



# South Coast Air Quality Management District

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## LOCAL GOVERNMENT & SMALL BUSINESS ASSISTANCE ADVISORY GROUP FRIDAY, JUNE 12, 2020 MEETING MINUTES

### MEMBERS PRESENT:

Council Member Ben Benoit, LGSBA Chairman (Board Member)  
Supervisor Janice Rutherford (Board Member)  
Felipe Aguirre  
Mayor Pro Tempore Rachelle Arizmendi, City of Sierra Madre  
Paul Avila, P.B.A. & Associates  
Todd Campbell, Clean Energy  
LaVaughn Daniel, DancoEN  
Bill LaMarr, California Small Business Alliance  
Rita Loof, RadTech International  
Eddie Marquez, Roofing Contractors Association  
David Rothbart, Los Angeles County Sanitation District

### MEMBERS ABSENT:

Supervisor V. Manuel Perez (Board Member)  
Geoffrey Blake, Metal Finishers of Southern California  
John DeWitt, JE DeWitt, Inc.

### OTHERS PRESENT:

Mark Abramowitz  
Harvey Eder, Public Solar Power Coalition  
Tom Gross, Board Member Consultant (*Benoit*)  
Dan McGivney, SoCal Gas  
Patty Senecal  
Mark Taylor, Board Member Consultant (*Rutherford*)  
Ross Zelen

### SOUTH COAST AQMD STAFF:

Jill Whynot, Chief Operating Officer  
Derrick Alatorre, Deputy Executive Officer  
Ron Moskowitz, Chief Information Officer  
Sujata Jain, Chief Financial Officer  
Sarah Rees, Ph.D., Assistant Deputy Executive Officer  
Fabian Wesson, Assistant Deputy Executive Officer  
Jo Kay Ghosh, Ph.D., Health Effects Officer  
Teresa Barrera, Senior Deputy District Counsel  
Victor Yip, Senior Enforcement Manager

Mark Henninger, Information Technology Manager  
Anthony Tang, Information Technology Supervisor  
Van Doan, Air Quality Specialist  
Elaine-Joy Hills, Air Quality Specialist  
Paul Wright, Senior Information Technology Specialist

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

Chair Ben Benoit called the meeting to order at 11:31 a.m.

Mr. Derrick Alatorre provided guidelines and general instructions for participation in the remote meeting for the Local Government & Small Business Assistance Advisory Group (LGSBA) meeting via Zoom webinar and teleconference.

#### **Agenda Item #2 – Approval of May Meeting Minutes/Review of Follow-Up/Action Items**

Chair Benoit called for approval of the May 8, 2020 meeting minutes. The minutes were approved unanimously.

Mr. Bill LaMarr referenced Mr. Ian MacMillan's response to a question on establishing a de minimis level for stationary sources on page three of the May 8, 2020 meeting minutes and commented that the Small Business Administration defines small businesses by the number of employees and annual receipts, ranging from 500-1500 employees and \$7.5-37.5 million; it is not defined by the physical size of a facility. Mr. LaMarr further added that the South Coast Air Quality Management District (South Coast AQMD) also does not define small businesses by the square footage. Mr. Alatorre stated that staff will review the minutes and make corrections if needed. Mr. LaMarr stated the reason for the comment on the definition was to make a point and have it memorialized. Chair Benoit stated that it may be a future action item or discussion, not quite related to the minutes.

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

Mr. Alatorre stated that there were no follow-up or action items.

#### **Agenda Item #4 – Summary of Recent Studies of Air Pollution & Health Effects**

Dr. Jo Kay Ghosh provided a summary of key recent research studies of air pollution and health effects.

Ms. Rita Loof referenced slide #17 and asked for an explanation of exploratory behavior. Dr. Ghosh explained that mice have a natural curiosity and exploratory behavior refers to their desire to explore different spaces.

Mr. David Rothbart stated that the California Air Resources Board (CARB) is working on expanding the list of toxic compounds that are required to be reported to be used for health risk assessments and are not assigning toxicity values. They are using similarities in chemical properties to determine toxicity values. Mr. Rothbart asked how that approach is viewed from a regulatory standpoint. Dr. Ghosh replied that risk assessments rely on having toxicity values in order to calculate risk from a particular pollutant. The ability to develop a toxicity value for use in risk assessment depends on having appropriate studies available to derive those values. In some cases, there could be studies that show a pollutant is toxic, but there may not be enough information to derive a quantitative toxicity value.

Mr. Harvey Eder commented on the severe acute respiratory syndrome (SARS) virus, climate change, economy, oil prices, and various statistics.

Mr. LaMarr commented that the business community is constantly being bombarded by the public with the belief that businesses are the cause of cancer and commented that words like “suggestive” and “could” in the reports indicate that the studies show no definitive answer. Mr. LaMarr stated that cancer is not a single disease, it is a collection of diseases and suggested that staff take the opportunity to address the public’s concern when there is an assumption that a specific facility is the cause of illnesses. Dr. Ghosh replied that it’s generally not possible to pinpoint a particular pollutant or air pollution as the cause of a specific person’s health problem, but studies have shown that there are a number of health conditions linked to air pollution exposure. As more studies are conducted, the air pollution levels associated with a health outcome could be better quantified. Dr. Ghosh stated that this relates to the toxicity levels and risk assessments previously referenced by Mr. Rothbart. Mr. LaMarr referenced a quote from a book by University of Southern California (USC) Professor Thomas Mack indicating that there is no evidence confirming that cancer is caused from an environmental carcinogen and stated that not much has changed. Dr. Ghosh replied that hexavalent chromium (Cr(VI)) is an air toxic, which meets the criteria for a known human carcinogen and clearly linked to cancer risk. Other air pollutants are also classified as known human carcinogens, such as benzene and formaldehyde. Today’s presentation focuses on particulate matter 2.5 (PM<sub>2.5</sub>) and its linkage to certain types of cancers. The composition of the PM<sub>2.5</sub> is important as well; for example, it is composed of Cr(VI), then obviously it would be a carcinogen. Mr. LaMarr referenced slide #6 and stated that there are no firm statements linking PM<sub>2.5</sub> to cancer. Dr. Ghosh commented that when it comes to ascertaining whether a pollutant causes a particular disease, you need more than a single study to come to those conclusions. Therefore, agencies review the entirety of the science that is available on that topic in order to come to a conclusion. For example, the U.S. EPA concluded from their scientific review that the relationship between PM<sub>2.5</sub> and cancer is “likely to be causal.”

#### **Agenda Item #5 – Fiscal Year (FY) 2020-21 General Fund Budget**

Ms. Sujata Jain provided an overview of the General Fund Budget detailing staffing levels, expenditures, and revenues required to maintain current program commitments.

Mr. Paul Avila asked if the South Coast AQMD is eligible for Federal grants and loans available. Ms. Jain replied that South Coast AQMD applied for two grants under the Federal Emergency Management Agency (FEMA) and Coronavirus Aid, Relief and Economic Security (CARES) Act and is awaiting a response.

Mr. LaMarr asked if South Coast AQMD has a \$230 million unfunded pension liability. Ms. Jain replied yes. Mr. LaMarr stated that State and Los Angeles (LA) City employees opted for pay cuts due to budget deficits and asked if South Coast AQMD has considered a similar approach instead of fee increases. Ms. Jain replied that there is no fee increase this year and future increases will be based on how the fiscal year ends and the Governing Board’s (GB) decision. Mr. Alatorre indicated that, currently, there are no plans for pay cuts, layoffs, or furloughs; however, future decisions will depend on the revenues. Mr. LaMarr stated that South Coast AQMD’s revenue sources are dependent on the businesses and the economy and suggested open discussions with businesses with all options being considered. Ms. Jain stated that updates are presented at the Administrative Committee and GB meetings to maintain transparency and provide the GB with ample information to make their decisions. Chair Benoit added that all options are being considered and we will get through this together.

Ms. Loof asked for the funding status of Assembly Bill (AB) 617 and what will happen in upcoming years. Ms. Jain replied that AB 617 funding for FY 2020-21 has been approved. Mr. Alatorre replied that a new bill, which was previously Senate Bill (SB) 808 authored by Senator Mitchell, is in review by the legislature. This new bill is for the appropriation of \$50 million from the air pollution control fund for implementation in FY 2021-22, independent of the Cap-and-Trade Program; however, an additional \$200 million, which is from the Cap-and-Trade Program, may be affected as results from the previous auction were much lower than expected.

Ms. Rachelle Arizmendi asked if there have been any discussions on prepayment of the unfunded liability pension and how to assertively address it. Ms. Jain replied that South Coast AQMD is still paying outstanding pension obligation bonds, which will be completed in three years. The budget includes almost \$7 million in addition to contributions, so when the payments are complete, that fund may be available for prepayment of the liability pension upon the GB's approval. Chair Benoit stated that it is something the GB is considering.

Mr. Eder commented on solar energy and investments.

Ms. Jill Whynot indicated that the AB 617 incentive funding in the proposed budget was \$200 million. It was \$245 million the previous year and \$250 million the year before that, and South Coast AQMD continues working to obtain any possible increase.

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

No comments.

**Agenda Item #7 - Other Business**

None.

**Agenda Item #8- Public Comment**

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

The next regular Local Government & Small Business Assistance Advisory Group meeting is scheduled for Friday, August 14, 2020 at 11:30 a.m.

**Adjournment**

The meeting adjourned at 12:47 p.m.