

BOARD MEETING DATE: January 5, 2018

AGENDA NO. 15

REPORT: Administrative Committee

SYNOPSIS: The Administrative Committee held a meeting on Friday, December 8, 2017. The following is a summary of the meeting.

RECOMMENDED ACTION:
Receive and file.

Dr. William A. Burke, Chair
Administrative Committee

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Committee Members

Present: Dr. William A. Burke/Chair (videoconference), Mayor Pro Tem Ben Benoit/Vice Chair, Council Member Judith Mitchell, and Dr. Clark E. Parker, Sr. (videoconference)

Absent: None

Call to Order

Chair Burke called the meeting to order at 10:03 a.m.

DISCUSSION ITEMS:

1. **Board Members' Concerns:** None to report.
2. **Chairman's Report of Approved Travel:** As noted on the travel report, Council Member Mitchell will attend the CARB Board meeting as the SCAQMD representative in Sacramento, December 13-14, 2017.
3. **Report of Approved Out-of-Country Travel:** None to report.

4. **Review January 5, 2018 Governing Board Agenda:** Mr. Harvey Eder, Solar Power Coalition, inquired if each item on the January Board agenda is being addressed since he has comments on multiple items. For clarification, Council Member Mitchell responded that the agenda itself is being approved at this time, not the substance of the agenda items.
5. **Approval of Compensation for Board Member Assistant(s)/Consultant(s):** General Counsel Kurt Wiese reported that Dr. Parker is requesting a change in compensation for his current Board Consultant Kana Miyamoto.

Moved by Mitchell; seconded by Benoit, unanimously approved.

Ayes: Burke, Benoit, Mitchell, Parker
Noes: None
Absent: None

6. **Status Report on Major Ongoing and Upcoming Projects for Information Management:** Ron Moskowitz, Assistant Deputy Executive Officer/Information Management, reported that all projects are moving forward and the new website is ready for deployment, pending comment by the Board.

Regarding the e-GIS project, three of the nine projects were anticipated to be completed by the end of the fiscal year, and actually four of the nine have been completed; the remaining five projects will be completed by the end of the fiscal year. The IT review vendor has prepared a draft report and this will be presented to the Administrative Committee. (No motion required.)

Dr. Burke noted that he had a belated comment related to Board Member concerns, relative to Dr. Parker being elected at the December 1 Board Meeting as the next Board Vice Chair. Dr. Burke mentioned that he has asked Board Member Benoit to serve as a special consultant to assist the Chair with Riverside and San Bernardino/Palm Springs area matters. Dr. Burke requested that paperwork on this be prepared for the January Board meeting.

7. **SCAQMD Pension Status Update:** Chief Administrative Officer Michael O'Kelly reported that the SBCERA Board of Retirement met on December 7, 2017 and approved their actuarial valuation and review and related information for the next fiscal year. The pension plan is calculated to promise a benefit to an employee upon retirement after meeting certain criteria. Those benefits are not based on the actual dollars the employee or employer has paid into the system. The goal is to make those dollars equal with what has been paid out, but that doesn't always happen, resulting in pension liabilities. Mortality rates and salaries change very little; but the volatility that is introduced in the defined

benefit plans is in the investment assumption and the actual performance of those investments. SBCERA had a great year in FY 2016-17, earning 13.4 percent. Dr. Burke inquired about what the other state agencies are doing about pension liability. Mr. O'Kelly stated that they are paying increased contribution rates. Council Member Mitchell inquired about the SBCERA pension formula. Mr. O'Kelly responded that it is 2 percent at 55; for example, if retirement is at the age of 55 with 30 years of service, an employee will receive 60 percent of their pensionable compensation. If retirement is at age 64, it is 3 percent for every year of service, resulting in 90 percent pensionable compensation. Council Member Mitchell inquired whether there is any interest paid on the pension liability. Mr. O'Kelly responded yes, the liability includes interest that would have otherwise been earned, and the rate would be at a discounted rate of 7.25percent.

8. **Proposed Amendments to Rule 301 – Permitting and Associated Fees are Exempt from CEQA and Amend Rule 301:** Deputy Executive Officer/Planning, Rule Development & Area Sources Dr. Philip Fine reported that when Regulation III was amended last year, some text was omitted when the text was converted to a table format. This item is an administrative change to restore authority to charge for the preparation of notices for projects that require notification, which will allow recovery of \$75,000-\$125,000 a year. There is not a need for a set hearing or 30-day documents. Dr. Burke inquired how this action is consistent with state legal restrictions on fee increases by local agencies. Mr. Wiese responded that under this proposal, fee payers will not be required to pay more money than what they would normally have been required to pay. Chief Deputy Counsel Barbara Baird commented that as a practical matter the sources that are subject to this rule have been paying fees because it was always in the rule before and it was understood that it was a rule requirement and by restoring this language, the existing authority is being clarified.

ACTION ITEMS:

9. **Recognize Revenue and Appropriate Funds, Approve Positions, Amend Contracts, Issue Solicitations and Purchase Orders for AB 617 Implementation and Transfer and Appropriate Funds and Approve Positions for AB 134 Implementation:** Council Member Mitchell indicated that she does not have a financial interest in the matter, but wanted to identify for the record that she is a CARB Board Member which is involved in this item. Chief Operating Officer Jill Whynot reported that this is a substantial resource request required due to two significant bills that passed the legislature last year. AB 617 is a companion bill to the extension of the state's greenhouse gas cap and trade program. Significant funding is being received through AB 109 with \$10.7 million for the first year of AB 617 program implementation. AB 617 has

accelerated the BARCT work that is being done for RECLAIM. Communities in environmental justice areas that are burdened by air toxics and other pollutants will be identified, resulting in significant monitoring activity. Some of those communities will need specific emission reduction plans. AB 617 also requires a statewide clearing house for BACT and BARCT and improved consistency in statewide reporting. The request for AB 617 is 36.5 full-time staff, \$400,000 for equipment maintenance contracts and about \$2.35 million for equipment for lab and analysis capabilities. For AB 134, \$107.5 million will be received for additional Carl Moyer projects. Up to 6.25 percent of that funding is available for administrative costs, for the first year that is \$6.7 million. It is anticipated when the budget is brought back in six months, there will be additional FTE requests, but this will be a huge start on both of these projects. Dr. Parker inquired what is the total amount of costs? Ms. Whynot responded that \$400,000 is for the contracts; approximately \$2.35 million for equipment, other contracts and related supplies; and \$3.5 million for staffing for AB 617; and \$560,000 for staffing for AB 134.

Moved by Benoit; seconded by Mitchell, unanimously approved.

Ayes: Burke, Benoit, Mitchell, Parker
Noes: None
Absent: None

10. **Issue RFP for Emission Reduction Projects Using Incentive Funding from SCAQMD Special Funds, Allocate Funds, and Execute Contract:** Dr. Philip Fine reported that there is a significant amount of money in special funds that the SCAQMD has accumulated over the years, either through settlement agreements, mitigation funds set up by rules, or agreements with other agencies. There are approximately 11-12 funds that have different restrictions, but they are essentially meant to get emission reductions within the District's jurisdiction to help achieve AQMP and other goals. The fund balances range from \$200,000 to \$29 million. Staff is recommending to not have this money accumulate and to spend it in timely cost-effective ways to improve air quality. Rather than to have a separate program for each fund, the approach proposed is to do a very broad request for proposals to get a large number of proposals in different areas. A \$1 billion per year incentive fund need was identified in the 2016 AQMP. The RFP will be open to mobile sources as well as stationary sources. Once the projects are evaluated, the projects will be matched to the appropriate fund based on the fund restriction and project. Staff plans to recommend giving extra points for environmental justice areas. Proposals and recommendations will go to the Board for decisions on the projects that are funded. Staff is also recommending a sole source contract to Build It Green, a nonprofit, which is an administrator of the state's Low-Income Weatherization Program, a statewide program for

residential energy efficiency. They would be paid on a per-project basis. Build It Green is doing full home assessments to make them as energy-efficient as possible, but they have to go through certain cost-effectiveness criteria for energy efficiency. Dr. Burke inquired as to the amount of the original grant. Dr. Fine responded that the state grant to Build It Green was \$25 million in cap-and-trade funds statewide, which is restricted to only the Bay Area and SCAQMD. Mr. Nastri clarified this is targeted at low-income communities. A solar-thermal insulation is approximately \$3,500, with \$500 being given to the household as an incentive.

Mr. Eder, Public Solar Power Coalition, commented that he was displeased with what he felt was his inability to receive information from staff with respect to the solar initiative and was adamant that this item should not go to the Board next month. Dr. Parker commented that the contractor already has a \$25 million grant and the SCAQMD will be supplementing the grant at a cost of \$500 for each household participating; which will incentivize individuals to convert to solar water heaters. Dr. Fine commented that the information was just made available a week prior and Mr. Eder was provided advance notice a few weeks ago about the item coming to Administrative Committee. Council Member Mitchell inquired whether a sole source contract asking companies to solicit proposals for solar hot water heaters would be more appropriate. Mr. Nastri responded by noting that going through an RFP process will take months and in the meantime, the opportunity to team with someone who is already offering solar technology could be lost. The Board has made it clear through the AQMP adoption to try to deploy solar technology. Rita Loof, Radtech, commented that she was very appreciative of incentives for stationary sources. She attended a workshop for Rule 1469 – Hexavalent Chromium Emissions from Chromium Electroplating and Chromic Acid Anodizing Operations and she supported efforts to try to partner with some of the small- and medium-sized businesses that are attempting to move away from toxics and invest in cleaner technology. Mr. Bill La Marr, California Small Business Alliance, commented that staff proposes to issue a broad program announcement via a request for proposals for stationary and mobile source emissions, but the conversation has primarily been about weatherization and solar contractors. He asked for outreach to the public about potential projects providing community benefits as was done in 2003 during the BP refinery settlement. He further added that he had received a \$1 million grant for dry cleaners which was subsequently replenished by a second \$1 million, which was highly successful and he would welcome the opportunity to participate again if he has prior knowledge.

Moved by Benoit; seconded by Mitchell, unanimously approved.

Ayes: Burke, Benoit, Mitchell, Parker
Noes: None
Absent: None

11. **Recognize Revenue and Appropriate Funds to Maintain, Improve and Expand Existing Low-Cost Sensor Network for Monitoring PM Emissions:** Assistant Deputy Executive Officer/Science & Technology Advancement Dr. Jason Low reported that this item is to recognize revenue in the amount of \$70,000 and appropriate funds for continued operation of the existing sensor network that is located at the Rainbow Transfer Recycling facility in Huntington Beach and expand that network into the neighboring communities. Council Member Mitchell inquired whether the network is already in place. Dr. Low responded that the existing network of nine sensors located at the Rainbow Transfer Recycling facility and the proposal is to expand by an additional 20-30 sensors. Vice Chair Benoit inquired whether Rainbow will be paying for this. Dr. Low responded this SCAQMD will be receiving \$70,000 as part of a Stipulated Order for Abatement.

Moved by Parker; seconded by Benoit, unanimously approved.

Ayes: Burke, Benoit, Mitchell, Parker
Noes: None
Absent: None

12. **Transfer and Appropriate Funds, Issue Purchase Orders for Monitoring and Lab Equipment, Approve Surrender of Fixed Assets, and Execute or Amend Contract for Monitoring Services:** The presentation on this item was waived.

Moved by Mitchell; seconded by Benoit, unanimously approved.

Ayes: Burke, Benoit, Mitchell, Parker
Noes: None
Absent: None

13. **Amend Contract for Consultant Services for SCAQMD Environmental Justice Outreach and Initiatives:** Deputy Executive Officer/Legislative & Public Affairs & Media Office Derrick Alatorre reported that this item is to approve the second and final contract extension for the Lee Andrews Group to coordinate, plan and execute the Environmental Justice Community Partnership (EJCP) program. The EJCP aims to strengthen SCAQMD's relationships with

stakeholders in Environmental Justice communities by holding a series of events, with the most recent event held in Los Angeles, which was very successful. These types of events give the public an opportunity to express their concerns. Dr. Burke commented that Mayor Pro Tem Larry McCallon attended the recent Los Angeles event and did a great job. In past years, successful senior events were held in SCAQMD areas; Dr. Burke recommended holding one or two senior events in 2018 to familiarize seniors with the SCAQMD and its public health role.

Moved by Benoit; seconded by Mitchell, unanimously approved.

Ayes: Burke, Benoit, Mitchell, Parker
Noes: None
Absent: None

14. **Amend Contracts for Legislative Representation in Washington, D.C.:** Mr. Alatorre reported that this item is to approve the second and final contract extension for Federal consultants, Kadesh & Associates, the Carmen Group, and Kassidy & Associates. This extension will cover calendar year 2018. In the past, the three consultant groups have partnered with SCAQMD in Washington, D.C., to not only represent SCAQMD at the Capitol, but also to set up meetings with elected officials and stakeholder organizations. In 2018, an RFP will be issued.

Moved by Mitchell; seconded by Benoit, unanimously approved.

Ayes: Burke, Benoit, Mitchell, Parker
Noes: None
Absent: None

WRITTEN REPORTS:

15. **Local Government & Small Business Assistance Advisory Group Minutes for the October 13, 2017 Meeting:** Mr. Alatorre reported that this item is a written report.
16. **Environmental Justice Advisory Group Draft Minutes for the October 27, 2017 Meeting:** Mr. Alatorre reported that this item is a written report.

OTHER MATTERS:

17. Other Business

There was no other business.

18. Public Comment

Mr. Eder claimed there were numerous items that went to vote without comments by the public. For the incentive funding for AB 617, there should also be meteorological data completed for solar in accessing microclimates from low-cost sensors and these data should be worked into the program. Mr. Eder further asserted that the Brown Act had been violated. Ms. Barbara Baird responded that during the Legislative Committee Mr. Eder mentioned that he wanted to speak on an item on the agenda and she advised that the members of the public do have the right to address the committee on any agenda item before or during consideration of that item; however, he was allowed to speak on subsequent items. She did not believe the Brown Act was violated by not specifically asking for public comment after each item. The agenda informs members of the public that they have the right to comment by raising their hands during an item. Mr. Eder further added that there should be further outreach to the community to attend meetings.

19. Next Meeting Date

The next regular Administrative Committee meeting is scheduled for January 12, 2018 at 10:00 a.m.

Adjournment

The meeting adjourned at 11:18 a.m.

Attachments

Local Government & Small Business Assistance Advisory Group Minutes for the October 13, 2017 Meeting

Environmental Justice Advisory Group Draft Minutes for the October 27, 2017 Meeting



South Coast Air Quality Management District

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LOCAL GOVERNMENT & SMALL BUSINESS ASSISTANCE ADVISORY GROUP FRIDAY OCTOBER 13, 2017 MEETING MINUTES

MEMBERS PRESENT:

Ben Benoit, Mayor Pro Tem, City of Wildomar and LGSBA Chairman
Felipe Aguirre
Paul Avila, P.B.A. & Associates
Geoffrey Blake, Metal Finishers of Southern California
Todd Campbell, Clean Energy
John DeWitt, JE DeWitt, Inc.
Bill LaMarr, California Small Business Alliance
Rita Loof, RadTech International
Eddie Marquez, Paramount Petroleum
Cynthia Moran, Council Member, City of Chino Hills
David Rothbart, Los Angeles County Sanitation District

MEMBERS ABSENT:

Janice Rutherford, Supervisor, Second District, San Bernardino County
Rachelle Arizmendi, Mayor Pro Tempore, City of Sierra Madre
Maria Elena Kennedy, Kennedy Communications
LaVaughn Daniel, DancoEN

OTHERS PRESENT:

Mark Abramowitz, Board Member Consultant (*Lyou*)
David Czmanske, Board Member Consultant (*Cacciotti*)

SCAQMD STAFF:

Derrick Alatorre, Deputy Executive Officer
Philip M. Fine, Deputy Executive Officer
Fabian Wesson, Asst. Deputy Executive Officer/Public Advisor
Nancy Feldman, Principal Deputy District Counsel
Philip Crabbe, Community Relations Manager
Mike Morris, Program Supervisor
Elaine-Joy Hills, AQ Inspector II
Lori Langrell, Secretary

Agenda Item #1 - Call to Order/Opening Remarks

Chair Ben Benoit called the meeting to order at 11:30 a.m.

Agenda Item #2 – Approval of September 8, 2017 Meeting Minutes/Review of Follow-Up/Action Items

Chair Benoit called for approval of the September 8, 2017 meeting minutes.

Mr. Bill LaMarr indicated that JoKay Ghosh should be referred to by her title Dr. instead of Ms. The September 8, 2017 minutes will be amended to reflect the change.

Chair Benoit called for approval as amended. The minutes were approved unanimously.

Agenda Item #3 – Follow Up/Action Items

Mr. Derrick Alatorre indicated the request for a presentation on permit streamlining will be agendized for the November meeting.

Ms. Rita Loof indicated that she has had a long standing request for a presentation on Rule 219. Ms. Loof stated in particular, at the May Governing Board meeting there was a commitment made to the Board by staff that outreach would be done on the new recordkeeping requirements. The form was found on the website, but it was not easy to find. Mr. Alatorre indicated that he will check with staff to see if they are ready to present on that rule.

Action Item: Check with staff as to when a presentation on Rule 219 can be agendized.

Agenda Item #4 – Summary of Recent Amendment to Rule 1401 – New Source Review of Toxic Air Contaminants

Mr. Mike Morris provided a summary of amendments to Rule 1401, which were adopted on September 1, 2017.

Mr. Paul Avila asked if the Office of Environmental Health Hazard Assessment (OEHHA) regulation is set in concrete, and how do you interpret it. Mr. Morris indicated there is a lot of wiggle room as to how the guidelines are determined, we use them for the AB 2588 program, and other air agencies can do their own risk analysis.

Mr. LaMarr inquired about the images on the slides showing a car in a spray booth, if the spray booths include industries other than automotive. Mr. Morris indicated that Rule 1401 applies to all spray booths, not just automotive.

Mr. LaMarr asked what toxic materials an average body shop would be applying. Mr. Morris responded that more than 85% are not using toxic materials, but about 12% to 13% are using toxics and are listed on the Material Safety Data Sheets (MSDS). Mr. LaMarr further inquired that under the coatings tables in Rule 1151, which regulates auto body shops, and does not recall seeing anything about toxics. Mr. Morris replied that the rule regulates VOC content and other application issues, but it doesn't say what type of chemicals facilities can or cannot use in the rule, such as ethylbenzene, which is why they end up getting pulled into Rule 1401.

Mr. LaMarr stated that in the furniture industry, many use paint booths. Mr. Morris stated many do, but staff did not see a large number that use solvent-based coatings. However, once we did the further analysis, we felt comfortable moving forward. Those that used hexavalent chromium had control devices on their equipment, and there is an increase in cost because of larger blowers and increased electricity use, which is the only impact we've seen from the spray booth revisions that staff looked at.

Mr. Avila asked if the technology in paint now and in the future going to be the reason for reductions. Mr. Morris responded that paint has evolved greatly in the last 20 years formulating away from VOCs and toxins, which has reduced air pollution a great deal.

Ms. Loof questioned if staff is saying that 1% of the 327 facilities are going to have issues with Rule 1401, and asked what the 1% will look like; if it will include aerospace facilities with the hexavalent chrome issues, maybe some with ethylbenzene issues, and if manufacturers will be included. Mr. Morris replied it is not an ethylbenzene issue per se, it would be facilities that want to spray heavy metals. We've seen them in aerospace, but it can be in other industries as well. Ms. Loof further indicated comments at the last Governing Board meeting, some Board Members were asking about incorporating a mechanism to inform people about alternatives to those materials. Ms. Loof asked if there is any thought in Rule 1401 about doing that kind of outreach or basic provision of basic information stating here are technologies you can use. Mr. Morris responded that Rule 1401 is a difficult place to do that, it doesn't cover just coatings, it's a very wide range in rule. On a rule by rule basis it has to be looked at and is a process that we can consider.

Mr. LaMarr stated that at possibly the Stationary Source meeting, the estimate from California Air Resources Board (CARB) indicated it would take until the end of the year working with staff to assess the difference of what the emissions factor is between the two agencies. Mr. LaMarr asked if that has changed or if we are still looking at the end of the year. Mr. Morris replied that CARB staff was making an optimistic estimate. There are studies that have to be completed by other entities. Mr. Morris indicated that it's a public process where we have to get together to decide what the right emission factor should be; therefore, it could be the end of the year, it could be earlier.

Mr. John DeWitt asked, looking at the service station industry, it theoretically went from 95% recapture into the automobile to 98%, which per site was very expensive, how is that being measured? Mr. DeWitt asked if a tent is put over it to catch emissions or is staff just guessing. Mr. Morris replied it is not a guess, there have been studies done looking at different aspects of the emission recovery system, either the storage tank itself or the fueling process. There has been new data that has come out regarding on-board refueling vapor recovery (ORVR) system, which looks at the effectiveness of the equipment. The study has been completed, but the information hasn't been peer reviewed or provided to the public yet. Mr. DeWitt asked as a follow-up if that means that a tent was put over the site or if a computer model was used. Mr. Morris stated that a computer model was not used, but they are looking at the specific aspects of the testing, the different parts of the emission control system, and reviewing it that way as opposed to reviewing it as a whole. One of the examples they did was a system that was only ORVR equipped vehicles, but no secondary control for the storage tank, then measured it that way. However, in this combined process, recently they have done testing of the exhaust for both the storage tank and vehicle at the same time.

Mr. Avila asked if an old gas station with a building and a couple of pumps puts in a new building and adds pumps, is it considered new. Mr. Morris answered if they are adding in new pumps, it's a new source.

Mr. DeWitt asked if you have the Best Available Control Technology (BACT), what does limiting the through-put do? Mr. Morris indicated that even with the top of the line equipment and new systems going in, they still emit a little bit of gasoline vapors, which have benzene and other toxic materials. We look at that emission and determine what the risk is to the nearest receptors, workers, residents, but that

one gas station they will come in and do an additional Tier 4 analysis in order to show they can be allowed that much through-put.

Mr. LaMarr inquired what a Tier 4 analysis is. Mr. Morris replied that when staff performs a risk analysis, we have a screening table, and if they come below that number, then we say they can have that through-put. However, if they are above that number, they have to do a computer analysis, where they input the geography, the meteorological conditions, the nearest receptors, and calculate what the risk is to the nearest receptor, whether it be a worker or a residence. It is basically a model that we use to determine the risks for these nearby places.

Mr. DeWitt asked if there is staff that can explain the reality of the testing. Mr. Morris indicated we have staff that can discuss the models in much more details.

***Action Item:** Staff to contact Mr. John DeWitt to discuss service station models.*

Mr. Avila inquired if there is much deviation in replacing tanks, and if that is factored into the study. Mr. Morris replied that as far as the old tanks versus the new tanks, all of the dispensing facilities have new tanks. They're not allowed to operate if they have the new tanks. Mr. Avila asked about the life expectancies of the old and new tanks. Mr. Morris indicated that he was not sure of the the life expectancy; however, staff did notice that a lot of the old tanks were leaking.

Mr. LaMarr asked what the impact or amount of caprolactam is in gasoline. Mr. Morris indicated as far as he knew, there is no use of caprolactam in gasoline, it is found, for the most part, in the resin operations, and Rule 1141 requires controls.

Mr. David Rothbart inquired, getting to the analysis, as OEHHHA has changed their methodology, which is easier to go over thresholds, if staff has seen permit applicants using HARP more than they used to and if it has become standardized. Mr. Morris indicated he was not sure as to whether he can answer that question, if we do see more work done on the front side of the analysis where someone is ready to submit a permit and do the analysis themselves. We have noticed a small increase in having to do the analysis ourselves for certain permits. Mr. Rothbart further asked if the gasoline stations were aware that if they went to a dispersion model, that they can increase their through-put. Mr. Morris responded that based on their associations that participate in the rule development process are very much aware.

Agenda Item #5 – Summary End-of-Year Report on State Legislature's and Governor's Actions on 2017 Legislation, and Cap and Trade

Mr. Philip Crabbe provided a summary of the Legislature and Governor's actions on 2017 Legislation, as well as Cap and Trade

Mr. Avila asked if someone can present a Cap and Trade 101. Mr. Alatorre responded we can agendize it for possibly early next year.

***Action Item:** Agendize a presentation on Cap and Trade.*

Mr. Dewitt asked, with all the funding coming in, if the District still needs the cost of living increase, etc. Per Mr. Alatorre, the monies are dedicated to emission reductions; therefore, they are not used for anything else outside of that.

Ms. Loof inquired if any of the funds are accessible to stationary sources, or only to mobile sources. Mr. Alatorre replied some will be available to stationary sources, but the vast majority will go to mobile sources.

Mr. Alatorre indicated there can potentially be more than the cap and trade money we are getting since there is no sunset date for AB1274. Mr. Todd Campbell stated that AB134 money is used for Proposition 1B guidelines. Mr. Alatorre commented that it will be competitive if you want cap and trade money, we will have to vie for the money, which will be up to staff who is already working on it.

Mr. Avila asked if all air districts in California are competing for Carl Moyer money. Mr. Crabbe replied we will get 43%, San Joaquin 32%, and so on, basically those districts where there is a need. Mr. Avila further asked if the Cash for Clunkers program has died off, to which Mr. Crabbe indicated it is now the Replace Your Ride program.

Mr. DeWitt asked if we can get a printout of Mr. Crabbe's presentation. Mr. Crabbe indicated he will provide his summary.

Action Item: *Provide the legislation summary to the LGSBA members.*

Mr. Rothbart asked how things are going on funding for the AQMP under this program. Mr. Crabbe indicated it is the mobile source funding for Carl Moyer that will feed into the AQMP. Mr. Alatorre indicated we got \$107.5 million dollars, but potentially another pot of money between \$200 and \$300 million, with grants from different categories.

Mr. LaMarr commented that the 2016 AQMP has a number of voluntary emission reduction measures, with the majority going to mobile sources. Mr. LaMarr asked if that will eventually impact stationary sources. Dr. Phil Fine responded that the concern is if we can't get the funding needed to incentivize a change, and we need to get to attainment, will the burden fall on stationary sources. Mr. LaMarr further asked if there are sufficient funding to meet the needs of stationary sources that have a responsibility under the 2016 AQMP. Dr. Fine indicated we pass rules that must be complied with, and there are some select cases where we provide financial incentives. However, in general we don't provide incentive funding to comply with rules and regulations, we provide incentives funding to go above and beyond or to accelerate emission reductions. Of those incentives we will allocate funding if there is affordability, but to accelerate above and beyond rules and regulations that can be deemed feasible. Mr. LaMarr indicated that BACT and BARCT are in flux, and staff is going to impose more stringent measures, which will likely have more costly measures. Per Mr. LaMarr, many are thinking that this might be the incentive funding discussed during the preparation of the AQMP to assist industry cross the goal line. Dr. Fine responded that when we talked about the 14 billion over fifteen years, we estimated that we could find about one to two billion, cost-effective NOx reductions on the stationary source side, which is very preliminary estimates. The goal is that it would all go to mobile sources, some would go to stationary as long as it's cost-effective.

Mr. Eddie Marquez requested, when staff provides the legislative update, if staff can include how the bills work with each other, for instance AB 1647 working with and aligning with AB 617 (refinery bill, fence line monitoring). Dr. Fine replied that those two pieces of legislation developed independently. We are hoping that the refinery monitoring requirements in AB 1647 will align very closely with the community monitoring requirements of AB 617, and we hope that CARB would see it the same way.

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

No comments.

Agenda Item #7 - Other Business

Mr. DeWitt referenced a meeting a few days ago relating to the permitting program and asked when the group will receive a presentation on permit streamlining.

Action Item: Agendize a presentation on permit streamlining.

Ms. Loof asked for a presentation on the actions to implement the recommendations on the AQMP white papers, specifically the facility modernization paper, which involved a lot of incentives. Ms. Loof questioned what happened to the proposals and how will success be monitored in the industry.

Action Item: Agendize a presentation on the AQMP facility modernization white paper.

Mr. Rothbart requested for a presentation on Rule 1110.2 as they have had to try to lower their emission limits, but are not able to demonstrate these technologies. In experimentation, they have to pay further fees and are required to comply with a side rule as far as having incentives not to flare biogas. If they aren't successful, they will have a flare, but they aren't supposed to have a flare.

Action item; Agendize a presentation on Rule 1110.2.

Agenda Item #8 - Public Comment

No comments.

Adjournment

The meeting adjourned at 12:46 p.m.



South Coast Air Quality Management District

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ENVIRONMENTAL JUSTICE ADVISORY GROUP FRIDAY, OCTOBER 27, 2017 MEETING MINUTES

MEMBERS PRESENT:

Dr. Joseph Lyou, SCAQMD Governing Board, EJAG Chairman
Manuel Arredondo, Coachella Valley School District, Retiree
Dr. Larry Beeson, Loma Linda University, School of Public Health
Suzanne Bilodeau, Knott's Berry Farm
Kerry Doi, Pacific Asian Consortium in Employment
Dr. Afif El-Hasan, American Lung Association
Mary Figueroa, Riverside Community College
Dr. Monique Hernandez, California State University, Los Angeles
Dr. Jill Johnston, University of Southern California
David McNeill, Baldwin Hills Conservancy
Daniel Morales, National Alliance for Human Rights
Donald Smith, Member of the Public
Rafael Yanez, Member of the Public

MEMBERS ABSENT:

Rhetta Alexander, Valley Interfaith Council
Micah Ali, Compton Unified School District
Paul Choe, Korean Drycleaners & Laundry Association
Myron Hale, SLMQM
Maria Elena Kennedy, Quail Valley Task Force
Evelyn Knight, Long Beach Economic Development Commission
Angelo Logan, Moving Forward Network

OTHERS PRESENT:

Jim Flournoy, Save Our Community
Vallerie Gonzalez, Center for Sustainable Energy
Noemi Luna-Ochoa, Huntington Beach CivicSpark Fellow
Nicole Nishimura, Assistant to Governing Board Member Dr. Joseph Lyou
Yvonne Watson, Sierra Club

SCAQMD STAFF:

Fabian Wesson, Assistant Deputy Executive Officer/Public Advisor, Legislative, Public Affairs and Media
Susan Nakamura, Assistant Deputy Executive Officer, Planning, Rules Development & Area Sources
Nandcy Feldman, Principal Deputy District Counsel
Sam Atwood, Media Relations Manager
Daniela Arellano, Senior Public Information Specialist
Brandee Keith, Secretary

Agenda Item #1: Call to Order/Opening Remarks

Governing Board Member Dr. Joseph Lyou called the meeting to order at 12:06 PM and welcomed everyone to the meeting.

Agenda Item #2: Approval of July 28, 2017 Meeting Minutes

The minutes for the July 28, 2017 meeting were approved with no objections.

Agenda Item #3: Review of Follow-Up/Action Items

Ms. Fabian Wesson reviewed the follow up and action items from the April 28th meeting.

Action Item: Mr. Daniel Morales was concerned with the health of children at Woodrow Wilson Elementary School, considering the school's proximity to CF Equipment Incorporated. He has asked SCAQMD to monitor the area or hold a town hall meeting to determine how the district can help the constituents of the area. SCAQMD committed to collect the company's information and identify whether the company is required to operate under a SCAQMD permit, and investigate if the company is in violation of the permits. Additionally Dr. Lyou suggested SCAQMD contact the business owner and provide him with information regarding incentive programs for vehicle replacement. Dr. Lyou asked SCAQMD to investigate whether a town hall meeting could be arranged.

- Staff found no registered permits or Facility ID, nor any record of complaints. An inspector conducted a site visit and was unable to contact any site representatives. A cursory investigation of the site determined there appeared to be no equipment requiring SCAQMD permits. Additional follow-up will be conducted once staff is able to contact company representatives. Dr. Lyou suggested further action might be possible through the California Air Resources Board (CARB).

Action Item: Mr. Yanez attended SCAQMD's Inter-Agency Workshop on Environmental Complaints. Dr. Lyou requested staff inform EJAG members of upcoming events.

- SCAQMD staff will provide information to EJAG members on any upcoming meetings. Staff is currently finalizing an event summary to be shared with EJAG members via email upon completion.

Action Item: Ms. Fabian Wesson requested staff present information to members on the Environmental Justice Community Partnership and Dr. Joseph Lyou requested a presentation to be added to the October 27th meeting agenda.

- Staff shared information with EJAG members during that day's meeting.

Agenda Item #4: SCAQMD New Rules and Rule Amendments

Ms. Susan Nakamura presented SCAQMD rules that have been adopted or amended in 2017 and some key rulemaking efforts upcoming in 2018. Mr. Rafael Yanez inquired about penalties related to Rule 1118 and whether or not penalties were also amended for this rule. Dr. Lyou confirmed that during the last legislative session, the state legislature passed AB 617, which increased the maximum for criminal and civil penalties to \$5,000. Mr. Yanez also asked if Rule 1401 would require gasoline dispensing facility operators to acquire additional equipment or simply comply with new reporting requirements. Ms. Nakamura confirmed that operators are

already required to comply through the use of approved equipment, and the amendments to Rule 1401 were to incorporate the 2015 OEHHA health risk estimation methodology and incorporate CARB's emissions factors for gasoline dispensing facilities.

Ms. Yvonne Watson informed the group that the Department of Toxic Substances Control would be holding a meeting to discuss contaminated soils on October 28, 2017.

Mr. Jim Flournoy inquired whether SCAQMD was controlling flaring from non-refinery sources. Ms. Nakamura responded that SCAMQD held a working group meeting to discuss Proposed Rule 1118.1 for non-refinery flaring which is scheduled for adoption in 2018.

Agenda Item #8: Public Comment/Other Business

At this time Dr. Lyou requested to jump to Other Business, and introduced new member Mr. Donald Smith, Block President of 136th Street in Compton.

Dr. Lyou then welcomed Media Relations Manager Sam Atwood, to give a short update on the use of Spanish-language materials in the 2017-2018 Check Before You Burn (CBYB) Campaign. Mr. Atwood presented examples of new Spanish-language outreach materials and a short video advertisement. Mr. Atwood also noted that a portion of the media buy for the Check Before You Burn program would go towards Spanish Media.

Ms. Wesson briefly announced three SCAQMD-sponsored "Lung Walks" with the American Lung Association and invited members and meeting attendees to sign up to participate.

Agenda Item #5: Presentation on the Environmental Justice Community Partnership

Ms. Daniela Arellano delivered a presentation about the Environmental Justice Community Partnership, including the program's accomplishments throughout 2017, and projected efforts for 2018.

Ms. Mary Figueroa asked if it was possible for undocumented communities to also be acknowledged when defining environmental justice communities. Ms. Arellano responded it would likely be something for the Governing Board to approve. Dr. Lyou agreed it would require Governing Board Members' approval.

Action Item: Inquire about the possibility of including undocumented individuals as a defining criteria for environmental justice communities.

Ms. Figueroa also asked if any of the EJCP community meetings had been held entirely in Spanish, as opposed to English with Spanish translation. Ms. Arellano replied that meetings had not been held in Spanish, and to do so would present difficulties for staff members who do not speak Spanish, who are called upon to give presentations at the meetings. Ms. Wesson confirmed that all meetings are professionally translated to cater to the communities in which the meeting is conducted. Ms. Figueroa pointed out a significant difference in community involvement and

engagement when events are held in the communities' predominant language, as opposed to translated.

Ms. Figueroa also expressed concern that in spite of SCAQMD's efforts, local elected officials continue to approve projects that place housing and other community developments near freeways and other significant sources of air pollution. Ms. Figueroa specifically cited the case of the World Logistics Center (WLC) in Moreno Valley. Dr. Lyou pointed out that the WLC is still under litigation and has not been fully settled.

Dr. Jill Johnston suggested that SCAQMD offer child care for future events. She then asked if staff could address cases in which air monitoring data had been requested, but results were difficult to access. She suggested that The Partnership help environmental justice communities access data more readily. Dr. Lyou indicated that certain data (e.g., monitoring data from activities in Paramount) had been made available to the public but he recognized that might not be the case across all monitoring efforts. Dr. Johnston requested monitoring data related to an oil drilling site. Dr. Lyou requested that staff coordinate with the AQ Spec team on the issue.

Action Item: Staff to follow up with Dr. Jill Johnston and the AQ Spec Team regarding an oil drilling site in Los Angeles.

Mr. Rafael Yanez expressed appreciation for the efforts of the Environmental Justice Advisory Group and the Environmental Justice Community Partnership in providing support to communities. He spoke on the successes of disseminating information to environmental justice communities and the importance of further informing residents about the programs. He recommended a renewed effort in the 1-800-CUT-SMOG campaign. Mr. Yanez recommended that SCAQMD implement projects that support the transition from wood-burning logs to gas fireplaces, as well as discount programs for indoor air filters for residents.

Mr. Kerry Doi asked how SCAQMD's process for identifying EJ communities overlaid with other similar programs like Cal EnviroScreen and the U.S. EPA's EJ Screen. Dr. Lyou responded that the coordination was adequate but could be improved. Mr. Doi also echoed earlier concerns regarding language barriers and suggested that staff look into broadening SCAQMD's language reach. Dr. Lyou instructed staff to look into how other organizations managed similar needs in their communities.

Action Item: Staff to speak with Mr. Doi to further discuss how SCAQMD can broaden the scope of languages it communicates in.

Dr. Afif El-Hasan added that a scarcity of healthcare is another significant factor to consider when defining environmental justice communities. He further discussed how efforts to create affordable housing result in higher costs to society in the long run, because of the exposure to air pollution. However, due to a lack of clinics and other health program availability in low income communities, it is difficult to demonstrate reliable data trends. Dr. Lyou noted that the Department of Health Services has a health tracking program, which admittedly could be improved.

Ms. Yvonne Martinez-Watson voiced her support for conducting meetings in Spanish, to avoid alienating Spanish speakers. She recommended SCAQMD post a Spanish billboard on 1-800-CUT-SMOG, and that it translate the hotline to Spanish.

Ms. Sol Guerra introduced herself on behalf of Representative Norma Torres, and expressed the Representative's support for the Environmental Justice Community Partnership. She invited staff to approach the Representative's office for resources and partnerships in the future.

Mr. Jim Flournoy shared frustrations with the Environmental Impact Reports (EIR) for local projects, indicating the EIRs do not reflect accurate information, leaving concerned residents without a clear understanding of the impact of local projects. Dr. Lyou acknowledged the complicated nature of projects, and agreed EIRs should be more factual.

Agenda Item #6: Goals and Objectives for 2018

Ms. Fabian Wesson discussed the Goals and Objectives for 2018. Dr. Lawrence Beeson asked if the goals were presented in a specific order within the document. Dr. Lyou requested that staff clarify they are not. Dr. Beeson and Dr. Johnston requested that "AB 617" be placed on the list.

Action Item: Staff to add AB 617 to the list of Goals and Objectives for 2018, and include a note that states "Items are not listed in any particular order."

Agenda Item #7: Member Updates

Mr. Daniel Morales reported that Assemblymember Elias Reyes-Gomez convened a meeting on air quality in San Bernardino. The meeting was attended by universities and other local groups, including Dr. Philip Fine from SCAQMD. Mr. Morales further reported on a meeting convened by Dr. Luis González of South Colton, regarding the dust issues caused by a local cement plant. According to local residents, dust problems continue to impact the community. Mr. Morales requested that SCAQMD investigate the facility and that staff attend Dr. González's next meeting, scheduled for January 13th, 2018. Dr. Lyou requested that staff follow up with Mr. Morales on the issue.

Action Item: Staff to follow up with Mr. Morales on the cement plant and the upcoming meeting.

Dr. Monique Hernandez expressed gratitude for SCAQMD's effort in arranging informational events such as the student bus tour scheduled for November 11, 2017.

Agenda Item #8: Public Comment

No additional public comments were delivered.

Agenda Item #9: Adjournment

Next Meeting: Friday, January 26, 2018