



**South Coast
Air Quality Management District**

21865 Copley Drive, Diamond Bar, CA 91765

(909) 396-2000, www.aqmd.gov

STATIONARY SOURCE COMMITTEE MEETING

Committee Members

Mayor Ben Benoit, Chair
Dr. Joseph Lyou, Vice Chair
Mayor Pro Tem Judith Mitchell
Supervisor Shawn Nelson
Supervisor Janice Rutherford
Supervisor Hilda L. Solis

**May 18, 2018 ♦ 10:30 a.m. ♦ CC8
21865 Copley Dr., Diamond Bar, CA 91765**

TELECONFERENCE LOCATIONS

8575 Haven Ave
Suite 110
Rancho Cucamonga CA

Kenneth Hahn Hall of Administration
500 W. Temple Street
Room 493-A
Los Angeles, CA 90012

(The public may attend at any location listed above.)

Call-in for listening purposes only is available by dialing:

Toll Free: 866-244-8528

Listen Only Passcode: 5821432

In addition, a webcast is available for viewing and listening at:

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

AGENDA

CALL TO ORDER

INFORMATIONAL ITEMS – Items 1-2

- 1. Summary of Proposed Amended Rule (PAR) 1111 - Reduction of NO_x Emissions from Natural Gas Fired, Fan-Type Central Furnaces (*No Motion Required*) (20 mins.)** Tracy Goss, Manager

Staff will provide a briefing on PAR 1111 regarding proposed labeling requirements, consumer choice outreach, and the Clean Air Furnace Rebate Program.
(*Written Material Attached*)
- 2. Status of Permit Backlog Reduction Efforts (*No Motion Required*) (10 mins.)** Laki Tisopulos, Deputy Executive Officer

Staff will provide a brief update on the status of the permit backlog reduction efforts initiated in July 2016.
(*Written Material Attached*)

WRITTEN REPORTS – Items 3-4

- 3. Notice of Violation Penalty Summary (*No Motion Required*)** Bayron Gilchrist, General Counsel

This report provides the total penalties settled in April 2018 which includes Civil, Supplemental Environmental Projects, Mutual Settlement Assessment Penalty Program, Hearing Board and Miscellaneous.
(*Written Material Attached*)
- 4. Home Rule Advisory Group – March 2018 Meeting Minutes (*No Motion Required*)** Philip Fine, Deputy Executive Officer

This report summarizes the topics discussed at the March 2018 Home Rule Advisory Group meeting and the first quarter attendance record.
(*Written Report Attached*)

OTHER MATTERS

- 5. Other Business**

Any member of the Committee, 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. (Gov't. Code Section 54954.2)
- 6. Public Comment Period**

Members of the public may address this body concerning any agenda item before or during consideration of that item (Gov't. Code Section 54954.3(a)). All agendas for regular meetings are posted at District Headquarters, 21865 Copley Drive, Diamond Bar, California, at least 72 hours in advance of a regular meeting. At the end of the regular meeting agenda, an opportunity is also provided for the public to speak on any subject within the Committee's authority. Speakers may be limited to three (3) minutes each.

7. Next Meeting Date: June 15, 2018

ADJOURNMENT

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 Stationary Source Committee meeting. Any accommodations must be requested as soon as practicable. Requests will be accommodated to the extent feasible. Please contact Evangelina Barrera at 909.396-2583 from 7:30 a.m. to 6:00 p.m., Tuesday through Friday, or send the request to ebarrera@aqmd.gov.

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.

Proposed Amended Rule (PAR) 1111

*Reduction of NO_x Emissions from Natural-Gas-Fired, Fan-Type
Central Furnaces*

Clean Air Furnace Rebate Program and Consumer Choice Outreach

Stationary Source Committee Meeting

May 18, 2018

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Background

- March 2, 2018 Board approved amendments to Rule 1111 to extend and increase the mitigation fee option for units not certified to meet the current 14 ng/J NO_x emission limit
- Board directed staff to return with a proposal to inform consumers when the unit is subject to a mitigation fee because it does not meet the emission limit and that compliant units are eligible for a consumer rebate
- Clean Air Furnace Rebate Program is a companion to Rule 1111 to incentivize consumers to purchase units certified to 14 ng/J

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Staff Proposal

Labeling Provision* Effective October 1, 2018 (Revision to Current Labeling)

- Units not certified to meet the 14 ng/J certification limit must inform the consumer that:
 - Furnace is subject to a mitigation fee; and
 - Not eligible for rebate program

Where Labeling is Required

- Furnace and shipping box
- Consumer brochures;
- Technical specification sheets; and
- Manufacturer website promoting product line for furnace

* PAR 1111 allows alternate language as approved by the Executive Officer

Approach

- Input from manufacturers is that most consumers do not see the unit prior to purchase and even after installation (e.g., attic furnaces)
- Consumers may only see brochures or literature from installer
- Incorporated provisions to display labeling language in areas other than unit or box to reach more consumers

Clean Air Furnace Rebate Program Implementation

- Contract with Electric & Gas Industries Association (EGIA) executed on May 4, 2018
- Established:
 - Logo, toll-free number, email, URL, check, invoice, and bank account
- In progress:
 - Program website
 - Dashboard for real time status report
 - Developing promotional materials
 - Meeting directly with manufacturers, distributors, and contractors
- Targeted program launch: Mid June, 2018



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Next Steps

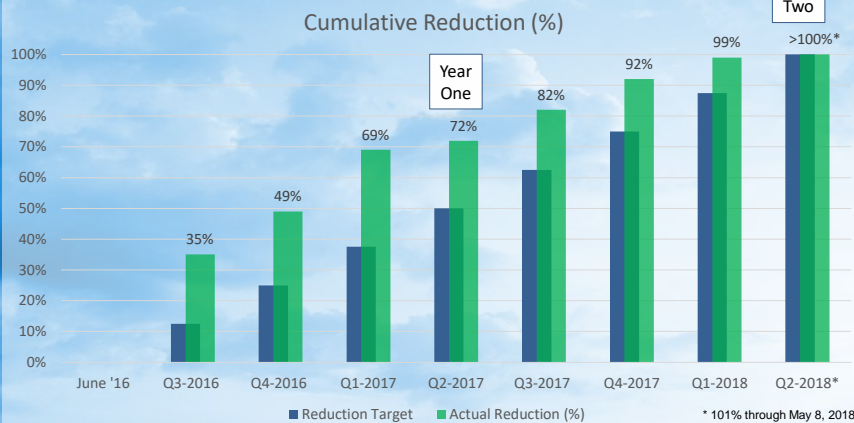
- Set Hearing – June 1, 2018
- Public Hearing – July 6, 2018

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Status Report on Backlog Reduction Efforts

Stationary Source Committee
May 18, 2018

Pending Applications (2016 – 2018)



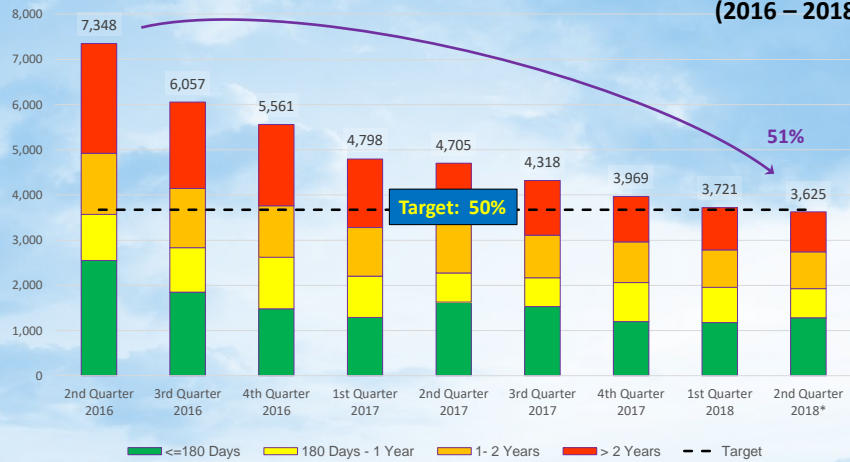
Progress

- Recently surpassed initial target
- Will declare end of backlog reduction effort after trends are confirmed

Backlog Update

Efforts to continue to build cushion to address RECLAIM transition

Pending Applications (2016 – 2018)



* Through May 8, 2018

May 18, 2018

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DRAFT
**DISTRICT'S RULES AND REGULATIONS INDEX
 FOR APRIL 2018 PENALTY REPORT**

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REGULATION II - PERMITS

Rule 201	Permit to Construct
Rule 203	Permit to Operate
Rule 222	Filing Requirements for Specific Emission Sources Not Requiring a Written Permit Pursuant to Regulation II

REGULATION IV – PROHIBITIONS

Rule 403	Fugitive Dust - <i>Pertains to solid particulate matter emitted from man-made activities.</i>
Rule 461	Gasoline Transfer and Dispensing

REGULATION XI - SOURCE SPECIFIC STANDARDS

Rule 1143	Consumer Paint Thinners & Multi-Purpose Solvents
Rule 1146	Emissions of Oxides of Nitrogen from Industrial, Institutional and Commercial Boilers, Steam Generators, and Process Heaters
Rule 1146.1	Emissions of Oxides of Nitrogen from Small Industrial, Institutional, and Commercial Boilers, Steam Generators, and Process Heaters
Rule 1147	Nox Reductions from Miscellaneous Sources
Rule 1173	Fugitive Emissions of Volatile Organic Compounds

REGULATION XIV - TOXICS

Rule 1403	Asbestos Emissions from Demolition/Renovation Activities
Rule 1415	Reduction of Refrigerant Emissions from Stationary Refrigeration and Air Conditioning Systems
Rule 1470	Requirements for Stationary Diesel-Fueled Internal Combustion and Other Compression Ignition Engines

REGULATION XX REGIONAL CLEAN AIR INCENTIVES MARKET (RECLAIM)

Rule 2004	Requirements
Rule 2012	Requirements for Monitoring, Reporting, and Recordkeeping for Oxides of Nitrogen (NO _x) Emissions

REGULATION XXII ON-ROAD MOTOR VEHICLE MITIGATION

Rule 2202 On-Road Motor Vehicle Mitigation Options

REGULATION XXX TITLE V PERMITS

Rule 3002 Requirements
Rule 3003 Applications

CALIFORNIA HEALTH AND SAFETY CODE

41960.2 Gasoline Vapor Recovery

CALIFORNIA CODE OF REGULATIONS

PERP 2457 Requirements for Portable Equipment Units
PERP 2459 Portable Equipment Notification

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
General Counsel's Office
DRAFT
April 2018 Settlement Penalty Report

Total Penalties

Civil Settlements: \$135,562.63
MSPAP Settlements: \$46,884.00

Total Cash Settlements: \$182,446.63
Total SEP Value: \$0.00

Fiscal Year through 4 / 2018 Cash Total: \$9,976,576.43
Fiscal Year through 4 / 2018 SEP Value Only Total: \$2,120,000.00

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbr	Total Settlement
Civil Settlements						
21829	AVALON MUN HOSP	1470	4/5/2018	TRB	P60704	\$3,000.00
184892	BLUE HORIZON CONSTRUCTION CORP.	1403	4/12/2018	BST	P65903	\$1,500.00
177658	BURNS ENVIRONMENTAL SERVICES	1403	4/17/2018	BST	P64750 P65904 P65905	\$15,000.00
145323	CAPISTRANO UNIFIED SCHOOL DISTRICT	1146.1 203 (a)	4/19/2018	SMP	P64055 P64059	\$2,500.00
174374	DAVITA AIRPORT DIALYSIS CLINIC	203	4/6/2018	WBW	P66802	\$4,517.00

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbr	Total Settlement
127550	FOUR POINTS HOTEL		4/4/2018	BST		\$2,200.00
		1415			P63684	
		203				
		222				
152560	MAPLEWORKS REMODELING		4/4/2018	DH		\$5,000.00
		203 (a)			P63710	
120136	NATIONAL DEMOLITION CONTRACTORS		4/3/2018	WBW		\$1,650.00
		403			P64568	
					P65257	
163406	P.W. STEPHENS ENVIRONMENTAL INC		4/17/2018	TRB		\$31,000.00
		1403			P61116	
183408	PEP BOYS		4/20/2018	WBW		\$42,995.63
		1143			P64809	
74064	UNIFIED GROCERS INC		4/12/2018	BST		\$9,500.00
		2202			P64822	
800150	US GOVT, AF DEPT, MARCH AIR RESERVE BASE		4/10/2018	BST		\$6,700.00
		2004(f)(1)			P64370	
800393	VALERO WILMINGTON ASPHALT PLANT		4/11/2018	SH		\$10,000.00
		1173			P60359	
		3002				

Total Civil Settlements: \$135,562.63

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbr	Total Settlement
MSPAP						
184714	CITY OF COACHELLA	403(d)(1) 403(d)(2)	4/4/2018	JS	P64757	\$2,700.00
181068	CITY OF SOUTH PASADENA	201 203 (a)	4/4/2018	GV	P64135	\$1,600.00
183429	COUNTY OF RIVERSIDE (RV0996)	203 (a)	4/12/2018	TF	P66552	\$2,000.00
183429	COUNTY OF RIVERSIDE (RV0996)	203 (a)	4/12/2018	TF	P66553	\$4,000.00
47771	DELEO CLAY TILE CO INC	2012	4/12/2018	GC	P56344	\$500.00
174205	DION AND SONS	461(c)(1)(B)	4/12/2018	GC	P65361	\$638.00
109659	EXCEL PAVING CO INC	461	4/5/2018	GC	P64206	\$638.00
121533	FABCON INC	1147 203 (a) 203 (b)	4/5/2018	GC	P60684	\$5,100.00
121533	FABCON INC	203 (b)	4/5/2018	GC	P60687	\$1,600.00
28830	G & M OIL #1	461	4/5/2018	GC	P65735	\$450.00

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbr	Total Settlement
28830	G & M OIL #1	461	4/5/2018	GC	P65718	\$250.00
157896	G & M OIL CO, #186	461	4/5/2018	GC	P64668	\$810.00
107942	G & M OIL CO, LLC #31	41960.2 461	4/5/2018	GC	P65719	\$843.00
11998	GOODRICH CORPORATION	203(b)	4/5/2018	GC	P63915	\$2,800.00
183567	GS II, INC.	1146 3002(c)(1)	4/12/2018	GC	P61576	\$4,250.00
159107	HIGHLAND SPRINGS MEDICAL PLAZA	1146.1	4/12/2018	GC	P56049	\$2,500.00
174130	IMPERIAL ENERGY, SOUAD ELBAIALY	203 (a)	4/5/2018	GC	P60095	\$480.00
800429	KAISER FOUNDATION HOSPITAL	3002(c)(1)	4/12/2018	GC	P65051	\$500.00
185539	PACIFICORE CONSTRUCTION	203(a)	4/12/2018	TF	P66659	\$800.00
18960	PASADENA CITY COLLEGE	1470 203 (b)	4/5/2018	TF	P65564	\$100.00

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbr	Total Settlement
184634	THREE D SERVICE	203 (a) PERP 2457 PERP 2459	4/5/2018	GV	P65371	\$11,250.00
181801	UNITED PACIFIC #5695	203 (b)	4/5/2018	GV	P64987	\$2,000.00
185723	URENO TREE SERVICE	203(a)	4/5/2018	TF	P63768	\$375.00
134696	VERIZON WIRELESS	203 (b)	4/12/2018	TF	P64764	\$100.00
178964	VILI GROUP INC	203(a)	4/5/2018	GV	P65731	\$600.00

Total MSPAP Settlements: \$46,884.00



South Coast Air Quality Management District

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(909) 396-2000 • www.aqmd.gov

HOME RULE ADVISORY GROUP

Wednesday, March 14, 2018

MEETING MINUTES

CHAIR:

Dr. Joseph Lyou, Governing Board member

MEMBERS PRESENT:

Curt Coleman (Southern California Air Quality Alliance); Bill La Marr (California Small Business Alliance); Bridget McCall (Western States Petroleum Association); Lauren Nevitt (Southern California Gas); Terry Roberts (American Lung Association of California); Larry Smith (Cal Portland Cement); and Kristen Torres Pawling (County of Los Angeles, Chief Sustainability Office); and TyRon Turner (Dakota Communications).

The following members participated by conference call: Rongsheng Luo (SCAG); Janet Whittick (California Council for Environmental & Economic Balance); Johnny Raymond (CARB); Larry Rubio (Riverside Transit Agency).

MEMBERS ABSENT:

Mike Carroll (Regulatory Flexibility Group); Michael Downs (Downs Energy);-Jaclyn Ferlita (Air Quality Consultants); Nan Harrold (Orange County Waste & Recycling); Art Montez (AMA International); Penny Newman (Center for Community Action and Environmental Justice); Dr. Clark Parker (SCAQMD Governing Board Member); David Rothbart (Los Angeles County Sanitation District); and Amy Zimpfer (EPA).

OTHER ATTENDEES:

Mark Abramowitz (Board Consultant to Dr. Lyou); John Ungvarsky (EPA); and Susan Stark (Andeavor).

SCAQMD STAFF:

Philip Fine	Deputy Executive Officer
William Wong	Principal Deputy District Counsel
Philip Crabbe	Community Relations Manager
Ann Scagliola	Administrative Secretary

OPENING COMMENTS AND SELF-INTRODUCTIONS

The meeting was called to order at 10:00 a.m. by Dr. Joseph Lyou (Chairman).

APPROVAL OF NOVEMBER 2018 MEETING MINUTES

Dr. Lyou asked for comments on the January 10, 2018 meeting minutes. Hearing none, the minutes were approved.

EPA AND FEDERAL ACTIVITIES

John Ungvarsky provided an update on recent U.S. Environmental Protection Agency (EPA) and federal activities.

SCAQMD Related Actions

- On February 16, 2018, the D.C. Circuit U.S. Court of Appeals granted decisions on SCAQMD v. EPA, No. 15-1115. EPA is considering their options with the ruling.
- EPA is working to finalize the attainment designations for the 2015 National Ambient Air Quality Standard (NAAQS) for Ozone by April 30, 2018.
- On February 12, 2018, a Federal Register notice was published for a full final approval of the 2006 PM2.5 Moderate Area Plan. The sanctions that resulted from a prior partial disapproval, were terminated on March 14, 2018.
- EPA continues to work through the SCAQMD 2016 Air Quality Management Plan (AQMP), with no updates at this time.
- On February 27, 2018, a Federal Register notice was published for approval of a CARB submittal for inclusion into the State Implementation Plan, related to emissions from commercial harbor craft, diesel-fueled transport refrigeration units, on-road heavy-duty diesel engines and off-highway recreational vehicles. Comments must be received by March 29, 2018.
- EPA has awarded the 2017 Diesel Emissions Reduction Act (DERA) funding to 19 recipients, in Region 9 and 10. In the South Coast there were two recipients, the SCAQMD (\$1,050,000) to replace ten 2012 or newer diesel trucks and the City of Long Beach Harbor Department (\$2,423,448) to replace old marine vessel and cargo handling equipment.
- The 2018 DERA Request for Proposals is scheduled for release in April 2018.
- The 2018 West Coast Collaborative Partners meeting will take place on October 17 - 18, 2018, at the California Railroad Museum in Sacramento.
- The Request for Proposals for 2017 Targeted AirShed Grant Program closed in October 2017 and \$30M will be awarded nationwide, but no grants have been awarded. The Request for Proposals date for 2018 Targeted AirShed Grants has not been determined.
- The 2017 funding Clean Air Technology Initiative provided funding to SCAQMD and the San Joaquin Valley Air Pollution Control District. The 2018 funding has not been determined.
- The West Coast Collaborative for the Medium & Heavy-Duty Alternative Fuel Infrastructure Corridor Coalition (AFICC) are working with partners in California, Oregon and Washington to facilitate alternative fuel infrastructure planning and deployment to support low and zero emission, medium and heavy-duty fleet operations.

Regional Update

- Elizabeth Adams has returned from a four month detail in Washington, DC and is now the Region 9 Division Director. Alexis Strauss continues as the Acting Regional Administrator.

Federal Update

- There are efforts being made by EPA to use the “Lean Six Sigma” process to improve internal efficiency, as proposed by Henry Garland, Chief of Operations.

Discussion

Dr. Lyou commented that Jared Blumenfeld, EPA Regional Administrator from 2009-2016, has started a podcast called Podship Earth.

CARB REGULATORY ACTIVITIES

Johnnie Raymond provided an update on recent CARB regulatory activities.

CARB's March Board meeting will be held in Southern California (Riverside) on March 22-23, 2018. This meeting will include the following items:

- Provide an update on SB 375 Greenhouse gas emission reduction targets, which will also include the certification of the final environmental analysis.
- Provide an update on the State Implementation Plan and the SCAQMD's Air Quality Management Plan (AQMP).
- Provide an informational update on concepts to reduce community health impacts from freight facilities, as a result of previously held CARB meetings and workshops.
- Provide an update on efforts underway to implement new AB 617 requirements.

Additional Activities

- CARB will provide \$5 million in grant funding to support community groups and Air Districts with technical assistance for AB 617. Applications must be submitted by April 12, 2018.
- On April 27, 2018, CARB will consider proposed Community Air Protection (CAP) Funds Supplements for the Carl Moyer Program Guidelines. These changes will help to facilitate timely expenditures for increased community benefit. Through the Carl Moyer Program, SCAQMD was allocated \$107.5 million in funding for eligible projects.

Discussion

Larry Smith inquired about additional information on the freight facility actions discussed at the CARB workshops. Mr. Raymond indicated that Monique Davis is the contact person for this item and her contact information can be provided. Dr. Phil Fine added that these workshops were part of direction provided by the CARB Board when SCAQMD's AQMP and the State SIP strategy were adopted in 2017. The Indirect Source Review (ISR) concepts identified will be part of a larger strategy on freight facilities. Dr. Lyou added that CARB's staff has proposed some rulemaking efforts on what they have identified as a priority that do not appear to be facility specific.

Tyron Turner inquired if the available grant funding is available for neighborhood councils. Mr. Raymond indicated that Ryan Atencio is the lead staff for the CAP project and his contact information could be provided. Dr. Fine commented that there is an eligibility list on CARB's website for reference.

LEGISLATIVE UPDATE

Philip Crabbe provided highlights from the Legislative Committee meetings held in January, February and March 2018.

In January 2018, the Legislative Committee approved sponsorship of a legislative proposal that would modernize SCAQMD public notice requirements, to make them more efficient and cost-effective. The proposed bill would seek to change current burdensome mass mailing requirements to allow for modernized methods of disseminating public notices, including the use of electronic mail and internet postings when possible. However, mailing paper notices would still be utilized if notification by electronic methods is not feasible or is requested. The following month, the Legislative Committee approved specific legislative language for this proposal.

On February 9, 2018, the Legislative Committee considered multiple action items.

A Proposed Sales Tax Increase Legislative Concept for Approval

This bill proposal would seek authorization from the Legislature to put a quarter-cent sales tax increase proposal on the ballot for voter approval within the South Coast Air District to provide air

quality funds. The bill would not directly create a ballot measure, but would only be an authorization bill to allow either SCAQMD Board action or the voter-driven initiative process to put this proposal on the ballot.

In conjunction with this proposal, there had been a draft public survey prepared by staff to garner public input relating to the proposed sales tax measure. The Committee recommended bringing this draft public survey before the Legislative Committee at its next meeting for review and approval. This review and approval occurred at a Special Legislative Committee meeting held on February 12th and the public survey was then later considered and approved by the full Board for public release. No action was taken on the potential bill proposal itself.

Proposed Public Fleet Rule Legislative Proposal and Draft Language for Approval

As part of the 2016 AQMP, the Board directed staff to seek legislative authority to authorize SCAQMD to require the accelerated purchase and use of near-zero and zero emission heavy duty on-road vehicles for public fleets within the South Coast. This bill proposal would not directly create a rule, but would simply secure legislative authorization for SCAQMD to go through the local rulemaking process on this issue, taking into account stakeholder input. Proposed bill language was also provided to the Committee for consideration. The Committee ultimately approved this item, including the draft language, with some changes to staff's proposal.

On March 9, 2018, the Legislative Committee considered multiple items.

Results of Public Survey Regarding Proposed Sales Tax Increase Proposal

A representative from Fairbank, Maslin, Maullin, Metz & Associates (FM3) presented the results of the public survey, conducted by FM3, regarding a proposed sales tax increase proposal and other air quality related data collection topics. Part of these results showed that the public still has limited knowledge about the SCAQMD and the work it does.

In response to the survey results, multiple Board Members commented that SCAQMD needs to increase public outreach efforts, as the survey showed that not many voters are familiar with SCAQMD.

The Legislative Committee moved the public survey item on to the full Board for discussion and consideration. No action was taken on the potential bill proposal itself.

Recommend Positions on State Bills

AB 2548 (Friedman) Commute benefit policies: Los Angeles County Metropolitan Transportation Authority: South Coast Air Quality Management District.

AB 2548 would authorize LA Metro, in coordination with the SCAQMD, to jointly adopt a commute benefit ordinance that requires employers within LA County, with 50 or more full-time employees, to offer a pretax option program, allowing them to exclude commuting costs from taxable wages related to public transit or vanpool charges. However, SCAQMD already administers an employee commute trip reduction program for the South Coast region, per SCAQMD Rule 2202, covering employers in the South Coast with 250 or more employees at a work site. Under this rule, employers have multiple options for compliance, including the one proposed by this bill.

This bill significantly expands the number of employers impacted, and would likely create a substantial increase in SCAQMD staffing and resource needs.

The Legislative Committee took a position of OPPOSE UNLESS AMENDED on this item. The recommended amendments would include strike references of SCAQMD from the bill to ensure that the District is not involved in the creation or administration of the proposed new program and would harmonize any new program with Rule 2202.

AB 2008 (Salas) Income taxes: exclusion: Carl Moyer Memorial Air Quality Standards Attainment Programs grants.

AB 2008 would allow all Carl Moyer grant funds to be exempt from taxable income for the purchase of new zero and/or low-emission engines. However, the current bill does not appear to exempt funds for all Moyer project types from being taxed.

The Legislative Committee recommended a position of SUPPORT WITH AMENDMENTS on this item.

The amendment would clarify that all Carl Moyer grant funds are exempted from state taxable income.

AB 2506 (Burke) State vehicle fleet: near-zero-emission vehicles.

AB 2506 would require, beginning January 1, 2020, that at least 30% of newly purchased vehicles, with a gross vehicle weight rating of 19,000 pounds or more, purchased by the Department of General Services (DGS) and other state entities, for the state fleet, be near-zero emission.

The Legislative Committee recommended a position of SUPPORT WITH AMENDMENTS on this item.

The amendment would add a definition for: “Near-Zero Emission Vehicle,” which would be a vehicle that meets, or emits less than, CARB’s optional low NOx emission standard of 0.02 grams per brake horsepower-hour.

Discussion

Lauren Nevitt inquired why SB 1144 was pulled and if there is an intent to bring it back to committee. Mr. Crabbe indicated that air districts want to coordinate efforts on the bill to determine the best approach.

Bill LaMarr commented on the SCAQMD Issues Survey and the number of people who are not aware of the District. Mr. Crabbe responded that there are approximately 17 million people living in the South Coast Basin and this survey is just a sampling of randomly selected voters. He indicated that at the March Legislative Committee meeting, the Board Members felt that it reflected that more outreach was needed. Dr. Lyou expressed that it should begin with the youth in school programs, then in future years there would be an awareness of the AQMD.

Kristen Pawling inquired about AB 2548 and how would it harmonize with Rule 2202. Mr. Crabbe explained that the impact of the new proposed commuter benefit program would not significantly affect the Rule 2202 program, and that SCAQMD is not part of the administration of the program.

Tyron Turner expressed the need for SCAQMD to continue outreach efforts to disadvantaged communities, by attending community based organization meetings, and the need for community liaisons. He also agreed with Dr. Lyou and encouraged outreach to the youth in the school systems. Dr. Fine commented that part of the direction received from the Board Members after the Legislative Committee meeting was to come up with a new outreach and education plan.

UPDATE REGARDING LITIGATION ITEMS AND RELATED EPA ACTIONS

William Wong provided an update to the litigation status report.

- Case #1 – A demurrer hearing was heard on March 9, 2018, the demurrer was granted and the case was dismissed.
- Case #10 – An update was provided on the February 16, 2018 court ruling and the issues of concern for SCAQMD.

LOW-COST AIR POLLUTION SENSORS

Dr. Andrea Polidori provided a presentation that summarized the current status of sensor technology and the results of almost four years of field and in the laboratory testing. Examples of sensor applications were provided along with a discussion on developing a sensor certification center involving a collaboration with other air quality agencies and organizations.

Discussion

Bill La Marr inquired if the battery charge can impact the reliability of the portable sensor data. Dr. Polidori replied no. Dr. Lyou clarified that the sensor is either on or off.

Lauren Nevitt asked how the identified community groups came to be part of the Air Quality Sensor Performance Evaluation Center (AQ-SPEC) network. Dr. Polidori indicated that SCAQMD needed to recruit two communities under the U.S. EPA STAR Grant Program, ultimately seven communities throughout California were selected.

Bridget McCann inquired about the evaluation status of the Q-Sense and the VOC sensors. Dr. Polidori indicated that the evaluation has not started yet, but hopes to start the process soon.

Kristen Pawling asked if SCAQMD is looking to develop partnerships with additional community organizations. Dr. Polidori indicated that the grant does limit the number of communities, but there are other funding options for additional communities. Dr. Fine indicated that additional funding was approved by the Board outside of the grant, through the MATES V study and AB 617 funding.

Dr. Lyou commented that the Coalition for Clean Air received funding through the California Department of Toxic Substances Control for a supplemental environmental project legal settlement for sensors along the Alameda Corridor.

Kristen Pawling inquired regarding the timeline of the communities identified through AB 617, future sensor certifications, and the relationship between the two. Dr. Polidori indicated that to have a solid certification program, involvement with other entities is essential, such as a national lab or Bay Area AQMD. He further indicated that they should perform calibrations similar to SCAQMD's and in different geographical locations, with hopefully the same results for consistency. Dr. Fine indicated that we could still deploy the well performing sensors for AB 617 even though they may not be certified.

Bill La Marr inquired if the sensor data would be used for compliance purposes or to measure pollutants in communities and neighborhoods. Dr. Fine indicated that the data is currently not being used for compliance, but this is a future possibility. Mr. La Marr further inquired if it might be used to supplement future inspections. Dr. Fine replied yes. Dr. Lyou added that it is possible that facilities could purchase low-cost sensors to demonstrate compliance. Dr. Fine replied that this is a possibility.

Janet Whittick commented that guidance on tiered applicability and QA/QC is needed, since this information would aid in the AB 617 implementation. Dr. Lyou agreed and indicated AB 617 would benefit with an understanding on the status and deployment process of low-cost sensors.

Public Comment

Susan Stark inquired about the distinction between fenceline monitoring as regulatory and community monitoring as statutory. Dr. Fine indicated that fenceline monitoring is required, but a standard was not adopted. Any thresholds would be for informational purposes.

SUBCOMMITTEE STATUS REPORTS

A. Freight Sustainability (Lauren Nevitt)

An update was provided on the following items.

- Carl Moyer Guidelines update at CARB's March Board meeting.
- Facility based measures for warehouses and fleet certifications.
- ARB's proposal on the Volkswagen settlement.

Dr. Lyou added the Governor's proposal for Greenhouse Gas Mitigation Funding for heavy-duty trucks is significantly less than last year.

B. Small Business Considerations (Bill La Marr)

An update was provided on the following items.

- RECLAIM Working Group and the transition from RECLAIM to command-and-control.
- Rule 1469 Working Group and the impacts on chrome platers.
- Discussions with Trade Association members on incentive funding.

C. Environmental Justice (Curt Coleman)

AB 617 Update (CARB)

- A draft Community Air Protection Program framework was released, which provides guidance and criteria for the community identification process.
- Air Districts will provide initial community recommendations by April 30, 2018, with their final recommendations by July 31, 2018.
- Communities can self-recommend and there is a process for them to follow.
- CARB will release a draft community recommendation list in August 2018, followed by a final list on October 1, 2018.

AB617 Update (SCAQMD) – by Dr. Philip Fine

- CARB held a technical summit in Southern California (Riverside, CA) on February 28, 2018.
- SCAQMD has provided community outreach meetings in Commerce and Wilmington, with future meetings planned for Riverside, San Bernardino and Anaheim.

Discussion

Bill La Marr requested clarification on CARB's draft framework document. Mr. Coleman indicated that CARB has referred to it as their concept paper. Lauren Nevitt indicated that they also have a separate guidelines for community selections. Dr. Fine indicated that CARB also has the RFP for \$5 million for community involvement.

Curt Coleman requested a joint update by CARB and SCAQMD at the July 2018 Home Rule Advisory Group meeting. Dr. Lyou and Dr. Fine indicated that there should be new developments to report on by this time.

Lauren Nevitt inquired if SCAQMD has progressed on the idea of line drawing communities. Dr. Fine indicated that this issue is important and is being considered.

Public Comment

Susan Stark inquired which Board committee the AB 617 Board Letter will be routed through. Dr. Fine indicated that this item will be going to the Stationary Source Committee in June 2018. Dr. Lyou commented that this is an ongoing process and not all communities are being selected in the first year. Dr. Fine indicated that SCAQMD initially wanted to provide a complete list of identified communities by July, but the initial list may only indicate communities identified for the first couple of years and priorities identified for future years. Dr. Lyou added that it is important that communities do not feel that they are in competition with each other.

D. Climate Change (David Rothbart)

There was no report.

REPORT FROM AND TO THE STATIONARY SOURCE COMMITTEE

Dr. Philip Fine provided a summary of items on the March 2018 agenda.

- RECLAIM Quarterly Report on the transition process.
- Summary of Proposed Amended Rule 408.
- Update on Proposed Amended Rule 1469.

OTHER BUSINESS

The Governing Board retreat is scheduled for May 10 & 11, 2018, at the Renaissance Indian Wells Resort in Indian Wells.

PUBLIC COMMENT

There were no comments.

ADJOURNMENT

The meeting was adjourned at 12:03 p.m. The next meeting of the Home Rule Advisory Group is scheduled for 10:00 a.m. on May 9, 2018, and will be held at SCAQMD in Conference Room CC-8.

**South Coast Air Quality Management District
HOME RULE ADVISORY GROUP – Attendance Record – 2018**

	NAME (Term: 1/1/17 - 1/1/2019)	1/10	FEB	3/14	APR	5/9	JUN	7/11	AUG	9/12	OCT	11/14	DEC
	Board/Member, Business & Community Reps, SCAQMD Staff												
1	Dr. Joseph Lyou, Chairman	X	dark	X	dark		dark		dark		dark		dark
2	Dr. Clark E. Parker, Sr., Governing Board Member			A									
3	Dr. Philip Fine (Agency Member) - SCAQMD	X		X									
4	Zimpfer, Amy (Agency Member) - EPA <i>Representing Elizabeth Adams</i>	T		T*									
5	Gallenstein, Chris (Agency Member) - CARB <i>Representing Richard Corey</i>	T*		T*									
6	Chang, Ping (Agency Member) - SCAG <i>Alternate – Rongsheng Luo</i>	T*		T*									
7	Carroll, Mike (Business Representative) <i>Alternate – Robert Wyman</i>	A		A									
8	Coleman, Curtis (Business Representative) <i>Alternate – Susan Stark</i>	X*		X									
9	McCann, Bridget (Business Representative) <i>Alternate – Patty Senecal</i>	X*		X									
10	La Marr, Bill (Business Representative)	X		X									
11	McGivney, Dan (Business Representative) <i>Alternate – Lauren Nevitt</i>	X		X*									
12	Newman, Penny (Environmental Representative)	A											
13	Roberts, Terry (Environmental Representative)	X		X									
14	Quinn, Bill (Business Representative) <i>Alternate – Janet Whittick</i>	T		T*									
15	Downs, Michael (Community Representative - McCallon)	A		A									
16	Ferlita, Jaclyn (Community Representative - Lyou)	A		A									
17	Harrold, Nan (Community Representative - Nelson)	X		A*									
18	Montez, Art (Community Representative - Lyou)	A		A									
19	Rothbart, David (Community Representative - Mitchell)	X		A*									
20	Rubio, Larry (Community Representative - Ashley)	A*		X									
21	Smith, Larry (Community Representative - Benoit)	X		X									
22	Pawling Torres, Kristen (Community Representative - Kuehl)	A		X									
23	Turner, TyRon (Community Representative - Burke)	A		X									

Attendance Codes					
X	Present	T	Teleconference	A	Absence
X*	Alternate in Attendance	T*	Alternate Teleconference Participation	A*	Absence Excused