

BOARD MEETING DATE: June 6, 2014

AGENDA NO. 20

REPORT: Administrative Committee

SYNOPSIS: The Administrative Committee met on Friday, May 9, 2014. The Committee discussed various issues detailed in the Committee report. The next Administrative Committee meeting is scheduled for Friday, June 13, 2014 at 10:00 a.m.

RECOMMENDED ACTION:
Receive and file.

Dr. William A. Burke, Chair
Administrative Committee

drw

Attendance: Attending the May 9, 2014 meeting were Committee Members Mayor Dennis Yates and Supervisor Josie Gonzales at SCAQMD headquarters, and Chairman William Burke and Dr. Clark E. Parker, Sr. via videoconference.

ACTION/DISCUSSION ITEMS:

1. **Board Members' Concerns:** None
2. **Chairman's Report of Approved Travel:** Executive Officer Barry Wallerstein advised that there were two trips reported. Mayor Judith Mitchell anticipated a trip to Sacramento to attend the CARB Board meeting on May 22-23, 2014. Supervisor Josie Gonzales, as Chair of the Legislative Committee, anticipated a trip to Sacramento with staff on June 2, 2014, to meet with members of the Legislature and Legislative staff.
3. **Approval of Compensation for Board Member Assistant(s)/Consultant(s):** Dr. Wallerstein reported that the Committee would consider what is essentially the annual renewal for the existing Board Consultants and Assistants compensation proposals, which the Committee recommended approval.

Moved by Gonzales; seconded by Parker; unanimously approved.

4. **Report of Approved Out-of-Country Travel:** None to report.
5. **Discussion Regarding Board Policy on Proposed Changes to Public Hearing Items:** Dr. Wallerstein advised that this item was placed on the agenda in order for staff to receive clear guidance from the Governing Board on interpreting the existing Board policy on changes made to public hearing items. He indicated that staff often work on resolving controversial or late-arising concerns with stakeholders, negotiating rule language even as late as the evening before the Board Meeting, resulting in “errata sheets”/change pages brought for consideration by the Board at the hearing; this process has represented the attempt by staff to follow the Board’s previous direction to resolve stakeholder issues and concerns prior to hearing. However, the Board recently expressed displeasure in receiving last-minute rule language, believing that this could potentially impact their weighing of stakeholders’ competing interests. Dr. Wallerstein, therefore, sought the Board’s guidance in terms of any new preferences and policy.

General Counsel Kurt Wiese introduced the pertinent Health & Safety Code provisions which establish the Board’s ability to alter rules or rule amendments noticed for hearing. Chairman Burke recalled the Board’s frustration at the May 2014 Board Meeting, including the Board Members’ objection to considering proposed rule language changed late afternoon the day before the Board Meeting, which resulted in the Board Members receiving an errata sheet the morning of the meeting without ample time for review.

Dr. Wallerstein advised that, although it had been staff’s previous practice to resolve stakeholder concerns prior to hearing, per previous Board direction, staff would be pleased to accept new Board direction and policy that would have staff limit negotiation with stakeholders so as to conclude the week prior to the Board Meeting. Proposed changes after that time would be continued to the following month. Chairman Burke advised that if at Board direction staff were to revise and shorten the deadline for stakeholder-proposed revisions and negotiation so as to be finalized one week before the Board Meeting, then that would be the norm.

Mayor Yates commented that the Chino City Council will not consider proposed revision or errata material that is not provided or posted with the agenda the previous week, other than in case of emergency. Dr. Parker remarked that hearing items could be postponed to the following month in order to consider subsequently developed stakeholder revisions, except in the case of emergencies or in the event delay would cause immediate harm to the health of the

constituents the District serves. He further indicated his view that the Board could proceed with the rulemaking as presented by staff, but notice the item for return consideration on the outstanding stakeholder issue, which would not stop staff from informing the Board on its concerns and recommended outcomes. Dr. Parker further commented that staff has every obligation to inform the Board of anything they discover even if it is at the last minute; that health impacts should be discovered by staff early in the rule-development process rather than brought to staff's attention via contradictory industry or worker-safety consultants; and that standards should be established so that the Board is not placed in the position in the future of working last-minute changes.

Supervisor Gonzales indicated her agreement that, other than in potential health hazard emergencies and/or other time-sensitive situations, last-minute revisions should be avoided. She emphasized that for a strong administrative policy to be taken seriously by industry and stakeholders, a firm deadline must be established by which staff-stakeholder negotiations must be concluded for reflection in the agenda and Board letters. Then it is up to the industry or stakeholder representative to request Board consideration of further amendment at the public hearing, where Board discussion may result in continuing the item to a future meeting for staff to address the issue or not. Supervisor Gonzales remarked that staff, in their effort to seek consensus, may move ahead of receiving the Board's direction; rather, there needs to be alignment with the Board's direction.

Chairman Burke requested the Committee's final direction in this matter, whereupon Mr. Wiese advised that the item did not require a formal motion. Dr. Wallerstein then reported his intention to direct staff that the items released in the Board Agenda package on the Thursday the week prior to the Board Meeting need to be considered complete, as he intends that any subsequent amendments to the items will be minimized to the degree feasible; and, that errata sheets will in the future be limited to emergency instances and special circumstances. In negotiating with stakeholders, staff will advise parties of receipt of this guidance from the Administrative Committee, so that requests of staff for further negotiation of rule language and changes to staff recommendations will be guided and limited accordingly, to be completed before the rule package is finalized and printed. Dr. Wallerstein further indicated he will be recommending to Chairman Burke that staff or the Board delay a variety of items that do not meet these parameters.

Dr. Wallerstein concluded by advising the discussion had been very helpful to staff. Supervisor Gonzales added a final comment that this policy should make the work of staff much clearer, and advised that the policy should be formalized. Dr. Wallerstein committed to return to the Committee with revised language to clarify this policy to make this direction clear to both staff and stakeholders.

On another subject, Mayor Yates commented on a third-party email campaign underway that morning which encouraged SCAQMD to “clean up the community’s air.” Chairman Burke advised that he had also received similar emails in significant numbers, which did not appear to be attributable to any specific organization.

JUNE AGENDA ITEMS

6. **Adopt Executive Officer’s FY 2014-15 SCAQMD Budget and Work Program:** CFO Michael O’Kelly briefly reviewed the proposed budget and work program, providing a brief summary for Board Members who were not able to be present at the Board’s Budget Workshop. There were no questions following the presentation; however, Chairman Burke mentioned the recent media coverage featuring the drastically increasing deficit in the California Public Employees’ Retirement System (CalPERS) and the teachers’ retirement fund, for which there is no currently foreseeable solution.

7. **Remove Various Fixed Assets from SCAQMD Inventory:** Mr. O’Kelly requested authorization to surplus and auction off various fixed asset items, including 28 high-mileage 12-14-year-old vehicles with expiring CNG tanks. Mr. O’Kelly reviewed the process by which the last group of surplussed vehicles were sent to auction for reference of the Committee, advising that the vehicles typically net approximately \$1500 per vehicle, which compares favorably with the *Kelly Blue Book* price and indicates a successful auction process.

Moved by Yates; seconded by Gonzales; unanimously approved.

8. **Report of RFPs and RFQs Scheduled for Release in June:** Mr. O’Kelly reported on two items scheduled for release in June, a list of prequalified vendors for laboratory gases and liquids and one to established prequalified vendors for automotive mechanical repair and service.

Moved by Yates; seconded by Gonzales; unanimously approved.

9. **Amend Contract with Ecotek Consulting Inc. for Development of New Annual Emissions Reporting System:** Assistant DEO/Planning, Rule Development & Area Sources Dr. Philip Fine sought approval to amend an existing contract with the consulting firm developing the District’s new annual emissions reporting system, which will move to mandatory participation next year, and will include enhancements suggested by stakeholders for ease of use by participating facilities.

Moved by Yates; seconded by Gonzales; unanimously approved.

10. **Issue Purchase Order for Dedicated CNG Sedans:** Assistant DEO/ Administrative & Human Resources Bill Johnson requested approval of a purchase order to purchase 20 new dedicated CNG vehicles, per the need to replace the 28 vehicles intended for surplus as outlined earlier in the meeting.

Moved by Yates; seconded by Gonzales; unanimously approved.

11. **Execute Contract for Purchase and Installation of Seating for Auditorium and Conference Rooms at Diamond Bar Headquarters:** Bill Johnson advised of staff's request to execute a contract with American Seating Company to replace the auditorium and conference room seating; the bid was the lowest out of three responsive bids and received the highest technical score.

Moved by Yates; seconded by Gonzales; unanimously approved.

12. **Execute Contract for Workers' Compensation Claims Third-Party Administrators:** Bill Johnson reported on staff's proposal to execute a contract with AdminSure, Inc., to serve as the District's workers' compensation third-party administrator, as the firm's proposal represented significant cost savings from the current administrator.

Moved by Yates; seconded by Gonzales; unanimously approved.

13. **Establish List of Prequalified Providers for Temporary Employment Services:** Waiving staff's introductory comments on this item, Mayor Yates moved the staff recommendation without Committee discussion.

Moved by Yates; seconded by Gonzales; unanimously approved.

14. **Execute Contract to Evaluate Emissions Inventory and Model Performance using Mobile Smog Chamber Studies:** Dr. Fine reported on staff's proposed research project with UC Davis to study the complex chemical process of ozone formation using mobile smog chambers. These will move around the Basin to measure the ozone response to VOC and NOx levels at various times and locations throughout the Basin, and will also validate the District's models and inventories. Supervisor Gonzales suggested a possible study of existing roadside vegetation's ability to absorb emissions, and/or the effect of emissions on the vegetation, particularly adjacent to a goods movement freeway. Dr. Fine responded that staff could conduct a review of existing research literature to determine if such a study had been previously done, and remarked that foliage from freeway-adjacent vegetation is difficult to study due to rapid plant metabolization and weather impacts. Supervisor Gonzales underscored her

personal observation of the impact of freeway emissions by visually comparing the density and leaf color of old-growth eucalyptus trees against the new saplings, due to the effects of particular matter; this observation led her to consider the nature of absorption by vegetation and landscape near freeways in regard to particular matter. If these studies do not already exist, Supervisor Gonzales advised that she would like the District to be the first agency to research it in parallel with health effects data being accumulated by the District.

Moved by Yates; seconded by Gonzales; unanimously approved.

15. **Local Government & Small Business Assistance Advisory Group Minutes for the February 14 Meeting:** Public Advisor Derrick Alatorre advised the item is a written report and waived staff introduction and comment.
16. **Review of the June 6, 2014 Governing Board Agenda:** There were no questions on the June 6, 2014 Governing Board Agenda.
17. **Other Business:** None
18. **Public Comment:** None.

Meeting adjourned at 11:05 a.m.

Attachment

Local Government & Small Business Assistance Advisory Group Minutes for the February 14, 2014 Meeting



South Coast Air Quality Management District

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LOCAL GOVERNMENT & SMALL BUSINESS ASSISTANCE ADVISORY GROUP FRIDAY, FEBRUARY 14, 2014 MEETING MINUTES

MEMBERS PRESENT:

Dennis Yates, Mayor, City of Chino and LGSBA Chairman
Ben Benoit, Councilman, City of Wildomar and LGSBA Vice Chairman
Felipe Aguirre, City of Maywood
Paul Avila, P.B.A. & Associates
Geoffrey Blake, Metal Finishers of Southern California/All Metals
John Hill, Riverside County Representative
Maria Elena Kennedy, Kennedy Communications
Rita Loof, RadTech International
Mary Ann Lutz, Mayor, City of Monrovia
Kelly Moulton, Paralegal
Lupe Ramos Watson, Councilmember, City of Indio

MEMBERS ABSENT:

Todd Campbell, Clean Energy

OTHERS PRESENT:

Mark Abramowitz, Board Member Assistant (*Lyou*)
Ruthanne Taylor Berger, Board Member Assistant (*Benoit*)
Bob Ulloa, Board Member Assistant (*Yates*)

SCAQMD STAFF:

Derrick J. Alatorre, Assistant DEO/Public Advisor
Naveen Berry, Planning & Rules Manager
Nancy Feldman, Principal Deputy District Counsel
Phil Fine, Ph.D., Assistant DEO
Elaine-Joy Hills, AQ Inspector II
Lori Langrell, Secretary
Mohsen Nazemi, Deputy Executive Officer
Brian Sinajon, AQ Chemist

Agenda Item #1 – Call to Order/Opening Remarks

Chair Dennis Yates called the meeting to order at 11:31 a.m.

Agenda Item #2 – Approval of January 17, 2014 Meeting Minutes/Review of Follow-Up/Action Items

Minutes of the meeting held on January 17, 2014 were approved unanimously.

Mr. Derrick Alatorre indicated that the 2014 goals were amended to include the topic of Alternative Fuel Infrastructure Incentives, as requested.

Agenda Item #3 –Allenco – Overview of Facility Operation and Community Issues

Mr. Mohsen Nazemi and Dr. Phil Fine jointly provided an overview of the Allenco facility's operations and related community issues.

Mr. Paul Avila asked if it would make a difference in registering particulate matter (PM) if the monitoring trailer is on wheels with sensors on the roof rather than it being closer to the ground. Dr. Fine indicated they attempt to get as close to the ground as possible, but it is very hard at this site. When the data is analyzed, various factors are taken into account such as wind direction. Mr. Nazemi also indicated a lot of complaints were received from residents of the nearby apartments, some living on the 2nd and 3rd floors.

Mr. John Hill asked how many complaints were received from the school nearby. Mr. Nazemi indicated that the majority of the 190 complaints were from Mount Saint Mary's. Since this school is directly across the facility, the air vents at the school have been retrofitted. There were complaints from a nearby high school, but not as significant. Mr. Hill indicted that his concern is the track at the school where the kids run. Mr. Nazemi indicated they are aware of the track location, and thus the reason for their involvement.

Mr. Hill also asked what population is near Allenco, children specifically. Mr. Nazemi replied there is low income housing nearby, and while not an expert in population density, it is a very densely populated area. Mr. Alatorre indicated that there are approximately three elementary schools near the intersection of the 10 and 110 freeways. Mr. Alatorre further indicated that at the last Town Hall meeting, a number of USC students attended, who are very involved in the process. Mr. Hill inquired if any tests have been performed on the children in the area now or in the past. Mr. Nazemi shared that testing was completed by the Department of Health Services, who were notified of the symptoms from the community, including nosebleeds and breathing problems due to odors emanating from Allenco.

Mr. Geoff Blake asked how many other oil fields are located within the area. Mr. Nazemi indicated that there are over 400 within Los Angeles County. The two mentioned here are within one to two miles of each other.

Mr. Avila asked if the reason for excessive odors is due to older technology used at the site, from the 60's or 70's, which perhaps do not compare favorably with modern technology. Mr. Nazemi indicated that Mr. Avila made a very good observation, but the facility is a very small oil field and, typically, only the larger sites have computerized systems, newer technology, and experienced environmental staff. The current site is a combination of older equipment and older control systems. Recently, instead of merely assessing monetary fines, we allowed \$200,000 in upgrades to their control systems. The reason they have shut down at this time is to assess equipment that would require modifications or installation of new technology.

Agenda Item #4 – Review of ASTM International Meeting

Mr. Brian Sinajon provided a review of the American Society for Testing and Materials (ASTM) meetings held in June 2013 and January 2014.

Ms. Maria Kennedy asked who is the person or entity that looks at environmental concerns. Mr. Sinajon replied that this is a sub-committee called DO1.08 and the main committee he is a member of is DO1.21. The meeting was a joint meeting with the sub-committee on environmental concerns. The topics discussed within this committee are typically environmental updates from the American Coatings Association, who summarizes activities from agencies across the U.S., and previews SCAQMD's upcoming proposed amended rules for information only.

Ms. Kennedy further asked whether the group or entity has a balance in the group. Mr. Sinajon indicated there are regulators with which he is involved in, a representative from the American Coatings Association, and there are manufacturers that generally discuss concerns about regulatory updates. Dr. Fine further indicated that there is a particular meeting at this Conference that is basically a regulatory update provided to industries regarding regulations that may be proposed in the future, and implications on how test methods being developed will be associated with some of these environmental regulations.

Ms. Loof asked who is sponsoring D01.21.66. Mr. Sinajon indicated the person presenting the studies is Dr. Dean Jones of Cal Poly Pomona. Ms. Loof further asked how D01.21.66 is different from D7767. Mr. Sinajon replied that the difference is D7767 is a bake and weigh method, and the D01.21.66 is an exploratory and instrumental method for analyzing fully formulated inks. Ms. Loof asked if it would be Gas Chromatography-Mass Spectrometry (GCMS)-based. Ms. Sinajon indicated it would be an instrumental GCMS-based method.

Mr. Blake asked if the radiation mentioned is infrared radiation. Mr. Sinajon indicated it would be energy, ultraviolet A (UVA) or ultraviolet B (UVB).

Agenda Item #5 – Proposed Amended Rule 1130 – Graphic Arts

Mr. Naveen Berry provided an overview of the proposed amendments to Rule 1130.

Ms. Loof indicated that the last amendment to this rule was in 1999, and asked if staff was going to survey the industry for Rule 1130. Mr. Berry replied that staff completed a thorough review of what local facilities submitted, which include technology and materials used by these facilities. This particular proposal is to review the 2012 AQMP, and the language and implementation of the rule. Staff wants to monitor how many businesses will take advantage of exemptions within the rule, revisit and analyze the results to determine whether the local printing industry is lowering its use, study the current effects, and establish solutions.

Ms. Loof asked if there are any data that can be shared, and regarding the measurements in the test method, she requested that the limit be set to 20 grams per liter (g/L) as opposed to 10 g/L since it cannot be measured accurately due to fluctuations in the test method. Mr. Berry indicated that staff received comments, which are still being reviewed.

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

No comments.

Agenda Item #7 – Other Business

No comments.

Agenda Item #8 – Public Comment

No comments.

Adjournment

The meeting adjourned at 12:31 p.m.