	
PAR1107-19	

Response to Comment 1-1

Proposed Amended Rule 1107 includes an exemption adding flexibility to allow other spray equipment options where high viscosity coatings are used, typically in industrial maintenance applications. This situation may arise for very high solids coatings that would otherwise need to be thinned in order to be sprayed with HVLP guns. Thinning the coating would add unnecessary VOC emissions. This exemption is consistent with similar provisions in Rule 1168 – Adhesive and Sealant Applications and Rule 1106 – Marine and Pleasure Craft Coatings.

Comment Letter #2
California Air Resources Board
December 10, 2019

Hi Mike,

Below are comments from CARB staff regarding PAR 1107, *Coating of Metal Parts and Products*:

The California Air Resources Board (CARB) received Proposed Amended Rule (PAR) 1107, *Coating of Metal Parts and Products*, on November 22, 2019 for review. The South Coast Air Quality Management District (South Coast AQMD) held a public workshop on December 4, 2019 to present and solicit information and comments on PAR 1107. The South Coast AQMD Governing Board plans to hear PAR 1107 on February 7, 2020.

CARB has reviewed the rule and have comments below. CARB believes that the comments are important to the effectiveness and enforceability of Rule 1107.

On December 10, 2019, Ms. Joyce Wong of the Technical Development Section, Consumer Products and Air Quality Assessment Branch, Air Quality and Planning Science Division, discussed the comments with you.

If you have any questions about the comments, please contact Ms. Joyce Wong, Air Pollution Specialist, Technical Development Section, at (916) 323-1182 or at joyce.wong@arb.ca.gov, or Mr. Glen Villa, Air Resources Engineer, Technical Development Section, at (916) 324-8177 or at glen.villa@arb.ca.gov.

Rule review comments are below.

California Air Resources Board Staff Comments on South Coast Air Quality Management District
Proposed Amended Rule (PAR) 1107

Rule 1107 – Coating of Metal Parts and Products

1. General: At the header of pages 2-14 in PAR 1107, the previous amended date, which has strikethrough marking, is January 6, 2016. The correct date is January 6, 2006.
2. Section (c)(2): Section (c)(2) provides limitations for the VOC content of coatings. The VOC limit for camouflage/baked coatings is 420 grams/liter (g/L), which exceeds the VOC limit of 360 g/L contained in metal parts coating rules for seven local air districts. For improved rule effectiveness, CARB recommends that the South Coast AQMD revise the VOC limit for camouflage/baked coatings to 360 g/L.

Section (c)(2): Section (c)(2) provides limitations for the VOC content of coatings. The VOC limit for metallic/baked coatings is 420 grams/liter (g/L), which exceeds the VOC limit of 360 g/L contained in metal parts coating rules for six local air districts. For improved rule effectiveness, CARB recommends that the South Coast AQMD revise the VOC limit for metallic/baked coatings to 360 g/L.

Thank you.

2-1

2-2

Sincerely,
Stephanie



Stephanie Parent,
Air Pollution Specialist
California Air Resources Board
Air Quality Planning and Science Division | South Coast Section

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Response to Comment 2-1

The typographical error has been corrected.

Response to Comment 2-2

VOC limits for baked metallic and baked camouflage are reduced from 420 grams/liter (g/L) to 360 g/L in paragraph (c)(2). The technology has been in use for two decades and these limits have been in place in multiple air districts during that time. No additional emission reductions or costs are expected to occur from these changes.

Comment Letter #3
RadTech
December 18, 2019



December 18th, 2019

Mr. Michael Morris
Planning and Rules Manager
South Coast Air Quality Management District
21865 Copley Drive
Diamond Bar, CA 91765
mmorris@aqmd.gov

Re: Public comments to Proposed Amended Rule 1107 (Coating of Metal Parts and Products)

Dear Mike:

RadTech International is pleased to comment on the proposed amendments to Rule 1107. Although UV/EB/LED technology does not dominate the metal parts and products coatings market, it is being used for this type of coating application. RadTech supports the district's efforts to improve air quality in the Basin without sacrificing a healthy business climate and believes that the implementation of UV/EB technology can accomplish both goals.

Request for Exemption

The staff presentation at the workshop states that there are "No changes to VOC limits" contemplated by the amendment. Our Association believes that the district can achieve voluntary emission reductions from companies who convert their processes to UV/EB/LED technology. RadTech urges the district to provide regulatory flexibility to UV/EB/LED processes. Our materials are typically well below 50 grams/liter in VOC content which is minimal compared to the proposed limits, some as high as 420 grams/liter. In keeping with past district policies and direction from the Governing Board, we respectfully request that UV/EB/LED materials be exempted from the rule requirements. An exemption would be an incentive for businesses to voluntarily choose UV/EB/LED technology resulting in additional emission reductions for the District.

3-1

Test Method

We very much appreciate the inclusion of a definition for energy curable materials in the rule and inclusion of ASTM D7767 (the test method for thin film UV/EB curable materials). We are also encouraged by your commitment to "continue to work with stakeholders to develop an acceptable procedure to allow use of ASTM D 7767-11 for field samples." We stand ready to collaborate with the District on any effort to address the issue. In order to increase consistency and avoid confusion, we urge the district to include ASTM F7767-11 in Section (e) "Methods of Analysis". The current

3-2

language that allows “multiple” test methods is vague and could result in enforcement problems for our members and their customers.

3-2
(Cont)

Support for other Stakeholders

It is our understanding that other stakeholders such as the Metropolitan Water District, may be interested in an exemption for high viscosity (above 650 cps) materials from the transfer efficiency requirements of the rule. Flexibility should be offered to UV/EB/LED processes as related to the requirements for transfer efficiency in the rule. UV/EB materials not only meet, but far exceed any proposed rule requirements and any added flexibility to companies that choose these pollution preventive processes will encourage voluntary emission reductions thereby furthering the district’s mission.

3-3

We appreciate your attention to this matter and look forward to a productive rulemaking process.

Sincerely,

Rita M. Loof

Director, Environmental Affairs

Cc: mwpatrik@verizon.net; moffitt@nrbor.org; bscrites@nrbor.org; jacob.hall@lacity.org; jenny.chen@lacity.org; marcacieff@yahoo.com; ritaham@verizon.net; Andrew.willis@ocw.bccounty.gov; diana.morris@portharland.edu; blenett@cityofvallejo.org; rbc@agmd@gmail.com; Superior@kubartford.bccounty.gov; mail@yale@bc.bccounty.gov; July.M@ci.kelling-hill-estates.ca.us; Mark@forlakewood@gmail.com; Natalie.Winkelhart@ocgov.com; Andrea.Bel@ocgov.com; lmccollins@cityofhighland.org; dassman@bcghe-mail.com; dm@bimons@lakeb.net.ca.gov; Matt@theBios@abmmaine.edu; kara1pr@gmail.com; toadlene4@yahoo.com; vmmanuel@bcn7@nrc.org; cob@agmd.gov; Lisa.Bartlett@ocgov.com; FourH@strick@bos.lacounty.gov; valet@agmd.gov; sherrana47@agmd.gov; aggon7@agmd.gov; Kathryn@bos.lacounty.gov

Response to Comment 3-1

Staff acknowledges the typically low VOC content of UV/EB/LED processes. Exemptions are included in rules for operations where there are challenges with complying with rule requirements. Staff is unaware of any situation where UV/EB/LED processes are having difficulty and therefore an exemption is unnecessary. Staff does not see any incentive difference between a compliant process and an exempt process.

Response to Comment 3-2

Staff will continue to collaborate with stakeholders to develop an acceptable procedure to allow the use of ASTM D7767 for field samples and appreciate your offer to provide expertise and assistance in this endeavor.

Response to Comment 3-3

Please see Response to Comment 1-1.

ATTACHMENT H



**South Coast
Air Quality Management District**

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

SUBJECT: NOTICE OF EXEMPTION FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

PROJECT TITLE: PROPOSED AMENDED RULE 1107 – COATING OF METAL PARTS AND PRODUCTS

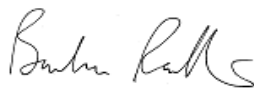
Pursuant to the California Environmental Quality Act (CEQA) Guidelines, the South Coast Air Quality Management District (South Coast AQMD), as Lead Agency, has prepared a Notice of Exemption pursuant to CEQA Guidelines Section 15062 – Notice of Exemption for the project identified above.

South Coast AQMD staff is proposing to amend Rule 1107 to revise certain exemptions to be consistent with Reasonably Available Control Technology requirements as recommended in United States Environmental Protection Agency’s Control Techniques Guidelines for Miscellaneous Metal and Plastic Parts Coatings (September 2008). Volatile Organic Compound (VOC) limits for baked metallic and baked camouflage coatings will be reduced from 420 grams/liter (g/L) to 360 g/L as requested by California Air Resources Board. Since compliant coatings are currently available and in use, no physical changes will be necessary to comply with Proposed Amended Rule 1107. Other amendments are proposed to address work practices for coating-related activities, update test methods, remove obsolete provisions, and make clarifications.

The proposed project has been reviewed pursuant to: 1) CEQA Guidelines Section 15002(k) – General Concepts, the three-step process for deciding which document to prepare for a project subject to CEQA; and 2) CEQA Guidelines Section 15061 – Review for Exemption, procedures for determining if a project is exempt from CEQA. Since Proposed Amended Rule 1107 does not contain any project elements requiring physical modifications that would cause an adverse effect on the environment, it can be seen with certainty that there is no possibility that the proposed project may have a significant adverse effect on the environment. Therefore, the project is exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) – Common Sense Exemption. If the project is approved, this Notice of Exemption will be filed with the county clerks of Los Angeles, Orange, Riverside, and San Bernardino counties.

Any questions regarding this Notice of Exemption should be directed to Luke Eisenhardt (c/o Planning, Rule Development, and Area Sources) at the above address. Mr. Eisenhardt can also be reached at (909) 396-2324. Ms. Uyen-Uyen Vo is also available at (909) 396-2238 to answer any questions regarding Proposed Amended Rule 1107.

Date: January 16, 2020

Signature: 
Barbara Radlein
Program Supervisor, CEQA
Planning, Rule Development, and Area Sources

**NOTICE OF EXEMPTION FROM THE
CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)**

To: County Clerks
Counties of Los Angeles, Orange,
Riverside and San Bernardino

From: South Coast Air Quality Management District
21865 Copley Drive
Diamond Bar, CA 91765

Project Title: Proposed Amended Rule 1107 – Coating of Metal Parts and Products

Project Location: The project is located within the South Coast Air Quality Management District (South Coast AQMD) jurisdiction which includes the four-county South Coast Air Basin (all of Orange County and the non-desert portions of Los Angeles, Riverside and San Bernardino counties), and the Riverside County portions of the Salton Sea Air Basin (SSAB) and Mojave Desert Air Basin (MDAB).

Description of Nature, Purpose, and Beneficiaries of Project: South Coast AQMD staff is proposing to amend Rule 1107 to revise certain exemptions to be consistent with Reasonably Available Control Technology requirements as recommended in United States Environmental Protection Agency's Control Techniques Guidelines for Miscellaneous Metal and Plastic Parts Coatings (September 2008). Volatile Organic Compound (VOC) limits for baked metallic and baked camouflage coatings will be reduced from 420 grams/liter (g/L) to 360 g/L as requested by California Air Resources Board. Since compliant coatings are currently available and in use, no physical changes will be necessary to comply with Proposed Amended Rule 1107. Other amendments are proposed to address work practices for coating-related activities, update test methods, remove obsolete provisions, and make clarifications.

Public Agency Approving Project: South Coast Air Quality Management District

Agency Carrying Out Project: South Coast Air Quality Management District

Exempt Status:

CEQA Guidelines Section 15061(b)(3) – Common Sense Exemption

Reasons why project is exempt: Pursuant to the California Environmental Quality Act (CEQA), South Coast AQMD staff, as Lead Agency, has reviewed Proposed Amended Rule 1107 in accordance with: 1) CEQA Guidelines Section 15002(k) – General Concepts, the three-step process for deciding which document to prepare for a project subject to CEQA; and 2) CEQA Guidelines Section 15061 – Review for Exemption, procedures for determining if a project is exempt from CEQA. Since Proposed Amended Rule 1107 does not contain any project elements requiring physical modifications that would cause an adverse effect on the environment, it can be seen with certainty that there is no possibility that the proposed project may have a significant adverse effect on the environment. Therefore, the project is exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) – Common Sense Exemption.

Date When Project Will Be Considered for Approval (subject to change):

South Coast AQMD Governing Board Hearing: February 7, 2020; South Coast AQMD Headquarters

CEQA Contact Person:	Phone Number:	Email:	Fax:
Mr. Luke Eisenhardt	(909) 396-2324	leisenhardt@aqmd.gov	(909) 396-3982

Regulation Contact Person:	Phone Number:	Email:	Fax:
Ms. Uyen-Uyen Vo	(909) 396-2238	uvo@aqmd.gov	(909) 396-3807

Date Received for Filing: _____ **Signature:** _____ *(Signed Upon Board Approval)*

Barbara Radlein
Program Supervisor, CEQA
Planning, Rule Development, and Area Sources



Proposed Amended Rule 1107 Coating of Metal Parts and Products

Governing Board Meeting

February 7, 2020

Background

- ▶ Rule 1107 was adopted in 1979; amended 17 times
 - ▶ Last amendment in January 2006
- ▶ Establishes VOC limits, work practices, test methods, and recordkeeping requirements for many metal coating operations
- ▶ In September 2008, U.S. EPA released Control Techniques Guideline (CTG) for Metal and Plastic Parts Coatings
 - ▶ Non-attainment areas are required to implement as soon as practicable
 - ▶ CTG includes improved work practices and more stringent requirements for certain exemptions
- ▶ CARB is requesting limits for two coating categories be reduced to reflect limits adopted in other air districts

Proposed Amendments Requested by U.S. EPA and CARB

Reduce VOC limits for baked metallic and baked camouflage coatings

Add work practices for storage and handling of materials

Remove high volume exemptions

Update test methods

Clarify and remove obsolete rule language

Potential Rule Impacts

- ▶ Proposed Amended Rule 1107 is not expected to result in direct emission reductions or increased costs
 - ▶ Compliant coatings have been used in affected coating categories for two decades
 - ▶ Using closed containers satisfies work practice requirements
- ▶ Staff is not aware of any unresolved key issues

Proposed Amendments Included as Requested by Stakeholders

Allow manufacturers to use ASTM D 7767 for Energy Curable Coatings



- ASTM D 7767 provides an improved test for VOC determination
- Staff will continue to work with stakeholders to develop field sample procedure – would require future rule amendment when complete

Exempt high-viscosity coatings from transfer efficiency requirements



- Transfer efficiency exemption will avoid unnecessary VOC emissions from thinning

Staff Recommendation

- ▶ Adopt the Resolution
 - ▶ Determining that PAR 1107 is exempt from the requirements of CEQA
 - ▶ Amending Rule 1107

