

BOARD MEETING DATE: May 2, 2014

AGENDA NO. 1

MINUTES: Governing Board Monthly Meeting

SYNOPSIS: Attached are the Minutes of the April 4, 2014 meeting.

RECOMMENDED ACTION:

Approve Minutes of the April 4, 2014 Board Meeting.

Saundra McDaniel,
Clerk of the Boards

SM:rd

FRIDAY, APRIL 4, 2014

Notice having been duly given, the regular meeting of the South Coast Air Quality Management District Board was held at District Headquarters, 21865 Copley Drive, Diamond Bar, California. Members present:

William A. Burke, Ed.D., Chairman
Speaker of the Assembly Appointee

Mayor Dennis R. Yates, Vice Chairman
Cities of San Bernardino County

Supervisor Michael D. Antonovich (arrived at 9:15 a.m.)
County of Los Angeles

Mayor Pro Tem Ben Benoit
Cities of Riverside County

Supervisor John J. Benoit
County of Riverside

Councilmember Joe Buscaino
City of Los Angeles

Councilmember Michael A. Cacciotti
Cities of Los Angeles County – Eastern Region

Supervisor Josie Gonzales
County of San Bernardino

Dr. Joseph K. Lyou
Governor's Appointee

Mayor Judith Mitchell
Cities of Los Angeles County – Western Region

Dr. Clark E. Parker, Sr.
Senate Rules Committee Appointee

Members Absent:

Supervisor Shawn Nelson
County of Orange

Mayor Miguel A. Pulido
Cities of Orange County

CALL TO ORDER: Chairman Burke called the meeting to order at 9:01 a.m.

- Pledge of Allegiance: Led by Dr. Burke.
- Opening Comments

Supervisor Cacciotti. Expressed concerns regarding a recent newspaper article about plans by Valero Refining Company in Valencia to transport oil by Union Pacific trains to its Benicia refinery in Northern California.

Dr. Barry R. Wallerstein, Executive Officer. Noted that during a meeting hosted by Councilmember Buscaino, community members' principal concern was a project by Valero to add a rail unloading facility. Dr. Wallerstein added that in a recently received letter, Valero withdrew their permit applications for the project.

Dr. Wallerstein. Noted that two errata sheets were provided to the Board and the audience on Agenda Items 3 and 25. On Agenda Item No. 3, which provides Prop 1B funding for small truck owners, four (4) trucks are being added today to the list of eligible trucks, as supporting documents and Campaign Contribution Disclosure (CCD) forms have been obtained from the applicants; and eighty-seven (87) truck projects are being removed since the applicants did not submit their forms, and are being placed on a back up list that will be brought to the Board for consideration at its May meeting, if the forms are received.

In response to Dr. Burke's question regarding why some vehicle owners received \$40,000 and others \$50,000, Fred Minassian, Director of Technology Implementation, explained that the dollar amounts received by the vehicle owners are established by CARB guidelines and are based on the classification of the trucks.

Dr. Wallerstein noted that the errata sheet on Agenda Item No. 25, regarding the goals and objectives for FY 2014-15 would be discussed during the public hearing on the item.

Mayor Mitchell. Announced that Frank Zerunyan, a colleague on the Rolling Hills Estates City Council and professor at USC would be attending the meeting with a group of graduate students.

- Presentation of Retirement Awards to Carmelita Benitez and Belinda Wan

Chairman Burke presented a retirement award to Belinda Wan, Senior Air Quality Engineer II, in recognition of 33 years of dedicated District service; and to Carmelita Benitez, Air Quality Inspector II, in recognition of 26 years of dedicated District service.

(Supervisor Antonovich arrived at 9:15 a.m.)

CONSENT CALENDAR

1. Approve Minutes of March 7, 2014 Board Meeting
2. Set Public Hearings May 2, 2014 to:
 - (A) Amend Rule 102 – Definition of Terms
 - (B) Amend Rule 1155 – Particulate Matter (PM) Control Devices

Budget/Fiscal Impact

3. Approve Truck Projects under “Year 4” Proposition 1B-Goods Movement Program

An errata sheet containing modifications to the Truck List was provided to the Board Members and copies made available to the public.

4. Recognize Revenue and Execute Contract to Demonstrate Emission Control Technology for Ocean-Going Vessels
5. Execute Contract for School Bus PM Control Retrofit
6. Recognize Revenue, Increase Appropriation and Amend/Execute Contracts with Outside Counsel
7. Authorize Purchase of Phone System Replacement
8. Authorize Mid-Year Budget Adjustments, Transfers, and Purchase of Equipment, Vehicles, and Licenses
9. Amend Contract for Legislative Representation
10. Approve Contract Awards and Modifications Approved by MSRC

Items 12 through 18 - Information Only/Receive and File

11. Legislative & Public Affairs Report

12. Hearing Board Report
13. Civil Filings and Civil Penalties Report
14. Lead Agency Projects and Environmental Documents Received by SCAQMD
15. Rule and Control Measure Forecast
16. Report of RFPs and RFQs Scheduled for Release in April
17. Status Report on Major Projects for Information Management Scheduled to Start During Last Six Months of FY 2013-14

Supervisor Benoit announced his abstention on Agenda Item No. 3 due to political contributions from Robertson's Ready Mix and CR&R Incorporated. He announced that, while he was not required to recuse himself from Agenda Item No. 10, he wanted to note for the record that he is a member of Riverside County Transportation Commission (RCTC).

Mayor Pro Tem Benoit noted for the record that he was also a member of RCTC.

Dr. Lyou announced his abstention on the following items involving contracts with those who have made contributions/donations to his employer, Coalition for Clean Air: Agenda Item No. 3, as UPS is a potential source of income and is materially affected by this item; Agenda Item No. 4, as Advanced Cleanup Technologies, Inc. is a potential source of income and is materially affected by this item; and Agenda Item No. 10, as Los Angeles County Metropolitan Transportation Authority is a potential source of income and is materially affected by this item.

MOVED BY MITCHELL, SECONDED BY CACCIOTTI, AGENDA ITEMS 1 THROUGH 17, APPROVED AS RECOMMENDED, WITH THE MODIFICATION TO AGENDA ITEM 3, ADDING FOUR (4) PROJECTS AND REMOVING EIGHTY-SEVEN (87) PROJECTS FROM THE LIST OF ELIGIBLE TRUCK PROJECTS, AS SET FORTH IN THE ERRATA SHEET, BY THE FOLLOWING VOTE:

AYES: Antonovich, B. Benoit, J. Benoit, Burke, Buscaino, Cacciotti, Gonzales, Lyou, Mitchell, Parker and Yates.

NOES: None.

ABSTAIN: J. Benoit (Item #3 only)
Lyou (*Items #3, #4 & #10*).

ABSENT: Nelson and Pulido.

18. Items Deferred from Consent Calendar

None.

BOARD CALENDAR

- 19. Administrative Committee
- 20. Legislative Committee
- 21. Mobile Source Committee
- 22. Stationary Source Committee
- 23. Technology Committee
- 24. Mobile Source Air Pollution Reduction Review Committee

MOVED BY MITCHELL, SECONDED BY CACCIOTTI, AGENDA ITEMS 19 THROUGH 24 APPROVED AS RECOMMENDED, RECEIVING AND FILING THE BOARD COMMITTEE AND MSRC REPORTS, AND ADOPTING THE POSITIONS ON LEGISLATION AS SET FORTH BELOW, BY THE FOLLOWING VOTE:

AYES: Antonovich, B. Benoit, J. Benoit, Burke, Busciano, Cacciotti, Gonzales, Lyou, Mitchell, Parker and Yates.

NOES: None.

ABSENT: Nelson and Pulido.

Agenda Item	Recommended Action
AB 2208 (Allen) California Environmental Quality Act: Southern California International Gateway Project	Oppose
Amendment to Gonzales, Quintana & Hunter, LLC Contract	Approved
S.488 (Stabenow) H.R. 1027 (Peters) Advanced Vehicle Technology Act of 2013	Support and Recommended Amendments

PUBLIC HEARINGS

25. Receive Public Input on Executive Officer's Draft Goals and Priority Objectives for FY 2014-15

Dr. Wallerstein explained that the draft goals and objectives document outlines the priority objectives/projects and outcome staff will be working on, but is not a comprehensive list of all priorities or projects. He noted that staff is continuing to work on the 2016 AQMP, community based monitoring, and zero and near zero emissions goods movement. He announced his intent to soon bring to the Board a drought response plan. He mentioned that following discussions with Supervisor Gonzales, Goal No. III in the proposed document has been further defined as provided in the errata sheet distributed to the Board and made available to the public. He indicated that the item today is to elicit input from Board members on any items of interest. He noted that the staff is continuing its efforts to enhance outreach by expanding targeted areas.

Supervisor Gonzales expressed her appreciation for Dr. Wallerstein's assistance in bringing the errata sheet and proposed draft language for inclusion from the Board. She emphasized the need for Board members to become more involved, more aggressive in self-marketing, develop better communication, and provide input in the proposed draft document.

Supervisor Benoit inquired whether the District has a definition for the term "timely" as used in the language for processing permit applications for stationary sources.

Dr. Wallerstein explained that of the ten thousand or more permits processed yearly, there are different categories within that total number that range from simple name changes for businesses to matters that are very complex and require EIRs, so that staff has different internal guidelines depending on the complexity, importance, and operator needs of the permit action. The permit processing is a two-step process in which permits are granted temporarily to facilitate business renovation and growth until the issuance of the final permit can be made. He further explained that establishing a guideline for issuance of permits within a set number of days or weeks for those permits falling within the pre-routine category, as suggested by Supervisor Benoit, may be complicated and recommended that staff present an update to the Stationary Source Committee and then provide a copy of the update to the full Board.

Dr. Wallerstein further responded to Supervisor Benoit's recommendation that Abbott and Associates conduct an independent analysis on the SCAQMD's major policy discussions to reach a consensus, regardless of difference of opinions, to bolster the credibility of this agency's recommendations, by noting that a project report is expected to be presented to the full Board toward the end of summer or early fall.

Mayor Mitchell commented on the importance of establishing partnerships with the business and regulated communities and conveyed their desire to be more involved in the development of the 2016 AQMP. She emphasized the value of engaging them early in the process in order to avoid compliance issues in the future. She spoke of the efforts that Southern California Association of Governments (SCAG) engaged in their 2012 RTP and working closely with Southern California Leadership Network and the Group Council. She anticipates that the SCAQMD will also move towards engaging these groups or any newly formed groups to seek input in the development of the 2016 AQMP.

In response to Mayor Mitchell, Dr. Wallerstein informed the Board that he has already been meeting with staff from these groups, Southern California Leadership Council and other invitees similar to Group Council membership, and assured the Board that the business community outreach is already occurring and staff will extensively brief them and seek their input in the development of the 2016 AQMP. Dr. Wallerstein added that he intends to respond in writing to BizFed's recent letter to the Board clarifying that, although certain stakeholders were referenced by name during a slide presentation at committee, in particular CARB and SCAG who by law assist in writing the plan and the transportation agencies because the regional transportation plan will be developed for the first time in tandem with the same schedule as the AQMP, the AQMP advisory group will continue to work fully with all business and environmental communities and any other stakeholder groups in the development of the 2016 AQMP.

Dr. Wallerstein responded to Mayor Mitchell's inquiry whether the issue of waste management should be included in the draft document and indicated that staff has been approached by state agencies in charge of waste handling and is currently working with them to assist in meeting waste diversion requirements.

Dr. Burke noted that he met with BizFed members and informed them of his plans to establish a committee and encouraged their participation in the committee. They indicated their interest but have yet to respond to his follow up call.

On the issue of permit processing, Mayor Pro Tem Benoit noted that he had recently met with the City of Temecula and other companies and that their main concern was the length of time required for processing permits and a specific timeline when an applicant can expect issuance of a permit. He asked that staff evaluate permit processing to determine where improvements can be made in terms of timeliness and issuance of permits. He also encouraged staff to focus on IT infrastructure efficiencies when considering the budget at the upcoming retreat.

Dr. Wallerstein responded that in the past there have been periods of time where companies approached the SCAQMD with difficulties concerning permit processing; but the District has not recently received any complaints in this area. Nonetheless, he indicated that staff is always looking for opportunities to improve efficiencies. Because of budget constraints, however, his two main areas of importance are that businesses approach the agency early on to ensure all paperwork is complete and when a business encounters a problem that they contact staff who has been and will continue to be available to take phone calls or meet with them.

Councilman Buscaino thanked and commended staff on their work on the goals set in the proposed document. He noted the importance of this agency being inclusive in the rulemaking process with stakeholders, business, labor, SCAG, and community based organizations, so that when a rule comes before the Board, all details and concerns have been previously addressed which makes it easier for the Board to move forward on staff's recommendations. He acknowledged that the business community/industry needs to balance out their time to participate, and strongly encouraged them to be vocal and visible in the process.

Councilman Cacciotti concurred with his fellow Board members' comments, and suggested that, in the future, staff first discuss with Board members their ideas and suggestions for goals/objectives before a document is presented to the entire Board. He showed a slide presentation on the use of gasoline leaf blowers and their impacts on emissions, noise pollution, and toxic chemical solvents. At his request, Dan Mabe from the Greenstation gave a live demonstration of an all-electric backpack with a leaf blower, noting its quiet operation and efficient performance.

The public hearing was opened and, there being no requests from the public to comment on this item, the public hearing was closed.

MOVED BY GONZALES, SECONDED BY CACCIOTTI, AGENDA ITEM NO. 25 APPROVED AS RECOMMENDED BY STAFF, AND INCORPATING THE ADDITIONAL GOAL AND OBJECTIVES AS SET FORTH IN THE ERRATA SHEET AND NOTED BELOW, BY THE FOLLOWING VOTE:

AYES: Antonovich, B. Benoit, J. Benoit, Burke, Busciano, Lyou, Mitchell, Parker and Yates.

NOES: None.

ABSENT: Nelson and Pulido.

Added Item Nos. 3, 4 & 5 under Goal III as follows:

Priority Objective/Project	Outcome
3. Provide excellent customer service to the business and regulated community, as well as other stakeholders.	Ensure that all stakeholders are treated as partners, and that regulations, requirements and objectives are made clear early in the permitting, rulemaking and planning processes. Work with stakeholders in a cooperative and collaborative manner toward air quality goals and related activities in a timely and cost-effective manner, always seeking to balance public health with business retention, economic growth, and job creation, while meeting Federal and State Clean Air Laws.
4. Build and maintain partnerships with public agencies, stakeholder groups and the business community.	Further enhanced outreach programs to public agencies in areas including, but not limited to, rulemaking and rule implementation and enforcement, regional air quality impacts and attainment strategies, and other issues affecting public agencies, especially local government. Develop partnerships with local jurisdictions and regional agencies, and seek cooperative strategies for achieving air quality goals and objectives while supporting local control and sustainable economic growth, and leveraging local efforts to improve the health and well-being of residents. Develop new partnerships with the business and regulated communities, as well as environmental justice, environmental organizations, and community groups through outreach to, and participation in, various activities, conferences, and other opportunities to cultivate early and continuing cooperative relationships.

5. Ensure rulemaking is transparent and inclusive.	Implement early and continuing outreach to affected and interested stakeholders, including businesses, local agencies, environmental justice and environmental groups, and affected communities in the rulemaking process, and provide ample opportunity for input and collaboration.
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26. Amend Rule 1130 - Graphic Arts

Staff recommended that the public hearing on this item be continued to the May 2, 2014 Board Meeting.

MOVED BY YATES, SECONDED BY BUSCAINO,
and UNANIMOUSLY CARRIED (Absent: Nelson &
Pulido), AGENDA ITEM 25 WAS CONTINUED TO
THE MAY 2, 2014 BOARD MEETING.

PUBLIC COMMENT PERIOD – (Public Comment on Non-Agenda Items, Pursuant to
Government Code Section 54954.3)

There was no public comment on non-agenda items.

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Mayor Mitchell introduced Frank Zerunyan from the USC Price School of Public Policy.

Councilman Zerunyan expressed appreciation for the partnerships that have been developed between the University and the SCAQMD. He introduced students from a graduate-level class that studies the effect of business on public policy and public policy on business.

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CLOSED SESSION

The Board recessed to closed session at 10:25 a.m., pursuant to Government Code sections 54956.9(a) and 54956.9(d)(1) to confer with its counsel regarding pending litigation which has been initiated formally and to which the District is a party, as follows:

- Exide Technologies, Inc. v. SCAQMD, et al. v., Los Angeles Superior Court Case No. BC146770;
- People of the State of California, ex rel South Coast AQMD v. Exide Technologies, Inc., Los Angeles Superior Court Case No. BC533528; and
- Quantification Settlement Agreement Cases, Court of Appeal of the State of California, Third Appellate District, Case No. C074592 (seeking authorization to file amicus brief).

Following closed session, General Counsel Kurt Wiese announced that there were no reportable actions taken in closed session.

ADJOURNMENT

There being no further business, the meeting was adjourned by the General Counsel at 11:05 a.m.

The foregoing is a true statement of the proceedings held by the South Coast Air Quality Management District Board on April 4, 2014.

Respectfully Submitted,

Rosalinda Diaz
Deputy Clerk Transcriber

Date Minutes Approved: _____

Dr. William A. Burke, Chairman

ACRONYMS

AQMP = Air Quality Management Plan

CARB = California Air Resources Board

DTSC = Department of Toxic Substances Control

EIR = Environmental Impact Report

ERC = Emission Reduction Credit

FY = Fiscal Year

MSRC = Mobile Source (Air Pollution Reduction) Review Committee

MOU = Memorandum of Understanding

NOx = Oxides of Nitrogen

PAMS = Photochemical Assessment Monitoring Stations

PAR = Proposed Amended Rule

RFP = Request for Proposals

RFQ = Request for Quotations

RTP = Regional Transportation Plan