

### LOCAL GOVERNMENT & SMALL BUSINESS ASSISTANCE ADVISORY GROUP MEETING

#### **Advisory Group Members**

Council Member Ben Benoit, Chair Dr. Clark E. Parker, Sr. Supervisor V. Manuel Perez Supervisor Janice Rutherford Felipe Aguirre Rachelle Arizmendi Paul Avila Geoffrey Blake Todd Campbell LaVaughn Daniel John DeWitt Bill LaMarr Rita Loof Eddie Marquez Cynthia Moran **David Rothbart** 

Friday, February 8, 2019 ♦ 11:30 a.m. ♦ Conference Room GB 21865 Copley Drive, Diamond Bar, CA 91765

#### TELECONFERENCE LOCATIONS

73-710 Fred Waring Drive Suite 222 Palm Desert, CA 92260 8575 Haven Ave. Rancho Cucamonga CA 91730

## (The public may attend at locations listed above.)

Call-in for listening purposes only is available by dialing:
Toll Free: 888-850-4523
Listen Only Passcode: 2626876
In addition, a webcast is available for viewing and listening at: <a href="http://www.agmd.gov/home/library/webcasts">http://www.agmd.gov/home/library/webcasts</a>

#### **AGENDA**

Members of the public may address this body concerning any agenda item before or during consideration of that item (Gov't. Code Section 54854.3(a)). Please provide a Request to Address the Committee card to the Committee Secretary if you wish to address the Committee on an agenda item. If no cards are available, please notify SCAQMD staff or a Board Member of your desire to speak. All agendas for regular meetings are posted at District Headquarters, 21865 Copley Drive, Diamond Bar, California, at least 72 hours in advance of the regular meeting. Speakers may be limited to three (3) minutes each.

#### **CALL TO ORDER**

#### **ACTION ITEMS (Items 1 through 3):**

1. Call to Order/Opening Remarks (No Motion Required)

Council Member Ben Benoit Chair

2. Approval of December 14, 2018 Meeting Minutes (Motion Required) [Attachment 1]

Ben Benoit

3. Review of Follow-Up/Action Items (No Motion Required) Staff will review the follow-up/action items identified in the previous meeting.

Derrick J. Alatorre Deputy Executive Officer Legislative, Public Affairs & Media

## **DISCUSSION ITEMS (Items 4 and 5):**

4. 2019 Rule Forecast and Implementation of 2016 AQMP (No Motion Required) PRDAS staff will present the upcoming work on rules and programs Planning, Rule Development & in 2019 to implement the measures in the 2016 AQMP that comprise the strategy to meet the ambient air quality standards. [Attachment 2]

Michael Krause Planning & Rules Manager Area Sources

5. Update on SCAQMD Incentive Programs Staff to provide an update on incentive programs. (No Motion Required) [Attachment 3]

Vicki White Technology Implementation Manager Science & Technology Advancement

#### **WRITTEN REPORTS:**

Monthly Reports on Small Business Assistance Activities (No Motion Required) Summary of assistance and outreach activities conducted by SCAQMD's Small Business Assistance Office for December 2018 and January 2019.

[Attachment 4]

All

## **OTHER MATTERS:**

#### 7. Other Business

Any member of this body, or its staff, on his or her own initiative or in response to questions posed by the public, may ask a question for clarification, may make a brief announcement or report on his or her own activities, provide a reference to staff regarding factual information, request staff to report back at a subsequent meeting concerning any matter, or may take action to direct staff to place a matter of business on a future agenda. (Govt. Code Section 54954.2)

#### 8. Public Comment Period

At the end of the regular meeting agenda, an opportunity is provided for the public to speak on any subject within the Local Government and Small Business Assistance Committee's authority that is not on the agenda. Speakers may be limited to three (3) minutes each.

9. **Next Meeting Date -** Friday, March 8, 2019 at 11:30 a.m.

#### **ADJOURNMENT**

#### **Document Availability**

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

#### **Americans with Disabilities Act**

The agenda and documents in the agenda packet will be made available, upon request, in appropriate alternative formats to assist persons with a disability (Gov't Code Section 54954.2(a)). Disability-related accommodations will also be made available to allow participation in the Legislative Committee meeting. Any accommodations must be requested as soon as practicable. Requests will be accommodated to the extent feasible. Please contact Stacy Garcia at (909) 396-2495 from 7:00 a.m. to 5:00 p.m., Tuesday through Friday, or send the request to sgarcia@aqmd.gov.



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

#### **MEMBERS PRESENT:**

DRAFT

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
LaVaughn Daniel, DancoEN
Bill LaMarr, California Small Business Alliance
Rita Loof, RadTech International
David Rothbart, Los Angeles County Sanitation District

#### **MEMBERS ABSENT:**

Dr. Clark E. Parker, Sr., Senate Rules Committee Appointee V. Manuel Perez, Supervisor Janice Rutherford, Supervisor, Second District, San Bernardino County Rachelle Arizmendi, Mayor Pro Tempore, City of Sierra Madre Todd Campbell, Clean Energy John DeWitt, JE DeWitt, Inc. Eddie Marquez, Roofing Contractors Association Cynthia Moran, Council Member, City of Chino Hills

#### **SCAOMD STAFF:**

Fabian Wesson, Asst. Deputy Executive Officer/Public Advisor Nancy Feldman, Principal Deputy District Counsel De Groeneveld, Sr. Information Technology Specialist Elaine-Joy Hills, AQ Inspector II Stacy Garcia, Secretary

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

Chair Ben Benoit called the meeting to order at 12:01 p.m.

#### Agenda Item #2 – Follow Up/Action Items

Ms. Fabian Wesson updated the LGSBA members regarding the following requests:

- Provide the AB 617 steering committee rosters
   The roster for Wilmington/Carson/West Long Beach were e-mailed on December 5, 2018
   The roster for San Bernardino/Muscoy were emailed on December 11, 2018
   The roster for Boyle Heights/East Los Angeles/West Commerce will be e-mailed once finalized
- Provide the November 28, 2018 AB 617 flyer The flyer was e-mailed on November 14, 2018
- Supervisor Perez requested a map of the locations of air monitors in his district The map and locations were e-mailed to Supervisor Perez's staff on December 13, 2018
- Supervisor Perez requested a meeting to discuss any correlation between nosebleeds and PM<sub>10</sub> SCAOMD staff is working on scheduling said meeting

Mr. Bill LaMarr inquired about the remaining steering committee roster and why it has not been finalized. Ms. Wesson responded that there have been some drop offs and other issues. Mr. Paul Avila asked if you have to physically live in a community in order to be on the steering committee to which Ms. Wesson responded yes. Ms. Rita Loof asked if trade organizations representing businesses in the AB 617 communities, who do not reside in the community, be on the steering committee. Ms. Wesson stated that legislation mandated that the business owner has to live in the community, even if the business is in the community.

# <u>Agenda Item #3 – Approval of November 9, 2018 Meeting Minutes/Review of Follow-Up/Action Items</u>

Chair Benoit called for approval of the November 9, 2018 meeting minutes. The minutes were approved unanimously.

# <u>Agenda Item #4 – Approval of Local Government & Small Business Assistance Advisory Group</u> 2018 Accomplishments and Seek Items for 2019 Goals & Objectives

Ms. Wesson presented and requested approval of the 2018 Accomplishments and for items to be included in the 2019 Goals & Objectives.

Ms. Loof recommended information on Rule 1106, before it goes to the Governing Board in April 2019. Ms. Loof also requested clarification on how subscription services works and gave an example that when you go on the website to sign up for rule updates, it does not correlate to public notices or workshops that go out.

Mr. LaMarr requested information on Rules 212 and 1106.

Mr. Harvey Eder commented that a goal should be working towards solar transformation.

Mr. Avila requested a basic presentation on cap & trade credits.

Mr. LaMarr requested presentations on AB 617 to occur in early 2019.

Mr. Aguirre requested information on alternatives to Southern California Edison, as a Community Choice Aggregation (CCA) or for solar power.

Chair Benoit called for approval of the changes to the 2019 Goals and Objectives. The changes were approved unanimously.

### Agenda Item #5 - Monthly Report on Small Business Assistance Activities

No comments.

### **Agenda Item #6 - Other Business**

No other business.

### **Agenda Item #7 - Public Comment**

Mr. Harvey Eder commented on solar and Mr. Benoit's involvement.

# Agenda Item #8 – Next Meeting Date

The next regular Local Government & Small Business Assistance Advisory Group meeting is scheduled for Friday, January 11, 2019 at 11:30 a.m.

## **Adjournment**

The meeting adjourned at 12:26 p.m.

# 2019 Rule Forecast and Implementation of 2016 AQMP

Local Government & Small Business Assistance Advisory Group February 8, 2019

1

# 2016 AQMP

- Evaluated 5 air quality standards
- Comprehensive control strategy
  - ✓ Stationary source measures (NOx, VOC, PM2.5, toxics)
  - √ Mobile source measures (NOx, VOC)
  - ✓ State and Federal measures
  - ✓ Incentive measures
- Attainment dates vary for standards and air basin
- Need to define CAA §182(e)(5) measures three years in advance

.

# Control Measure Development

- CMB-01, CMB-02, CMB-04, ECC-03: \$48 million RFP to incentivize emission reduction projects
- CMB-03: Rule 1118.1 (Non-Refinery Flares)
- CMB-05: RECLAIM "landing" rules
  - ✓ PR 1109.1 (Refinery Equipment)
  - ✓ PAR 1110.2 (Engines)
  - ✓ PR 1117 (Glass Melting Furnaces)
  - ✓ PAR 1134 (Gas Turbines)
  - ✓ PAR 1135 (Electricity Generating Facilities)
  - ✓ PAR 1146 series (Boilers and Heaters)
  - ✓ PAR 1147 series (Misc. Combustion)
  - √ Reg XIII (NSR)
- EGM-01, MOB-02, MOB-03: Facility-based rules

# Request for Proposal (CMB-01, CMB-02, CMB-04, ECC-03)

- Jan 2018, Board approved RFP to incentivize emission reduction or technology demonstration projects
- 58 (out of 81 submitted) technically qualified with \$211 M requested
- 26 projects awarded ~\$48 M
- Mobile Source emission reduction/technology demo
  - ✓ Zero emission vans, terminal equipment; electric refrigeration transport, tugboats, harbor craft, refuse trucks
- Stationary Source emission reduction/technology demo
  - ✓ Residential energy efficiency, street sweeping, restaurants, energy fuel cells
- Anticipate 88 tons/year and 2 tons/year of NOx and PM2.5 reductions

# Rule 1118.1 – Non-Refinery Flares (CMB-03)

- Required to satisfy RACT/RACM (Clean Air Act requirement)
- Affects flares at landfills, wastewater treatment plants, oil & gas sites, and organic liquid handling
- NOx, VOC, CO emission limits on new flares (based on BACT)
  - √ Additional limits for new or replace flares at larger oil & gas sites
- Capacity threshold for existing flares
  - ✓ Reduce to meet threshold (e.g., beneficial use, reduce production)
  - ✓ Replace with new cleaner flare
  - ✓ Not required if already meeting the lower emission limits
- Developing two technical assessments
  - ✓ Beneficial use opportunities and food waste diversion

# Rule 1109.1 – Refinery Equipment (CMB-05)

- Transition from RECLAIM to command and control approach
- "Landing" rule for refinery equipment (9 crude, 8 smaller/related)
- Key equipment categories
  - Heaters/boilers (235)
  - FCCU (5)
  - Incinerators (33)
  - Coke calciner (1)
- Six working group meetings
- BARCT analysis other reg. requirements, tech/cost effectiveness
- RFP review for consultant to review BARCT analysis

# Assembly Bill 617

- "Highest priority locations" identified for community monitoring
  - ✓ Local air district to deploy community monitoring system by July 1, 2019
  - ✓ Stationary sources emitting air pollutants affecting selected locations to deploy fenceline monitoring system
  - √ Adopt a community emissions reduction program
- Non-attainment Districts required to expedite implementation of Best Available Retrofit Control Technology (BARCT)
  - √ Sources subject to greenhouse gas cap and trade program
  - √ Highest priority to those units not modified for greatest period of time
  - ✓ Implement as earliest feasible date but not later than December 31, 2023

# 2019 Rule Forecast

Туре	Rule	Rule Title	Pollutant
AQMP	1106	Marine Coating Operations	VOC
	1138	Restaurant Operations	NOx
AQMP/	1109.1	Refinery Equipment	NOx
AB617 (BARCT)	1110.2	Stationary Internal Combustion Engines	NOx
(BARCI)	1117	Glass Melting Furnaces	NOx
	1134	Stationary Gas Turbines	NOx
	1147, 1147.1	Miscellaneous Combustion Sources, Large Misc. Sources	NOx
	1147.2, 1147.3	Metal Melting and Heat Treating Furnaces, Aggregate Facilities	NOx
	1150.3	Landfills	NOx
	1179.1	Publicly Owned Treatment Work Facilities	NOx
	113	Monitoring, Recordkeeping and Reporting	NOx
	Reg XIII	New Source Review	NOx

# 2019 Rule Forecast

Туре	Rule	Rule Title
Toxics	1403	Asbestos Emissions from Demolition/Renovation Activities
	1407	Arsenic, Cadmium, Nickel from Non-Chromium Metal Melting Operations
	1410	Hydrogen Fluoride Use at Petroleum Refineries
	1426	Metal Finishing Operations
	1435	Metal Heat Treating Processes
	1450	Methylene Chloride Emission
	1480	Toxics Monitoring
Other	Reg XXIII	Facility Based Mobile Sources
		Airports MOU/Marine Ports MOU
	Reg III	Fees
	Regs IX/X	NESHAPS
		g

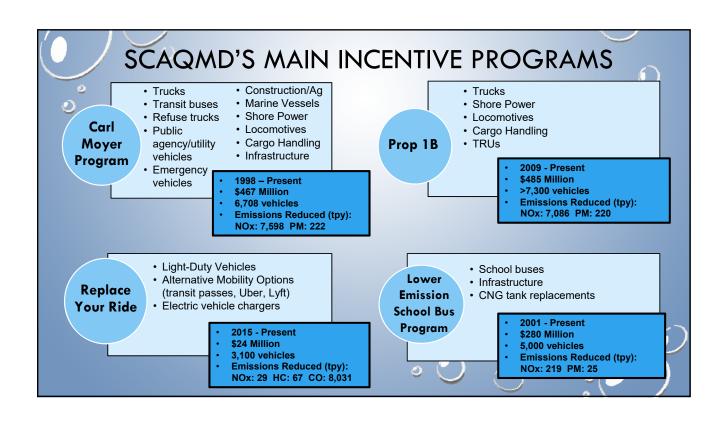
# 2018 Incentive Programs – Mobile Source

Program	Funding Amount	No. of Equipment	NOx (tpy)	PM2.5 (tpy)
Carl Moyer & SOON	\$35,559,645	550	445	7.0
AB 134	\$49,060,072	558	415	7.8
Near-Zero Trucks with CEC Grant, Ports, and AB 134 funds	\$14,000,000	140	63.2	-
Near-Zero Emission School Buses	\$35,638,000	206	27.1	1.5
EFMP	\$8,257,730	1,023	14.4	
Voucher Incentive (VIP)	\$2,745,000	65	44.2	0.12
TOTAL	\$ 145,260,447	1,992	563.9	9.42

# **Next Steps**

- Amend/adopt rules to satisfy 2016 AQMP and AB 617
- Seek more funding opportunities (e.g., sales tax)
- Support the mobile source incentive programs
- Implement stationary and mobile source emission reduction projects under the new RFP
- Develop program and implementation guidelines for stationary sources (i.e., those driven by incentives) for SIP credit







# 2018 ACCOMPISHMENTS

# **Community Air Protection Program (AB 134)**

- 85 contracts executed for \$48 million
- 383 new on- and off-road engines
- 310 tpy NOx, 13 tpy PM
- At least 80% in disadvantaged and low-income communities

## **Carl Moyer Program**

- 48 contracts executed for \$25.3 million
- \$26.5 million expended for 430 new on- and off-road engines
- 240 tpy NOx, 5.6 tpy PM

# **On-Road Heavy-Duty Vehicles Voucher Incentive Program**

- Designed for small fleets of 10 trucks and less
- \$3.54 million expended for 84 truck replacements



# 2018 ACCOMPISHMENTS (CONT'D)

#### **Proposition 1B – Goods Movement Emission Reduction Program**

- 46 contracts executed for \$40.16 million
- \$17.3 million expended for replacement of 183 trucks
- 468 tpy NOx, 0.1 tpy PM

#### **Lower Emission School Bus Program**

- 42 grant agreements executed for \$35.64 million
- Replacement of 206 older diesel buses with new, near-zero alternative fuel buses
- 27 tpy NOx, 1.5 tpy PM



# 2018 ACCOMPISHMENTS (CONT'D)

#### **Electric School Bus Program**

- 16 grant agreements executed for \$7.62 million
- 29 electric school buses and charging infrastructure
- Leveraged with funds from ARB's Hybrid and Zero Emission Truck and Bus Voucher Incentive Project (HVIP)
- 16 electric buses delivered to-date

## **Enhanced Fleet Modernization Program (Replace Your Ride)**

- \$11 million expended for replacement of 1,358 passenger vehicles
- 94% of the participants located in disadvantaged communities







# SUMMARY OF AWARDS – NEAR ZERO AND ZERO EMISSION TRUCKS

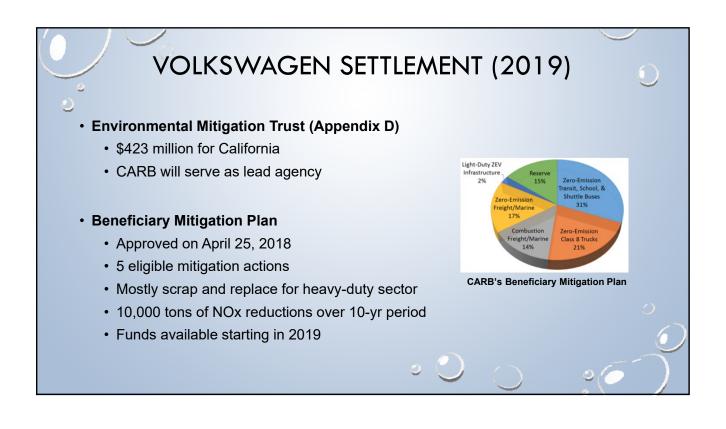
Technology	NZ Emission (0.02 g/bhp-hr)	Funding	Zero Emission	Funding
AB 134	424	\$23,758,695	76	\$14,466,150
Moyer	19	\$749,587	0 *	\$0
Prop 1B	672	\$65,235,000	256	\$36,200,000
Total:	1,115 **	\$89,743,282	332	\$50,666,150

<sup>\*</sup> Applications received under Moyer for zero emission trucks will be funded through AB 134.

Program Title	Description	Funding Amount
AB 134 – Community Protection	Air Funds early action mobile source projects in disadvantaged and low-income communities	\$107.5 million  Status: All funds awarded to qualifying projects and >50% of the contracts executed
CEC Grant for Near Z Emission, Natural Ga Drayage Trucks	, <u></u>	\$8 million (+ \$6 million in cost share funds from SCAQMD, POLB and POLA)  Status: MOU with Ports fully executed, truck projects awarded in October 2018
Enhanced Fleet Modernization Progra (Replace Your Ride)	CARB granted additional funding for EFMP to continue vouchers for low and moderate income motorists for cleaner vehicles	\$16.4 million  Status: Executed the grant agreement with ARB, received 1st installment of funds (\$4 million), spent about \$3 million
Voluntary NOx Remediation Measure Funding	Funds mobile source projects that will reduce NOx emissions to mitigate the NOx emissions increase from biodiesel use in CA	~\$2.67 million  Status: Projects awarded in November 2018, ARB MOU in progress (not yet executed)

<sup>\*\*</sup> As of December 31, 2018, 167 trucks delivered (with 5 fleets)

INCENTIVE FUNDING IN FY 2017/18							
6	Program Title	Description	Funding Amount				
2	EPA Targeted Air Shed Program Grant – Lawn and Garden Equipment	Funds zero emission, electric lawn and garden equipment for commercial use in environmental justice areas	~\$2.47 million  Status: Program will be launched on January 29, 2018				
	EPA Diesel Emission Reduction Act (DERA)	Funds to replace older diesel trucks with new optional low NOx, natural gas trucks	\$1.6 million  Status: Executed grant agreement				
	Lower Emission School Bus Program	Fund the replacement of older, high-polluting school buses with near-zero emission school buses	~\$35.6 million total (incl. \$32.5 million from SCAQMD and \$3.1 million from EPA)  Status: Executed all grant agreements, first deliveries in progress				
	Funding Agricultural Replacement Measures for Emissions Reductions (FARMER)	Fund the replacement of agricultural equipment using the Carl Moyer Program Guidelines	~\$1.88 million  Status: Projects awarded in November 2018, contracts in progress				
		Total:	\$182.1 million				



VW MITIGATION PROGRAM						
Project Category	Technology	Allocation (millions)	Air District			
Zero-Emission Transit, School and Shuttle Buses	Battery electric or fuel cell	\$130	SJVAPCD			
Zero-Emission Class 8 Freight and Port Drayage Trucks	Battery electric or fuel cell	\$90	SCAQMD			
Zero-Emission Freight and Marine Projects (airport GSE, forklifts, port cargo handling equipment, shore power at port terminals)	Battery electric or fuel cell	\$70	BAAQMD			
Combustion Freight and Marine Projects (waste haulers, dump trucks, concrete mixers, switcher locomotives, ferries, tug boats)	Low NOx engine, Tier 4, or Tier 4 equivalent	\$60	SCAQMD			
Light-Duty Zero-Emission Vehicle Infrastructure	Electric charger or hydrogen fueling station	\$10	BAAQMD			
CARB Reserve		\$63				
	Total:	\$423				

# SB 856 (BUDGET ACT OF 2018)

- Signed by the Governor in June 2018 \$275 million for Community Air Protection
- Of these funds, \$245 million for financial incentives to reduce stationary and mobile source emissions
- Surplus reductions
- Project types:
  - ➤ Mobile sources (Moyer and Prop 1B) with zero emission priority
  - Charging infrastructure, especially for medium and heavy-duty vehicles
  - Stationary sources
  - > Other projects included in community emission reduction plans





# Small Business Assistance Report on December 2018 & January 2019 Activities

for LG&SBA Advisory Group Meeting of 2/8/2019

# <u>Services Offered – December</u>

Permit Application Assistance	13/
On-site Consultations	11

■ Fee Review Committee Request 0

Air Quality Permit Checklist Processed 60

2/8/2018

Services Offered – January	
Permit Application Assistance	193
<ul><li>On-site Consultations</li></ul>	1
■ Fee Review Committee Request	2
■ 1 Granted (Payment Plan)	
■ 1 Denied (Fee Reduction/Payment Plan)	
<ul> <li>Air Quality Permit Checklist Processed</li> </ul>	63
2/8/2018 December 2018 & January 2019 Report	

# Permit Assistance – December

- 157 Activities Providing Help with Permit Applications. Examples include:
  - 27 Restaurants
  - 18 Retail Businesses
  - 15 Auto Body Shops
  - 14 Offices
  - 14 General Contractors/Consultants/Architects
  - 8 Warehouses (Storage/Distribution)
  - 7 Manufacturing Facilities
  - 6 Dry Cleaner

2/8/2018

# Permit Assistance – January

- 193 Activities Providing Help with Permit Applications. Examples include:
  - 27 General Contractors/Consultants/Architects
  - 27 Retail Stores
  - 23 Restaurants
  - 15 Offices
  - 12 Dry Cleaner
  - 12 Auto Body and Repair Shops
  - 10 Manufacturing Facilities
  - 10 Warehouses (Storage/Distribution)

2/8/2018

December 2018 & January 2019 Report

# Activities – December

- Conducted 11 free on-site consultations
  - Auto Body Shop
  - Dry Cleaners
  - Manufacturing Facilities
  - Property Management Companies
  - Offices

2/8/2018

# Activities – January

- Conducted 1 free on-site consultation
  - Office Complex
- Event(s) Attended
  - MLK at the California African American Museum in Los Angeles

2/8/2018

December 2018 & January 2019 Report

# Dry Cleaner Grants Issued (as of 1/2019)

■ Professional Wet Cleaning

149

CO<sub>2</sub> Machines

4

Hydrocarbon (funds expended)

488

2/8/2018

# Small Business Activity December 2017 – December 2018

	Permit	On-Site	Variance	Fee Review	Air Quality Permit
ACTIVITY	Assistance	Consultations	Assistance	Requests	Checklists
Dec-2017	188	6	0	5	70
Jan-2018	276	14	1	4	60
Feb-2018	293	6	1	4	60
Mar-2018	276	0	0	2	62
Apr-2018	251	14	0	3	62
May-2018	259	6	0	0	82
Jun-2018	188	4	0	5	62
Jul-2018	156	0	0	2	51
Aug-2018	182	9	1	3	49
Sep-2018	215	6	0	2	68
Oct-2018	164	6	0	2	54
Nov-2018	139	7	0	4	58
Dec-2018	157	11	0	0	60
TOTAL	2744	89	3	36	798

2/8/2018

December 2018 & January 2019 Repor

# Small Business Activity January 2018 – January 2019

ACTIVITY	Permit Assistance	On-Site Consultations	Variance Assistance	Fee Review Requests	Air Quality Permit Checklists
Jan-2018	276	14	1	4	60
Feb-2018	293	6	1	4	60
Mar-2018	276	0	0	2	62
Apr-2018	251	14	0	3	62
May-2018	259	6	0	0	82
Jun-2018	188	4	0	5	62
Jul-2018	156	0	0	2	51
Aug-2018	182	9	1	3	49
Sep-2018	215	6	0	2	68
Oct-2018	164	6	0	2	54
Nov-2018	139	7	0	4	58
Dec-2018	157	11	0	0	60
Jan-2019	193	1	0	2	63
TOTAL	2749	84	3	33	791

2/8/2018

