

BOARD MEETING DATE: February 3, 2023

AGENDA NO. 4

PROPOSAL: Transfer and Appropriate Funds for Enhancements to Warehouse Actions and Investments to Reduce Emissions Program Online Portal

SYNOPSIS: In May 2021, Rule 2305 – Warehouse Indirect Source Rule and Rule 316 – Fees for Rule 2305 were adopted. Rule 2305 requires warehouse operators to take actions every year to reduce emissions related to their warehousing activities. The development of the Warehouse Indirect Source Rule Program Online Portal (WAIRE POP), which is an online portal to accept reports for the first reporting year, was completed in December 2022. Further development efforts are needed for additional reporting years. This action is to transfer and appropriate funds to enhance WAIRE POP for subsequent reporting years.

COMMITTEE: Administrative, January 13, 2023; Recommended for Approval

RECOMMENDED ACTIONS:

1. Appropriate up to \$250,000 from Undesignated Fund Balance into Information Management's FY 2022-23 and/or FY 2023-24 Budget(s) (Professional and Special Services and/or Capital Outlays Major Object) for enhancement of WAIRE POP; and
2. Authorize the Executive Officer to execute amendments to the contract for systems development services for AgreeYa Solutions, Inc. in the amount up to \$250,000 from Information Management's FY 2022-23 and/or FY 2023-24 Budget(s) for enhancement of the WAIRE POP.

Wayne Nastri
Executive Officer

Background

In May 2021, Rule 2305 – Warehouse Indirect Source Rule and Rule 316 – Fees for Rule 2305 were adopted. Rule 2305 requires warehouse operators to take actions every year to reduce emissions related to their warehousing activities. In addition, warehouse owners and operators must submit reports to South Coast AQMD that includes operational information and their selected compliance approach. The adoption Resolution for Rules 2305 and 316 required the Executive Officer to develop an online portal that warehouse owners or operators would use to submit their reports, and to provide information to the public about rule compliance. Rule 2305 phases in warehouses over a three-year period, with approximately one third of warehouses entering the program each year. Rule 316 includes administrative fees for warehouse operators and owners to offset the compliance activities that will be conducted by South Coast AQMD staff for this program.

The initial phase of development of WAIRE POP was completed in December 2022. This phase allows the first-year warehouse owners or operators to submit completed reports required under Rule 2305. Further enhancements are needed for the next two phases. These enhancements will provide support for additional reporting years as well as providing more robust reporting capabilities.

Proposal

Staff is requesting up to \$250,000 be transferred from the Undesignated Fund Balance into Information Management’s FY 2022-23 and/or FY 2023-24 Budget(s) (Professional and Special Services and/or Capital Outlays Major Object), and to authorize the amendment of an existing contract with AgreeYa Solutions, Inc. in an amount up to \$250,000 to enhance this online portal.

Resource Impacts

Sufficient funding is available in the Undesignated Fund Balance to transfer to Information Management’s FY 2022-23 and/or FY 2023-24 Budget(s).