

LOCAL GOVERNMENT & SMALL BUSINESS ASSISTANCE ADVISORY GROUP MEETING

Advisory Group Members Council Member Ben Benoit, LGSBA Chairman (Board Member) Supervisor V. Manuel Perez (Board Member) Supervisor Janice Rutherford (Board Member) Felipe Aguirre Mayor Pro Tempore Rachelle Arizmendi, City of Sierra Madre Paul Avila, P.B.A. & Associates Geoffrey Blake, Metal Finishers of Southern California Todd Campbell, Clean Energy LaVaughn Daniel, DancoEN John DeWitt, JE DeWitt, Inc. Bill LaMarr, California Small Business Alliance Rita Loof, RadTech International Eddie Marquez, Roofing Contractors Association Mayor Cynthia Moran, City of Chino Hills Council Member Carlos Rodriguez, City of Yorba Linda David Rothbart, Los Angeles County Sanitation Districts

Friday, July 19, 2019 ♦ 11:30 a.m. ♦ Conference Room GB 21865 Copley Drive, Diamond Bar, CA 91765

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: <u>http://www.aqmd.gov/home/library/webcasts</u>

Council Member Ben Benoit

Committee Chair

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 South Coast AQMD 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

South Coast AQMD

ACTION ITEMS (Items 1 through 3):

Local Government & Small Business Assistance

- 1. Call to Order/Opening Remarks (*No Motion Required*)
- 2. Approval of June 14, 2019 Meeting Minutes (Motion Required) [Attachment 1] Council Member Ben Benoit Committee Chair
- 3. Review of Follow-Up/Action Items
 Derrick J. Alatorre

 (No Motion Required)
 Deputy Executive Officer

 Staff will review the follow-up/action items identified in the previous
 Legislative, Public Affairs &

 Media
 Media

DISCUSSION ITEMS (Items 4 through 5):

4.	FY 2019-20 General Fund Budget and Fee Adjustment	Sujata Jain
	Staff will provide an overview of the General Fund Budget and Fee	Assistant
	Adjustment detailing staffing levels, expenditures, and revenues	Deputy Executive Officer
	required to maintain current program commitments.	Finance
	(No Motion Required)	
	[Attachment 2]	
_	Domnit Streamlining Efforts and Decklog Deduction Undets	David One

 Permit Streamlining Efforts and Backlog Reduction Update David Ono Staff will introduce a new permit processing management tool and provide an update on the permit backlog reduction. Manager (No Motion Required) Engineering & Permitting
 [Attachment 3]

WRITTEN REPORT:

6. Monthly Report on Small Business Assistance Activities Summary of assistance and outreach activities conducted by South Coast AQMD's Small Business Assistance Office for June 2019. (No Motion Required) [Attachment 4]

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, September 13, 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 Elaine-Joy Hills at (909) 396-2945 from 7:00 a.m. to 5:00 p.m., Tuesday through Friday, or send the request to ehills@aqmd.gov.

All

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DRAFT

LOCAL GOVERNMENT & SMALL BUSINESS ASSISTANCE ADVISORY GROUP FRIDAY, JUNE 14, 2019 MEETING MINUTES

MEMBERS PRESENT:

Ben Benoit, Council Member and LGSBA Chairman
V. Manuel Perez, Supervisor, Fourth District, Riverside County Rachelle Arizmendi, Mayor Pro Tempore, City of Sierra Madre
Paul Avila, P.B.A. & Associates
Geoffrey Blake, Metal Finishers of Southern California
LaVaughn Daniel, DancoEN
John DeWitt, JE DeWitt, Inc.
Bill LaMarr, California Small Business Alliance
Eddie Marquez, Roofing Contractors Association
Carlos Rodriguez, Council Member, City of Yorba Linda
David Rothbart, Los Angeles County Sanitation District

MEMBERS ABSENT:

Janice Rutherford, Supervisor, Second District, San Bernardino County Felipe Aguirre Todd Campbell, Clean Energy Cynthia Moran, Mayor, City of Chino Hills Rita Loof, RadTech International

OTHERS PRESENT:

Ruth Ann, Board Member Consultant Terry Ahn, Orange County Sanitation District

SOUTH COAST AQMD STAFF:

Derrick Alatorre, Deputy Executive Officer Fabian Wesson, Assistant Deputy Executive Officer Nancy Feldman, Principal Deputy District Counsel Mark Henninger, Information Technology Manager Michael Morris, Planning & Rules Manager Carol Gomez, Planning & Rules Manager Philip Crabbe III, Public Affairs Manager Lane Garcia, Program Supervisor De Groeneveld, Sr. Information Technology Specialist Elaine-Joy Hills, AQ Inspector II Van Doan, AQ Inspector II Julie Valencia, Radio Telephone Operator

Agenda Item #1 - Call to Order/Opening Remarks

Chair Ben Benoit called the meeting to order at 11:36 a.m. and introduced a new member of the Local Government & Small Business Assistance Advisory Group, Mr. Carlos Rodriguez.

Agenda Item #2 – Approval of March 8, 2019 Meeting Minutes/Review of Follow-Up/Action Items

Chair Benoit called for approval of the March 8, 2019 meeting minutes. The minutes were approved unanimously.

Agenda Item #3 – Review of Follow Up/Action Items

Mr. Derrick Alatorre stated that there are no follow up or action items.

Agenda Item #4 – Online Subscription Services

Mr. Mark Henninger and Mr. Michael Morris presented on South Coast Air Quality Management District's (South Coast AQMD) online subscription services.

Mr. David Rothbart asked if emails are already in the system or they need to be transferred. Mr. Morris replied that emails need to be transferred. At this point in the rule development process, notifications have been sent. However, email updates need to be added to this process.

Mr. Bill LaMarr asked if there are any reminders sent to companies to update South Coast AQMD when the contact information changes. Mr. Morris stated that adding reminders into the program is a great suggestion. Currently, the companies are contacted after several unsuccessful email deliveries.

Chair Benoit suggested that it is effective to set up an email box dedicated to notifications and allowing it to be accessible by multiple staff members.

Ms. Fabian Wesson suggested that it is effective to request that companies update South Coast AQMD if a new staff member assumes the designated title that is listed.

Mr. Rodriguez asked how many stakeholders are currently receiving the notifications. Mr. Morris replied that it depends on the rule development process, it could be from hundreds to tens of thousands of interested stakeholders. Approximately 30,000 stakeholders were notified regarding this topic. Councilman Rodriguez asked when this transition will occur and if it is an opt-in. Mr. Morris stated that the goal is 2022 and confirmed that it will be an opt-in.

Agenda Item #5 – Update on AB 2766

Ms. Carol Gomez provided an update on the Assembly Bill (AB) 2766 subvention fund program.

Mr. John DeWitt asked if emission reductions were determined by air monitoring data or calculations. Ms. Gomez responded that there are air monitors throughout the South Coast AQMD region. However, they don't measure emission reductions for specific projects. Mr. LaMarr asked if air monitoring data indicates overall emission reductions. Ms. Gomez replied yes.

Mr. Alatorre asked for an explanation as to why the results are for fiscal year (FY) 2016-17 and not 2018-19. Ms. Gomez explained that the reports are for the previous fiscal year because of the time required to collect, analyze, and report the data.

Mr. Paul Avila asked if the cities and counties have total latitude on how to spend the funds they receive. Ms. Gomez stated that the funds have to be spent in any of the 11 listed categories related to mobile emission reductions.

Mr. LaMarr referenced the slide on financial summary and commented that Los Angeles County received the most funding. Ms. Gomez stated that the funding was based on population.

Chair Benoit stated that cities also receive funding based on population.

Mr. LaMarr asked if any of the funds will be used for AB 617 implementation. Ms. Gomez responded the funds could be used for AB 617 implementation if the projects fall within any of the 11 listed categories and if that is how the local government chooses to use their allocation.

Mr. Rothbart referenced the slide on program summary and commented that the nitrogen oxide (NOx) reduction accounted for 1/3 of the total emissions reduced. Mr. Rothbart asked why this program is not State Implementation Plan (SIP) approved. Ms. Gomez responded that this program is not SIP-approved because some projects are claimed in other projects, so they can't be double counted and others are part of Rule 2202 implementation.

Ms. Rachelle Arizmendi referenced the slide on the history of emissions reduced and asked how the emission reductions for previous years compare to FY 2016-17 if the revised methodology was used. Ms. Gomez responded that the results would likely be similar.

Mr. Rodriguez referenced the slide on the history of emissions reduced and asked if the amount of emissions reduced for FY 2016-17 would be the new norm. Ms. Gomez replied yes. Mr. Rodriguez referenced slide #14 on project implementation and asked what 61% of projects quantified meant. Ms. Gomez stated that local governments are encouraged to apply the funds towards quantifiable projects that obtain emission reductions, and the 61% typically stays the same.

Chair Benoit asked if the project categories were set up legislatively. Ms. Gomez replied yes.

Mr. Avila asked why results from the Winfrey methodology are no longer precise. Ms. Gomez explained that the emission factors changed over time, but the methodology was not updated to reflect that change.

Ms. LaVaughn Daniel asked how the cost-effectiveness of \$25.37 per pound of emissions reduced compares to other South Coast AQMD programs. Mr. Lane Garcia responded that a comparison of different programs were not completed. Mr. Garcia stated that the guidance from the legislation is to achieve approximately \$10 per pound of emissions reduced; however, that's not a requirement.

Mr. Rodriguez referenced slide #11 on the financial summary and asked if the remaining undesignated funds of \$8.4 million is for all four counties. Ms. Gomez replied yes. Mr. Rodriguez asked, if there is a list of cost-effective projects that could be used as a guide. Ms. Gomez indicated there is a list of projects and its respective cost-effectiveness included in the AB 2766 annual report, available on the South Coast AQMD website. Mr. Rodriguez asked if the Southern California Association of Governments (SCAG) reviewed any of those projects and provided its recommendations. Ms. Gomez stated that during the AB 2766 training courses, staff highlights the preferred projects.

Agenda Item #6 – Public Nuisance

Ms. Nancy Feldman provided an overview on public nuisance enforcement.

Mr. Avila asked for clarification on what a considerable number of persons is. Ms. Feldman responded that it could not be clarified as it is not a legal standard. This is only a general guideline for enforcement purposes, which could be modified when necessary.

Mr. Rothbart asked if there are complaint response guidelines. Ms. Feldman stated yes.

Mr. La Marr asked how inspectors are able to verify the problem with six different complainants if inspectors are unable to solicit complaints. Ms. Feldman stated that inspectors do not go door to door to solicit complaints; however, they are notified when complaints are reported to South Coast AQMD.

Mr. Avila asked if complaints regarding homeless people are reported to South Coast AQMD. Ms. Feldman replied no, those are reported to the city.

Mr. Rothbart asked if there is a threshold where complaints are not investigated. Ms. Feldman responded that all complaints reported to South Coast AQMD are investigated. Mr. Rothbart suggested that businesses should be notified if there is a complaint against them. Ms. Feldman stated that as part of the complaint investigation, the businesses are typically inspected or notified.

Mr. Geoffrey Blake asked if the leak at the Aliso Canyon Natural Gas Storage Facility is from a tank. Ms. Feldman responded the leak was from an underground gas well.

Mr. LaMar asked if the Notice of Violation (NOV) issued was for violating Rule 402 for four months. Ms. Feldman replied yes, only one NOV was issued.

Mr. Rothbart asked what actions follow a NOV if a facility continues to be in violation. Ms. Feldman stated that a petition for an Order for Abatement is filed with the South Coast AQMD Hearing Board against facilities with ongoing issues.

Agenda Item #7 –Monthly Report on Small Business Assistance Activities

No comments.

Agenda Item #8 - Other Business

Mr. LaMarr asked if funds are still available in the Dry Cleaner Grant Program and what machines are qualified. Ms. Wesson replied yes and stated that Mr. Ricardo Rivera will contact Mr. LaMarr.

Action item: Provide information regarding Dry Cleaner Grant Program.

Mr. Avila requested a presentation on the Cap-and-Trade program.

Action item: Agendize a presentation on the Cap-and-Trade program.

Mr. John DeWitt asked for the number of remaining pending permit applications.

Action item: Provide information regarding permit backlog reduction.

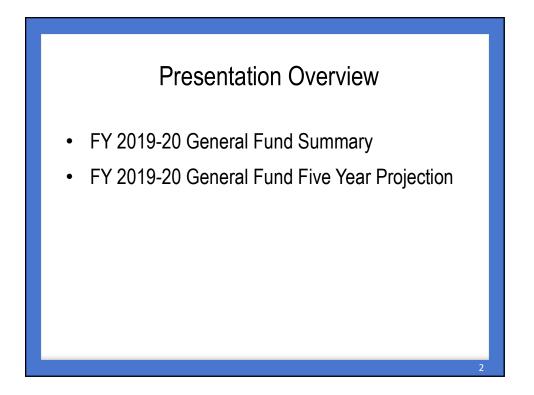
Agenda Item #9 - Public Comment There was no public comment.

Agenda Item #10 – Next Meeting Date

The next regular Local Government & Small Business Assistance Advisory Group meeting is scheduled for Friday, July 19, 2019 at 11:30 a.m.

<u>Adjournment</u> The meeting adjourned at 12:56 p.m.



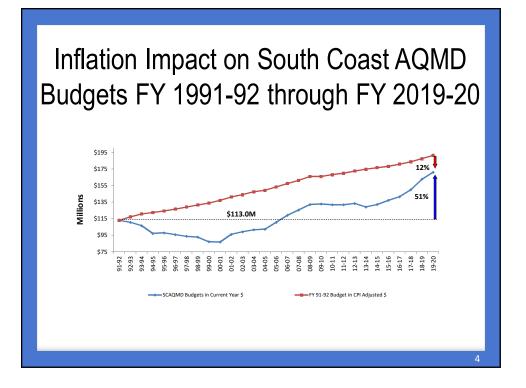


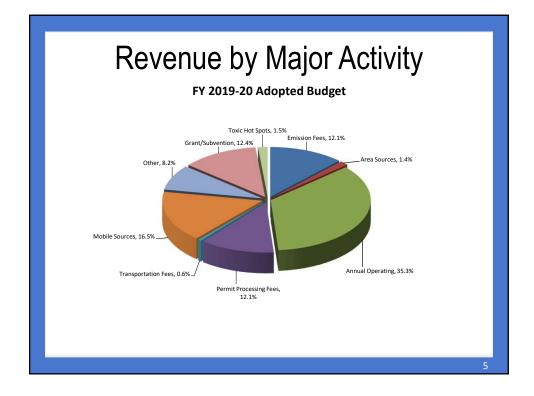
FY 2019-20 General Fund Budget Summary

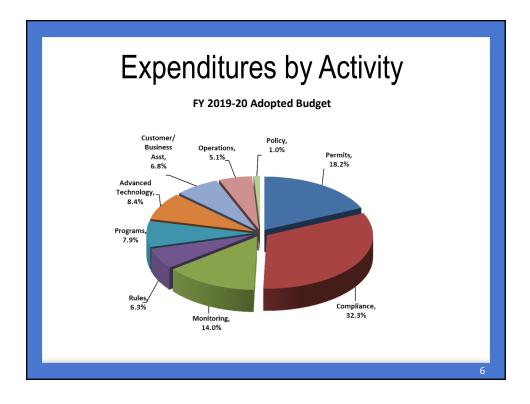
(\$ in millions)		FY 2018-19)	FY 2019-20
	<u>Budget</u>	Amended*	<u>Estimate</u>	Proposed
Revenue**	\$162.6	\$170.7	\$165.5	\$170.9
Program Cost	<u>\$162.6</u>	<u>\$180.4</u>	<u>\$170.6</u>	<u>\$170.9</u>
Change to Fund Balance	<u>\$0.0</u>	<u>-\$9.7</u>	<u>-\$5.1</u>	<u>\$0.0</u>

*Board approved changes through June 2019.

**FY 2019-20 Proposed Revenue Budget includes a projected CPI fee increase of 3.5% with an additional 10.66% increase for Title V annual operating permit renewal and permit processing fees.

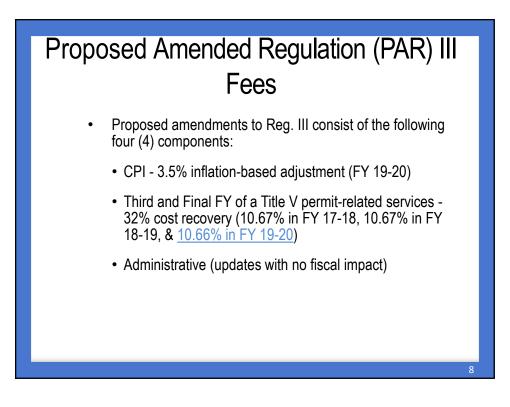






FY 2019-20 General Fund Budget Five Year Projection

	FY 18-19 Estimate	FY 19-20 Adopted	FY 20-21 Projected	FY 21-22 Projected	FY 22-23 Projected	FY 23-24 Projected
STAFFING	Lotinute	939	939	939	939	939
REVENUES/TRANSFERS IN*	\$165.5	\$170.9	\$175.1	\$175.0	\$176.1	\$178.4
EXPENDITURES/TRANSFERS OUT	\$170.6	\$170.9	\$180.7	\$184.0	\$185.0	\$179.2
Change in Fund Balance	-\$5.1	\$0.0	-\$5.6	-\$9.0	-\$8.9	-\$0.8
UNRESERVED FUND BALANCE (at year-end)	\$49.7	\$49.7	\$44.1	\$35.1	\$26.2	\$25.4
% of REVENUE	30%	29%	25%	20%	15%	14%
*Includes projected CPI fee increase of 3.5% for F permit processing fees; a CPI of 3.7% for FY 2020- 2021-22, assumes on-going AB 617 revenue.						





New Toxic Air Contaminant (TAC) Fee Structure and Implementation Schedule

- New TAC fee structure will be phased-in over a two-year period beginning January 1, 2020.
- The new TAC fee structure is composed of
 - Base Facility Fee
 - \$78.03 in January 2020 and thereafter
 - Flat Rate Device Fee
 - \$170.95 in January 2020; \$341.89 in January 2021 and thereafter
 - Cancer-potency Weighted Fee
 - \$5 per toxicity-weighted lb. in January 2020; \$10 per toxicity-weighted lb. in January 2021 and thereafter
- Upon full implementation, new TAC fees are expected to raise \$5M in revenue in 2021
 - an increase of approx. \$4.5M over 2017 TAC fee revenue

1 Back to Agenda

Local Government Small Business Assistance

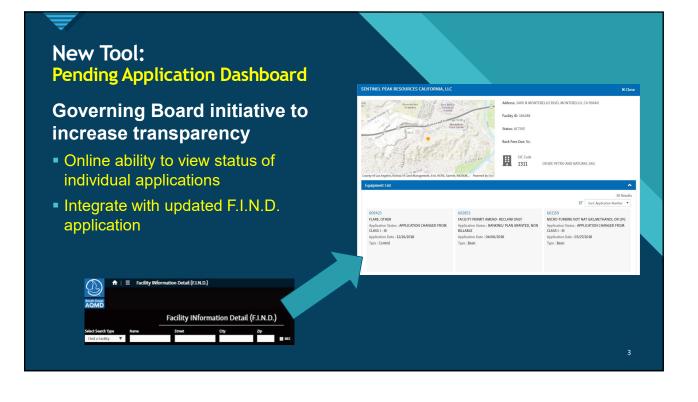
Permit Streamlining / Backlog Reduction Update

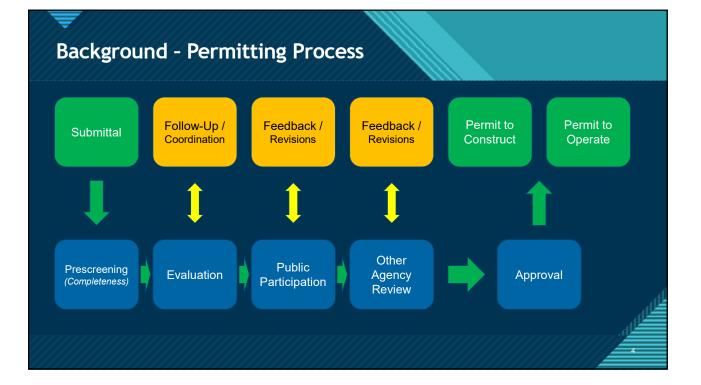
July 19, 2019

Backlog Reduction Update

- 2016 Two Year Initiative ^{8,000} Pending applications cut _{7,000} in half
- Maintaining levels
- Challenges ahead
 - RECLAIM sunset
 - Workforce turnover
- New tools to better secure gains







Goals / Benefits

External

- Meets Governing Board's direction for improved transparency
- Online access to status information
 - Progress tracking and schedule forecasting
 - Reaffirms pending facility or agency actions

Internal

- Reduce external requests for information by redirecting inquiries to dashboard
- Supplement or replace current reporting
- Supports efficient resource allocation
- Identification of trends and opportunities for additional operational improvements

Dashboard Status Indicators

- Two status indicator types:
 - 1. Time elapsed indicator
 - 2. Application status indicators
 - Indicates when actions are required by applicant (Awaiting Facility Action)
 - Identifies if there are any pending agency actions (Awaiting South Coast AQMD Action)

Status progress bar





Status Indicators Application Status Indicators - 10,000 Foot View

- Used to communicate pending actions
- Three indicators
 - 1. In Process No pending actions
 - 2. Awaiting Facility Action Pending facility follow-up
 - 3. Awaiting South Coast AQMD Action Pending policy decision or completion of a review, including review by another agency (e.g., EPA, CEC)



Status Indicators Awaiting Indicators - A Deeper Dive

- Awaiting Facility Action
- Missing Information
 - Data, Reports, Related Equipment
- Waiting for Completion of Event
 - Source Test
 - Construction
 - Fees / Compliance Resolution
 - Emission Offsets
 - CEQA / Public Notice
 - Facility Review

- Additional Information Request
- Awaiting Construction
- CEQA Submittal/Addendum
- Complete Required Public Notice
- Compliance Status Resolution
- Conduct Source Testing
- ERC Balance Resolution
- Facility Draft Permit Review
- Fee Payment Resolution
- RECLAIM RTC Balance Resolution
- Related Application Submittal

Status Indicators Awaiting Indicators - A Deeper Dive



Awaiting South Coast AQMD Action

- Evaluation
 - Toxics / Modeling
 - Field Assessment
 - Source Test Review
 - Policy Assessment
- Processing
 - Electronic Processing
 - Related Equipment
 - Quality Assurance
- Coordination

 - EPA / Other AgenciesCEQA / Public Notice / Review

- BACT/LAER Determination
- CEQA Analysis
- CEQA Lead Agency Review
- Electronic **Processing Delays**
- EPA TV / Other Agency Review
- Field Evaluation

- HRA/Modeling Analysis
- Policy Decision
- Public Review / Notice
- Related Applications Processing
- Source Test Results Review
- Supervisor/ Management Review

Dashboard Repo	rts 🕶 Application Search Admin 🕶				
Application D					-
Application Specific	Information			Application Status Indicators	
Application Number:	602159	Application Type:	New Construction (Permit to Construct)		
Facility ID:	184288	Application Status:	APPLICATION CHANGED FROM CLASS I - III		
Facility Name:	SENTINEL PEAK RESOURCES CALIFORNIA, LLC	Facility Team:	0	Awaiting Facility Action	
Permit Number:	-	Facility Team Name:	OPERATIONS	Time Elapsed Indicators	
Permit Status:		Engineer:	2		External Acc
Equipment Type:	B - Basic	Engineer Phone:	909-396-	408 days elapsed	Through F.I.
BCAT:	053741 - MICRO-TURBINE NOT NAT	Deemed Completed Date:	4/2/2018	100% time elapsed	
CCAT:	GAS, METHANOL OR LPG	PC Issued Date:	5/9/2018		
Estimated Construction Start Date:	6/1/2018			Days	
Estimated Construction	6/1/2018				

	g Applicat on Details Sci		tus Das	hboard		
Dashboard - App	olication Detail					
Application Status Progre	255					
Received Assig 3/27/2018 3/29/		Permit to Construct 5/9/2018				
Application History						
Show 25 • entries	17 Status Date	Target Date	Closed Date	Closed By	Assigned Engineer	
Conduct Source Testing	5/29/2019 8:10:25 AM	1/3/2020				1
Permit to construct issued	5/9/2018 4:45:51 PM					Diary to
Approve PC, Recommended by Engineer	5/9/2018 2:04:24 PM				_	Include Both System Driven
PC Initial	4/2/2018 1:43:46 PM		4/2/2018			and Engineer
Application Accepted, Class I	4/2/2018 8:20:44 AM				77 .	Inputted Status

Expectations

- Provide visual feedback on status:
 - In Process
 - Awaiting Action
- Provide visual indicator on time elapsed
- Identify Opportunities through trend analysis
 - Data quality and communication
 - Business process efficiencies

- Refine categories as system matures
- Periodic updates on findings and improvements
- Seek to further distinguish between backlog and working inventory





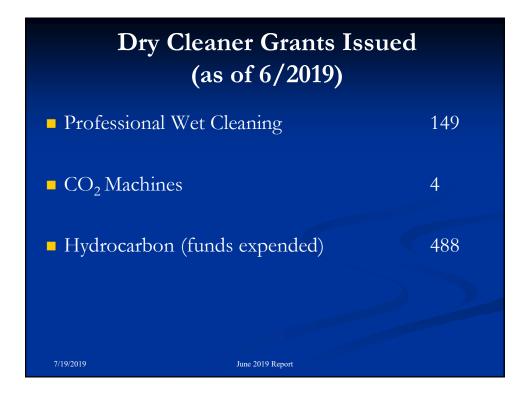
Small Business Assistance Report on June 2019 Activities for

LG&SBA Advisory Group Meeting of 7/19/2019









Small Business Activity June 2018 – June 2019

	Permit	On-Site	Variance	Fee Review	Air Quality Permit
ACTIVITY	Assistance	Consultations	Assistance	Requests	Checklists
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
Feb-2019	168	2	2	3	72
Mar-2019	163	2	0	5	53
Apr-2019	228	4	1	6	77
May-2019	258	6	1	3	80
Jun-2019	210	8	0	2	60
TOTAL	2421	66	5	39	807
9			9 Report		

