



# South Coast Air Quality Management District

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## LOCAL GOVERNMENT & SMALL BUSINESS ASSISTANCE ADVISORY GROUP FRIDAY, SEPTEMBER 14, 2018 MEETING MINUTES

### MEMBERS PRESENT:

Ben Benoit, Mayor Pro Tem, City of Wildomar and LGSBA Chairman  
Felipe Aguirre  
Paul Avila, P.B.A. & Associates  
Geoffrey Blake, Metal Finishers of Southern California  
Bill LaMarr, California Small Business Alliance  
Rita Loof, RadTech International  
Eddie Marquez, URCA Union Roofing Contractors Association

### MEMBERS ABSENT:

Dr. Clark E. Parker, Sr., Senate Rules Committee Appointee  
Janice Rutherford, Supervisor, Second District, San Bernardino County  
Rachelle Arizmendi, Mayor Pro Tempore, City of Sierra Madre  
Todd Campbell, Clean Energy  
LaVaughn Daniel, DancoEN  
John DeWitt, JE DeWitt, Inc.  
Cynthia Moran, Council Member, City of Chino Hills  
David Rothbart, Los Angeles County Sanitation District

### OTHERS PRESENT:

Ruthanne Taylor Berger, Board Member Consultant (*Benoit*)  
Mark Abramowitz, Board Member Consultant (*Lyou*)  
David Czmanske, Board Member Consultant (*Cacciotti*)  
Marc Ang, Asian Industry B2B  
Andy Silva, San Bernardino County

### SCAQMD STAFF:

Jill Whynot, Chief Operating Officer  
Derrick Alatorre, Deputy Executive Officer  
Fabian Wesson, Asst. Deputy Executive Officer/Public Advisor  
Nancy Feldman, Principal Deputy District Counsel  
Naveen Berry, Assistant Deputy Executive Officer  
Vicki White, Technology Implementation Manager  
Kathryn Higgins, Program Supervisor  
Philip Barroca, Program Supervisor  
Elaine-Joy Hills, AQ Inspector II  
Stacy Garcia, Secretary  
Aisha Reyes, Senior Office Assistant

**Agenda Item #1 - Call to Order/Opening Remarks**

Chair Ben Benoit called the meeting to order at 11:33 a.m.

**Agenda Item #2 – Approval of July 13, 2018 Meeting Minutes/Review of Follow-Up/Action Items**

Chair Benoit called for approval of the July 13, 2018 meeting minutes. The minutes were approved unanimously.

Mr. Derrick Alatorre indicated there were no action items that arose out of the July 13, 2018 meeting. Mr. Alatorre announced that the Clean Air Awards are on October 5, 2018.

**Agenda Item #3 – Follow Up/Action Items**

Ms. Rita Loof requested an update on Rule 219, including outreach and a report on activities. Mr. Alatorre indicated that he has asked however, staff is not yet ready, but he'll continue to check.

*Action Item: Check with staff when a presentation on Rule 219 may be provided.*

**Agenda Item #4 – Renewable Fuels Presentation**

Mr. Philip Barroca presented on the status of renewable natural gas and renewable diesel production and use.

Mr. Paul Avila inquired about the status of ethanol use. Mr. Barroca responded that ethanol has not produced the level of NO<sub>x</sub> reductions that are needed in the South Coast basin.

Ms. Loof referred to the chart on slide 8 of Mr. Barroca's presentation and asked how the negative carbon reduction is possible. Mr. Barroca said that not all greenhouse gases are created equal. When you are making the fuel from the high methane sources, you are having a 20:1 type of ratio apply because you are taking methane away, and it produces a fuel that will be used in an internal combustion engine that will, in turn, be producing CO<sub>2</sub>.

Mr. Eddie Marquez asked about carbon sequestration as it applies to methane, and if the same can apply to other renewables such as renewable diesel. Mr. Barroca responded that the feedstocks for renewable diesel are the same type of biomass feedstocks that would also result in methane reduction, and that there would be a carbon sequestering effect.

Mr. Bill LaMarr stated that California has had about a million acres burned because of wildfires, and it was estimated that it released about 10 to 15 million metric tons of carbon. Mr. LaMarr asked if it would make more sense for state and air agencies to explore forest management. Mr. Barroca stated that agriculture and trees are separate forms of biomass. The trees in California represent one of the largest sources of biomass available to convert into a fuel. Mr. LaMarr stated that this year, forest fires have been a major contributor to emissions, including criteria pollutants when considering all the structures that burned. Mr. Naveen Berry indicated that the anaerobic digestion and paralyzer pathways available for renewable natural gas will help assist in dealing with fuel available for forest fires. Chair Benoit added that the conversation regarding forest management is happening in Sacramento.

Mr. Avila asked about Hydrotreated Vegetable Oil (HVO) and Waste Vegetable Oil (WVO) on pages 9-10 of the presentation, specifically if they get manufactured and can be used for commercial purposes. Mr. Berry responded that those are varied feedstocks that are used to make biodiesel and preliminary

assessments show that they may cause an increase in NO<sub>x</sub> emissions. Mr. Avila asked what renewable natural gas was, to which Mr. Barroca explained that it's manufactured from renewable sources. Chair Benoit further added that green waste and food waste would be renewable natural gas.

Ms. Loof commented about stationary sources and how the focus in presentations appears to be more on mobile sources, fuels and NO<sub>x</sub> emission reductions rather than volatile organic compounds (VOCs).

#### **Agenda Item #5 – Update on SCAQMD's Incentive Programs**

Ms. Vicki White presented on the various incentive programs offered and the current levels of usage within the South Coast basin.

Mr. La Marr asked if the new funding in fiscal year 2017/2018 are monies that we actually have. Ms. White responded yes.

Mr. Avila asked if any program covers heavy equipment such as cranes. Ms. White responded that the Carl Moyer Program offers grants for heavy equipment and also includes engine repowering.

Mr. Alatorre stated that in regards to Assembly Bill 134 (AB 134), the Community Air Protection Program, \$250 million was allocated statewide in 2017 and SCAQMD got \$107.5 million. For 2018/2019, \$245 million is being allocated and we are still waiting to see how much SCAQMD will get.

Mr. Avila asked if the purpose of the mitigation trust for the Volkswagen settlement was because there were more Volkswagens sold around this area. Ms. White said that the South Coast basin did have the biggest percentage of vehicles that were in violation, but that it was a nationwide settlement.

Mr. Alatorre confirmed with Ms. White that Volkswagen was able to use some of the settlement money to put in infrastructure, such as charging stations.

Mr. LaMarr asked what is being done with the non-compliant Volkswagen vehicles. Ms. White responded that the vehicles are not allowed to be driven in California unless they were fixed through the recall process.

Ms. Loof asked what the CARB reserve of \$63 million on the Volkswagen Mitigation Program is being used for and how much the administrative costs are. Ms. White said that CARB needs to monitor the progress of the program, and they want to reserve funds to use if needed for other projects to meet the 10 thousand NO<sub>x</sub> commitment. The amount of administrative costs given to the air districts will be 10% and CARB will have 15%. The administrative costs also cover all of the reporting requirements to the trust. SCAQMD is discussing with CARB to hopefully get more support.

Ms. Loof asked what funds are available for stationary sources. Ms. White said that \$245 million from Senate Bill 865 has been set aside for incentives and includes stationary source incentives.

Mr. Berry said that most of the funds were designated for mobile sources; however, there was a request for proposal (RFP) earlier this year to fund stationary projects.

Mr. Geoffrey Blake asked what type of technology SCAQMD is using to improve efficiency in regards to Transport Refrigeration Units (TRUs). Ms. White indicated that TRUs are tractors with refrigerated containers in them. SCAQMD is replacing them with electric motors to provide the cooling, they will need to be plugged in, and funding will be available for the chargers.

Mr. La Marr stated that he recognizes that SCAQMD staff is committed to seeking incentive funding for stationary sources, but wants to hear that SCAQMD has actually secured funding. Mr. Berry responded that the incentive funds are typically for projects for reductions, and that is the way that CARB has structured them. The legislators have provided a strong path for mobile source reduction.

Mr. Alatorre said that in regards to implementing Assembly Bill 617 (AB 617), the first year was mobile sources, but in the upcoming years, there will be a shift from strictly mobile to more stationary sources and there will need to be a mitigation plan.

Ms. Loof commented that once the amendments to Rule 1469 go into effect, businesses will lose the opportunity to get funding.

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

No comments.

**Agenda Item #7 - Other Business**

Mr. Avila requested information on the City of Irwindale dropping its lawsuit against Sriracha and why SCAQMD got involved. Mr. Avila also requested a draft of the legislation on the sales tax measure. Mr. Alatorre said there is no draft yet. Mr. Avila requested the poll on the sales tax measure, to which Mr. Alatorre stated that would not be a problem.

*Action Item: Provide Mr. Avila with information regarding the Sriracha case and the poll on the sales tax measure.*

Mr. Avila then introduced Mark Ang from the Asian Industry B2B, who was in the audience.

Chair Benoit mentioned the upcoming Environmental Justice Conference on September 26, 2018.

**Agenda Item #8 - Public Comment**

Mr. Andy Silva announced that on September 27, 2018, CARB will vote on the AB 617 communities. Mr. Alatorre stated that it will be either on September 27<sup>th</sup> or 28<sup>th</sup>, 2018.

**Agenda Item #9 – Next Meeting Date**

The next regular Local Government & Small Business Assistance Advisory Group meeting is scheduled for Friday, October 12, 2018 at 11:30 a.m.

**Adjournment**

The meeting adjourned at 1:03 p.m.