

BOARD MEETING DATE: May 5, 2023

AGENDA NO. 1

MINUTES: Governing Board Monthly Meeting

SYNOPSIS: Attached are the Minutes of the April 7, 2023
Board Meeting.

RECOMMENDED ACTION:

Approve the April 7, 2023 Board Meeting Minutes.

Faye Thomas
Clerk of the Boards

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FRIDAY, APRIL 7, 2023

Notice having been duly given, the regular meeting of the South Coast Air Quality Management District Board was conducted in a hybrid format (in person and remotely via videoconferencing and telephone). Members present:

Senator Vanessa Delgado (Ret.), Chair
Senate Rules Committee Appointee

Councilmember Michael A. Cacciotti, Vice Chair
Cities of Los Angeles County – Eastern Region

Mayor Patricia Lock Dawson
Cities of Riverside County

Supervisor Curt Hagman
County of San Bernardino

Gideon Kracov
Governor's Appointee

Mayor Larry McCallon
Cities of San Bernardino County

Supervisor Holly J. Mitchell
County of Los Angeles

Veronica Padilla-Campos
Speaker of the Assembly Appointee

Supervisor V. Manuel Perez
County of Riverside

Councilmember José Luis Solache
Cities of Los Angeles County – Western Region

Absent: Supervisor Andrew Do
County of Orange

Councilmember Nithya Raman
City of Los Angeles

Councilmember Carlos Rodriguez
Cities of Orange County

For additional details of the Governing Board Meeting, please refer to the recording of the [Webcast](#) at: [Live Webcast \(aqmd.gov\)](#)

CALL TO ORDER: Chair Delgado called the meeting to order at 9:02 a.m.

- Pledge of Allegiance: Led by Councilmember José Luis Solache
- Roll Call
- Swearing in of Newly Appointed Board Member Patricia Lock Dawson

Chair Delgado administered the Oath of Office to Mayor Patricia Lock Dawson, who was appointed to the Board by the Cities of Riverside County, for a term ending January 2027.

Mayor Lock Dawson expressed appreciation to Riverside, for getting the opportunity to have a seat at the table, and for her ability to participate on the Board.

- Opening Comments

Chair Delgado wished a Happy Easter, Happy Passover, and Happy Ramadan to all who celebrate.

Executive Officer Wayne Nastri reported that over 100 applications had been received for the Summer Internship Program and that Board members would have the opportunity to begin selecting interns. Notification to the interns will begin in May with the program starting on June 13.

Mr. Nastri shared a video of staff volunteers participating in a landscape and beautification project with Habitat for Humanity in the Coachella Valley on March 26 to commemorate Cesar Chavez Day of Remembrance. Chair Delgado commended staff for implementing the Board's request to increase community engagement.

Vice Chair Cacciotti shared photos of city council meetings in cities of eastern Los Angeles County, (including Baldwin Park, San Fernando, El Monte, Temple City, and Claremont), that he attended and provided air quality information as well as demonstrated the operation of a handheld electric leaf blower. He commented on the incentives being offered through South Coast AQMD's 2023 Commercial Lawn and Garden Equipment Exchange program. He then introduced Dan Mabe of American Green Zone Alliance (AGZA) who had a variety of commercial lawn and garden equipment on display in the auditorium.

Mr. Mabe explained the features of some of the commercial lawn and garden equipment that exists in the market and gave a live demonstration of a handheld electric leaf blower. He responded to questions from Board Members about the costs, maximum runtime, length of time to charge, and life cycle of the batteries. For additional details, please refer to the [Webcast](#) beginning at 23:03.

Supervisor Hagman asked if there are credits for consumers to offset the increased electric utility costs when switching from gas to electric appliances. Mr. Mabe explained that the battery associated with the lawn and garden equipment is generally up to 1200 Watt hours which is much smaller than an electric car and that the operating costs with electric lawn and garden equipment are substantially lower than gas equipment. For additional details, please refer to the [Webcast](#) beginning at 24:04.

Vice Chair Cacciotti commented that the City of South Pasadena has been all electric since 2016 and noted how his gardener has transitioned to electric equipment. Board Member Kracov thanked Vice Chair Cacciotti for his leadership on electric lawn and garden equipment and inquired about the acceptance for electric equipment. Mr. Mabe responded that the use of electric equipment is gaining more acceptance and noted how community engagement has contributed to the technology being accepted.

Chair Delgado emphasized the need to ensure that gardeners in lower income communities can benefit from the incentives for lawn and garden equipment. Mr. Mabe commented that AGZA will be partnering with the South Coast AQMD for outreach efforts and are reaching out in different languages. For additional details, please refer to the [Webcast](#) beginning at 27:00.

Chair Delgado outlined three priorities for her term as Chair, which includes a focus on streamlining the existing permitting process to reduce the backlog. She requested that staff provide an overview of the current permitting system at the May Board Meeting and a workplan to reduce the backlog at the August Board Meeting. Her second priority is to look at ways to enrich the agency's engagement with the community, including a commitment to host Board meetings in communities within the South Coast Air Basin such as the San Fernando and Coachella Valleys. The third priority is to create a plan on how to coalesce funding to help underserved communities transition to zero-emissions technologies. For additional details, please refer to the [Webcast](#) beginning at 31:40.

Board members pledged their support to help accomplish the Chair's priorities and commented on the importance of addressing the concerns of underserved communities, evaluating for equity across all programs, going into the communities to engage directly with constituents, and ensuring that funding is available to help make the transition to zero emissions affordable for underserved communities. For additional details, please refer to the [Webcast](#) beginning at 37:00.

Mayor McCallon commented on data showing that the Inland Empire has the nation's worst ozone and particulate pollution. He wanted to be sure that the Inland Empire is not left out and the Chair agreed. For additional details, please refer to the [Webcast](#) beginning at 43:30.

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

The Public Comment Period was opened. The following individuals addressed the Board.

Elenah Brown, Clean Air Coalition of North Whittier and Avocado Heights (CAC)
Armand Cervera, CAC
Armando Cervera, CAC
Greg Fritchie, Walnut resident
Marilyn Kamimura, CAC
Richard Kamimura, CAC
Rebecca Overmyer-Velazquez, CAC
Adriana Quinones, CAC
Beatriz Ricartti, CAC

Spoke in opposition to Quemetco's pending permit applications to increase its throughput by 25 percent and made the following comments. For additional details, please refer to the [Webcast](#) beginning at 47:04.

- Frustrated with the recent Settlement Agreement between the Department of Toxic Substances Control (DTSC) and Quemetco
- Questioned the integrity of the permitting process
- Emphasized the need to close and relocate Quemetco
- Highlighted Quemetco's history of violations
- Shared stories about family members, friends, and pets living near Quemetco developing cancer
- Urged the Board to review the staff recommendation for the permit application
- Requested that the Board engage with the communities surrounding Quemetco

In response to questions from Board members, Susan Nakamura, Chief Operating Officer, announced that she would be responding to questions regarding Quemetco because Mr. Nastri has recused himself from matters related to the facility. Ms. Nakamura commented that staff has been working on responding to over 200 public comments received on the Draft Environmental Impact Report, as well as evaluating 14 permits Quemetco submitted last year and how those permits would affect the existing CEQA document. For additional details, please refer to the [Webcast](#) beginning at 1:11:49.

Councilmember Solache commented on the importance of addressing the concerns of the community to avoid the experiences like that of the former Exide Battery Recycling Facility in Vernon. He expressed an interest in getting more information about the South Coast AQMD's permitting process and requested a follow-up meeting on this issue. For additional details, please refer to the [Webcast](#) beginning at 1:14:02.

Supervisor Mitchell requested that staff comment on the motion set forth by the Los Angeles Board of Supervisors in July 2020 to halt Quemetco's request to expand its throughput until DTSC conducts its review of the permit renewal application. Ms. Nakamura explained that Quemetco must receive permit approvals from both DTSC and the South Coast AQMD before it can increase the throughput. For additional details, please refer to the [Webcast](#) beginning at 1:15:01.

Supervisor Perez expressed concerns with comments regarding the cancer incidences for those who live in communities surrounding the facility. He suggested that the Board receive more information about Quemetco, including available data or studies that may have been conducted to investigate the cancer rate.

Chair Delgado directed staff to follow up on this issue with a briefing to the Board that includes relevant data or studies. For additional details, please refer to the [Webcast](#) beginning at 1:16:30.

Timothy Lane, Ambient Environmental, Inc., requested an explanation of the term "asbestos contamination assessment," which was referenced in a Notice to Comply his client received but does not appear in Rule 1403. (Written Comments Submitted) For additional details, please refer to the [Webcast](#) beginning at 1:19:30.

Terrence Mann, Deputy Executive Officer, Compliance & Enforcement, acknowledged that the term does not appear in Rule 1403. However, the Notice to Comply specifically references Rule 1403 (d)(1)(A) to describe the requirements for performing a facility survey for the presence of asbestos. The term "asbestos contamination assessment" is used because it is a common industry term and plain language that the public can easily understand. For additional details, please refer to the [Webcast](#) beginning at 1:22:57.

Fernando Gaytan, Earthjustice, welcomed Mayor Lock Dawson and thanked Chair Delgado for setting a clear vision for the Board to prioritize equity, transparency, community engagement and a proactive role in catalyzing the transition to zero-emission technology. He emphasized the need to bring together resources and opportunities to shift to zero emissions and develop strong rules to implement strategies in the 2022 AQMP, which relies on the deployment of zero-emissions technology across all sectors to improve air quality. For additional details, please refer to the [Webcast](#) beginning at 1:24:29.

Harvey Eder, Public Solar Power Coalition, questioned the base years used and CEQA document for the 2022 AQMP. He expressed concern that the low-income solar equity project has not been evaluated. For additional details, please refer to the [Webcast](#) beginning at 1:27:36.

Anna Christiansen, Sierra Club (Los Cerritos Wetlands Task Force), commented on the structural nature of racism and pollution and the need to undo a permitting system that allowed a facility like Quemetco to be built in that community. She expressed concerns with pollution from fireworks; and requested that fireworks, as well as setbacks for oil drilling operations, be regulated. For additional details, please refer to the [Webcast](#) beginning at 1:30:41.

Duncan McKee, Avocado Heights resident, commented on odors and plumes coming from Quemetco, and questioned enforcement actions taken against the facility. He emphasized the need to open a dialog about contamination issues related to the facility's operations and requested that the community be given the opportunity to brief the Board. For additional details, please refer to the [Webcast](#) beginning at 1:33:53.

There being no further requests to speak, the Public Comment Period was closed.



Written Comment Letters Regarding Proposed Rule 1110.3 Submitted By:

- Alex Moch, Prologis
- One letter signed by Katrina M. Fritz, California Hydrogen Business Council and Julia Levin, Bioenergy Association of California

CONSENT AND BOARD CALENDAR

Items 1 and 2 – Action Items/No Fiscal Impact

1. Approve Minutes of March 3, 2023 Board Meeting
2. Set Public Hearing May 5, 2023 to Consider Adoption of and/or Amendments to South Coast AQMD Rules and Regulations:
 - A. Determine that Proposed Amendments to Regulation III – Fees Are Exempt from CEQA; Amend Regulation III – Fees; and Adopt Executive Officer's Proposed Goals and Priority Objectives, and Proposed Budget for FY 2023-24
 - B. Determine That Proposed Amended Rule 463 – Organic Liquid Storage and Proposed Amended Rule 1178 – Further Reductions of VOC Emission from Storage Tanks at Petroleum Facilities, Are Exempt from CEQA; and Amend Rule 463 and Amend Rule 1178

Items 3 through 10– Budget/Fiscal Impact

3. Adopt Resolutions Recognizing Revenues for FY 2022-23 Community Air Protection Program and Funding Agricultural Replacement Measures for Emission Reductions and Reimburse General Fund for Administrative Costs
4. Recognize Revenue, Transfer Funds and Execute Contracts for Assistance Implementing Enhanced Fleet Modernization Program
5. Execute Contract to Develop and Demonstrate Hydrogen Fuel Cell Mobile Power Generation System
6. Transfer and Appropriate Funds, Issue Purchase Orders and/or Execute Contracts, Add/Delete Positions to Meet Operational Needs for Rule 1180 Air Monitoring Program

7. Amend Contracts to Provide Systems Development, Maintenance and Support Services
8. Execute Contract for Independent Audit Services for FYs Ending June 30, 2023, 2024, and 2025
9. Remove Various Fixed Assets from South Coast AQMD Inventory
10. Approve South Coast AQMD Annual Investment Policy and Delegation of Authority to Appointed Treasurer to Invest South Coast AQMD Fund

Item 11 – Action Item/No Fiscal Impact

11. Authorize Executive Officer to Execute MOU with Long Beach Container Terminal for Submittal of Joint Port Infrastructure Development Program Grant Application

Items 12 through 17 – Information Only/Receive and File

12. Legislative, Public Affairs and Media Report
13. Hearing Board Report
14. Civil Filings and Civil Penalties Report
15. Lead Agency Projects and Environmental Documents Received
16. Rule and Control Measure Forecast
17. Status Report on Major Ongoing and Upcoming Projects for Information Management

Items 18 through 24 – Reports for Committees and CARB

18. Administrative Committee
19. Investment Oversight Committee
20. Legislative Committee
21. Mobile Source Committee
22. Stationary Source Committee
23. Technology Committee
24. California Air Resources Board Monthly Report
25. Items Deferred from Consent and Board Calendar

Agenda Item No. 8 was pulled for discussion.

Disclosures

Supervisor Mitchell reported that she had no financial interest in Agenda Item No. 10 but is required to identify for the record that she is a member of the Los Angeles County Board of Supervisors, which is involved in this item.

Supervisor Perez reported that he had no financial interest in Agenda Item Nos. 3 and 4 but is required to identify for the record that he is a member of CARB's Board, which is involved in those items. He also recused himself from Agenda Item No. 5, due to a campaign contribution from Southern California Edison within the past 12 months.

Board Member Kracov reported that he had no financial interest in Agenda Item Nos. 3 and 4 but is required to identify for the record that he is member of CARB's Board, which is involved in those items.



Item Pulled for Discussion – Agenda Item No. 8

Mayor McCallon stated that during the selection process for the independent financial audit services, candidates were asked if they could provide community benefits towards improving air quality in the Basin. He expressed concern that only three of the four candidates were given the question and inquired if it was legal to ask for something that was not a criteria in the RFP. For additional details, please refer to the [Webcast](#) beginning at 1:05:36.

Bayron Gilchrist, General Counsel, responded that contractually there is no issue. Sujata Jain, Deputy Executive Officer/Chief Financial Officer stated that two audit firms commented that they would have to determine if they could provide community benefit without impairing their independence.

Supervisor Perez stated that he asked the question during the Administrative Committee interview because he thought it was a good idea to have a communal benefit and the amount could be whatever the auditing group decided.

Agenda Item Nos. 1-24 were opened for public comment; and the following individuals addressed the Board.

Agenda Item No. 5

Ranji George, a member of the public, expressed concern that many hydrogen vehicle owners are experiencing difficulties with hydrogen refueling stations that are not working properly and emphasized the need for more hydrogen stations. He cautioned that the significant increase of EV batteries will create a need for more battery recycling facilities; therefore, the use of more environmentally friendly batteries or hydrogen technology should be encouraged. For more information, please refer to the [Webcast](#) beginning at 1:45:14.

Anna Christiansen expressed concern that the production of hydrogen is causing ecological harms in the global South. She also highlighted the problem with hydrogen and methane leaks. For more information, please refer to the [Webcast](#) beginning at 1:49:04.

Harvey Eder made reference to a state law that requires hydrogen be made from solar renewables and stated that hydrogen made from natural gas is illegal. For more information, please refer to the [Webcast](#) beginning at 1:52:30.

There being no further requests to speak, the public comment period for Agenda Items No. 1-24 was closed.

Board Action (Items 1–24)

MOVED BY PEREZ, SECONDED BY CACCIOTTI TO APPROVE AGENDA ITEMS 1 THROUGH 24 AS RECOMMENDED; AND

ADOPT RESOLUTION NO. 23-9 RECOGNIZING, UPON RECEIPT FROM CARB, UP TO \$92 MILLION IN COMMUNITY AIR PROTECTION PROGRAM (CAPP) FUNDS INTO THE COMMUNITY AIR PROTECTION AB 134 FUND (77);

ADOPT RESOLUTION NO. 23-10 RECOGNIZING, UPON RECEIPT FROM CARB, UP TO \$1.5 MILLION IN FUNDING AGRICULTURAL REPLACEMENT MEASURES FOR EMISSION REDUCTIONS (FARMER) PROGRAM FUNDS INTO THE CARL MOYER PROGRAM FUND (32); AND

ADOPT RESOLUTION NO. 23-11 TO RENEW DELEGATION OF AUTHORITY TO THE LOS ANGELES COUNTY TREASURER TO INVEST AND REINVEST SOUTH COAST AQMD FUNDS.

THE MOTION PASSED BY THE FOLLOWING VOTE:

AYES: Cacciotti, Lock Dawson, Delgado, Hagman, Kracov, McCallon, Mitchell, Padilla-Campos, Perez (Except No. 5), and Solache

NOES: None

ABSTAIN: Perez (No. 5)

ABSENT: Do, Raman, and Rodriguez



26. Determine that Proposed Amended Rule 219 – Equipment Not Requiring a Written Permit Pursuant to Regulation II, and Proposed Amended Rule 222 – Filing Requirements for Specific Emission Sources Not Requiring a Written Permit Pursuant to Regulation II, Are Exempt from CEQA; and Amend Rule 219 and Rule 222 (*Continued from March 3 2023 Board Meeting*)

Mike Krause, Assistant Deputy Executive Officer/Planning, Rule Development and Implementation, gave the staff presentation on this item.

Agenda Item No. 26 was opened for public comment; and the following individuals addressed the Board.

Joe Blanford, Miltec UV Corporation
Rita Loof, RadTech (Written Comments Submitted)
Kevin Jossel, AMS Spectral UV
Esteban Marin, Heraeus Noblelight America LLC
Howard Ragin, UV Specialties LLC

Commenters expressed concern about the following issues. For more information, please refer to the [Webcast](#) beginning at 1:27:29.

- It is bad public policy to charge companies over \$7,000 for a clean technology and has zero emissions
- UV/EB curing technologies should be exempt from fees
- UV/EB/LED processes are not formulated with VOCs or toxic air contaminants.

Ms. Loof submitted a handout with excerpts from a South Coast AQMD engineering evaluation that stated the addition of a UV curing tunnel was not expected to result in increased emissions. The handout also contained suggested language for PAR 219 Subparagraphs (d)(8)(H) and (d)(12)(L).

Harvey Eder commented on the cost to reduce emissions and the need for control technology and equity. For more information, please refer to the [Webcast](#) beginning at 2:22:32.

Rubina Suwol, California Safe Schools, urged the Board to consider the importance of supporting facilities who are pursuing emission reductions, instead of requiring permits and fees for creating cleaner technology. For more information, please refer to the [Webcast](#) beginning at 2:25:23.

There being no further requests to speak, the public comment period for Agenda Item No. 26 was closed.

Mayor McCallon noted that the language proposed by Ms. Loof is included in the staff report but asked staff to clarify why it could not be included in the rule language. Mike Krause responded that an engineering analysis is needed to determine if there is an emissions increase.

Supervisor Hagman commented that he does not want to prevent someone from going to a new technology because the fees are more than the cost of the new technology, and inquired if there is a way to offset some of the fees. For more information, please refer to the [Webcast](#) beginning at 2:31:43.

Jason Aspell, Deputy Executive Officer, Engineering and Permitting clarified that the one facility that paid \$7,000 in engineering evaluation fees was due to the complexity of the equipment. Mr. Aspell stated that the permit in question encompasses a large, complex coating system with multiple emission sources and capture and control equipment, which is not representative of a typical coating process. He also highlighted that small businesses receive a 50 percent discount on permitting fees. For more information, please refer to the [Webcast](#) beginning at 2:29:55.

Mr. Nastri explained that if the operator is modifying their process and they meet the conditions in the proposed rule, they are exempt from permitting. The proposal is expanding this permit exemption while providing the assurance that public health continues to be protected. For more information, please refer to the [Webcast](#) beginning at 2:32:20.

Board Action (Item 26)

MOVED BY MITCHELL SECONDED BY CACCIOTTI TO APPROVE AGENDA ITEM 26 AS RECOMMENDED TO ADOPT RESOLUTION NO. 23-12:

DETERMINING THAT PROPOSED AMENDED RULE 219 – EQUIPMENT NOT REQUIRING A WRITTEN PERMIT PURSUANT TO REGULATION II, AND PROPOSED AMENDED RULE 222 – FILING REQUIREMENTS FOR SPECIFIC EMISSION SOURCES NOT REQUIRING A WRITTEN PERMIT PURSUANT TO REGULATION II, ARE EXEMPT FROM THE REQUIREMENTS OF THE CALIFORNIA ENVIRONMENTAL QUALITY ACT; AND

AMENDING RULE 219 – EQUIPMENT NOT REQUIRING A WRITTEN PERMIT PURSUANT TO REGULATION II, AND RULE 222 – FILING REQUIREMENTS FOR SPECIFIC EMISSION SOURCES NOT REQUIRING A WRITTEN PERMIT PURSUANT TO REGULATION II.

THE MOTION PASSED BY THE FOLLOWING VOTE:

AYES: Cacciotti, Lock Dawson, Delgado, Hagman, Kracov, McCallon, Mitchell, Padilla-Campos, Perez, and Solache

NOES: None

ABSENT: Do, Raman, and Rodriguez



27. Receive and File 2022 Annual Report on AB 2588 Program

Staff waived the presentation on this item.

In response to Mayor McCallon's inquiry about the status of MATES VI, Ian MacMillan, Assistant Deputy Executive Officer/Planning, Rule Development and Implementation, responded that internal planning has begun on the process.

Agenda Item No. 27 was opened for public comment. There being no requests to speak, the public comment period for Agenda Item No. 27 was closed.

Board Action (Agenda Item 27)

MOVED BY CACCIOTTI, SECONDED BY SOLACHE
APPROVE AGENDA ITEM NO. 27 AS
RECOMMENDED.

THE MOTION PASSED BY THE FOLLOWING VOTE:

AYES: Cacciotti, Delgado, Lock Dawson, Hagman,
Kracov, McCallon, Mitchell, Padilla-Campos,
Perez, and Solache

NOES: None

ABSENT: Do, Raman, and Rodriguez



28. Approve Contract for Board Consultant Services with Mark Taylor and Approve Findings of Critical Need and Timing for Services in Accordance with Government Code Section 7522.56

Staff waived the presentation on this item.

Board Action (Agenda Item 28)

MOVED BY HAGMAN, SECONDED BY SOLACHE
APPROVE AGENDA ITEM NO. 28 AS
RECOMMENDED.

THE MOTION PASSED BY THE FOLLOWING VOTE:

AYES: Cacciotti, Delgado, Lock Dawson, Hagman,
Kracov, McCallon, Mitchell, Padilla-Campos,
Perez, and Solache

NOES: None

ABSENT: Do, Raman, and Rodriguez



There being no further business, Chair Delgado closed the meeting in honor of two long-time South Coast AQMD employees who had recently passed away, Don Hopps and Lisa Gonzalez. She called for a moment of quiet reflection before declaring the meeting adjourned at 11:41 a.m. in honor of the two employees.

The foregoing is a true statement of the proceedings held by the South Coast Air Quality Management District Board on April 7, 2023.

Respectfully Submitted,

Faye Thomas
Clerk of the Boards

Date Minutes Approved: _____

Vanessa Delgado, Chair

ACRONYMS

AQMP = Air Quality Management Plan
CARB = California Air Resources Board
CEQA = California Environmental Quality Act
EV = Electric Vehicle
FY = Fiscal Year
PAR = Proposed Amended Rule
UV/EB/LED = Ultraviolet/Electron Beam/Light Emitting Diode