

BOARD MEETING DATE: December 1, 2023

AGENDA NO. 3

**PROPOSAL:** Appropriate Funds, Issue Solicitation and Purchase Orders to Meet Operational Needs for Rule 1180 Community Air Monitoring Program

**SYNOPSIS:** In June 2018, the Board created the Rule 1180 Special Revenue Fund to establish and maintain a community air monitoring network near refineries. The FY 2023-24 budget for this program includes approximately \$4.6 million in annual fees from refineries for community air monitoring. These actions are to appropriate funds to Monitoring and Analysis' FY 2023-24 and/or FY 2024-25 Budget, and issue a solicitation and purchase orders to meet operational needs of the Rule 1180 Community Air Monitoring Program.

**COMMITTEE:** Administrative, November 9, 2023; Recommended for Approval

**RECOMMENDED ACTIONS:**

1. Appropriate up to \$610,000 from the General Fund Undesignated (Unassigned) Fund Balance for Rule 1180 activities to Monitoring and Analysis' FY 2023-24 and/or 2024-25 Budget (Org 42) Capital Outlays (up to \$330,000) and Services and Supplies (up to \$280,000) Major Objects, as indicated in Tables 1 and 2;
2. Authorize the Procurement Manager, in accordance with South Coast AQMD's Procurement Policy and Procedure, to issue sole source purchase orders for the following items as listed in Tables 1 and 2, and described in this letter:
  - a. Up to three gas dilution systems from Teledyne Advanced Pollution Instrumentation (Teledyne) in an amount not to exceed \$45,000;
  - b. One Aethalometer from Sonoma Technologies, Inc. (STI) in an amount not to exceed \$35,000;
  - c. Installation of an optical table from Thorlabs, Inc. (Thorlabs) in an amount not to exceed \$5,000;
  - d. Up to 11 mirror replacements and spectrometers upgrades for optical multi-pollutant analyzers from FluxSense, Inc. (FluxSense) in an amount not to exceed \$220,000;
  - e. Annual consumables supply from Tricorntech Corporation (Tricorntech) for the operation of automated gas chromatography (auto-GC) systems at Rule 1180 community air monitoring stations in an amount not to exceed \$200,000; and

- f. Annual data quality assurance services from Tricorntech for validating data from auto-GC systems in an amount not to exceed \$80,000.
3. Authorize the Procurement Manager, in accordance with South Coast AQMD's Procurement Policy and Procedure, to issue a contract or purchase order, as deemed appropriate, with vendor(s) selected from South Coast AQMD's List of Prequalified Vendors in an amount up to \$25,000 for one Linux server and support hardware as shown in Table 1.

Wayne Natri  
Executive Officer

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### **Background**

Rule 1180 - Refinery Fenceline and Community Air Monitoring was adopted by the Board in December 2017 and requires the seven major refineries in the Basin to measure levels of various air pollutants at their fenceline. Rule 1180 also established a fee schedule to fund community air monitoring stations developed and operated by South Coast AQMD to provide air quality information to the public about the potential impact of refinery emissions in their communities. In FYs 2017-18 and 2018-19, the Board recognized revenue in two installments of \$2,145,390 and \$5,005,907, respectively, into the Rule 1180 Special Revenue Fund (78) for the installation of community air monitoring stations near refineries. Beginning January 2020, pursuant to Rule 301 - Permitting and Associated Fees, the refineries also started funding annual operating and maintenance costs totaling \$4,682,087 in FY 2023-24 for refinery-related community air monitoring programs near the following refineries:

- Tesoro Refining & Marketing Company, LLC, Carson;
- Tesoro Refining & Marketing Company, LLC, Wilmington;
- PBF Energy, Torrance Refining Company, Torrance;
- Chevron Products Company, Chevron El Segundo Refinery, El Segundo;
- Phillips 66 Company, Carson;
- Phillips 66 Company, Wilmington; and
- Valero Energy Corporation, Valero Wilmington Refinery, Wilmington

The Rule 1180 refinery fenceline and community air monitoring network began operation in January 2020. To satisfy the Rule 1180 air monitoring requirements, novel optical remote sensing, optical multi-pollutant analyzers, auto-GC and traditional analyzers have been deployed at fenceline and community air monitoring sites, making this monitoring network the first of its kind in terms of complexity and technologies deployed.

In addition, per Health and Safety Code section 47205.6, the district shall design, develop, install, operate, and maintain refinery-related community air monitoring systems.

### **Proposal**

This action is to appropriate from prior year Rule 1180 fee revenue savings up to \$610,000 from the General Fund Undesignated (Unassigned) Fund Balance for Rule 1180 activities to MAD's FY 2023-24 and/or 2024-25 Budget (Org 42) Capital Outlays Major Objects and Services & Supplies Major Objects, as indicated in Tables 1 and 2.

### Proposed Purchases through Sole Source

#### *Gas Dilution Systems*

Three gas dilution systems will be utilized for quality assurance, equipment verification, and equipment replacement purposes. Teledyne gas dilution systems are uniquely specialized to support the Rule 1180 community air monitoring operations. These gas dilution systems are currently deployed at all other Rule 1180 community air monitoring sites, therefore providing compatibility and continuity between all stations. The cost for up to three (3) Teledyne gas dilution systems will not exceed \$45,000.

#### *Aethalometer*

One aethalometer will be utilized for quality assurance and/or equipment replacement purposes. Aethalometers manufactured by Aerosol Magee Scientific are currently deployed at all Rule 1180 community air monitoring sites, therefore providing compatibility and continuity between all stations. The cost for one aethalometer from STI (authorized distributor for Aerosol Magee Scientific) will not exceed \$35,000.

#### *Optical Table Installation*

In June 2022, the Board authorized the purchase of an optical table, which was purchased from Thorlabs. This proposal would add funds for the installation of the table in the Rule 1180 laboratory space located in the Long Beach Office. The cost of the installation of the optical table from Thorlabs will not exceed \$5,000, as listed in Table 1.

#### *Mirror Replacement and Spectrometer Add-on*

Optical multi-pollutant analyzers manufactured by FluxSense are deployed at all Rule 1180 community air monitoring sites to measure VOCs and other air toxics on a comprehensive list of pollutants. Data produced by these analyzers is also used to issue Rule 1180 community air quality notifications. The analytical mirrors need replacement because there is substantial degradation of the mirror coating, which is impacting instrument performance. FluxSense's newly developed dielectric coated mirrors have been designed to last longer and improve overall instrument performance. Additionally, FluxSense developed a hardware add-on to the spectrometer system that would allow further improvement of instrument performance for selected compounds. FluxSense is

the only provider of these items due to the use of proprietary technology and their unique expertise. The cost of mirror replacements and spectrometer add-on from FluxSense will not exceed \$220,000, as listed in Table 1.

*Annual Consumable Supplies and Annual Data Quality Assurance Services for Gas Chromatography Systems*

Auto-GC systems manufactured by Tricorntech are deployed at all Rule 1180 community air monitoring sites to measure VOCs and other air toxics on a comprehensive list of pollutants. Consumables and routine maintenance components are required to ensure routine uninterrupted performance of all auto-GCs currently in operation. Additionally, data quality assurance service is required to ensure the validity and accuracy of the data generated by the auto-GCs. Tricorntech is the only provider of all these items due to the use of proprietary technology and the vendor's unique expertise. The cost of annual consumable supplies and annual data quality assurance services from Tricorntech will not exceed \$200,000, and \$80,000, respectively, as listed in Table 2.

Proposed Purchase through Solicitation to Prequalified Vendors

*Linux Server*

The advanced optical multi-pollutant analyzers deployed at Rule 1180 community monitoring sites collect massive amounts of raw spectroscopic data in addition to reporting final air pollutant concentrations. This raw data can be used for further analysis and for data quality assurance/quality control purposes. The purchase of a dedicated Linux server will allow additional data storage, processing, and analysis capabilities. This action is to execute contract(s) or purchase order(s) with vendor(s) selected from South Coast AQMD's List of Prequalified Vendors for a Linux server and associated support hardware in an amount not to exceed \$25,000, as listed in Table 1.

**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 purchases from Teledyne, STI, Thorlabs, FluxSense, and Tricorntech are made under Sections VIII.B.2.c (1): The unique experience and capabilities of the proposed contractor; VIII.B.2.c (2): The project involves the use of proprietary technology; and VIII.B.2.d (6): Projects requiring compatibility with existing specialized equipment. There are no other vendors who can provide this equipment and supplies meeting all required specifications and that are compatible with existing specialized equipment already in operation.

**Benefits to South Coast AQMD**

Funding for the implementation of Rule 1180 will allow South Coast AQMD to fulfill the community air monitoring requirements of its Rule 1180 program, which will result in benefits to environmental justice communities and others working and residing in the Basin near refineries. In addition, the district must fulfill the requirements of Health and Safety Code section 47205.6, which requires the district to design, develop, install, operate, and maintain refinery-related community air monitoring systems.

**Resource Impacts**

Sufficient funding is available in the Undesignated (Unassigned) Fund Balance from Rule 1180 prior year budget savings to support the activities outlined in this Board letter.

**Attachments**

Table 1: FYs 2023-24 and/or 2024-25 Proposed Capital Outlays Expenditures for Rule 1180

Table 2: FYs 2023-24 and/or 2024-25 Proposed Services and Supplies Expenditures for Rule 1180

**Table 1**  
**FYs 2023-24 and/or 2024-25**  
**Proposed Capital Outlays Expenditures for Rule 1180**

Description	Qty	Appropriation from Prior Year 's Budget Savings	Procurement Method
Gas Dilution Systems	Up to 3	\$45,000	Sole Source
Aethalometer	1	\$35,000	Sole Source
Installation of Optical Table*	1	\$5,000	Sole Source
Mirror Replacement and Spectrometer Add-on*	Up to 11	\$220,000	Sole Source
Linux Server*	1	\$25,000	Solicitation to Prequalified Vendors
<b>Total</b>		<b>Up to \$330,000</b>	

\*Expenditures may be appropriated as Capital Outlays or Services and Supplies Major Object, as warranted

**Table 2**  
**FYs 2023-24 and/or 2024-25**  
**Proposed Services and Supplies Expenditures for Rule 1180\***

<b>Description</b>	<b>Appropriation from Prior Year 's Budget Savings</b>	<b>Procurement Method</b>
Annual Consumable Supplies for Automated Gas Chromatography Systems	\$200,000	Sole Source
Quality Assurance Services for Gas Chromatography Systems	\$80,000	Sole Source
<b>Total</b>	<b>Up to \$280,000</b>	

\*Expenditures may be appropriated as Services and Supplies or Capital Outlays Major Object, as warranted.