

BOARD MEETING DATE: February 4, 2022

AGENDA NO. 20

REPORT: Marine Port Committee

SYNOPSIS: The Marine Port Committee held a meeting remotely on Friday, January 21, 2022. The following is a summary of the meeting.

RECOMMENDED ACTION:
Receive and file.

Rex Richardson, Co-Chair
Joe Buscaino, Co-Chair
Marine Port Committee

IM:rb

Committee Members

Present: Vice Mayor Rex Richardson/Co-Chair
Council Member Joe Buscaino/Co-Chair
Supervisor Lisa Bartlett
Senator (Ret.) Vanessa Delgado
Board Member Veronica Padilla-Campos
Mayor Larry McCallon

Call to Order

Co-Chair Buscaino called the meeting to order at 12:00 p.m.

INFORMATIONAL ITEMS:

1. Update on Port MOU Process

Ian MacMillan, Assistant Deputy Executive Officer/Planning, Rule Development and Area Sources, provided an update on MOU discussions with the Ports of Los Angeles (POLA) and Long Beach (POLB) and summarized the key concerns from each party on the draft MOU and summarized a recent community meeting.

Co-Chair Buscaino and Board Member Padilla-Campos clarified proposed versus adopted state program budgets that the Ports may benefit from.

Public Comments:

Harry Semerdjian, Los Angeles Area Chamber of Commerce; Sarah Wiltfong, Los Angeles County Business Federation (BizFed); Luis Portillo, San Gabriel Valley Economic Partnership; and Edgar Arreola, Inland Empire Economic Partnership, urged South Coast AQMD to not proceed with developing an indirect source rule (ISR) for the Ports or marine terminal operators, and instead, proceed only with a MOU with POLB. They stated that an ISR would further disrupt the supply chain, stifling the Ports productivity, causing job losses, increasing costs, causing cargo diversion to other ports, and resulting in foregoing near-term emission reductions and health benefits afforded by POLB's December MOU proposal. Similar comments were made by Bernice Jimenez Creager, California Trucking Association, and Henry Rogers, Harbor Association of Industry and Commerce.

Heather Tomley, POLB, stated that POLB's December MOU proposal includes voluntary commitments responsive to the Committee's comments and beyond the 2017 Clean Air Action Plan (CAAP) goals. The proposal includes measures for trucks, terminal equipment, ocean-going vessels, and on-dock rail. She stated that an ISR approach would not provide additional tools, feasible technologies, jurisdiction to the Port, and would make it more difficult to work collaboratively, thereby delaying air quality benefits. Matt Schrap, Harbor Trucking Association; and Thomas Jelenić, Pacific Merchant Shipping Association (PMSA), stated that an ISR would delay emission reductions by potentially foregoing POLB's offer of advanced funding for ZE/NZE drayage trucks. They requested that the technical working group process be resumed for emission reductions quantification. Mr. Jelenić cited technology unavailability and Mr. Schrap cited limitation in Ports' authority as reasons why necessary near-term emission reductions cannot be achieved.

Yassamin Kavezade, Sierra Club; Raj Dhillon, Breathe Southern California; and Fernando Gaytan, Earthjustice, commented on the need for an ISR, the lack of sufficient emission reductions resulting from the multi-year MOU process, and public health implications of port congestion. Mr. Gaytan emphasized that increased emissions from all port sources due to port congestion, and that port emissions contribute to secondary formation of air pollutants in the inland region in addition to impacting port communities. Andrea Vidaurre, People's Collective for Environmental Justice, agreed and added that pre-existing health conditions due to long-term exposure to air pollution have placed additional burdens on frontline workers and communities during the pandemic. Mr. Dhillon and Ms. Kavezade additionally stated that an ISR would not result in tradeoffs between the economy and environmental/health protection. Mandeera Wijetunga, Pacific Environment, stated that the shipping industry can be green and successful if there is the will.

Ms. Kavezade stated that an ISR is needed for both ports and railyards to hold them accountable for a sustainable and equitable transition to the best emission reduction

technologies and practices. A similar comment was made by Angie Balderas, Sierra Club. Additionally, Ms. Balderas; Sylvia Betancourt, Long Beach Alliance for Children with Asthma; and Jessie Parks, Sierra Club all advocated for zero emission port operations to protect public health. Mr. Parks was also concerned that the MOU process would not fully consider the concerns from those most impacted by port emissions. Elliot Gonzales, Sierra Club, commented that full public engagement is a key advantage for pursuing an ISR approach and stated his support for an ISR that would provide standardized requirements for both ports. Mr. Wijetunga commented that a more regular committee schedule would facilitate greater public engagement.

Several concerns were raised regarding the Ports' MOU proposals, by Mr. Gonzales with the potential legal liability and financial pressure on South Coast AQMD. Mr. Wijetunga expressed concern with the lack of enforcement mechanisms. Theral Golden, West Long Beach Association, expressed concern with the clawback provision attached to the POLB offer to deter South Coast AQMD from early MOU termination. Mr. Golden was also concerned that the Ports were not on track with their own CAAP implementation timeline and goals. Citing a 60 percent increase in community deaths and urged the adoption of an ISR to protect community health.

Mark Abramowitz, Community and Environmental Services, commented that the clean air progress made by ports and businesses is far short of the necessary emission reductions, especially when reduction needs to attain California's clean air standards and to reduce air toxics emissions are considered. He added that shortfalls in CARB regulations coupled with port inaction would require reductions to come from elsewhere in the region, potentially impacting small businesses, essential public services, and major stationary sources.

Board Member Comments:

Bayron Gilchrist, General Counsel, identified for the record that Co-Chair Richardson had no financial interest in Item No. 1, but he is a Council Member of the City of Long Beach, which is involved in this item.

Board Member Padilla-Campos commented that the Board provided the Ports with an additional six months to revisit their MOU offers. She expressed concerns with the POLB proposal and that POLA did not engage well in MOU discussions. She added that staff should move forward with developing a potential ISR as directed by the Board and asked staff to ensure sufficient lead time for Committee meeting noticing.

Co-Chair Richardson commented that POLB had offered a significantly enhanced MOU proposal, as requested by the Committee. He stated that the objective of the MOU approach is to secure voluntary actions to achieve meaningful emission reductions today, and that an MOU does not preclude an ISR or continued collaboration to obtain additional emission reductions over time to meet regional attainment needs. He added

that POLB would need to remove provisions in the MOU proposal regarding the need to return all advanced funding if South Coast AQMD initiates early MOU termination. He expressed concerns about potentially foregoing the advanced funding offered by POLB if the MOU discussion ends in February. Co-Chair Richardson asked staff to provide an estimate of the time it takes to develop a potential ISR, and to clarify the subsequent actions if an MOU is not executed by the February Board meeting date. Wayne Natri, Executive Officer, emphasized that staff from POLB and South Coast AQMD continued to have discussions on a potential MOU, and the focus has always been on emission reduction needs for regional air quality attainment. Mr. Natri clarified that, per Board direction, staff is not ready to publicly discuss ISR before February, and staff would continue working with POLB until the February Board date on a potential MOU while internally working on potential ISR concepts. He indicated a potential ISR could take a year to 18 months to develop.

Co-Chair Richardson commented that, if both parties are close to finalizing an MOU by February, it should be made possible for staff to continue with finalizing an MOU with POLB while beginning formal ISR rulemaking per Board direction. He asked staff when emission reductions can be expected to occur with an ISR approach, considering the timeline for rule development and potential litigation after rule adoption. Mr. Natri responded that staff cannot speculate about potential litigation, but the different factors of an MOU compared to an ISR approach are all being considered.

Co-Chair Buscaino expressed frustration over the lack of state and federal actions in requiring green port operations statewide and nationwide. He commented that most emission reduction measures to be included in a potential ISR are likely preempted by federal and state laws. He further commented that an ISR would represent a piece-meal solution that complicates the goods movement system and leads to loss of industry cooperation in pursuing green port operations. He urged all parties to work together to get an MOU in place.

Senator Delgado stated her preference for an MOU approach, but the MOU proposals did not meet her expectation. She also expressed concerns about POLA's lack of willingness to engage in MOU discussion. She supports staff continuing to discuss a potential MOU with POLB until the February Board meeting, and simultaneously, for staff to follow Board direction to begin ISR rulemaking in February for ports that do not have an effective MOU with South Coast AQMD.

Board Member Padilla-Campos commented that staff has continued to engage in MOU discussion and the goal has always been attainment needs. She stated that it is not enough for POLB to offer advanced funding, but accountability to the public also needs to be considered when weighing the regulatory approach against the MOU pathway.

Mayor McCallon stated that an ISR would be counter-productive and cannot achieve near-term emission reductions. He supported the MOU process continuing beyond the February Board meeting and stated that POLA would need to revisit their MOU offer.

Co-Chair Richardson indicated his support for a potential backstop measure to ensure emission reductions if an MOU falls short of achieving anticipated reductions. He stated the need to pursue a potential ISR in tandem, and an MOU with POLB that would include emission reductions from all port sources, result in near-term emission reductions, allow the region to take advantage of federal and state funding, and allow for incentives with labor protection requirements to address automation concerns.

Board Member Padilla-Campos asked Board Members to consider public health implications before moving to alter the previous Board direction.

OTHER MATTERS:

2. Other Business

There was no other business to report.

3. Public Comment Period

Tom Williams, Coalition for Safety Mandate, commented now because he was not recognized earlier in the meeting. He stated that emission reductions and port growth can be simultaneously achieved by moving cargo out of the port complex via on-dock rail in lieu of drayage trucks.

Mr. Gonzales, a Long Beach resident, expressed disappointment that Co-Chair Richardson did not attend the community consultation meeting.

Board Member Padilla-Campos asked staff to address comments on public accessibility to South Coast AQMD meetings. Mr. Nastri responded that meeting notices are sent to the public at least two weeks in advance and posted on the agency website. He referenced the need to accommodate Committee Member availability when setting the meeting schedule. He also addressed the pros and cons of using Zoom. Board Member Padilla-Campos suggested that the Committee explore meeting at a regular day and time in the future.

4. Next Meeting Date

TBD

Adjournment

The meeting adjourned at 1:42 p.m.

Attachment

Attendance Record

ATTACHMENT 1

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT MARINE PORT COMMITTEE MEETING

Attendance – January 21, 2022

Supervisor Lisa Bartlett.....	South Coast AQMD Board Member
Council Member Joe Buscaino.....	South Coast AQMD Board Member
Senator (Ret.) Vanessa Delgado.....	South Coast AQMD Board Member
Mayor Larry McCallon.....	South Coast AQMD Board Member
Board Member Veronica Padilla-Campos.....	South Coast AQMD Board Member
Vice Mayor Rex Richardson	South Coast AQMD Board Member
Teresa Acosta	Board Consultant (Delgado)
Genevieve Amsalem Gale	Board Consultant (Kracov)
James Dinwiddie	Board Consultant (Bartlett)
Jacob Haik	Board consultant (Buscaino)
Matthew Hamlett	Board Consultant (Richardson)
Loraine Lundquist	Board Consultant (Kuehl)
Amy Wong	Board Consultant (Padilla-Campos)
Ross Zelen	Board Consultant (Kracov)
Mark Abramowitz	Community Environmental
Matthew Arms	Port of Long Beach
Edgar Arreola	IEEP
Angie Balderas	Sierra Club
Jamie Bartolome	Marathon Petroleum
Naveen Berry	Public Member
Sylvia Betancourt	Long Beach Alliance for Children with Asthma
Rick Cameron	Port of Long Beach
Christopher Cannon.....	Port of Los Angeles
Chris Chavez	Coalition for Clean Air
Michael Coates	Public Member
Bernice Jimenez Creager	California Trucking Association
Ramine Cromartie	WSPA
Joy Crose	Port of Los Angeles
Yesenia De La Rosa	City of Avalon
Tim DeMoss	Port of Los Angeles
Raj Dhillon	Breathe Southern California
Harvey Eder	Public Solar Power Coalition
Fernando Gaytan	Earthjustice
L. Giordani	Marathon Petroleum
Theral Golden	West Long Beach Association
Elliot Gonzales	Sierra Club
Kat Janowicz	3COTECH

Laksmhi Jayaram	Ramboll
Thomas Jelenic	Pacific Merchant Shipping Association
Yassamin Kavezade.....	Sierra Club
Frances Keeler	Public Member
Sudhir Lay	City of Long Beach
David Libatique	Port of Los Angeles
Erick Martell.....	Port of Los Angeles
Dawn McIntosh	City of Long Beach
Jacqueline Moore.....	PMSA
Peter Okurowski	CEA Consulting
Jessie Parks	Sierra Club
Jhonny Pineda	Lobby California
Luis Portillo	SGV Partnership
Bethmarie Quiambo	So Cal Edison
Leela Rao.....	Port of Long Beach
Henry Rogers	Grey Pine Group
Matt Schrap	HTA
Harry Semerdjian	LA Chamber of Commerce
Jen Simmons	Sierra Club
Heather Tomley	Port of Long Beach
Eleanor Torres	Port of Long Beach
John Ungvarsky	EPA
Andrea V	People's Collective for Environmental Justice
Alek Van Houghton	Ramboll
Peter Warren	Public Member
Peter Whittingham	Public Member
Mandeera Wijetunga	Pacific Environment
C.T. Williams	Public Member
Sarah Wiltfong	LA County Business Federation
Derrick Alatorre	South Coast AQMD Staff
Jason Aspell	South Coast AQMD Staff
Barbara Baird.....	South Coast AQMD Staff
Rachel Ballon	South Coast AQMD Staff
Brian Choe	South Coast AQMD Staff
Phillip Crabbe	South Coast AQMD Staff
Sindy Enriquez	South Coast AQMD Staff
Bayron Gilchrist	South Coast AQMD Staff
Sheri Hanizavareh	South Coast AQMD Staff
Dr. Anissa Heard-Johnson	South Coast AQMD Staff
Mark Henninger	South Coast AQMD Staff
Aaron Katzenstein	South Coast AQMD Staff
Angela Kim	South Coast AQMD Staff
Jason Low	South Coast AQMD Staff

Ian MacMillan	South Coast AQMD Staff
Terrance Mann	South Coast AQMD Staff
Matt Miyasato.....	South Coast AQMD Staff
Ron Moskowitz	South Coast AQMD Staff
Susan Nakamura	South Coast AQMD Staff
Wayne Nastri	South Coast AQMD Staff
Kevin Orellana	South Coast AQMD Staff
Stephano Padilla	South Coast AQMD Staff
Sarah Rees	South Coast AQMD Staff
Kathryn Roberts	South Coast AQMD Staff
Denny Shaw	South Coast AQMD Staff
Elaine Shen	South Coast AQMD Staff
Danielle Soto	South Coast AQMD Staff
Lisa Tanaka O'Malley	South Coast AQMD Staff
Jill Whynot	South Coast AQMD Staff
Victor Yip	South Coast AQMD Staff