



South Coast Air Quality Management District

21865 Copley Drive, Diamond Bar, CA 91765-4178
(909) 396-2000 • www.aqmd.gov

HYBRID ADMINISTRATIVE COMMITTEE MEETING

Committee Members

Chair Vanessa Delgado, Committee Chair
Vice Chair Michael Cacciotti, Committee Vice Chair
Board Member Gideon Kracov
Supervisor V. Manuel Perez

June 14, 2024 ♦ 10:00 a.m.

TELECONFERENCE LOCATIONS

Office of Supervisor V. Manuel Perez
78015 Main Street, Ste. 205
La Quinta, CA 92253

617 W. 7th Street Suite 205
Los Angeles, CA 90017

A meeting of the South Coast Air Quality Management District Administrative Committee will be held at 10:00 a.m., on Friday, June 14, 2024 through a hybrid format of in-person attendance in the Dr. William A. Burke Auditorium at the South Coast AQMD Headquarters, 21865 Copley Drive, Diamond Bar, California, and remote attendance via videoconferencing and by telephone. Please follow the instructions below to join the meeting remotely.

Please refer to South Coast AQMD's website for information regarding the format of the meeting, updates if the meeting is changed to a full remote via webcast format, and details on how to participate:

<http://www.aqmd.gov/home/news-events/meeting-agendas-minutes>

INSTRUCTIONS FOR ELECTRONIC PARTICIPATION AT BOTTOM OF AGENDA

Join Zoom Webinar Meeting - from PC or Laptop

<https://scaqmd.zoom.us/j/93760468442>

Zoom Webinar ID: 937 6046 8442 (applies to all)

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Audience will be able to provide public comment through telephone or Zoom connection during public comment periods.

PUBLIC COMMENT WILL STILL BE TAKEN

AGENDA

Members of the public may address this body concerning any agenda item before or during consideration of that item (Gov't. Code Section 54954.3(a)). If you wish to speak, raise your hand on Zoom or press Star 9 if participating by telephone. All agendas for regular meetings are posted at South Coast AQMD Headquarters, 21865 Copley Drive, Diamond Bar, California, at least 72 hours in advance of the regular meeting. Speakers may be limited to three (3) minutes total for all items on the agenda.

CALL TO ORDER

- Roll Call

DISCUSSION ITEMS – Items 1 through 9:

1. Board Members' Concerns (***No Motion Required***) Chair Vanessa Delgado
Any member of the Governing Board, on their own initiative may raise a concern to the Administrative Committee regarding any South Coast AQMD items or activities.
2. Chair's Report of Approved Travel (***No Motion Required***) Chair Delgado pg. 5
3. Report of Approved Out-of-Country Travel (***No Motion Required***) Wayne Nastri
Executive Officer
4. Review August 2, 2024 Governing Board Agenda Wayne Nastri pgs. 6-16
5. Approval of Compensation for Board Member Assistant(s)/ Consultant(s) (Any material, if submitted, will be distributed at the meeting.) (***Motion Requested if Proposal Made***) Chair Delgado pgs. 17-21
6. Pre-Audit Conference (Presenter: Brandon Young, Engagement Partner) (***No Motion Required***) Sujata Jain
Chief Financial Officer
South Coast AQMD's auditing firm, Lance, Soll & Lunghard, LLP, will present an outline of the financial statement audit for Fiscal Year 2023-2024.
7. Audit Reports of AB 2766 Fee Revenue Recipients for Fiscal Years Ending June 30, 2020 and 2021 (***No Motion Required***) Sujata Jain pgs. 22-73
Health and Safety Code 44244.1 requires any agency that receives fee revenues subvended from the Department of Motor Vehicles to be audited once every two years. This audit of South Coast AQMD's share, MSRC's share, and local governments' share of such subvended funds, performed by independent Certified Public Accountants, has been completed.
8. Update on South Coast AQMD Diversity, Equity and Inclusion Efforts (***No Motion Required***) Cessa Heard-Johnson, PhD
Diversity, Equity and
Inclusion Officer
pgs. 74-86
Staff will provide an update South Coast AQMD's current and future Diversity, Equity, and Inclusion efforts.
9. Status Report on Major Ongoing and Upcoming Projects for Information Management (***No Motion Required***) Ron Moskowitz
Chief Information Officer,
Information Management
pgs. 87-93
Information Management is responsible for data systems

management services in support of all South Coast AQMD operations. This action is to provide the monthly status report on major automation contracts and planned projects.

ACTION ITEMS – Items 10 through 11:

- | | |
|---|--|
| 10. Execute Contract to Determine Brake and Tire Wear Exposure Concentrations in South Coast Air Basin and Coachella Valley (<i>Motion Requested</i>)
<i>In December 2023, the Board approved \$850,000 from the Clean Fuels Fund for a study on brake and tire wear particulate matter levels in the South Coast AQMD jurisdiction as part of MATES VI. This action is to authorize the Executive Officer to execute a contract with Emissions Analytics, LLC selected with South Coast AQMD’s RFP process to conduct the brake and tire wear study in an amount not to exceed \$850,000.</i> | Scott Epstein, PhD pgs. 94-98
Manager,
Planning, Rule Development &
Area Sources |
| 11. Appropriate Funds from Undesignated (Unassigned) Fund Balance for Permitting Enhancement Program (<i>Motion Requested</i>)
<i>The Board previously approved \$400,000 to be appropriated and used for retiree assistance. Due to the San Bernardino County Employees Retirement Association limitations and retiree availability, there will be unspent funds of approximately \$100,000, and this amount is requested to be used in FY 2024-25 with an additional \$200,000 requested. This total amount will be used for either retiree or consultant assistance and will be appropriated from the General Fund Undesignated (Unassigned) Fund Balance into Engineering and Permitting’s FY 2024-25 Budget.</i> | Jillian Wong, PhD pgs. 99-100
Assistant Deputy Executive
Officer
Engineering & Permitting |

WRITTEN REPORTS:

None.

OTHER MATTERS:

- | | |
|--|---------------|
| 12. Other Business
<i>Any member of the Committee, or its staff, on his or her own initiative or in response to questions posed by the public, may ask a question for clarification, may make a brief announcement or report on his or her own activities, provide a reference to staff regarding factual information, request staff to report back at a subsequent meeting concerning any matter, or may take action to direct staff to place a matter of business on a future agenda. (Govt Code Section 54954.2)</i> | Chair Delgado |
| 13. Public Comment
<i>At the end of the regular meeting agenda, an opportunity is provided for the public to speak on any subject within the Committee's authority that is not on the agenda. Speakers may be limited to three (3) minutes total.</i> | |
| 14. Next Meeting Date: Friday, August 9, 2024 at 10:00 a.m. | |

ADJOURNMENT

Americans with Disabilities Act and Language Accessibility

Disabilities and language-related accommodations can be requested to allow participation in the Administrative Committee meeting. The agenda will be made available, upon request, in appropriate alternative formats to assist persons with a disability (Gov't Code Section 54954.2(a)). In addition, other documents may be requested in alternative formats and languages. Any disability or language-related accommodation must be requested as soon as practicable. Requests will be accommodated unless providing the accommodation would result in a fundamental alteration or undue burden to the South Coast AQMD. Please contact Cindy Bustillos at (909) 396-2377 from 7:00 a.m. to 5:30 p.m., Tuesday through Friday, or send the request to cbustillos@aqmd.gov.

Document Availability

All documents (i) constituting non-exempt public records, (ii) relating to an item on an agenda for a regular meeting, and (iii) having been distributed to at least a majority of the Committee after the agenda is posted, are available by contacting Cindy Bustillos at (909) 396-2377, or send the request to cbustillos@aqmd.gov.

INSTRUCTIONS FOR ELECTRONIC PARTICIPATION

Instructions for Participating in a Virtual Meeting as an Attendee

As an attendee, you will have the opportunity to virtually raise your hand and provide public comment. Before joining the call, please silence your other communication devices such as your cell or desk phone. This will prevent any feedback or interruptions during the meeting.

Please note: During the meeting, all participants will be placed on Mute by the host. You will not be able to mute or unmute your lines manually. After each agenda item, the Chair will announce public comment. A countdown timer will be displayed on the screen for each public comment. If interpretation is needed, more time will be allotted.

Once you raise your hand to provide public comment, your name will be added to the speaker list. Your name will be called when it is your turn to comment. The host will then unmute your line.

Directions for Video ZOOM on a DESKTOP/LAPTOP:

- If you would like to make a public comment, please click on the **“Raise Hand”** button on the bottom of the screen. This will signal to the host that you would like to provide a public comment and you will be added to the list.

Directions for Video Zoom on a SMARTPHONE:

- If you would like to make a public comment, please click on the **“Raise Hand”** button on the bottom of your screen. This will signal to the host that you would like to provide a public comment and you will be added to the list.

Directions for TELEPHONE line only:

- If you would like to make public comment, please **dial *9** on your keypad to signal that you would like to comment.

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT**EXECUTIVE OFFICE****MEMORANDUM**

DATE: June 7, 2024
TO: Administrative Committee
FROM: Wayne Natri, Executive Officer
SUBJECT: Report of Travel

The following is a report of Chair-approved travel:

DATE	TRAVELER	DESTINATION	PURPOSE
May 21-23, 2024	Board Member Gideon Kracov	Las Vegas, Nevada	Board Member Kracov will attend the ACT Expo/Conference as the South Coast AQMD Board representative.

There is no upcoming staff out of country travel.



South Coast Air Quality Management District



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6/7/24 – 4:30 p.m.

DRAFT A G E N D A

HYBRID GOVERNING BOARD MEETING AUGUST 2, 2024

A meeting of the South Coast Air Quality Management District Board will be held at 9:00 a.m. on Friday, August 2, 2024 through a hybrid format of in-person attendance in the Dr. William A. Burke Auditorium at the South Coast AQMD Headquarters, 21865 Copley Drive, Diamond Bar, California, and/or virtual attendance via videoconferencing and by telephone. Please follow the instructions below to join the meeting remotely.

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<p>Electronic Participation Information (Instructions provided at the bottom of the agenda)</p>	<p>Join Zoom Meeting - from PC, Laptop or Phone https://scaqmd.zoom.us/j/93128605044 Meeting ID: 931 2860 5044 (applies to all) Teleconference Dial In +1 669 900 6833 or +1 253 215 8782 One tap mobile +16699006833,,93128605044# or +12532158782,,93128605044#</p> <p>Spanish Language Only Audience (telephone) Número Telefónico para la Audiencia que Habla Español Teleconference Dial In/Numero para llamar: +1 669 900 6833 Meeting ID/Identificación de la reunión: 932 0955 9643 One tap mobile: +16699006833,,93209559643</p>
<p>Public Comment Will Still Be Taken</p>	<p>Audience will be allowed to provide public comment in person and through Zoom connection or telephone. Comments are limited to three (3) minutes per person for all items on the Consent and Board Calendars and may be further limited by the Chair to ensure all can be heard.</p> <p>Phone controls for participants: The following commands can be used on your phone's dial pad while in meeting: *6 (Toggle mute/unmute); *9 - Raise hand</p>
<p>Questions About an Agenda Item</p>	<ul style="list-style-type: none"> ▪ The name and telephone number of the appropriate staff person to call for additional information or to resolve concerns is listed for each agenda item. ▪ In preparation for the meeting, you are encouraged to obtain whatever clarifying information may be needed to allow the Board to move expeditiously in its deliberations.

Meeting Procedures

- The public meeting of the South Coast AQMD Governing Board begins at 9:00 a.m. The Governing Board generally will consider items in the order listed on the agenda. However, any item may be considered in any order.
- After taking action on any agenda item not requiring a public hearing, the Board may reconsider or amend the item at any time during the meeting.

All documents (i) constituting non-exempt public records, (ii) relating to an item on the agenda, and (iii) having been distributed to at least a majority of the Governing Board after the agenda is posted, are available prior to the meeting for public review at South Coast AQMD's Clerk of the Boards Office, 21865 Copley Drive, Diamond Bar, CA 91765 or web page at www.aqmd.gov

Americans with Disabilities Act and Language Accessibility

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A webcast of the meeting is available for viewing at:
<http://www.aqmd.gov/home/news-events/webcast>

CALL TO ORDER

- Pledge of Allegiance
- Roll Call
- Opening Comments: Vanessa Delgado, Chair
Other Board Members
Wayne Nastri, Executive Officer

Staff/Phone (909) 396-

PUBLIC COMMENT PERIOD – (Public Comment on Non-Agenda Items, Pursuant to Government Code Section 54954.3) The public may comment on any subject within the South Coast AQMD’s authority that does not appear on the agenda, during the Public Comment Period. Each speaker addressing non-agenda items may be limited to a total of (3) minutes.

CONSENT AND BOARD CALENDAR (Items X through XX)

Note: Consent and Board Calendar items held for discussion will be moved to Item No. XX.

Item X and X – Action Items/No Fiscal Impact

12261. Approve Minutes of June 7, 2024 **Thomas/3268**

12465. Set Public Hearing September 6, 2024 to Consider Adoption of and/or Amendments to South Coast AQMD Rules and Regulations: **Nastri/3131**

12463. Determine That Coachella Valley Extreme Area Plan for 2008 8-Hour Ozone Standard Is Exempt from CEQA and Adopt Coachella Valley Extreme Area Plan for 2008 8-Hour Ozone Standard **Rees/2856**

The Coachella Valley is in “extreme” nonattainment for the 2008 8-hour ozone National Ambient Air Quality Standard (standard) with an attainment due date of July 20, 2032. On April 7, 2023, the Coachella Valley was reclassified from “severe-15” to “extreme” nonattainment to resolve a transportation conformity freeze. In compliance with the Clean Air Act and U.S. EPA’s SIP requirements for “extreme” nonattainment area, a SIP revision (Plan) has been developed to ensure that the Coachella Valley meets the 2008 8-hour ozone standard by 2031. Updated emissions inventory and modeling analysis indicate that ongoing implementation of currently adopted regulations and programs in both the South Coast Air Basin and the Coachella Valley will lead to attainment of this standard by the attainment due date. This action is to adopt the Resolution: 1) Determining that Coachella Valley Extreme Area Plan for the 2008 8-Hour Ozone Standard is exempt from the requirements of the California Environmental Quality Act; and 2) Approving Coachella Valley Extreme

Area Plan for the 2008 8-Hour Ozone Standard, and directing staff to forward the Plan to CARB for approval and submission to U.S. EPA for inclusion in the SIP. (Reviewed: Mobile Source Committee, August 16, 2024)

12468. Determine That Proposed Rule 1165 – Control of Emissions from Municipal Solid Waste Incinerators, Is Exempt from CEQA and Adopt Rule 1165

Krause/2706

Proposed Rule (PR) 1165 seeks to reduce NOx, PM, CO emissions from municipal solid waste incinerators by establishing emission concentration limits. Additionally, PR 1165 will include provisions for housekeeping, monitoring, source testing, reporting, and recordkeeping. This action is to adopt the Resolution: 1) Determining that the Proposed Rule 1165 – Control of Emissions from Municipal Solid Waste Incinerators, is exempt from the requirements of the California Environmental Quality Act, and 2) Adopting Rule 1165 – Control of Emissions from Municipal Solid Waste Incinerators. (Review: Stationary Source Committee, June 21, 2024)

Items X through XX – Budget/Fiscal Impact

12456. Issue RFP to Replace Electric Vehicle Charging Infrastructure at South Coast AQMD Headquarters

Katzenstein/2219

South Coast AQMD headquarters' electric vehicle (EV) charging infrastructure is outdated and many chargers are no longer repairable. To continue to provide electric vehicle charging to staff and the public it is necessary to upgrade the Electric Vehicle Supply Equipment and add features to include remote monitoring and integrating the charging network into the building energy management system. This action is to issue an RFP to solicit proposals to replace the EV charging infrastructure at South Coast AQMD headquarters. (Reviewed: Technology Committee, June 21, 2024; Recommended for Approval)

12457. Adopt Resolution, Recognizing Funds for FY 2023-24 Carl Moyer State Reserve, Enhanced Fleet Modernization Program and Clean Cars 4 All, Reimburse General Funds for Administrative Costs, Issue Program Announcement, Amend Carl Moyer Program Awards and Contract to Deploy Zero-Emission Equipment

Katzenstein/2219

In April 2024, CARB approved an allocation of up to \$5.3 million to South Coast AQMD for the FY 2023-24 Carl Moyer "Year 26" State Reserve Program, including 6.25 percent in administrative funds. Carl Moyer State Reserve funds were directed to fund zero-emission projects meeting the Carl Moyer Program Guidelines. Next, in April, CARB allocated \$5.9 million to Enhanced Fleet Modernization Program (EFMP) and Clean Cars 4 All (CC4A) to continue implementing the Replace Your Ride (RYR) Program.

Lastly, in July 2019, the Board approved a \$2,100,000 EPA award under the FY2018 Targeted Air Shed Grant to develop and demonstrate battery electric excavators and wheel loaders. In March 2024, U.S. EPA agreed to allocate the unspent project and administrative funds to deploy zero-emission equipment and the U.S. EPA award was amended to extend the project term to December 2025. These actions are to: 1) adopt a resolution recognizing up to \$5.3 million in FY 2023-24 Carl Moyer State Reserve funds into Carl Moyer Program Fund (32); 2) recognize up to \$5.9 million in EFMP and CC4A into HEROS II Special Revenue Fund (56); 3) reimburse General Fund for administrative costs to implement RYR; 4) issue a Program Announcement for eligible zero-emission off-road projects; 5) execute agreements for eligible projects resulting from the Program Announcement; 6) amend Carl Moyer Program awards approved in February 2024; and 7) amend contract with Volvo Technology of America, LLC to add up to \$60,000 for the deployment of up to 13 zero-emission equipment from Clean Fuels Program Fund (31). (Reviewed: Technology Committee, June 21, 2024; Recommended for Approval)

12464. Adopt Resolution from California Department of Transportation, Execute and Amend Agreements

Katzenstein/2219

In December 2023, the Board recognized an award of \$76,250,003 from California State Transportation Agency's (CalSTA) to demonstrate a short line hydrogen fuel cell locomotive and deploy direct current fast chargers and hydrogen refueling dispensers for heavy duty trucks. The Board also recognized \$500,000 from the DOE through a FY 23 Congressional Direct Spending Request for the project. The CalSTA Special Revenue Fund (89) was established to receive the funds. To receive these funds, South Coast AQMD must execute a master agreement, program supplemental agreements, fund exchange agreements and/or fund transfer agreements with Department of Transportation (Caltrans). These actions are to: 1) Adopt a Resolution from Caltrans; 2) Authorize the Executive Officer to execute the master agreements, program supplemental agreements, fund exchange agreements, and/or fund transfer agreements with Caltrans and any delegated authorities to execute these agreements, and the amendments; 3) Execute an agreement with DOE and reimburse the General Fund for up to \$24,000 for administering the DOE grant and 4) allow temporary loans of up to \$10 million for payments to Prologis Mobility, LLC., and Wabtec Corporation from Fund 31, Clean Fuels Program Fund, into CALSTA Special Revenue Fund (89) before Caltrans's reimbursements are received. (Reviewed: Technology Committee, June 21, 2024; Recommended for Approval)

12445. Authorize Rebate Fund to Incentivize Zero-Emission Appliances Through Building Appliances Rebate Program and Issue RFP for Third-Party Implementation of Program

Krause/2706

The 2022 AQMP includes control measures that are based on accelerated deployment of zero-emissions technologies. One hurdle to the implementation is the high upfront costs. To help mitigate the cost, the 2022 AQMP Resolution directed staff to incentivize the installation of zero-emission technologies. Staff proposes to establish the Building Appliances Rebate Program to provide incentives to consumers, multifamily property owners, and small business owners for the installation of zero-emission appliances, and to fund installer training. The program would be funded by mitigation fees collected under the alternative compliance options for residential space and water heating appliances maintained in the Air Quality Investment Fund (Fund 27). Staff recommends having a third-party contractor(s) administer the rebate program. This action is to 1) Authorize funding the Building Appliances Rebate Program with \$20,000,000 from Fund 27; and 2) Authorize the issuance of RFP #P2024-XX to solicit proposals for third-party contractor(s) to administer the rebate program for consumers who purchase and install zero-emission appliances in the South Coast AQMD. (Reviewed: Stationary Source Committee, June 21, 2024; Recommended for Approval)

12460. Execute Contract to Determine Brake and Tire Wear Exposure Concentrations in South Coast Air Basin and Coachella Valley

Rees/2856

In December 2023, the Board approved \$850,000 from the Clean Fuels Fund for a study on brake and tire wear particulate matter levels in the South Coast AQMD jurisdiction as part of MATES VI. This action is to authorize the Executive Officer to execute a contract with Emissions Analytics, LLC selected with South Coast AQMD's RFP process to conduct the brake and tire wear study in an amount not to exceed \$850,000. (Reviewed: Administrative Committee, June 14, 2024; Recommended for Approval)

12461. Appropriate Funds from Undesignated (Unassigned) Fund Balance for Permitting Enhancement Program

Jillian Wong/3176

The Board previously approved \$400,000 to be appropriated and used for retiree assistance. Due to the San Bernardino County Employees Retirement Association limitations and retiree availability, there will be unspent funds of approximately \$100,000, and this amount is requested to be used in FY 2024-25 with an additional \$200,000 requested. This total amount will be used for either retiree or consultant assistance and will be appropriated from the General Fund Undesignated (Unassigned) Fund Balance into Engineering and Permitting's FY 2024-25 Budget. (Reviewed: Administrative Committee, June 14, 2024; Recommended for Approval)

12231. Approve Contract Modification as Approved by MSRC **McCallon**

Items XX through XX – Information Only/Receive and File

12310. Legislative, Public Affairs and Media Report **Alatorre/3122**

This report highlights the May and June 2024 outreach activities of the Legislative, Public Affairs and Media Office, which includes: Major Events, Community Events/Public Meetings, Environmental Justice Update, Speakers Bureau/Visitor Services, Communications Center, Public Information Center, Business Assistance, Media Relations and Outreach to Business and Federal, State and Local Government. (No Committee Review)

12324. Hearing Board Report **Verdugo-Peralta**

This reports the actions taken by the Hearing Board during the period of May 1 through June 30, 2024. (No Committee Review)

12242. Civil Filings and Civil Penalties Report **Gilchrist/3459**

This report summarizes monthly penalties and legal actions filed by the General Counsel's Office from May 1, 2024 through May 31, 2024. An Index of South Coast AQMD Rules is attached with the penalty report. (Reviewed: Stationary Source Committee, June 21, 2024)

12406. Intergovernmental Review of Environmental Documents and CEQA Lead Agency Projects **Krause /2706**

This report provides a listing of CEQA documents received by South Coast AQMD between May 1, 2024 and June 30, 2024, and those projects for which South Coast AQMD is acting as lead agency pursuant to CEQA. (Reviewed: Mobile Source Committee, June 21, 2024 for May 1 to May 31, 2024 portion of the report; the June 1 to June 30, 2024 portion of the report had no committee review)

12336. Rule and Control Measure Forecast **Rees/2856**

This report highlights South Coast AQMD rulemaking activities and public hearings scheduled for 2024. (No Committee Review)

12436. Audit Reports of AB 2766 Fee Revenue Recipients for Fiscal Years Ending June 30, 2020 and 2021 **Jain/2804**

Health and Safety Code 44244.1 requires any agency that receives fee revenues subvended from the Department of Motor Vehicles to be audited once every two years. This audit of South Coast AQMD's share, MSRC's share, and local governments' share of such subvended funds, performed by independent Certified Public Accountants, has been completed. (Reviewed: Administrative Committee, June 14, 2024)

12458. Report of RFQs/RFPs Scheduled for Release in September **Jain/2804**
 This report summarizes the RFQs/RFPs for budgeted services over \$100,000 scheduled to be released for advertisement for the month of September. (Reviewed: Administrative Committee, August 9, 2024)

12444. Status Report on Major Ongoing and Upcoming Projects for Information Management **Moskowitz/3329**
 Information Management is responsible for data systems management services in support of all South Coast AQMD operations. This action is to provide the monthly status report on major automation contracts and planned projects. (Reviewed: Administrative Committee, June 14, 2024)

Items XX through XX -- Reports for Committees and CARB

12288. Administrative Committee (Receive & File)	Chair: Delgado	Nastri/3131
12199. Investment Oversight Committee (Receive & File)	Chair: Delgado	Jain/2804
12299. Legislative Committee (Receive & File)	Chair: Cacciotti	Alatorre/3122
12347. Mobile Source Committee (Receive & File)	Chair: Kracov	Rees/2856
12251. Stationary Source Committee (Receive & File)	Chair: McCallon	Aspell/2491
12207. Technology Committee (Receive & File)	Chair: Rodriguez	Katzenstein/2219
12219. Mobile Source Air Pollution Reduction Review Committee Report (Receive & File)	Board Rep.: Hagman	Katzenstein/2219
12271. California Air Resources Board Monthly Report (Receive & File)	Board Rep.: Kracov	Thomas/3268

XX. **Items Deferred from Consent and Board Calendar**

PUBLIC HEARINGS

12396. Determine That Proposed Amended Rule 1148.1 – Oil and Gas Production Wells, Is Exempt from CEQA and Amend Rule 1148.1 **Krause/2706**
 Rule 1148.1 – Oil and Gas Production Wells applies to facilities that operate oil and gas wells. Proposed Amended Rule (PAR) 1148.1 will address objectives of the Wilmington, Carson, and West Long Beach and South Los Angeles AB 617 communities. PAR 1148.1 requires the use of enhanced leak detection technology, equipment that uses produced gas to meet specific NOx limits, and workover rigs to use Tier 4 Final diesel engines. PAR 1148.1 also bans the use of odorants and updates signage requirements. This action is to adopt the Resolution: 1) Determining that the proposed amendments to Rule 1148.1 – Oil and Gas Production Wells, are

exempt from the requirements of the California Environmental Quality Act, and 2) Amending Rule 1148.1. (Reviewed: Stationary Source Committee, April 19, 2024)

12459. Determine That Proposed Rule 2306 – Freight Rail Yards Does Not Require a New Environmental Document; Determine That Proposed Rule 316.2 – Fees for Rule 2306 is Exempt From CEQA; and Adopt Proposed Rules 2306 and 316.2

MacMillan/3244

Proposed Rule 2306 seeks to reduce NOx emissions associated with freight rail yard operations by requiring operators of freight rail yards to meet or exceed emission reduction targets. The proposed rule will ensure that emission reductions will be proportional or greater in the South Coast AQMD relative to reductions throughout California from implementation of state regulations. Additionally, any state or local government agency contracting with the owner or operator of a freight rail yard in relation to its lease, construction, or operation will be required to include requirements for rule compliance in new, renewed, or amended contracts. Proposed Rule 316.2 will establish fees for owners and operators of freight rail yards to recover costs incurred by South Coast AQMD for implementation of Proposed Rule 2306. If adopted, Proposed Rule 2306 will be submitted to CARB for their consideration and transmittal to U.S. EPA. (Reviewed: Mobile Source Committee, January 19, April 19, and June 21, 2024)

12467. 2023 Annual Report on AB 2588 Program and Updates to AB 2588 and Rule 1402 Supplemental Guidelines

Rees/2856

The Annual Report on AB 2588 Program is a requirement by Air Toxics “Hot Spots” Information and Assessment Act of 1987 (AB 2588). This report provides information regarding South Coast AQMD’s implementation of AB 2588 through Rule 1402. This annual update describes the various activities including quadrennial emissions reporting and prioritization, preparation and review of Air Toxics Inventory Reports, Health Risk Assessments, Voluntary Risk Reduction Plans, Risk Reduction Plans, and additional South Coast AQMD activities related to air toxics. Proposed updates to the AB 2588 and Rule 1402 Supplemental Guidelines will also be presented. (Reviewed: Stationary Source Committee, June 21, 2024)

BOARD MEMBER TRAVEL – (No Written Material)

Board member travel reports have been filed with the Clerk of the Boards, and copies are available upon request.

CONFLICT OF INTEREST DISCLOSURE – (No Written Material)

CLOSED SESSION -- (No Written Material)

Gilchrist/3459

ADJOURNMENT

*****PUBLIC COMMENTS*****

Members of the public are afforded an opportunity to speak on any agenda item before consideration of that item. Persons wishing to speak may do so in person or remotely via Zoom or telephone. To provide public comments via a Desktop/Laptop or Smartphone, click on the “Raise Hand” at the bottom of the screen, or if participating via Dial-in/Telephone Press *9. This will signal to the host that you would like to provide a public comment and you will be added to the list.

All agendas are posted at South Coast AQMD Headquarters, 21865 Copley Drive, Diamond Bar, California, and website, <http://www.aqmd.gov/home/news-events/meeting-agendas-minutes>, at least 72 hours in advance of the meeting. At the beginning of the agenda, an opportunity is also provided for the public to speak on any subject within the South Coast AQMD’s authority. Speakers may be limited to a total of three (3) minutes for the entirety of the Consent Calendar plus Board Calendar, and three (3) minutes or less for each of the other agenda items.

Note that on items listed on the Consent Calendar and the balance of the agenda any motion, including action, can be taken (consideration is not limited to listed recommended actions). Additional matters can be added and action taken by two-thirds vote, or in the case of an emergency, by a majority vote. Matters raised under the Public Comment Period may not be acted upon at that meeting other than as provided above.

Written comments will be accepted by the Board and made part of the record. Individuals who wish to submit written or electronic comments must submit such comments to the Clerk of the Board, South Coast AQMD, 21865 Copley Drive, Diamond Bar, CA 91765-4178, (909) 396-2500, or to cob@aqmd.gov, on or before 5:00 p.m. on the Tuesday prior to the Board meeting.

ACRONYMS

- | | |
|--|--|
| AQ-SPEC = Air Quality Sensor Performance Evaluation Center | NAAQS = National Ambient Air Quality Standards |
| AQIP = Air Quality Investment Program | NATTS =National Air Toxics Trends Station |
| AQMP = Air Quality Management Plan | NESHAPS = National Emission Standards for Hazardous Air Pollutants |
| AVR = Average Vehicle Ridership | NGV = Natural Gas Vehicle |
| BACT = Best Available Control Technology | NOx = Oxides of Nitrogen |
| BARCT = Best Available Retrofit Control Technology | NSPS = New Source Performance Standards |
| Cal/EPA = California Environmental Protection Agency | NSR = New Source Review |
| CARB = California Air Resources Board | OEHHA = Office of Environmental Health Hazard Assessment |
| CEMS = Continuous Emissions Monitoring Systems | PAMS = Photochemical Assessment Monitoring Stations |
| CEC = California Energy Commission | PEV = Plug-In Electric Vehicle |
| CEQA = California Environmental Quality Act | PHEV = Plug-In Hybrid Electric Vehicle |
| CE-CERT =College of Engineering-Center for Environmental Research and Technology | PM10 = Particulate Matter ≤ 10 microns |
| CNG = Compressed Natural Gas | PM2.5 = Particulate Matter ≤ 2.5 microns |
| CO = Carbon Monoxide | RECLAIM=Regional Clean Air Incentives Market |
| DOE = Department of Energy | RFP = Request for Proposals |
| EV = Electric Vehicle | RFQ = Request for Quotations |
| EV/BEV = Electric Vehicle/Battery Electric Vehicle | RFQQ=Request for Qualifications and Quotations |
| FY = Fiscal Year | SCAG = Southern California Association of Governments |
| GHG = Greenhouse Gas | SIP = State Implementation Plan |
| HRA = Health Risk Assessment | SOx = Oxides of Sulfur |
| LEV = Low Emission Vehicle | SOON = Surplus Off-Road Opt-In for NOx |
| LNG = Liquefied Natural Gas | SULEV = Super Ultra Low Emission Vehicle |
| MATES = Multiple Air Toxics Exposure Study | TCM = Transportation Control Measure |
| MOU = Memorandum of Understanding | ULEV = Ultra Low Emission Vehicle |
| MSERCs = Mobile Source Emission Reduction Credits | U.S. EPA = United States Environmental Protection Agency |
| MSRC = Mobile Source (Air Pollution Reduction) Review Committee | VOC = Volatile Organic Compound |
| | ZEV = Zero Emission Vehicle |

INSTRUCTIONS FOR ELECTRONIC PARTICIPATION

Instructions for Participating in a Virtual Meeting as an Attendee

As an attendee, you will have the opportunity to virtually raise your hand and provide public comment.

Before joining the call, please silence your other communication devices such as your cell or desk phone. This will prevent any feedback or interruptions during the meeting.

For language interpretation:

Click the interpretation Globe icon at the bottom of the screen

Select the language you want to hear (either English or Spanish)

Click "Mute Original Audio" if you hear both languages at the same time.

Para interpretación de idiomas:

Haga clic en el icono de interpretación el globo terráqueo en la parte inferior de la pantalla

Seleccione el idioma que desea escuchar (inglés o español)

Haga clic en "Silenciar audio original" si escucha ambos idiomas al mismo tiempo.

Please note: During the meeting, all participants will be placed on Mute by the host. You will not be able to mute or unmute your lines manually.

After each agenda item, the Chair will announce public comment.

Speakers may be limited to a total of 3 minutes for the entirety of the consent calendar plus board calendar, and three minutes or less for each of the other agenda items.

A countdown timer will be displayed on the screen for each public comment.

If interpretation is needed, more time will be allotted.

Directions to provide public comment on ZOOM from a DESKTOP/LAPTOP or SMARTPHONE:

Click on the "Raise Hand" feature at the bottom of the screen.

This will signal to the host that you would like to provide a public comment and you will be added to the list.

Directions to provide public comment via TELEPHONE:

Dial *9 on your keypad to signal that you would like to comment.

Directions for Spanish Language TELEPHONE line only:

- The call in number is the same (+1 669 900 6833)
- The meeting ID number is 928-3000-3925
- If you would like to make public comment, please dial *9 on your keypad to signal that you would like to comment.

Instrucciones para la línea de TELÉFONO en español únicamente:

- El número de llamada es el mismo (+1 669900 6833 o +1 93209559643)
- El número de identificación de la reunión es 928-3000-3925
- Si desea hacer un comentario público, marque *9 en su teclado para indicar que desea comentar.

Agenda Item #5

Approval of Compensation for Board Member Assistant(s)/Consultant(s)

**Special Administrative Committee Meeting
June 14, 2024**

Proposal for SCAQMD Board Member Assistant/Consultant

To: Administrative Cmte For meeting on June 14, 2024 From: Board Member Michael Cacciotti

In accordance with the policy adopted by the Governing Board April 3, 2015, I submit this proposal to hire the individual named below, in the capacity indicated, to assist me in my duties as a member of the Governing Board of the SCAQMD effective July 1, 2024 and ending June 30, 2025

Candidate Information

Name: Ken Chawkins

Qualifications (education, professional experience, etc.): Continuing service/resume on file

Proposed Capacity (check one)

Board Member Assistant (employee) - the work to be performed primarily will entail the duties indicated below for an Assistant.

Board Member Consultant (employee) - the work to be performed primarily will entail the duties indicated below for a Consultant.

Board Member Consultant (independent contractor) - the work to be performed primarily will entail the duties indicated below for a Board Member Consultant and in performing such duties the independent contractor will be responsible for selecting the appropriate method and means of achieving the required results. My proposed Board Member Consultant does /does not have a business license. If so, the type of business is _____, and the business license number is _____ issued by the _____

Proposed Scope of Duties (check one)

Assistant (up to \$31.51/hour, \$31.99/hour effective January 1, 2017) - Performs for Board Member a variety of tasks ranging from liaison with constituent public entities, other Board Members, the public, and District staff related to clerical functions. Typical functions may include preparing narrative and statistical reports, preparing correspondence, filing and maintaining records, arranging meetings and other group functions; monitoring various programs and projects; responding to inquiries from constituent public entities, District Board Members, the public and District staff.

Examples of duties are set forth in the attachment (OPTIONAL)

Consultant (up to \$56.73/hour, \$57.59/hour effective January 1, 2017) - Performs for Board Member a variety of professional-level assignments in the development and formulation of policy, data analysis, reports, plans, assessments, and strategies for District programs; provides advice and recommendations to the Board Member regarding matters subject to the Board Member's decision-making authority; may provide liaison with the public on behalf of the Board Member. Typical functions may include planning, organizing, and developing a wide variety of programs on the Board Member's behalf and evaluating the effectiveness of various approaches.

Examples of duties are set forth in the attachment (OPTIONAL)

Proposed Rate of Compensation (fill in all blanks)

\$ 1,240.16 per month for July 1, 2024 through June 30, 2025 per month, up to a maximum payable during the contract period not to exceed \$ 14,881.92.

For Administrative Committee Use:

Reviewed by Administrative Committee with advice of District Counsel. Based on the scope of duties, the individual is a:
 Assistant (employee) Consultant (employee) Consultant (independent contractor)

By _____ for the Administrative Committee

cc: Human Resources

Rev. 6/7/24

Proposal for SCAQMD Board Member Assistant/Consultant

To: Administrative Cmte For meeting on June 14, 2025 From: Board Member Curt Hagman

In accordance with the policy adopted by the Governing Board April 3, 2015, I submit this proposal to hire the individual named below, in the capacity indicated, to assist me in my duties as a member of the Governing Board of the SCAQMD effective July 1, 2024 and ending June 30, 2025

Candidate Information

Name: County of San Bernardino (Michael Miller)

Qualifications (education, professional experience, etc.): Continuing service; Resume on file

Proposed Capacity (check one)

Board Member Assistant (employee) - the work to be performed primarily will entail the duties indicated below for an Assistant.

Board Member Consultant (employee) - the work to be performed primarily will entail the duties indicated below for a Consultant.

Board Member Consultant (independent contractor) - the work to be performed primarily will entail the duties indicated below for a Board Member Consultant and in performing such duties the independent contractor will be responsible for selecting the appropriate method and means of achieving the required results. My proposed Board Member Consultant does /does not have a business license. If so, the type of business is _____, and the business license number is _____ issued by the _____

Proposed Scope of Duties (check one)

Assistant (up to \$31.51/hour, \$31.99/hour effective January 1, 2017) - Performs for Board Member a variety of tasks ranging from liaison with constituent public entities, other Board Members, the public, and District staff related to clerical functions. Typical functions may include preparing narrative and statistical reports, preparing correspondence, filing and maintaining records, arranging meetings and other group functions; monitoring various programs and projects; responding to inquiries from constituent public entities, District Board Members, the public and District staff.
Examples of duties are set forth in the attachment (OPTIONAL)

Consultant (up to \$56.73/hour, \$57.59/hour effective January 1, 2017) - Performs for Board Member a variety of professional-level assignments in the development and formulation of policy, data analysis, reports, plans, assessments, and strategies for District programs; provides advice and recommendations to the Board Member regarding matters subject to the Board Member’s decision-making authority; may provide liaison with the public on behalf of the Board Member. Typical functions may include planning, organizing, and developing a wide variety of programs on the Board Member’s behalf and evaluating the effectiveness of various approaches.
Examples of duties are set forth in the attachment (OPTIONAL)

Proposed Rate of Compensation (fill in all blanks)

\$1,742.95 for July 1, 2024 through June 30, 2025, up to a maximum payable during the contract period not to exceed \$20,915.40.

For Administrative Committee Use:

Reviewed by Administrative Committee with advice of District Counsel. Based on the scope of duties, the individual is a:
 Assistant (employee) Consultant (employee) Consultant (independent contractor)

By _____ for the Administrative Committee

cc: Human Resources

Rev. 6/7/24

Proposal for SCAQMD Board Member Assistant/Consultant

To: Administrative Cmte For meeting on June 14, 2024 From: Board Member Curt Hagman

In accordance with the policy adopted by the Governing Board April 3, 2015, I submit this proposal to hire the individual named below, in the capacity indicated, to assist me in my duties as a member of the Governing Board of the SCAQMD effective July 1, 2024 and ending June 30, 2025

Candidate Information

Name: County of San Bernardino (Peter Rogers)

Qualifications (education, professional experience, etc.): Resume attached

Proposed Capacity (check one)

Board Member Assistant (employee) - the work to be performed primarily will entail the duties indicated below for an Assistant.

Board Member Consultant (employee) - the work to be performed primarily will entail the duties indicated below for a Consultant.

Board Member Consultant (independent contractor) - the work to be performed primarily will entail the duties indicated below for a Board Member Consultant and in performing such duties the independent contractor will be responsible for selecting the appropriate method and means of achieving the required results. My proposed Board Member Consultant does /does not have a business license. If so, the type of business is _____, and the business license number is _____ issued by the _____

Proposed Scope of Duties (check one)

Assistant (up to \$31.51/hour, \$31.99/hour effective January 1, 2017) - Performs for Board Member a variety of tasks ranging from liaison with constituent public entities, other Board Members, the public, and District staff related to clerical functions. Typical functions may include preparing narrative and statistical reports, preparing correspondence, filing and maintaining records, arranging meetings and other group functions; monitoring various programs and projects; responding to inquiries from constituent public entities, District Board Members, the public and District staff.
 Examples of duties are set forth in the attachment (OPTIONAL)

Consultant (up to \$56.73/hour, \$57.59/hour effective January 1, 2017) - Performs for Board Member a variety of professional-level assignments in the development and formulation of policy, data analysis, reports, plans, assessments, and strategies for District programs; provides advice and recommendations to the Board Member regarding matters subject to the Board Member’s decision-making authority; may provide liaison with the public on behalf of the Board Member. Typical functions may include planning, organizing, and developing a wide variety of programs on the Board Member’s behalf and evaluating the effectiveness of various approaches.
 Examples of duties are set forth in the attachment (OPTIONAL)

Proposed Rate of Compensation (fill in all blanks)

\$585.82 for July 1, 2024 through June 30, 2025, up to a maximum payable during the contract period not to exceed \$7,029.84.

For Administrative Committee Use:

Reviewed by Administrative Committee with advice of District Counsel. Based on the scope of duties, the individual is a:
 Assistant (employee) Consultant (employee) Consultant (independent contractor)

By _____ for the Administrative Committee

cc: Human Resources

Rev. 6/7/24

Proposal for SCAQMD Board Member Assistant/Consultant

To: Administrative Cmte For meeting on June 14, 2024 From: Board Member Jose Luis Solache

In accordance with the policy adopted by the Governing Board April 3, 2015, I submit this proposal to hire the individual named below, in the capacity indicated, to assist me in my duties as a member of the Governing Board of the SCAQMD effective July 1, 2024 and ending June 30, 2025

Candidate Information

Name: Uduak-Joe Ntuk

Qualifications (education, professional experience, etc.): Continuing service/Resume on file

Proposed Capacity (check one)

Board Member Assistant (employee) - the work to be performed primarily will entail the duties indicated below for an Assistant.

Board Member Consultant (employee) - the work to be performed primarily will entail the duties indicated below for a Consultant.

Board Member Consultant (independent contractor) - the work to be performed primarily will entail the duties indicated below for a Board Member Consultant and in performing such duties the independent contractor will be responsible for selecting the appropriate method and means of achieving the required results. My proposed Board Member Consultant does /does not have a business license. If so, the type of business is _____, and the business license number is _____ issued by the _____

Proposed Scope of Duties (check one)

Assistant (up to \$31.51/hour, \$31.99/hour effective January 1, 2017) - Performs for Board Member a variety of tasks ranging from liaison with constituent public entities, other Board Members, the public, and District staff related to clerical functions. Typical functions may include preparing narrative and statistical reports, preparing correspondence, filing and maintaining records, arranging meetings and other group functions; monitoring various programs and projects; responding to inquiries from constituent public entities, District Board Members, the public and District staff.
Examples of duties are set forth in the attachment (OPTIONAL)

Consultant (up to \$56.73/hour, \$57.59/hour effective January 1, 2017) - Performs for Board Member a variety of professional-level assignments in the development and formulation of policy, data analysis, reports, plans, assessments, and strategies for District programs; provides advice and recommendations to the Board Member regarding matters subject to the Board Member's decision-making authority; may provide liaison with the public on behalf of the Board Member. Typical functions may include planning, organizing, and developing a wide variety of programs on the Board Member's behalf and evaluating the effectiveness of various approaches.
Examples of duties are set forth in the attachment (OPTIONAL)

Proposed Rate of Compensation (fill in all blanks)

\$2,737.50 per month for July 1, 2024 through June 30, 2025, up to a maximum payable during the contract period not to exceed \$32,850.

For Administrative Committee Use:

Reviewed by Administrative Committee with advice of District Counsel. Based on the scope of duties, the individual is a:
 Assistant (employee) Consultant (employee) Consultant (independent contractor)

By _____ for the Administrative Committee

cc: Human Resources

Rev. 6/7/24

BOARD MEETING DATE: August 2, 2024

AGENDA NO.

REPORT: Audit Reports of AB 2766 Fee Revenue Recipients for Fiscal Years Ending June 30, 2020 and 2021

SYNOPSIS: Health and Safety Code 44244.1 requires any agency that receives fee revenues subvned from the Department of Motor Vehicles to be audited once every two years. This audit of South Coast AQMD's share, MSRC's share, and local governments' share of such subvned funds, performed by independent Certified Public Accountants, has been completed.

COMMITTEE: Administrative, June 14, 2024, Reviewed

RECOMMENDED ACTION:
Receive and file.

Wayne Natri
Executive Officer

SJ:AP

Background

AB 2766 was chaptered into law as Health and Safety Code Sections 44220-44247 which were enacted to authorize air pollution control districts to impose fees on motor vehicles. These fees are to be expended specifically for the purpose of mobile source air pollution reduction measures pursuant to the California Clean Air Act of 1988 or South Coast AQMD's AQMP pursuant to Article 5 of Chapter 5.5 of Part 3 of the Health and Safety Code.

The fee revenue is collected by the Department of Motor Vehicles (\$4.00 per vehicle registration) and subvned to South Coast AQMD for distribution as follows: 30 percent (\$1.20) goes to support South Coast AQMD-approved programs for the reduction of emissions from mobile sources; 40 percent (\$1.60) is placed in the Air Quality Improvement Trust Fund for quarterly disbursement to local governments; and 30 percent (\$1.20) is placed in the Mobile Source Air Pollution Reduction Special Revenue Fund for projects awarded by the MSRC Committee under a work program approved by South Coast AQMD Board.

Audit Summary

South Coast AQMD's Use of AB 2766 Fee Revenues – Segment 1

The audit of South Coast AQMD's use of the motor vehicle registration revenues resulted in no findings. The audit report is included in Attachment A. The cost of auditing South Coast AQMD's use of the AB 2766 revenues was \$3,950, paid from South Coast AQMD's portion of the fee revenues.

Local Government Use of AB 2766 Fee Revenues – Segment 2

The audit of local governments' use of AB 2766 funds resulted in 34 findings from 22 agencies, out of 162 recipients. All of findings will be resolved in accordance with AB 2766 program guidelines. A summary of the audit findings is included in Attachment B, along with the audit reports in Attachments C and D.

The total cost to audit the local government recipients was \$99,700. The cost of the audit is allocated and paid from the local governments' portion of the fee revenues in accordance with AB 2766 program guidelines.

MSRCs Use of AB 2766 Fee Revenues – Segment 3

The audit of the MSRC fund and of projects from the MSRC Work Program resulted in no findings. The audit reports are included in Attachments E and F. The MSRC reviewed the summary audit reports at its June 20, 2024 meeting. The cost of auditing the MSRC and their use of program revenues was \$8,000 and will be deducted from the fee revenues subvended to the MSRC.

Attachments

- A. South Coast AQMD's Use of AB 2766 Fee Revenues – Segment 1
- B. Summary of AB 2766 Audit Findings for Local Governments and Council of Governments
- C. Local Governments Use of AB 2766 Fee Revenues Summary of Audit Reports - Segment 2
- D. Local Governments Use of AB 2766 Fee Revenues Summary of Audit Reports - Segment 2, Subgroup 1
- E. MSRC's Use of AB 2766 Fee Revenues Summary Audit Report - Segment 3
- F. MSRC Projects Audit – Segment 3, Projects

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

***AIR QUALITY IMPROVEMENT FUND
(SEGMENT 1)***

***INDEPENDENT ACCOUNTANT'S REPORT ON
APPLYING AGREED-UPON PROCEDURES***

FOR THE YEARS ENDED JUNE 30, 2021 AND 2020





SIMPSON & SIMPSON
CERTIFIED PUBLIC ACCOUNTANTS

FOUNDING PARTNERS
BRANARD C. SIMPSON, CPA
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Independent Accountant's Report on Applying Agreed-Upon Procedures

The Governing Board of
The South Coast Air Quality Management District

We have performed the procedures enumerated below on automobile registration fee revenues (AB 2766 funds) received by the South Coast Air Quality Management District (South Coast AQMD) for the fiscal years ended June 30, 2021 and 2020. The South Coast AQMD is responsible for spending AB 2766 funds on the reduction of air pollution from motor vehicles pursuant to the California Clean Air Act of 1988 or the South Coast Air Quality Management District's (South Coast AQMD) Air Quality Management Plan (AQMP) prepared pursuant to Article 5 of Chapter 5.5 of Part 3 of the California Health and Safety Code (CHSC).

The South Coast AQMD has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose solely to assist in determining whether AB 2766 funds received by the South Coast AQMD for the fiscal years ended June 30, 2021 and 2020 were spent on the reduction of air pollution from motor vehicles pursuant to California Clean Air Act of 1988 or the South Coast AQMD's AQMP. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report, and as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

Our procedures and results are as follows.

1. We inquired to obtain an understanding of how the SCAQMD accounts for AB 2766 funds, including whether the AB 2766 funds are maintained in a separate fund or if there is a separate accounting of the AB 2766 funds maintained by another means.

Result

We noted that the AB 2766 funds - Segment 1 (District Funds) are recorded under the General Fund of the SCAQMD.



2. We conducted interviews and tested significant controls to identify significant deficiencies in the design or operation of the SCAQMD's internal control procedures over the receipt and use of AB 2766 funds.

Result

We noted no exceptions in performing this procedure.

3. We obtained the California Department of Motor Vehicles (DMV) fee distribution record for AB 2766 revenues and agree them to the SCAQMD's AB 2766 revenues recorded in the general ledger.

Result

We noted no exceptions to recorded revenues.

4. We recalculated the SCAQMD's allocation of AB 2766 revenue fees to recipients to verify that the allocation was in accordance with CHSC Section 44243, after deducting administrative costs pursuant to Section 44229, and any audit costs pursuant to Section 44244.1(a).

Result

We noted no exceptions on the allocation of AB 2766 revenue fees to the recipients.

5. We conducted interviews in order to obtain an understanding of how the SCAQMD allocates interest earned and determined the reasonableness of the interest allocation and that interest was used for the same purposes for which AB 2766 funds were allocated to the SCAQMD.

Result

We noted no exceptions to interest allocation earned or use of interest earned.

6. We verified that the SCAQMD's governing board adopted a resolution to document the intent and use of AB 2766 funds exclusively for the reduction of air pollution from motor vehicles in accordance with the California Clean Air Act of 1988.

Result

We noted no exceptions in performing this procedure.

7. We obtained the SCAQMD's cost allocation schedule. We conducted interviews and recalculated allocations on a test basis to determine the reasonableness and mathematical accuracy of the cost allocation method.

Result

We noted no exceptions on the cost allocation schedule.

8. We tested AB 2766 direct and indirect non-labor project expenditures for each year to determine:
 - a) allowability, reasonableness, adequacy of supporting documentation, proper approval, clearly identified the project, and were incurred during the fiscal year;
 - b) that the funds were spent in accordance with CHSC Section 44220(b), which requires that AB 2766 fund expenditures were incurred solely to reduce air pollution from motor vehicles and for related planning, monitoring, enforcement and technical studies necessary for implementation of the California Clean Air Act of 1988; and
 - c) in accordance with CHSC Section 44235, the SCAQMD did not use AB 2766 fees for establishing or maintaining the district as a direct provider of the car pool, van pool, or other ridesharing or transit services.

Result

We noted no exceptions in performing this procedure.

9. We tested AB 2766 direct payroll expenditures, reviewed related payroll registers and employee records to verify hours worked, mathematical accuracy, and salary rates.

Result

We noted no exceptions to the AB 2766 direct payroll expenditures.

10. We analyzed AB 2766 administrative expenditures to verify, in accordance with CHSC Section 44233, that the SCAQMD did not use more than 6.25% of the AB 2766 fees distributed for administrative expenditures.

Result

We noted no exceptions in performing this procedure.

11. We obtained the SCAQMD expenditures to verify, in accordance with CHSC Section 44244.1(d), that the SCAQMD expended AB 2766 fees within one year of the program or project completion date.

Result

We noted no exceptions in performing this procedure.

12. We obtained the SCAQMD reports to verify that the SCAQMD submitted a report to the State Board on the use of the fees and results of the programs funded.

Result

We noted no exceptions in performing this procedure.



We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion on the SCAQMD's compliance with the California Clean Air Act of 1988 or the SCAQMD's Air Quality Management Plan (AQMP) prepared pursuant to Article 5 of Chapter 5.5 of Part 3 of the California Health and Safety Code (CHSC). Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the governing board and management of the SCAQMD, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Simpson & Simpson". The signature is written in a cursive, flowing style.

Los Angeles, California
November 7, 2023

Summary of Fiscal Year 2019-20 and Fiscal Year 2020-21 AB 2766 Audit Findings for Local Governments and Council of Governments

Findings Description	Fiscal Year(s)	City/County/COG	Status
Unallowable Expenditures	FY 2019-20	City of Duarte	Resolved-The City has replaced the funds
Unallowable Expenditures	FY 2019-20	City of Hawaiian Gardens	Resolved-The City has requested SCAQMD to withhold funds from future disbursements
Unallowable Expenditures	FY 2019-20 & FY 2020-21	City of Huntington Park	Resolved-The City has replaced the funds
Unallowable Expenditures	FY 2020-21	City of Artesia	Resolved-The City has replaced the funds
Unallowable Expenditures	FY 2020-21	City of Cudahy	Resolved-The City has requested SCAQMD to withhold funds from future disbursements
Unallowable Expenditures	FY 2020-21	City of Long Beach	Resolved-The City has replaced the funds
Unallowable Expenditures	FY 2020-21	City of South Gate	Resolved-The City has replaced the funds
Unallowable Expenditures	FY 2020-21	City of Seal Beach	Resolved-The City has requested SCAQMD to withhold funds from future disbursements
Overstatement of MSRC Contract Revenue Recorded in AB 2766 Fund	FY 2019-20	City of Artesia	Resolved-The City has replaced the funds
AB 2766 Funds Not Accounted for Separately	FY 2019-20 & FY 2020-21	City of Palos Verdes Estates	Resolved-The City has set up a special revenue fund
Submission of Annual Audited Financial Statements	FY 2019-20 & FY 2020-21	City of Artesia	Resolved-The City was Audited
Submission of Annual Audited Financial Statements	FY 2020-21	City of Baldwin Park	Resolved-The City was Audited
Submission of Annual Audited Financial Statements	FY 2019-20 & FY 2020-21	City of Compton	Resolved-The City was Audited
Submission of Annual Audited Financial Statements	FY 2019-20 & FY 2020-21	City of Cudahy	Resolved-The City was Audited
Submission of Annual Audited Financial Statements	FY 2019-20 & FY 2020-21	City of Huntington Park	Resolved-The City was Audited
Submission of Annual Audited Financial Statements	FY 2020-21	City of Lawndale	Resolved-The City was Audited
Submission of Annual Audited Financial Statements	FY 2020-21	City of Palos Verdes Estates	Resolved-The City was Audited
Submission of Annual Audited Financial Statements	FY 2019-20	City of South El Monte	Resolved-The City was Audited
Submission of Annual Audited Financial Statements	FY 2019-20 & FY 2020-21	City of South Gate	Resolved-The City was Audited
Submission of Annual Audited Financial Statements	FY 2019-20 & FY 2020-21	City of South Pasadena	Resolved-The City was Audited
Submission of Annual Audited Financial Statements	FY 2020-21	City of Placentia	Resolved-The City was Audited
Submission of Annual Audited Financial Statements	FY 2020-21	City of San Juan Capistrano	Resolved-The City was Audited
Submission of Annual Audited Financial Statements	FY 2020-21	City of La Quinta	Resolved-The City was Audited
Submission of Annual Audited Financial Statements	FY 2020-21	City of Perris	Resolved-The City was Audited
Submission of Annual Audited Financial Statements	FY 2020-21	City of San Jacinto	Resolved-The City was Audited
Submission of Annual Audited Financial Statements	FY 2019-20 & FY 2020-21	City of Fontana	Resolved-The City was Audited
Submission of Annual Audited Financial Statements	FY 2019-20	City of Yucaipa	Resolved-The City was Audited
Lack of Controls Over Financial Reporting	FY 2019-20 & FY 2020-21	City of Artesia	Resolved-The City has begun implementing internal control policies & procedures
Lack of Controls Over Financial Reporting	FY 2019-20 & FY 2020-21	City of Compton	Resolved-The City has begun implementing internal control policies & procedures
Lack of Controls Over Financial Reporting	FY 2019-20 & FY 2020-21	City of Huntington Park	Resolved-The City has begun implementing internal control policies & procedures
Lack of Controls Over Financial Reporting	FY 2019-20	City of Long Beach	Resolved-The City has begun implementing internal control policies & procedures

Summary of Fiscal Year 2019-20 and Fiscal Year 2020-21 AB 2766 Audit Findings for Local Governments and Council of Governments

Findings Description	Fiscal Year(s)	City/County/COG	Status
Lack of Controls Over Financial Reporting	FY 2020-21	City of South Gate	Resolved-The City has begun implementing internal control policies & procedures
Bank Reconciliations Not Performed in a Timely Manner	FY 2019-20 & FY 2020-21	City of Artesia	Resolved-The City has begun implementing policies & procedures for bank reconciliations
Bank Reconciliations Not Performed in a Timely Manner	FY 2020-21	City of Rialto	Resolved-The City has begun implementing policies & procedures for bank reconciliations

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
SUMMARY REPORT ON
AB 2766 FEE REVENUES
FOR LOCAL GOVERNMENT RECIPIENTS
UNDER HEALTH AND SAFETY CODE SECTION 44243(b)
(Segment 2)
FOR THE YEARS ENDED JUNE 30, 2021 and 2020



SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

***AB 2766 FEE REVENUES FOR LOCAL GOVERNMENT RECIPIENTS
UNDER HEALTH AND SAFETY CODE SECTION 44243(b)
(Segment 2)***

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AB 2766 Air Quality Improvement Fund Summary of Segment 2 Reports

The Governing Board of
The South Coast Air Quality Management District

This report provides a summary of the findings and questioned costs contained in the audit reports and reports on applying agreed-upon procedures completed for Segment 2 for the Biennial Audit of Fee Revenues under AB 2766 for fiscal years ended June 30, 2021 and 2020. See Attachment B for a list of the reports included in this summary.

For the purpose of determining whether motor vehicle registration fees (AB 2766 funds) subvended to the South Coast Air Quality Management District (SCAQMD) were expended for air pollution measures pursuant to the Clean Air Act Amendments of 1990, the California Clean Air Act of 1988 or the SCAQMD's Air Quality Management Plan (AQMP) prepared pursuant to Article 5 of Chapter 5.5 of Part 3 of the California Health and Safety Code (CHSC), the SCAQMD requested that we perform audits or agreed-upon procedures reviews for six subgroups of local governments receiving Segment 2 funds. Segment 2 funds are the 40% of motor vehicle fee revenues subvended to the SCAQMD that are distributed to local governments on a quarterly basis. The SCAQMD placed local governments into subgroups based on the amount of Segment 2 funds received and whether the entity had provided Air Quality Improvement Fund audited financial statements and progress reports to the SCAQMD. Local governments in Segment 2 include cities, counties and consortiums of local governments. These consortiums are legal entities created through joint power agreements entered into by cities and counties in a common geographical area. Local governments are permitted to pool their resources for implementing the requirements for the use of AB 2766 funds and to undertake regional projects to reduce air pollution from motor vehicles.

For local governments in Subgroup A, we reviewed audit reports prepared by other auditors and summarized audit findings included in the reports. The Subgroup A summary was provided in a separate report dated March 18, 2024.



To this report, we have summarized audit findings and questioned costs for local government entities in Subgroups 2, 3, 4, 5 and 6 into six categories, as described below.

CATEGORY	DESCRIPTION
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Noncompliance with the AB 2766 Compliance Requirements:

- 1 Unallowable Expenditures
- 2 Overstatement of MSRC Contract Revenue Recorded in the AB 2766 Fund
- 3 AB 2766 Funds Not Accounted for Separately
- 4 Submission of Annual Audited Financial Statements and Annual Progress Report

Material Weaknesses or Significant Deficiencies in Financial Reporting:

- 5 Lack of Controls Over Financial Reporting
- 6 Bank Reconciliations Not Performed in a Timely Manner

The audit findings are described in the Summary of Findings in Attachment A.

This report is intended solely for the information and use of the governing board and management of the SCAQMD, and is not intended to be and should not be used by anyone other than these specified parties.

Los Angeles, California
April 9, 2024

***SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
AIR QUALITY IMPROVEMENT FUND***

SUMMARY OF FINDINGS
For the Years Ended June 30, 2021 and 2020

1. Unallowable Expenditures

California Health and Safety Code Section 44243 require that AB 2766 funds be used for programs to reduce air pollution from mobile sources. We noted the following cities charged unallowable expenditures to AB 2766 funds.

<u>Fiscal Year 2021</u>	<u>Description</u>	<u>Amount</u>
<u>Los Angeles County</u>		
City of Duarte	Ongoing maintenance fee of a leased alternative fuel vehicle	\$ 506.00
City of Hawaiian Gardens	Gateway Cities Council of Governments annual membership dues	7,150.00
City of Huntington Park	Insurance and maintenance fees of leased alternative fuel vehicles	458.28
<u>Fiscal Year 2020</u>	<u>Description</u>	<u>Amount</u>
<u>Los Angeles County</u>		
City of Artesia	Portion of the purchase cost of the electric bus that was reimbursed by Proposition A Local Return Fund and FTA Grant	300,017.00
City of Cudahy	Duplicated billing for lease charges for the month of May 2020	1,256.00
City of Huntington Park	Insurance and maintenance fees of leased alternative fuel vehicles	1,854.78
City of Long Beach	A duplicated journal entry was incorrectly recorded and related interest	1,479,023
City of South Gate	Allocated administrative costs but did not incur any program costs	6,000.00

***SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
AIR QUALITY IMPROVEMENT FUND***

SUMMARY OF FINDINGS
For the Years Ended June 30, 2021 and 2020

1. Unallowable Expenditures (Continued)

<u>Fiscal Year 2020</u>	<u>Description</u>	<u>Amount</u>
<u>Orange County</u>		
City of Seal Beach	Operating costs for the Senior Transportation Nutrition Shuttle beyond the three-year operational limit.	\$ 32,612.00

2. Overstatement of MSRC Contract Revenue Recorded in AB 2766 Fund

California Health and Safety Code Section 44220(b), requires that AB 2766 fund revenues shall be used solely to reduce air pollution from motor vehicles and for related planning, monitoring, enforcement and technical studies necessary for implementation of the California Clean Air Act of 1988.

Los Angeles County

City of Artesia

During fiscal year 2020, the City of Artesia recorded MSRC contract revenue of \$50,000 in the Air Quality Fund. The MSRC contract was for the installation of one “Level II” type EV charging station and one “Level III/Fast Charge” type charging station within the City. According to the MSRC contract, the total project cost would be \$100,000 (\$50,000 to be funded by MSRC contract and \$50,000 to be funded by AB 2766 subvention fund). Per our review of the City’s general ledger and related purchase orders, vendor invoices, and EV rebate receipts, the City originally recorded expenditures of \$227,573.32 for the installation of EV charging stations in the Air Quality Fund. Subsequently, \$220,000 of expenditures were transferred to the Proposition A Local Return Fund (Fund 15); and only \$7,573.32 of expenditures remained in the Air Quality Fund as of June 30, 2020. The City may be over-reimbursed by the MSRC contract in the amount of \$42,426.68 (\$50,000 - \$7,573.32).

***SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
AIR QUALITY IMPROVEMENT FUND***

SUMMARY OF FINDINGS
For the Years Ended June 30, 2021 and 2020

3. AB 2766 Funds Not Accounted for Separately

California Health and Safety Code Section 44243 (b)(1)(C) requires local governments to account for and separately track AB 2766 funds within their accounting records.

Los Angeles County

City of Palos Verdes Estates

The City of Palos Verdes did not have a separate fund to track assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fund balance of the AB 2766 funds. Monies under AB 2766 are commingled with funds received from other governmental agencies and recorded in the Special Projects Fund (Fund 06). However, the City did not separately identify and track assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fund balance of the AB 2766 funds.

***SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
AIR QUALITY IMPROVEMENT FUND***

SUMMARY OF FINDINGS
For the Years Ended June 30, 2021 and 2020

4. Submission of Annual Audited Financial Statements and Annual Progress Report

The Audit Guidelines prepared by the SCAQMD describe the financial and program reporting requirements for local governments. The AB 2766 program legislation requires that each agency receiving motor vehicle registration fee revenues must submit an annual program progress report and annual audited financial statements of AB 2766 funds by the first Friday in February of each year. For fiscal years 2021 and 2020, the following cities did not submit its annual audited financial statements to the SCAQMD in a timely manner.

<u>Fiscal Year 2021</u>	<u>Fiscal Year 2020</u>
<u>Los Angeles County</u> City of Artesia City of Baldwin Park City of Compton City of Cudahy City of Huntington Park City of Lawndale City of Palos Verdes Estates City of South Gate City of South Pasadena	<u>Los Angeles County</u> City of Artesia City of Compton City of Cudahy City of Huntington Park City of South El Monte City of South Gate City of South Pasadena
<u>Orange County</u> City of Placentia City of San Juan Capistrano	
<u>Riverside County</u> City of La Quinta City of Perris City of San Jacinto	
<u>San Bernardino County</u> City of Fontana	<u>San Bernardino County</u> City of Fontana City of Yucaipa

***SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
AIR QUALITY IMPROVEMENT FUND***

SUMMARY OF FINDINGS
For the Years Ended June 30, 2021 and 2020

5. Lack of Controls Over Financial Reporting

Management is responsible for establishing and maintaining effective internal controls, including evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management is reliable and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements.

Los Angeles County

City of Artesia

The City of Artesia did not submit the audited financial statements to the SCAQMD for fiscal years 2021 and 2020. This has been a repeat finding since fiscal year 2017.

City of Compton

On March 3, 2022, the City of Compton's independent auditor issued a Qualified Opinion on the City's June 30, 2020 financial statements due to material weaknesses noted on its financial reporting, including allocation of cash to various funds has not been properly reconciled and capital assets records were not maintained. Moreover, the Single Audit report for the year ended June 30, 2020, reported numerous material weaknesses and significant deficiencies on its federal programs and internal control over financial reporting. Because of these material weaknesses and significant deficiencies, particularly the finding related to allocation of cash to various funds, it cast doubt on the reliability of the City's financial statements, including the AB 2766 funds financial statements.

The City did not submit its audited financial statements and annual progress report to the SCAQMD by the established deadline for fiscal years 2021 and 2020. The City's annual audit for fiscal year 2020 was completed on March 3, 2022. As of the date of this report, the City's audited financial statements for fiscal year 2021 have not been issued.

***SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
AIR QUALITY IMPROVEMENT FUND***

SUMMARY OF FINDINGS
For the Years Ended June 30, 2021 and 2020

5. Lack of Controls Over Financial Reporting (Continued)

City of Huntington Park

There were significant delays in closing of the City's books and issuing the City's audited financial statements. The fiscal years 2020 and 2021 audited financial statements were completed on August 10, 2013 and November 16, 2013, respectively.

City of Long Beach

Fiscal year 2020 is the first full fiscal year the City was using the newly implemented ERP system, Tyler Munis. Project Revenue Allocation, a new functionality in Tyler Munis, requires City department users to set up an accounting transaction that allocates project expenditures to their proper funding sources. The project was incorrectly set up and related historical data was also incorrectly converted causing Munis to allocate prior year expenses to AQMD in error, which resulted in a duplicate entry of \$1,467,632.

City of South Gate

On September 21, 2022, the City's independent auditor issued a Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards for the year ended June 30, 2021. The City's independent auditor identified the following conditions that resulted in material audit adjustments to the City's financial statements:

The year-end closing process was not thorough and did not ensure that account balances were reconciled and accurate in advance of the audit requiring a significant number of adjusting journal entries to correct the financial statements. It appears these errors were primarily caused because the trial balance was prepared from data that was not complete, contained errors and appropriate year-end reconciliations were not performed. Some of the more significant entries were as follows:

- Corrected deferred revenue balance (Approximately \$1.0 million)
- Reclassify negative cash amount at June 30, 2021 (Approximately \$13.5 million)
- Record capital assets and construction in progress addition (Approximately \$22.4 million)
- Record the revenue (Approximately \$2.7 million)
- Record the accrued expense and account payable (Approximately \$1.1 million)

***SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
AIR QUALITY IMPROVEMENT FUND***

SUMMARY OF FINDINGS
For the Years Ended June 30, 2021 and 2020

6. Bank Reconciliations Not Performed in a Timely Manner

Los Angeles County

City of Artesia

According to the City of Artesia's independent auditor, bank reconciliations are not being completed in a timely manner and there is a lack of documentation of approval on the bank reconciliations.

San Bernardino County

City of Rialto

According to the City of Rialto's independent auditors, the City's general checking bank account balance per the general ledger was not reconciled to the bank statements in a timely manner during fiscal years 2021 and 2020. This is considered to be a material weakness in internal control over financial reporting.

***SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
AIR QUALITY IMPROVEMENT FUND***

**LIST OF LOCAL GOVERNMENT RECIPIENTS AUDITED
For the Years Ended June 30, 2021 and 2020**

	<u>City</u>	<u>Type of Audit</u>	<u>Fiscal Year (s)</u>
	Los Angeles County		
1.	City of Agoura Hills	Agreed Upon Procedures	2020
2.	City of Alhambra	Financial & Compliance	2021 & 2020
3.	City of Artesia	Financial & Compliance	2021 & 2020
4.	City of Baldwin Park	Financial & Compliance	2021
5.	City of Bell Gardens	Agreed Upon Procedures	2021
6.	City of Bellflower	Financial & Compliance	2021
7.	City of Calabasas	Agreed Upon Procedures	2020
8.	City of Cerritos	Agreed Upon Procedures	2021
9.	City of Compton	Financial & Compliance	2021 & 2020
10.	City of Covina	Agreed Upon Procedures	2020
11.	City of Cudahy	Financial & Compliance	2021 & 2020
12.	City of Diamond Bar	Agreed Upon Procedures	2021
13.	City of Duarte	Agreed Upon Procedures	2021
14.	City of El Monte	Financial & Compliance	2021 & 2020
15.	City of El Segundo	Agreed Upon Procedures	2020
16.	City of Glendale	Financial & Compliance	2021 & 2020
17.	City of Hawaiian Gardens	Agreed Upon Procedures	2021
18.	City of Hidden Hills	Agreed Upon Procedures	2020
19.	City of Huntington Park	Financial & Compliance	2021 & 2020
20.	City of La Canada Flintridge	Agreed Upon Procedures	2021
21.	City of Lakewood	Financial & Compliance	2021 & 2020
22.	City of Lawndale	Financial & Compliance	2021
23.	City of Long Beach	Financial & Compliance	2021 & 2020
24.	City of Los Alamitos	Agreed Upon Procedures	2020
25.	City of Malibu	Agreed Upon Procedures	2020
26.	City of Manhattan Beach	Agreed Upon Procedures	2021
27.	City of Maywood	Agreed Upon Procedures	2020
28.	City of Palos Verdes Estates	Financial & Compliance	2021
29.	City of Paramount	Agreed Upon Procedures	2020
30.	City of Pico Rivera	Agreed Upon Procedures	2021
31.	City of Rosemead	Agreed Upon Procedures	2020
32.	City of San Dimas	Agreed Upon Procedures	2021
33.	City of Santa Fe Springs	Agreed Upon Procedures	2020
34.	City of Sierra Madre	Agreed Upon Procedures	2021
35.	City of South El Monte	Financial & Compliance	2020
36.	City of South Gate	Financial & Compliance	2021 & 2020
37.	City of South Pasadena	Financial & Compliance	2021 & 2020
38.	County of Los Angeles	Financial & Compliance	2021 & 2020

***SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
AIR QUALITY IMPROVEMENT FUND***

LIST OF LOCAL GOVERNMENT RECIPIENTS AUDITED
For the Years Ended June 30, 2021 and 2020
(Continued)

<u>City</u>	<u>Type of Audit</u>	<u>Fiscal Year (s)</u>
Orange County		
39. City of Anaheim	Financial & Compliance	2021 & 2020
40. City of Buena Park	Financial & Compliance	2021 & 2020
41. City of Newport Beach	Financial & Compliance	2021 & 2020
42. City of Placentia	Financial & Compliance	2021
43. City of Rancho Santa Margarita	Agreed Upon Procedures	2021
44. City of San Juan Capistrano	Financial & Compliance	2021
45. City of Seal Beach	Agreed Upon Procedures	2020
46. City of Yorba Linda	Agreed Upon Procedures	2021
47. City of Fountain Valley	Agreed Upon Procedures	2021
48. City of Aliso Viejo	Agreed Upon Procedures	2020
49. City of Laguna Beach	Agreed Upon Procedures	2020
50. County of Orange	Financial & Compliance	2021 & 2020
Riverside County		
51. City of Canyon Lake	Agreed Upon Procedures	2020
52. City of Desert Hot Springs	Agreed Upon Procedures	2021
53. City of Eastvale	Agreed Upon Procedures	2020
54. City of Hemet	Financial & Compliance	2021 & 2020
55. City of La Quinta	Financial & Compliance	2021
56. City of Menifee	Financial & Compliance	2021 & 2020
57. City of Moreno Valley	Financial & Compliance	2021 & 2020
58. City of Palm Desert	Agreed Upon Procedures	2021
59. City of Perris	Financial & Compliance	2021
60. City of San Jacinto	Financial & Compliance	2021
61. City of Temecula	Financial & Compliance	2021 & 2020

***SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
AIR QUALITY IMPROVEMENT FUND***

LIST OF LOCAL GOVERNMENT RECIPIENTS AUDITED
For the Years Ended June 30, 2021 and 2020
(Continued)

<u>City</u>	<u>Type of Audit</u>	<u>Fiscal Year (s)</u>
San Bernardino County		
62. City of Claremont	Agreed Upon Procedures	2021
63. City of Colton	Agreed Upon Procedures	2020
64. City of Fontana	Financial & Compliance	2021 & 2020
65. City of Highland	Agreed Upon Procedures	2021
66. City of Montclair	Agreed Upon Procedures	2020
67. City of Rialto	Financial & Compliance	2021 & 2020
68. City of San Bernardino	Financial & Compliance	2021 & 2020
69. City of Upland	Financial & Compliance	2021
70. City of Yucaipa	Financial & Compliance	2020
71. County of San Bernardino County	Financial & Compliance	2021 & 2020
Consortium		
72. Coachella Valley Association of Governments	Financial & Compliance	2021 & 2020
73. Gateway Cities Council of Governments	Financial & Compliance	2021 & 2020
74. Western Riverside Council of Governments	Financial & Compliance	2021 & 2020

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

***AIR QUALITY IMPROVEMENT FUND
(SEGMENT 2 – SUBGROUP A)***

***INDEPENDENT ACCOUNTANT'S REPORT ON
APPLYING AGREED-UPON PROCEDURES***

FOR THE YEARS ENDED JUNE 30, 2021 and 2020





SIMPSON & SIMPSON
CERTIFIED PUBLIC ACCOUNTANTS

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Independent Accountant's Report on Applying Agreed-Upon Procedures

The Governing Board of
The South Coast Air Quality Management District

We have performed the procedures enumerated below on solely to assist you in summarizing instances of noncompliance and internal control deficiencies and material weaknesses reported in financial statement audit reports and internal control and compliance reports submitted to the South Coast Air Quality Management District (South Coast AQMD) by cities and counties that received automobile registration fee revenues (AB 2766 funds) from the South Coast AQMD for the fiscal years ended June 30, 2021 and 2020. This report also includes internal control deficiencies and material weaknesses identified in the reports on internal controls. The cities and counties are responsible for spending AB 2766 funds on activities that reduce air pollution from motor vehicles pursuant to the California Clean Air Act of 1988 or the South Coast AQMD's Air Quality Management Plan (AQMP) prepared pursuant to Article 5 of Chapter 5.5 of Part 3 of the California Health and Safety Code (CHSC).

The South Coast AQMD has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of solely to assist in determining whether AB 2766 funds distributed to the cities and counties for the fiscal years ended June 30, 2021 and 2020 were spent on the reduction of air pollution from motor vehicles pursuant to California Clean Air Act of 1988 or the South Coast AQMD's AQMP. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report, and as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

Our procedures and results are as follows:

We performed a summary review of the audited financial statements and the independent auditors' report on compliance and on internal controls over compliance submitted to the South Coast AQMD by the cities and counties that received more than \$100,000 of AB 2766 funds per year (Large Recipients) for the fiscal years ended June 30, 2021 and 2020 (See Attachment A for the list of recipient). We identified any modifications of the independent auditors' opinions on the Large Recipients' annual financial statements; instances of noncompliance with AB 2766 compliance requirements; and deficiencies, significant deficiencies, and material weaknesses in internal controls over financial reporting and compliance required by AB 2766, and summarized these instances below.





MODIFIED OPINIONS ON THE AUDITED FINANCIAL STATEMENTS

No matters noted.

NONCOMPLIANCE WITH THE AB 2766 COMPLIANCE REQUIREMENTS

No matters noted.

INTERNAL CONTROLS OVER FINANCIAL REPORTING AND COMPLIANCE REQUIRED BY AB 2766

1. Internal Control Environment (Material Weakness)

Los Angeles County

City of West Covina

An important element of internal controls over financial reporting is for the entity to have procedures in place to ensure that all applicable financial reporting guidelines are followed and properly applied.

For fiscal year 2020, the independent auditors of the City of Covina noted that the City has experienced a high turnover at all levels in the Finance Department. As a result, the request for the Actuarial Valuation report for GASB 75 Accounting Information regarding Other Post-Employment Benefits (OPEB) and GASB 68 Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27 was postponed. This matter has been the cause of significant delays in producing complete, reconciled and properly adjusted financial statements and other information.

The City's independent auditors recommended that the City maintain appropriate staffing in the Finance Department which will ensure that the policies and procedures in the year-end review process are properly carried out.

According to the City's independent auditors for fiscal year 2021, corrective action has been taken.



2. Errors in Pension Census Data (Material Weakness)

Los Angeles County

City of West Covina

In order for the City to record its liability for providing supplemental pension benefits to eligible participants, it must submit census data to actuaries who use this information to calculate the City's liability.

For fiscal year 2020, the independent auditors of the City of Covina noted that they were unable to vouch participant information from the census data to source documents.

The City's independent auditors recommended that the City Finance Department review the participant files, ensure only eligible participants are included in the census data to be submitted and maintain proper documentation for the information provided to actuaries.

According to the City's independent auditors for fiscal year 2021, corrective action has been taken.

3. Internal Control Over Federal Grant Reporting (Material Weakness)

Los Angeles County

City of West Covina

An important element of internal controls over financial reporting is for the entity to have procedures in place for the accurate completion of the Schedule of Expenditures of Federal Awards (SEFA).

For fiscal year 2020, the independent auditors of the City of Covina noted that as a result of high turnover at all levels in the City Finance Department, the SEFA has not been prepared by a consistent person and has required multiple revisions.

The City's independent auditors recommended that the City maintain proper staffing levels within the Finance Department to allow for the proper preparation of the SEFA, including a responsible individual to perform a review of the completed SEFA.

According to the City's independent auditors for fiscal year 2021, corrective action has been taken.



4. Internal Control Over Financial Reporting (Material Weakness)

Riverside County

City of Murrieta

An important element of internal control over cash is the completion of the bank reconciliations to allow City staff to identify any differences between the bank balances and general ledger balances and resolve such differences in a timely manner.

For fiscal year 2020, the independent auditors of the City of Murrieta noted that June 2020 bank reconciliation process was not completed and reviewed by October 2020, which is a lack of timeliness.

The City's independent auditors recommended that all bank accounts be reconciled within 30 days after the end of the month and that all bank reconciliations be initialed and dated by the preparer to indicate that the reconciliation was prepared in a timely manner.

According to the City's independent auditors for fiscal year 2021, corrective action has been taken.

5. Internal Control Over Financial Reporting (Significant Deficiency)

Riverside County

City of Murrieta

An important element of internal controls over cash is the reconciliation process to identify differences between the bank and the general ledger and resolve differences timely.

For fiscal year 2020, the independent auditors of the City of Murrieta noted that Bank reconciliations were not completed for the certain bank accounts.

The City's independent auditors recommended that all bank accounts be reconciled to the General Ledger within 30 days after the end of the month.

According to the City's independent auditors for fiscal year 2021, corrective action has been taken.



6. Purchasing Approval (Significant Deficiency)

Los Angeles County

City of West Covina

A system of purchasing approval should be established, maintained and updated in a timely manner.

For fiscal year 2020, the independent auditors of the City of Covina noted that a listing of authorized purchasing approval limit signatures was not updated to reflect changes in authorized personnel.

The City's independent auditors recommended that the City perform an annual review of authorized purchasing approvals on record and make any necessary updates as soon as possible.

According to the City's independent auditors for fiscal year 2021, corrective action has been taken.

7. Bank Reconciliation Review (Significant Deficiency)

Los Angeles County

City of West Covina

Bank reconciliations should be prepared, reviewed and approved in a timely manner.

For fiscal year 2020, the independent auditors of the City of Covina noted that bank reconciliations for various accounts were not reviewed or approved in a timely manner.

The City's independent auditors recommended that all bank reconciliations are reviewed in a timely manner and documentation of when the preparation and review are completed.

According to the City's independent auditors for fiscal year 2021, corrective action has been taken.



We were engaged by the South Coast AQMD to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on whether AB 2766 funds distributed to the cities and counties for the fiscal years ended June 30, 2021 and 2020 were spent on the reduction of air pollution from motor vehicles pursuant to California Clean Air Act of 1988 or the South Coast AQMD's AQMP. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the South Coast AQMD and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

A handwritten signature in cursive script that reads "Simpson & Simpson".

Los Angeles, California
March 18, 2024



SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
AIR QUALITY IMPROVEMENT FUND

List of Local Government Large Recipients
For the Years Ended June 30, 2021 and 2020

	<u>Local Government</u>	<u>Fiscal Year(s)</u>
	Los Angeles County	
1.	Burbank	2021 and 2020
2.	Carson	2021 and 2020
3.	Downey	2021 and 2020
4.	Hawthorne	2021 and 2020
5.	Inglewood	2021 and 2020
6.	Los Angeles	2021 and 2020
7.	Norwalk	2021 and 2020
8.	Pasadena	2021 and 2020
9.	Pomona	2021 and 2020
10.	Santa Clarita	2021 and 2020
11.	Santa Monica	2021 and 2020
12.	Torrance	2021 and 2020
13.	West Covina	2021 and 2020
14.	Whittier	2021 and 2020
	Orange County	
15.	Costa Mesa	2021 and 2020
16.	Fullerton	2021 and 2020
17.	Garden Grove	2021 and 2020
18.	Huntington Beach	2021 and 2020
19.	Irvine	2021 and 2020
20.	Lake Forest	2021 and 2020
21.	Mission Viejo	2021 and 2020
22.	Orange	2021 and 2020
23.	Santa Ana	2021 and 2020
24.	Tustin	2021 and 2020
25.	Westminster	2021 and 2020
	Riverside County	
26.	Corona	2021 and 2020
27.	County of Riverside	2021 and 2020
28.	Indio	2021 and 2020
29.	Jurupa Valley	2021 and 2020
30.	Murrieta	2021 and 2020
31.	Riverside	2021 and 2020
	San Bernardino County	
32.	Chino	2021 and 2020
33.	Chino Hills	2021 and 2020
34.	Ontario	2021 and 2020
35.	Rancho Cucamonga	2021 and 2020

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

***MOBILE SOURCE AIR POLLUTION REDUCTION
REVIEW COMMITTEE FUND
(SEGMENT 3)***

***INDEPENDENT ACCOUNTANT'S REPORT ON
APPLYING AGREED-UPON PROCEDURES***

FOR THE YEARS ENDED JUNE 30, 2021 and 2020





SIMPSON & SIMPSON
CERTIFIED PUBLIC ACCOUNTANTS

FOUNDING PARTNERS
BRANARD C. SIMPSON, CPA
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Independent Accountant's Report On Applying Agreed-Upon Procedures

The Governing Board of
The South Coast Air Quality Management District

We have performed the procedures enumerated below to the financials and other records of the South Coast Air Quality Management District (SCAQMD), which were agreed to by the management of the SCAQMD, solely to assist you in determining whether automobile registration fee revenues (AB 2766 funds) distributed to the Mobile Source Air Pollution Reduction Review Committee (MSRC) during fiscal years 2019-20 and 2020-21 were spent on the reduction of air pollution from motor vehicles pursuant to the California Clean Air Act of 1988 or the SCAQMD's Air Quality Management Plan (AQMP) prepared pursuant to Article 5 of Chapter 5.5 of Part 3 of the California Health and Safety Code (CHSC). The SCAQMD's management is responsible for use of AB 2766 funds in accordance with the cited criteria. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or any other purpose.

Our procedures and results are as follows.

1. We reviewed the list of the MSRC members to verify that, in accordance with CHSC 44244(a), the Committee consists of a representative from each of the specified agencies.

Result

We noted no exceptions in performing this procedure.

2. In accordance with CHSC Section 44244(b), we verified that the MSRC developed and adopted work programs for fiscal years 2019-20 and 2020-21 that were approved by the SCAQMD Governing Board.

Result

We noted no exceptions in performing this procedure.

3. We reviewed the list of the Technical Advisory Committee (TAC) members to verify that membership of TAC is in accordance with the specifications of CHSC Section 44244(c). As required by CHSC Section 44244(c), the TAC advisory committee shall also include one or more person who is a mechanical engineer specializing in vehicle engines.

Result

We noted that for the period reviewed (July 1, 2019 through June 30, 2021), the TAC position for a mechanical engineer specializing in vehicle engines was vacant. In addition, we noted that the TAC position for a representative of the Cities of Los Angeles County, reflected vacant position. We noted no other exceptions in performing this procedure.

4. We obtained an understanding of how AB 2766 funds are accounted for, including whether AB 2766 funds are maintained in a separate fund or if there is a separate accounting for the funds maintained by other means.

Result

We noted that the MSRC has a separate fund called the Mobile Source Air Pollution Reduction Review Committee Fund.

5. We obtained an understanding of established internal control procedures related to the receipt and use of AB 2766 funds.

Result

We noted no exceptions in performing this procedure.

6. We agreed AB 2766 revenues recorded in the Mobile Source Air Pollution Reduction Fund General Ledger to the SCAQMD's record of disbursements.

Result

We noted no exceptions in performing this procedure.

7. We conducted interviews in order to obtain an understanding of how the SCAQMD allocates interest earned and determined the reasonableness of the interest allocation and that interest was used for the same purposes for which AB 2766 funds were allocated to the SCAQMD.

Result

We noted no exceptions on the cost allocation schedule.

8. We tested AB 2766 expenditures of the Mobile Source Air Pollution Reduction Fund for each year to determine:
 - a) allowability, reasonableness, adequacy of supporting documentation, proper approval, clearly identified the project, and were incurred during the fiscal year;
 - b) that the funds were spent in accordance with CHSC Section 44220(b), which requires that AB 2766 fund expenditures were incurred solely to reduce air pollution from motor vehicles and for related planning, monitoring, enforcement and technical studies necessary for implementation of the California Clean Air Act of 1988; and
 - c) in accordance with CHSC Section 44235, the SCAQMD did not use AB 2766 fees for the purpose of establishing or maintaining the district as a direct provider of the car pool, van pool, or other ridesharing or transit services.

Result

We noted no exceptions in performing this procedure.

9. We analyzed AB 2766 administrative expenditures to verify, in accordance with CHSC Section 44233, that the MSRC did not use more than 6.25% of the AB 2766 fees for administrative expenditures.

Result

We noted no exceptions in performing this procedure.

10. We obtained the SCAQMD expenditures to verify, in accordance with CHSC Section 44244.1(d), that the MSRC expended AB 2766 fees within one year of the program or project completion date.

Result

We noted no exceptions in performing this procedure.

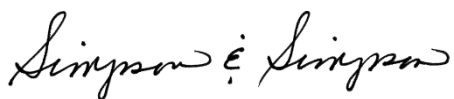
11. We reviewed the SCAQMD's financial statements to verify that the Mobile Source Air Pollution Reduction Review Committee Fund was audited as part of the SCAQMD's annual audit conducted by an Independent CPA firm.

Result

We noted that the Mobile Source Air Pollution Reduction Review Committee Fund was audited as part of the SCAQMD's annual audit conducted by an Independent CPA firm.

We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion on the MSRC's compliance with the California Clean Air Act of 1988 or the SCAQMD's Air Quality Management Plan (AQMP) prepared pursuant to Article 5 of Chapter 5.5 of Part 3 of the California Health and Safety Code (CHSC). Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the governing board and management of the SCAQMD, members of the Mobile Source Air Pollution Reduction Review Committee and members of the Technical Advisory Committee of the MSRC and is not intended to be, and should not be used anyone other than those specified parties.



Los Angeles, California
December 26, 2023

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

***MOBILE SOURCE AIR POLLUTION REDUCTION
REVIEW COMMITTEE FUND
(SEGMENT 3 - PROJECTS)***

***INDEPENDENT ACCOUNTANT'S REPORT ON
APPLYING AGREED-UPON PROCEDURES***

FOR THE YEARS ENDED JUNE 30, 2021 and 2020





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Independent Accountant's Report On Applying Agreed-Upon Procedures

The Governing Board of
The South Coast Air Quality Management District

We have performed the procedures enumerated below on automobile registration fee revenues (AB 2766 funds) distributed to the Mobile Source Air Pollution Reduction Review Committee (MSRC) for the fiscal years ended June 30, 2021 and 2020. The MSRC is responsible for spending AB 2766 funds on the reduction of air pollution from motor vehicles pursuant to the California Clean Air Act of 1988 or the South Coast Air Quality Management District's (South Coast AQMD) Air Quality Management Plan (AQMP) prepared pursuant to Article 5 of Chapter 5.5 of Part 3 of the California Health and Safety Code (CHSC).

The South Coast AQMD has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of solely to assist in determining whether AB 2766 funds distributed to the MSRC for the fiscal years ended June 30, 2021 and 2020 were spent on the reduction of air pollution from motor vehicles pursuant to California Clean Air Act of 1988 or the South Coast AQMD's AQMP. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report, and as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

Our procedures and results are as follows.

1. We examined and tested ten (10) projects, as presented in Attachment A, approved for funding for the fiscal years ended June 30, 2021 and 2020 by the MSRC to determine if these projects aligned with the work programs for the fiscal years ended June 30, 2021 and 2020, and if these were properly approved by the South Coast AQMD's Governing Board.

Result

We noted no exceptions in performing this procedure.



2. For the ten projects selected for fiscal years ended June 30, 2021 and 2020, as presented in Attachment A, we verified that the project was proposed under the fiscal years ended June 30, 2021 and 2020 work programs that was developed and adopted by the MSRC and approved by the SCAQMD Board in accordance with CHSC Section 44244(b).

Result

We noted no exceptions in performing this procedure.

3. Obtain an understanding of how AB 2766 funds are accounted for, including whether AB 2766 funds are maintained in a separate fund or if there is a separate accounting for the funds maintained by other means.

Result

We noted that the MSRC has a separate fund called the Mobile Source Air Pollution Reduction Review Committee Fund (Fund 23).

4. We obtained an understanding of established internal control procedures related to the receipt and use of AB 2766 funds.

Result

We noted no exceptions in performing this procedure.

5. We agreed AB 2766 revenues recorded in the Mobile Source Air Pollution Reduction Fund General Ledger to the SCAQMD's record of disbursements.

Result

We noted no exceptions in performing this procedure.

6. We obtained a detailed listing of expenditures for the ten projects approved during fiscal years ended June 30, 2021 and 2020 and selected a sample of expenditures for testing. We tested AB 2766 expenditures of the Mobile Source Air Pollution Reduction Fund for each year to determine:

- a) allowability, reasonableness, adequacy of supporting documentation, proper approval, clearly identified the project, and were incurred during the fiscal year;
- b) that the funds were spent in accordance with CHSC Section 44220(b), which requires that AB 2766 fund expenditures were incurred solely to reduce air pollution from motor vehicles and for related planning, monitoring, enforcement



and technical studies necessary for implementation of the California Clean Air Act of 1988; and

- c) that the expenditures are in accordance with CHSC Section 44235, which prevents AB 2766 fees for the purpose of establishing or maintaining the district as a direct provider of the carpool, van pool, or other ridesharing or transit services.

Result

We noted no exceptions in performing this procedure.

- 7. We obtained a listing of the SCAQMD expenditures to verify, in accordance with CHSC Section 44244.1(d), that the MSRC expended AB 2766 fees within one year of the program or project completion date and that no more than 6.25% of the AB 2766 funds are used for administrative costs.

Result

We noted no exceptions in performing this procedure.

We were engaged by the South Coast AQMD to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on whether AB 2766 funds distributed to the MSRC for the fiscal years ended June 30, 2021 and 2020 were spent on the reduction of air pollution from motor vehicles pursuant to California Clean Air Act of 1988 or the South Coast AQMD's AQMP. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the South Coast AQMD and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

A handwritten signature in black ink that reads "Simpson & Simpson".

Los Angeles, California
December 26, 2023

ATTACHMENT A
REVIEW RESULTS OF TEN (10) MSRC PROJECTS

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
 MOBILE SOURCE AIR POLLUTION REDUCTION
 REVIEW COMMITTEE FUND
 REVIEW RESULTS OF TEN (10) MSRC PROJECTS

Contract No.: MS21002

Contractor: Better World Group Advisors, Inc.

Project Title: Develop sound bites on MSRC programs and projects to use in press releases, speeches, etc.

Project Status*: In Progress

AB 2766 Funding Adopted	Amount Paid to Date*	Contract Balance*	Questioned Costs	Costs Accepted
\$265,079	\$65,222	\$199,857	\$ -	\$65,222

Audit Results: No findings

* Project status, amount paid to date, and contract balance are as of June 30, 2021.

** AB 2766 funding was increased to \$448,154 per Contract Modification No. MS21002E executed on December 21, 2022.

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
 MOBILE SOURCE AIR POLLUTION REDUCTION
 REVIEW COMMITTEE FUND
 REVIEW RESULTS OF TEN (10) MSRC PROJECTS
 (CONTINUED)

Contract No.: MS21003

Contractor: Orange County Transportation Authority

Project Title: Implement a special Orange County Fair service by providing express bus service directly to the Orange County Fair from nine existing transit stations located throughout Orange County on Saturdays and Sundays in 2019 and 2020.

Project Status*: Contract term ended on May 31, 2021

AB 2766 Funding Adopted	Amount Paid to Date*	Contract Balance*	Questioned Costs	Costs Accepted
\$ 468,298	\$ -	\$ 468,298	\$ -	\$ -

Audit Results: No findings

* Project status, amount paid to date, and contract balance are as of June 30, 2021.

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
 MOBILE SOURCE AIR POLLUTION REDUCTION
 REVIEW COMMITTEE FUND
 REVIEW RESULTS OF TEN (10) MSRC PROJECTS
 (CONTINUED)

Contract No.: MS21005

Contractor: Southern California Association of Governments

Project Title: Serve as implementer of the last-mile project commercial deployment through a sole source contract.

Project Status*: In Progress

AB 2766 Funding Adopted**	Amount Paid to Date*	Contract Balance*	Questioned Costs	Costs Accepted
\$ 10,000,000	\$ -	\$ 10,000,000	\$ -	\$ -

Audit Results: No findings

* Project status, amount paid to date, and contract balance are as of June 30, 2021.

** AB 2766 funding was increased to \$16,751,000 per Contract Modification No. MS21005A executed on August 11, 2022.

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
 MOBILE SOURCE AIR POLLUTION REDUCTION
 REVIEW COMMITTEE FUND
 REVIEW RESULTS OF TEN (10) MSRC PROJECTS
 (CONTINUED)

Contract No.: MS21006

Contractor: Geographics

Project Title: Host and maintain the MSRC website under the www.CleanTransportationFunding.org domain name, including future minor modifications to the website.

Project Status*: In Progress**

AB 2766 Funding Adopted	Amount Paid to Date*	Contract Balance*	Questioned Costs	Costs Accepted
\$ 12,952	\$ 10,465	\$ 2,487	\$ -	\$ 10,465

Audit Results: No findings

* Project status, amount paid to date, and contract balance are as of June 30, 2021.

** Contract term ended on June 20, 2023.

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
 MOBILE SOURCE AIR POLLUTION REDUCTION
 REVIEW COMMITTEE FUND
 REVIEW RESULTS OF TEN (10) MSRC PROJECTS
 (CONTINUED)

Contract No.: MS21009

Contractor: ITS Technologies & Logistics, LLC

Project Title: Procure and place 12 zero emission vehicles into regular service at the Burlington Northern Santa Fe (BNSF) Railway Facility located at 1535 W. 4th Street, San Bernardino, California.

Project Status*: In Progress

AB 2766 Funding Adopted	Amount Paid to Date*	Contract Balance*	Questioned Costs	Costs Accepted
\$ 1,686,900	\$ -	\$ 1,686,900	\$ -	\$ -

Audit Results: No findings

* Project status, amount paid to date, and contract balance are as of June 30, 2021.

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
 MOBILE SOURCE AIR POLLUTION REDUCTION
 REVIEW COMMITTEE FUND
 REVIEW RESULTS OF TEN (10) MSRC PROJECTS
 (CONTINUED)

Contract No.: MS21013

Contractor: 4 Gen Logistics

Project Title:** Procure and place into regular service 40 Volvo model VNRE6ST battery electric zero emission semi-tractors; and deploy charging infrastructure to support the vehicles.

Project Status*: In Progress

AB 2766 Funding Adopted	Amount Paid to Date*	Contract Balance*	Questioned Costs	Costs Accepted
\$ 7,000,000	\$ -	\$ 7,000,000	\$ -	\$ -

Audit Results: No findings

* Project status, amount paid to date, and contract balance are as of June 30, 2021.

** Project description was modified per Contract Modification No. MS21013C executed on May 30, 2023.

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
 MOBILE SOURCE AIR POLLUTION REDUCTION
 REVIEW COMMITTEE FUND
 REVIEW RESULTS OF TEN (10) MSRC PROJECTS
 (CONTINUED)

Contract No.: MS21014
Contractor: Green Fleet Systems, LLC
Project Title: Procure 5 Mack Anthem near-zero emission trucks.
Project Status*: In Progress

<u>AB 2766 Funding Adopted</u>	<u>Amount Paid to Date*</u>	<u>Contract Balance*</u>	<u>Questioned Costs</u>	<u>Costs Accepted</u>
\$ 500,000	\$ -	\$ 500,000	\$ -	\$ -

Audit Results: No findings

* Project status, amount paid to date, and contract balance are as of June 30, 2021.

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
 MOBILE SOURCE AIR POLLUTION REDUCTION
 REVIEW COMMITTEE FUND
 REVIEW RESULTS OF TEN (10) MSRC PROJECTS
 (CONTINUED)

Contract No.: MS21017

Contractor: MHX, LLC

Project Title: Procure and place into regular service 10 Tesla Semi Class 8 zero emission vehicles; and procure and install at 13600 Napa Street, Fontana, California, two Tesla Mega-chargers or comparable charging infrastructure to support the vehicles..

Project Status*: In Progress

AB 2766 Funding Adopted	Amount Paid to Date*	Contract Balance*	Questioned Costs	Costs Accepted
\$ 1,900,000	\$ -	\$ 1,900,000	\$ -	\$ -

Audit Results: No findings

* Project status, amount paid to date, and contract balance are as of June 30, 2021.

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
 MOBILE SOURCE AIR POLLUTION REDUCTION
 REVIEW COMMITTEE FUND
 REVIEW RESULTS OF TEN (10) MSRC PROJECTS
 (CONTINUED)

Contract No.: MS21018

Contractor: Pac Anchor Transportation, Inc.

Project Title: Procure 23 Volvo VNL near-zero emission trucks (equipped with an engine certified by the California Air Resources Board to the Optional NOx standard of 0.02 g/bhp-hr).

Project Status*: In Progress

<u>AB 2766 Funding Adopted</u>	<u>Amount Paid to Date*</u>	<u>Contract Balance*</u>	<u>Questioned Costs</u>	<u>Costs Accepted</u>
\$ 2,300,000	\$ -	\$ 2,300,000	\$ -	\$ -

Audit Results: No findings

* Project status, amount paid to date, and contract balance are as of June 30, 2021.

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
 MOBILE SOURCE AIR POLLUTION REDUCTION
 REVIEW COMMITTEE FUND
 REVIEW RESULTS OF TEN (10) MSRC PROJECTS
 (CONTINUED)

Contract No.: MS21019

Contractor: Volvo Financial Services

Project Title: Procure 14 Volvo VNR Electric Class 8 zero emission vehicles, and to lease these vehicles to Quality Custom Distribution. Also, procure 8 ABB Terra 184 dual-port electric vehicle chargers and 2 Heliox mobile fast chargers, and to lease this equipment to Quality Custom Distribution.

Project Status*: In Progress

<u>AB 2766 Funding Adopted</u>	<u>Amount Paid to Date*</u>	<u>Contract Balance*</u>	<u>Questioned Costs</u>	<u>Costs Accepted</u>
\$ 3,930,270	\$ -	\$ 3,930,270	\$ -	\$ -

Audit Results: No findings

* Project status, amount paid to date, and contract balance are as of June 30, 2021.

Administrative Committee Friday, June 14, 2024

*Dr. Anissa Cessa Heard-Johnson
Deputy Executive Officer
Diversity, Equity, and Inclusion with Community Air Programs*



FABULOUS FEMALE FRIDAY

Maya Lin

October 5, 1959- Present
Architect and Designer



- Renowned artist and architect known for her minimalist, innovative, and historic designs
- At just 21 years old, while an undergraduate at Yale University, she designed the Vietnam Veterans Memorial in Washington, D.C., which has become one of the most visited memorials in the United States.
- Recipient of the Presidential Medal of Freedom, the National Medal of Arts, and the American Institute of Arts Gold Medal
- Continues to create thought-provoking and influential works of art and architecture, exploring themes of memory, landscape, and identity
- Continues to produce influential works across various mediums, including sculpture, architecture, and landscape art, exploring themes such as environmentalism, memory, and the relationship between humans and their surroundings

Earth Day Commemoration

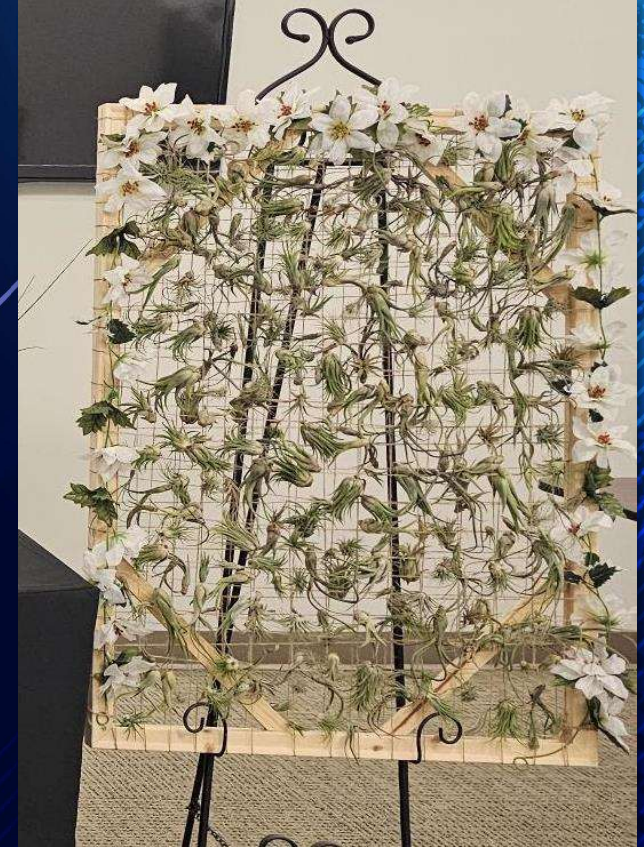
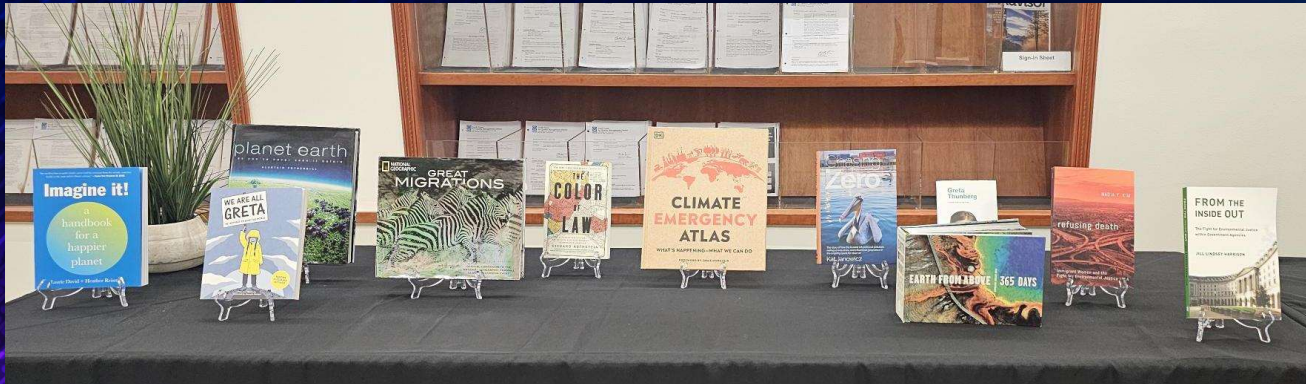


"It was powerful to hear Governing Board Member Kracov speak about Tikkum Olam which is Hebrew for "Healing the World". He was right that this concept plays into the vital work we do as an agency to keep the air clean for the people we serve."

"Events like these provide a platform for raising awareness, fostering dialogue, and ultimately driving positive change. It's heartening to witness efforts to prioritize equity and inclusion in environmental policy-making."

91 Virtual Attendees | 52 in person

JEDI Displays - April



Earth Day

JEDI Displays - May



API+ Heritage Month Display



Memorial Day

JEDI Infographics – April and May

DAY OF SILENCE
APRIL 12, 2024

BACKGROUND
The Day of Silence is held annually on the 2nd Friday in April. This year, the Day of Silence falls on Friday, April 12, 2024. This event began in 1996 at the University of Virginia where then students Maria Puibatz and Jesse Gilliam invited the student body to participate in a vow of silence to commemorate the silencing of LGBTQIA+ youth. Since inception, the Day of Silence has become a national event that extends beyond education and continues to highlight the injustices disproportionately felt by those in the LGBTQIA+ community.

PLEDGE AND PARTICIPATE
There are numerous ways to participate in this day. Here are a few ideas. We encourage you to take the pledge and let us know what ways you have decided to advocate for those in the LGBTQIA+ community that have had their voices erased.

CLICK HERE TO TAKE THE PLEDGE

Reached to this event is a great background for use on April 12!

- Donate to a charity or cause focused on LGBTQIA+
 - The Day of Silence is organized by the Gay, Lesbian, & Straight Education Network (GLSEN). You can [donate](#) or choose another notable charity.
- Participate in training
 - Right To Be (formerly HathiTrust) advocates free training. Browse their offerings on the [Right To Be website](#).
- Share Information
 - [Right to Be Guide](#)
 - [GLSEN Day Guide](#)
 - [Day of Silence Information \(GLSEN\)](#)
 - [Promotes in the Workplace](#)
- Silence
 - Organize a moment of silence
 - Take a vow of silence for a party/the entirety of the day

TIMELINE

1996
Inception
University of Virginia alumni (then students) Maria Puibatz and Jesse Gilliam organized the first Day of Silence event in 1996.
"I wanted to do something for GLAD week that would impact many people at the school and that would be very visible... I knew that if we held panel discussions and events like that, the only people who would come would be the people who already were fairly aware."
-Puibatz

1997
Goes National
All inception, universities and colleges nationwide saw the value and impact of an event like this. Nearly 100 colleges and universities participated in this event the year directly following the event's inception.

2008
In Memoriam
The 2008 Day of Silence event was held in memoriam of Lawrence Peter "Larry" King, King endured harassment and bullying at school as a 15 year old gay boy. This led to his tragic ending when he was shot twice in a classroom on February 12, 2008 in a classroom at E.O. Green Middle School in Oakland, CA.

2010
Formal Recognition
In 2010 the University of Virginia awarded both Maria Puibatz and Jesse Gilliam with the prestigious Bernard G. Moore Award which recognizes notable alumni/faculty who positively advanced LGBTQ issues both within the University community and beyond.

Present
Beyond Education
The day of Silence has spread beyond classrooms and is a national event. Workshops and businesses may acknowledge and encourage moments of silence, offer training, or donate to charities and organizations focused on LGBTQIA+ rights.

[Click HERE](#)

“ A Brief Yet Not So Distant HISTORY OF HATE SPEECH ”

Words can hurt. Hate speech is a denial of the values of tolerance, diversity, inclusion, and the essence of human rights principles¹. Hateful, derogatory terms, pejoratives, and slurs continue to be used across social media and in-person encounters. In response to derogatory remarks made during public comment at the Governing Board Meeting on November 3, 2023, the Diversity, Equity, and Inclusion team has included a brief history of said derogatory terms and resources to emp

What is XENOPHOBIA?

Xenophobia is the fear and contempt of strangers/foreigners or a conviction that certain foreign individuals and cultures represent a threat to the authentic identity of one's own nation². Xenophobia is just one source of many sources of existing anti-immigrant sentiment that often leads to discriminatory practices and behavior such as hate speech.

Additional RESOURCE

Right To Be is a non-profit that started an international movement of educating and empowering individuals to help end all forms of harassment. Right To Be empowers allies to support others who experience harassment with the "SDs of Bystander Intervention": Distract, Delegate, Delay, and Direct³.

DISTRACT a subtle and creative way to intervene with the goal of derailing the incident of harassment by interrupting it.

DELEGATE asking a third party for help with intervening in harassment.

DOCUMENT involves either safely and responsibly recording/taking notes on an instance of harassment

DELAY helping reduce a person's trauma by speaking to them after an instance of harassment.

DIRECT responding directly to harassment by naming the inappropriate behavior thereby confronting the person doing harm.

Right To Be also offer free Bystander Intervention Trainings including meetings that center around Xenophobia⁴.

[Click HERE](#)

DEI Conferences

Groundswell: Navigating Forward in DEI

- Data: Orange County as of 2022 | [View Report](#)
- Over the last 5 years hate crimes increased by 75% and hate incidents have risen by 142%
- In 2022: 162 reported hate crimes, 288 reported hate incidents
- Key takeaway points
 - Even in regions where DEI has faced backlash, companies and organizations are doubling down because DEI provides a safe space for ALL to survive and thrive

Employee Resource Groups (ERG) Updates

Meeting Updates - April

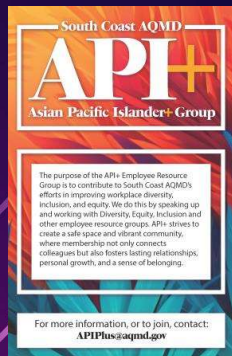
- LGBTQIA+ and Allies and Advocates ERGs:
 - Planning for Pride Month
- Persian ERG:
 - Celebrated Sizdah-Bedar at Sycamore Park
 - Interest in bringing back events like the Lung Force Walk, Relay for Life, and Bike to Work Days to support community.

Meeting Updates - May

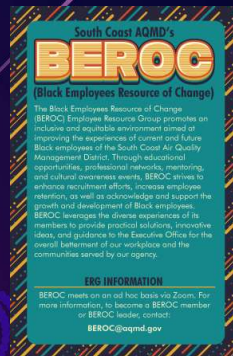
- Veterans and Active-Duty Military Family ERG:
 - Members shared appreciation for South Coast AQMD's support of veteran employees, noting that efforts exceed Uniformed Services Employment and Reemployment Rights Act (USERRA) requirements.



Allies and Advocates



Asian and Pacific Islander+



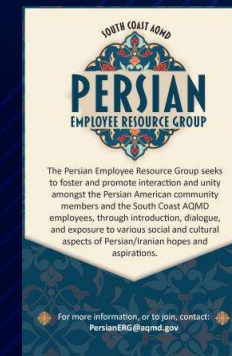
Black Employees Resource of Change



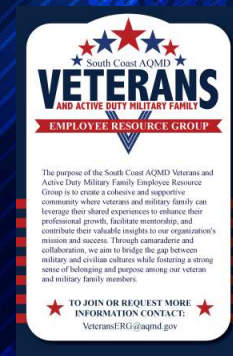
Hispanic and Latinx Organization for Success



Lesbian, Gay, Bisexual, Queer/Questioning, Intersex & Asexual+



Persian



Veterans and Active-Duty Military Family

C3PO Updates - April

(Critical Community Conversations for Purposeful Outreach) – CERP/CORE



CERP Workshop

- Cumulative Impacts from Air Toxics for CEQA Projects
- Intersectionality of South AQMD Rules and Regulations, Assembly Bill 617, and Improving Air Quality and Clean Energy
- CERP Tracking and Reporting and AB 617 Funding

CORE Workshop

- Networking with external stakeholders & community experts involved in community outreach
- Community experts' recommendation to focus on community-friendly content to prevent "Brain Drain" of community members for continued participation and engagement
- Sessions: Brainstorm and develop strategic plans for increased community outreach and engagement, primarily the upcoming All CSC meeting in Q3

Outcomes

- Conceptualized improvements to improve the CERP Implementation Tracking Sheet, CERP Implementation Dashboard, and Annual Progress Report and utilizing AB 617 funding
- Discussed team goals and objectives for future year community outreach; identify expectations of the District-wide efforts within the AB 617 program and develop strategies to improve that communication.



C3PO Updates - May

(Critical Community Conversations for Purposeful Outreach) – AB 617



AB 617 Agency-Wide Workshop

- Implement AB 617 Best Practices, resulting in meaningful emission reductions and improved community benefits
- Review of the past year's successes, challenges and improvements; and how to ascertain paths of resolution
- Curate technical information into meaningful communication for communities

CSC Panel Discussion

- CSC members urge air districts to remain involved and accessible beyond the 5-year AB 617 program implementation
- Balance community-friendly communication with navigating complicated regulatory processes and technical details of the CERP
- Continue transparency, engagement, and education fostering a well-informed and engaged community

Outcomes

- Initiated strategic planning of CERP implementation for AB 617 communities for 2024-2025
- Increased competencies through CSC panel discussion and recommendations for improvement
- Identified resources needed for a successful implementation of all CERP implementation initiatives; practice effective communication
- Addressed external communications with CARB and other Air Quality Management Districts including Annual Progress Report, bimonthly meetings, communities of practice, working teams, etc.

YLAC Updates

Young Leader's Advisory Council

SEGREGATED

BY

DESIGN

Meeting was held on Wednesday May 15th, 2024 at 12:30 PM in CC8

- 8 In Person Members and 5 Remote Members

Major Discussion Items

- Discussed Results of Agenda Topic Interest Survey
 - Green Spaces, ISR for Ports and Warehouses, Environmental Justice and Transit Equity, Green Energy, Outreach, Legislative Updates, Regulation for Freight Pollution, and Community Incentives
- Watched Segregated by Design video and Discussed
 - Members said video resonated with them as they see these issues still occurring in their own communities, especially the concept of "Not In My Back Yard". And how important it is to have diversity and equity for those in power.
- Community Spotlight
 - A chance for YLAC members to share upcoming issues and events in their communities with each other.
- South Coast AQMD Staff Presentation
 - * • AB 617 Staff gave an overview of the Community Air Programs Initiatives for Outreach and Implementation with a Q&A session
- Meeting Expectations and Norms
 - Respect should be given to members and YLAC should be considered a "safe space" to discuss community issues.
- Upcoming Engagement opportunities
 - All CSC Meeting Scheduled for August 24th, 2024 at South Coast AQMD Headquarters

Overview of AB 617

- Signed into law July 25, 2017
- Invests resources and focuses on localized actions to reduce air pollution in communities disproportionately impacted by air pollution
- Purposeful and ongoing involvement of community members towards the emissions reduction goals



Community Air Plans

- Community Emissions Reduction Plans (CERPs)
- Community Air Monitoring Plans (CAMPs)



Clean Technology Investments



Rules Requiring Best Available Retrofit Control Technology (BARCT)



Easier Access to Emissions Data



Statewide DEI Updates

Meeting Updates

- Statewide DEI survey in progress to gauge the effectiveness of EJ/DEI projects in each air district
 - Results will be used to determine areas of improvement and success
 - Information gathered was shared with the California Air Pollution Control Officers Association in May
- Discussed DEI/CAPCOA Working Group Meeting
- Concerns across agencies for funding stability regarding AB617



Any
Questions?

BOARD MEETING DATE: August 2, 2024

AGENDA NO.

REPORT: Status Report on Major Ongoing and Upcoming Projects for Information Management

SYNOPSIS: Information Management is responsible for data systems management services in support of all South Coast AQMD operations. This action is to provide the monthly status report on major automation contracts and planned projects.

COMMITTEE: Administrative, June 14, 2024, Reviewed

RECOMMENDED ACTION:
Receive and file.

Wayne Natri
Executive Officer

RMM:XC:DD:HL:dc

Background

Information Management (IM) provides a wide range of information systems and services in support of all South Coast AQMD operations. IM's primary goal is to provide automated tools and systems to implement rules and regulations, and to improve internal efficiencies. The annual Budget and Board-approved amendments to the Budget specify projects planned during the fiscal year to develop, acquire, enhance, or maintain mission-critical information systems.

Summary of Report

The attached report identifies the major projects/contracts or purchases that are ongoing or expected to be initiated within the next six months. Information provided for each project includes a brief project description and the schedule associated with known major milestones (issue RFP/RFQ, execute contract, etc.).

Attachment

Information Management Status Report on Major Ongoing and Upcoming Projects During the Next Six Months

ATTACHMENT
 August 2, 2024 Board Meeting
 Status Report on Ongoing and Upcoming Projects for
 Information Management

AQ-SPEC Cloud Platform Phase 2	
Brief description	Integrate separate data systems into the AQ-SPEC cloud-based platform to manage data and build interactive data visualizations and data dashboards for web-based viewing
Estimated project cost	\$313,350
Overall project status	In Progress
Percentage complete	70%
LAST 30 days	<ul style="list-style-type: none"> • Environment setup • User Acceptance Testing
NEXT 30 days	<ul style="list-style-type: none"> • User Acceptance Testing
IM Estimated completion date	7/19/24
Estimated Go-live date	9/10/24
Notes	Project is on schedule

Warehouse Indirect Source Rule Online Reporting Portal Phase 4	
Brief description:	Development of online reporting portal for Rule 2305 –Warehouse Indirect Source
Estimated project cost	\$250,000
Overall project status	In Progress
Percentage complete	90%
LAST 30 days	<ul style="list-style-type: none"> • System Development in progress • User Acceptance Testing
NEXT 30 days	<ul style="list-style-type: none"> • User Acceptance Testing
IM Estimated completion date	7/12/24
Estimated Go-live date	8/9/24
Notes	Project is on schedule

Agenda Tracking System	
Brief description	Develop new Agenda Tracking System for submittal, review, and approval of Governing Board meeting agenda items
Estimated project cost	\$250,000
Overall project status	In Progress
Percentage complete	90%
LAST 30 days	<ul style="list-style-type: none"> User Acceptance Testing and Training
NEXT 30 days	<ul style="list-style-type: none"> User Acceptance Testing
IM Estimated completion date	9/12/24
Go-live date	11/15/24
Notes	Project is on schedule

Online Application Filing	
Brief description	Enhanced Web application to automate filing of permit applications, Rule 222 equipment and registration for IC engines; implement electronic permit folder and workflow for staff
Estimated project cost	\$525,000
Overall project status	In Progress
Percentage complete	90%
LAST 30 days	<ul style="list-style-type: none"> User Acceptance Testing of Phase 1 of the project (first ten 400-E-XX forms) User Acceptance Testing of next set of Rule 222 forms
NEXT 30 days	<ul style="list-style-type: none"> User Acceptance Testing of Phase 1 of the project (first ten 400-E-XX forms) User Acceptance Testing of next set of Rule 222 forms
IM Estimated completion date	11/10/23
Go-live date	1/17/25
Notes	IM Development Complete

Permit Workflow Automation – Phase 1	
Brief description	Automate application acceptance and engineering evaluation processes into paperless workflows
Estimated project cost	\$250,000
Overall project status	In Progress
Percentage complete	40%
LAST 30 days	<ul style="list-style-type: none"> System Development in Progress
NEXT 30 days	<ul style="list-style-type: none"> System Development in Progress
IM Estimated completion date	9/10/24
Go-live date	3/14/25
Notes	Project is on schedule

Website Upgrade	
Brief description	Upgrade the Website Content Management System to latest version
Estimated project cost	\$100,000
Overall project status	In Progress
Percentage complete	95%
LAST 30 days	<ul style="list-style-type: none"> User Acceptance Testing and Training
NEXT 30 days	<ul style="list-style-type: none"> User Acceptance Testing and Training
IM Estimated completion date	8/30/24
Go-live date	10/11/24
Notes	Project is on schedule

Compliance System	
Brief description	Develop new Compliance System to help streamline the compliance business process. The new system will provide full integration of incident management, inspection process, field operations and operations dashboard
Estimated project cost	\$450,000
Overall project status	In Progress
Percentage complete	50%
LAST 30 days	<ul style="list-style-type: none"> System Development in progress
NEXT 30 days	<ul style="list-style-type: none"> System Development in progress
IM Estimated completion date	11/8/24
Go-live date	2/28/25
Notes	Project is on schedule

Source Test Tracking System (STTS)	
Brief description	Online STTS will keep track of timelines and quantify the number of test protocols and reports received. The system will provide an external online portal to submit source testing protocols and reports, track the review process, and provide integration to all other business units. It will also provide an external dashboard to review the status of a submittal
Estimated project cost	\$250,000
Overall project status	In Progress
Percentage complete	95%
LAST 30 days	<ul style="list-style-type: none"> Working on going live
NEXT 30 days	<ul style="list-style-type: none"> Working on going live
IM Estimated completion date	12/29/23
Go-live date	9/20/24
Notes	<ul style="list-style-type: none"> IM Development Complete On-Boarding Procedures Approved

Renewal of OnBase Software Support	
Brief description	Authorize the sole source purchase of OnBase software subscription and support for one year
Estimated project cost	\$200,000
Overall project status	In Progress
Est. date of completion	7/30/2024
Percentage complete	100%
LAST 30 days	<ul style="list-style-type: none"> Execute purchase July 30, 2024
NEXT 30 days	<ul style="list-style-type: none"> Project is Live

IT Service Management	
Brief description	IT Service Management will help improve user experience and gain more productivity from IT infrastructure. IT Service Management will align IT service with the organizational goals and streamline delivery of services
Estimated project cost	\$90,000
Overall project status	In Progress
Percentage complete	50%
LAST 30 days	<ul style="list-style-type: none"> Implementation in Progress
NEXT 30 days	<ul style="list-style-type: none"> Implementation in Progress
IM Estimated completion date	7/26/24
Go-live date	10/11/24
Notes	Project is on schedule

Projects that have been completed within the last 12 months are shown below

COMPLETED PROJECTS	
PROJECT	DATE COMPLETED
AB2766 Version 2 Enhancements	May 9, 2024
PeopleSoft HCM Labor Agreement Implementation	April 30, 2024
PeopleSoft Electronic Requisition	April 30, 2024
Volkswagen Environmental Mitigation Trust Program GMS Enhancement	March 5, 2024
Email Gateway Replacement	March 1, 2024
Prequalify Vendor List for PCs, Network Hardware, etc.	February 2, 2024
WAIRE Program Online Portal (ISR) - Enhancement for Reporting Year 2024	December 28, 2023
Annual Emissions Reporting 2024	December 28, 2023
PeopleSoft HCM (Human Capital Management) Upgrade	October 24, 2023
Carl Moyer Program GMS	October 4, 2023
Legal Office System – Phase 2	August 31, 2023
Oracle PeopleSoft Software Support	August 31, 2023
PeopleSoft E-Requisition deployment for IM Division	August 22, 2023

BOARD MEETING DATE: August 2, 2024

AGENDA NO.

PROPOSAL: Execute Contract to Determine Brake and Tire Wear Exposure Concentrations in South Coast Air Basin and Coachella Valley

SYNOPSIS: In December 2023, the Board approved \$850,000 from the Clean Fuels Fund for a study on brake and tire wear particulate matter levels in the South Coast AQMD jurisdiction as part of MATES VI. This action is to authorize the Executive Officer to execute a contract with Emissions Analytics, LLC selected with South Coast AQMD's RFP process to conduct the brake and tire wear study in an amount not to exceed \$850,000.

COMMITTEE: Administrative, June 14, 2024; Recommended for Approval

RECOMMENDED ACTIONS:

Authorize the Executive Officer to execute a contract with Emissions Analytics, LLC to conduct the brake and tire wear study in an amount not to exceed \$850,000 from the General Fund (01).

Wayne Natri
Executive Officer

SR:SE:NS

Background

The South Coast AQMD experiences some of the highest pollutant levels in the nation. Mountain ranges act as barriers to limit ventilation and persistent clear and calm conditions enhance photochemical reactions, contributing to high pollutant concentrations such as particle mass (particulate matter, including PM2.5 and PM10) and the highest ozone concentrations in the nation. Air toxic pollutant emissions are also high within the South Coast AQMD, with many emission sources including goods movement (one third of United States containerized cargo is moved through the region), 10 million vehicles, and 28,000 permitted stationary sources.

South Coast AQMD has studied air toxic pollution and the associated health risks to the 17 million residents living in the region through the MATES. Since the 1980s, five MATES campaigns have tracked progress in reducing air toxic exposures and health risks (<https://www.aqmd.gov/home/air-quality/air-quality-studies/health-studies>). MATES VI is currently underway and will use comprehensive ambient measurements and regional modeling to estimate air toxic exposures and health risks, with a special focus on non-exhaust mobile source emissions (NEE) for the first time. As emissions from most sources decrease, NEE are becoming a larger fraction of total air toxic emissions, a trend that is predicted to continue in the next decades. Some of the most important components of NEE due to the associated health risks are brake wear particles (BWP) and tire and road wear particles (TRWP). In December 2023, the Board approved \$850,000 for a study on brake and tire wear particulate matter levels and the transfer of those funds from the Clean Fuels Program Fund to the General Fund to support the MATES VI program. South Coast AQMD released RFP #P2024-09 to solicit bids to quantify BWP and TRWP exposure concentrations due to emissions from vehicles and roads in coordination with MATES VI. South Coast AQMD staff will use the exposure concentrations developed through this study to estimate health risks of BWP and TRWP exposure.

Outreach

In accordance with South Coast AQMD's Procurement Policy and Procedure, a public notice advertising the RFP and inviting bids was published in the Los Angeles Times, the Orange County Register, the San Bernardino County Sun, and Riverside County's Press Enterprise newspapers to leverage the most cost-effective method of outreach throughout the region.

Additionally, potential bidders were notified utilizing South Coast AQMD's own electronic listing of certified minority vendors. Notice of the RFP was emailed to the Black and Latino Legislative Caucuses and various minority chambers of commerce and business associations and placed on South Coast AQMD's website (<http://www.aqmd.gov>). In addition, staff reached out to potential qualified bidders whose work has been cited in related literature or referred to staff by other subject experts.

Bid Evaluation

Four proposals were received by the 2:00 p.m. deadline on March 2, 2024 in response to the RFP #P2024-09. The Attachment reflects the evaluation of the four proposals that were submitted by:

- University of California Riverside (UCR) with Georgia Institute of Technology as a subcontractor
- Aerodyne Research, Inc
- University of California Los Angeles (UCLA)

- Emissions Analytics, LLC with University of California Irvine (UCI) and University of Southern California (USC) as subcontractors

Using the prescribed evaluation criteria to consider technical and cost qualifications, proposals from UCR with Georgia Institute of Technology; UCLA; and Emissions Analytics, LLC with UCI and USC were scored as technically qualified. The proposal from Emissions Analytics, LLC with UCI and USC received the highest score.

The important factors noted by the review panel that contributed to Emissions Analytics, LLC with UCI and USC's score are: collaborative approach that will complement the MATES VI campaign, experience in air quality measurements and analysis to be performed in the study, work plan that includes determination of PM10 brake wear particles, tire particles, and road dust, extensive sample collection, and modeling approach that will deliver exposure surfaces along with model-ready emissions.

Panel Composition

The evaluation panel consisted of an Air Quality Specialist from the Planning, Rule Development and Implementation Division; a Program Supervisor from the Technology Advancement Office; an Atmospheric Measurements Manager from the Monitoring and Analysis Division; and a Climate Change Mitigation & Emissions Research Section Manager from CARB. Of the four panel members, two are Asian Pacific American, and one is Caucasian. All four panel members are male.

Summary Of Proposal

This action is to authorize the Executive Officer to execute a contract with Emissions Analytics, LLC to conduct the brake and tire wear study in an amount not to exceed \$850,000 from the General Fund (01). Emissions Analytics will sample 24-hour PM10 at MATES VI measurement stations during the MATES VI campaign. Data will be analyzed using gas chromatography and mass spectrometry with pyrolysis sample introduction to determine organic compound concentrations and then the data will be used along with a database of tire composition fingerprints to calculate the PM10 tire tread concentration. UC Irvine will determine brake emission composition fingerprints by testing several brake systems on a dynamometer and will then use the data along with South Coast AQMD ICP-MS analysis for MATES VI samples to calculate the PM10 brake particle concentration in the samples. The contractor will also calculate the PM10 from road dust using a similar method. The contractor will then use the calculated concentrations along with model data from South Coast AQMD and other data to calculate 2 km resolution exposure concentrations for brake wear particles and tire and road wear particles.

Benefits to South Coast AQMD

The MATES campaigns conducted by South Coast AQMD provide essential information on air toxics levels in the South Coast AQMD's jurisdiction and present a

unique opportunity to evaluate long-term trends in air toxics and their health impacts. South Coast AQMD continues to work toward reducing air toxics emissions through supporting cleaner technologies (including cleaner diesel technologies), rulemaking to address toxic emissions from mobile and stationary sources, and implementing air toxics monitoring and enforcement initiatives. The MATES VI program complements these efforts and provides information to track progress on reducing air toxics in the region along with the identification of sources contributing to the air pollution health risk, of which exposure to BWP and TRWP emissions may play a key role. As emissions from most sources decrease, non-exhaust emissions including BWP and TRWP are becoming a larger fraction of air toxics, a trend that is predicted to continue in the next decades.

Resource Impacts

The contract with Emissions Analytics, LLC with UCI and USC as subcontractors will not exceed \$850,000 from the General Fund (01). On December 1, 2023 the Board approved the transfer of sufficient funds from the Clean Fuels Program Fund to the General Fund to support the MATES VI program. The tire and brake wear study was included in the MATES VI program.

Attachment

Evaluation of Proposals for RFP #P2024-09

ATTACHMENT

Evaluation of Proposals for RFP #P2024-09

Brake and Tire Wear Exposure Concentrations in the South Coast Air Basin and Coachella Valley

Proposal	Affiliation	Cost	Cost Points	Technical Points	Additional Points*	Total Points
1	UCR and Georgia Institute of Technology	\$849,603.00	9.57	75.75	0	85
2	Aerodyne Research, Inc	\$814,613.00	10.00	49.75	10	70
3	UCLA	\$850,000.00	9.57	81.50	0	91
4	Emissions Analytics, UCI, and USC	\$850,000.00	9.57	81.00	15	106

*Additional points awarded for Small Businesses and Local Businesses according to South Coast AQMD Procurement Policies

BOARD MEETING DATE: August 2, 2024

AGENDA NO.

PROPOSAL: Appropriate Funds from Undesignated (Unassigned) Fund Balance for Permitting Enhancement Program

SYNOPSIS: The Board previously approved \$400,000 to be appropriated and used for retiree assistance. Due to the San Bernardino County Employees Retirement Association limitations and retiree availability, there will be unspent funds of approximately \$100,000, and this amount is requested to be used in FY 2024-25 with an additional \$200,000 requested. This total amount will be used for either retiree or consultant assistance and will be appropriated from the General Fund Undesignated (Unassigned) Fund Balance into Engineering and Permitting's FY 2024-25 Budget.

COMMITTEE: Administrative, June 14, 2024; Recommended for Approval

RECOMMENDED ACTION:

Appropriate a total of \$300,000 from the General Fund Undesignated (Unassigned) Fund Balance to Engineering and Permitting's FY 2024-25 Budget, Services & Supplies Major Object for assistance from retirees and consultants to reduce the pending permit application inventory.

Wayne Natri
Executive Officer

SN:JA:JW

Background

One of the Chair's Initiatives is the Permitting Enhancement Program, which includes efforts focused on reducing the permit application inventory. Due to recent staff turnover and retirements, the majority of staff in the Engineering and Permitting division have less than five years of experience in their current roles. Retirees with permit processing experience are a great resource to help reduce the permit inventory and train newer engineers. Nine retirees initially returned to Engineering and Permitting in 2022, with contracts that concluded at the end of calendar year 2023. Four retirees

were approved by the San Bernardino County Employees Retirement Association (SBCERA) to extend their initial contracts to continue working in FY 2023-24. Two additional retirees have returned and their contracts are scheduled to end in January and March, 2025.

Staff released RFP# P2022-14 on June 3, 2022 to seek consultant assistance, on an as-needed basis. Two consultants (Castle Environmental Consulting and William Walters Air Quality Consulting) were selected as qualified consultants for a total contract amount of \$100,000 (\$50,000 to each consultant). The assistance from consultants has been necessary to review permit applications received and development of streamlined permitting approaches. These efforts were effective in reducing the pending permit application inventory.

Proposal

Due to the limitations placed by SBCERA and the availability limitations of the retirees, there will be unspent funds of more than \$100,000 from the \$400,000 previously approved by the Board to be appropriated from the Undesignated Fund Balance into E&P's budget.

Staff is requesting that the unspent \$100,000 approved in a prior budget and an additional \$200,000 be appropriated from the Undesignated Fund Balance to Engineering and Permitting's FY 2024-25 Budget, Services & Supplies Major Object to be used for either retiree or consultant assistance.

As staff are trained in their new positions and continue to gain experience, there is a temporary need to continue to use retirees and consultants to supplement staff's efforts in reducing the pending permit application inventory and meeting the division's Goals and Objectives.

Resource Impacts

Sufficient funding is available in the General Fund Undesignated (Unassigned) Fund Balance.