



AGENDA NO. 30

Update on Draft Cooperative Agreement Between South Coast AQMD and Ports of Long Beach and Los Angeles

**Governing Board Meeting
October 3, 2025**



Background

- ❑ Port of Long Beach and Los Angeles (Ports) submitted a Draft Cooperative Agreement on July 18th*
- ❑ August Board Meeting, staff directed to:
 - Begin negotiations with Ports on a potential Cooperative Agreement
 - Pause Proposed Rule 2304 for 45 days
- ❑ Updated Draft Cooperative Agreement released jointly by Ports and South Coast AQMD on September 16th**

*Available at: https://www.aqmd.gov/docs/default-source/planning/fbmsm-docs/2025-07-18---ports-cooperative-agreement_draft.pdf

**Available at: https://www.aqmd.gov/docs/default-source/planning/fbmsm-docs/updated-draft-cooperative-agreement_091625.pdf

Staff Recommendations at September Mobile Source Committee

- ❑ Staff reported that agreement reached with Ports on Updated Draft Cooperative Agreement
- ❑ Staff recommendation at Mobile Source Committee:
 - Move forward with Updated Draft Cooperative Agreement
 - Conduct additional public process
 - Do not release the 75-day rule package for PR 2304

Mobile Source Committee Actions

❑ Motion approved by Committee:

- Do not release the 75-day Proposed Rule 2304 package
- Present Updated Draft Cooperative Agreement at November Board meeting for approval
- Hold a public meeting with the Ports and solicit public input prior to November Board meeting

❑ Chair requested:

- Update to full Board on Updated Draft Cooperative Agreement
- Discussion of next steps for other Clean Air Action Plan (CAAP) measures in the July 18th Draft Agreement

Updated Draft Cooperative Agreement

- ❑ Negotiating teams reached agreement on:
 - Recitals
 - Agreements
 - CAAP Plus Measure – Port ZE Infrastructure Plans
- ❑ Updated Draft Agreement is similar in scope to Proposed Rule 2304

UPDATED DRAFT RELEASED ON SEPTEMBER 16, 2025

COOPERATIVE AGREEMENT AMONG

THE SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
THE CITY OF LONG BEACH HARBOR DEPARTMENT AND
THE CITY OF LOS ANGELES HARBOR DEPARTMENT

This Cooperative Agreement ("Agreement") is dated for reference purposes as of _____, 20__, between and among SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT ("South Coast AQMD"), the CITY OF LONG BEACH, acting by and through the Long Beach Board of Harbor Commissioners ("Long Beach"), and the CITY OF LOS ANGELES, acting by and through the Los Angeles Board of Harbor Commissioners ("Los Angeles") (South Coast AQMD, Los Angeles, and Long Beach are each called a "Party" and collectively called "the Parties").

I. RECITALS

A. RECITALS BY SOUTH COAST AQMD.

1. South Coast AQMD. The South Coast AQMD is the regional air pollution control agency primarily responsible for reducing air pollution and attaining federal and state air quality standards for the South Coast Air Basin (Basin) and the Coachella Valley. The South Coast AQMD develops Air Quality Management Plans (AQMPs) that provide the blueprint for how the region will attain state and federal air quality standards and implements control measures included in AQMPs adopted by its Governing Board.
2. Jurisdiction. South Coast AQMD's jurisdiction consists of the County of Orange, and the non-desert portions of the Counties of Los Angeles, Riverside, and San Bernardino. The San Pedro Bay Ports, the nation's two largest commercial marine ports, are located within the Los Angeles County portion of the Basin. South Coast AQMD has primary authority over stationary sources and indirect sources, the latter of which include facilities that attract mobile sources of air pollution. The United States Environmental Protection Agency (USEPA) and the California Air Resources Board (CARB) have authority in setting emissions standards and fleet standards for mobile sources. Commercial marine ports are natural harbors where maritime commerce is conducted, which involves operation of various mobile sources, including drayage trucks, cargo-handling equipment, locomotives, harbor craft, and ocean-going vessels (collectively referred to hereinafter as "Port Sources"), by their operators.

Comparison of Proposed Rule 2304 and Updated Draft Cooperative Agreement

Proposed Rule 2304

Updated Draft Cooperative Agreement

Scope

Covers on-port infrastructure for all port sources

Similar

Infrastructure Plan Due Dates

Two years after rule adoption (limited time extensions under consideration)

Phase 1 – December 31, 2027
Phase 2 – December 31, 2028
Phase 3 – December 31, 2029
(Earlier deadlines for draft Plans)

Implementation

Complete milestones within Ports' control and annually report on progress

Similar

Enforcement

Enforceable under California Health and Safety Code, including statutory penalties for violations

Enforceable under contract terms and conditions, including payments into a mitigation fund* for violations

* Clean Air Mitigation Fund, to be administered by South Coast AQMD

Key Areas of Agreement and South Coast AQMD Role

Regulatory Authority

- South Coast AQMD makes decision on future rulemaking
- Governing Board resolution directs staff priorities during agreement term

Oversight and Enforcement

- South Coast AQMD has oversight role for ZE Plans
- Ports pay into mitigation fund when enforcement triggered
- Governing Board determines spending of mitigation fund*

Public Process

- Opportunities for public participation
- Regular implementation reporting to keep public informed

Draft Board Resolution and Agreement Term



Draft Governing Board resolution directs staff to:

- Pause rulemaking during Term of Agreement
- Report back to Board on progress



Term of Agreement = 5 years

- 5-year term considers infrastructure planning and implementation
- Parties will revisit next steps for Agreement before end of Term
- 90-day exit clause for any party

Oversight and Enforcement

South Coast AQMD Oversight Role

Verify ZE Plan complete	Verify criteria met and processes followed	Verify milestones within Ports' control are met	Use of mitigation fund collected
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Enforcement Provisions

Triggers for Enforcement	Financial Consequences	Process for Issuing & Settling a Violation	Use of Mitigation Fund
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Public Process

Opportunities for Public Participation



Review and Comment on Port ZE Plan Development and Major Modifications



Input for South Coast AQMD Use of Mitigation Funds



Public Meetings held by Ports and South Coast AQMD, respectively

Keep Public Informed



Annual
Implementation Reports
on Final ZE Plans

Other CAAP Measures in Ports' July Draft Cooperative Agreement

- ❑ Parties agree more time needed and committed to address remaining CAAP+ Measures
- ❑ Staff recommendation:
 - Bring Agreement for other CAAP Measures for Board consideration in Spring 2026
 - Periodic updates to Mobile Source Committee on progress
 - Community meetings throughout process

CAAP Plus Measure 1 Clean Ship Program Enhancements

CAAP Plus Measure 2 ZE Drayage Truck Equipment and Infrastructure Funding

CAAP Plus Measure 3 ZE Equipment and Infrastructure Funding

CAAP Plus Measure 4 ZE In-Port Switcher Locomotives

CAAP Plus Measure 5 ZE Equipment and Infrastructure Workforce Development

Next Steps



October 15: Hybrid Public Meeting at Long Beach City College*



November 7: Public Hearing on Zero Emission Port Infrastructure Cooperative Agreement



Office hours: with key stakeholders on Cooperative Agreement



Ongoing: discussions with Ports on additional CAAP Plus Measures

** Meeting information can be found here: <https://www.aqmd.gov/home/air-quality/air-quality-management-plans/air-quality-mgt-plan/facility-based-mobile-source-measures/comm-ports-wkng-grp/potential-cooperative-agreement-with-the-ports-of-long-beach-and-los-angeles>.*