



# South Coast Air Quality Management District

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

## A G E N D A

### HYBRID GOVERNING BOARD MEETING JANUARY 10, 2025

A meeting of the South Coast Air Quality Management District Board will be held at 9:00 a.m. on Friday, January 10, 2025 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.

Please refer to South Coast AQMD's website for information regarding the format of the meeting, updates, and details on how to participate at: <http://www.aqmd.gov/home/news-events/meeting-agendas-minutes>.

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| <p><b>Electronic Participation Information</b><br/>(Instructions provided at the bottom of the agenda)</p> | <p><b>Join Zoom Meeting - from PC, Laptop or Phone</b><br/><a href="https://scaqmd.zoom.us/j/93128605044">https://scaqmd.zoom.us/j/93128605044</a><br/>Meeting ID: <b>931 2860 5044</b> (applies to all)<br/>Teleconference Dial In +1 669 900 6833 or +1 253 215 8782<br/>One tap mobile +16699006833,,93128605044# or +12532158782,,93128605044#</p> <p><b>Spanish Language Only Audience (telephone)</b><br/>Número Telefónico para la Audiencia que Habla Español<br/>Teleconference Dial In/Numero para llamar: +1 669 900 6833<br/>Meeting ID/Identificación de la reunión: <b>932 0955 9643</b><br/>One tap mobile: +16699006833,,93209559643</p> |
| <p><b>Public Comment Will Still Be Taken</b></p>   | <p><b>Audience will be allowed to provide public comment in person and through Zoom connection or telephone.</b> 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:<br/>The following commands can be used on your phone's dial pad while in meeting: *6 (Toggle mute/unmute); *9 - Raise hand</p>  |
| <p><b>Questions About an Agenda Item</b></p>   | <ul style="list-style-type: none"><li>▪ 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.</li><li>▪ 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.</li></ul>  |

## 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](http://www.aqmd.gov)

### **Americans with Disabilities Act and Language Accessibility**

Disability and language-related accommodations can be requested to allow participation in the Governing Board meeting. The agenda will be made available, upon request, in appropriate alternative formats to assist persons with a disability (Gov. 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 the Clerk of the Boards Office at (909) 396-2500 from 7:00 a.m. to 5:30 p.m., Tuesday through Friday, or send the request to [cob@aqmd.gov](mailto:cob@aqmd.gov).

**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 1 through 28)**

Note: Consent and Board Calendar items held for discussion will be moved to Item No. 29.

**Item 1 and 2 – Action Items/No Fiscal Impact**

1. Approve Minutes of December 6, 2024 **Thomas/3268**

2. Set Public Hearing April 4, 2025 to: <sup>1</sup> **Nastri/3131**  
**Thomas/3268**

Certify Final Subsequent Environmental Assessment for Proposed Amended Rule 1111– Reduction of NOx Emissions from Natural Gas-Fired Furnaces, and Proposed Amended Rule 1121 – Reduction of NOx Emissions from Small Natural Gas-Fired Water Heaters; and Amend Rule 1111 and Rule 1121

Proposed Amended Rule 1111 (PAR 1111) and Proposed Amended Rule 1121 (PAR 1121) propose to require zero-emission NOx limits for new installations of applicable residential and small commercial furnaces and water heaters based on future effective dates. The rules provide alternative compliance options for emergency replacement and certain construction activities. In addition, PAR 1111 and PAR 1121 clarify and update rule language. This action is to adopt the Resolution: 1) Certifying the Final Subsequent Environmental Assessment for Proposed Amended Rule 1111– Reduction of NOx Emissions from Natural Gas-Fired Furnaces and Proposed Amended Rule 1121 – Reduction of NOx Emissions from Small Natural Gas-Fired Water Heaters; and 2) Amending Rule 1111 and Rule 1121. (Reviewed: Stationary Source Committee, October 18 and December 20, 2024, Reviewed)

<sup>1</sup>**Note: At the November 1, 2024 Board Meeting, a public hearing was set for the February 7, 2025 Board Meeting to Certify the Final Subsequent Environmental Assessment for Proposed Amended Rule 1111– Reduction of NOx Emissions from Natural Gas-Fired Furnaces, and Proposed Amended Rule 1121 – Reduction of NOx Emissions from Small Natural Gas-Fired Water Heaters; and Amend Rule 1111 and Rule 1121.**

**Staff is recommending, and the Stationary Source Committee approved, moving the public hearing to April 4, 2025.**

**Items 3 through 14 – Budget/Fiscal Impact**

3. Transfer and Appropriate Funds, Recognize Revenue, and Execute Contract for EV Charger Installation Services at South Coast AQMD Headquarters

**Katzenstein/2219**

In August 2024, the Board approved the release of an RFP to replace the EV charging infrastructure at South Coast AQMD headquarters. In October 2024, CALSTART, Inc. (CALSTART) awarded South Coast AQMD \$70,000 under the Communities in Charge grant to replace up to 28 EV chargers at its headquarters. These actions are to: 1) transfer and appropriate \$723,248 from the Clean Fuels Program Fund (31) into Technology Advancement Office's FY 2024-25 Budget; 2) recognize revenue, upon receipt, up to \$70,000 awarded from CALSTART into the Clean Fuels Program Fund (31); and 3) execute a contract with GreenWealth Energy Solutions, Inc. for EV hardware and software installation and maintenance at South Coast AQMD headquarters for up to \$723,248 from Technology Advancement Office's FY 2024-25 Budget. (Reviewed: Technology Committee, December 20, 2024; Recommended for Approval)

4. Execute Contracts and Transfer Funds under CPRG INVEST CLEAN Program and Issue RFP for Third-Party Facilitator(s) For INVEST CLEAN and ELECTRIC

**Katzenstein/2219**

In September 2024, the Board recognized an award of \$499,997,415 from the U.S. EPA Climate Pollution Reduction Grant (CPRG) program to implement the Infrastructure, Vehicles, and Equipment Strategy for Climate, Equity, Air Quality, and National Competitiveness (INVEST CLEAN) program, which will fund the deployment of zero-emission battery electric Class 8 trucks, last mile freight vehicles, cargo handling equipment, locomotives, and truck charging. INVEST CLEAN also includes workforce training, community benefits programs and program performance validation. These actions are to: 1) execute contracts with the Los Angeles County Electrical Educational and Training Trust Fund, Alliance for Sustainable Energy, LLC, and SCAG in the amounts not to exceed \$5,000,000, \$1,800,000, and \$51,500,000, respectively, to conduct a workforce development program, validate program's emission reduction performance, and implement the Last Mile Freight Program; 2) issue RFP #2025-11 to solicit Third-Party Facilitator(s) for Community Benefit Programs and authorize the Executive Officer to execute and/or amend contracts; 3) transfer up to \$20,000 as temporary loan from Legislative, Public Affairs and Media FY 2024-25 Professional and Special Services Fund (01) into EPA CPRG Special Revenue Fund (90) to cover the Third-Party Facilitator's initial costs for the INVEST CLEAN work; 4) transfer up to \$100,000 as a temporary loan from Clean Fuels Fund (31) to Fund (90) for Alliance for Sustainable Energy's initial program setup costs; and 5) Appropriate \$ 150,000 from the General Fund Undesignated (Unassigned) Fund Balance into Information Management's FY 2024-25 Budget, Services and Supplies and/or Capital Outlays

Major Objects for INVEST CLEAN online project application system modification. (Reviewed: Technology Committee, December 20, 2024; Recommended for Approval)

5. Recognize Funds, Execute or Amend Contracts for Zero-Emission Heavy-Duty Truck Replacement Projects and Reimburse General Fund for Administrative Costs

**Katzenstein/2219**

In April 2024, South Coast AQMD was selected for an award for \$4,500,000 under the FY 2023 U.S. EPA Diesel Emissions Reduction Act (DERA) grant to replace up to 22 heavy-duty Class 8 diesel trucks with new zero-emission (ZE) trucks. The formal award was finalized in July 2024. The project will target Class 8 diesel truck fleets that operate around the San Pedro Bay Ports. Also, in September 2020, the Board recognized revenue in the amount of \$5,906,601 from the U.S. EPA FY 2019 Targeted Airshed Grant (TAG) Program into the Advanced Technology, Outreach, and Education Fund (17) to deploy fuel cell transit buses at SunLine Transit Agency. Board authorization is needed for reimbursement of administrative costs for fuel cell transit buses. These actions are to: 1) recognize \$4,500,000 from EPA DERA into the Clean Fuels Program Fund (31) for the replacement of Class 8 diesel trucks with ZE trucks; 2) execute or amend contracts for ZE truck replacement projects using future project lists from the Carl Moyer Program solicitations; 3) reimburse the General Fund (01) up to \$100,000 from the Clean Fuels Program Fund (31) for administrative costs to implement the DERA projects; and 4) reimburse the General Fund (01) using FY 2019 TAG funds for deployment of fuel cell transit buses at SunLine Transit Agency from the Advanced Technology, Outreach and Education Fund (17) up to \$156,601 for administrative costs. (Reviewed: Technology Committee, December 20, 2024; Recommended for Approval)

6. Recognize Revenue for Implementation of Programs for Replacement of Class 6 and 7 Vehicles and School Buses with Zero-Emission Vehicles and Reimburse General Fund

**Katzenstein/2219**

South Coast AQMD expects to receive two awards totaling \$58,741,154 from U.S. EPA 2024 Clean Heavy-Duty Vehicles Grant Program. Under this opportunity, South Coast AQMD was awarded two grants – for “Empowering Local Environmental Change Through Replacing Internal Combustion with Battery Electric Class 6 or 7 Vehicles” (ELECTRIC) program and for “Clean Air Rides for Kids” (CARE4Kids) program. Up to \$33,898,522 will be used for the ELECTRIC program to replace diesel or gasoline-powered Class 6 and 7 freight delivery vehicles with zero-emission vehicles, and up to \$24,842,632 will be used for the CARE4Kids program to replace internal combustion Class 6 and 7 school buses with zero-emission buses. These actions are to: 1) recognize revenue, upon receipt, up to \$33,898,522 from U.S. EPA for the ELECTRIC Program into Fund (17); 2) recognize revenue, upon receipt, up to \$24,842,632 from U.S. EPA for the CARE4Kids Program into Fund (17); and 3) reimburse General Fund up to \$6,061,504 from Fund (17) for the administrative costs

to run the programs. (Reviewed; Technology Committee, December 20, 2024; Recommended for Approval)

7. Recognize Revenue, Appropriate Funds, Issue Solicitations and Purchase Orders for Air Monitoring Equipment and Execute Contract

**Low/2269**

South Coast AQMD previously received a Federal grant award from U.S. EPA under the American Rescue Plan and is expected to receive funds under the Inflation Reduction Act. This action is to recognize up to \$1,245,708 and appropriate these funds into the Monitoring and Analysis FY 2024-25, FY 2025-26 and/or FYs 2024-29 Budgets, issue solicitations and purchase orders for air monitoring equipment, issue an RFP in an amount up to \$600,000, and execute a contract for the development of an Air Monitoring Equipment Testing and Education Center in Diamond Bar. (Reviewed: Administrative Committee, December 13, 2024; Recommended for Approval)

8. Issue RFP for Legislative Representation in Sacramento, California

**Tanaka/3327**

This action calls for the issuance of an RFP for specialized legislative representation and strategic political consulting services for South Coast AQMD in Sacramento for FY 2025-26. The RFP will also indicate that the services contract may be extended for up to two additional one-year terms. Total expenditures for the contract shall not exceed \$180,000 for the initial one-year period. (Reviewed Legislative Committee December 13, 2024; Recommended for Approval)

9. Adopt Resolution Per AB 2522 (Carrillo) to Increase Governing Board Member Compensation, Appropriate Funds from Undesignated Fund Balance, and Transfer funds Between Major Objects

**Tanaka/3327**

AB 2522 (Carrillo) sponsored by South Coast AQMD was chaptered into state law to increase local air district board per diem. These actions are to: 1) adopt a Resolution per AB 2522 (Carrillo) to increase Governing Board Member compensation from \$100 to up to \$200 for each day, or portion thereof, but not to exceed \$2,000 per month for specified business on behalf of South Coast AQMD retroactively effective on January 1, 2025; 2) appropriate \$78,000 from Undesignated (Unassigned) Fund Balance for the increase in Governing Board Member compensation; and 3) transfer \$87,173 between Major Objects in the Governing Board FY 2024-25 Budget to realign expenditures for San Bernardino County Board Consultants/Assistants contracts. (Reviewed: Administrative Committee, December 13, 2024; Recommended for Approval)

10. Establish List of Prequalified Counsel to Represent and Advise South Coast AQMD on Legal Matters Related to Environmental Law and General Governmental Matters **Gilchrist/3459**

On June 7, 2024 the Board approved issuance of an RFP to pre-qualify outside counsel having expertise in the California Environmental Quality Act, South Coast AQMD rulemaking and planning procedures, administrative law, general governmental law, and related issues for the South Coast AQMD. The evaluation of responding firms has been completed. This action is to establish a list of prequalified counsel to represent South Coast AQMD in environmental law matters and general governmental matters. (Reviewed: Administrative Committee, December 13, 2024; Recommended for Approval)
  
11. Establish Rule 2305 Penalty Special Revenue Fund **MacMillan/3244**

Assembly Bill 98, approved by the Governor on September 29, 2024, requires South Coast AQMD to receive community input on how penalties assessed and collected for violations of the Warehouse Indirect Source Rule (Rule 2305) are spent. This action will establish a special revenue fund to hold penalty funds from Rule 2305 violations received on or after January 1, 2025, including interest earnings from these penalties. (Reviewed: Administrative Committee, December 13, 2024; Recommended for Approval)
  
12. Amend Contract for Janitorial Services at Diamond Bar Headquarters **Olvera/2309**

In February 2022, the Board approved the execution of a 34-month contract for janitorial services with Santa Fe Janitorial Maintenance Services, Inc., with authority to extend the contract for two additional years. The contract is scheduled to expire on February 28, 2025. This action is to amend the contract to continue services through December 31, 2026, for a total amount not to exceed \$1,187,973. Funding has been included in the FY 2024-25 Budget and will be requested in successive fiscal years. (Reviewed: Administrative Committee, December 13, 2024; Recommended for Approval)
  
13. Amend FY 2024-25 Budget by Adding and Deleting Positions Throughout the Agency to Address Operational Needs, Adopt a New Class Specification, Amend an Existing Class Specification and Appropriate Funds from Undesignated (Unassigned) Fund Balance **Olvera/2309**

This item is to amend the FY 2024-25 Budget to add and delete positions throughout the agency to address operational needs. This item is also to adopt a new Budget and Grants Manager class specification and to revise the existing Public Affairs Manager class specification. This action will result in an increased annual cost of \$2,200,425. Funding of \$733,475 for FY 2024-25 is available in the General Fund Undesignated (Unassigned) Fund Balance and will be requested in future budgets. Partial funding

will be provided through administrative cost recovery for implementing State and federal grant programs. (Reviewed: Administrative Committee, December 13, 2024; Recommended for Approval)

14. Execute Contract for Biennial Audit of Motor Vehicle Registration Revenues for FYs 2021-22 and 2022-23 **Jain/2804**

Health and Safety Code Section 44244.1 requires any agency receiving fee revenues pursuant to Section 44243 or 44244 to be subject to an audit of each program or project funded at least once every two years. On October 4, 2024, the Board approved the release of an RFP to select an auditor to perform the biennial audit for FYs 2021-22 and 2022-23. This action is to award a contract to Simpson & Simpson, Certified Public Accountants. (Reviewed: Administrative Committee, December 13, 2024; Recommended for Approval)

**Items 15 through 22 – Information Only/Receive and File**

15. Legislative, Public Affairs and Media Report **Tanaka/3327**

This report highlights the November 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)

16. Hearing Board Report **Ali**

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

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

This report summarizes monthly penalties and legal actions filed by the General Counsel's Office from November 1, 2024 through November 30, 2024. An Index of South Coast AQMD Rules is attached with the penalty report. (Reviewed: Stationary Source Committee, December 20, 2024)

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

This report provides a listing of environmental documents prepared by other public agencies seeking review by South Coast AQMD between November 1, 2024 and November 30, 2024, and proposed projects for which South Coast AQMD is acting as lead agency pursuant to CEQA. (No Committee Review)



19. Rule and Control Measure Forecast **Rees/2856**  
This report highlights South Coast AQMD rulemaking activities and public hearings scheduled for 2025, and provides a summary of implementation of the 2016 and 2022 AQMPs in 2024. (No Committee Review)
20. Report of RFQs/RFPs Scheduled for Release in January **Jain/2804**  
This report summarizes the RFQs/RFPs for budgeted services over \$100,000 scheduled to be released for advertisement for the month of January. (Reviewed: Administrative Committee, December 13, 2024)
21. Receive and File Annual Report on South Coast AQMD's Deferred Compensation Plans **Olvera/2309**  
South Coast AQMD sponsors IRS-approved 457(b), 401(a) and Omnibus Budget Reconciliation Act of 1990 (OBRA) Deferred Compensation Plans for its employees. This action is to receive and file the Deferred Compensation Plan Annual Report for Plan Year Ending June 2024 to address the Board's responsibility for monitoring the activities of the Deferred Compensation Plan Committee and ensuring the Committee carries out its fiduciary duties and responsibilities under the Committee Charter. (Reviewed: Administrative Committee, December 13, 2024)
22. 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, December 13, 2024)

**Items 23 through 28 -- Reports for Committees, MSRC, and CARB**

*Note: The Mobile Source Committee did not meet in December, and the December 2024 MSRC and CARB Board meetings were cancelled.. The next regular meeting of the Mobile Source Committee is scheduled for January 24, 2025 and the next regular meeting of the MSRC is scheduled for January 16, 2025.*

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|---|------------------|-----------------------|
| 23. Administrative Committee (Receive & File)       | Chair: Delgado   | <b>Nastri/3131</b>    |
| 24. Climate Change Committee (Receive & File)       | Chair: Perez     | <b>MacMillan/3244</b> |
| 25. Investment Oversight Committee (Receive & File) | Chair: Cacciotti | <b>Jain/2804</b>      |

- |     |  |                      |                         |
|-----|--|----------------------|-------------------------|
| 26. | Legislative Committee  | Chair: Cacciotti     | <b>Tanaka/3327</b>      |
|     | Receive and file; and take the following action as recommended:                        |                      |                         |
|     | <b><u>Agenda Item</u></b>  | <b><u>Action</u></b> |                         |
|     | SB 34 (Richardson)-Ports:<br>emissions: intermodal goods<br>movement stakeholder group | Work With Author     |                         |
| 27. | Stationary Source Committee (Receive & File)   | Chair: McCallon      | <b>Aspell/2491</b>      |
| 28. | Technology Committee (Receive & File)  | Chair: Rodriguez     | <b>Katzenstein/2219</b> |
| 29. | <b><u>Items Deferred from Consent and Board Calendar</u></b>                           |                      |                         |

**STAFF PRESENTATION/BOARD DISCUSSION/RECEIVE & FILE**

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|-----|--|--|--------------------|
| 30. | Select Third Party Contractors to Administer Go Zero Pilot Incentive Program   |  | <b>Krause/2706</b> |
|     | <p>South Coast AQMD released RFP #P2025-01 in August 2024 to solicit proposals for third-party contractor(s) to administer five sub-projects of the Go Zero incentive program. Staff from South Coast AQMD and CARB evaluated the proposals and are providing recommendations for third-party contractors to implement each sub-project. Go Zero will be initially funded up to \$21 million from mitigation fees collected under the alternative compliance options for residential space heating appliances maintained in the Rule 1111 Air Quality Investment Fund (27), approved in August 2024 at RFP #P2025-01 release. Recommended Actions: Authorize the Chair (or by the Chair's designation, the Executive Officer) to execute contracts with: 1) Electric &amp; Gas Industries Association (EGIA) in an amount of \$9,000,000 for administrating single family rebates; 2) Willdan Energy Solutions in an amount of \$10,000,000 for administrating multifamily and small business rebates; 3) The Energy Coalition in an amount of \$1,800,000 for administrating installer training and 80 percent of outreach and application assistance; and 4) Community Connections, LLC in an amount of \$200,000 administrating 20 percent of outreach and application assistance. (Reviewed: Stationary Source Committee, December 20, 2024; Reviewed)</p> |  |                    |

**PUBLIC HEARINGS**

- |     |  |  |                    |
|-----|--|--|--------------------|
| 31. | Determine That Proposed Amended Rule 1179.1 - Emission Reductions from Combustion Equipment at Publicly Owned Treatment Works Facilities, Is Exempt from CEQA; and Amend Rule 1179.1   |  | <b>Krause/2706</b> |
|     | <p>Rule 1179.1 establishes NOx limits for boilers, turbines, and engines located at publicly owned treatment works. Proposed Amended Rule 1179.1 will correct cross-references in Attachment 1 by harmonizing it with similar references in Attachment 1 of Rule 1110.2 - Emissions from Gaseous- and Liquid-Fueled Engines.</p> |  |                    |

This action is to adopt the Resolution: 1) Determining that Proposed Amended Rule 1179.1 – Emission Reductions from Combustion Equipment at Publicly Owned Treatment Works Facilities, is exempt from the requirements of the California Environmental Quality Act; and 2) Amending Rule 1179.1 – Emission Reductions from Combustion Equipment at Publicly Owned Treatment Works Facilities. (No Committee Review)

32. Determine That Proposed Amended Regulation XXX – Title V Permits Is Exempt from CEQA; and Amend Regulation XXX

**Krause/2706**

Regulation XXX – Title V Permits establishes provisions for Title V facilities including obtaining a Title V permit and complying with the conditions of the permit. To be consistent with a decision made by the U.S. Supreme Court on U.S. EPA's Greenhouse Gas Tailoring Rule and U.S. EPA's Title V operating permit program regulations, Proposed Amended Regulation XXX will remove the emergency affirmative defense and certain greenhouse gas provisions. This action is to adopt the Resolution: 1) Determining that Proposed Amended Regulation XXX – Title V Permits is exempt from the requirements of the California Environmental Quality Act; and 2) Amending Regulation XXX – Title V Permits. (Reviewed: Stationary Source Committee, November 15, 2024)

33. Approve Imposition of Management's Last, Best and Final Offer on Revised Telework Program Policy and Authorize Executive Officer to Implement Revised Telework Program Policy for South Coast AQMD Professional Unit Employees

**Olvera/2309**

Management and the South Coast AQMD Professional Employees Association have reached impasse in the bargaining process for a revised Telework Program policy. This action is to hold a public hearing regarding the impasse, and to consider approving the imposition of Management's Last, Best and Final Offer on a revised Telework Program policy and authorizing the Executive Officer to implement the policy for Professional Unit employees. This policy is the same revised Telework Program policy issued by the Executive Officer for all other employees on September 26, 2024, which has an effective date of April 1, 2025. (No Committee Review)

### **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.

### **CLOSED SESSION -- (No Written Material)**

**Gilchrist/3459**

### **CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION**

It is necessary for the Board to recess to closed session pursuant to Government Code sections 54956.9(a) and 54956.9(d)(1) to confer with its counsel regarding pending litigation which has been initiated formally and to which the South Coast AQMD is a party. The actions are:

- In the Matter of South Coast Air Quality Management District v. Southern California Gas Company, Aliso

Canyon Storage Facility, South Coast AQMD Hearing Board Case No. 137-76 (Order for Abatement); People of the State of California, ex rel South Coast Air Quality Management District v. Southern California Gas Company, Los Angeles Superior Court Case No. BC608322; Judicial Council Coordinated Proceeding No.4861;

- South Coast Air Quality Management District, et al. v. NHTSA, EPA, et al., United States Court of Appeals, D.C. Circuit, Case No. 20-1173 (consolidated with Competitive Enterprise Institute, et al. v. NHTSA, No. 20-1145);
- Natural Resources Defense Council, et al. v. City of Los Angeles, et al., San Diego Superior Court, Case No. 37-2021-00023385-CU-TT-CTL (China Shipping Case) (transferred from Los Angeles Superior Court, Case No. 20STCP02985); Fourth District Court of Appeal, Division One, No. D080902;
- In the Matter of South Coast Air Quality Management District v. Baker Commodities, South Coast AQMD Hearing Board Case No. 6223-1 (Order for Abatement);
- Western States Trucking Association, Inc. v. EPA, et al., United States Court of Appeals, D.C. Circuit, Case No. 23-1143 (amicus brief); and
- Rinnai America Corp. et al. v. South Coast Air Quality Management District, U.S. District Court for the Central District of California, Case No. 2:24-cv-10482.

#### **CONFERENCE WITH LEGAL COUNSEL – INITIATING LITIGATION**

It is also necessary for the Board to recess to closed session pursuant to Government Code section 54956.9(a) and 54956.9(d)(4) to consider initiation of litigation (two cases).

#### **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION**

Also, it is necessary for the Board to recess to closed session pursuant to Government Code section 54956.9(d)(2) to confer with its counsel because there is a significant exposure to litigation against the South Coast AQMD (two cases).

#### **CONFERENCE WITH LABOR NEGOTIATORS**

It is also necessary to recess to closed session pursuant to Government Code section 54957.6 to confer with labor negotiators:

Agency Designated Representative: A. John Olvera, Deputy Executive Officer – Administrative & Human Resources;

- Employee Organization(s): Teamsters Local 911, and South Coast AQMD Professional Employees Association; and
- Unrepresented Employees: Executive Officer, General Counsel, Designated Deputies and Management and Confidential employees.

#### **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](mailto:cob@aqmd.gov), on or before 5:00 p.m. on the Tuesday prior to the Board meeting.

**ACRONYMS**

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| 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.

[↑ Back to Agenda](#)

BOARD MEETING DATE: January 10, 2025

AGENDA NO. 1

MINUTES: Governing Board Monthly Meeting

SYNOPSIS: Attached are the Minutes of the December 6, 2024 Board Meeting.

**RECOMMENDED ACTION:**

Approve the December 6, 2024 Board Meeting Minutes.

Faye Thomas  
Clerk of the Boards

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**FRIDAY, DECEMBER 6, 2024**

Notice having been duly given, the regular meeting of the South Coast Air Quality Management District Board was conducted in a hybrid format (in person and remotely via videoconferencing and telephone). Members present:

Senator Vanessa Delgado (Ret.), Chair  
Senate Rules Committee Appointee

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

Mayor Patricia Lock Dawson  
Cities of Riverside County

Supervisor Curt Hagman  
County of San Bernardino

Gideon Kracov  
Governor's Appointee

Mayor Pro Tem Larry McCallon  
Cities of San Bernardino County

Supervisor Holly J. Mitchell  
County of Los Angeles

Supervisor V. Manuel Perez  
County of Riverside

Councilmember Nithya Raman  
City of Los Angeles

Councilmember Carlos Rodriguez  
Cities of Orange County

Assemblymember José Luis Solache (Left the meeting at 9:38 a.m.)  
Cities of Los Angeles County – Western Region

Supervisor Donald P. Wagner  
County of Orange

Absent: Board Member Veronica Padila-Campos  
Speaker of the Assembly Appointee



For additional details of the Governing Board Meeting, please refer to the recording of the [Webcast](#) at: [Live Webcast \(aqmd.gov\)](#)

**CALL TO ORDER:** Vice Chair Cacciotti called the meeting to order at 9:06 a.m.

- Pledge of Allegiance: Led by Mayor Pro Tem McCallon
- Roll Call

Chair Delgado was not present for roll call; she arrived at 9:08 a.m.

- Opening Comments

Vice Chair Cacciotti commented on and shared photos of an NFI Industries all-battery electric truck that was part of the Volvo LIGHTS (Low Impact Green Heavy Transport Solutions) program; and the National League of Cities Centennial Cities Summit in Tampa Bay, Florida that he attended as a speaker to share information about the electrification of the City of South Pasadena's police fleet.

Executive Officer Wayne Nastri commented on and shared photos of South Coast AQMD staff volunteers working on a Habitat for Humanity project in Southeast Los Angeles in November. He announced that the January 2025 Board Meeting will be held on January 10 to accommodate the New Years Day holiday; and that the 2025 Board Retreat and April Board Meeting will be held on April 3 and April 4, respectively, in Rancho Mirage, California.

Mayor Lock Dawson announced that the City of Riverside signed an agreement with Voltu Motor Inc, an Argentinian developer of medium-duty, all-electric trucks, to locate its headquarters and manufacturing facility in Riverside.

Supervisor Perez congratulated Board Member Solache on being elected to the California State Assembly. He commented on having Assemblymember Solache and others in the legislature as allies to work with on issues.

Chair Delgado highlighted Assemblymember Solache's leadership and service to the community and tenure on the South Coast AQMD Board. She presented him with a crystal award in honor of his service on the South Coast AQMD Board.

Assemblymember Solache expressed appreciation for the honor to have served the residents of the Western Cities of Los Angeles County and his community, and gave his final farewell remarks.

Board Members Kracov, Rodriguez, and Lock Dawson congratulated Assemblymember Solache and commended his consensus-building approach in working with fellow Board Members.

- Recognize Employees with 25 and 35 Years of Service

Chair Delgado expressed appreciation to the honorees for their many years of service and dedication to the South Coast AQMD. A video presentation was shown that recognized those employees who reached the following employment service milestones.

25 years: Jason Aspell, Evett Bradford, Keith Brown, Fortune Chen, Marjorie Eaton, Monica Fernandez-Neild, Mary Leonard, Bradley McClung, Ricardo Morales, Walter Shen, Brian Vlasich, Mei Wang, and Victor Yip

35 years: Barbara Baird, Rene Bermudez, Brian Choe, John Eckert, Laura Garrett, Maryann Gomez, Mitchell Haimov, Derek Hollinshead, Todd Iwata, Peter Ko, Henry Pourzand, Deborah Rutledge, Susan Tsai, and Gilbert Vita

Vice Chair Cacciotti announced the passing of former Governing Board Member Dennis Yates, who was also the former Mayor of Chino, and highlighted his public and community service. A moment of silence was held in memory of former Board Member Yates.

(Assemblymember Solache left the meeting at 9:38 a.m.)

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

The Public Comment Period on Non-Agenda Items was opened. The following individuals addressed the Board. For additional details, please refer to the [Webcast](#) beginning at 33:09.

MaCarmen Gonzalez, San Bernardino resident and People's Collective for Environmental Justice (via Spanish interpreter)  
José Avalo, San Bernardino resident (via Spanish interpreter)  
Luis Carratero, Center for Community Action and Environmental Justice (CCA EJ)  
Candace Youngblood, Earthjustice  
Michael Rochmes, Los Angeles Climate Reality Project  
Kim Orbe  
Jason Vang, a Clean Air Advocate  
Aura Vasques, Sierra Club  
Theral Golden, West Long Beach Neighborhood Association  
Alison Hahm, Natural Resources Defense Council  
Cristhian Tapia-Delgado, Pacific Environment and Long Beach resident  
Fernando Gaytan, Earthjustice  
Taylor Thomas, East Yard Communities for Environmental Justice (EYCEJ) and Long Beach resident  
Andrea Vidaurre, People's Collective for Environmental Justice  
Kyler Chin, Sunrise Movement and UCI student  
Steve Dunwoody, Sierra Club  
Ana Solarzan, San Bernardino resident (via Spanish interpreter)  
Tania Gonzalez, People's Collective for Environmental Justice  
Brenda Soto, People's Collective for Environmental Justice  
Maria Reyes (via Spanish interpreter)

Ceshia Rojas, EYCEJ and Southeast Los Angeles resident  
Emmanuel Carrera, EYCEJ and Southeast Los Angeles resident  
Nathan Nunez, EYCEJ  
Jocelyn Del Real, EYCEJ and Southeast Los Angeles resident  
Marven Norman, CCAEJ and San Bernardino resident  
Garza, Santos Group  
Al Sattler, a member of the public  
Chris Chavez, Coalition for Clean Air  
Jed Holtzman, RMI (Rocky Mountain Institute)  
Maya Nitschke-Alonso, Sierra Club and Los Angeles resident

Themes from the above public commenters included:

- Commented on the detrimental health risks and lower life expectancy for communities impacted by pollution from the ports and industrial sources;
- Support for a strong Port ISR that will reduce emissions, develop plans and benchmarks for zero-emission infrastructure, and require monitoring and recordkeeping to provide oversight and transparency;
- Disappointed that the Port ISR process has stalled and focus shifted towards an infrastructure agreement;
- Supports PAR 1111 and PAR 1121 and urges that there be no further delays to their adoption;
- Amending PAR 1111 and PAR 1121 is essential to fulfilling commitments made in the 2022 AQMP and AB 617 CERPs, and improving public health;
- Zero emission transition is needed across all sectors; and
- Cautioned about the use of hydrogen as a zero emission option.

Monica Embrey, Industrious Labs  
Mandeera Wijetunga, Sierra Club and Los Angeles resident  
David Martinez, Climate Action Campaign and Orange County resident  
Ayn Craciun Climate Reality Orange County

Themes from the above public commenters included:

- Expressed concerns with air pollutants and toxic air contaminants from industrial sources;
- Commended the South Coast AQMD for its leadership on industrial electrification and passing Rule 1146.2 in June 2024;
- Urge moving forward to pass PARs 1146 and 1146.1 in 2025; and
- Zero-emission solutions are available to drive cleaner industrial practices.

David Libatique, Port of Los Angeles  
Renee Moilanen, Port of Long Beach  
Thomas Jelenić, Pacific Merchant Shipping Association

Themes from the above public commenters included:

- Commented on how the Ports' Clean Air Action Plan has resulted in significant emission reductions;
- Continue to build on cooperative efforts with all stakeholders to ensure infrastructure and human operated equipment needed to facilitate the transition to zero emissions operations;
- An infrastructure development approach for the deployment of zero-emission equipment at the Ports;
- Commended South Coast AQMD staff for holding the Port Charging and Fueling Infrastructure Working Group Meeting on November 15 to discuss the need for port charging and fueling infrastructure planning.

Harvey Eder, Public Solar Power Coalition, expressed concerns with natural gas, deaths caused by PM2.5 emissions, and the Supreme Court. For additional details, please refer to the [Webcast](#) beginning at 1:39:10

There being no further requests to speak, the public comment period was closed for Non-Agenda Items.

Written Comment Submitted Regarding Ports Indirect Source Rule

- One letter signed on behalf of the following organizations: Fernando Gaytan, Earthjustice; Marven E. Norman, Center for Community Action and Environmental Justice; Peter Warren, San Pedro & Peninsula Homeowners Association; Jennifer Maria Cardenas, Sierra Club; Cristhian Tapia-Delgado, Pacific Environment; Jesse N. Marquez, Coalition For A Safe Environment; and Laura Cortez, East Yard Communities for Environmental Justice

Written Comments Submitted Opposing Proposed Amended Rules 1111 & 1121

- Marsha Golden, Running Springs resident
- Deborah Knowlton, Twin Peaks resident
- Terry Schulz
- Whitney Squire, Plumbing Heating Cooling Contractors of California
- Lawrence Yoo

Eleven (11) Greeting Cards – Sentiments in Support of Clean Air



**CONSENT AND BOARD CALENDAR**

**Items 1 and 2 – Action Items/No Fiscal Impact**

1. Approve Minutes of November 1, 2024 Board Meeting
2. Set Public Hearings January 10, 2025 to Consider Adoption of and/or Amendments to South Coast AQMD Rules and Regulations
  - A. Determine That Proposed Amended Rule 1179.1 – Emission Reductions from Combustion Equipment at Publicly Owned

Treatment Works Facilities, Is Exempt from CEQA; and Amend Rule 1179.1

B. Determine That Proposed Amended Regulation XXX – Title V Permits Is Exempt from CEQA; and Amend Regulation XXX

**Items 3 through 10 – Budget/Fiscal Impact**

3. Execute Contracts to Develop and Demonstrate Class 2B/3 and Class 4/5 Medium-Duty Battery Electric Trucks
4. Execute Contracts to Implement Zero-Emission Infrastructure Projects Under Carl Moyer and Community Air Protection Programs
5. Execute Sponsorship Agreement to Support Workforce Training and Professional Development of Electric Vehicle and Battery Engineers
6. Transfer and Appropriate Funds, Issue Solicitations and Purchase Orders for MATES VI
7. Execute Contract(s) for Legislative Representation in Washington, D.C.
8. Amend Contracts for Legislative Representation in Sacramento, California
9. Amend Contract to Provide Short- and Long-Term Systems Development, Maintenance and Support Services
10. Issue RFP, and Approve Contract Awards, Contract Modification, and Allocation of Funds as Approved by MSRC

**Items 11 through 18 – Information Only/Receive and File**

11. Legislative, Public Affairs and Media Report
12. Hearing Board Report
13. Civil Filings and Civil Penalties Report
14. Intergovernmental Review of Environmental Documents and CEQA Lead Agency Projects
15. Rule and Control Measure Forecast
16. Annual Audited Financial Statements for FY Ended June 30, 2024
17. Report to Legislature and CARB on South Coast AQMD's Regulatory Activities for Calendar Year 2023
18. Status Report on Major Ongoing and Upcoming Projects for Information Management

**Items 19 through 24 – Reports for Committees, MSRC, and CARB**

*The November 15, 2024 Mobile Source Committee meeting was cancelled. The next regularly scheduled meeting of the Mobile Source Committee is January 24, 2025.*

19. Administrative Committee
20. Legislative Committee
21. Stationary Source Committee
22. Technology Committee

23. Mobile Source Air Pollution Reduction Review Committee
24. California Air Resources Board Monthly Report
25. Items Deferred from Consent and Board Calendar

**Disclosures**

Mayor Pro Tem McCallon reported that he had no financial interest in Agenda Item Nos. 3 and 10 but is required to identify for the record that he is the Chair of the MSRC, which is involved in those items.

Supervisor Wagner reported that he had no financial interest in Agenda Item No. 4 but is required to identify for the record that he is a Supervisor for the County of Orange, which is involved in this item.

Supervisor Hagman reported that he had no financial interest in Agenda Item Nos. 3 and 10 but is required to identify for the record that he a Member of the MSRC, which is involved in those items.

Mayor Lock Dawson reported that she had no financial interest in Agenda Item Nos. 3 and 10 but is required to identify for the record that she is the Mayor of Riverside, which is involved in those items.

Supervisor Mitchell reported that she had no financial interest in Agenda Item No. 10 but is required to identify for the record that she is a Board Member for LA Metro, which is involved in this item.

Councilmember Raman reported that she had no financial interest in Agenda Item No. 10 but is required to identify for the record that she is a Councilmember for the City of Los Angeles, which is involved in this item.

General Counsel Bayron Gilchrist reported that Board Member Kracov is recusing himself from Agenda Item No. 2B because of a financial interest in Disney, which is materially affected by this item.

The public comment period was opened for Agenda Item Nos. 1 through 24. There being no requests to speak, the public comment period was closed for Agenda Item Nos. 1 through 24.

**Board Action (Items 1–24)**

MOVED BY HAGMAN AND SECONDED BY CACCIOTTI TO APPROVE AGENDA ITEM NOS. 1 THROUGH 24 AS RECOMMENDED AND:

RECEIVE AND FILE THE REPORTS FOR THE BOARD COMMITTEES, MSRC, AND CARB;

THE MOTION PASSED BY THE FOLLOWING VOTE:

AYES: Cacciotti, Delgado, Lock Dawson,  
Hagman, McCallon, Mitchell, Perez,

Raman, Rodriguez, and Wagner

NOES: None

ABSENT: Kracov, Padilla-Campos, and Solache

\*Board Member Kracov was not in the room at the time of the vote.



25. Items Deferred from Consent and Board Calendar  
There were no items deferred.

### **PUBLIC HEARINGS**

26. Determine that Proposed Rule 1159.1 – Control of NOx Emissions from Nitric Acid Tanks, Is Exempt from CEQA and Adopt Rule 1159.1

Kalam Cheung, Planning and Rules Manager, gave the staff presentation on Agenda Item No. 26. For additional details, please refer to the [Webcast](#) beginning at 1:50:06.

The public comment period was opened for Agenda item No. 26. The following individual addressed the Board.

Harvey Eder [*Mr. Eder was interrupted as his comments were off topic.*] For additional details, please refer to the [Webcast](#) beginning at 1:56:03

There being no further requests to speak, the public comment period was closed for Agenda item No. 26.

### **Board Action (Item 26)**

MOVED BY MCCALLON AND SECONDED BY PEREZ TO APPROVE AGENDA ITEM NO 26 AS RECOMMENDED AND ADOPT RESOLUTION NO. 24-30:

- 1) DETERMINING THAT PROPOSED RULE 1159.1 – CONTROL OF NOX EMISSIONS FROM NITRIC ACID TANKS, IS EXEMPT FROM THE REQUIREMENTS OF THE CALIFORNIA ENVIRONMENTAL QUALITY ACT; AND
- 2) ADOPTING RULE 1159.1 – CONTROL OF NOX EMISSIONS FROM NITRIC ACID TANKS.

THE MOTION PASSED BY THE FOLLOWING VOTE:

AYES: Cacciotti, Delgado, Lock Dawson,  
Hagman, Kracov, McCallon, Mitchell,  
Perez, Raman, Rodriguez, and Wagner

NOES: None

ABSENT: Padilla-Campos and Solache



**CLOSED SESSION**

There was no closed session.

**ADJOURNMENT**

There being no further business, Chair Delgado wished everyone a happy holiday season and adjourned the meeting at 10:56 a.m.

The foregoing is a true statement of the proceedings held by the South Coast Air Quality Management District Board on December 6, 2024.

Respectfully Submitted,

Faye Thomas  
Clerk of the Boards

Date Minutes Approved: \_\_\_\_\_

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Vanessa Delgado, Chair

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**ACRONYMS**

AQMP = Air Quality Management Plan

CARB = California Air Resources Board

CEQA = California Environmental Quality Act

FY = Fiscal Year

ISR = Indirect Source Rule

MSRC = Mobile Source Air Pollution Reduction Review Committee



BOARD MEETING DATE: January 10, 2025

AGENDA NO. 3

**PROPOSAL:** Transfer and Appropriate Funds, Recognize Revenue, and Execute Contract for EV Charger Installation Services at South Coast AQMD Headquarters

**SYNOPSIS:** In August 2024, the Board approved the release of an RFP to replace the EV charging infrastructure at South Coast AQMD headquarters. In October 2024, CALSTART, Inc. (CALSTART) awarded South Coast AQMD \$70,000 under the Communities in Charge grant to replace up to 28 EV chargers at its headquarters. These actions are to: 1) transfer and appropriate \$723,248 from the Clean Fuels Program Fund (31) into Technology Advancement Office's FY 2024-25 Budget; 2) recognize revenue, upon receipt, up to \$70,000 awarded from CALSTART into the Clean Fuels Program Fund (31); and 3) execute a contract with GreenWealth Energy Solutions, Inc. for EV hardware and software installation and maintenance at South Coast AQMD headquarters for up to \$723,248 from Technology Advancement Office's FY 2024-25 Budget.

**COMMITTEE:** Technology, December 20, 2024; Recommended for Approval

**RECOMMENDED ACTIONS:**

1. Transfer \$723,248 from the Clean Fuels Fund (31) into the General Fund and appropriate \$723,248 to the Technology Advancement Office's FY 2024-25 Budget, Capital Outlays Major Object, Capital Outlays Account;
2. Recognize revenue, upon receipt, up to \$70,000 from CALSTART, Inc. into the Clean Fuels Program Fund (31); and
3. Authorize the Executive Officer to execute a contract with GreenWealth Energy Solutions, Inc. (GreenWealth) for EV hardware and software installation and maintenance at South Coast AQMD headquarters in an amount not to exceed \$723,248 from Technology Advancement Office's FY 2024-25 Budget, Capital Outlays Major Object, Capital Outlays Account.

Wayne Nastri  
Executive Officer

## **Background**

South Coast AQMD headquarters' electric vehicle supply equipment (EVSE), provides Level 2 charging for up to 94 vehicles. The publicly accessible charging infrastructure was installed between 2011 and 2017 using Department of Energy (DOE) and California Energy Commission (CEC) grants and the Clean Fuels Fund. All chargers are no longer covered by warranty, and many faulty and nonfunctional chargers are over ten years old and repairs are not feasible. To meet current and future EV charging needs for staff and the public, replacing 55 EVSE units with a total of 94 charging plugs is necessary. Replacing these EVSE units will also enable the charging network to be monitored remotely along with improving energy management capabilities.

In August 2024, the Board released RFP #P2024-13 to solicit proposals to replace the EV charging infrastructure at South Coast AQMD headquarters. Of the six proposals received, two proposals were qualified to be considered for this solicitation and are shown in Table 1.

In October 2024, South Coast AQMD was awarded \$70,000 from the Communities in Charge Program under CALSTART, Inc. (CALSTART) and in collaboration with CEC to replace EV chargers on existing infrastructure at South Coast AQMD headquarters. The Communities in Charge Program is California's market-accelerating, light-duty electric vehicle infrastructure incentive project funded by CEC, implemented by CALSTART and supported by Grid Alternatives and Tetra Tech, Inc. The Communities in Charge Program is designed to swiftly deploy Level 2 EV chargers.

## **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 Sun, and Riverside County Press Enterprise newspapers.

Additionally, potential bidders were notified utilizing South Coast AQMD's electronic listing of certified minority vendors. Notice of the RFP was mailed 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>).

## **Bid Evaluation**

The mandatory bidders' conference and site walk held at South Coast AQMD headquarters were attended by 21 participants representing 16 companies. Subsequently, in response to the RFP, a total of six proposals were submitted by companies that had participated in the mandatory bidders' conference. The proposals were reviewed by a three-member panel in accordance with established South Coast AQMD guidelines outlined in the RFP. The three-member panel was composed of two South Coast AQMD Program Supervisors and one Manager.

Four of the six proposals did not meet the minimum requirements and were not scored. The remaining two proposals were further evaluated and scored by the review panel and are listed in Table 1.

**Table 1: Eligible EVSE Proposals and Scores**

| <b>Name</b>                        | <b>Qualifying Score</b> | <b>Additional Score*</b> | <b>Total Points</b> |
|------------------------------------|-------------------------|--------------------------|---------------------|
| GreenWealth Energy Solutions, Inc. | 91.7                    | 15                       | 106.7               |
| Verdek, LLC                        | 83.3                    | 0                        | 83.3                |

\*Additional points awarded to businesses that have provided self-certification verification as defined in the RFP.

**Proposal**

These actions are to: (1) transfer \$723,248 from the Clean Fuels Fund (31) into the General Fund and appropriate \$723,248 to the Technology Advancement Office’s FY 2024-25 Budget, Capital Outlays Major Object, Capital Outlays Account; (2) recognize the Communities in Charge grant award of \$70,000 from CALSTART; and (3) execute a contract with GreenWealth Energy Solutions, Inc. (GreenWealth) for EV hardware and software installation and maintenance at South Coast AQMD headquarters. The contract with GreenWealth shall not exceed \$723,248 to provide EV hardware, data communications equipment, EV hardware services, and replacement of existing EV chargers.

Under the contract, GreenWealth will replace 55 Level 2 charging stations, consisting of 16 single port and 39 dual port chargers with port locking mechanism at the charger, on a like-for-like basis and recycle the old equipment. GreenWealth will also upgrade the data communications equipment at South Coast AQMD headquarters and provide South Coast AQMD staff with an online dashboard and network control capabilities. The pricing for EV charging stations and services includes a seven-year warranty with seven years of onsite service support, software cloud subscription, power management capabilities, installation support, and real-time dashboard access. GreenWealth will assist South Coast AQMD in establishing desirable power management schedules to reduce electricity costs and provide technical support.

**Benefits to South Coast AQMD**

This project will provide a new, upgraded, reliable charging network, support the adoption of electric vehicles, showcase EVSE technologies, and improve the EV charging network accessibility, convenience, and affordability for EV drivers working at or visiting South Coast AQMD’s headquarters. Further, the upgraded EVSE software and network communications capabilities will allow for improved quality assurance, quicker troubleshooting and repairs, and real-time monitoring of the EV charging network.

**Resource Impacts**

The contract with GreenWealth shall not exceed \$723,248 to provide for EV hardware and software installation and maintenance. Sufficient funds are available from the Clean Fuels Program Fund (31). The Clean Fuels Program Fund (31) was established as a special revenue fund resulting from the state-mandated Clean Fuels Program. The Clean Fuels Program, under Health and Safety Code Sections 40448.5 and 40512 and Vehicle Code Section 9250.1, establishes mechanisms to collect revenues from mobile sources to support projects to increase the utilization of clean fuels. Funds collected from motor vehicles are restricted, by statute, to be used for projects and program activities related to mobile sources that support the objectives of the Clean Fuels Program.

Upon transfer of \$723,248 from the Clean Fuels Fund (31) to the General Fund, sufficient funds will be available in the Technology Advancement Office's FY 2024-25 Budget for the contract with GreenWealth. Up to \$70,000 awarded by CALSTART in collaboration with CEC from the Communities in Charge grant to South Coast AQMD to replace EV chargers at its headquarters will be used towards the contract with GreenWealth.

BOARD MEETING DATE: January 10, 2025

AGENDA NO. 4

**PROPOSAL:** Execute Contracts and Transfer Funds under CPRG INVEST CLEAN Program and Issue RFP for Third-Party Facilitator(s) For INVEST CLEAN and ELECTRIC

**SYNOPSIS:** In September 2024, the Board recognized an award of \$499,997,415 from the U.S. EPA Climate Pollution Reduction Grant (CPRG) program to implement the Infrastructure, Vehicles, and Equipment Strategy for Climate, Equity, Air Quality, and National Competitiveness (INVEST CLEAN) program, which will fund the deployment of zero-emission battery electric Class 8 trucks, last mile freight vehicles, cargo handling equipment, locomotives, and truck charging. INVEST CLEAN also includes workforce training, community benefits programs and program performance validation. These actions are to: 1) execute contracts with the Los Angeles County Electrical Educational and Training Trust Fund, Alliance for Sustainable Energy LLC, and SCAG in the amounts not to exceed \$5,000,000, \$1,800,000, and \$51,500,000, respectively, to conduct a workforce development program, validate program's emission reduction performance, and implement the Last Mile Freight Program; 2) issue RFP #2025-11 to solicit Third-Party Facilitator(s) for Community Benefit Programs and authorize the Executive Officer to execute and/or amend contracts; 3) transfer up to \$20,000 as temporary loan from Legislative, Public Affairs and Media FY 2024-25 Professional and Special Services Fund (01) into EPA CPRG Special Revenue Fund (90) to cover the Third-Party Facilitator's initial costs for the INVEST CLEAN work; 4) transfer up to \$100,000 as a temporary loan from Clean Fuels Fund (31) to Fund (90) for Alliance for Sustainable Energy's initial program setup costs; and 5) Appropriate \$ 150,000 from the General Fund Undesignated (Unassigned) Fund Balance into Information Management's FY 2024-25 Budget, Services and Supplies and/or Capital Outlays Major Objects for INVEST CLEAN online project application system modification.

**COMMITTEE:** Technology, December 20, 2024; Recommended for Approval

**RECOMMENDED ACTIONS:**

1. Authorize the Executive Officer to execute the following contracts with funds from the U.S EPA Climate Pollution Reduction Grant (CPRG) Special Revenue Fund (90) for a total of up to \$58,300,000:
  - a. Los Angeles County Electrical Educational and Training Trust Fund (LA ETI) of the National Electrical Contactor Association (NECA) – International Brotherhood of Electrical Workers (IBEW) Local 11 to develop and implement a workforce development program in coordination with South Coast AQMD in an amount not to exceed \$5,000,000;
  - b. Alliance for Sustainable Energy, LLC to perform program emission reduction validation in an amount not to exceed \$1,800,000;
  - c. SCAG to implement the Last Mile Freight Program in an amount not to exceed \$51,500,000, including \$1,500,000 administrative costs to support the program implementation.
2. Issue RFP #2025-11 to solicit Third-Party Facilitator(s) for Community Benefit Programs including establishing Steering Committees and authorize the Executive Officer to execute and/or amend contracts;
3. Transfer up to \$20,000 as a temporary loan from Legislative, Public Affairs and Media FY 2024-25 Professional and Special Services Fund (01) into Fund (90) to initially support the Third-Party Facilitator Infrastructure, Vehicles, and Equipment Strategy for Climate, Equity, Air Quality, and National Competitiveness (INVEST CLEAN) work to be reimbursed later from Fund (90);
4. Transfer up to \$100,000 as a temporary loan from Clean Fuels Fund (31) to Fund 90 for Alliance for Sustainable Energy’s initial program setup costs until EPA’s reimbursement is received into Fund 90; and
5. Appropriate \$150,000 from the General Fund Undesignated (Unassigned) Fund Balance into Information Management’s FY 2024-25 Budget, Services and Supplies and/or Capital Outlays Major Objects for INVEST CLEAN online project application system modification.

Wayne Natri  
Executive Officer

AK:MW:LTO:TL:FX

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**Background**

The Inflation Reduction Act (Public Law 117-169) created the U.S. EPA CPRG program, allocating \$4.6 billion in grants to states, local governments, tribes, and territories. These grants are intended to support the development of climate action plans and the implementation of projects aimed at GHG, criteria pollutants, and hazardous air pollution. The CPRG program encourages multijurisdictional partnerships for both planning and implementation efforts.

In April 2024, South Coast AQMD submitted the regional CPRG proposal joined by two Metropolitan Statistical Areas which cover Los Angeles – Long Beach – Anaheim and Riverside – San Bernardino - Ontario, entitled Infrastructure, Vehicles, and Equipment Strategy for Climate, Equity, Air Quality, and National Competitiveness (INVEST CLEAN), and was awarded \$499,997,415 in October 2024. INVEST CLEAN is a transformational initiative aimed at overcoming barriers to transitioning the Southern California goods movement and logistics corridor to zero-emission (ZE) technologies. INVEST CLEAN includes four incentive measures, which are:

- (1) **Charging Infrastructure Deployment Incentive Program:** Incentives will be provided to install electrical charging equipment for heavy-duty trucks. Electrical infrastructure is the limiting factor for the successful deployment of battery electric heavy-duty vehicles. A scoring system will be developed to prioritize disadvantaged communities, small fleets, shovel-ready sites, and public charging or shared charging projects.
- (2) **Battery Electric Freight Vehicle Deployment Incentive Program:** Incentives will be provided for the purchase of Class 8 battery electric trucks. This measure will also provide funding to support the deployment of Class 4 and 5 battery electric vehicles in SCAG’s Last Mile Freight Program.
- (3) **Battery Electric Cargo Handling Equipment (CHE) Deployment Incentive Program:** Incentives will be provided for the deployment of battery electric yard tractors and top handlers. Funding for chargers is also included in the incentive and other types of CHE equipment may be considered.
- (4) **Battery Electric Locomotive Pilot Program:** Funding will be provided for the development and operation of battery electric switcher locomotives. The program also provides funding to railroad operators for the installation of chargers needed to operate these battery electric locomotives.

INVEST CLEAN’s investments in ZE infrastructure, vehicles, and equipment are projected to generate approximately 470 high-quality jobs in California while supporting and creating approximately 4,700 high-quality jobs nationwide driven by original equipment manufacturing and related suppliers. As the infrastructure is fully utilized over time, it is estimated to support the creation and sustainability of 43,500 additional high-quality jobs in manufacturing, electrical installations, and maintenance. The Project’s collaboration with NECA - IBEW, academia, and non-government organizations strengthens the potential for significant job creation and workforce development, which are critical for implementing, maintaining, and sustaining the ZE transformation of the freight sector.

INVEST CLEAN also incorporates a robust Community Benefit Program framework designed to promote equity and prioritize community-led initiatives and projects. An RFP will be issued to solicit the third-party facilitator and create steering committees to support community benefit projects. This program also focuses on education and

outreach efforts regarding climate change, air pollution, and ZE technologies to facilitate active engagement and long-term benefits for the communities.

INVEST CLEAN also included a data validation process through working with the National Renewable Energy Laboratory which is operated by Alliance for Sustainable Energy.

### **Proposal**

This proposal is to execute a contract with the Los Angeles County Electrical Educational and Training Trust Fund (LA ETI) of NECA - IBEW to develop and implement a workforce development program in coordination with South Coast AQMD across the two Metropolitan Statistical Areas. NECA – IBEW will utilize the INVEST CLEAN funding to develop a union-based, high-quality workforce program in the Electric Vehicle Supply Equipment (EVSE) and clean energy sectors in the INVEST CLEAN region. NECA – IBEW is committed to conducting comprehensive community engagement to connect disadvantaged and environmental justice communities with clean energy career opportunities and to foster a diverse workforce across the EV infrastructure and clean energy ecosystem. Collaborating with South Coast AQMD, educational institutions, and community-based organizations, NECA-IBEW will expand apprenticeship programs, offer supportive services, and conduct outreach and engagement activities to ensure equitable job opportunities and sustainable career pathways in clean energy for local communities, helping to reduce emissions and improve air quality in areas most affected by environmental injustice.

Additionally, a contract will be executed with Alliance for Sustainable Energy to conduct program validation, and reports review. National Renewable Energy Laboratory will provide data collection and analysis to assess and provide third-party oversight to validate the emission reduction performance of the vehicles and equipment deployed under the four measures of INVEST CLEAN. National Renewable Energy Laboratory will also coordinate with South Coast AQMD to develop standardized processes to collect data to evaluate the program’s efficiency. National Renewable Energy Laboratory’s scientific and consistent assessment of incentive projects will be used to improve and enhance the guidelines to expedite the Project. National Renewable Energy Laboratory will also coordinate with South Coast AQMD to recommend and support modifications to the INVEST CLEAN Project as necessary to encourage participation, prioritize geographic diversity especially within disadvantaged communities, and mitigate any delays in achieving emission reductions. These program adjustments are also expected to lessen the possibility of incentive projects dropping out of the Project.

SCAG will implement the Last Miles Freight Program listed under Measure 2, Battery Electric Freight Vehicle Deployment Incentive Program. SCAG will administer a rebate program to fund Class 4/5 battery-electric vehicles to complement its current LMFP. SCAG will be issuing the rebates with a maximum of \$67,000 per vehicle. An



implementation plan will be developed to detail how the rebate program will be administered. Development of the implementation plan will be done with South Coast AQMD and U.S. EPA involvement. Input from the local communities regarding project priorities will be incorporated in the implementation plan. Vehicle scrappage will be required to achieve the emission reduction goals.

Also, funds will be transferred from Fund (01) and Fund (31) as temporary loans to cover the initial program setup costs for the Third-Party Facilitator(s) and Alliance for Sustainable Energy /National Renewable Energy Laboratory until EPA's reimbursements are received.

Additionally, this proposal is to issue RFP #2025-11 to solicit Third-Party Facilitator(s) to develop a plan to implement the Community Benefits Programs for the INVEST CLEAN and ELECTRIC in collaboration with South Coast AQMD including formation and staffing of the Steering Committee. The Third-Party Facilitator(s) will also be responsible for administering the community benefits outreach and engagement. The Third-Party Facilitator(s), in partnership with South Coast AQMD, will support the Community Benefits Steering Committee to:

- Provide guidance, oversight, and recommendations for the community engagement process for INVEST CLEAN and Empowering Local Environmental Change Through Replacing Internal Combustion with Battery Electric Class 6 or 7 Vehicles (ELECTRIC)
- Select and prioritize community benefit projects
- Support the implementation of community benefit projects
- Conduct education and outreach on the INVEST CLEAN and ELECTRIC workforce training programs, air quality health impact, ZE technologies, and related issues

The Third-Party Facilitator(s) will also be responsible for collecting data, maintaining records, and submitting reports and documentation on the INVEST CLEAN and ELECTRIC Community Benefit programs, respectively.

Further, South Coast AQMD will modify the existing Carl Moyer online project application system to accept and track INVEST CLEAN project applications.

### **Sole Source Justification**

Section VIII.B.3. of the Procurement Policy and Procedure identifies four major provisions under which a sole source award may be justified for federally funded procurement. The request for sole source awards for the LA ETI, ASE and SCAG contracts are made under Section VIII.B.3 .c, which states the awarding federal agency or pass-through entity expressly authorizes non-competitive proposals in response to a written request from the non-federal entity.

## **Benefits to South Coast AQMD**

INVEST CLEAN will deliver significant environmental benefits through the replacement of diesel heavy-duty equipment with battery electric technologies and the installation of electrical charging infrastructure. The successful implementation of INVEST CLEAN will result in annual emission reductions of 1,615 tons of NOx, 28 tons of PM2.5, and 30 tons of diesel particulate matter (DPM). INVEST CLEAN is also expected to decrease carbon dioxide equivalent (MT CO2e) emissions by 3.6 million metric tons between 2025 and 2030, and by 11.8 million MT CO2e between 2025 and 2050. The equipment and infrastructure deployed under INVEST CLEAN will operate for years to come, which provides long-term emission reduction benefits.

INVEST CLEAN will implement a workforce training program to support the transition to ZE technologies and create high quality jobs throughout the region. The two combined MSA regions have an unemployment rate of approximately 5.5 percent, which is above the national average. The Community Benefits framework in INVEST CLEAN will amplify workforce training and job creation for our residents through outreach and educational efforts. INVEST CLEAN's Community Benefits framework will create a program that directly serves residents through workshops and meetings to identify community priorities, outreach and education, and other types of engagement activities. Additionally, INVEST CLEAN will work with Third-Party Facilitator(s) and Steering Committee(s) to implement community projects based on identified priorities.

## **Resource Impacts**

Contracts will be executed up to the amounts specified in Table 1 below, as specified in the executed grant agreement with the U.S. EPA in the amount of \$499,997,415 for INVEST CLEAN CPRG Project. Funds will be used towards workforce training, community engagement and outreach, data collection and SCAG's Last Mile Freight Program, totaling \$59.5 million. Also, up to \$100,000 from the Clean Fuels Program Fund (31) and \$20,000 from Legislative, Public Affairs and Media FY 2024-25 Professional and Special Services Fund (01) will be used as temporary loans for data collection work and Third-Party Facilitator(s) until EPA reimbursements are received. Sufficient funds are available from the Clean Fuel Program Fund (31) and Fund (01). The Clean Fuels Program Fund (31) was established as a special revenue fund resulting from the state mandated Clean Fuels Program. The Clean Fuels Program, under Health and Safety Code Sections 40448.5 and 40512 and Vehicle Code Section 9250.1 I, establishes mechanisms to collect revenues from mobile sources to support projects to increase the utilization of clean fuels, including the development of the necessary enabling technologies. Funds collected from motor vehicles are restricted, by statute, to be used for projects and program activities related to mobile sources that support the objectives of the Clean Fuels Program. Sufficient funds are available in the General Fund Undesignated (Unassigned) Fund Balance for the INVEST CLEAN online project application system modification.

**Table 1. Contract Budget**

|   | Amount       | Funding Source |
|---|--------------|----------------|
| Workforce training                            | \$5,000,000  | U.S. EPA       |
| Community engagement and outreach             | \$1,200,000  | U.S. EPA       |
| Data collection, analysis and future planning | \$1,800,000  | U.S. EPA       |
| SCAG LMFP Class 4/5 Incentives                | \$51,500,000 | U.S. EPA       |
| Total   | \$59,500,000 |                |

**Attachment**

RFP #2025-11 - Infrastructure, Vehicles, and Equipment Strategy for Climate, Equity, Air Quality, And National Competitiveness and Empowering Local Environmental Change Through Replacing Internal Combustion Community Benefits Program



SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT  
REQUEST FOR PROPOSALS  
**INFRASTRUCTURE, VEHICLES, AND EQUIPMENT STRATEGY  
FOR CLIMATE, EQUITY, AIR QUALITY, AND NATIONAL  
COMPETITIVENESS AND EMPOWERING LOCAL  
ENVIRONMENTAL CHANGE THROUGH REPLACING  
INTERNAL COMBUSTION COMMUNITY BENEFITS PROGRAM**  
**P2025-11**

South Coast Air Quality Management District (South Coast AQMD) requests proposals for the following purpose according to terms and conditions attached. In the preparation of this Request for Proposals (RFP) the words "Proposer," "Contractor," "Consultant," "Bidder" and "Firm" are used interchangeably.

**PURPOSE**

South Coast AQMD requires a Third-Party Facilitator(s) to implement the Community Benefits and Outreach program for Infrastructure, Vehicles, and Equipment Strategy for Climate, Equity, Air Quality, and National Competitiveness (INVEST CLEAN) and the Empowering Local Environmental Change Through Replacing Internal Combustion (ELECTRIC).

The purpose of this Request for Proposals (RFP) is to contract with outside organization(s) knowledgeable in air quality and goods movement-related issues, disadvantaged communities, outreach and engagement, and implementation of a community benefits program in collaboration with South Coast AQMD. There are two projects included in this RFP: INVEST CLEAN through Climate Pollution Reduction Grant and ELECTRIC through Clean Heavy-Duty Vehicle program. INVEST CLEAN serves the Los Angeles – Long Beach – Anaheim and Riverside – San Bernardino – Ontario Metropolitan Statistical Areas (MSAs). ELECTRIC applies to the South Coast AQMD region. Third-Party Facilitator(s) shall be paid on a monthly basis for services rendered at an agreed upon Flat Monthly Fee and actual costs incurred for out-of-pocket expenses. These new programs are funded through the Inflation Reduction Act (Public Law 117-169)

The selected firm will be expected to provide a variety of services, to be outlined in the work statement, and consistent with South Coast AQMD Governing Board direction:

- INVEST CLEAN: Total funding for the initial year shall be up to a maximum amount of **\$200,000**. The contract may include an option for **four** annual renewals, contingent on satisfactory performance and upon approval of the Executive Officer.
- ELECTRIC: Total funding for initial year shall be up to maximum amount of \$100,000. The contract may include an option for **one** annual renewal contingent on satisfactory performance and approval of Executive Officer.

## INDEX

The following are contained in this RFP:

|              |  |
|--------------|--|
| Section I    | Background/Information                     |
| Section II   | Contact Person                             |
| Section III  | Schedule of Events                         |
| Section IV   | Participation in the Procurement Process   |
| Section V    | Statement of Work/Schedule of Deliverables |
| Section VI   | Required Qualifications                    |
| Section VII  | Proposal Submittal                         |
| Section VIII | Proposal Submission                        |
| Section IX   | Proposal Evaluation/Contractor Selection   |
| Section X    | Funding                                    |
| Section XI   | Sample Contract                            |
| Attachment A | Participation in the Procurement Process   |
| Attachment B | Certifications and Representations         |

### SECTION I: BACKGROUND INFORMATION

South Coast AQMD is the air pollution control agency for all of Orange County and the urban portions of Los Angeles, Riverside, and San Bernardino counties, the smoggiest region of the U.S. As a regulatory agency, South Coast AQMD is committed to protecting the health of residents of the four-county area from the harmful effects of air pollution, while remaining sensitive to businesses and the economic vitality of the region.

IRA (Public Law 117-169) created the U.S. EPA CPRG program to provide \$4.6 billion in grants to states, local governments, tribes, and territories to develop climate action plans and to implement projects to reduce GHG, criteria pollutants and hazardous air pollution. IRA also created the Clean Heavy-Duty Vehicles program to provide \$1 billion to replace existing Class 6 and 7 heavy-duty vehicles with zero-emission models. In April 2024, South Coast AQMD submitted the regional CPRG proposal entitled INVEST CLEAN and was awarded \$499,997,415 in October 2024.

The INVEST CLEAN is an initiative to transform the Southern California goods movement corridor to zero emission (ZE) technology by implementing four measures to replace Class 8 trucks, cargo handling equipment, deploy locomotives, and install charging infrastructure. The INVEST CLEAN geographic region spans the Los Angeles – Long Beach – Anaheim and Riverside – San Bernardino – Ontario MSAs. The Project includes four measures, which are:

(1) **Heavy Duty Charging Infrastructure Deployment Incentive Program:** Incentives will be provided to install electrical charging equipment for heavy-duty trucks. Anticipated program design will provide higher incentives for items not limited to public charging locations, use of renewable energy, installations conducted by apprenticeship programs, use of labor agreements, and public accessibility.

(2) **Battery Electric Freight Vehicle Deployment Incentive Program:** Incentives will be provided for the purchase of Class 8 battery electric trucks. This measure will also provide funding to support the deployment of Class 4 and 5 battery electric vehicles in SCAG's Last Mile Freight Program.

(3) **Battery Electric CHE Deployment Incentive Program:** Incentives will be provided for the deployment of battery electric yard tractors and top handlers. Funding for chargers is also included in the incentive and other types of CHE equipment may be considered.

(4) **Battery Electric Locomotive Pilot Program:** Funding will be provided for the development and operation of battery electric switcher locomotives. The program also provides funding to railroad operators for the installation of chargers needed to operate these battery electric locomotives.

INVEST CLEAN's collaboration with International Brotherhood of Electrical Workers-National Electrical Contractors Association, academia, and non-government organizations enhances the potential for significant job creation and the workforce development necessary to implement, maintain, and sustain the ZE transformation of the freight sector.

ELECTRIC will replace Class 6 and 7 high-mileage heavy-duty vehicles equipped with internal combustion engines with battery electric technologies in the South Coast AQMD region within two years of the award. This Project includes box trucks, transportation refrigeration units (TRU) trucks, and step vans from three fleets. These battery electric vehicles will be supported by the 94 chargers to be deployed by the Project, existing chargers at the fleets, and public truck charging stations funded by various incentive programs administered by the South Coast AQMD and the recently awarded INVEST CLEAN.

INVEST CLEAN and ELECTRIC both include community engagement as cornerstones for program development and implementation. In effect, community outreach and engagement for INVEST CLEAN and ELECTRIC will be leveraged together to best support interested stakeholders and maximize program efficiencies. Given the scale of INVEST CLEAN, this project has a five-year community engagement component whereas ELECTRIC is for two years.

INVEST features a framework for a Community Benefits program, which will support the equitable deployment of ZE technology and community priorities and projects, while engaging in education and outreach on climate, air pollution, and ZE technologies. Third-Party Facilitator(s) are required to develop a plan in collaboration with South Coast AQMD to implement the Community Benefits Program including formation and staffing of the Steering Committee. Throughout the life of INVEST CLEAN and, for two years, ELECTRIC, the Third-Party Facilitator(s) in partnership with South Coast AQMD will support the Community Benefits Steering Committee and implement the plan to:

- Provide guidance, oversight, and recommendations for the community engagement process for INVEST CLEAN and ELECTRIC;

- Work with Community Benefits Steering Committee (Steering Committee) to select and prioritize community benefit projects;
- Support implementation of the community benefit projects; and
- Conduct education and outreach on the INVEST CLEAN and ELECTRIC Workforce Training program, climate and air pollution, and zero-emission technologies.

Other funding that will help co-fund the community benefit projects for INVEST CLEAN and ELECTRIC may be added and discussed at the Steering Committee.

The Third-Party Facilitator(s) will also be responsible for collecting information on outreach and engagement efforts and outcomes, maintaining records, and submitting reports and documentation on the INVEST CLEAN and ELECTRIC Community Benefits program.

**SECTION II: CONTACT PERSON**

Questions regarding the content or intent of this RFP or on procedural matters should be addressed to:

Contact’s Name: Lisa Tanaka-O’Malley, Deputy Executive Officer, Legislative,  
Public Affairs & Media  
Phone: (909) 396-3327  
email: [lomalley@aqmd.gov](mailto:lomalley@aqmd.gov)

South Coast AQMD  
21865 Copley Drive  
Diamond Bar, CA 91765-4178

**SECTION III: SCHEDULE OF EVENTS**

| DATE                   | EVENT   |
|------------------------|---|
| January 10, 2025       | RFP Release   |
| February 11, 2025      | Proposals Due to South Coast AQMD -<br><b>No Later Than 1:00 p.m. PST</b> |
| February 11 – 28, 2025 | Proposal Evaluations and Approval   |
| April 18, 2025         | Anticipated Contract Execution  |

**SECTION IV: PARTICIPATION IN THE PROCUREMENT PROCESS**

It is the policy of South Coast AQMD to ensure that all businesses including minority business enterprises, women business enterprises, disabled veteran business enterprises and small businesses have a fair and equitable opportunity to compete for and participate in South Coast AQMD contracts. Attachment A to this RFP contains definitions and further information.

**SECTION V: STATEMENT OF WORK/SCHEDULE OF DELIVERABLES****A. Statement of Work**

Under the direction of the South Coast AQMD Executive Officer or Deputy Executive Officer of Legislative & Public Affairs, and Media, as appropriate, in coordination with staff, the Consultant will develop a plan for INVEST CLEAN's (2025 – 2029) and ELECTRIC (2025 – 2026) Community Benefits Program including formation and staffing of the Steering Committee.

The selected Consultant(s) will perform services to develop and implement the INVEST CLEAN and ELECTRIC Community Benefits program with South Coast AQMD oversight and approval, including but not necessarily limited to the following:

1. Preparation of a plan to implement the Community Benefits program with specific provisions to address role of Steering Committee, oversight, and recommendations for the community engagement process, community benefit project selection, implementation of community benefit projects, support education and outreach on climate and air pollution, and ZE technologies related to goods movement and logistics.
2. Recommendation on formation of Steering Committee based on geographic diversity across the two MSAs with a focus on low-income disadvantaged communities (LIDAC) and communities affected by goods movement and logistics per the Climate Pollution Reduction Grant priorities and the INVEST CLEAN proposal. Recommendation should include details on administration of Steering Committee such as, but not limited to, frequency of meetings, types of meetings (virtual, hybrid, and/or in person and related details). ELECTRIC projects will only be implemented within the South Coast AQMD's jurisdiction.
3. Develop an equity approach for INVEST CLEAN measures by gathering Steering Committee and community comment on voluntary or optional criteria for Request for Proposals for infrastructure to promote community benefits such as:
  - Use CalEnviroScreen consistent with Carl Moyer guidelines to verify LIDAC.
  - Develop open/green space and urban forestry projects.
4. Develop process and work with Steering Committee to prioritize INVEST CLEAN Community Benefits projects contingent upon South Coast AQMD securing funds and garnering requisite approval for project funds up to \$20 million over five-years through a combination of local, state, federal, and/or private sources. Prioritization will be for freight-impacted areas and residential communities that are 4 miles from a goods movement related facility including warehouses, rail yards/rail lines, seaports, airports, freeway



corridors, and Lithium extraction facilities. Community benefit projects such as:

- Decarbonization of residential homes, such as electrification of appliances with rebates for water heaters, and installation of heat pumps, stoves, and solar.
  - Supporting open/green space and urban forestry projects.
  - Support (e-)bike/Micro mobility and EV Rideshare programs, projects, and public light-duty infrastructure including support for public transit.
  - Community education and outreach programs on asthma prevention, indoor/outdoor air pollution reduction, and impacts of air pollution on health.
  - Highest-performing filtration HEPA/HVAC systems for homes, schools, community & recreation centers, and senior centers.
5. Work with the Steering Committee to conduct outreach on INVEST CLEAN and ELECTRIC projects and the potential benefits. This outreach should include educational materials on air and climate pollution reduction impacts for the public and nearby residents. The outreach could include the Steering Community and/or community members following project development and implementation to increase community capacity and understanding on zero-emission infrastructure projects.
  6. Support INVEST CLEAN outreach and engagement for the job and workforce training program as implemented by the Los Angeles County Electrical Educational and Training Trust Fund (LA ETI) of the National Electrical Contractors Association and International Brotherhood of Electrical Workers Local 11. For ELECTRIC, conduct outreach on workforce training program.

## B. Schedule of Deliverables

1. Develop Community Benefits Program Implementation Plan **(Q1 2025 with on-going updates throughout INVEST CLEAN and 2025 – 2026 for ELECTRIC)**
  - i. Comprehensive draft plan addressing program goals, community engagement, project selection, education/outreach, and ZE technologies guidance.
2. Community Benefits Steering Committee Formation **(Q1 2025)**
  - i. Outline committee composition, focusing on geographic and demographic diversity, including LIDAC and communities affected by goods movement.
  - ii. Define roles, responsibilities, and initial meetings scheduled.
  - iii. Conduct outreach for membership and form Steering Committee.
3. Equity-Centered RFP Development: Community Feedback on Implementation Plans **(Q1 2025 for INVEST CLEAN and Q1 and Q2**

**2025 for ELECTRIC)**

- i. Gather/collect Steering Committee and community comments on implementation plans for INVEST CLEAN measures for Infrastructure, Heavy-Duty Trucks and Last-Mile Freight, Cargo Handling Equipment, and Locomotives.
  - ii. Gather/collect Steering Committee and community comments on implementation plans for ELECTRIC on deployment of zero-emission Class 6 and 7 vehicles in coordination with INVEST CLEAN measures.
4. Outreach Plan for Community Engagement to be Developed with Community Steering Committee **(Q1 2025 with on-ongoing updates throughout INVEST CLEAN and 2025-2026 for ELECTRIC as needed)**
- i. Develop plan educational and outreach framework including metric focused on air and climate pollution, ZE technology awareness, and goods movement impacts.
  - ii. Develop outreach and educational materials to support INVEST CLEAN projects and programs.
  - iii. Organize public workshops, media campaigns, and partnerships to enhance understanding of ZE infrastructure benefits.
  - iv. Provide outreach and engagement support for job and workforce training program implemented by LA ETI.
  - v. Conduct community outreach and engagement per plan with a minimum of 20 events.
5. Social Media Activities **(Q1 2025 and throughout INVEST CLEAN and for 2025 – 2026 for ELECTRIC)**
- i. Develop social media plan as component of Community Engagement plan, including posts to publicize meetings and events, projects, and other.
  - ii. Update social media plan in coordination with Community Engagement plan to reflect evolving project and stages of implementation.
6. Community Benefits Project Selection Framework and Project Implementation **(Q3 2025, Q4 2025, on-ongoing process throughout INVEST CLEAN as funds are available)**
- i. Develop plan on criteria and methodology with input from Community Steering Committee for prioritizing projects in freight-impacted and residential areas near goods movement facilities.
  - ii. Implement Community Benefits Project Selection process.
  - iii. Coordinate and execute prioritized Community Benefit projects.
7. Conduct Community Steering Committee Meetings **(Begin Q1 2025 and on-going throughout INVEST CLEAN with a minimum of 13 meetings over project and 2025 – 2026 for ELECTRIC)**
- i. Organize logistics including, but not limited to, venue (in person and/or virtual), interpretation as needed, refreshments, and related services and equipment.
  - ii. Create flyer including appropriate language translation and conduct

outreach for each Steering Committee meeting.

Develop agendas, take minutes, and note action items for each Steering Committee meeting. Agendas must be posted on INVEST CLEAN website a minimum of 72 hours in advance of the meeting.

8. Reporting and Administration (**Q1 2025 and throughout INVEST CLEAN and 2025 – 2026 for ELECTRIC**)
  - i. Submit reports in compliance with South Coast AQMD and U.S. EPA terms and conditions.
  - ii. Invoice in accordance with South Coast AQMD and U.S. EPA requirements and terms and conditions.
  
9. Program Evaluation Report (**Begin Q1 2028 for INVEST CLEAN and 2026 for ELECTRIC**)
  - i. Written report summarizing:
    - a. Steering Committee effectiveness, feedback, and recommendations for improvements.
    - b. Effectiveness of education/outreach impacts.
    - c. Community Benefit project outcomes.
    - d. Best practices, lessons learned, and recommendations for future efforts.

## **SECTION VI: REQUIRED QUALIFICATIONS**

- A. Persons or firms proposing to bid on this proposal must be qualified and experienced in working with low-income disadvantaged communities, environmental justice and community-based organizations, non-governmental organizations, labor, industry, and academia with demonstrated expertise in air quality and goods movement related issues. Persons or firms must submit qualifications demonstrating this ability in cases involving as many as possible of the following areas:
  1. Steering Committee effectiveness, feedback, and recommendations for improvements.
  2. Effectiveness of education/outreach impacts.
  3. Community Benefit project outcomes.
  4. Best practices, lessons learned, and recommendations for future efforts.
  
- B. Proposer must submit the following:
  1. Resumes or similar statement of qualifications of person or persons who may be designated as lead Consultant for South Coast AQMD projects.
  2. List of community-based organizations that persons or firm has worked with on goods movement-related issues.
  3. Summary of Proposer's general qualifications to meet required qualifications and fulfill statement of work, including additional personnel and resources beyond those of the designated lead Consultant.

## **SECTION VII: PROPOSAL SUBMITTAL REQUIREMENTS**

Submitted proposals must follow the format outlined below and all requested information must be supplied. Failure to submit proposals in the required format will result in

elimination from proposal evaluation. South Coast AQMD may modify the RFP or issue supplementary information or guidelines during the proposal preparation period prior to the due date. Please check our website for updates (<http://www.aqmd.gov/grants-bids>). The cost for developing the proposal is the responsibility of the Contractor and shall not be chargeable to South Coast AQMD.

Each proposal must be submitted in three separate volumes:

- Volume I - Technical Proposal
- Volume II - Cost Proposal
- Volume III - Certifications and Representations included in Attachment B to this RFP, must be completed and executed by an authorized official of the Contractor.

A separate cover letter, including the name, address, and telephone number of the contractor, and signed by the person or persons authorized to represent the Firm should accompany the proposal submission. Firm contact information as follows should also be included in the cover letter:

- Address and telephone number of office in, or nearest to, Diamond Bar, California.
- Name and title of Firm's representative designated as contact.

A separate Table of Contents should be provided for Volumes I and II.

### **VOLUME I – TECHNICAL PROPOSAL**

#### **DO NOT INCLUDE ANY COST INFORMATION IN THE TECHNICAL VOLUME**

Summary (Section A) - State overall approach to meeting the objectives and satisfying the scope of work to be performed, the sequence of activities, and a description of methodology or techniques to be used.

Program Schedule (Section B) - Provide projected milestones or benchmarks for completing the project (to include reports) within the total time allowed.

Project Organization (Section C) - Describe the proposed management structure, program monitoring procedures, and organization of the proposed team. Provide a statement detailing your approach to the project, specifically address the Firm's ability and willingness to commit and maintain staffing to successfully complete the project on the proposed schedule.

Qualifications (Section D) - Describe the technical capabilities of the Firm. Provide references of other similar studies or projects performed during the last five years demonstrating ability to successfully complete the work. Include contact name, title, and telephone number for any references listed. Provide a statement of your Firm's background and related experience in performing similar services for other governmental organizations.

Assigned Personnel (Section E) - Provide the following information about the staff to be assigned to this project:

1. List all key personnel assigned to the project by level, name, and location. Provide a resume or similar statement describing the background, qualifications and experience of the lead person and all persons assigned to the project. Substitution of project manager or lead personnel will not be permitted without prior written approval of South Coast AQMD.
2. Provide a spreadsheet of the labor hours proposed for each labor category at the task level.
3. Provide a statement indicating whether or not 90% of the work will be performed within the geographical boundaries of South Coast AQMD.
4. Provide a statement of education and training programs provided to, or required of, the staff identified for participation in the project, particularly with reference to management consulting, governmental practices and procedures, and technical matters.
5. Provide a summary of your Firm's general qualifications to meet required qualifications and fulfill statement of work, including additional Firm personnel and resources beyond those who may be assigned to the project.

Subcontractors (Section F) - This project may require expertise in multiple technical areas. List any subcontractors that will be used, identifying functions to be performed by them, their related qualifications and experience and the total number of hours or percentage of time they will spend on the project.

Conflict of Interest (Section G) - Address possible conflicts of interest with other clients affected by actions performed by the Firm on behalf of South Coast AQMD. South Coast AQMD recognizes that prospective Contractors may be performing similar projects for other clients. Include a complete list of such clients for the past three (3) years with the type of work performed and the total number of years performing such tasks for each client. Although the Proposer will not be automatically disqualified by reason of work performed for such clients, South Coast AQMD reserves the right to consider the nature and extent of such work in evaluating the proposal.

Additional Data (Section H) - Provide other essential data that may assist in the evaluation of this proposal.

## **VOLUME II - COST PROPOSAL**

Name and Address - The Cost Proposal must list the name and complete address of the Proposer in the upper left-hand corner.

Cost Proposal - South Coast AQMD anticipates awarding a fixed price contract. Cost information must be provided as listed below:

1. Detail must be provided by the following categories:
  - A. Labor – The Cost Proposal must list the fully-burdened hourly rates and the total number of hours estimated for each level of professional and administrative staff to be used to perform the tasks required by this RFP. Costs should be estimated for each of the components of the work plan.
  - B. Subcontractor Costs - List subcontractor costs and identify subcontractors by name. Itemize subcontractor charges per hour or per day.
  - C. Travel Costs - Indicate amount of travel cost and basis of estimate to include trip destination, purpose of trip, length of trip, airline fare or mileage expense, per diem costs, lodging, and car rental.
  - D. Other Direct Costs -This category may include such items as postage and mailing expense, printing, and reproduction costs, etc. Provide a basis of estimate for these costs.
2. It is the policy of the South Coast AQMD to receive at least as favorable pricing, warranties, conditions, benefits and terms as other customers or clients making similar purchases or receiving similar services. South Coast AQMD will give preference, where appropriate, to vendors who certify that they will provide “most favored customer” status to the South Coast AQMD. To receive preference points, Proposer shall certify that South Coast AQMD is receiving “most favored customer” pricing in the Business Status Certifications page of Volume III, Attachment B – Certifications and Representations.

### **VOLUME III - CERTIFICATIONS AND REPRESENTATIONS**

(see Attachment B to this RFP)

### **SECTION VIII: PROPOSAL SUBMISSION**

All proposals must be submitted according to specifications set forth in the section above, and this section. Failure to adhere to these specifications may be cause for rejection of the proposal.

Signature - All proposals must be signed by an authorized representative of the Proposer.

Due Date - **All proposals are due no later than 1:00 p.m.PST, February 11, 2025, and should be directed to:**

Procurement Unit  
 South Coast Air Quality Management District  
 21865 Copley Drive  
 Diamond Bar, CA 91765-4178  
 Phone: (909) 396-3520,

Submittal - Submit eight (8) complete copies of the proposal in a sealed envelope, plainly marked in the upper left-hand corner with the name and address of the Proposer and the words “Request for Proposals P2025-11.”

**Late bids/proposals will not be accepted under any circumstances.**

Grounds for Rejection - A proposal may be immediately rejected if:

- It is not prepared in the format described, or
- It is signed by an individual not authorized to represent the Firm.

Modification or Withdrawal - Once submitted, proposals cannot be altered without the prior written consent of South Coast AQMD. All proposals shall constitute firm offers and may not be withdrawn for a period of ninety (90) days following the last day to accept proposals.

**SECTION IX: PROPOSAL EVALUATION/CONTRACTOR SELECTION CRITERIA**

- A. Proposals will be evaluated by a panel of three to five South Coast AQMD staff members familiar with the subject matter of the project. The panel shall be appointed by the Executive Officer or his designee. In addition, the evaluation panel may include such outside public sector or academic community expertise as deemed desirable by the Executive Officer. The panel will make a recommendation to the Executive Officer and/or the Governing Board of South Coast AQMD for final selection of a contractor and negotiation of a contract.
- B. Each member of the evaluation panel shall be accorded equal weight in his or her rating of proposals. The evaluation panel members shall evaluate the proposals according to the specified criteria and numerical weightings set forth below.

(a) Unique Knowledge or Abilities Points

|  |    |
|--|----|
| Understanding the Problem  | 20 |
| Technical/Management Approach  | 20 |
| Contractor Qualifications  | 15 |
| Previous Experience on Similar Projects  | 5  |
| Demonstrated community-based organizations engagement  | 10 |
| Specific knowledge/experience in impacts of goods movement and logistics on low-income disadvantaged communities | 10 |
| Cost   | 20 |

TOTAL 100

(b) Additional Points

|   |    |
|---|----|
| Small Business or Small Business Joint Venture      | 10 |
| DVBE or DVBE Joint Venture                          | 10 |
| Use of DVBE or Small Business Subcontractors        | 7  |
| Zero or Near-Zero Emission Vehicle Business         | 5  |
| Local Business (Non-Federally Funded Projects Only) | 5  |
| Off-Peak Hours Delivery Business                    | 2  |
| Most Favored Customer                               | 2  |

**The cumulative points awarded for small business, DVBE, use of small business or DVBE subcontractors, Zero or Near-Zero emission vehicle business, local business, and off-peak hours delivery business shall not exceed 15 points. Most Favored Customer status incentive points shall be added, as applicable for a total of 17 points.**

**Self-Certification for Additional Points**

**The award of these additional points shall be contingent upon Proposer completing the Self-Certification section of Attachment B – Certifications and Representations and/or inclusion of a statement in the proposal self-certifying that Proposer qualifies for additional points as detailed above.**

1. To receive additional points in the evaluation process for the categories of Small Business or Small Business Joint Venture, DVBE or DVBE Joint Venture or Local Business (for non-federally funded projects), the Proposer must submit a self-certification at the time of proposal submission certifying that the Proposer meets the requirements set forth in Attachments A and B. To receive points for the use of DVBE and/or Small Business subcontractors, at least 25 percent of the total contract value must be subcontracted to DVBEs and/or Small Businesses. To receive points as a Zero or Near-Zero Emission Vehicle Business, the Proposer must demonstrate to the Executive Officer, or designee, that supplies and materials delivered to South Coast AQMD are delivered in vehicles that operate on clean-fuels. To receive points as a Local Business, the Proposer must affirm that it has an ongoing business within the South Coast AQMD at the time of bid/proposal submittal and that 90% of the work related to the contract will be performed within the South Coast AQMD. Proposals for legislative representation, such as in Sacramento, California or Washington D.C. are not eligible for local business incentive points. Federally funded projects are not eligible for local business incentive points. To receive points as an Off-Peak Hours Delivery Business, the proposer must submit, at proposal submission, certification of its commitment to delivering supplies and materials to South Coast AQMD between the hours of 10:00 a.m. and 3:00 p.m. To receive points for Most Favored Customer status, the Proposer must submit, at proposal submission, certification of its commitment to provide most favored customer status to the South Coast



AQMD. The cumulative points awarded for Small Business, DVBE, use of Small Business or DVBE Subcontractors, Local Business, Zero or Near- Zero Emission Vehicle Business, Off-Peak Hour Delivery Business and Most Favored Customer shall not exceed 17 points.

2. For procurement of Research and Development (R & D) projects or projects requiring technical or scientific expertise or special projects requiring unique knowledge and abilities, technical factors including past experience shall be weighted at 70 points and cost shall be weighted at 30 points. A proposal must receive at least 56 out of 70 points on R & D projects and projects requiring technical or scientific expertise or special projects requiring unique knowledge and abilities, in order to be deemed qualified for award.
  3. The lowest cost proposal will be awarded the maximum cost points available and all other cost proposals will receive points on a prorated basis. For example, if the lowest cost proposal is \$1,000 and the maximum points available are 30 points, this proposal would receive the full 30 points. If the next lowest cost proposal is \$1,100 it would receive 27 points reflecting the fact that it is 10% higher than the lowest cost (90% of 30 points = 27 points).
- C. During the selection process the evaluation panel may wish to interview some proposers for clarification purposes only. No new material will be permitted at this time. Additional information provided during the bid review process is limited to clarification by the Proposer of information presented in his/her proposal, upon request by South Coast AQMD.
- D. The Executive Officer or Governing Board may award the contract to a Proposer, other than the Proposer receiving the highest rating, in the event the Governing Board determines that another Proposer from among those technically qualified would provide the best value to South Coast AQMD considering cost and technical factors. The determination shall be based solely on the Evaluation Criteria contained in the Request for Proposal (RFP), on the evidence provided in the proposal and on any other evidence provided during the bid review process.
- E. Selection will be made based on the above-described criteria and rating factors. The selection will be made by and is subject to Executive Officer or Governing Board approval. Proposers may be notified of the results by letter.
- F. The Governing Board has approved a Bid Protest Procedure, which provides a process for a Bidder or prospective Bidder to submit a written protest to the South Coast AQMD Procurement Manager in recognition of two types of protests: Protest Regarding Solicitation and Protest Regarding Award of a Contract. Copies of the Bid Protest Policy can be secured through a request to the South Coast AQMD Procurement Department.
- G. The Executive Officer or Governing Board may award contracts to more than one Proposer if, in (his or their) sole judgment, the purposes of the contract or award would best be served by selecting multiple proposers.

- H. If additional funds become available, the Executive Officer or Governing Board may increase the amount awarded. The Executive Officer or Governing Board may also select additional proposers for a grant or contract if additional funds become available.
- I. Disposition of Proposals – Pursuant to South Coast AQMD’s Procurement Policy and Procedure, South Coast AQMD reserves the right to reject any or all proposals. All proposals become the property of South Coast AQMD and are subject to the California Public Records Act. One copy of the proposal shall be retained for South Coast AQMD files. Additional copies and materials will be returned only if requested and at the proposer's expense.
- J. **If proposal submittal is for a Public Works project as defined by State of California Labor Code Section 1720, Proposer is required to include Contractor Registration No. in Attachment B. Proposal submittal will be deemed as non-responsive and Bidder may be disqualified if Contractor Registration No. is not included in Attachment B. Proposer is alerted to changes to California Prevailing Wage compliance requirements as defined in Senate Bill 854 (Stat. 2014, Chapter 28), and California Labor Code Sections 1770, 1771, 1725, 1777, 1813 and 1815.**

#### **SECTION X: FUNDING**

The total funding for the work contemplated by this RFP will be a maximum **\$300,000** for the base year with an option to renew the contract for four additional one-year terms. The funding for the base year is available in the Legislative, Public Affairs & Media FY 2024-25 budget. Funding for the four optional one-year extensions is contingent upon performance and Board approval of the budget for the respective fiscal years. Funds to be provided from INVEST CLEAN grant award, Fund (90).

#### **SECTION XI: SAMPLE CONTRACT**

A sample contract to carry out the work described in this RFP is available on South Coast AQMD’s website at <http://www.aqmd.gov/grants-bids> or upon request from the RFP Contact Person (Section II)

## ATTACHMENT A

### PARTICIPATION IN THE PROCUREMENT PROCESS

A. It is the policy of South Coast Air Quality Management District (South Coast AQMD) to ensure that all businesses including minority business enterprises, women business enterprises, disabled veteran business enterprises and small businesses have a fair and equitable opportunity to compete for and participate in South Coast AQMD contracts.

B. Definitions:

The definition of minority, women or disadvantaged business enterprises set forth below is included for purposes of determining compliance with the affirmative steps requirement described in Paragraph G below on procurements funded in whole or in part with federal grant funds which involve the use of subcontractors. The definition provided for disabled veteran business enterprise, local business, small business enterprise, Zero or Near-Zero emission vehicle business and off-peak hours delivery business are provided for purposes of determining eligibility for point or cost considerations in the evaluation process.

1. "Women business enterprise" (WBE) as used in this policy means a business enterprise that meets all of the following criteria:
  - a. a business that is at least 51 percent (51%) owned by one or more women, or in the case of any business whose stock is publicly held, at least 51 percent (51%) of the stock is owned by one or more or women.
  - b. a business whose management and daily business operations are controlled by one or more women.
  - c. a business which is a sole proprietorship, corporation, or partnership with its primary headquarters office located in the United States, which is not a branch or subsidiary of a foreign corporation, foreign firm, or other foreign-based business.
2. "Disabled veteran" as used in this policy is a United States military, naval, or air service veteran with at least 10 percent (10%) service-connected disability who is a resident of California.
3. "Disabled veteran business enterprise" (DVBE) as used in this policy means a business enterprise that meets all the following criteria:
  - a. is a sole proprietorship or partnership of which at least 51 percent (51%) is owned by one or more disabled veterans or, in the case of a publicly owned business, at least 51 percent (51%) of its stock is owned by one or more disabled veterans; a subsidiary which is wholly owned by a parent corporation but only if at least 51 percent (51%) of the voting stock of the parent corporation

- is owned by one or more disabled veterans; or a joint venture in which at least 51 percent (51%) of the joint venture's management and control and earnings are held by one or more disabled veterans.
- b. the management and control of the daily business operations are by one or more disabled veterans. The disabled veterans who exercise management and control are not required to be the same disabled veterans as the owners of the business.
  - c. is a sole proprietorship, corporation, or partnership with its primary headquarters office located in the United States, which is not a branch or subsidiary of a foreign corporation, firm, or other foreign-based business.
4. "Local business" as used in this policy means a company that has an ongoing business within geographical boundaries of South Coast AQMD at the time of bid or proposal submittal and performs 90 percent (90%) of the work related to the contract within the geographical boundaries of South Coast AQMD and satisfies the requirements of subparagraph H below. Proposals for legislative representation, such as in Sacramento, California or Washington D.C. are not eligible for local business incentive points.
  5. "Small business" as used in this policy means a business that meets the following criteria:
    - a. 1) an independently owned and operated business; 2) not dominant in its field of operation; 3) together with affiliates is either:
      - A service, construction, or non-manufacturer with 100 or fewer employees, and average annual gross receipts of ten million dollars (\$10,000,000) or less over the previous three years, or
      - A manufacturer with 100 or fewer employees.
    - b. "Manufacturer" means a business that is both of the following:
      - 1) Primarily engaged in the chemical or mechanical transformation of raw materials or processed substances into new products.
      - 2) Classified between Codes 311000 and 339000, inclusive, of the North American Industrial Classification System (NAICS) Manual published by the United States Office of Management and Budget, 2007 edition.
  6. "Joint ventures" as defined in this policy pertaining to certification means that one party to the joint venture is a DVBE or small business and owns at least 51 percent (51%) of the joint venture.
  7. "Zero or Near-Zero Emission Vehicle Business" as used in this policy means a company or contractor that uses Zero or Near-Zero emission vehicles in conducting deliveries to South Coast AQMD. Zero or Near-Zero emission vehicles

include vehicles powered by electric, compressed natural gas (CNG), liquefied natural gas (LNG), liquefied petroleum gas (LPG), ethanol, methanol and hydrogen and are certified to 90 percent (90%) or lower of the existing standard.

8. "Off-Peak Hours Delivery Business" as used in this policy means a company or contractor that commits to conducting deliveries to South Coast AQMD during off-peak traffic hours defined as between 10:00 a.m. and 3:00 p.m.
9. "Benefits Incentive Business" as used in this policy means a company or contractor that provides janitorial, security guard or landscaping services to South Coast AQMD and commits to providing employee health benefits (as defined below in Section VIII.D.2.d) for full time workers with affordable deductible and co-payment terms.
10. "Minority Business Enterprise" as used in this policy means a business that is at least 51 percent (10%) owned by one or more minority person(s), or in the case of any business whose stock is publicly held, at least 51 percent of the stock is owned by one or more or minority persons.
  - a. a business whose management and daily business operations are controlled by one or more minority persons.
  - b. a business which is a sole proprietorship, corporation, or partnership with its primary headquarters office located in the United States, which is not a branch or subsidiary of a foreign corporation, foreign firm, or other foreign-based business.
  - c. "Minority person" for purposes of this policy, means a Black American, Hispanic American, Native-American (including American Indian, Eskimo, Aleut, and Native Hawaiian), Asian-Indian (including a person whose origins are from India, Pakistan, and Bangladesh), Asian-Pacific-American (including a person whose origins are from Japan, China, the Philippines, Vietnam, Korea, Samoa, Guam, the United States Trust Territories of the Pacific, Northern Marianas, Laos, Cambodia, and Taiwan).
11. "Most Favored Customer" as used in this policy means that the South Coast AQMD will receive at least as favorable pricing, warranties, conditions, benefits and terms as other customers or clients making similar purchases or receiving similar services.
12. "Disadvantaged Business Enterprise" as used in this policy means a business that is an entity owned and/or controlled by a socially and economically disadvantaged individual(s) as described by Title X of the Clean Air Act Amendments of 1990 (42 U.S.C. 7601 note) (10% statute), and Public Law 102-389 (42 U.S.C. 4370d)(8% statute), respectively:
  - a Small Business Enterprise (SBE);
  - a Small Business in a Rural Area (SBRA);
  - a Labor Surplus Area Firm (LSAF); or

- a Historically Underutilized Business (HUB) Zone Small Business Concern, or a concern under a successor program.
- C. Under Request for Quotations (RFQ), DVBEs, DVBE business joint ventures, small businesses, and small business joint ventures shall be granted a preference in an amount equal to 5 percent (5%) of the lowest cost responsive bid. Zero or Near-Zero Emission Vehicle Businesses shall be granted a preference in an amount equal to 5 percent of the lowest cost responsive bid. Off-Peak Hours Delivery Businesses shall be granted a preference in an amount equal to 2 percent (2%) of the lowest cost responsive bid. Local businesses (if the procurement is not funded in whole or in part by federal grant funds) shall be granted a preference in an amount equal to 2 percent (2%) of the lowest cost responsive bid. Businesses offering Most Favored Customer status shall be granted a preference in an amount equal to 2 percent (2%) of the lowest cost responsive bid.
- D. Under Request for Proposals, DVBEs, DVBE joint ventures, small businesses, and small business joint ventures shall be awarded ten (10) points in the evaluation process. A non-DVBE or large business shall receive seven (7) points for subcontracting at least 25 percent (25%) of the total contract value to a DVBE and/or small business. Zero or Near-Zero Emission Vehicle Businesses shall be awarded five (5) points in the evaluation process. On procurements which are not funded in whole or in part by federal grant funds local businesses shall receive five (5) points. Off-Peak Hours Delivery Businesses shall be awarded two (2) points in the evaluation process. Businesses offering Most Favored Customer status shall be awarded two (2) points in the evaluation process.
- E. South Coast AQMD will ensure that discrimination in the award and performance of contracts does not occur on the basis of race, color, sex, national origin, marital status, sexual preference, creed, ancestry, medical condition, or retaliation for having filed a discrimination complaint in the performance of South Coast AQMD contractual obligations.
- F. South Coast AQMD requires Contractor to be in compliance with all state and federal laws and regulations with respect to its employees throughout the term of any awarded contract, including state minimum wage laws and OSHA requirements.
- G. When contracts are funded in whole or in part by federal funds, and if subcontracts are to be let, the Contractor must comply with the following, evidencing a good faith effort to solicit disadvantaged businesses. Contractor shall submit a certification signed by an authorized official affirming its status as a MBE or WBE, as applicable, at the time of contract execution. South Coast AQMD reserves the right to request documentation demonstrating compliance with the following good faith efforts prior to contract execution.
1. Ensure Disadvantaged Business Enterprises (DBEs) are made aware of contracting opportunities to the fullest extent practicable through outreach and recruitment activities. For Indian Tribal, State and Local Government recipients,

this will include placing DBEs on solicitation lists and soliciting them whenever they are potential sources.

2. Make information on forthcoming opportunities available to DBEs and arrange time frames for contracts and establish delivery schedules, where the requirements permit, in a way that encourages and facilitates participation by DBEs in the competitive process. This includes, whenever possible, posting solicitations for bids or proposals for a minimum of 30 calendar days before the bid or proposal closing date.
  3. Consider in the contracting process whether firms competing for large contracts could subcontract with DBEs. For Indian Tribal, State and Local Government recipients, this will include dividing total requirements when economically feasible into smaller tasks or quantities to permit maximum participation by DBEs in the competitive process.
  4. Encourage contracting with a consortium of DBEs when a contract is too large for one of these firms to handle individually.
  5. Using the services and assistance of the Small Business Administration and the Minority Business Development Agency of the Department of Commerce.
  6. If the prime contractor awards subcontracts, require the prime contractor to take the above steps.
- H. To the extent that any conflict exists between this policy and any requirements imposed by federal and state law relating to participation in a contract by a certified MBE/WBE/DVBE as a condition of receipt of federal or state funds, the federal or state requirements shall prevail.
- I. When contracts are not funded in whole or in part by federal grant funds, a local business preference will be awarded. For such contracts that involve the purchase of commercial off-the-shelf products, local business preference will be given to suppliers or distributors of commercial off-the-shelf products who maintain an ongoing business within the geographical boundaries of South Coast AQMD. However, if the subject matter of the RFP or RFQ calls for the fabrication or manufacture of custom products, only companies performing 90 percent (90%) of the manufacturing or fabrication effort within the geographical boundaries of South Coast AQMD shall be entitled to the local business preference. Proposals for legislative representation, such as in Sacramento, California or Washington D.C. are not eligible for local business incentive points.
- J. In compliance with federal fair share requirements set forth in 40 CFR Part 33, South Coast AQMD shall establish a fair share goal annually for expenditures with federal funds covered by its procurement policy.

**ATTACHMENT B**

## Certifications and Representations



# South Coast Air Quality Management District

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

**Business Information Request**

Dear South Coast AQMD Contractor/Supplier:

South Coast Air Quality Management District (South Coast AQMD) is committed to ensuring that our contractor/supplier records are current and accurate. If your firm is selected for award of a purchase order or contract, it is imperative that the information requested herein be supplied in a timely manner to facilitate payment of invoices. In order to process your payments, we need the enclosed information regarding your account. **Please review and complete the information identified on the following pages, remember to sign all documents for our files, and return them as soon as possible to the address below:**

**Attention: Accounts Payable, Accounting Department  
South Coast Air Quality Management District  
21865 Copley Drive  
Diamond Bar, CA 91765-4178**

If you do not return this information, we will not be able to establish you as a vendor. This will delay any payments and would still necessitate your submittal of the enclosed information to our Accounting department before payment could be initiated. Completion of this document and enclosed forms would ensure that your payments are processed timely and accurately.

**If you have any questions or need assistance in completing this information, please contact Accounting at (909) 396-3777. We appreciate your cooperation in completing this necessary information.**

Sincerely,

Sujata Jain  
Chief Financial Officer

DH:nd

Enclosures: Business Information Request  
Disadvantaged Business Certification  
W-9  
Form 590 Withholding Exemption Certificate  
Federal Contract Debarment Certification  
Campaign Contributions Disclosure





# South Coast Air Quality Management District

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

## BUSINESS INFORMATION REQUEST

|                                       |  |
|---------------------------------------|--|
| Business Name                         |  |
| Division of                           |  |
| Subsidiary of                         |  |
| Website Address                       |  |
| Type of Business<br><i>Check One:</i> | <input type="checkbox"/> Individual<br><input type="checkbox"/> DBA, Name _____, County Filed in _____<br><input type="checkbox"/> Corporation, ID No. _____<br><input type="checkbox"/> LLC/LLP, ID No. _____<br><input type="checkbox"/> Other _____ |

## REMITTING ADDRESS INFORMATION

|                           |                    |       |             |
|---------------------------|--------------------|-------|-------------|
| Address                   |                    |       |             |
| City/Town                 |                    |       |             |
| State/Province            |                    | Zip   |             |
| Phone                     | (    )    -    Ext | Fax   | (    )    - |
| Contact                   |                    | Title |             |
| E-mail Address            |                    |       |             |
| Payment Name if Different |                    |       |             |

All invoices must reference the corresponding Purchase Order Number(s)/Contract Number(s) if applicable and mailed to:

**Attention: Accounts Payable, Accounting Department**  
**South Coast Air Quality Management District**  
**21865 Copley Drive**  
**Diamond Bar, CA 91765-4178**

## BUSINESS STATUS CERTIFICATIONS

Federal guidance for utilization of disadvantaged business enterprises allows a vendor to be deemed a small business enterprise (SBE), minority business enterprise (MBE) or women business enterprise (WBE) if it meets the criteria below.

- is certified by the Small Business Administration or
- is certified by a state or federal agency or
- is an independent MBE(s) or WBE(s) business concern which is at least 51 percent owned and controlled by minority group member(s) who are citizens of the United States.

Statements of certification:

As a prime contractor to South Coast AQMD, \_\_\_\_\_ (name of business) will engage in good faith efforts to achieve the fair share in accordance with 40 CFR Section 33.301, and will follow the six affirmative steps listed below **for contracts or purchase orders funded in whole or in part by federal grants and contracts.**

1. Place qualified SBEs, MBEs, and WBEs on solicitation lists.
2. Assure that SBEs, MBEs, and WBEs are solicited whenever possible.
3. When economically feasible, divide total requirements into small tasks or quantities to permit greater participation by SBEs, MBEs, and WBEs.
4. Establish delivery schedules, if possible, to encourage participation by SBEs, MBEs, and WBEs.
5. Use services of Small Business Administration, Minority Business Development Agency of the Department of Commerce, and/or any agency authorized as a clearinghouse for SBEs, MBEs, and WBEs.
6. If subcontracts are to be let, take the above affirmative steps.

**Self-Certification Verification: Also for use in awarding additional points, as applicable, in accordance with South Coast AQMD Procurement Policy and Procedure:**

Check all that apply:

- |   |  |
|---|--|
| <input type="checkbox"/> Small Business Enterprise/Small Business Joint Venture | <input type="checkbox"/> Women-owned Business Enterprise                               |
| <input type="checkbox"/> Local business   | <input type="checkbox"/> Disabled Veteran-owned Business Enterprise/DVBE Joint Venture |
| <input type="checkbox"/> Minority-owned Business Enterprise                     | <input type="checkbox"/> Most Favored Customer Pricing Certification                   |

Percent of ownership: \_\_\_\_\_ %

Name of Qualifying Owner(s): \_\_\_\_\_

**State of California Public Works Contractor Registration No. \_\_\_\_\_ MUST BE INCLUDED IF BID PROPOSAL IS FOR PUBLIC WORKS PROJECT.**

I, the undersigned, hereby declare that to the best of my knowledge the above information is accurate. Upon penalty of perjury, I certify information submitted is factual.

\_\_\_\_\_  
*NAME*

\_\_\_\_\_  
*TITLE*

\_\_\_\_\_  
*TELEPHONE NUMBER*

\_\_\_\_\_  
*DATE*

## Definitions

**Disabled Veteran-Owned Business Enterprise** means a business that meets all of the following criteria:

- is a sole proprietorship or partnership of which is at least 51 percent owned by one or more disabled veterans, or in the case of any business whose stock is publicly held, at least 51 percent of the stock is owned by one or more disabled veterans; a subsidiary which is wholly owned by a parent corporation but only if at least 51 percent of the voting stock of the parent corporation is owned by one or more disabled veterans; or a joint venture in which at least 51 percent of the joint venture's management and control and earnings are held by one or more disabled veterans.
- the management and control of the daily business operations are by one or more disabled veterans. The disabled veterans who exercise management and control are not required to be the same disabled veterans as the owners of the business.
- is a sole proprietorship, corporation, partnership, or joint venture with its primary headquarters office located in the United States and which is not a branch or subsidiary of a foreign corporation, firm, or other foreign-based business.

**Joint Venture** means that one party to the joint venture is a DVBE and owns at least 51 percent of the joint venture. In the case of a joint venture formed for a single project this means that DVBE will receive at least 51 percent of the project dollars.

**Local Business** means a business that meets all of the following criteria:

- has an ongoing business within the boundary of South Coast AQMD at the time of bid application.
- performs 90 percent of the work within South Coast AQMD's jurisdiction.

**Minority-Owned Business Enterprise** means a business that meets all of the following criteria:

- is at least 51 percent owned by one or more minority persons or in the case of any business whose stock is publicly held, at least 51 percent of the stock is owned by one or more minority persons.
- is a business whose management and daily business operations are controlled or owned by one or more minority person.
- is a business which is a sole proprietorship, corporation, partnership, joint venture, an association, or a cooperative with its primary headquarters office located in the United States, which is not a branch or subsidiary of a foreign corporation, foreign firm, or other foreign business.

"Minority" person means a Black American, Hispanic American, Native American (including American Indian, Eskimo, Aleut, and Native Hawaiian), Asian-Indian American (including a person whose origins are from India, Pakistan, or Bangladesh), Asian-Pacific American (including a person whose origins are from Japan, China, the Philippines, Vietnam, Korea, Samoa, Guam, the United States Trust Territories of the Pacific, Northern Marianas, Laos, Cambodia, or Taiwan).

**Small Business Enterprise** means a business that meets the following criteria:

- a. 1) an independently owned and operated business; 2) not dominant in its field of operation; 3) together with affiliates is either:
  - A service, construction, or non-manufacturer with 100 or fewer employees, and average annual gross receipts of ten million dollars (\$10,000,000) or less over the previous three years, or
  - A manufacturer with 100 or fewer employees.
- b. Manufacturer means a business that is both of the following:
  - 1) Primarily engaged in the chemical or mechanical transformation of raw materials or processed substances into new products.
  - 2) Classified between Codes 311000 to 339000, inclusive, of the North American Industrial Classification System (NAICS) Manual published by the United States Office of Management and Budget, 2007 edition.

**Small Business Joint Venture** means that one party to the joint venture is a Small Business and owns at least 51 percent of the joint venture. In the case of a joint venture formed for a single project this means that the Small Business will receive at least 51 percent of the project dollars.

**Women-Owned Business Enterprise** means a business that meets all of the following criteria:

- is at least 51 percent owned by one or more women or in the case of any business whose stock is publicly held, at least 51 percent of the stock is owned by one or more women.
- is a business whose management and daily business operations are controlled or owned by one or more women.
- is a business which is a sole proprietorship, corporation, partnership, or a joint venture, with its primary headquarters office located in the United States, which is not a branch or subsidiary of a foreign corporation, foreign firm, or other foreign business.

**Most Favored Customer** as used in this policy means that the South Coast AQMD will receive at least as favorable pricing, warranties, conditions, benefits and terms as other customers or clients making similar purchases or receiving similar services.

Form **W-9**  
(Rev. October 2018)  
Department of the Treasury  
Internal Revenue Service

## Request for Taxpayer Identification Number and Certification

**Give Form to the  
requester. Do not  
send to the IRS.**

▶ Go to [www.irs.gov/FormW9](http://www.irs.gov/FormW9) for instructions and the latest information.

|  |  |  |  |  |                                       |                                  |
|--|--|--|--|--|---------------------------------------|----------------------------------|
| Print or type.<br>See Specific Instructions on page 3. | <b>1</b> Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.   |  |  |  |                                       |                                  |
|  | <b>2</b> Business name/disregarded entity name, if different from above  |  |  |  |                                       |                                  |
|  | <b>3</b> Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only <b>one</b> of the following seven boxes. | <b>4</b> Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):   |  |  |                                       |                                  |
|  | <input type="checkbox"/> Individual/sole proprietor or single-member LLC   | <input type="checkbox"/> C Corporation   | <input type="checkbox"/> S Corporation | <input type="checkbox"/> Partnership               | <input type="checkbox"/> Trust/estate | Exempt payee code (if any) _____ |
|  | <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ _____                       | Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is <b>not</b> disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner. |  | Exemption from FATCA reporting code (if any) _____ |                                       |                                  |
|  | <input type="checkbox"/> Other (see instructions) ▶ _____  |  |  | (Applies to accounts maintained outside the U.S.)  |                                       |                                  |
|  | <b>5</b> Address (number, street, and apt. or suite no.) See instructions.   | Requester's name and address (optional)  |  |  |                                       |                                  |
| <b>6</b> City, state, and ZIP code                     |  |  |  |  |                                       |                                  |
| <b>7</b> List account number(s) here (optional)        |  |  |  |  |                                       |                                  |

### Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

**Note:** If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

|  |   |   |   |   |  |
|--|---|---|---|---|--|
| <b>Social security number</b>  |   |   |   |   |  |
| <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%; border: 1px solid black; height: 20px;"></td> <td style="width: 5%; text-align: center;">-</td> <td style="width: 25%; border: 1px solid black; height: 20px;"></td> <td style="width: 5%; text-align: center;">-</td> <td style="width: 40%; border: 1px solid black; height: 20px;"></td> </tr> </table> |   | - |   | - |  |
|  | - |   | - |   |  |
| <b>or</b>  |   |   |   |   |  |
| <b>Employer identification number</b>  |   |   |   |   |  |
| <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%; border: 1px solid black; height: 20px;"></td> <td style="width: 5%; text-align: center;">-</td> <td style="width: 70%; border: 1px solid black; height: 20px;"></td> </tr> </table>  |   | - |   |   |  |
|  | - |   |   |   |  |

### Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

**Certification instructions.** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

|                  |                            |        |
|------------------|----------------------------|--------|
| <b>Sign Here</b> | Signature of U.S. person ▶ | Date ▶ |
|------------------|----------------------------|--------|

### General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

**Future developments.** For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to [www.irs.gov/FormW9](http://www.irs.gov/FormW9).

### Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)

- Form 1099-DIV (dividends, including those from stocks or mutual funds)
  - Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
  - Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
  - Form 1099-S (proceeds from real estate transactions)
  - Form 1099-K (merchant card and third party network transactions)
  - Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
  - Form 1099-C (canceled debt)
  - Form 1099-A (acquisition or abandonment of secured property)
- Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

*If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding, later.*

By signing the filled-out form, you:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and
4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting*, later, for further information.

**Note:** If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

**Definition of a U.S. person.** For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien;
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States;
- An estate (other than a foreign estate); or
- A domestic trust (as defined in Regulations section 301.7701-7).

**Special rules for partnerships.** Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax under section 1446 on any foreign partners' share of effectively connected taxable income from such business. Further, in certain cases where a Form W-9 has not been received, the rules under section 1446 require a partnership to presume that a partner is a foreign person, and pay the section 1446 withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid section 1446 withholding on your share of partnership income.

In the cases below, the following person must give Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States.

- In the case of a disregarded entity with a U.S. owner, the U.S. owner of the disregarded entity and not the entity;
- In the case of a grantor trust with a U.S. grantor or other U.S. owner, generally, the U.S. grantor or other U.S. owner of the grantor trust and not the trust; and
- In the case of a U.S. trust (other than a grantor trust), the U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

**Foreign person.** If you are a foreign person or the U.S. branch of a foreign bank that has elected to be treated as a U.S. person, do not use Form W-9. Instead, use the appropriate Form W-8 or Form 8233 (see Pub. 515, *Withholding of Tax on Nonresident Aliens and Foreign Entities*).

**Nonresident alien who becomes a resident alien.** Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items.

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

**Example.** Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity, give the requester the appropriate completed Form W-8 or Form 8233.

## Backup Withholding

**What is backup withholding?** Persons making certain payments to you must under certain conditions withhold and pay to the IRS 24% of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, payments made in settlement of payment card and third party network transactions, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

**Payments you receive will be subject to backup withholding if:**

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the instructions for Part II for details),
3. The IRS tells the requester that you furnished an incorrect TIN,
4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or
5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See *Exempt payee code*, later, and the separate instructions for the Requester of Form W-9 for more information.

Also see *Special rules for partnerships*, earlier.

## What is FATCA Reporting?

The Foreign Account Tax Compliance Act (FATCA) requires a participating foreign financial institution to report all United States account holders that are specified United States persons. Certain payees are exempt from FATCA reporting. See *Exemption from FATCA reporting code*, later, and the instructions for the Requester of Form W-9 for more information.

## Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you no longer are tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account; for example, if the grantor of a grantor trust dies.

## Penalties

**Failure to furnish TIN.** If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

**Civil penalty for false information with respect to withholding.** If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

**Criminal penalty for falsifying information.** Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

**Misuse of TINs.** If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

## Specific Instructions

### Line 1

You must enter one of the following on this line; **do not** leave this line blank. The name should match the name on your tax return.

If this Form W-9 is for a joint account (other than an account maintained by a foreign financial institution (FFI)), list first, and then circle, the name of the person or entity whose number you entered in Part I of Form W-9. If you are providing Form W-9 to an FFI to document a joint account, each holder of the account that is a U.S. person must provide a Form W-9.

a. **Individual.** Generally, enter the name shown on your tax return. If you have changed your last name without informing the Social Security Administration (SSA) of the name change, enter your first name, the last name as shown on your social security card, and your new last name.

**Note: ITIN applicant:** Enter your individual name as it was entered on your Form W-7 application, line 1a. This should also be the same as the name you entered on the Form 1040/1040A/1040EZ you filed with your application.

b. **Sole proprietor or single-member LLC.** Enter your individual name as shown on your 1040/1040A/1040EZ on line 1. You may enter your business, trade, or "doing business as" (DBA) name on line 2.

c. **Partnership, LLC that is not a single-member LLC, C corporation, or S corporation.** Enter the entity's name as shown on the entity's tax return on line 1 and any business, trade, or DBA name on line 2.

d. **Other entities.** Enter your name as shown on required U.S. federal tax documents on line 1. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on line 2.

e. **Disregarded entity.** For U.S. federal tax purposes, an entity that is disregarded as an entity separate from its owner is treated as a "disregarded entity." See Regulations section 301.7701-2(c)(2)(iii). Enter the owner's name on line 1. The name of the entity entered on line 1 should never be a disregarded entity. The name on line 1 should be the name shown on the income tax return on which the income should be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a single owner that is a U.S. person, the U.S. owner's name is required to be provided on line 1. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity's name on line 2, "Business name/disregarded entity name." If the owner of the disregarded entity is a foreign person, the owner must complete an appropriate Form W-8 instead of a Form W-9. This is the case even if the foreign person has a U.S. TIN.

### Line 2

If you have a business name, trade name, DBA name, or disregarded entity name, you may enter it on line 2.

### Line 3

Check the appropriate box on line 3 for the U.S. federal tax classification of the person whose name is entered on line 1. Check only one box on line 3.

| IF the entity/person on line 1 is a(n) . . .   | THEN check the box for . . .  |
|--|---|
| • Corporation  | Corporation   |
| • Individual<br>• Sole proprietorship, or<br>• Single-member limited liability company (LLC) owned by an individual and disregarded for U.S. federal tax purposes.   | Individual/sole proprietor or single-member LLC   |
| • LLC treated as a partnership for U.S. federal tax purposes,<br>• LLC that has filed Form 8832 or 2553 to be taxed as a corporation, or<br>• LLC that is disregarded as an entity separate from its owner but the owner is another LLC that is not disregarded for U.S. federal tax purposes. | Limited liability company and enter the appropriate tax classification. (P= Partnership; C= C corporation; or S= S corporation) |
| • Partnership  | Partnership   |
| • Trust/estate   | Trust/estate  |

### Line 4, Exemptions

If you are exempt from backup withholding and/or FATCA reporting, enter in the appropriate space on line 4 any code(s) that may apply to you.

#### Exempt payee code.

- Generally, individuals (including sole proprietors) are not exempt from backup withholding.
- Except as provided below, corporations are exempt from backup withholding for certain payments, including interest and dividends.
- Corporations are not exempt from backup withholding for payments made in settlement of payment card or third party network transactions.
- Corporations are not exempt from backup withholding with respect to attorneys' fees or gross proceeds paid to attorneys, and corporations that provide medical or health care services are not exempt with respect to payments reportable on Form 1099-MISC.

The following codes identify payees that are exempt from backup withholding. Enter the appropriate code in the space in line 4.

- 1—An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2)
- 2—The United States or any of its agencies or instrumentalities
- 3—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities
- 4—A foreign government or any of its political subdivisions, agencies, or instrumentalities
- 5—A corporation
- 6—A dealer in securities or commodities required to register in the United States, the District of Columbia, or a U.S. commonwealth or possession
- 7—A futures commission merchant registered with the Commodity Futures Trading Commission
- 8—A real estate investment trust
- 9—An entity registered at all times during the tax year under the Investment Company Act of 1940
- 10—A common trust fund operated by a bank under section 584(a)
- 11—A financial institution
- 12—A middleman known in the investment community as a nominee or custodian
- 13—A trust exempt from tax under section 664 or described in section 4947

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 13.

| IF the payment is for . . .  | THEN the payment is exempt for . . .  |
|--|---|
| Interest and dividend payments   | All exempt payees except for 7  |
| Broker transactions  | Exempt payees 1 through 4 and 6 through 11 and all C corporations. S corporations must not enter an exempt payee code because they are exempt only for sales of noncovered securities acquired prior to 2012. |
| Barter exchange transactions and patronage dividends                                   | Exempt payees 1 through 4   |
| Payments over \$600 required to be reported and direct sales over \$5,000 <sup>1</sup> | Generally, exempt payees 1 through 5 <sup>2</sup>   |
| Payments made in settlement of payment card or third party network transactions        | Exempt payees 1 through 4   |

<sup>1</sup> See Form 1099-MISC, Miscellaneous Income, and its instructions.

<sup>2</sup> However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney reportable under section 6045(f), and payments for services paid by a federal executive agency.

**Exemption from FATCA reporting code.** The following codes identify payees that are exempt from reporting under FATCA. These codes apply to persons submitting this form for accounts maintained outside of the United States by certain foreign financial institutions. Therefore, if you are only submitting this form for an account you hold in the United States, you may leave this field blank. Consult with the person requesting this form if you are uncertain if the financial institution is subject to these requirements. A requester may indicate that a code is not required by providing you with a Form W-9 with "Not Applicable" (or any similar indication) written or printed on the line for a FATCA exemption code.

A—An organization exempt from tax under section 501(a) or any individual retirement plan as defined in section 7701(a)(37)

B—The United States or any of its agencies or instrumentalities

C—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities

D—A corporation the stock of which is regularly traded on one or more established securities markets, as described in Regulations section 1.1472-1(c)(1)(i)

E—A corporation that is a member of the same expanded affiliated group as a corporation described in Regulations section 1.1472-1(c)(1)(i)

F—A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state

G—A real estate investment trust

H—A regulated investment company as defined in section 851 or an entity registered at all times during the tax year under the Investment Company Act of 1940

I—A common trust fund as defined in section 584(a)

J—A bank as defined in section 581

K—A broker

L—A trust exempt from tax under section 664 or described in section 4947(a)(1)

M—A tax exempt trust under a section 403(b) plan or section 457(g) plan

**Note:** You may wish to consult with the financial institution requesting this form to determine whether the FATCA code and/or exempt payee code should be completed.

**Line 5**

Enter your address (number, street, and apartment or suite number). This is where the requester of this Form W-9 will mail your information returns. If this address differs from the one the requester already has on file, write NEW at the top. If a new address is provided, there is still a chance the old address will be used until the payor changes your address in their records.

**Line 6**

Enter your city, state, and ZIP code.

**Part I. Taxpayer Identification Number (TIN)**

**Enter your TIN in the appropriate box.** If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS Individual Taxpayer Identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN.

If you are a single-member LLC that is disregarded as an entity separate from its owner, enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

**Note:** See *What Name and Number To Give the Requester*, later, for further clarification of name and TIN combinations.

**How to get a TIN.** If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local SSA office or get this form online at [www.SSA.gov](http://www.SSA.gov). You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at [www.irs.gov/Businesses](http://www.irs.gov/Businesses) and clicking on Employer Identification Number (EIN) under Starting a Business. Go to [www.irs.gov/Forms](http://www.irs.gov/Forms) to view, download, or print Form W-7 and/or Form SS-4. Or, you can go to [www.irs.gov/OrderForms](http://www.irs.gov/OrderForms) to place an order and have Form W-7 and/or SS-4 mailed to you within 10 business days.

If you are asked to complete Form W-9 but do not have a TIN, apply for a TIN and write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

**Note:** Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

**Caution:** A disregarded U.S. entity that has a foreign owner must use the appropriate Form W-8.

**Part II. Certification**

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if item 1, 4, or 5 below indicates otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on line 1 must sign. Exempt payees, see *Exempt payee code*, earlier.

**Signature requirements.** Complete the certification as indicated in items 1 through 5 below.



**1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983.** You must give your correct TIN, but you do not have to sign the certification.

**2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983.** You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

**3. Real estate transactions.** You must sign the certification. You may cross out item 2 of the certification.

**4. Other payments.** You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments made in settlement of payment card and third party network transactions, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

**5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), ABLE accounts (under section 529A), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions.** You must give your correct TIN, but you do not have to sign the certification.

### What Name and Number To Give the Requester

| For this type of account:  | Give name and SSN of:   |
|--|---|
| 1. Individual  | The individual  |
| 2. Two or more individuals (joint account) other than an account maintained by an FFI                          | The actual owner of the account or, if combined funds, the first individual on the account <sup>1</sup> |
| 3. Two or more U.S. persons (joint account maintained by an FFI)   | Each holder of the account  |
| 4. Custodial account of a minor (Uniform Gift to Minors Act)   | The minor <sup>2</sup>  |
| 5. a. The usual revocable savings trust (grantor is also trustee)  | The grantor-trustee <sup>1</sup>  |
| b. So-called trust account that is not a legal or valid trust under state law                                  | The actual owner <sup>1</sup>   |
| 6. Sole proprietorship or disregarded entity owned by an individual  | The owner <sup>3</sup>  |
| 7. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulations section 1.671-4(b)(2)(i)(A)) | The grantor <sup>4</sup>  |

| For this type of account:   | Give name and EIN of:     |
|---|---------------------------|
| 8. Disregarded entity not owned by an individual  | The owner                 |
| 9. A valid trust, estate, or pension trust  | Legal entity <sup>4</sup> |
| 10. Corporation or LLC electing corporate status on Form 8832 or Form 2553                  | The corporation           |
| 11. Association, club, religious, charitable, educational, or other tax-exempt organization | The organization          |
| 12. Partnership or multi-member LLC   | The partnership           |
| 13. A broker or registered nominee  | The broker or nominee     |

| For this type of account:   | Give name and EIN of: |
|---|-----------------------|
| 14. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments | The public entity     |
| 15. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 Filing Method 2 (see Regulations section 1.671-4(b)(2)(i)(B))  | The trust             |

<sup>1</sup> List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

<sup>2</sup> Circle the minor's name and furnish the minor's SSN.

<sup>3</sup> You must show your individual name and you may also enter your business or DBA name on the "Business name/disregarded entity" name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

<sup>4</sup> List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships*, earlier.

**\*Note:** The grantor also must provide a Form W-9 to trustee of trust.

**Note:** If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

### Secure Your Tax Records From Identity Theft

Identity theft occurs when someone uses your personal information such as your name, SSN, or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, contact the IRS Identity Theft Hotline at 1-800-908-4490 or submit Form 14039.

For more information, see Pub. 5027, Identity Theft Information for Taxpayers.

Victims of identity theft who are experiencing economic harm or a systemic problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

**Protect yourself from suspicious emails or phishing schemes.** Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to [phishing@irs.gov](mailto:phishing@irs.gov). You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration (TIGTA) at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at [spam@uce.gov](mailto:spam@uce.gov) or report them at [www.ftc.gov/complaint](http://www.ftc.gov/complaint). You can contact the FTC at [www.ftc.gov/idtheft](http://www.ftc.gov/idtheft) or 877-IDTHEFT (877-438-4338). If you have been the victim of identity theft, see [www.IdentityTheft.gov](http://www.IdentityTheft.gov) and Pub. 5027.

Visit [www.irs.gov/identitytheft](http://www.irs.gov/identitytheft) to learn more about identity theft and how to reduce your risk.

## Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their laws. The information also may be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payers must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payer. Certain penalties may also apply for providing false or fraudulent information.

TAXABLE YEAR

CALIFORNIA FORM

# 2021 Withholding Exemption Certificate

# 590

The payee completes this form and submits it to the withholding agent. The withholding agent keeps this form with their records.

### Withholding Agent Information

Name

### Payee Information

Name

SSN or ITIN  FEIN  CA Corp no.  CA SOS file no.

Address (apt./ste., room, PO box, or PMB no.)

City (If you have a foreign address, see instructions.)

State ZIP code

### Exemption Reason

Check only one box.

By checking the appropriate box below, the payee certifies the reason for the exemption from the California income tax withholding requirements on payment(s) made to the entity or individual.

**Individuals — Certification of Residency:**

I am a resident of California and I reside at the address shown above. If I become a nonresident at any time, I will promptly notify the withholding agent. See instructions for General Information D, Definitions.

**Corporations:**

The corporation has a permanent place of business in California at the address shown above or is qualified through the California Secretary of State (SOS) to do business in California. The corporation will file a California tax return. If this corporation ceases to have a permanent place of business in California or ceases to do any of the above, I will promptly notify the withholding agent. See instructions for General Information D, Definitions.

**Partnerships or Limited Liability Companies (LLCs):**

The partnership or LLC has a permanent place of business in California at the address shown above or is registered with the California SOS, and is subject to the laws of California. The partnership or LLC will file a California tax return. If the partnership or LLC ceases to do any of the above, I will promptly inform the withholding agent. For withholding purposes, a limited liability partnership (LLP) is treated like any other partnership.

**Tax-Exempt Entities:**

The entity is exempt from tax under California Revenue and Taxation Code (R&TC) Section 23701 (insert letter) or Internal Revenue Code Section 501(c) (insert number). If this entity ceases to be exempt from tax, I will promptly notify the withholding agent. Individuals cannot be tax-exempt entities.

**Insurance Companies, Individual Retirement Arrangements (IRAs), or Qualified Pension/Profit-Sharing Plans:**

The entity is an insurance company, IRA, or a federally qualified pension or profit-sharing plan.

**California Trusts:**

At least one trustee and one noncontingent beneficiary of the above-named trust is a California resident. The trust will file a California fiduciary tax return. If the trustee or noncontingent beneficiary becomes a nonresident at any time, I will promptly notify the withholding agent.

**Estates — Certification of Residency of Deceased Person:**

I am the executor of the above-named person's estate or trust. The decedent was a California resident at the time of death. The estate will file a California fiduciary tax return.

**Nonmilitary Spouse of a Military Servicemember:**

I am a nonmilitary spouse of a military servicemember and I meet the Military Spouse Residency Relief Act (MSRRA) requirements. See instructions for General Information E, MSRRA.

**CERTIFICATE OF PAYEE:** Payee must complete and sign below.

To learn about your privacy rights, how we may use your information, and the consequences for not providing the requested information, go to [ftb.ca.gov/forms](http://ftb.ca.gov/forms) and search for 1131. To request this notice by mail, call 800.852.5711.

Under penalties of perjury, I declare that I have examined the information on this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. I further declare under penalties of perjury that if the facts upon which this form are based change, I will promptly notify the withholding agent.

Type or print payee's name and title

Telephone

Payee's signature

Date

# 2021 Instructions for Form 590

## Withholding Exemption Certificate

References in these instructions are to the California Revenue and Taxation Code (R&TC).

### General Information

California Revenue and Taxation Code (R&TC) Section 18662 requires withholding of income or franchise tax on payments of California source income made to nonresidents of California. For more information, See General Information B, Income Subject to Withholding.

**Registered Domestic Partners (RDPs)** – For purposes of California income tax, references to a spouse, husband, or wife also refer to a California RDP unless otherwise specified. For more information on RDPs, get FTB Pub. 737, Tax Information for Registered Domestic Partners.

### A Purpose

Use Form 590, Withholding Exemption Certificate, to certify an exemption from nonresident withholding.

Form 590 does not apply to payments of backup withholding. For more information, go to [ftb.ca.gov](http://ftb.ca.gov) and search for **backup withholding**.

Form 590 does not apply to payments for wages to employees. Wage withholding is administered by the California Employment Development Department (EDD). For more information, go to [edd.ca.gov](http://edd.ca.gov) or call 888.745.3886.

**Do not** use Form 590 to certify an exemption from withholding if you are a **seller of California real estate**. Sellers of California real estate use Form 593, Real Estate Withholding Statement, to claim an exemption from the real estate withholding requirement.

**The following are excluded from withholding and completing this form:**

- The United States and any of its agencies or instrumentalities.
- A state, a possession of the United States, the District of Columbia, or any of its political subdivisions or instrumentalities.
- A foreign government or any of its political subdivisions, agencies, or instrumentalities.

### B Income Subject to Withholding

Withholding is required on the following, but is not limited to:

- Payments to nonresidents for services rendered in California.
- Distributions of California source income made to domestic nonresident partners, members, and S corporation shareholders and allocations of California source income made to foreign partners and members.
- Payments to nonresidents for rents if the payments are made in the course of the withholding agent's business.
- Payments to nonresidents for royalties from activities sourced to California.

- Distributions of California source income to nonresident beneficiaries from an estate or trust.
- Endorsement payments received for services performed in California.
- Prizes and winnings received by nonresidents for contests in California.

However, withholding is optional if the total payments of California source income are \$1,500 or less during the calendar year.

For more information on withholding, get FTB Pub. 1017, Resident and Nonresident Withholding Guidelines. To get a withholding publication, see Additional Information.

### C Who Certifies this Form

Form 590 is certified (completed and signed) by the payee. California residents or entities exempt from the withholding requirement should complete Form 590 and submit it to the withholding agent before payment is made. The withholding agent is then relieved of the withholding requirements if the agent relies in good faith on a completed and signed Form 590 unless notified by the Franchise Tax Board (FTB) that the form should not be relied upon.

An incomplete certificate is invalid and the withholding agent should not accept it. If the withholding agent receives an incomplete certificate, the withholding agent is required to withhold tax on payments made to the payee until a valid certificate is received. In lieu of a completed exemption certificate, the withholding agent may accept a letter from the payee as a substitute explaining why they are not subject to withholding. The letter must contain all the information required on the certificate in similar language, including the under penalty of perjury statement and the payee's taxpayer identification number (TIN).

The certification does not need to be renewed annually. The certification on Form 590 remains valid until the payee's status changes. The withholding agent must retain a copy of the certification or substitute for at least five years after the last payment to which the certification applies. The agent must provide it to the FTB upon request.

If an entertainer (or the entertainer's business entity) is paid for a performance, the entertainer's information must be provided. **Do not** submit the entertainer's agent or promoter information.

The grantor of a grantor trust shall be treated as the payee for withholding purposes. Therefore, if the payee is a grantor trust and one or more of the grantors is a nonresident, withholding is required. If all of the grantors on the trust are residents, no withholding is required. Resident grantors can check the box on Form 590 labeled "Individuals — Certification of Residency."

### D Definitions

For California nonwage withholding purposes:

- Nonresident includes all of the following:
  - Individuals who are not residents of California.
  - Corporations not qualified through the California Secretary of State (CA SOS) to do business in California or having no permanent place of business in California.
  - Partnerships or limited liability companies (LLCs) with no permanent place of business in California.
  - Any trust without a resident grantor, beneficiary, or trustee, or estates where the decedent was not a California resident.
- Foreign refers to non-U.S.

For more information about determining resident status, get FTB Pub. 1031, Guidelines for Determining Resident Status. Military servicemembers have special rules for residency. For more information see General Information E, Military Spouse Residency Relief Act (MSRRA), and FTB Pub. 1032, Tax Information for Military Personnel.

#### Permanent Place of Business:

A corporation has a permanent place of business in California if it is organized and existing under the laws of California or it has qualified through the CA SOS to transact intrastate business. A corporation that has not qualified to transact intrastate business (e.g., a corporation engaged exclusively in interstate commerce) will be considered as having a permanent place of business in California only if it maintains a permanent office in California that is permanently staffed by its employees.

### E Military Spouse Residency Relief Act (MSRRA)

Generally, for tax purposes you are considered to maintain your existing residence or domicile. If a military servicemember and nonmilitary spouse have the same state of domicile, the MSRRA provides:

- A spouse shall not be deemed to have lost a residence or domicile in any state solely by reason of being absent to be with the servicemember serving in compliance with military orders.
- A spouse shall not be deemed to have acquired a residence or domicile in any other state solely by reason of being there to be with the servicemember serving in compliance with military orders.

**Domicile** is defined as the one place:

- Where you maintain a true, fixed, and permanent home.
- To which you intend to return whenever you are absent.

A military servicemember's nonmilitary spouse is considered a nonresident for tax purposes if the servicemember and spouse have the same domicile outside of California and the spouse is in California solely to be with the servicemember who is serving in compliance with Permanent Change of Station orders.

California may require nonmilitary spouses of military servicemembers to provide proof that they meet the criteria for California personal income tax exemption as set forth in the MSRRA.

Income of a military servicemember's nonmilitary spouse for services performed in California is not California source income subject to state tax if the spouse is in California to be with the servicemember serving in compliance with military orders, and the servicemember and spouse have the same domicile in a state other than California.

For additional information or assistance in determining whether the applicant meets the MSRRA requirements, get FTB Pub. 1032.

## Specific Instructions

### Payee Instructions

Enter the withholding agent's name.

Enter the payee's information, including the TIN and check the appropriate TIN box.

You must provide a valid TIN as requested on this form. The following are acceptable TINs: social security number (SSN); individual taxpayer identification number (ITIN); federal employer identification number (FEIN); California corporation number (CA Corp no.); or CA SOS file number.

**Private Mail Box (PMB)** – Include the PMB in the address field. Write "PMB" first, then the box number. Example: 111 Main Street PMB 123.

**Foreign Address** – Follow the country's practice for entering the city, county, province, state, country, and postal code, as applicable, in the appropriate boxes. Do not abbreviate the country name.

**Exemption Reason** – Check the box that reflects the reason why the payee is exempt from the California income tax withholding requirement.

### Withholding Agent Instructions

Do not send this form to the FTB. The certification on Form 590 remains valid until the payee's status changes. The withholding agent must retain a copy of the certificate or substitute for at least five years after the last payment to which the certificate applies. The agent must provide it to the FTB upon request.

The payee must notify the withholding agent if any of the following situations occur:

- The individual payee becomes a nonresident.
- The corporation ceases to have a permanent place of business in California or ceases to be qualified to do business in California.
- The partnership ceases to have a permanent place of business in California.
- The LLC ceases to have a permanent place of business in California.
- The tax-exempt entity loses its tax-exempt status.

If any of these situations occur, then withholding may be required. For more information, get Form 592, Resident and Nonresident Withholding Statement, Form 592-B, Resident and Nonresident Withholding Tax Statement, Form 592-PTE, Pass-Through Entity Annual Withholding Return, Form 592-Q, Payment Voucher for Pass-Through Entity Withholding, and Form 592-V, Payment Voucher for Resident or Nonresident Withholding.

## Additional Information

**Website:** For more information, go to [ftb.ca.gov](http://ftb.ca.gov) and search for **nonwage**.

**MyFTB** offers secure online tax account information and services. For more information, go to [ftb.ca.gov](http://ftb.ca.gov) and login or register for **MyFTB**.

**Telephone:** 888.792.4900 or 916.845.4900, Withholding Services and Compliance phone service

**Fax:** 916.845.9512

**Mail:** WITHHOLDING SERVICES AND COMPLIANCE MS F182  
FRANCHISE TAXBOARD  
PO BOX 942867  
SACRAMENTO CA 94267-0651

For questions unrelated to withholding, or to download, view, and print California tax forms and publications, or to access the TTY/TDD numbers, see the Internet and Telephone Assistance section.

### Internet and Telephone Assistance

**Website:** [ftb.ca.gov](http://ftb.ca.gov)

**Telephone:** 800.852.5711 from within the United States  
916.845.6500 from outside the United States

**TTY/TDD:** 800.822.6268 for persons with hearing or speech disability  
711 or 800.735.2929 California relay service

### Asistencia Por Internet y Teléfono

**Sitio web:** [ftb.ca.gov](http://ftb.ca.gov)

**Teléfono:** 800.852.5711 dentro de los Estados Unidos  
916.845.6500 fuera de los Estados Unidos

**TTY/TDD:** 800.822.6268 para personas con discapacidades auditivas o del habla  
711 ó 800.735.2929 servicio de relevo de California

**Certification Regarding  
Debarment, Suspension, and Other Responsibility Matters**

The prospective participant certifies to the best of its knowledge and belief that it and the principals:

- (a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
- (b) Have not within a three year period preceding this proposal been convicted of or had a civil judgement rendered against them or commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction: violation of Federal or State antitrust statute or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
- (c) Are not presently indicted for or otherwise criminally or civilly charged by a government entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (b) of this certification; and
- (d) Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State, or local) terminated for cause or default.

I understand that a false statement on this certification may be grounds for rejection of this proposal or termination of the award. In addition, under 18 USC Sec. 1001, a false statement may result in a fine of up to \$10,000 or imprisonment for up to 5 years, or both.

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Typed Name & Title of Authorized Representative

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Signature of Authorized Representative Date

I am unable to certify to the above statements. My explanation is attached.



### CAMPAIGN CONTRIBUTIONS DISCLOSURE

In accordance with California law, bidders and contracting parties are required to disclose, at the time the application is filed, information relating to any campaign contributions made to South Coast Air Quality Management District (SCAQMD) Board Members or members/alternates of the Mobile Source Air Pollution Reduction Review Committee (MSRC) or MSRC Technical Advisory Committee (TAC), including: the name of the party making the contribution (which includes any parent, subsidiary or otherwise related business entity, as defined below), the amount of the contribution, and the date the contribution was made. 2 C.C.R. §18438.8(b). Where a proposed or proposed amended rule impacts three or fewer facilities, those facilities will be treated in much the same manner as contracting parties and so must also complete this form, disclosing information relating to any campaign contributions made to any SCAQMD Board Members. See Quadri Advice Letter (2002) A-02.096.<sup>1</sup> In the event that a qualifying campaign contribution is made, the Board Member to whom it was made may be disqualified from participating in the actions involving that donor.

California law prohibits a party, or an agent, from making campaign contributions to SCAQMD Governing Board Members or members/alternates of the MSRC or TAC of more than \$250 while their contract or permit is pending before the SCAQMD; and further prohibits a campaign contribution from being made for twelve (12) months following the date of the final decision by the Governing Board or the MSRC or TAC on a donor’s contract or permit. Gov’t Code §84308(d). For purposes of reaching the \$250 limit, the campaign contributions of the bidder or contractor plus contributions by its parents, affiliates, and related companies of the contractor or bidder are added together. 2 C.C.R. §18438.5.

In addition, SCAQMD Board Members or members/alternates of the MSRC or TAC must abstain from voting on a contract or permit if they have received a campaign contribution from a party or participant<sup>2</sup> to the proceeding, or agent, totaling more than \$250 in the 12-month period prior to the consideration of the item by the Governing Board or the MSRC. Gov’t Code §84308(c).

The list of current SCAQMD Governing Board Members can be found at the SCAQMD website ([www.aqmd.gov](http://www.aqmd.gov)). The list of current MSRC and TAC members/alternates can be found at the MSRC website (<http://www.cleantransportationfunding.org>).

#### **SECTION I.**

**Contractor (Legal Name):** \_\_\_\_\_

|   |
|---|
| <input type="checkbox"/> DBA, Name _____, County Filed in _____ |
| <input type="checkbox"/> Corporation, ID No. _____              |
| <input type="checkbox"/> LLC/LLP, ID No. _____                  |

**List any parent, subsidiaries, or otherwise affiliated business entities of Contractor:**  
*(See definition below).*

\_\_\_\_\_  
\_\_\_\_\_

<sup>1</sup> The information provided on this form does not, and is not intended to, constitute legal advice. To the extent that you may have questions regarding any case law, citations, or legal interpretations provided above please seek the guidance of your own independent counsel.

<sup>2</sup> In accordance with California law, a person or entity with a financial interest in a proceeding or particular governmental decision, who is not a party but who actively supports or opposes a particular decision, qualifies as a “participant” in that proceeding for purposes of California Code of Regulations Section 84308. A participant has both a financial interest in the proceeding and communicates with the agency or an officer of the agency for purposes of influencing the proceeding.

**SECTION II.**

Has Contractor or Participant and/or any parent, subsidiary, or affiliated company, or agent thereof, or persons who direct or control campaign contributions for these entities, made a campaign contribution(s) totaling \$250 or more in the aggregate to a current member of the South Coast Air Quality Management Governing Board or member/alternate of the MSRC or TAC in the 12 months preceding the date of execution of this disclosure?

Yes  No

**If YES, complete Section II below and then sign and date the form.**

**If NO, sign and date below. Include this form with your submittal.**

Name(s) of Contributor(s) or Person(s) who Directed or Controlled this Contribution:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
Governing Board Member or MSRC or MSRC-TAC Member/Alternate      Amount of Contribution      Date of Contribution

Name(s) of Contributor(s) or Person(s) who Directed or Controlled this Contribution:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
Governing Board Member or MSRC or MSRC-TAC Member/Alternate      Amount of Contribution      Date of Contribution

Name(s) of Contributor(s) or Person(s) who Directed or Controlled this Contribution:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
Governing Board Member or MSRC or MSRC-TAC Member/Alternate      Amount of Contribution      Date of Contribution

Name(s) of Contributor(s) or Person(s) who Directed or Controlled this Contribution:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
Governing Board Member or MSRC or MSRC-TAC Member/Alternate      Amount of Contribution      Date of Contribution



**I declare the foregoing disclosures to be true and correct.**

By: \_\_\_\_\_

Title: \_\_\_\_\_

**DEFINITIONS**

Parent, Subsidiary, or Otherwise Related Business Entity (2 Cal. Code of Regs., §18703.1(d).)

- (1) Parent subsidiary. A parent subsidiary relationship exists when one corporation directly or indirectly owns shares possessing more than 50 percent of the voting power of another corporation.
- (2) Otherwise related business entity. Business entities, including corporations, partnerships, joint ventures and any other organizations and enterprises operated for profit, which do not have a parent subsidiary relationship are otherwise related if any one of the following three tests is met:
- (A) One business entity has a controlling ownership interest in the other business entity.
  - (B) There is shared management and control between the entities. In determining whether there is shared management and control, consideration should be given to the following factors:
    - (i) The same person or substantially the same person owns and manages the two entities;
    - (ii) There are common or commingled funds or assets;
    - (iii) The business entities share the use of the same offices or employees, or otherwise share activities, resources or personnel on a regular basis;
    - (iv) There is otherwise a regular and close working relationship between the entities; or
  - (C) A controlling owner (50% or greater interest as a shareholder or as a general partner) in one entity also is a controlling owner in the other entity.

BOARD MEETING DATE: January 10, 2025

AGENDA NO. 5

**PROPOSAL:** Recognize Funds, Execute or Amend Contracts for Zero-Emission Heavy-Duty Truck Replacement Projects and Reimburse General Fund for Administrative Costs

**SYNOPSIS:** In April 2024, South Coast AQMD was selected for an award for \$4,500,000 under the FY 2023 U.S. EPA Diesel Emissions Reduction Act (DERA) grant to replace up to 22 heavy-duty Class 8 diesel trucks with new zero-emission (ZE) trucks. The formal award was finalized in July 2024. The project will target Class 8 diesel truck fleets that operate around the San Pedro Bay Ports. Also, in September 2020, the Board recognized revenue in the amount of \$5,906,601 from the U.S. EPA FY 2019 Targeted Airshed Grant (TAG) Program into the Advanced Technology, Outreach, and Education Fund (17) to deploy fuel cell transit buses at SunLine Transit Agency. Board authorization is needed for reimbursement of administrative costs for fuel cell transit buses. These actions are to: 1) recognize \$4,500,000 from EPA DERA into the Clean Fuels Program Fund (31) for the replacement of Class 8 diesel trucks with ZE trucks; 2) execute or amend contracts for ZE truck replacement projects using future project lists from the Carl Moyer Program solicitations; 3) reimburse the General Fund (01) up to \$100,000 from the Clean Fuels Program Fund (31) for administrative costs to implement the DERA projects; and 4) reimburse the General Fund (01) using FY2019 TAG funds for deployment of fuel cell transit buses at SunLine Transit Agency from the Advanced Technology, Outreach and Education Fund (17) up to \$156,601 for administrative costs.

**COMMITTEE:** Technology, December 20, 2024; Recommended for Approval

**RECOMMENDED ACTIONS:**

1. Recognize up to \$4,500,000 from U.S. EPA FY 2023 Diesel Emissions Reduction Act (DERA) funds into the Clean Fuels Program Fund (31);
2. Authorize the Executive Officer to execute or amend contracts for zero-emission (ZE) truck replacement projects using future project lists from the Carl Moyer

Program and Volkswagen Mitigation Trust solicitations from Clean Fuel Program Fund (31);

3. Reimburse the General Fund (01) up to \$100,000 from the Clean Fuels Program Fund (31) for the administrative costs of implementing the DERA projects; and
4. Reimburse the General Fund (01) up to \$156,601 from the Advanced Technology, Outreach and Education Fund (17) for the administrative costs of implementing the SunLine project.

Wayne Natri  
Executive Officer

AK:MW:VP:TL:SC:JJ

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### **Background**

U.S. EPA's Office of Transportation and Air Quality announced a Notice of Funding Opportunity in August 2023 under the Diesel Emissions Reduction Act (DERA) to accelerate the upgrade or retirement of older heavy-duty Class 8 diesel trucks. A total of \$115,000,000 was available to retrofit or replace existing diesel engines. In December 2023, South Coast AQMD submitted a proposal and was selected for an award of \$4.5 million in April 2024. The award was finalized in July 2024 to replace up to 22 heavy duty Class 8 diesel trucks with equivalently sized new ZE trucks.

Also, in September 2020, the Board recognized \$5,906,601 from the U.S. EPA FY 2019 Targeted Airshed Grant Program into the Advanced Technology, Outreach, and Education Fund (17) to deploy fuel cell transit buses at SunLine Transit Agency. The administrative cost was previously authorized from the Clean Fuels Program Fund (31), but should be authorized from the Advanced Technology, Outreach, and Education Fund (17).

### **Proposal**

This action is to recognize up to \$4,500,000 in FY 2023 U.S. EPA DERA funds into the Clean Fuels Program Fund (31) to implement future incentive project lists from various South Coast AQMD incentive programs including Carl Moyer and VW Mitigation Trust Program. This action is to also authorize the Executive Officer to execute or amend contracts for truck replacement projects utilizing those DERA funds. This approach will provide a streamlined approach for applicants and ensure funding is distributed to all fleet types including smaller operators in environmental justice communities. South Coast AQMD will provide a \$200,000 incentive using DERA funds towards the purchase of a new ZE heavy-duty truck from a participating dealer. The old diesel truck will be scrapped at a South Coast AQMD qualified truck dismantler. This

action is to also reimburse the General Fund (01) up to \$100,000 from the Clean Fuels Fund (31) for the administrative costs of implementing the DERA-funded projects.

In addition, this action is to reimburse the General Fund (01) up to \$156,601 for administrative costs for the U.S. EPA FY 2019 TAG SunLine Project from the Advanced Technology, Outreach and Education Fund (17) instead of the Clean Fuels Fund (31).

**Benefits to South Coast AQMD**

Successful implementation of these projects will permanently remove at least 22 higher-emitting heavy-duty on-road diesel trucks and replace them with ZE alternatives certified by CARB. The truck replacement projects are expected to provide annual emission reductions of 3 tons of NOx, 0.005 tons of PM and 1,340 tons of GHG emissions. NOx and PM emission reductions are needed to meet state and federal ambient air quality standards.

**Resource Impacts**

The U.S. EPA FY 2023 DERA Grant award of \$4,500,000 will be used towards the purchase of ZE Class 8 trucks and administrative costs of implementing the program. The U.S. EPA FY 2019 TAG award will be used to reimburse General Fund (01) for the administrative costs needed to implement the Sunline project in the amount of \$156,601.

BOARD MEETING DATE: January 10, 2025

AGENDA NO. 6

**PROPOSAL:** Recognize Revenue for Implementation of Programs for Replacement of Class 6 and 7 Vehicles and School Buses with Zero-Emission Vehicles and Reimburse General Fund

**SYNOPSIS:** South Coast AQMD received two awards totaling \$58,741,154 from U.S. EPA 2024 Clean Heavy-Duty Vehicles Grant Program: 1) “Empowering Local Environmental Change Through Replacing Internal Combustion with Battery Electric Class 6 or 7 Vehicles” (ELECTRIC) program; and 2) “Clean Air Rides for Kids” (CARE4Kids) program.

Up to \$33,898,522 will be used for the ELECTRIC program to replace diesel or gasoline-powered Class 6 and 7 freight delivery vehicles with zero-emission vehicles, and up to \$24,842,632 will be used for the CARE4Kids program to replace internal combustion Class 6 and 7 school buses with zero-emission buses.

These actions are to: 1) recognize revenue, upon receipt, up to \$33,898,522 from U.S. EPA for the ELECTRIC Program into Fund (17); 2) recognize revenue, upon receipt, up to \$24,842,632 from U.S. EPA for the CARE4Kids Program into Fund (17); and 3) reimburse General Fund up to \$6,061,504 from Fund (17) for the administrative costs to run the programs.

**COMMITTEE:** Technology, December 20, 2024; Recommended for Approval

**RECOMMENDED ACTIONS:**

1. Recognize revenue, upon receipt, up to \$33,898,522 from U.S. EPA for the Empowering Local Environmental Change Through Replacing Internal Combustion with Battery Electric Class 6 or 7 Vehicles (ELECTRIC) program into Fund (17);
2. Recognize revenue, upon receipt, up to \$24,842,632 from U.S. EPA for the Clean Air Rides for Kids (CARE4Kids) program into Fund (17); and

3. Reimburse General Fund up to \$6,061,504 from Fund (17) for administrative costs to run the programs.

Wayne Natri  
Executive Officer

AK:MW:LTO:TL:FX

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### **Background**

In July 2024, South Coast AQMD submitted two proposals entitled ELECTRIC and CARE4Kids to the U.S. EPA's Clean Heavy-Duty Vehicles (CHDV) Grants Program:

- (1) **ELECTRIC:** Incentives will be provided for replacing older Class 6 and 7 internal combustion freight delivery vehicles with battery electric technology. Funding for charging infrastructure is allowed, as well as the incentive for the vehicle, but it is subject to a cap for each vehicle type.
- (2) **CARE4Kids:** Incentives will be provided for replacing older Class 6 and 7 internal combustion school buses owned by public school districts with battery electric technology. Funding for charging infrastructure to support the new buses is also available up to \$20,000 per school bus awarded.

In December 2024, U.S. EPA awarded South Coast AQMD \$33,898,522 for ELECTRIC and \$24,842,632 for CARE4Kids. ELECTRIC and CARE4Kids will invest in developing workforce training programs with local entities and organizations which includes, but is not limited to, community colleges, equipment dealerships, and manufacturers, for the operation, maintenance and servicing of zero-emission equipment such as zero-emission school buses, heavy and medium duty vehicles. Additionally, both programs include a framework for community engagement, which aims to uplift equity and community priorities and projects, while engaging in education and outreach on climate, air pollution, and zero-emission technologies.

### **Proposal**

This action is to recognize revenues, upon receipt, up to \$33,898,522 from U.S. EPA into Fund (17) to be used for the ELECTRIC program and up to \$24,842,632 from the U.S. EPA into Fund (17) to be used for the CARE4Kids program. Additionally, this action is to reimburse the General Fund up to \$6,061,504 for South Coast AQMD administrative expenses to run the programs.

Staff will seek Board approval to release program announcements for ELECTRIC and CARE4Kids to solicit eligible projects early next year.

### Benefits to South Coast AQMD

The South Coast Air Basin is classified as in extreme nonattainment for ozone and serious nonattainment for PM2.5 based on NAAQS. ELECTRIC and CARE4Kids support and accelerate the replacement of older, polluting internal combustion engine Class 6 and 7 vehicles to zero-emission technologies reducing ozone and PM2.5 air pollution. The programs are projected to annually reduce 19 tons of NOx and 0.38 tons of PM2.5. Furthermore, the programs are expected to decrease carbon dioxide equivalent (MT CO2e) emissions by 599,841 metric tons annually.

ELECTRIC and CARE4Kids will implement a workforce training program that not only supports the transition to zero-emission technologies; but will create jobs throughout the region. The community benefits framework in ELECTRIC will amplify workforce training and job creation for our residents through outreach and educational efforts. ELECTRIC’s community benefits framework will create a program that directly serves residents through workshops and meetings to identify community priorities, outreach and education, and other types of engagement activities. Additionally, ELECTRIC will work with a third-party facilitator and a Steering Committee to implement community projects based on identified priorities. CARE4Kids will utilize existing South Coast AQMD resources for communication engagement and outreach.

### Resource Impacts

The U.S. EPA CHDV Grant awards of \$33,898,522 and \$24,842,632 will be used towards implementing the vehicle and infrastructure incentives along with other actions as shown in Table 1 Program Budget for ELECTRIC and Table 2 Program Budget for CARE4Kids. Up to \$6,061,504 will be reimbursed to the General Fund from Fund (17) for administrative costs to implement the programs.

**Table 1. Program Budget for ELECTRIC**

|                                   | Cost                | % of Total Cost |
|-----------------------------------|---------------------|-----------------|
| Incentives for program            | \$29,299,650        | 86.4%           |
| Workforce training                | \$500,000           | 1.5%            |
| Community engagement and outreach | \$200,000           | 0.6%            |
| Project administration            | \$3,898,872         | 11.5%           |
| <b>Total</b>                      | <b>\$33,898,522</b> | <b>100%</b>     |

**Table 2. Program Budget for CARE4Kids**

|                        | Cost                | % of Total Cost |
|------------------------|---------------------|-----------------|
| Incentives for program | \$22,180,000        | 89.3%           |
| Workforce training     | \$500,000           | 2%              |
| Project administration | \$2,162,632         | 8.7%            |
| <b>Total</b>           | <b>\$24,842,632</b> | <b>100%</b>     |

BOARD MEETING DATE: January 10, 2025

AGENDA NO. 7

**PROPOSAL:** Recognize Revenue, Appropriate Funds, Issue Solicitations and Purchase Orders for Air Monitoring Equipment and Execute Contract

**SYNOPSIS:** South Coast AQMD previously received a Federal grant award from U.S. EPA under the American Rescue Plan and is expected to receive funds under the Inflation Reduction Act. This action is to recognize up to \$1,245,708 and appropriate these funds into the Monitoring and Analysis FY 2024-25, FY 2025-26 and/or FYs 2024-29 Budgets, issue solicitations and purchase orders for air monitoring equipment, issue an RFP in an amount up to \$600,000, and execute a contract for the development of an Air Monitoring Equipment Testing and Education Center in Diamond Bar.

**COMMITTEE:** Administrative, December 13, 2024; Recommended for Approval

**RECOMMENDED ACTIONS:**

1. Recognize revenue up to \$35,000 from U.S. EPA for the American Rescue Plan (ARP) and appropriate the funds into Monitoring and Analysis FY 2024-25 and/or 2025-26 Budgets (Org 47) as detailed in Attachment 1;
2. Recognize revenue up to \$1,210,708 upon receipt from U.S. EPA for the Inflation Reduction Act (IRA) and appropriate the funds into the Monitoring and Analysis FYs 2024-29 Budgets (Org 47) as detailed in Attachment 2;
3. Authorize the Procurement Manager, in accordance with South Coast AQMD's Procurement Policy and Procedure, to issue solicitations, as needed, and based on results, issue purchase orders for the items listed in Table 1; and
4. Authorize the Procurement Manager, in accordance with South Coast AQMD's Procurement Policy and Procedure, to issue an RFP in an amount up to \$600,000, and based on results of the RFP, authorize the Executive Officer to execute a contract for the development of an Air Monitoring Equipment Testing and Education Center in Diamond Bar as listed in Table 2.

Wayne Nastri  
Executive Officer



## **Background**

On July 7, 2021, U.S. EPA announced that it will make \$50 million in ARP funding available to improve ambient air quality monitoring for communities across the nation. U.S. EPA prioritized using funds to support PM<sub>2.5</sub> equipment upgrades and maintenance, as this is expected to reduce the frequency of required field visits while allowing real-time data to continue to be available to the public.

On August 16, 2022, Congress passed the IRA, which included provisions for U.S. EPA to fund air monitoring network upgrades for state and local air pollution control agencies. This funding, distributed through a noncompetitive grant process, supports activities such as the operation of criteria pollutant air monitoring networks mandated under Section 103 of the Clean Air Act. This section authorizes U.S. EPA to provide grants for research and measurements related to the causes, effects, prevention and control of air pollution. To further support these efforts, U.S. EPA allocated an additional \$1,210,708 for the IRA program in Federal FY 2025, extending the grant period through Federal FY 2029.

## **Proposal**

### American Rescue Plan (FY 2024-25 and/or FY 2025-26)

U.S. EPA previously awarded Section 103 Grant funding under the ARP in an amount up to \$333,500. This action is to recognize and appropriate the remaining balance up to \$35,000 into the Monitoring and Analysis FY 2024-25 and/or 2025-26 Budget, as set forth in Attachment 1.

### Inflation Reduction Act (FY 2024-29)

U.S. EPA IRA Grant award provides funding to maintain the South Coast AQMD's ambient air monitoring network and field and laboratory equipment support. This action is to recognize revenue upon receipt and appropriate up to \$1,210,708 from U.S. EPA into the Monitoring and Analysis FYs 2024-29 Budgets (Org 47), as set forth in Attachment 2.

### Proposed Purchase through Solicitation Process or 'Prior Bid, Last Price'

#### *Sulfur Dioxide Monitors*

South Coast AQMD operates sulfur dioxide (SO<sub>2</sub>) monitors in support of the criteria pollutant monitoring network. The current samplers are more than 15 years old and need replacement. The estimated cost for up to three SO<sub>2</sub> monitors is \$53,108 (see Table 1). The purchase will be made by "Prior Bid, Last Price" or through a solicitation process, as needed, followed by issuance of a purchase order.

#### *Gas Diluters*

South Coast AQMD operates 27 ozone and nitrogen dioxide sites in support of the criteria pollutant monitoring network. Daily precision zero and span audits of gas monitors are required to meet U.S. EPA quality assurance criteria. Gas dilution systems are necessary to provide a known concentration of gas standard required for quality

control (QC) of air monitoring equipment. The current QC gas dilution systems are greater than 10 years old and no longer meet U.S. EPA QC requirements. The replacement gas diluters meet U.S. EPA requirements as outlined in the most recent ozone Technical Assistance Document. The estimated cost for up to seven gas diluters is \$187,600 (see Table 1). The purchase will be made by “Prior Bid, Last Price” or through a solicitation process, as needed, followed by issuance of a purchase order.

#### Proposed Contract through an RFP Process

##### *Development of an Air Monitoring Equipment Testing and Education Center in Diamond Bar*

Staff proposes issuing an RFP to solicit bids from contractors for the development of an Air Monitoring Equipment Testing and Education Center in Diamond Bar. This facility will be located at South Coast AQMD’s Diamond Bar headquarters and serve as both a public education center and an air monitor and sensor testing location. The RFP will include all necessary infrastructure development, such as planning, design, permitting, site preparation, hardscaping, electrical and data infrastructure and installation of a sampling platform. The site will support the assessment and calibration of FRM/FEM monitors and air quality sensors. Public access will be available, with a focus on engaging the public through interactive educational components that demonstrate sensor calibration and raise awareness about air quality. U.S. EPA will provide up to \$600,000 in grant funds to support the development of this facility at Diamond Bar (See Table 2).

#### Proposed Purchases through Sole Source Purchase Order

##### *Agilaire 8872 Data Loggers*

The South Coast AQMD air monitoring network operates 34 air monitoring sites utilizing data loggers as part of U.S. EPA minimum monitoring requirement to support compliance with NAAQS and emissions strategy development, and to provide real-time air pollution data to the public, CARB and U.S. EPA. The current data loggers are older than 15 years old and will no longer be supported by the manufacturer beyond the most recent Windows 10 upgrade. The technical specifications of the data loggers are proprietary and consistent with the existing South Coast AQMD air monitoring network. The approximate cost for up to 10 data loggers is \$140,000 (see Table 1).

##### *Ion Chromatograph*

This request is to replace South Coast AQMD’s PM Speciation Ion Chromatograph (IC), which has been in use for over 10 years and is no longer supported by the manufacturer. The IC is critical for supporting PM10, PM2.5 and the U.S. EPA Chemical Speciation Network. Replacing this equipment is vital to maintaining data integrity and meeting U.S. EPA requirements. The estimated cost for an Ion Chromatograph is \$80,000 (See Table 1).

**Bid Evaluation**

Proposals will be reviewed and evaluated by a panel consisting of three to five South Coast AQMD staff members familiar with relevant subject matter expertise. The panel will be appointed by the Executive Officer or their designee. At the discretion of the Executive Officer, the panel may also include external experts from the public sector or academic community to provide additional insight.

The panel will assess each proposal based on the evaluation criteria and numerical weightings outlined in the RFP. Each panel member's ratings will be given equal weight in the overall scoring process. Based on their evaluation, the panel will provide a recommendation for the final selection of a contractor.

**Outreach**

In accordance with South Coast AQMD's Procurement Policy and Procedure, a public notice advertising the solicitations and inviting bids will be published in the local newspapers to leverage the most cost-effective method of outreach to the Basin.

Additionally, potential bidders may be notified utilizing South Coast AQMD's own electronic listing of certified minority vendors. Notice of the RFP will be 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>) where it can be viewed by making the selection "Grants & Bids." Information is also available on South Coast AQMD's bidders' 24-hour telephone message line (909) 396-2724.

**Sole Source Justification**

Section VIII.B.3 of the South Coast AQMD's Procurement Policy and Procedure identifies four major provisions under which a sole source award funded in whole or in part with federal funds, may be justified. Specifically, the request for sole source awards for the Agilaire 8872 data loggers and Thermo Electron North America Ion Chromatograph are made under provision VIII.B.3.a., the items are available only from a single source. Agilaire LLC is the only manufacturer who produces data loggers which work with the AirVision air quality data collection software with proprietary technology. South Coast AQMD uses the Agilaire, LLC AirVision software as the primary telemetry system for continuous measurements at all fixed air monitoring network sites. Thermo Electron North America is the only manufacturer of Ion Chromatographs that are compatible with existing instrumentation and software systems used by South Coast AQMD's laboratory.

**Resource Impacts**

U.S. EPA ARP and IRA grant funding will fully support the budgeted objectives of the programs.

**Attachments**

1. FY 2024-25 and/or FY 2025-26 Proposed ARP Expenditures
2. FYs 2024-29 Proposed IRA Expenditures

**Table 1  
Proposed FYs 2024-29 Capital Outlays Major Object**

| <b>Description</b>         | <b>Qty</b> | <b>Estimated Amount*</b> | <b>Contracting Method</b>                       |
|----------------------------|------------|--------------------------|---|
| Sulfur Dioxide Monitors    | Up to 3    | \$53,108                 | “Prior Bid, Last Price” or Solicitation Process |
| Gas Diluters               | Up to 7    | \$187,600                | “Prior Bid, Last Price” or Solicitation Process |
| Agilaire 8872 Data Loggers | Up to 10   | \$140,000                | Sole Source                                     |
| Ion Chromatograph          | 1          | \$80,000                 | Sole Source                                     |
| <b>Total</b>               |            | <b>\$460,708</b>         |   |

\*Expenditures may be appropriated in Services and Supplies and/or Capital Outlays Major Object as warranted.

**Table 2  
Proposed FYs 2024-29 Contract for IRA**

| <b>Description</b>  | <b>Account</b> | <b>Estimated Amount*</b> | <b>Contracting Method</b> |
|---|----------------|--------------------------|---------------------------|
| Development of Air Monitoring Equipment Testing and Education Center in Diamond Bar | 67450          | \$600,000                | RFP                       |
| <b>Total</b>  |                | <b>\$600,000</b>         |                           |

\*Expenditures may be appropriated in Services and Supplies and/or Capital Outlays Major Object as warranted.

**Attachment 1**  
**FY 2024-25 and/or FY 2025-26 Proposed ARP Expenditures**

| Account Description                        | Account Number | Program Code | Estimated Expenditure |
|--|----------------|--------------|-----------------------|
| <b>Services and Supplies Major Object:</b> |                |              |                       |
| Maintenance of Equipment                   | 67600          | 47241        | \$25,000              |
| Small Tools, Instruments, Equipment        | 68300          | 47241        | \$10,000              |
| <b>Total Services and Supply:</b>          |                |              | <b>\$35,000</b>       |
|  |                |              |                       |
| <b>Total Appropriation</b>                 |                |              | <b>\$35,000</b>       |

**Attachment 2**  
**FYs 2024-29 Proposed IRA Expenditures**

| Account Description                        | Account Number | Program Code | Estimated Expenditure* |
|--|----------------|--------------|------------------------|
| <b>Services and Supplies Major Object:</b> |                |              |                        |
| Professional and Special Services          | 67450          | 47242        | \$750,000              |
| <b>Total Services and Supplies:</b>        |                |              | <b>\$750,000**</b>     |
| <b>Capital Outlay Major Object:</b>        |                |              |                        |
| Ion Chromatograph (1)                      | 77000          | 47242        | \$80,000               |
| Sulfur Dioxide Monitors (up to 3)          | 77000          | 47242        | 53,108                 |
| Gas Diluters with Photometer (up to 7)     | 77000          | 47242        | 187,600                |
| Agilaire 8872 Data Loggers (up to 10)      | 77000          | 47242        | 140,000                |
| <b>Total Capital Outlay:</b>               |                |              | <b>\$460,708</b>       |
| <b>Total</b>                               |                |              | <b>\$1,210,708</b>     |

\*Expenditures may be appropriated in Services and Supplies and/or Capital Outlays Major Object as warranted.

\*\*\$150,000 of this amount will be allocated in a future board action.

[↑ Back to Agenda](#)

BOARD MEETING DATE: January 10, 2025

AGENDA NO. 8

PROPOSAL: Issue RFP for Legislative Representation in Sacramento, California

SYNOPSIS: This action calls for the issuance of an RFP for specialized legislative representation and strategic political consulting services for South Coast AQMD in Sacramento for FY 2025-26. The RFP will also indicate that the services contract may be extended for up to two additional one-year terms. Total expenditures for the contract shall not exceed \$180,000 for the initial one-year period.

COMMITTEE: Legislative, December 13, 2024; Recommended for Approval

**RECOMMENDED ACTION:**

Approve release of RFP P2025-06 to solicit proposals for specialized legislative representation and strategic political consulting in Sacramento, California at a cost not to exceed \$180,000 for the initial one-year period, with two additional one-year term extensions upon approval of the Board.

Wayne Natri  
Executive Officer

LTO:PC:EJH

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**Background**

Specialized legislative representation and strategic political consulting services for South Coast AQMD in Sacramento are essential to advance the Board's policies and priorities, especially considering the State budget deficit and critical policy issues such as, but not limited to, the reauthorization of Cap and Trade and funding for AB 617. Strategic relationships with high-level elected and appointed officials are necessary to achieve legislative and budgetary objectives in the current political environment.

## **Legislative Priorities for FY 2025-26**

A strong presence in Sacramento is crucial to build support for South Coast AQMD-sponsored bills and protect the agency's authority and interests.

- Reauthorization of the Cap-and-Trade program including Greenhouse Gas Reduction Fund allocations to maximize criteria pollutant and toxic emission reduction.
- Securing funding to support AB 617 and to continue to foster environmental justice, equitable access to clean technologies, and community participation.
- Protecting, increasing, and identifying new funding sources to support South Coast AQMD programs that achieve state and federal air quality standards and reduce toxic air contaminants. Ensuring sufficient administrative funding to implement clean air programs effectively.
- Defending South Coast AQMD's authority to raise revenue and impose fees to support implementation of AQMPs and SIPs.
- Preventing unfunded state mandates and advocating for the state's active role in reducing regional air pollution through legislation, regulatory actions, and funding.
- Promoting air quality initiatives related to transportation, infrastructure, and goods movement, focusing on deploying the cleanest technologies.
- Advancing legislative and administrative policies for zero-emission technologies and infrastructure to protect public health, achieve clean air standards, and bolster economic growth.
- Advocating for energy efficiency, renewable energy development, and emissions reduction measures, particularly in environmental justice communities.
- Promoting job retention, workforce training for zero-emission technologies, and economic growth aligned with clean air goals.
- Addressing air quality impacts from wildfires, dust storms, and other public health risks.
- Supporting legislative measures to meet South Coast AQMD's administrative and operational needs.

## **Proposal**

South Coast AQMD seeks the services of a specialized contractor to support the Board's goals and objectives for fiscal year 2025-26 in Sacramento. The selected firm will be expected to provide a variety of services, consistent with the Board's direction. Funding for the initial year shall be up to a maximum of \$180,000. The contract may include options for two annual renewals, contingent on satisfactory performance and approval of subsequent budgets, at the Board's discretion.



**Bid Evaluation**

Proposals received will be initially evaluated by a diverse panel of technically qualified individuals according to the criteria described in the attached RFP P2025-06. The Legislative Committee is expected to conduct oral interviews of the most highly qualified bidders and will make a recommendation to the full Board for approval.

**Outreach**

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

Additionally, potential bidders may be notified utilizing South Coast AQMD's own electronic listing of certified minority vendors. Notice of the RFP/RFQ will be e-mailed to the Black and Latino Legislative Caucuses and various minority chambers of commerce and business associations, and placed on South Coast AQMD's website ([www.aqmd.gov](http://www.aqmd.gov)) where it can be viewed by making the selection "Grants & Bids."

**Resource Impacts**

Sufficient funds are available in the Legislative, Public Affairs & Media FY 2024-25 Budget for the services requested. Funding for future fiscal years is contingent upon Board approval of the Budget.

**Attachment**

RFP P2025-06 - Legislative Representation in Sacramento, California



## SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

### REQUEST FOR PROPOSALS

#### LEGISLATIVE REPRESENTATION IN SACRAMENTO, CALIFORNIA

P2025-06

South Coast Air Quality Management District (South Coast AQMD) requests proposals for the following purpose according to terms and conditions attached. In the preparation of this Request for Proposals (RFP) the words "Proposer," "Contractor," "Consultant," "Bidder" and "Firm" are used interchangeably.

### **PURPOSE**

Specialized legislative representation and strategic political consulting services for South Coast AQMD in Sacramento are essential to advance the Board's policies and priorities, especially considering the State budget deficit and critical policy issues such as, but not limited to, the reauthorization of Cap and Trade and funding for AB 617. Strategic relationships with high-level elected and appointed officials are necessary to achieve legislative and budgetary objectives in the current political environment.

The purpose of this RFP is to contract with outside representative knowledgeable in air quality-related issues, and who have strategic relationships with high-level elected and appointed officials, to provide assistance with and representation of South Coast AQMD policy positions and funding needs before the California State Legislature, Governor's Office, state agencies and relevant stakeholders. The consultant selected pursuant to this RFP will be reimbursed on a monthly basis for services rendered at an agreed upon flat monthly fee and for actual costs incurred for out-of-pocket expenses. The consultant may make use of the services of subcontractors, on an as-needed basis. A list of names of subcontractors along with their qualifications and the total hours of services expected shall be submitted with responses to this RFP. All subcontractors are subject to approval by South Coast AQMD, and pre-approval is required before commencing any work.

The selected firm will be expected to provide a variety of services, to be outlined in the work statement, and consistent with South Coast AQMD Governing Board ("Board") directions. Funding for the initial year shall be up to a maximum of **\$180,000**. The contract may include options for two, one-year renewals, contingent on satisfactory performance and approval of subsequent budgets, upon approval of the Board.

## INDEX

The following are contained in this RFP:

|              |  |
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| Section I    | Background/Information   |
| Section II   | Contact Person   |
| Section III  | Schedule of Events   |
| Section IV   | Participation in the Procurement Process                         |
| Section V    | Statement of Work/Schedule of Deliverables                       |
| Section VI   | Required Qualifications  |
| Section VII  | Proposal Submittal Requirements                                  |
| Section VIII | Proposal Submission  |
| Section IX   | Proposal Evaluation/Contractor Selection                         |
| Section X    | Funding  |
| Section XI   | Sample Contract  |
| Attachment A | Participation in the Procurement Process                         |
| Attachment B | Certifications and Representations                               |
| Attachment C | South Coast AQMD's State Legislative Guiding Principles for 2025 |

### SECTION I: BACKGROUND INFORMATION

South Coast AQMD is the air pollution control agency for all of Orange County and the urban portions of Los Angeles, Riverside, and San Bernardino counties, the smoggiest region of the U.S. As a regulatory agency, South Coast AQMD is committed to protecting the health of residents of the four-county area from the harmful effects of air pollution, while remaining sensitive to businesses and the economic vitality of the region.

Specialized legislative representation and strategic political consulting services for South Coast AQMD in Sacramento are essential to advance the Board's policies and priorities, especially considering the State budget deficit and critical policy issues such as, but not limited to, the reauthorization of Cap and Trade and funding for AB 617. Strategic relationships with high-level elected and appointed officials are necessary to achieve legislative and budgetary objectives in the current political environment.

#### **Legislative Priorities for FY 2025-26**

A strong presence in Sacramento is crucial to build support for South Coast AQMD-sponsored bills and protect the agency's interests.

- Reauthorization of the Cap-and-Trade program including Greenhouse Gas Reduction Fund allocations to maximize criteria pollutant and toxic emission reduction.
- Securing funding to support AB 617 and to foster environmental justice, equitable access to clean technologies, and community participation.

- Protecting, increasing, and identifying new funding sources to support South Coast AQMD programs that achieve state and federal air quality standards and reduce toxic air contaminants. Ensuring sufficient administrative funding to implement clean air programs effectively.
- Defending South Coast AQMD's authority to raise revenue and impose fees to support Air Quality Management Plans and State Implementation Plans.
- Preventing unfunded state mandates and advocating for the state's active role in reducing regional air pollution through legislation, regulatory actions, and funding.
- Promoting air quality initiatives related to transportation, infrastructure, and goods movement, focusing on deploying the cleanest technologies.
- Advancing legislative and administrative policies for zero-emission technologies and infrastructure to protect public health, achieve clean air standards, and bolster economic growth.
- Advocating for energy efficiency, renewable energy development, and emissions reduction measures, particularly in environmental justice communities.
- Promoting job retention, workforce training for zero-emission technologies, and economic growth aligned with clean air goals.
- Addressing air quality impacts from wildfires, dust storms, and other public health risks.
- Supporting legislative measures to meet South Coast AQMD's administrative and operational needs.

## **SECTION II: [CONTACT PERSON](#)**

Questions regarding the content or intent of this RFP or on procedural matters should be addressed to:

Contact's Name: Philip Crabbe III, Legislative, Public Affairs & Media  
Phone: (909) 396-2632  
email: [pcrabbe@aqmd.gov](mailto:pcrabbe@aqmd.gov)

South Coast AQMD  
21865 Copley Drive  
Diamond Bar, CA 91765-4178

### **SECTION III: SCHEDULE OF EVENTS**

| <b>DATE</b>                   | <b>EVENT</b>   |
|-------------------------------|--|
| January 10, 2025              | RFP Released   |
| February 11, 2025             | Proposals Due to South Coast AQMD - <b>No Later Than 1:00 p.m.</b> |
| February 11-February 21, 2025 | Proposal Evaluations   |
| March 14, 2025                | Interviews, if required  |
| April 4, 2025                 | Governing Board Approval   |
| June 3, 2025                  | Anticipated Contract Execution                                     |

### **SECTION IV: PARTICIPATION IN THE PROCUREMENT PROCESS**

It is the policy of South Coast AQMD to ensure that all businesses including minority business enterprises, women business enterprises, disabled veteran business enterprises and small businesses have a fair and equitable opportunity to compete for and participate in South Coast AQMD contracts. Attachment A to this RFP contains definitions and further information.

### **SECTION V: STATEMENT OF WORK/SCHEDULE OF DELIVERABLES**

#### **A. Statement of Work**

Under the direction of the Executive Officer or Deputy Executive Officer of Legislative, Public Affairs and Media, and in coordination with South Coast AQMD legislative staff, the consultant(s) shall gather information, provide advice and assistance, and/or advocate positions on legislation in Sacramento as it directly pertains to the ability of the South Coast AQMD to carry out its statutory responsibilities. The selected Consultant(s) will perform the services listed below on legislative/regulatory matters; however, the responsibilities of the selected Consultant(s) under the contract pursuant to this RFP are not necessarily limited to items listed since there may be other legislative needs that may arise during the course of the legislative process.

1. Based on Governing Board Approved State Legislative Guiding Principles, prepare a written strategic and tactical implementation plan for 2025-26;
2. Drafting, and/or assisting South Coast AQMD staff, consultants, or other parties in drafting, legislation and other policies and procedures as requested by South Coast AQMD and coordinating or assisting in their introduction in the California Legislature;
3. Reviewing, identifying, tracking, and monitoring both the actions of the administration and related state agencies as well as the California Legislature for legislation and other proposals potentially affecting air quality and South Coast AQMD's operations, authority, and funding;
4. Advocating, as directed by South Coast AQMD, on all identified and/or drafted legislation and administrative and other proposals, providing testimony at committee and other special hearings, and providing written

- communications to legislators, key administrative officials, and other staff regarding South Coast AQMD priorities;
5. Negotiating bill language, policies, or other state agency provisions related to air quality issues;
  6. Assist in the integration of South Coast AQMD's state legislative agenda with its federal legislative agenda and local efforts;
  7. Planning for and handling unforeseen emergency situations involving legislative or administrative items, at the direction of South Coast AQMD;
  8. Producing materials for strategic distribution or inclusion in Legislative Committee/Board proceedings;
  9. Providing regular reports on the status of all legislative and administrative activities in which interest is expressed by South Coast AQMD or that affect South Coast AQMD;
  10. Identifying the administration's upcoming environmental legislative agenda and providing work plans, analysis, and consultation on strategies to align efforts to secure support for South Coast AQMD proposals;
  11. Securing support for South Coast AQMD's mission and policy priorities by the decision-makers in the legislative and administrative bodies of the State of California, including the Governor's Office;
  12. Gathering information on and scheduling appointments on behalf of South Coast AQMD with key legislators and administration members and appointees;
  13. Attending and participating in meetings with legislative representatives and administration members and appointees to solely discuss the interests and goals of South Coast AQMD;
  14. Preparing all reports and filings in the matter and form required of South Coast AQMD pursuant to the Political Reform Act of 1974 as amended and assisting South Coast AQMD in filing such reports. The contractor will promptly furnish to South Coast AQMD a copy of all reports filed with any governmental agency concerning its lobbying activities on behalf of South Coast AQMD.

A copy of the 2025 South Coast AQMD Governing Board's State Legislative Guiding Principles is herein incorporated as reference as Attachment C.

#### B. Schedule of Deliverables

1. Preparation of a Strategic Plan for the upcoming legislative year by no later than August 1, 2025, maximizing South Coast AQMD Board and staff participation and involvement in the legislative process;
2. Written drafts of legislative/administrative proposals as requested by South Coast AQMD. Such drafts are to be submitted for review by South Coast AQMD prior to being released;
3. Written updates of administrative actions pertaining to air quality-related issues or South Coast AQMD's programs. Such reports are to summarize each proposal/action and its potential impacts, recommend a South Coast AQMD position as appropriate, and identify any upcoming meetings or hearings to discuss the proposal;

4. Participation in the monthly South Coast AQMD Legislative Committee meetings, upon South Coast AQMD staff request, to provide updates and presentations on relevant legislative and administrative issues and legislation recommended for South Coast AQMD positions;
5. Written communications to legislators and key administrative officials conveying South Coast AQMD positions on various bills and administrative actions.
6. Following adjournment of the legislative session, a year-end report delineating and summarizing the final status/disposition of relevant legislative and administrative actions;
7. Legislative/administrative activities reports and legislative program planning documents and calendars as requested;
8. May include a “Capitol Briefing” or “Clean Air Legislative Action Day” or similar event(s) during the contract period to help establish an ongoing South Coast AQMD presence in the Capitol to garner support for the agency’s mission and policy priorities and maintain the agency’s presence as a resource to the Legislature and the Governor’s Office;
9. A weekly written report covering pertinent legislative activities during the legislative session, written quarterly reports, a year-end report, and a year-end presentation delineating and summarizing relevant administrative and legislative actions;
10. A monthly written report to accompany invoice outlining contractor’s specific activities;
11. A monthly written report to be submitted for Legislative Committee, summarizing relevant legislative and administrative items and developments;
12. A signed confidentiality agreement; and
13. Maintaining permanent records from which the correctness of all written records and filings can be verified. These records are to be open to inspection by South Coast AQMD or its representatives during normal business hours.

## **SECTION VI: REQUIRED QUALIFICATIONS**

- A. Persons or firms proposing to bid on this proposal must be qualified and experienced in representing and advising governmental agencies and must submit qualifications demonstrating this ability in cases involving as many as possible of the following areas: administrative law, legislative policymaking and procedure, South Coast AQMD Rules and Regulations, air quality law, and other environmental issues.
- B. Proposer must submit the following:
  1. Resumes or similar statement of qualifications of person or persons who may be designated as lead consultant(s) for legislative and administrative advocacy.
  2. List of representative clients.

3. Summary of Proposer's general qualifications to meet required qualifications and fulfill statement of work, including additional Firm personnel and resources.

## **SECTION VII: PROPOSAL SUBMITTAL REQUIREMENTS**

Submitted proposals must follow the format outlined below and all requested information must be supplied. Failure to submit proposals in the required format will result in elimination from proposal evaluation. South Coast AQMD may modify the RFP or issue supplementary information or guidelines during the proposal preparation period prior to the due date. Please check our website for updates (<http://www.aqmd.gov/grants-bids>). The cost for developing the proposal is the responsibility of the Contractor and shall not be chargeable to South Coast AQMD.

Each proposal must be submitted in three separate volumes:

- Volume I - Technical Proposal
- Volume II - Cost Proposal
- Volume III - Certifications and Representations included in Attachment B to this RFP, must be completed and executed by an authorized official of the Contractor.

A separate cover letter, including the name, address, and telephone number of the contractor, and signed by the person or persons authorized to represent the Firm should accompany the proposal submission. Firm contact information as follows should also be included in the cover letter:

- Address and telephone number of office in, or nearest to, Diamond Bar, California.
- Name and title of Firm's representative designated as contact.

A separate Table of Contents should be provided for Volumes I and II.

### **VOLUME I – TECHNICAL PROPOSAL**

DO NOT INCLUDE ANY COST INFORMATION IN THE TECHNICAL VOLUME

Summary (Section A) - State overall approach to meeting the objectives and satisfying the scope of work to be performed, the sequence of activities, and a description of methodology or techniques to be used.

Program Schedule (Section B) - Provide projected milestones or benchmarks for completing the project (to include reports) within the total time allowed.

Project Organization (Section C) - Describe the proposed management structure, program monitoring procedures, and organization of the proposed team. Provide a statement detailing your approach to the project, specifically address the Firm's ability and willingness to commit and maintain staffing to successfully complete the project on the proposed schedule.



Qualifications (Section D) - Describe the technical capabilities of the Firm. Provide references of other similar studies or projects performed during the last five years demonstrating ability to successfully complete the work. Include contact name, title, and telephone number for any references listed. Provide a statement of your Firm's background and related experience in performing similar services for other governmental organizations.

Assigned Personnel (Section E) - Provide the following information about the staff to be assigned to this project:

1. List all key personnel assigned to the project by level, name, and location. Provide a resume or similar statement describing the background, qualifications and experience of the lead person and all persons assigned to the project. Substitution of project manager or lead personnel will not be permitted without prior written approval of South Coast AQMD.
2. Provide a spreadsheet of the labor hours proposed for each labor category at the task level.
3. Provide a statement indicating whether or not 90% of the work will be performed within the geographical boundaries of South Coast AQMD.
4. Provide a statement of education and training programs provided to, or required of, the staff identified for participation in the project, particularly with reference to management consulting, governmental practices and procedures, and technical matters.
5. Provide a summary of your Firm's general qualifications to meet required qualifications and fulfill statement of work, including additional Firm personnel and resources beyond those who may be assigned to the project.

Subcontractors (Section F) - This project may require expertise in multiple technical areas. List any subcontractors that will be used, identifying functions to be performed by them, their related qualifications and experience and the total number of hours or percentage of time they will spend on the project.

Conflict of Interest (Section G) - Address possible conflicts of interest with other clients affected by actions performed by the Firm on behalf of South Coast AQMD. South Coast AQMD recognizes that prospective Contractors may be performing similar projects for other clients. Include a complete list of such clients for the past three (3) years with the type of work performed and the total number of years performing such tasks for each client. Although the Proposer will not be automatically disqualified by reason of work performed for such clients, South Coast AQMD reserves the right to consider the nature and extent of such work in evaluating the proposal.

Additional Data (Section H) - Provide other essential data that may assist in the evaluation of this proposal.

## **VOLUME II - COST PROPOSAL**

Name and Address - The Cost Proposal must list the name and complete address of the Proposer in the upper left-hand corner.

Cost Proposal – South Coast AQMD anticipates awarding a fixed contract. Cost information must be provided as listed below:

1. Detail must be provided by the following categories:
  - A. Labor – The Cost Proposal must list the fully-burdened hourly rates and the total number of hours estimated for each level of professional and administrative staff to be used to perform the tasks required by this RFP. Costs should be estimated for each of the components of the work plan.
  - B. Subcontractor Costs - List subcontractor costs and identify subcontractors by name. Itemize subcontractor charges per hour or per day.
  - C. Travel Costs - Indicate amount of travel cost and basis of estimate to include trip destination, purpose of trip, length of trip, airline fare or mileage expense, per diem costs, lodging, and car rental.
  - D. Other Direct Costs -This category may include such items as postage and mailing expense, printing, and reproduction costs, etc. Provide a basis of estimate for these costs.
2. It is the policy of the South Coast AQMD to receive at least as favorable pricing, warranties, conditions, benefits and terms as other customers or clients making similar purchases or receiving similar services. South Coast AQMD will give preference, where appropriate, to vendors who certify that they will provide “most favored customer” status to the South Coast AQMD. To receive preference points, Proposer shall certify that South Coast AQMD is receiving “most favored customer” pricing in the Business Status Certifications page of Volume III, Attachment B – Certifications and Representations.

## **VOLUME III - CERTIFICATIONS AND REPRESENTATIONS**

(see Attachment B to this RFP)

### **SECTION VIII: PROPOSAL SUBMISSION**

All proposals must be submitted according to specifications set forth in the section above, and this section. Failure to adhere to these specifications may be cause for rejection of the proposal.

Signature - All proposals must be signed by an authorized representative of the Proposer.

**Due Date - All proposals are due no later than 1:00 p.m., February 11, 2025, and should be directed to:**

Procurement Unit  
 South Coast Air Quality Management District  
 21865 Copley Drive  
 Diamond Bar, CA 91765-4178  
 Phone: (909) 396-3520,

**Submittal** - Submit eight (8) complete copies of the proposal in a sealed envelope, plainly marked in the upper left-hand corner with the name and address of the Proposer and the words "Request for Proposals P2025-06."

**Late bids/proposals will not be accepted under any circumstances.**

**Grounds for Rejection** - A proposal may be immediately rejected if:

- It is not prepared in the format described, or
- It is signed by an individual not authorized to represent the Firm.

**Modification or Withdrawal** - Once submitted, proposals cannot be altered without the prior written consent of South Coast AQMD. All proposals shall constitute firm offers and may not be withdrawn for a period of ninety (90) days following the last day to accept proposals.

**SECTION IX: PROPOSAL EVALUATION/CONTRACTOR SELECTION CRITERIA**

- A. Proposals will be evaluated by a panel of three to five South Coast AQMD staff members familiar with the subject matter of the project. The panel shall be appointed by the Executive Officer or his designee. In addition, the evaluation panel may include such outside public sector or academic community expertise as deemed desirable by the Executive Officer. The panel will make a recommendation to the Executive Officer and/or the Governing Board of South Coast AQMD for final selection of a contractor and negotiation of a contract.
- B. Each member of the evaluation panel shall be accorded equal weight in his or her rating of proposals. The evaluation panel members shall evaluate the proposals according to the specified criteria and numerical weightings set forth below.

- (a) R&D Projects Requiring Technical or Scientific Expertise, or Special Projects Requiring Unique Knowledge or Abilities Points

|   |    |
|---|----|
| Understanding of Requirement            | 20 |
| Technical/Management Approach           | 20 |
| Contractor Qualifications               | 20 |
| Previous Experience on Similar Projects | 10 |
| Cost                                    | 30 |

TOTAL 100

(b) Additional Points

|   |    |
|---|----|
| Small Business or Small Business Joint Venture      | 10 |
| DVBE or DVBE Joint Venture                          | 10 |
| Use of DVBE or Small Business Subcontractors        | 7  |
| Zero or Near-Zero Emission Vehicle Business         | 5  |
| Local Business (Non-Federally Funded Projects Only) | 5  |
| Off-Peak Hours Delivery Business                    | 2  |
| Most Favored Customer                               | 2  |

**The cumulative points awarded for small business, DVBE, use of small business or DVBE subcontractors, Zero or Near-Zero emission vehicle business, local business, and off-peak hours delivery business shall not exceed 15 points. Most Favored Customer status incentive points shall be added, as applicable for a total of 17 points.**

**Self-Certification for Additional Points**

**The award of these additional points shall be contingent upon Proposer completing the Self-Certification section of Attachment B – Certifications and Representations and/or inclusion of a statement in the proposal self-certifying that Proposer qualifies for additional points as detailed above.**

1. To receive additional points in the evaluation process for the categories of Small Business or Small Business Joint Venture, DVBE or DVBE Joint Venture or Local Business (for non-federally funded projects), the Proposer must submit a self-certification at the time of proposal submission certifying that the Proposer meets the requirements set forth in Attachments A and B. To receive points for the use of DVBE and/or Small Business subcontractors, at least 25 percent of the total contract value must be subcontracted to DVBEs and/or Small Businesses. To receive points as a Zero or Near-Zero Emission Vehicle Business, the Proposer must demonstrate to the Executive Officer, or designee, that supplies and materials delivered to South Coast AQMD are delivered in vehicles that operate on clean-fuels. To receive points as a Local Business, the Proposer must affirm that it has an ongoing business within the South Coast AQMD at the time of bid/proposal submittal and that 90% of the work related to the contract will be performed within the South Coast AQMD. Proposals for legislative representation, such as in Sacramento, California or Washington D.C. are not eligible for local business incentive points. Federally funded projects are not eligible for local business incentive points. To receive points as an Off-Peak Hours Delivery Business, the proposer must submit, at proposal submission, certification of its commitment to delivering supplies and materials to South Coast AQMD between the hours of 10:00 a.m. and 3:00 p.m. To receive points for Most Favored Customer status, the Proposer must submit, at proposal submission, certification

of its commitment to provide most favored customer status to the South Coast AQMD. The cumulative points awarded for Small Business, DVBE, use of Small Business or DVBE Subcontractors, Local Business, Zero or Near- Zero Emission Vehicle Business, Off-Peak Hour Delivery Business and Most Favored Customer shall not exceed 17 points.

2. For procurement of Research and Development (R & D) projects or projects requiring technical or scientific expertise or special projects requiring unique knowledge and abilities, technical factors including past experience shall be weighted at 70 points and cost shall be weighted at 30 points. A proposal must receive at least 56 out of 70 points on R & D projects and projects requiring technical or scientific expertise or special projects requiring unique knowledge and abilities, in order to be deemed qualified for award.
  3. The lowest cost proposal will be awarded the maximum cost points available and all other cost proposals will receive points on a prorated basis. For example, if the lowest cost proposal is \$1,000 and the maximum points available are 30 points, this proposal would receive the full 30 points. If the next lowest cost proposal is \$1,100 it would receive 27 points reflecting the fact that it is 10% higher than the lowest cost (90% of 30 points = 27 points).
- C. During the selection process the evaluation panel may wish to interview some proposers for clarification purposes only. No new material will be permitted at this time. Additional information provided during the bid review process is limited to clarification by the Proposer of information presented in his/her proposal, upon request by South Coast AQMD.
- D. The Executive Officer or Governing Board may award the contract to a Proposer, other than the Proposer receiving the highest rating, in the event the Governing Board determines that another Proposer from among those technically qualified would provide the best value to South Coast AQMD considering cost and technical factors. The determination shall be based solely on the Evaluation Criteria contained in the Request for Proposal (RFP), on the evidence provided in the proposal and on any other evidence provided during the bid review process.
- E. Selection will be made based on the above-described criteria and rating factors. The selection will be made by and is subject to Executive Officer or Governing Board approval. Proposers may be notified of the results by letter.
- F. The Governing Board has approved a Bid Protest Procedure, which provides a process for a Bidder or prospective Bidder to submit a written protest to the South Coast AQMD Procurement Manager in recognition of two types of protests: Protest Regarding Solicitation and Protest Regarding Award of a Contract. Copies of the Bid Protest Policy can be secured through a request to the South Coast AQMD Procurement Department.
- G. The Executive Officer or Governing Board may award contracts to more than one Proposer if, in (his or their) sole judgment, the purposes of the contract or award would best be served by selecting multiple proposers.

- H. If additional funds become available, the Executive Officer or Governing Board may increase the amount awarded. The Executive Officer or Governing Board may also select additional proposers for a grant or contract if additional funds become available.
- I. Disposition of Proposals – Pursuant to South Coast AQMD’s Procurement Policy and Procedure, South Coast AQMD reserves the right to reject any or all proposals. All proposals become the property of South Coast AQMD and are subject to the California Public Records Act. One copy of the proposal shall be retained for South Coast AQMD files. Additional copies and materials will be returned only if requested and at the proposer's expense.

#### **SECTION X: FUNDING**

The total funding for the work contemplated by this RFP will be a maximum **\$180,000** for the base year with an option to renew the contract for a second and third year for an estimated amount of **\$180,000**.

#### **SECTION XI: SAMPLE CONTRACT**

A sample contract to carry out the work described in this RFP is available on South Coast AQMD’s website at <http://www.aqmd.gov/grants-bids> or upon request from the RFP Contact Person (Section II)

## ATTACHMENT A

### PARTICIPATION IN THE PROCUREMENT PROCESS

A. It is the policy of South Coast Air Quality Management District (South Coast AQMD) to ensure that all businesses including minority business enterprises, women business enterprises, disabled veteran business enterprises and small businesses have a fair and equitable opportunity to compete for and participate in South Coast AQMD contracts.

B. Definitions:

The definition of minority, women or disadvantaged business enterprises set forth below is included for purposes of determining compliance with the affirmative steps requirement described in Paragraph G below on procurements funded in whole or in part with federal grant funds which involve the use of subcontractors. The definition provided for disabled veteran business enterprise, local business, small business enterprise, Zero or Near-Zero emission vehicle business and off-peak hours delivery business are provided for purposes of determining eligibility for point or cost considerations in the evaluation process.

1. "Women business enterprise" (WBE) as used in this policy means a business enterprise that meets all of the following criteria:
  - a. a business that is at least 51 percent (51%) owned by one or more women, or in the case of any business whose stock is publicly held, at least 51 percent (51%) of the stock is owned by one or more or women.
  - b. a business whose management and daily business operations are controlled by one or more women.
  - c. a business which is a sole proprietorship, corporation, or partnership with its primary headquarters office located in the United States, which is not a branch or subsidiary of a foreign corporation, foreign firm, or other foreign-based business.
2. "Disabled veteran" as used in this policy is a United States military, naval, or air service veteran with at least 10 percent (10%) service-connected disability who is a resident of California.
3. "Disabled veteran business enterprise" (DVBE) as used in this policy means a business enterprise that meets all the following criteria:
  - a. is a sole proprietorship or partnership of which at least 51 percent (51%) is owned by one or more disabled veterans or, in the case of a publicly owned business, at least 51 percent (51%) of its stock is owned by one or more disabled veterans; a subsidiary which is wholly owned by a parent corporation but only if at least 51 percent (51%) of the voting stock of the parent corporation

- is owned by one or more disabled veterans; or a joint venture in which at least 51 percent (51%) of the joint venture's management and control and earnings are held by one or more disabled veterans.
- b. the management and control of the daily business operations are by one or more disabled veterans. The disabled veterans who exercise management and control are not required to be the same disabled veterans as the owners of the business.
  - c. is a sole proprietorship, corporation, or partnership with its primary headquarters office located in the United States, which is not a branch or subsidiary of a foreign corporation, firm, or other foreign-based business.
4. "Local business" as used in this policy means a company that has an ongoing business within geographical boundaries of South Coast AQMD at the time of bid or proposal submittal and performs 90 percent (90%) of the work related to the contract within the geographical boundaries of South Coast AQMD and satisfies the requirements of subparagraph H below. Proposals for legislative representation, such as in Sacramento, California or Washington D.C. are not eligible for local business incentive points.
  5. "Small business" as used in this policy means a business that meets the following criteria:
    - a. 1) an independently owned and operated business; 2) not dominant in its field of operation; 3) together with affiliates is either:
      - A service, construction, or non-manufacturer with 100 or fewer employees, and average annual gross receipts of ten million dollars (\$10,000,000) or less over the previous three years, or
      - A manufacturer with 100 or fewer employees.
    - b. "Manufacturer" means a business that is both of the following:
      - 1) Primarily engaged in the chemical or mechanical transformation of raw materials or processed substances into new products.
      - 2) Classified between Codes 311000 and 339000, inclusive, of the North American Industrial Classification System (NAICS) Manual published by the United States Office of Management and Budget, 2007 edition.
  6. "Joint ventures" as defined in this policy pertaining to certification means that one party to the joint venture is a DVBE or small business and owns at least 51 percent (51%) of the joint venture.
  7. "Zero or Near-Zero Emission Vehicle Business" as used in this policy means a company or contractor that uses Zero or Near-Zero emission vehicles in conducting deliveries to South Coast AQMD. Zero or Near-Zero emission vehicles



include vehicles powered by electric, compressed natural gas (CNG), liquefied natural gas (LNG), liquefied petroleum gas (LPG), ethanol, methanol and hydrogen and are certified to 90 percent (90%) or lower of the existing standard.

8. "Off-Peak Hours Delivery Business" as used in this policy means a company or contractor that commits to conducting deliveries to South Coast AQMD during off-peak traffic hours defined as between 10:00 a.m. and 3:00 p.m.
9. "Benefits Incentive Business" as used in this policy means a company or contractor that provides janitorial, security guard or landscaping services to South Coast AQMD and commits to providing employee health benefits (as defined below in Section VIII.D.2.d) for full time workers with affordable deductible and co-payment terms.
10. "Minority Business Enterprise" as used in this policy means a business that is at least 51 percent (10%) owned by one or more minority person(s), or in the case of any business whose stock is publicly held, at least 51 percent of the stock is owned by one or more or minority persons.
  - a. a business whose management and daily business operations are controlled by one or more minority persons.
  - b. a business which is a sole proprietorship, corporation, or partnership with its primary headquarters office located in the United States, which is not a branch or subsidiary of a foreign corporation, foreign firm, or other foreign-based business.
  - c. "Minority person" for purposes of this policy, means a Black American, Hispanic American, Native-American (including American Indian, Eskimo, Aleut, and Native Hawaiian), Asian-Indian (including a person whose origins are from India, Pakistan, and Bangladesh), Asian-Pacific-American (including a person whose origins are from Japan, China, the Philippines, Vietnam, Korea, Samoa, Guam, the United States Trust Territories of the Pacific, Northern Marianas, Laos, Cambodia, and Taiwan).
11. "Most Favored Customer" as used in this policy means that the South Coast AQMD will receive at least as favorable pricing, warranties, conditions, benefits and terms as other customers or clients making similar purchases or receiving similar services.
12. "Disadvantaged Business Enterprise" as used in this policy means a business that is an entity owned and/or controlled by a socially and economically disadvantaged individual(s) as described by Title X of the Clean Air Act Amendments of 1990 (42 U.S.C. 7601 note) (10% statute), and Public Law 102-389 (42 U.S.C. 4370d)(8% statute), respectively:
  - a Small Business Enterprise (SBE);
  - a Small Business in a Rural Area (SBRA);
  - a Labor Surplus Area Firm (LSAF); or

- a Historically Underutilized Business (HUB) Zone Small Business Concern, or a concern under a successor program.
- C. Under Request for Quotations (RFQ), DVBEs, DVBE business joint ventures, small businesses, and small business joint ventures shall be granted a preference in an amount equal to 5 percent (5%) of the lowest cost responsive bid. Zero or Near-Zero Emission Vehicle Businesses shall be granted a preference in an amount equal to 5 percent of the lowest cost responsive bid. Off-Peak Hours Delivery Businesses shall be granted a preference in an amount equal to 2 percent (2%) of the lowest cost responsive bid. Local businesses (if the procurement is not funded in whole or in part by federal grant funds) shall be granted a preference in an amount equal to 2 percent (2%) of the lowest cost responsive bid. Businesses offering Most Favored Customer status shall be granted a preference in an amount equal to 2 percent (2%) of the lowest cost responsive bid.
- D. Under Request for Proposals, DVBEs, DVBE joint ventures, small businesses, and small business joint ventures shall be awarded ten (10) points in the evaluation process. A non-DVBE or large business shall receive seven (7) points for subcontracting at least 25 percent (25%) of the total contract value to a DVBE and/or small business. Zero or Near-Zero Emission Vehicle Businesses shall be awarded five (5) points in the evaluation process. On procurements which are not funded in whole or in part by federal grant funds local businesses shall receive five (5) points. Off-Peak Hours Delivery Businesses shall be awarded two (2) points in the evaluation process. Businesses offering Most Favored Customer status shall be awarded two (2) points in the evaluation process.
- E. South Coast AQMD will ensure that discrimination in the award and performance of contracts does not occur on the basis of race, color, sex, national origin, marital status, sexual preference, creed, ancestry, medical condition, or retaliation for having filed a discrimination complaint in the performance of South Coast AQMD contractual obligations.
- F. South Coast AQMD requires Contractor to be in compliance with all state and federal laws and regulations with respect to its employees throughout the term of any awarded contract, including state minimum wage laws and OSHA requirements.
- G. When contracts are funded in whole or in part by federal funds, and if subcontracts are to be let, the Contractor must comply with the following, evidencing a good faith effort to solicit disadvantaged businesses. Contractor shall submit a certification signed by an authorized official affirming its status as a MBE or WBE, as applicable, at the time of contract execution. South Coast AQMD reserves the right to request documentation demonstrating compliance with the following good faith efforts prior to contract execution.
1. Ensure Disadvantaged Business Enterprises (DBEs) are made aware of contracting opportunities to the fullest extent practicable through outreach and recruitment activities. For Indian Tribal, State and Local Government recipients,

this will include placing DBEs on solicitation lists and soliciting them whenever they are potential sources.

2. Make information on forthcoming opportunities available to DBEs and arrange time frames for contracts and establish delivery schedules, where the requirements permit, in a way that encourages and facilitates participation by DBEs in the competitive process. This includes, whenever possible, posting solicitations for bids or proposals for a minimum of 30 calendar days before the bid or proposal closing date.
  3. Consider in the contracting process whether firms competing for large contracts could subcontract with DBEs. For Indian Tribal, State and Local Government recipients, this will include dividing total requirements when economically feasible into smaller tasks or quantities to permit maximum participation by DBEs in the competitive process.
  4. Encourage contracting with a consortium of DBEs when a contract is too large for one of these firms to handle individually.
  5. Using the services and assistance of the Small Business Administration and the Minority Business Development Agency of the Department of Commerce.
  6. If the prime contractor awards subcontracts, require the prime contractor to take the above steps.
- H. To the extent that any conflict exists between this policy and any requirements imposed by federal and state law relating to participation in a contract by a certified MBE/WBE/DVBE as a condition of receipt of federal or state funds, the federal or state requirements shall prevail.
- I. When contracts are not funded in whole or in part by federal grant funds, a local business preference will be awarded. For such contracts that involve the purchase of commercial off-the-shelf products, local business preference will be given to suppliers or distributors of commercial off-the-shelf products who maintain an ongoing business within the geographical boundaries of South Coast AQMD. However, if the subject matter of the RFP or RFQ calls for the fabrication or manufacture of custom products, only companies performing 90 percent (90%) of the manufacturing or fabrication effort within the geographical boundaries of South Coast AQMD shall be entitled to the local business preference. Proposals for legislative representation, such as in Sacramento, California or Washington D.C. are not eligible for local business incentive points.
- J. In compliance with federal fair share requirements set forth in 40 CFR Part 33, South Coast AQMD shall establish a fair share goal annually for expenditures with federal funds covered by its procurement policy.

**ATTACHMENT B**

## Certifications and Representations



# South Coast Air Quality Management District

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

**Business Information Request**

Dear South Coast AQMD Contractor/Supplier:

South Coast Air Quality Management District (South Coast AQMD) is committed to ensuring that our contractor/supplier records are current and accurate. If your firm is selected for award of a purchase order or contract, it is imperative that the information requested herein be supplied in a timely manner to facilitate payment of invoices. In order to process your payments, we need the enclosed information regarding your account. **Please review and complete the information identified on the following pages, remember to sign all documents for our files, and return them as soon as possible to the address below:**

**Attention: Accounts Payable, Accounting Department  
South Coast Air Quality Management District  
21865 Copley Drive  
Diamond Bar, CA 91765-4178**

If you do not return this information, we will not be able to establish you as a vendor. This will delay any payments and would still necessitate your submittal of the enclosed information to our Accounting department before payment could be initiated. Completion of this document and enclosed forms would ensure that your payments are processed timely and accurately.

**If you have any questions or need assistance in completing this information, please contact Accounting at (909) 396-3777. We appreciate your cooperation in completing this necessary information.**

Sincerely,

Sujata Jain  
Chief Financial Officer

DH:nd

Enclosures: Business Information Request  
Disadvantaged Business Certification  
W-9  
Form 590 Withholding Exemption Certificate  
Federal Contract Debarment Certification  
Campaign Contributions Disclosure



# South Coast Air Quality Management District

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

## BUSINESS INFORMATION REQUEST

|                                       |  |
|---------------------------------------|--|
| Business Name                         |  |
| Division of                           |  |
| Subsidiary of                         |  |
| Website Address                       |  |
| Type of Business<br><i>Check One:</i> | <input type="checkbox"/> Individual<br><input type="checkbox"/> DBA, Name _____, County Filed in _____<br><input type="checkbox"/> Corporation, ID No. _____<br><input type="checkbox"/> LLC/LLP, ID No. _____<br><input type="checkbox"/> Other _____ |

## REMITTING ADDRESS INFORMATION

|                           |                    |       |             |
|---------------------------|--------------------|-------|-------------|
| Address                   |                    |       |             |
| City/Town                 |                    |       |             |
| State/Province            |                    | Zip   |             |
| Phone                     | (    )    -    Ext | Fax   | (    )    - |
| Contact                   |                    | Title |             |
| E-mail Address            |                    |       |             |
| Payment Name if Different |                    |       |             |

All invoices must reference the corresponding Purchase Order Number(s)/Contract Number(s) if applicable and mailed to:

**Attention: Accounts Payable, Accounting Department  
South Coast Air Quality Management District  
21865 Copley Drive  
Diamond Bar, CA 91765-4178**

### BUSINESS STATUS CERTIFICATIONS

Federal guidance for utilization of disadvantaged business enterprises allows a vendor to be deemed a small business enterprise (SBE), minority business enterprise (MBE) or women business enterprise (WBE) if it meets the criteria below.

- is certified by the Small Business Administration or
- is certified by a state or federal agency or
- is an independent MBE(s) or WBE(s) business concern which is at least 51 percent owned and controlled by minority group member(s) who are citizens of the United States.

Statements of certification:

As a prime contractor to South Coast AQMD, \_\_\_\_\_ (name of business) will engage in good faith efforts to achieve the fair share in accordance with 40 CFR Section 33.301, and will follow the six affirmative steps listed below **for contracts or purchase orders funded in whole or in part by federal grants and contracts.**

1. Place qualified SBEs, MBEs, and WBEs on solicitation lists.
2. Assure that SBEs, MBEs, and WBEs are solicited whenever possible.
3. When economically feasible, divide total requirements into small tasks or quantities to permit greater participation by SBEs, MBEs, and WBEs.
4. Establish delivery schedules, if possible, to encourage participation by SBEs, MBEs, and WBEs.
5. Use services of Small Business Administration, Minority Business Development Agency of the Department of Commerce, and/or any agency authorized as a clearinghouse for SBEs, MBEs, and WBEs.
6. If subcontracts are to be let, take the above affirmative steps.

**Self-Certification Verification: Also for use in awarding additional points, as applicable, in accordance with South Coast AQMD Procurement Policy and Procedure:**

Check all that apply:

- |   |  |
|---|--|
| <input type="checkbox"/> Small Business Enterprise/Small Business Joint Venture | <input type="checkbox"/> Women-owned Business Enterprise                               |
| <input type="checkbox"/> Local business   | <input type="checkbox"/> Disabled Veteran-owned Business Enterprise/DVBE Joint Venture |
| <input type="checkbox"/> Minority-owned Business Enterprise                     | <input type="checkbox"/> Most Favored Customer Pricing Certification                   |

Percent of ownership: \_\_\_\_\_ %

Name of Qualifying Owner(s): \_\_\_\_\_

**State of California Public Works Contractor Registration No. \_\_\_\_\_ MUST BE INCLUDED IF BID PROPOSAL IS FOR PUBLIC WORKS PROJECT.**

I, the undersigned, hereby declare that to the best of my knowledge the above information is accurate. Upon penalty of perjury, I certify information submitted is factual.

\_\_\_\_\_  
*NAME*

\_\_\_\_\_  
*TITLE*

\_\_\_\_\_  
*TELEPHONE NUMBER*

\_\_\_\_\_  
*DATE*

## Definitions

**Disabled Veteran-Owned Business Enterprise** means a business that meets all of the following criteria:

- is a sole proprietorship or partnership of which is at least 51 percent owned by one or more disabled veterans, or in the case of any business whose stock is publicly held, at least 51 percent of the stock is owned by one or more disabled veterans; a subsidiary which is wholly owned by a parent corporation but only if at least 51 percent of the voting stock of the parent corporation is owned by one or more disabled veterans; or a joint venture in which at least 51 percent of the joint venture's management and control and earnings are held by one or more disabled veterans.
- the management and control of the daily business operations are by one or more disabled veterans. The disabled veterans who exercise management and control are not required to be the same disabled veterans as the owners of the business.
- is a sole proprietorship, corporation, partnership, or joint venture with its primary headquarters office located in the United States and which is not a branch or subsidiary of a foreign corporation, firm, or other foreign-based business.

**Joint Venture** means that one party to the joint venture is a DVBE and owns at least 51 percent of the joint venture. In the case of a joint venture formed for a single project this means that DVBE will receive at least 51 percent of the project dollars.

**Local Business** means a business that meets all of the following criteria:

- has an ongoing business within the boundary of South Coast AQMD at the time of bid application.
- performs 90 percent of the work within South Coast AQMD's jurisdiction.

**Minority-Owned Business Enterprise** means a business that meets all of the following criteria:

- is at least 51 percent owned by one or more minority persons or in the case of any business whose stock is publicly held, at least 51 percent of the stock is owned by one or more minority persons.
- is a business whose management and daily business operations are controlled or owned by one or more minority person.
- is a business which is a sole proprietorship, corporation, partnership, joint venture, an association, or a cooperative with its primary headquarters office located in the United States, which is not a branch or subsidiary of a foreign corporation, foreign firm, or other foreign business.

“Minority” person means a Black American, Hispanic American, Native American (including American Indian, Eskimo, Aleut, and Native Hawaiian), Asian-Indian American (including a person whose origins are from India, Pakistan, or Bangladesh), Asian-Pacific American (including a person whose origins are from Japan, China, the Philippines, Vietnam, Korea, Samoa, Guam, the United States Trust Territories of the Pacific, Northern Marianas, Laos, Cambodia, or Taiwan).

**Small Business Enterprise** means a business that meets the following criteria:

- a. 1) an independently owned and operated business; 2) not dominant in its field of operation; 3) together with affiliates is either:
  - A service, construction, or non-manufacturer with 100 or fewer employees, and average annual gross receipts of ten million dollars (\$10,000,000) or less over the previous three years, or
  - A manufacturer with 100 or fewer employees.
- b. Manufacturer means a business that is both of the following:
  - 1) Primarily engaged in the chemical or mechanical transformation of raw materials or processed substances into new products.
  - 2) Classified between Codes 311000 to 339000, inclusive, of the North American Industrial Classification System (NAICS) Manual published by the United States Office of Management and Budget, 2007 edition.

**Small Business Joint Venture** means that one party to the joint venture is a Small Business and owns at least 51 percent of the joint venture. In the case of a joint venture formed for a single project this means that the Small Business will receive at least 51 percent of the project dollars.

**Women-Owned Business Enterprise** means a business that meets all of the following criteria:

- is at least 51 percent owned by one or more women or in the case of any business whose stock is publicly held, at least 51 percent of the stock is owned by one or more women.
- is a business whose management and daily business operations are controlled or owned by one or more women.
- is a business which is a sole proprietorship, corporation, partnership, or a joint venture, with its primary headquarters office located in the United States, which is not a branch or subsidiary of a foreign corporation, foreign firm, or other foreign business.

**Most Favored Customer** as used in this policy means that the South Coast AQMD will receive at least as favorable pricing, warranties, conditions, benefits and terms as other customers or clients making similar purchases or receiving similar services.



# Request for Taxpayer Identification Number and Certification

Give Form to the  
requester. Do not  
send to the IRS.

Go to [www.irs.gov/FormW9](http://www.irs.gov/FormW9) for instructions and the latest information.

|   |   |   |
|---|---|---|
| Print or type.<br>See Specific Instructions on page 3.  | 1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.   |   |
|   | 2 Business name/disregarded entity name, if different from above  |   |
|   | 3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only <b>one</b> of the following seven boxes. | 4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3): |
|   | <input type="checkbox"/> Individual/sole proprietor or single-member LLC  | Exempt payee code (if any) _____  |
|   | <input type="checkbox"/> C Corporation  | Exemption from FATCA reporting code (if any) _____  |
|   | <input type="checkbox"/> S Corporation  | (Applies to accounts maintained outside the U.S.)   |
|   | <input type="checkbox"/> Partnership  |   |
| <input type="checkbox"/> Trust/estate   |   |   |
| <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ _____  |   |   |
| <b>Note:</b> Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is <b>not</b> disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner. |   |   |
| <input type="checkbox"/> Other (see instructions) ▶ _____   |   |   |
| 5 Address (number, street, and apt. or suite no.) See instructions.   | Requester's name and address (optional)   |   |
| 6 City, state, and ZIP code   |   |   |
| 7 List account number(s) here (optional)  |   |   |

### Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

|                                |  |
|--------------------------------|--|
| Social security number         |  |
|                                |  |
|                                |  |
|                                |  |
| or                             |  |
| Employer identification number |  |
|                                |  |
|                                |  |
|                                |  |

**Note:** If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

### Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
- I am a U.S. citizen or other U.S. person (defined below); and
- The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

**Certification instructions.** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

|           |                            |        |
|-----------|----------------------------|--------|
| Sign Here | Signature of U.S. person ▶ | Date ▶ |
|           |                            |        |

### General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

**Future developments.** For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to [www.irs.gov/FormW9](http://www.irs.gov/FormW9).

### Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)

- Form 1099-DIV (dividends, including those from stocks or mutual funds)
  - Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
  - Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
  - Form 1099-S (proceeds from real estate transactions)
  - Form 1099-K (merchant card and third party network transactions)
  - Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
  - Form 1099-C (canceled debt)
  - Form 1099-A (acquisition or abandonment of secured property)
- Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

*If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding, later.*

By signing the filled-out form, you:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and
4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What Is FATCA Reporting*, later, for further information.

**Note:** If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

**Definition of a U.S. person.** For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien;
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States;
- An estate (other than a foreign estate); or
- A domestic trust (as defined in Regulations section 301.7701-7).

**Special rules for partnerships.** Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax under section 1446 on any foreign partners' share of effectively connected taxable income from such business. Further, in certain cases where a Form W-9 has not been received, the rules under section 1446 require a partnership to presume that a partner is a foreign person, and pay the section 1446 withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid section 1446 withholding on your share of partnership income.

In the cases below, the following person must give Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States.

- In the case of a disregarded entity with a U.S. owner, the U.S. owner of the disregarded entity and not the entity;
- In the case of a grantor trust with a U.S. grantor or other U.S. owner, generally, the U.S. grantor or other U.S. owner of the grantor trust and not the trust; and
- In the case of a U.S. trust (other than a grantor trust), the U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

**Foreign person.** If you are a foreign person or the U.S. branch of a foreign bank that has elected to be treated as a U.S. person, do not use Form W-9. Instead, use the appropriate Form W-8 or Form 8233 (see Pub. 515, *Withholding of Tax on Nonresident Aliens and Foreign Entities*).

**Nonresident alien who becomes a resident alien.** Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items.

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

**Example.** Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity, give the requester the appropriate completed Form W-8 or Form 8233.

## Backup Withholding

**What is backup withholding?** Persons making certain payments to you must under certain conditions withhold and pay to the IRS 24% of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, payments made in settlement of payment card and third party network transactions, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

**Payments you receive will be subject to backup withholding if:**

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the instructions for Part II for details),
3. The IRS tells the requester that you furnished an incorrect TIN,
4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or
5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See *Exempt payee code*, later, and the separate instructions for the Requester of Form W-9 for more information.

Also see *Special rules for partnerships*, earlier.

## What is FATCA Reporting?

The Foreign Account Tax Compliance Act (FATCA) requires a participating foreign financial institution to report all United States account holders that are specified United States persons. Certain payees are exempt from FATCA reporting. See *Exemption from FATCA reporting code*, later, and the instructions for the Requester of Form W-9 for more information.

## Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you no longer are tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account; for example, if the grantor of a grantor trust dies.

## Penalties

**Failure to furnish TIN.** If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

**Civil penalty for false information with respect to withholding.** If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

**Criminal penalty for falsifying information.** Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

**Misuse of TINs.** If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

## Specific Instructions

### Line 1

You must enter one of the following on this line; **do not** leave this line blank. The name should match the name on your tax return.

If this Form W-9 is for a joint account (other than an account maintained by a foreign financial institution (FFI)), list first, and then circle, the name of the person or entity whose number you entered in Part I of Form W-9. If you are providing Form W-9 to an FFI to document a joint account, each holder of the account that is a U.S. person must provide a Form W-9.

a. **Individual.** Generally, enter the name shown on your tax return. If you have changed your last name without informing the Social Security Administration (SSA) of the name change, enter your first name, the last name as shown on your social security card, and your new last name.

**Note: ITIN applicant:** Enter your individual name as it was entered on your Form W-7 application, line 1a. This should also be the same as the name you entered on the Form 1040/1040A/1040EZ you filed with your application.

b. **Sole proprietor or single-member LLC.** Enter your individual name as shown on your 1040/1040A/1040EZ on line 1. You may enter your business, trade, or "doing business as" (DBA) name on line 2.

c. **Partnership, LLC that is not a single-member LLC, C corporation, or S corporation.** Enter the entity's name as shown on the entity's tax return on line 1 and any business, trade, or DBA name on line 2.

d. **Other entities.** Enter your name as shown on required U.S. federal tax documents on line 1. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on line 2.

e. **Disregarded entity.** For U.S. federal tax purposes, an entity that is disregarded as an entity separate from its owner is treated as a "disregarded entity." See Regulations section 301.7701-2(c)(2)(iii). Enter the owner's name on line 1. The name of the entity entered on line 1 should never be a disregarded entity. The name on line 1 should be the name shown on the income tax return on which the income should be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a single owner that is a U.S. person, the U.S. owner's name is required to be provided on line 1. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity's name on line 2, "Business name/disregarded entity name." If the owner of the disregarded entity is a foreign person, the owner must complete an appropriate Form W-8 instead of a Form W-9. This is the case even if the foreign person has a U.S. TIN.

### Line 2

If you have a business name, trade name, DBA name, or disregarded entity name, you may enter it on line 2.

### Line 3

Check the appropriate box on line 3 for the U.S. federal tax classification of the person whose name is entered on line 1. Check only one box on line 3.

| IF the entity/person on line 1 is a(n) . . .   | THEN check the box for . . .  |
|--|---|
| • Corporation  | Corporation   |
| • Individual<br>• Sole proprietorship, or<br>• Single-member limited liability company (LLC) owned by an individual and disregarded for U.S. federal tax purposes.   | Individual/sole proprietor or single-member LLC   |
| • LLC treated as a partnership for U.S. federal tax purposes,<br>• LLC that has filed Form 8832 or 2553 to be taxed as a corporation, or<br>• LLC that is disregarded as an entity separate from its owner but the owner is another LLC that is not disregarded for U.S. federal tax purposes. | Limited liability company and enter the appropriate tax classification. (P= Partnership; C= C corporation; or S= S corporation) |
| • Partnership  | Partnership   |
| • Trust/estate   | Trust/estate  |

### Line 4, Exemptions

If you are exempt from backup withholding and/or FATCA reporting, enter in the appropriate space on line 4 any code(s) that may apply to you.

#### Exempt payee code.

- Generally, individuals (including sole proprietors) are not exempt from backup withholding.
- Except as provided below, corporations are exempt from backup withholding for certain payments, including interest and dividends.
- Corporations are not exempt from backup withholding for payments made in settlement of payment card or third party network transactions.
- Corporations are not exempt from backup withholding with respect to attorneys' fees or gross proceeds paid to attorneys, and corporations that provide medical or health care services are not exempt with respect to payments reportable on Form 1099-MISC.

The following codes identify payees that are exempt from backup withholding. Enter the appropriate code in the space in line 4.

- 1—An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2)
- 2—The United States or any of its agencies or instrumentalities
- 3—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities
- 4—A foreign government or any of its political subdivisions, agencies, or instrumentalities
- 5—A corporation
- 6—A dealer in securities or commodities required to register in the United States, the District of Columbia, or a U.S. commonwealth or possession
- 7—A futures commission merchant registered with the Commodity Futures Trading Commission
- 8—A real estate investment trust
- 9—An entity registered at all times during the tax year under the Investment Company Act of 1940
- 10—A common trust fund operated by a bank under section 584(a)
- 11—A financial institution
- 12—A middleman known in the investment community as a nominee or custodian
- 13—A trust exempt from tax under section 664 or described in section 4947

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 13.

| IF the payment is for . . .  | THEN the payment is exempt for . . .  |
|--|---|
| Interest and dividend payments   | All exempt payees except for 7  |
| Broker transactions  | Exempt payees 1 through 4 and 6 through 11 and all C corporations. S corporations must not enter an exempt payee code because they are exempt only for sales of noncovered securities acquired prior to 2012. |
| Barter exchange transactions and patronage dividends                                   | Exempt payees 1 through 4   |
| Payments over \$600 required to be reported and direct sales over \$5,000 <sup>1</sup> | Generally, exempt payees 1 through 5 <sup>2</sup>   |
| Payments made in settlement of payment card or third party network transactions        | Exempt payees 1 through 4   |

<sup>1</sup> See Form 1099-MISC, Miscellaneous Income, and its instructions.

<sup>2</sup> However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney reportable under section 6045(f), and payments for services paid by a federal executive agency.

**Exemption from FATCA reporting code.** The following codes identify payees that are exempt from reporting under FATCA. These codes apply to persons submitting this form for accounts maintained outside of the United States by certain foreign financial institutions. Therefore, if you are only submitting this form for an account you hold in the United States, you may leave this field blank. Consult with the person requesting this form if you are uncertain if the financial institution is subject to these requirements. A requester may indicate that a code is not required by providing you with a Form W-9 with "Not Applicable" (or any similar indication) written or printed on the line for a FATCA exemption code.

A—An organization exempt from tax under section 501(a) or any individual retirement plan as defined in section 7701(a)(37)

B—The United States or any of its agencies or instrumentalities

C—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities

D—A corporation the stock of which is regularly traded on one or more established securities markets, as described in Regulations section 1.1472-1(c)(1)(i)

E—A corporation that is a member of the same expanded affiliated group as a corporation described in Regulations section 1.1472-1(c)(1)(i)

F—A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state

G—A real estate investment trust

H—A regulated investment company as defined in section 851 or an entity registered at all times during the tax year under the Investment Company Act of 1940

I—A common trust fund as defined in section 584(a)

J—A bank as defined in section 581

K—A broker

L—A trust exempt from tax under section 664 or described in section 4947(a)(1)

M—A tax exempt trust under a section 403(b) plan or section 457(g) plan

**Note:** You may wish to consult with the financial institution requesting this form to determine whether the FATCA code and/or exempt payee code should be completed.

### Line 5

Enter your address (number, street, and apartment or suite number). This is where the requester of this Form W-9 will mail your information returns. If this address differs from the one the requester already has on file, write NEW at the top. If a new address is provided, there is still a chance the old address will be used until the payor changes your address in their records.

### Line 6

Enter your city, state, and ZIP code.

## Part I. Taxpayer Identification Number (TIN)

**Enter your TIN in the appropriate box.** If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS Individual Taxpayer Identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN.

If you are a single-member LLC that is disregarded as an entity separate from its owner, enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

**Note:** See *What Name and Number To Give the Requester*, later, for further clarification of name and TIN combinations.

**How to get a TIN.** If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local SSA office or get this form online at [www.SSA.gov](http://www.SSA.gov). You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at [www.irs.gov/Businesses](http://www.irs.gov/Businesses) and clicking on Employer Identification Number (EIN) under Starting a Business. Go to [www.irs.gov/Forms](http://www.irs.gov/Forms) to view, download, or print Form W-7 and/or Form SS-4. Or, you can go to [www.irs.gov/OrderForms](http://www.irs.gov/OrderForms) to place an order and have Form W-7 and/or SS-4 mailed to you within 10 business days.

If you are asked to complete Form W-9 but do not have a TIN, apply for a TIN and write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

**Note:** Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

**Caution:** A disregarded U.S. entity that has a foreign owner must use the appropriate Form W-8.

## Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if item 1, 4, or 5 below indicates otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on line 1 must sign. Exempt payees, see *Exempt payee code*, earlier.

**Signature requirements.** Complete the certification as indicated in items 1 through 5 below.

**1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983.** You must give your correct TIN, but you do not have to sign the certification.

**2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983.** You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

**3. Real estate transactions.** You must sign the certification. You may cross out item 2 of the certification.

**4. Other payments.** You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments made in settlement of payment card and third party network transactions, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

**5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), ABLE accounts (under section 529A), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions.** You must give your correct TIN, but you do not have to sign the certification.

### What Name and Number To Give the Requester

| For this type of account:  | Give name and SSN of:   |
|--|---|
| 1. Individual  | The individual  |
| 2. Two or more individuals (joint account) other than an account maintained by an FFI                          | The actual owner of the account or, if combined funds, the first individual on the account <sup>1</sup> |
| 3. Two or more U.S. persons (joint account maintained by an FFI)   | Each holder of the account  |
| 4. Custodial account of a minor (Uniform Gift to Minors Act)   | The minor <sup>2</sup>  |
| 5. a. The usual revocable savings trust (grantor is also trustee)  | The grantor-trustee <sup>1</sup>  |
| b. So-called trust account that is not a legal or valid trust under state law                                  | The actual owner <sup>1</sup>   |
| 6. Sole proprietorship or disregarded entity owned by an individual  | The owner <sup>3</sup>  |
| 7. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulations section 1.671-4(b)(2)(i)(A)) | The grantor <sup>*</sup>  |

| For this type of account:   | Give name and EIN of:     |
|---|---------------------------|
| 8. Disregarded entity not owned by an individual  | The owner                 |
| 9. A valid trust, estate, or pension trust  | Legal entity <sup>4</sup> |
| 10. Corporation or LLC electing corporate status on Form 8832 or Form 2553                  | The corporation           |
| 11. Association, club, religious, charitable, educational, or other tax-exempt organization | The organization          |
| 12. Partnership or multi-member LLC   | The partnership           |
| 13. A broker or registered nominee  | The broker or nominee     |

| For this type of account:   | Give name and EIN of: |
|---|-----------------------|
| 14. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments | The public entity     |
| 15. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 Filing Method 2 (see Regulations section 1.671-4(b)(2)(i)(B))  | The trust             |

<sup>1</sup> List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

<sup>2</sup> Circle the minor's name and furnish the minor's SSN.

<sup>3</sup> You must show your individual name and you may also enter your business or DBA name on the "Business name/disregarded entity" name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

<sup>4</sup> List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships*, earlier.

**\*Note:** The grantor also must provide a Form W-9 to trustee of trust.

**Note:** If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

### Secure Your Tax Records From Identity Theft

Identity theft occurs when someone uses your personal information such as your name, SSN, or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, contact the IRS Identity Theft Hotline at 1-800-908-4490 or submit Form 14039.

For more information, see Pub. 5027, Identity Theft Information for Taxpayers.

Victims of identity theft who are experiencing economic harm or a systemic problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

**Protect yourself from suspicious emails or phishing schemes.** Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to [phishing@irs.gov](mailto:phishing@irs.gov). You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration (TIGTA) at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at [spam@uce.gov](mailto:spam@uce.gov) or report them at [www.ftc.gov/complaint](http://www.ftc.gov/complaint). You can contact the FTC at [www.ftc.gov/idtheft](http://www.ftc.gov/idtheft) or 877-IDTHEFT (877-438-4338). If you have been the victim of identity theft, see [www.IdentityTheft.gov](http://www.IdentityTheft.gov) and Pub. 5027.

Visit [www.irs.gov/identitytheft](http://www.irs.gov/identitytheft) to learn more about identity theft and how to reduce your risk.

## Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their laws. The information also may be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payers must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payer. Certain penalties may also apply for providing false or fraudulent information.

TAXABLE YEAR

CALIFORNIA FORM

# 2021 Withholding Exemption Certificate

# 590

The payee completes this form and submits it to the withholding agent. The withholding agent keeps this form with their records.

### Withholding Agent Information

Name

### Payee Information

Name

SSN or ITIN  FEIN  CA Corp no.  CA SOS file no.

Address (apt./ste., room, PO box, or PMB no.)

City (If you have a foreign address, see instructions.)

State ZIP code

### Exemption Reason

Check only one box.

By checking the appropriate box below, the payee certifies the reason for the exemption from the California income tax withholding requirements on payment(s) made to the entity or individual.

**Individuals — Certification of Residency:**

I am a resident of California and I reside at the address shown above. If I become a nonresident at any time, I will promptly notify the withholding agent. See instructions for General Information D, Definitions.

**Corporations:**

The corporation has a permanent place of business in California at the address shown above or is qualified through the California Secretary of State (SOS) to do business in California. The corporation will file a California tax return. If this corporation ceases to have a permanent place of business in California or ceases to do any of the above, I will promptly notify the withholding agent. See instructions for General Information D, Definitions.

**Partnerships or Limited Liability Companies (LLCs):**

The partnership or LLC has a permanent place of business in California at the address shown above or is registered with the California SOS, and is subject to the laws of California. The partnership or LLC will file a California tax return. If the partnership or LLC ceases to do any of the above, I will promptly inform the withholding agent. For withholding purposes, a limited liability partnership (LLP) is treated like any other partnership.

**Tax-Exempt Entities:**

The entity is exempt from tax under California Revenue and Taxation Code (R&TC) Section 23701 (insert letter) or Internal Revenue Code Section 501(c) (insert number). If this entity ceases to be exempt from tax, I will promptly notify the withholding agent. Individuals cannot be tax-exempt entities.

**Insurance Companies, Individual Retirement Arrangements (IRAs), or Qualified Pension/Profit-Sharing Plans:**

The entity is an insurance company, IRA, or a federally qualified pension or profit-sharing plan.

**California Trusts:**

At least one trustee and one noncontingent beneficiary of the above-named trust is a California resident. The trust will file a California fiduciary tax return. If the trustee or noncontingent beneficiary becomes a nonresident at any time, I will promptly notify the withholding agent.

**Estates — Certification of Residency of Deceased Person:**

I am the executor of the above-named person's estate or trust. The decedent was a California resident at the time of death. The estate will file a California fiduciary tax return.

**Nonmilitary Spouse of a Military Servicemember:**

I am a nonmilitary spouse of a military servicemember and I meet the Military Spouse Residency Relief Act (MSRRA) requirements. See instructions for General Information E, MSRRA.

**CERTIFICATE OF PAYEE:** Payee must complete and sign below.

To learn about your privacy rights, how we may use your information, and the consequences for not providing the requested information, go to [ftb.ca.gov/forms](http://ftb.ca.gov/forms) and search for 1131. To request this notice by mail, call 800.852.5711.

Under penalties of perjury, I declare that I have examined the information on this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. I further declare under penalties of perjury that if the facts upon which this form are based change, I will promptly notify the withholding agent.

Type or print payee's name and title

Telephone

Payee's signature

Date

# 2021 Instructions for Form 590

## Withholding Exemption Certificate

References in these instructions are to the California Revenue and Taxation Code (R&TC).

### General Information

California Revenue and Taxation Code (R&TC) Section 18662 requires withholding of income or franchise tax on payments of California source income made to nonresidents of California. For more information, See General Information B, Income Subject to Withholding.

**Registered Domestic Partners (RDPs)** – For purposes of California income tax, references to a spouse, husband, or wife also refer to a California RDP unless otherwise specified. For more information on RDPs, get FTB Pub. 737, Tax Information for Registered Domestic Partners.

### A Purpose

Use Form 590, Withholding Exemption Certificate, to certify an exemption from nonresident withholding.

Form 590 does not apply to payments of backup withholding. For more information, go to [ftb.ca.gov](http://ftb.ca.gov) and search for **backup withholding**.

Form 590 does not apply to payments for wages to employees. Wage withholding is administered by the California Employment Development Department (EDD). For more information, go to [edd.ca.gov](http://edd.ca.gov) or call 888.745.3886.

**Do not** use Form 590 to certify an exemption from withholding if you are a **seller of California real estate**. Sellers of California real estate use Form 593, Real Estate Withholding Statement, to claim an exemption from the real estate withholding requirement.

**The following are excluded from withholding and completing this form:**

- The United States and any of its agencies or instrumentalities.
- A state, a possession of the United States, the District of Columbia, or any of its political subdivisions or instrumentalities.
- A foreign government or any of its political subdivisions, agencies, or instrumentalities.

### B Income Subject to Withholding

Withholding is required on the following, but is not limited to:

- Payments to nonresidents for services rendered in California.
- Distributions of California source income made to domestic nonresident partners, members, and S corporation shareholders and allocations of California source income made to foreign partners and members.
- Payments to nonresidents for rents if the payments are made in the course of the withholding agent's business.
- Payments to nonresidents for royalties from activities sourced to California.

- Distributions of California source income to nonresident beneficiaries from an estate or trust.
- Endorsement payments received for services performed in California.
- Prizes and winnings received by nonresidents for contests in California.

However, withholding is optional if the total payments of California source income are \$1,500 or less during the calendar year.

For more information on withholding, get FTB Pub. 1017, Resident and Nonresident Withholding Guidelines. To get a withholding publication, see Additional Information.

### C Who Certifies this Form

Form 590 is certified (completed and signed) by the payee. California residents or entities exempt from the withholding requirement should complete Form 590 and submit it to the withholding agent before payment is made. The withholding agent is then relieved of the withholding requirements if the agent relies in good faith on a completed and signed Form 590 unless notified by the Franchise Tax Board (FTB) that the form should not be relied upon.

An incomplete certificate is invalid and the withholding agent should not accept it. If the withholding agent receives an incomplete certificate, the withholding agent is required to withhold tax on payments made to the payee until a valid certificate is received. In lieu of a completed exemption certificate, the withholding agent may accept a letter from the payee as a substitute explaining why they are not subject to withholding. The letter must contain all the information required on the certificate in similar language, including the under penalty of perjury statement and the payee's taxpayer identification number (TIN).

The certification does not need to be renewed annually. The certification on Form 590 remains valid until the payee's status changes. The withholding agent must retain a copy of the certification or substitute for at least five years after the last payment to which the certification applies. The agent must provide it to the FTB upon request.

If an entertainer (or the entertainer's business entity) is paid for a performance, the entertainer's information must be provided. **Do not** submit the entertainer's agent or promoter information.

The grantor of a grantor trust shall be treated as the payee for withholding purposes. Therefore, if the payee is a grantor trust and one or more of the grantors is a nonresident, withholding is required. If all of the grantors on the trust are residents, no withholding is required. Resident grantors can check the box on Form 590 labeled "Individuals — Certification of Residency."

### D Definitions

For California nonwage withholding purposes:

- Nonresident includes all of the following:
  - Individuals who are not residents of California.
  - Corporations not qualified through the California Secretary of State (CA SOS) to do business in California or having no permanent place of business in California.
  - Partnerships or limited liability companies (LLCs) with no permanent place of business in California.
  - Any trust without a resident grantor, beneficiary, or trustee, or estates where the decedent was not a California resident.
- Foreign refers to non-U.S.

For more information about determining resident status, get FTB Pub. 1031, Guidelines for Determining Resident Status. Military servicemembers have special rules for residency. For more information see General Information E, Military Spouse Residency Relief Act (MSRRA), and FTB Pub. 1032, Tax Information for Military Personnel.

#### Permanent Place of Business:

A corporation has a permanent place of business in California if it is organized and existing under the laws of California or it has qualified through the CA SOS to transact intrastate business. A corporation that has not qualified to transact intrastate business (e.g., a corporation engaged exclusively in interstate commerce) will be considered as having a permanent place of business in California only if it maintains a permanent office in California that is permanently staffed by its employees.

### E Military Spouse Residency Relief Act (MSRRA)

Generally, for tax purposes you are considered to maintain your existing residence or domicile. If a military servicemember and nonmilitary spouse have the same state of domicile, the MSRRA provides:

- A spouse shall not be deemed to have lost a residence or domicile in any state solely by reason of being absent to be with the servicemember serving in compliance with military orders.
- A spouse shall not be deemed to have acquired a residence or domicile in any other state solely by reason of being there to be with the servicemember serving in compliance with military orders.

**Domicile** is defined as the one place:

- Where you maintain a true, fixed, and permanent home.
- To which you intend to return whenever you are absent.



A military servicemember's nonmilitary spouse is considered a nonresident for tax purposes if the servicemember and spouse have the same domicile outside of California and the spouse is in California solely to be with the servicemember who is serving in compliance with Permanent Change of Station orders.

California may require nonmilitary spouses of military servicemembers to provide proof that they meet the criteria for California personal income tax exemption as set forth in the MSRRA.

Income of a military servicemember's nonmilitary spouse for services performed in California is not California source income subject to state tax if the spouse is in California to be with the servicemember serving in compliance with military orders, and the servicemember and spouse have the same domicile in a state other than California.

For additional information or assistance in determining whether the applicant meets the MSRRA requirements, get FTB Pub. 1032.

## Specific Instructions

### Payee Instructions

Enter the withholding agent's name.

Enter the payee's information, including the TIN and check the appropriate TIN box.

You must provide a valid TIN as requested on this form. The following are acceptable TINs: social security number (SSN); individual taxpayer identification number (ITIN); federal employer identification number (FEIN); California corporation number (CA Corp no.); or CA SOS file number.

**Private Mail Box (PMB)** – Include the PMB in the address field. Write "PMB" first, then the box number. Example: 111 Main Street PMB 123.

**Foreign Address** – Follow the country's practice for entering the city, county, province, state, country, and postal code, as applicable, in the appropriate boxes. Do not abbreviate the country name.

**Exemption Reason** – Check the box that reflects the reason why the payee is exempt from the California income tax withholding requirement.

### Withholding Agent Instructions

Do not send this form to the FTB. The certification on Form 590 remains valid until the payee's status changes. The withholding agent must retain a copy of the certificate or substitute for at least five years after the last payment to which the certificate applies. The agent must provide it to the FTB upon request.

The payee must notify the withholding agent if any of the following situations occur:

- The individual payee becomes a nonresident.
- The corporation ceases to have a permanent place of business in California or ceases to be qualified to do business in California.
- The partnership ceases to have a permanent place of business in California.
- The LLC ceases to have a permanent place of business in California.
- The tax-exempt entity loses its tax-exempt status.

If any of these situations occur, then withholding may be required. For more information, get Form 592, Resident and Nonresident Withholding Statement, Form 592-B, Resident and Nonresident Withholding Tax Statement, Form 592-PTE, Pass-Through Entity Annual Withholding Return, Form 592-Q, Payment Voucher for Pass-Through Entity Withholding, and Form 592-V, Payment Voucher for Resident or Nonresident Withholding.

## Additional Information

**Website:** For more information, go to [ftb.ca.gov](http://ftb.ca.gov) and search for **nonwage**.

**MyFTB** offers secure online tax account information and services. For more information, go to [ftb.ca.gov](http://ftb.ca.gov) and login or register for **MyFTB**.

**Telephone:** 888.792.4900 or 916.845.4900, Withholding Services and Compliance phone service

**Fax:** 916.845.9512

**Mail:** WITHHOLDING SERVICES AND COMPLIANCE MS F182  
FRANCHISE TAXBOARD  
PO BOX 942867  
SACRAMENTO CA 94267-0651

For questions unrelated to withholding, or to download, view, and print California tax forms and publications, or to access the TTY/TDD numbers, see the Internet and Telephone Assistance section.

### Internet and Telephone Assistance

**Website:** [ftb.ca.gov](http://ftb.ca.gov)

**Telephone:** 800.852.5711 from within the United States  
916.845.6500 from outside the United States

**TTY/TDD:** 800.822.6268 for persons with hearing or speech disability  
711 or 800.735.2929 California relay service

### Asistencia Por Internet y Teléfono

**Sitio web:** [ftb.ca.gov](http://ftb.ca.gov)

**Teléfono:** 800.852.5711 dentro de los Estados Unidos  
916.845.6500 fuera de los Estados Unidos

**TTY/TDD:** 800.822.6268 para personas con discapacidades auditivas o del habla  
711 ó 800.735.2929 servicio de relevo de California

**Certification Regarding  
Debarment, Suspension, and Other Responsibility Matters**

The prospective participant certifies to the best of its knowledge and belief that it and the principals:

- (a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
- (b) Have not within a three year period preceding this proposal been convicted of or had a civil judgement rendered against them or commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction: violation of Federal or State antitrust statute or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
- (c) Are not presently indicted for or otherwise criminally or civilly charged by a government entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (b) of this certification; and
- (d) Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State, or local) terminated for cause or default.

I understand that a false statement on this certification may be grounds for rejection of this proposal or termination of the award. In addition, under 18 USC Sec. 1001, a false statement may result in a fine of up to \$10,000 or imprisonment for up to 5 years, or both.

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Typed Name & Title of Authorized Representative

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Signature of Authorized Representative Date

I am unable to certify to the above statements. My explanation is attached.



### CAMPAIGN CONTRIBUTIONS DISCLOSURE

In accordance with California law, bidders and contracting parties are required to disclose, at the time the application is filed, information relating to any campaign contributions made to South Coast Air Quality Management District (SCAQMD) Board Members or members/alternates of the Mobile Source Air Pollution Reduction Review Committee (MSRC) or MSRC Technical Advisory Committee (TAC), including: the name of the party making the contribution (which includes any parent, subsidiary or otherwise related business entity, as defined below), the amount of the contribution, and the date the contribution was made. 2 C.C.R. §18438.8(b). Where a proposed or proposed amended rule impacts three or fewer facilities, those facilities will be treated in much the same manner as contracting parties and so must also complete this form, disclosing information relating to any campaign contributions made to any SCAQMD Board Members. See Quadri Advice Letter (2002) A-02.096.<sup>1</sup> In the event that a qualifying campaign contribution is made, the Board Member to whom it was made may be disqualified from participating in the actions involving that donor.

California law prohibits a party, or an agent, from making campaign contributions to SCAQMD Governing Board Members or members/alternates of the MSRC or TAC of more than \$250 while their contract or permit is pending before the SCAQMD; and further prohibits a campaign contribution from being made for twelve (12) months following the date of the final decision by the Governing Board or the MSRC or TAC on a donor’s contract or permit. Gov’t Code §84308(d). For purposes of reaching the \$250 limit, the campaign contributions of the bidder or contractor plus contributions by its parents, affiliates, and related companies of the contractor or bidder are added together. 2 C.C.R. §18438.5.

In addition, SCAQMD Board Members or members/alternates of the MSRC or TAC must abstain from voting on a contract or permit if they have received a campaign contribution from a party or participant<sup>2</sup> to the proceeding, or agent, totaling more than \$250 in the 12-month period prior to the consideration of the item by the Governing Board or the MSRC. Gov’t Code §84308(c).

The list of current SCAQMD Governing Board Members can be found at the SCAQMD website ([www.aqmd.gov](http://www.aqmd.gov)). The list of current MSRC and TAC members/alternates can be found at the MSRC website (<http://www.cleantransportationfunding.org>).

#### **SECTION I.**

**Contractor (Legal Name):** \_\_\_\_\_

|   |
|---|
| <input type="checkbox"/> DBA, Name _____, County Filed in _____ |
| <input type="checkbox"/> Corporation, ID No. _____              |
| <input type="checkbox"/> LLC/LLP, ID No. _____                  |

**List any parent, subsidiaries, or otherwise affiliated business entities of Contractor:**  
(See definition below).

\_\_\_\_\_  
\_\_\_\_\_

<sup>1</sup> The information provided on this form does not, and is not intended to, constitute legal advice. To the extent that you may have questions regarding any case law, citations, or legal interpretations provided above please seek the guidance of your own independent counsel.

<sup>2</sup> In accordance with California law, a person or entity with a financial interest in a proceeding or particular governmental decision, who is not a party but who actively supports or opposes a particular decision, qualifies as a “participant” in that proceeding for purposes of California Code of Regulations Section 84308. A participant has both a financial interest in the proceeding and communicates with the agency or an officer of the agency for purposes of influencing the proceeding.

**SECTION II.**

Has Contractor or Participant and/or any parent, subsidiary, or affiliated company, or agent thereof, or persons who direct or control campaign contributions for these entities, made a campaign contribution(s) totaling \$250 or more in the aggregate to a current member of the South Coast Air Quality Management Governing Board or member/alternate of the MSRC or TAC in the 12 months preceding the date of execution of this disclosure?

Yes  No

**If YES, complete Section II below and then sign and date the form.**

**If NO, sign and date below. Include this form with your submittal.**

Name(s) of Contributor(s) or Person(s) who Directed or Controlled this Contribution:

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|   |                        |                      |
|---|------------------------|----------------------|
| Governing Board Member or MSRC or MSRC-TAC Member/Alternate | Amount of Contribution | Date of Contribution |
|---|------------------------|----------------------|

Name(s) of Contributor(s) or Person(s) who Directed or Controlled this Contribution:

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| Governing Board Member or MSRC or MSRC-TAC Member/Alternate | Amount of Contribution | Date of Contribution |
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Name(s) of Contributor(s) or Person(s) who Directed or Controlled this Contribution:

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| Governing Board Member or MSRC or MSRC-TAC Member/Alternate | Amount of Contribution | Date of Contribution |
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Name(s) of Contributor(s) or Person(s) who Directed or Controlled this Contribution:

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|---|------------------------|----------------------|
| Governing Board Member or MSRC or MSRC-TAC Member/Alternate | Amount of Contribution | Date of Contribution |
|---|------------------------|----------------------|

**I declare the foregoing disclosures to be true and correct.**

By: \_\_\_\_\_

Title: \_\_\_\_\_

**DEFINITIONS**

Parent, Subsidiary, or Otherwise Related Business Entity (2 Cal. Code of Regs., §18703.1(d).)

- (1) Parent subsidiary. A parent subsidiary relationship exists when one corporation directly or indirectly owns shares possessing more than 50 percent of the voting power of another corporation.
- (2) Otherwise related business entity. Business entities, including corporations, partnerships, joint ventures and any other organizations and enterprises operated for profit, which do not have a parent subsidiary relationship are otherwise related if any one of the following three tests is met:
  - (A) One business entity has a controlling ownership interest in the other business entity.
  - (B) There is shared management and control between the entities. In determining whether there is shared management and control, consideration should be given to the following factors:
    - (i) The same person or substantially the same person owns and manages the two entities;
    - (ii) There are common or commingled funds or assets;
    - (iii) The business entities share the use of the same offices or employees, or otherwise share activities, resources or personnel on a regular basis;
    - (iv) There is otherwise a regular and close working relationship between the entities; or
  - (C) A controlling owner (50% or greater interest as a shareholder or as a general partner) in one entity also is a controlling owner in the other entity.

## ATTACHMENT C

### **South Coast AQMD's State Legislative Guiding Principles for 2025**

*The following guiding principles are identified to protect public health, facilitate attainment of state and federal clean air standards within the South Coast region by statutory deadlines and address other South Coast AQMD needs and policy priorities, while working with and serving as a resource to state legislators and the Governor; state and local agencies; and business, environmental, health, community, and other stakeholders.*

#### ***Air Quality Funding***

Protect and increase existing and identify new funding sources that provide a sustainable revenue stream for South Coast AQMD programs and priorities that support attainment of state and federal ambient air quality standards and reduce toxic air contaminants to protect public health, especially to achieve equitable clean air for disproportionately impacted communities. Ensure that there is a sufficient level of administrative and implementation funding to facilitate the effective execution of clean air programs, projects and overall efforts.

#### ***South Coast AQMD Authority / Policy Implementation***

Defend and ensure adequate South Coast AQMD authority to raise revenue and impose fees as needed and implement the Board's clean air policies and programs, including those required by state and federal laws, to support Air Quality Management Plans (AQMPs), State Implementation Plans, and Letters of Commitment with U.S. EPA and CARB.

#### ***State Support***

Ensure that the State does not impose unfunded mandates on South Coast AQMD and does its fair share to reduce air pollution within the South Coast region. State actions needed in support of air quality include, but are not limited to, funding, legislation, regulatory actions, and support by the Administration. In particular, South Coast AQMD requires State action to: 1) Facilitate implementation of applicable South Coast AQMD AQMPs to attain federal ozone and particulate matter air quality standards in accordance with deadlines; 2) Ensure there are sufficient resources to fully implement air district responsibilities and programs created through AB 617 [Health & Safety Code Sections 39607.1; 40920.6; 40920.8; 42705.5; 44391.2]; and 3) Maximize funding opportunities from the federal government to the State through public laws, such as the Bipartisan Infrastructure Law and Inflation Reduction Act.

#### ***Surface Transportation & Goods Movement***

Support and expand policy and funding that promotes air quality priorities related to the implementation of state and federal surface transportation, infrastructure and goods movement policies and programs, especially related to the development and deployment of the cleanest technologies for medium- and heavy-duty trucks, locomotives, oceangoing vessels, aircraft, and off-road equipment with a priority for zero-emission technology where commercially viable at scale.

#### ***Development and Deployment of Clean Technology***

Support and advocate for legislative and administrative policies, programs, and funding, that promote the development and deployment of the cleanest commercially available technologies with prioritization for zero-emission infrastructure, equipment, and vehicles to: 1) protect public

health; 2) facilitate attainment of clean air standards; and/or 3) support a healthy economy and promote job retention/creation within the South Coast region.

### ***Environmental Justice***

Support and advocate for legislative and administrative policies and funding that: 1) promote and sustain environmental justice initiatives which reduce localized health risks resulting from criteria pollutant and toxic air contaminant emissions; 2) prioritize equitable access to zero-emission or the cleanest technologies available for over-burdened communities; 3) enhance community participation in decision-making; and 4) provide the resources necessary to fully implement local air districts' responsibilities and programs created through AB 617, including implementing CARB's blueprint to expand the program to address communities that have been consistently nominated.

### ***Climate Change***

Support efforts directing that the Greenhouse Gas Reduction Fund provide funding to maximize criteria pollutant and toxic emission reduction co-benefits that facilitate attainment of clean air standards and reduce public health impacts in the South Coast region, such as through the development and deployment of zero-emission or cleanest commercially available vehicles, equipment, and fueling/charging infrastructure, especially as it relates to mobile sources such as medium- and heavy-duty trucks, locomotives, oceangoing vessels, aircraft, and off-road equipment.

### ***Clean Energy***

Support legislative and administrative efforts to promote energy efficiency, demand reduction, and reliable, cost effective and the cleanest energy in the South Coast region, especially in disproportionately impacted environmental justice communities. Also, support production and development of renewable and alternative energy, energy storage, and microgrids, as well as charging and fueling infrastructure, to reduce emissions from transportation and other sources, such as back-up generators.

### ***Business, Job Creation, Workforce Training & Economy***

Support legislative policies and administrative actions that promote job retention and creation, workforce training for zero-emission technologies, as well as economic growth, while working toward attainment of clean air standards; and that support and assist the regulated community in complying with rules and regulations in the most efficient and cost-effective manner. Work to ensure job and economic benefits are equitably accessible to environmental justice communities.

### ***Addressing Impacts of Natural and Manmade Events***

Support and advocate for legislative and administrative policies, programs, and funding that reduce and/or mitigate air quality-related public health impacts within the South Coast region caused by wildfires, dust/sandstorms, odors, or other events.

### ***Administrative Operations***

Support and seek legislative and administrative policies, programs, funding and/or actions that ensure that South Coast AQMD can meet its administrative and operational needs, including, but not limited to those related to human resources, pensions, and other employment-related issues.

BOARD MEETING DATE: January 10, 2025

AGENDA NO. 9

**PROPOSAL:** Adopt Resolution per AB 2522 (Carrillo) to Increase Governing Board Member Compensation, Appropriate Funds from Undesignated Fund Balance, and Transfer funds Between Major Objects

**SYNOPSIS:** AB 2522 (Carrillo) sponsored by South Coast AQMD was chaptered into state law to increase local air district board per diem. These actions are to: 1) adopt a resolution per AB 2522 (Carrillo) to increase Governing Board Member compensation from \$100 to up to \$200 for each day, or portion thereof, but not to exceed \$2,000 per month for specified business on behalf of South Coast AQMD retroactively effective on January 1, 2025; 2) appropriate \$78,000 from Undesignated (Unassigned) Fund Balance for the increase in Governing Board Member compensation; and 3) transfer \$87,173 between Major Objects in the Governing Board FY 2024-25 Budget to realign expenditures for San Bernardino County Board Consultants/Assistants contracts.

**COMMITTEE:** Administrative, December 13, 2024; Recommended for Approval

**RECOMMENDED ACTIONS:**

1. Adopt the attached Resolution to implement Assembly Bill 2522 which increases South Coast AQMD Board Member compensation.
2. Appropriate \$78,000 from the General Fund Undesignated (Unassigned) Fund Balance to the Governing Board's FY 2024-25 Budget, Services & Supplies Major Object for the increase in South Coast AQMD Board Member compensation; and
3. Transfer \$87,173 from Salaries and Employee Benefits Major Object to the Services and Supplies Major Object in the Governing Board FY 2024-25 Budget (Org. 02) for San Bernardino County Board Consultants/Assistants contracts.

Wayne Natri  
Executive Officer



## **Background**

Compensation for local air district Board Members was established over three decades ago for most agencies and did not include adjustments for inflation. The per diem for South Coast AQMD Board Members (Board) was set in 1987 at \$100 per day. This level of financial compensation is not commensurate with the level of work and time needed to serve on a local air agency Board. Inadequate compensation for Board Members may also serve as a barrier to a diverse pool of candidates.

South Coast AQMD sponsored AB 2522 (Carillo) to increase the per diem for boards of local air districts including our agency, San Diego County Air Pollution Control District, Bay Area Air Quality Management District, Sacramento Metropolitan Air Quality Management District, and unified district's governing boards. The increase in per diem will take effect on January 1, 2025, and requires that the air district board approves a resolution for the increase.

The bill also included an annual increase to account for inflation as determined by the California Consumer Price Index. For the 2026 annual increase and each year thereafter, a separate resolution with the annual increase will be brought to the Board for their consideration.

On September 22, 2024, AB 2522 was enacted into state law, Chapter 406, Statutes of 2024.<sup>1</sup> The law requires a local air district board to pass a resolution to increase the per diem rate and to allow for annual cost-of-living adjustments. Attachment B is a copy of AB 2522 (Chapter 406, Statutes of 2024).

The San Bernardino County Board Member consultants/assistants are employees of the county, and the county is reimbursed for the cost of their services through a contract.

## **Proposal**

This action is to adopt a resolution authorizing the increase in Governing Board Member per diem from \$100 to \$200 per day, or portion thereof, but not to exceed \$2,000 per month, while attending meetings of the South Coast AQMD Board or any committee or advisory group thereof or, upon authorization of the South Coast AQMD Board, while on official business of South Coast AQMD, and the actual and necessary expenses incurred in performing the Board Member's official duties. Per the resolution, the per diem increase would take effect January 1, 2025.

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<sup>1</sup> AB 2522 (Chapter 406, Statutes of 2024), Amended Health & Safety Code relevant to South Coast AQMD: 40426 and 40982, [https://leginfo.ca.gov/faces/billTextClient.xhtml?bill\\_id=202320240AB2522](https://leginfo.ca.gov/faces/billTextClient.xhtml?bill_id=202320240AB2522)

In addition, staff is recommending to appropriate \$78,000 from the General Fund Undesignated (Unassigned) Fund Balance to the Governing Board's FY 2024-25 Budget, Services & Supplies Major Object for the increase in South Coast AQMD Board Member compensation per AB 2522 (Chapter 406, Statutes of 2024).

A transfer of \$87,173 from Salaries and Employee Benefits Major Object to the Services and Supplies Major Object in the Governing Board FY 2024-25 Budget is needed to reimburse San Bernardino County for the San Bernardino County Board Consultants/Assistants contracts.

**Resource Impacts**

Sufficient funding is available in the General Fund Undesignated (Unassigned) Fund Balance. Funding for future Fiscal Years will be requested in the annual budget. In addition, sufficient funds are available in the Governing Board FY 2024-25 salaries and employee benefits budget for the transfer of funds for the San Bernardino County Board Consultants/Assistants contracts.

**Attachments**

- A. Resolution
- B. AB2522

**Attachment A**

**RESOLUTION NO. 25 -**

**A Resolution of the South Coast Air Quality Management District Governing Board to approve an increase in Board per diem to \$200 per day, or portion thereof, not to exceed \$2,000 per month while attending meetings of the south coast district board or any committee thereof or, upon authorization of the South Coast AQMD, while on official business of the South Coast AQMD, and the actual and necessary expenses incurred in performing the member's official duties.**

**WHEREAS**, South Coast AQMD Governing Board per diem has not been adjusted since 1987 which does not reflect financial compensation for the work and commitment required to serve;

**WHEREAS**, the lack of financial compensation could pose as a barrier to diverse candidates who might serve;

**WHEREAS**, AB 2522 was chaptered into law (Chapter 406, Statutes of 2024) authorizing the South Coast AQMD Governing Board to increase per diem as of January 1, 2025, and to provide for an annual cost-of-living increase as of January 1, 2026;

**NOW THEREFORE, BE IT RESOLVED**, that South Coast AQMD Board hereby approves an increase of Governing Board per diem to \$200 per day, or a portion thereof, not to exceed \$2,000 per month in accordance with AB 2522 (Chapter 406, Statutes of 2024);

**BE IT RESOLVED FURTHER**, that the Clerk of the Boards of South Coast AQMD, by the signature of such Clerk of the Boards, be, and the same hereby is, authorized to attest to the execution by South Coast AQMD of the documents signed pursuant to this resolution, and to certify adoption of this resolution.

**BET IT FURTHER RESOLVED** that the Executive Officer and Chief Financial Officer are authorized and directed to take all steps necessary to carry out this Resolution.

DATE: \_\_\_\_\_

\_\_\_\_\_  
CLERK OF THE BOARD

## **Attachment B**

### **Assembly Bill No. 2522**

#### **CHAPTER 406**

An act to amend Sections 40100.6, 40154, 40227, 40426, and 40982 of the Health and Safety Code, relating to air districts.

[Approved by Governor September 22, 2024. Filed with  
Secretary of State September 22, 2024.]

#### legislative counsel's digest

AB 2522, Wendy Carrillo. Air districts: governing boards: compensation.

Existing law provides for the creation of the South Coast Air Quality Management District in those portions of the Counties of Los Angeles, Orange, Riverside, and San Bernardino included within the area of the South Coast Air Basin, as specified. Existing law provides that the south coast district is governed by a district board consisting of 13 members and that each member of the board shall receive compensation of \$100 for each day, or portion thereof, but not to exceed \$1,000 per month, while attending meetings of the board or any committee thereof or, upon authorization of the board, while on official business of the district, and the actual and necessary expenses incurred in performing the member's official duties.

This bill would raise the limits of the above-described compensation each member of the board receives to up to \$200 for each day, or portion thereof, but not to exceed \$2,000 per month, as specified. The bill would provide that the compensation of each member of the board may be increased beyond this amount by the board at an open regular meeting, as specified.

Existing law provides for the San Diego County Air Pollution Control District to have a governing board of 11 members, including 3 public members that receive compensation of \$100 for each day, or a portion thereof, but not to exceed \$1,000 per month, while attending meetings of the district governing board or any committee of the district governing board or, upon authorization of the district governing board, while on official business of the San Diego County Air Pollution Control District, and the actual and necessary expenses incurred in performing the member's official duties.

This bill would raise the limits of the above-described compensation to up to \$200 for each day, or a portion thereof, not to exceed \$2,000 per month, as specified, and would require that each member of the governing board receive the compensation. The bill would provide that the compensation of each member of the district governing board may be increased beyond this amount by the district governing board at an open regular meeting, as specified.

Existing law provides that the bay district board is the governing body of the Bay Area Air Quality Management District. Existing law requires

that each member of the bay district board receive actual and necessary expenses incurred in the performance of board duties. Existing law authorizes each member to receive compensation, to be determined by the bay district board, not to exceed \$100 for each meeting and not to exceed \$200 per day for attending a meeting of, or any committee meeting of, the bay district board, or, upon authorization of the bay district board, attending a meeting while on official business of the bay district. Existing law prohibits the compensation from exceeding \$6,000 in any one year.

This bill would provide that each member of the bay district board is entitled to reimbursement of actual and necessary expenses incurred in the performance of board duties. The bill would raise the limits of the above-described compensation to not exceed \$200 per day, not exceed \$2,000 per month, and not exceed \$24,000 in any one year. The bill would authorize the compensation of each member of the bay district board to be increased beyond this amount by the bay district board at an open regular meeting, as specified.

Existing law requires that the Sacramento Metropolitan Air Quality Management District, at a minimum, be governed by a district board composed of the Board of Supervisors of the County of Sacramento. Existing law requires each member of the Sacramento district board to receive actual and necessary expenses incurred in the performance of board duties, and authorizes compensation, to be determined by the Sacramento district board, not to exceed \$100 for each day attending the meetings of the district board and committee meetings thereof, or upon authorization of the district board, while on official business of the Sacramento district. Existing law prohibits the compensation from exceeding \$6,000 in any one year.

This bill would authorize members to receive compensation for their service, as determined by the district board at an open regular meeting, not to exceed \$200 per day of attending board and committee meetings, or for conducting official business as authorized by the board. The bill would prohibit the compensation from exceeding \$12,000 in any one year. The bill would authorize the district board, by resolution adopted at an open regular meeting, to increase the amount of compensation provided not more than once every 12 months, as specified.

Existing law authorizes the board of supervisors of any county, by a vote of its members, to form a unified air pollution control district with other counties, upon ratification by the boards of supervisors, with membership from each county, as specified. Existing law requires each member of the unified district board, upon adoption of a resolution, to receive the actual and necessary expenses incurred in the performance of their duties, plus a compensation of \$100 for each day attending the meetings of the unified district board or any committee of the unified district board or, upon authorization by the unified district board, while engaged in official business of the unified district. Existing law prohibits the compensation from exceeding \$3,600 in any one year.

This bill would require the resolution be adopted at an open regular meeting and would raise the above-described compensation limits to up to

\$200 for each day. The bill would prohibit the compensation from exceeding \$7,200 in any one year. The bill would authorize the compensation of each member of a unified district board to be increased beyond this amount by the unified district board at an open regular meeting, as specified.

This bill would prohibit the above-described district boards from providing for automatic future increases in compensation for their members.

This bill would make legislative findings and declarations as to the necessity of a special statute for the boards.

*The people of the State of California do enact as follows:*

SECTION 1. Section 40100.6 of the Health and Safety Code is amended to read:

40100.6. (a) The 11 members of the San Diego County Air Pollution Control District governing board shall be appointed as follows:

(1) (A) Two members representing the board of supervisors as appointed by a majority of the board of supervisors.

(B) One of the two members representing the board of supervisors pursuant to subparagraph (A) shall be the member of the board of supervisors who is currently serving as the San Diego County Air Pollution Control District's member on the state board, as required pursuant to paragraph (4) of subdivision (d) of Section 39510. That member of the board of supervisors shall continue to serve as one of the two members of the San Diego Air Pollution Control District pursuant to subparagraph (A) until that member is no longer the San Diego County Air Pollution Control District's member on the state board.

(2) The mayor or a city council member at large from the City of San Diego.

(3) (A) One city council member from each of the five supervisorial districts. Those five members shall be selected by city selection committees representing the cities of that supervisorial district.

(B) A city shall not have more than two members.

(4) Three public members shall be appointed by the members appointed pursuant to paragraphs (1) to (3), inclusive, at a public hearing. The public members shall be appointed according to the following:

(A) One public member shall be a physician or public health professional actively practicing within the boundaries of the San Diego County Air Pollution Control District. The member's specialty shall be in the health effects of air pollution on vulnerable populations.

(B) One public member shall be a person representing environmental justice interests and who works directly with communities within the boundaries of the San Diego County Air Pollution Control District that are most significantly burdened by, and vulnerable to, high levels of pollution, including communities with diverse racial and ethnic populations and communities with low-income populations. This member may be a resident of that community and have a demonstrated record of community leadership.

(C) One public member shall be a person with a scientific or technical background in air pollution, such as an environmental engineer, chemist, meteorologist, or air pollution specialist.

(b) All members shall be appointed on the basis of their demonstrated interest and proven ability in the field of air pollution control and their understanding of the needs of the general public in connection with the air pollution problems of the San Diego Air Basin.

(c) All members shall reside within the boundaries of the San Diego County Air Pollution Control District.

(d) Each member of the San Diego County Air Pollution Control District shall serve a four-year term and until that member's successor is appointed.

(e) (1) Each member of the San Diego County Air Pollution Control District governing board shall receive compensation of up to two hundred dollars (\$200) for each day, or a portion thereof, but not to exceed two thousand dollars (\$2,000) per month, while attending meetings of the district governing board or any committee of the district governing board or, upon authorization of the district governing board, while on official business of the San Diego County Air Pollution Control District, and the actual and necessary expenses incurred in performing the member's official duties. An increase in compensation to an amount greater than one hundred dollars (\$100) for each day or one thousand dollars (\$1,000) per month shall be approved by the district governing board at an open regular meeting.

(2) The compensation of each member of this district governing board may be increased beyond the amount provided in paragraph (1) by the district governing board at an open regular meeting by an amount not to exceed the greater of either of the following:

(A) An amount equal to 5 percent for each calendar year from the operative date of the last adjustment of the compensation.

(B) Beginning January 1, 2025, an amount not to exceed 10 percent for each calendar year that is equal to the annual change in inflation as determined by the California Consumer Price Index.

(3) The district governing board shall not provide for automatic future increases in compensation for its members.

(f) (1) A vacancy on the San Diego County Air Pollution Control District governing board shall be filled by appointment in the same manner as the vacating member was appointed.

(2) A member of the San Diego County Air Pollution Control District governing board may be removed at any time in the same manner as the member was appointed.

(g) (1) The San Diego County Air Pollution Control District governing board shall consult with the United States Navy, the United States Marine Corps, and the United States Coast Guard on all permitting, rules, regulations, and planning issues that have the potential to impact the mission of the United States Navy, the United States Marine Corps, and the United States Coast Guard.

(2) The San Diego County Air Pollution Control District governing board shall designate one member appointed pursuant to paragraph (1) of

subdivision (a) to serve as the liaison to the United States Navy, the United States Marine Corps, and the United States Coast Guard. The liaison shall report to the San Diego County Air Pollution Control District governing board as necessary to inform the governing board of any issues with the activities described in paragraph (1) and of any potential resolution to those issues.

SEC. 2. Section 40154 of the Health and Safety Code is amended to read:

40154. (a) Each member of the unified district board shall, upon the adoption of a resolution by the unified district board at an open regular meeting, receive the actual and necessary expenses incurred in the performance of their duties, plus a compensation of up to two hundred dollars (\$200) for each day attending the meetings of the unified district board or any committee of the unified district board or basin control council or, upon authorization by the unified district board, while engaged in official business of the unified district, but that compensation shall not exceed seven thousand two hundred dollars (\$7,200) in any one year.

(b) The compensation of each member of the unified district board may be increased beyond the amount provided in this section by the unified district board at an open regular meeting, but the amount of the increase shall not exceed the greater of either of the following:

(1) An amount equal to 5 percent for each calendar year from the operative date of the last adjustment of the compensation.

(2) Beginning January 1, 2025, an amount not to exceed 10 percent for each calendar year that is equal to the annual change in inflation as determined by the California Consumer Price Index.

(c) The unified district board shall not provide for automatic future increases in compensation for its members.

SEC. 3. Section 40227 of the Health and Safety Code is amended to read:

40227. (a) Each member of the bay district board is entitled to reimbursement for actual and necessary expenses incurred in the performance of board duties.

(b) Each member of the bay district board may receive compensation, to be determined by the bay district board subject to subdivision (c), for any of the following:

(1) Attending a meeting of the bay district board or a committee of the bay district board.

(2) Attending a meeting, upon authorization of the bay district board, or a committee of the bay district board with delegated authority to provide authorization on behalf of the bay district board, while on official business of the bay district.

(3) Active transportation travel to a meeting described in paragraph (1) or (2).

(c) (1) The compensation provided for attending meetings pursuant to paragraph (1) or (2) of subdivision (b) shall not exceed two hundred dollars (\$200) per day and shall not exceed two thousand dollars (\$2,000) per month.



(2) The compensation provided for active transportation travel pursuant to paragraph (3) of subdivision (b) may be calculated on a per mile basis or at a fixed daily, weekly, monthly, or annual rate, and may consider benefits to using active transportation travel, including, but not limited to, reduced traffic, improved health outcomes, and reduced air pollution.

(3) The compensation provided pursuant to subdivision (b) shall not exceed twenty-four thousand dollars (\$24,000) in any one year.

(4) The compensation of each member of the bay district board may be increased above the amounts provided in this section by the bay district board at an open regular meeting, but the amount of the increase shall not exceed the greater of either of the following:

(A) An amount equal to 5 percent for each year that has passed since the operative date of the last adjustment of the compensation.

(B) Beginning January 1, 2025, an amount not to exceed 10 percent for each calendar year that is equal to the annual change in inflation as determined by the California Consumer Price Index.

(5) The bay district board or any ordinance shall not provide for automatic future increases in compensation for its members.

(d) Compensation pursuant to this section shall be fixed by ordinance. Any change to this ordinance shall be adopted at an open regular meeting of the bay district board.

(e) For the purposes of this section, "active transportation travel" means walking, bicycling, and other forms of transportation that the bay district board has found reduce traffic, improve health outcomes, and reduce air pollution.

SEC. 4. Section 40426 of the Health and Safety Code is amended to read:

40426. (a) Each member of the south coast district board shall receive compensation of up to two hundred dollars (\$200) for each day, or portion thereof, but not to exceed two thousand dollars (\$2,000) per month, while attending meetings of the south coast district board or any committee thereof or, upon authorization of the south coast district board, while on official business of the south coast district, and the actual and necessary expenses incurred in performing the member's official duties. An increase in compensation to an amount greater than one hundred dollars (\$100) for each day or one thousand dollars (\$1,000) per month shall be approved by the south coast district board at an open regular meeting.

(b) The compensation of each member of the south coast district board may be increased beyond the amount provided in this section by the south coast district board at an open regular meeting, but the amount of the increase shall not exceed the greater of either of the following:

(1) An amount equal to 5 percent for each calendar year from the operative date of the last adjustment of the compensation.

(2) Beginning January 1, 2025, an amount not exceeding 10 percent for each calendar year that is equal to the annual change in inflation as determined by the California Consumer Price Index.

(c) The south coast district board shall not provide for automatic future increases in compensation for its members.

SEC. 5. Section 40982 of the Health and Safety Code is amended to read:

40982. (a) Each member of the Sacramento district board shall receive actual and necessary expenses incurred while performing board duties. In addition, members may receive compensation for their service, as determined by the Sacramento district board at an open regular meeting. The compensation shall not exceed two hundred dollars (\$200) per day of attending board and committee meetings, or for conducting official business as authorized by the board. However, the compensation shall not exceed twelve thousand dollars (\$12,000) in any one year.

(b) The Sacramento district board may, by resolution adopted at an open regular meeting, increase the amount of compensation provided by this section not more than once every 12 months. An increase in compensation shall be in an amount equal to the percent change in the California Consumer Price Index for the most recent calendar year, rounded to the nearest one-tenth of 1 percent, except that if that change is greater than 10 percent, the increase in compensation shall be no more than 10 percent.

(c) The Sacramento district board shall not provide for automatic future increases in compensation for its members.

SEC. 6. The Legislature finds and declares that a special statute is necessary and that a general statute cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution because of the need to modernize the decades old nominal compensation structure unique to the Bay Area Air Quality Management District board, the Sacramento Metropolitan Air Quality Management District board, the San Diego Air Pollution Control District board, the South Coast Air Quality Management District board, and unified district governing boards to ensure board members are adequately compensated for the important public service they perform.

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BOARD MEETING DATE: January 10, 2025

AGENDA NO. 10

**PROPOSAL:** Establish List of Prequalified Counsel to Represent and Advise South Coast AQMD on Legal Matters Related to Environmental Law and General Governmental Matters

**SYNOPSIS:** In June 2024, the Board approved issuance of an RFP to pre-qualify outside counsel having expertise in the California Environmental Quality Act, South Coast AQMD rulemaking and planning procedures, administrative law, general governmental law, and related issues for South Coast AQMD. The evaluation of responding firms has been completed. This action is to establish a list of prequalified counsel to represent South Coast AQMD in environmental law matters and general governmental matters.

**COMMITTEE:** Administrative, December 13, 2024; Recommended for Approval

**RECOMMENDED ACTIONS:**

1. Approve the firms: Shute, Mihaly & Weinberger, LLP; Best Best & Kreiger, LLP; and Woodruff & Smart, as prequalified law firms having expertise in the California Environmental Quality Act, South Coast AQMD rulemaking and planning procedures, issues relating to statute and rule interpretation, air quality laws, the Brown Act, administrative law, representation of government agencies, constitutional issues, general governmental matters, and complex environmental litigation, that General Counsel may use to represent South Coast AQMD in future litigation and for advice; and
2. Authorize the Executive Officer to execute contracts with any of the above-named firms, as the need arises, for a total not to exceed amounts authorized in the budget or by subsequent Board action annually for up to three years.

Wayne Natri  
Executive Officer

## **Background**

In June 2024, the Board approved issuance of an RFP for the South Coast AQMD General Counsel to solicit proposals from outside litigation counsel having particular expertise and experience in the California Environmental Quality Act, South Coast AQMD rulemaking and planning procedures, issues relating to statute and rule interpretation, air quality laws, administrative law, representation of government agencies, constitutional issues, the Brown Act, general governmental matters, and complex environmental litigation. In the past, South Coast AQMD has faced, and likely will face in the future, litigation and other matters requiring such specialized expertise. A rapid response is needed in such situations, and it is not possible to go through the RFP process as new cases arise. Establishing a prequalified list ensures that South Coast AQMD can quickly select counsel for representation as needed.

## **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 Sun, and Riverside County's Press Enterprise newspapers to leverage the most cost-effective method of outreach to the South Coast Basin. Also, potential bidders were notified by sending notification to various individual law firms and bar associations.

Additionally, potential bidders may have been notified utilizing South Coast AQMD's own electronic listing of certified minority vendors. Notice of the RFP has been e-mailed 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>).

## **Evaluation**

Bid responses were received from eight (8) law firms. A summary of the responses is provided in Attachment A. An evaluation panel was convened to evaluate proposals for the General Counsel's office. The South Coast AQMD panel consisted of three South Coast AQMD attorneys.

## **Proposal**

Establish the following list, valid from January 10, 2025 through December 31, 2027, of prequalified outside counsel for advice and representation in areas related to environmental law and general governmental law:

Shute, Mihaly & Weinberger, LLP  
Best Best & Kreiger LLP  
Woodruff & Smart

**Resource Impacts**

Sufficient funds exist in the annual budget for FY 2024-25 and the proposed budget for FY 2025-26 for outside counsel, which may be allocated to one or more selected contractors as the need arises based on future litigation, the availability of counsel, and the needs of South Coast AQMD. Selection may also be made for occasional assignments in subject areas of the firms' expertise that do not involve litigation.

**Attachment**

Summary of Responses to RFP #2024-12

**RFP # 2024-12**  
**SCORES AND COSTS MATRIC FOR**  
**QUALIFYING FIRMS**

| FIRM NAME                | TECHNICAL SCORE | COST SCORE | ADDITIONAL POINTS | TOTAL SCORES | COST (HIGHEST HOURLY RATE) |
|--------------------------|-----------------|------------|-------------------|--------------|----------------------------|
| Shute, Mihaly & Weinberg | 70              | 27.2       |                   | 97.2         | \$465                      |
| Best, Best & Krieger     | 64              | 30         |                   | 94           | \$425                      |
| Woodruff & Smart         | 65              | 24.7       |                   | 89.7         | \$500                      |
| Halpern May              | 59              | 12.7       | 10                | 71.7         | \$670                      |

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BOARD MEETING DATE: January 10, 2025

AGENDA NO. 11

PROPOSAL: Establish Rule 2305 Penalty Special Revenue Fund

SYNOPSIS: Assembly Bill 98, approved by the Governor on September 29, 2024, requires South Coast AQMD to receive community input on how penalties assessed and collected for violations of the Warehouse Indirect Source Rule (Rule 2305) are spent. This action will establish a special revenue fund to hold penalty funds from Rule 2305 violations received on or after January 1, 2025, including interest earnings from these penalties.

COMMITTEE: Administrative, December 13, 2024; Recommended for Approval

**RECOMMENDED ACTIONS:**

1. Establish Warehouse Indirect Source Rule (Rule 2305) Penalty Special Revenue Fund (91); and
2. Authorize the Executive Officer to recognize upon receipt penalty funds from Rule 2305 violations received on or after January 1, 2025, including interest earnings from these penalties, into Rule 2305 Penalty Special Revenue Fund (91).

Wayne Natri  
Executive Officer

VW:SR

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**Background**

Assembly Bill 98, approved by the Governor on September 29, 2024, requires South Coast AQMD to establish a process for receiving community input on how penalty funds from Rule 2305 – Warehouse Actions and Investments to Reduce Emissions (WAIRE) violations should be spent. South Coast AQMD must ensure a wide range of community groups are included in this process and that the groups represent the geographic areas where there are high numbers of warehouse facilities. The establishment of a special revenue fund is needed to receive, hold and track the penalty funds upon receipt on or after January 1, 2025.

**Proposal**

This Board action will establish the Rule 2305 Penalty Special Revenue Fund to hold the penalty funds from Rule 2305 violations received on or after January 1, 2025, including any interest earned from these penalties, and authorize the Executive Officer to receive Rule 2305 penalty funds upon receipt.

The penalty funds will be recorded and tracked in Rule 2305 Penalty Special Revenue Fund. Staff will setup a process to receive community input before returning to the Board with any expenditure recommendations. The Board will retain its authority on how to ultimately spend the penalty funds after receiving community input.

**Resource Impacts**

Penalty funds from Rule 2305 violations received on or after January 1, 2025, and the interest earned from these penalties, will be recorded and tracked in Rule 2305 Penalty Special Revenue Fund (91) for future Board-approved actions.



BOARD MEETING DATE: January 10, 2025

AGENDA NO. 12

PROPOSAL: Amend Contract for Janitorial Services at Diamond Bar Headquarters

SYNOPSIS: In February 2022, the Board approved the execution of a 34-month contract for janitorial services with Santa Fe Janitorial Maintenance Services, Inc., with authority to extend the contract for two additional years. The contract is scheduled to expire on February 28, 2025. This action is to amend the contract to continue services through December 31, 2026, for a total amount not to exceed \$1,187,973. Funding has been included in the FY 2024-25 Budget and will be requested in successive fiscal years.

COMMITTEE: Administrative, December 13, 2024; Recommended for Approval

**RECOMMENDED ACTIONS:**

Authorize the Executive Officer to amend the contract with Santa Fe Janitorial Maintenance Services, Inc. for janitorial services through December 31, 2026, in an amount not to exceed \$1,187,973, with the funding allocated as follows:

1. \$205,992 in FY 2024-25;
2. \$637,399 in FY 2025-26; and
3. \$344,582 in FY 2026-27.

Wayne Nastri  
Executive Officer

AJO:VL:mc

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**Background**

South Coast AQMD contracts with a firm to provide routine janitorial services and supplies, which includes cleaning the office space, laboratory, and conference center at Diamond Bar headquarters. In February 2022, after a competitive bid released under RFP #2022-06, the Board authorized the Executive Officer to execute a contract with Santa Fe Janitorial Maintenance Services, Inc. to provide these services through December 2024. The Board also approved an option to extend the contract for two additional years.

The Executive Officer executed a no-cost modification to extend the contract through February 28, 2025, to allow staff time to complete a thorough assessment of janitorial needs and the proposed costs, and to present a recommendation to the Board.

### **Proposal**

Staff is requesting Board authority for the Executive Officer to exercise the option to extend the contract through December 31, 2026, and the approval of funding for the extension period. Santa Fe Janitorial Maintenance Services, Inc. has demonstrated a consistent ability to meet the high standards required for maintaining a clean and safe environment at the Diamond Bar headquarters. A contract extension would ensure the continuity of necessary services throughout the building, as well as maintain the high quality of cleaning provided by Santa Fe Janitorial Maintenance Services, Inc. to date.

In addition to routine janitorial services, South Coast AQMD occasionally requires special and/or emergency cleanup services. Such work includes, but is not limited to, power washing, clearing the parking lot, cleaning solar panels, and cleaning the roof. When requested, Santa Fe Janitorial Maintenance Services, Inc. has completed these services in a timely and effective manner.

### **Resource Impacts**

Costs for the proposed contract amendment are allocated as follows: \$205,992 for FY 2024-25; \$637,399 for FY 2025-26; and \$344,582 for FY 2026-27. Sufficient funds in the amount of \$205,992 are available in the approved FY 2024-25 Budget. Subsequent funding will be requested in the budgets for each of the remaining fiscal years of the contract.

The annual costs listed above include an additional five percent beyond the costs submitted in the original proposal, in order to anticipate the costs of future extra or special services. This allocation is based on past costs incurred for such services.

BOARD MEETING DATE: January 10, 2025

AGENDA NO. 13

**PROPOSAL:** Amend FY 24-25 Budget by Adding and Deleting Positions Throughout the Agency to Address Operational Needs, Adopt New Class Specification, Amend Existing Class Specification and Appropriate Funds from Undesignated (Unassigned) Fund Balance.

**SYNOPSIS:** This item is to amend the FY 2024-25 Budget to add and delete positions throughout the agency to address operational needs. This item is also to adopt a new Budget and Grants Manager class specification and to revise the existing Public Affairs Manager class specification. This action will result in an increased annual cost of \$2,200,425. Funding of \$733,475 for FY 2024-25 is available in the General Fund Undesignated (Unassigned) Fund Balance and will be requested in future budgets. Partial funding will be provided through administrative cost recovery for implementing State and federal grant programs.

**COMMITTEE:** Administrative, December 13, 2024; Recommended for Approval

**RECOMMENDED ACTIONS:**

1. Amend the FY 2024-25 Budget to add and delete positions, resulting in the addition of 11 net authorized/funded position(s), as set forth in Attachment A;
2. Adopt a new Budget and Grants Manager class specification, as set forth in Attachment B, and add it to Section 53 (Table of Classes) of the Salary Resolution;
3. Revise the existing Public Affairs Manager class specification, as set forth in Attachment C; and
4. Appropriate \$733,475 from the General Fund Undesignated (Unassigned) Fund Balance into the FY 2024-25 General Fund Budget, Salaries and Employee Benefits Major Object.

Wayne Nastri  
Executive Officer

## **Background**

Under the direction of the Executive Officer and the Chief Operating Officer, each division continually reviews and assesses staffing resources and functionality to determine whether changes should be made to increase efficiency and effectiveness of South Coast AQMD's current programs, as well as to address anticipated changes in the scope and implementation of programs or regulatory activities. In addition, potential staff changes are considered to establish measures to implement management's succession planning program. The annual budget reflects short- and long-term staffing allocations. Amendments to the FY 2024-25 fiscal year's budget are being proposed to address operational needs.

## **Proposal**

Staff is recommending changes to the position allocation in the FY 2024-25 Budget. (See Attachment A). Positions are designated to be added or deleted to address current and future operational needs to support South Coast AQMD programs and regulatory activities.

Staff is proposing to add six positions to several divisions (Technology Advancement Office; Legislative, Public Affairs and Media; Information Management; Legal; and Finance), including a new Budget and Grants Manager class specification, to the FY 2024-25 Budget that will be primarily assigned to implementation of a \$500 million grant recently awarded to South Coast AQMD through the U.S. EPA Climate Pollution Reduction Grant (CPRG) program. The CPRG program provides funding to implement projects to reduce GHG, criteria pollutants, and hazardous air pollution. South Coast AQMD's Infrastructure, Vehicles, and Equipment Strategy for Climate, Equity, Air Quality, and National Competitiveness (INVEST CLEAN) proposal is an initiative to transform the Southern California goods movement corridor to zero-emission technology by implementing measures to replace Class 8 trucks, cargo handling equipment, deploy locomotives, and install charging infrastructure. The additional staff will assist with project management, education and outreach, data analysis, partnership development, revenue and expenditure accounting, and online grant management programs and websites.

In addition, based on an evaluation of current program needs, executive management is recommending the addition of four positions to the Finance Division, including a new Budget and Grants Manager class specification, to address ongoing and future financial administration duties for subvention and grant programs, such as the Carl Moyer Program. These positions will be responsible for the review and processing of invoices and reconciliations, the preparation of grant reports, reviewing grant-related Board Letters and audit preparation.

Other proposed changes will improve the effectiveness and efficiency of agency programs, specifically the legal support function. This proposal recommends adding two Principal Deputy District Counsel positions and two Paralegal positions to the General Counsel's Office.

Principal Deputy District Counsel staff assist in the most sensitive, controversial, or complex legal matters encountered in providing legal services to South Coast AQMD, or in representing South Coast AQMD in civil, criminal, and administrative cases pertaining to air quality regulations and rules. This position also assists in the day-to-day direction of attorneys and support staff. The addition of two Principal Deputy positions will be offset with the deletion of two Senior Deputy District Counsel positions. This action would better align resources with current and anticipated operational needs, including potential litigation and legislative challenges under the federal Clean Air Act.

The Paralegal position prepares legal documents and conducts research in support of civil and criminal litigation conducted by attorneys. Paralegals also assist in the implementation of the Minor Source Penalty Assessment Program, administered in the General Counsel's Office. This function involves reviewing, preparing, and processing Notice of Violation cases for resolution of penalties through settlement agreements. Paralegal duties also include tracking penalty payments, following up on delinquent penalty payments, and filing and securing judgements and liens.

This item also recommends the approval of a new class specification to be added in the Finance Division. The Budget and Grants Manager will oversee and coordinate the work of Financial Analysts and Senior Accountants/Accountants and other support staff to provide analytical and financial support to Finance management. This new position will assist in the planning and preparation of South Coast AQMD budgets, workplan, cost analyses of operational activities, managing the day-to-day operations of accounting, and revenue receiving and coordinating management of grant programs and retirement accounts.

In addition, staff recommends amending the existing Public Affairs Manager class specification to better reflect the duties and responsibilities of the position. Public Affairs Managers are assigned to a wide variety of programs, including media, legislation, outreach, and environmental justice activities. Proposed amendments will provide more details about the types of work overseen by this position, as well as establish the types of education, knowledge, and skills necessary for success in the role. The updated class specification will help in the recruitment and retention of this position that is central to the Legislative, Public Affairs and Media Division's organizational structure.

**Resource Impacts**

Funding for the net cost of adding and deleting positions is estimated to be \$2,200,425 annually. Sufficient funding of \$733,475 is available in the General Fund Undesignated (Unassigned) Fund Balance for FY 2024-25 and will be requested in future budgets. Revenue to offset the cost is anticipated from CPRG and Carl Moyer Program administrative funds.

**Attachments**

- A. Proposed Amendments to FY 2024-25 Budget, positions added/deleted
- B. Proposed New Budget and Grants Manager Class Specification
- C. Proposed Amended Public Affairs Manager class specification

## Attachment A

Amend the FY 2024-25 Budget to Add and Delete Positions

| Division | ADD   | DELETE                             |
|----------|---|------------------------------------|
| FINANCE  | 2 - Budget and Grants Manager (new)<br>1 - Accountant<br>1 - Fiscal Assistant |                                    |
| TAO      | 1 - Program Supervisor<br>1 - Air Quality Specialist                          |                                    |
| LPAM     | 1 - Public Affairs Manager<br>1 - Staff Specialist                            |                                    |
| IM       | 1- Systems Analyst  |                                    |
| LEGAL    | 2 - Principal Deputy District Counsel<br>2 - Paralegal                        | 2 - Senior Deputy District Counsel |

## Attachment B

### South Coast Air Quality Management District

#### Budget and Grants Manager



CLASS CODE  
XXX

SALARY  
\$51.48 - \$69.90 Hourly  
\$4,126.65 - \$5,592.31 Biweekly  
\$107,293 - \$145,400 Annually

ESTABLISHED DATE  
**January 10, 2025**

#### Description

**DEFINITION:** Under general direction, reviews plans, coordinates, and provides comprehensive administrative and financial services and consultation to the South Coast AQMD's Finance management; assists with managing the preparation of South Coast AQMD's annual budget, workplan, and three-year budget forecast; conducts studies and reviews cost analyses of South Coast AQMD operations; and oversees the budgeting and compliance function for large and/or highly complex state and federal grants.

This position assists in managing the daily activities of the finance and budget section, and the customer service section. In addition, assists the Controller in managing the daily activities of the accounting, payroll, grant administration, and revenue receiving sections; performs professional accounting duties to ensure all South Coast AQMD accounting functions are performed in compliance with Generally Accepted Accounting Principles (GAAP); reviews and audits retirement system accounts; and does other work as required.

**CLASSIFICATION STANDARDS:** This management class reports to the Chief Financial Officer, or Financial Services Manager and/or the Controller and is characterized by the responsibility to plan and coordinate the preparation of South Coast AQMD budgets, workplan, cost analyses of operational activities, managing the day-to-day operations of accounting, revenue receiving and the South Coast AQMD retirement accounts with retirement systems. The Budget and Grants Manager reviews the work of the Financial Analyst and Senior Accountant and provides analytical and financial staff support to the Financial Services Manager and Controller by reviewing a variety of administrative and financial studies and analyses.

This position is responsible for large and/or highly complex department budgets characterized by multiple revenue sources and funds, and the requirements for complex financial and administrative analyses to ensure compliance with revenue/fund/grant restrictions.



## **Essential Duties**

Manages the planning, coordination and preparation of South Coast AQMD budgets.

Provides South Coast AQMD account analysis in the preparation of the budget; analyzes current and projected program expenditures and revenues; coordinates program presentations to South Coast AQMD committees; conducts financial-related workshops.

Coordinates the preparation of South Coast AQMD's workplan and financial and programmatic projections for future periods.

Reviews studies of complex administrative and operational problem areas requiring a thorough knowledge of financial management, work measurement, and systems analysis; helps prepare recommendations and assists in the development, installation, and integration of new or improved systems which often cross divisional lines designed to increase management effectiveness and reduce operational costs.

Manages the financial administration of subvention and grant programs. This includes reviewing reconciliations, grant reports, board letters, and audit preparation.

Monitors and verifies the accuracy of grant expenditures to ensure grant requirements are met and prepares financial status reports to grantor agencies.

Trains and instructs new employees on operational procedures and divisional rules, regulations, and procedures; provides technical guidance on difficult work problems by explaining the application of operational procedures specific to the situation.

Reviews the work of staff to ensure accuracy, completeness, and adherence to instructions and prescribed work methods, and counsels staff on work assignments; meets with supervisory staff to provide information, and discuss reassignment of staff and work performance problems; prepares draft performance evaluations.

Conducts and supervises special management-requested studies relating to budgetary expenditures and revenue matters, including surveys of workload and the development and application of operational standards.

Reviews and assists organizational units in the preparation of contracts, determines if sufficient funds have been budgeted, and whether contract terms reflect sound fiscal practices.

Prepares the more complex analyses related to South Coast AQMD rules, regulations, and fee schedules; evaluates existing or proposed practices, policies, and procedures; participates in South Coast AQMD task forces and committees.

Prepares verbal and written reports covering surveys, investigations, and studies.

Plans, organizes, and reviews the maintenance of central accounting systems, including pre-audit, posting of expenditures, accounting controls, and related activities.

Manages the preparation of accounting statements and the preparation of revenue, expenditure, debt, and other statements.

Performs financial accounting system reviews, such as reviewing internal controls, reporting problems, and accessing the efficiency of operations; and developing recommendations accordance with GAAP.

Reviews the recording of transactions, the timeliness of payments and invoicing, and ensures compliance with GAAP.

Reviews payment on outside contracts; helps coordinate the preparation of South Coast AQMD tax returns.

Plans the audits of South Coast AQMD financial statement, along with the audits of state and federal funds.

Represents South Coast AQMD in conferences with representatives of outside organizations.

Other duties as assigned.

### **Minimum Requirements**

-EITHER I -

**EXPERIENCE:** One (1) years of experience in the class of Financial Analyst.

-OR II -

**EXPERIENCE:** Three (3) years of progressively responsible governmental financial management, accounting and budget preparation experience.

**EDUCATION:** Graduation from an accredited college or university with a major in finance, accounting, business or public administration, or a closely related field.

**SUBSTITUTION:** A master's degree in one of the above or related fields may substitute for one year of non-specialized experience.

**KNOWLEDGE OF:** Principles of public administration and management including principles, practices and methods of administrative, organizational, financial and management analysis; public financing, budgeting and accounting; grant writing and grants administration; business organizational functions, operations and objectives; public personnel administration; statistical methods and techniques; principles of work scheduling and coordination; personal computers and computer applications; report writing methods and techniques.

**ABILITY TO:** Initiate research studies and reports including the collection, organization, analysis and development of administrative, financial, organizational, and management recommendations; prepare written analysis, recommendations and compiles reports; evaluate and recommend improvements in operations, systems, procedures, policies and methods; coordinate the budget preparation process and perform technical budget, financial, grant, and account analysis work; identify, develop and implement new and improved budgeting, data processing, recordkeeping and operational procedures; understand, interpret and apply complex rules, regulations and guidelines; carry out assignments and projects without detailed instructions; analyze situations and adopt effective courses of action; establish and maintain cooperative relationships with South Coast AQMD staff and others contacted in the course of the work; communicate effectively, orally and in writing; and maintain required confidentiality in carrying out assignments, studies and projects. Train and review the work of other staff.



## Attachment C

### South Coast Air Quality Management District

#### Public Affairs Manager

**CLASS CODE**

117

**SALARY**

\$51.58 - \$69.90 Hourly

\$4,126.65 - \$5,592.31 Biweekly

\$107,292.95 - \$145,399.95 Annually

**ESTABLISHED DATE**

June 06, 2003

**REVISION DATE**~~October 31, 2008~~**December 6, 2024****Description**

**DEFINITION:** Under general direction of the Designated Deputy and ~~Assistant Deputy~~ the Senior Public Affairs Manager, plans, organizes, and manages South Coast AQMD's community outreach and engagement, environmental justice, manages contracts and oversees grant-related efforts including administration of projects, programs and proposal development; implements community benefit and workforce training programs, legislative affairs and local government relations program; acts as liaison with and represents South Coast AQMD before local, state, and federal bodies and with elected officials and their representatives as well as other external stakeholders; develops recommendations for and administers South Coast AQMD's legislative agenda; may perform special projects for and act on behalf of the Designated Deputy or the Senior Public Affairs Manager; and does other work as required.

**In Communications/Media Office:**

Under direction, responsible for coordinating all public relations activities, developing communications plans, managing media campaigns, conduct media interviews, and participates in emergency response and other high-profile issues while exercising a high degree of discretion and independent judgment in the performance of assigned duties. The position requires a high proficiency of writing and editing.

**CLASSIFICATION STANDARDS:** This management class is characterized by the responsibility to oversee the development and implementation of community outreach and engagement including, but not limited to, environmental justice, workforce training, and other issues, management of contracts and oversight of grant implementation, analysis of legislation to identify concerns and opportunities in relation to South Coast AQMD goals and objectives, develop recommendations on South Coast AQMD's legislative agenda, and manage effective and appropriate advocacy programs to achieve support for that agenda. The position may also perform special assignments on behalf of the Designated Deputy or the Senior Public Affairs Manager to assure efficient and coordinated day-to-day operation of Public Affairs.

**In Communications/Media Office:**

This management class is characterized by the high degree of discretion and independent judgment required to perform extensive responsibilities for the Communications/Media Office. This class may serve as a representative of the Assistant Deputy Executive Officer at meetings, conferences, hearings, events and coordinates the public messaging, the dissemination of information to the public, graphics, social media outreach, media interviews to strengthen media relations for the agency. Coordination responsibilities include supervising the daily operations of the media office, providing consultation, advice and assistance to management staff in formulating communications strategies and outreach effectively administer South Coast AQMD's Communications Office.

### **Essential Duties**

Plans, develops, and manages South Coast AQMD's community outreach and engagement programs including, but not limited to, environmental justice and workforce training, contracts and grant administration and implementation, legislative affairs and local government relations program; serves as a liaison with governmental representatives; and represents South Coast AQMD before governmental bodies.

Leads community outreach and engagement programs, including the development of detailed plans and implementation. Builds partnerships with environmental justice and community-based organizations, members of the public, industry, labor, and academia to implement projects. Organizes community steering committee meetings, workshops, public meetings, and other outreach efforts to support implementation of grants and projects.

Manages contracts and grants to ensure compliance with state or federal regulations, including reporting and tracking of outputs and outcomes, expenses and supporting documentation, and other related responsibilities.

Supports, with other Divisions, community capacity building, through education and outreach on air quality issues such as zero-emission technologies, infrastructure, and mitigation strategies.

Oversees the review and analysis of existing, proposed, and potential state and federal legislation; monitors and supports legislative activity to protect and enhance South Coast AQMD interests; coordinates the preparation of information and testimony before legislative bodies and public entities; oversees activities of legislative consultants; and advises management on South Coast AQMD positions and strategies.

Formulates recommendations on legislative policy and develops program-implementation strategies based on analysis of data and feedback from legislators, Board Members, community and special interest groups, environmental and community activists, consultants, staff, and public and private agencies regarding the understanding and perceptions of South Coast AQMD rules, regulations, policies, and procedures.

Maintains close working relationships with elected officials and their representatives, agency staff, business and community representatives, and environmental and special interest groups to obtain feedback on and support for South Coast AQMD programs, policies, and positions.

Represents South Coast AQMD by making presentations at or actively participating in meetings, workshops, conferences, panel discussions, and other events in support of South Coast AQMD policies and

proposals relating to air pollution control and other related matters; oversees the arrangement and coordination of meetings and hearings.

Directs the completion of day-to-day work, special assignments, projects, and reports and assigns, reviews, and evaluates the work of subordinates.

Performs special assignments for and may act on behalf of the Public Advisor or the Designated Deputy, as needed.

Extensive research, analytical skills, and writing required to complete day-to-day tasks including reports, outreach materials, project summaries, memoranda, and other documents.

Expertise in air quality, goods movement and logistics, environmental justice, and/or workforce training to complete assignments.

**In Communications/Media Office (in addition to duties outlined above):**

The Public Affairs Manager is responsible for coordinating all public relations activities, developing communications plans, managing media campaigns in line with the agency mission, while exercising a high degree of discretion and independent judgment in the performance of assigned duties. The Public Affairs Manager must display strong project management and organizational skills with the ability to multitask and work comfortably under pressure in a fast-paced environment.

Under the direction of the Assistant Deputy Executive Officer and Deputy Executive Officer, duties of the Public Affairs Manager include but are not limited to:

- Interpreting and executing South Coast AQMD rules/regulations and policies/programs as they relate to the coordination and dissemination of readily understandable information to various media outlets.
- Writing, proofreading, and editing all public relations content including press releases, op-eds, speeches, briefing materials, talking points, newsletters, articles, communications materials, and marketing content.
- Fielding and responding to media questions and interview requests.
- Identifying press opportunities and pitch stories to stimulate media coverage.
- Detecting media relations issues as they emerge.
- Organizing and managing press conferences and media events within the agency and with external agencies.
- Develop media relations strategies that will result in high-level coverage in print, broadcast and online media.
- Emergency response and crisis communications strategies.
- Leverage existing media relationships and cultivate new contacts within environmental media.
- Perform as spokesperson for agency.
- Understand and oversee social media platforms, engagement, and strategy.
- Development of modern infographics, fact sheets, photographs, video, and other ways to disseminate information to the public.
- Attending and networking with other media organizations at conferences, community events, public workshops, hearings, and townhall meeting, etc.

- Supervising the media office and its staff members.

### **Minimum Requirements**

**EXPERIENCE:** Five years of progressively responsible experience in legislative analysis and advocacy; OR five years of other relevant experience that would demonstrate possession of the requisite knowledge, skills, and abilities needed to plan, develop, and supervise a community outreach and engagement program, environmental justice and workforce training, grants and contract management, legislative affairs and local government and stakeholder relations program.

For Communications/Media Office: five or more years of progressive, responsible experience in communications and/or media relations or other relevant experience that would demonstrate possession of the knowledge, skills and abilities needed to plan, develop and supervise a communications program.

**EDUCATION:** Graduation from an accredited college or university with a bachelor's degree in political science, public affairs/relations, communications, journalism, public or business administration, urban or environmental planning, engineering or other scientific field or a related fields.

**SUBSTITUTION:** A related master's degree from an accredited college or university may substitute for up to one year of the required experience.

**KNOWLEDGE OF:** Community based organizations, environmental justice and workforce training, coalition building, grants and contract management, State and federal legislative processes; successful techniques and strategies for effective advocacy on behalf of a governmental agency; air quality and other environmental issues confronting large metropolitan regions; the complex issues and special interests that exist in highly diverse communities; correct English grammar, spelling, punctuation, and vocabulary; methods of evaluating program objectives, goals and effectiveness; project management techniques; principles and practices of management, organization, and supervision; and professional report writing; techniques and methods to write, compose, edit and disseminate educational information, new releases, and promotional materials.

**ABILITY TO:** Develop and implement community outreach and engagement programs, administer and manage grants and contracts to comply with state and federal requirements and regulations, lead community-based projects, build coalitions with diverse stakeholders, and implement community-based projects and programs. Analyze and evaluate complicated technical, legal and regulatory issues; develop, in support of South Coast AQMD goals and objectives, sound and practical recommendations with respect to legislation and various organizational issues; communicate complex information accurately, clearly, succinctly, and persuasively, orally and in writing, to a variety of audiences; develop effective advocacy strategies for agency programs; effectively plan, direct, organize, and supervise the work of staff to accomplish agency goals and objectives; handle multiple special project assignments to assure efficient and effective coordination of day-to-day public affairs operations; establish and maintain effective relations with all those contacted in the course of work, including elected officials, community and civic groups, public agencies, private organizations, and South Coast AQMD staff.

**In Communications/Media Office:**

Training and experience which demonstrates the knowledge, and abilities to plan, develop, and supervise media liaison, public affairs and social media programs; knowledge of methods used to evaluate program objectives and goals; principles of management, organization, and supervision; techniques and methods to write, compose, edit, and disseminate educational information, news releases, social media and promotional materials including developing and implementing strategies for successful media campaigns.

Ability to plan, organize, and supervise the work of professional, technical, and clerical staff engaged in the development, preparation, and dissemination of public information; establish and maintain effective relations with community and civic groups, public agencies, news media, and private organizations; coordinate, develop, and edit a variety of written materials for dissemination; speak effectively before large groups.

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BOARD MEETING DATE: January 10, 2025

AGENDA NO. 14

**PROPOSAL:** Execute Contract for Biennial Audit of Motor Vehicle Registration Revenues for FYs 2021-22 and 2022-23

**SYNOPSIS:** Health and Safety Code Section 44244.1 requires any agency receiving fee revenues pursuant to Section 44243 or 44244 to be subject to an audit of each program or project funded at least once every two years. On September 6, 2024, the Board approved the release of an RFP to select an auditor to perform the biennial audit for FYs 2021-22 and 2022-23. This action is to award a contract to Simpson & Simpson, Certified Public Accountants.

**COMMITTEE:** Administrative, December 13, 2024; Recommended for Approval

**RECOMMENDED ACTION:**

Authorize the Chair to execute a contract with Simpson & Simpson, Certified Public Accountants for performance of the biennial audit of Motor Vehicle Registration revenues for FYs 2021-22 and 2022-23 at a total cost not to exceed \$148,210. Sufficient funding is included in FY 2024-25 General Fund budget.

Wayne Nastri  
Executive Officer

SJ:JK:KS

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**Background**

AB 2766, chaptered into law as Health and Safety Code Sections 44220-44247, was enacted to authorize air pollution control districts to impose fees on motor vehicles. Fees are expended on mobile source air pollution reduction measures pursuant to the California Clean Air Act of 1988 or South Coast AQMD AQMP pursuant to Article 5 of Chapter 5.5 of Part 3 of the California Health and Safety Code. Health and Safety Code Section 44244.1(a) states, “any agency receiving fee revenues pursuant to Section 44243 or 44244 shall, at least once every two years, be subject to an audit of each program or project funded. The audit is to be conducted by an independent auditor selected by South Coast AQMD in accordance with Division 2 (commencing with



Section 1100) of the Public Contract Code.” Audit program guidelines for local government recipients of fee revenues under Health and Safety Code Sections 44220-44247 were prepared by South Coast AQMD with input from the Technical Advisory Committee Audit Subcommittee of the Interagency AQMP Implementation Committee (IAIC), representatives of the Finance Committee of the League of California Cities, and Certified Public Accounting (CPA) firms whose clients include local governments. These audit guidelines were approved by the IAIC and MSRC. The Board approved the audit guidelines on December 4, 1992, and approved revisions on January 13, 1995 and August 1, 2003. This is the fifteenth biennial audit of these fee revenues and covers FYs 2021-22 and 2022-23.

### **Proposal**

On September 6, 2024, the Board approved an RFP to conduct the biennial audit of recipients of AB 2766 fee revenues. The audit will cover recipients in all three segments of the AB 2766 fee distribution to determine whether the fee revenues collected in FYs 2021-22 and 2022-23 were spent on the reduction of pollution from motor vehicles. The primary purpose of the audit is to set forth an opinion regarding the propriety of the expenditures incurred, not the degree of efficacy in reducing air pollution.

### **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 Sun, and Riverside County Press Enterprise newspapers to leverage the most cost-effective method of outreach to South Coast Basin.

Additionally, potential bidders were notified utilizing South Coast AQMD’s own electronic listing of certified minority vendors. Notice of the RFP was e-mailed 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>) where it could be viewed by making the selection “Grants & Bids.”

### **Bid Evaluation**

South Coast AQMD received two proposals from CPA firms that are qualified to perform audits in the State of California. All the proposals were received by the 2:00 p.m., November 7, 2024, deadline and were evaluated by a technically qualified panel in accordance with criteria contained in the RFP.

### **Panel Composition**

The panel convened to evaluate the proposals consisted of two Local Government Finance Managers, a South Coast AQMD Financial Services Manager and a South Coast AQMD Financial Analyst.

Both proposals received were rated technically qualified to perform the audit of the AB 2766 program and were scored for cost. The evaluation results for the two proposals are:

| <b>Bidder</b>                                   | <b>Technical Score</b> | <b>Bid Amount</b> | <b>Cost</b> | <b>Small/ Local Business</b> | <b>Total Points</b> | <b>Overall Rank</b> |
|---|------------------------|-------------------|-------------|------------------------------|---------------------|---------------------|
| Simpson & Simpson, Certified Public Accountants | 68.3                   | \$148,210         | 29.3        | 15                           | 112.6               | 1 <sup>st</sup>     |
| BCA Watson Rice, LLP                            | 66.3                   | \$144,960         | 30          | 15                           | 1<br>11.3           | 2 <sup>nd</sup>     |

The selection criteria used to rank the proposals included responsiveness to the RFP; technical expertise; qualifications and experience; past performance; cost; and small business/small business joint venture/disabled veteran business enterprise/disabled veteran business enterprise joint venture/ disabled veteran business enterprise/small business subcontractors/local business designation (non-EPA). Based on the panel’s assessment of the criteria, Simpson & Simpson, Certified Public Accountants was selected to be recommended to the Board.

**Resource Impacts:**

The maximum audit cost is \$148,210. The total audit costs will be borne by the entities being audited as follows:

- The cost of the audit of South Coast AQMD's portion of motor vehicle registration revenues is \$3,950. Sufficient funds are included in the FY 2024-25 Budget;
- The cost of the audit of ten projects of the Mobile Source Air Pollution Reduction Trust Fund is \$8,500 and shall be deducted from the FY 2024-25 revenues subvended to the Mobile Source Air Pollution Reduction Review Committee; and
- The total cost of 56 financial audits and 66 compliance audits of local governments is up to a maximum of \$135,760. This cost will be borne by the entities being audited in the manner set forth in the audit program guidelines and will be deducted from quarterly fee revenues prior to distribution.

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BOARD MEETING DATE: January 10, 2025

AGENDA NO. 15

REPORT: Legislative, Public Affairs and Media Report

SYNOPSIS: This report highlights the November 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, Small Business Assistance, Media Relations, and Outreach to Community Groups and Federal, State and Local Governments.

COMMITTEE: No Committee Review

RECOMMENDED ACTION:  
Receive and file.

Wayne Nastri  
Executive Officer

LTO:PFC:DS:bel

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### **Background**

This report summarizes the activities of the Legislative, Public Affairs and Media Office for November. The report includes Major Events, Community Events/Public Meetings, Environmental Justice (EJ) Update, Speakers Bureau/Visitor Services, Communications Center, Public Information Center, Small Business Assistance, Media Relations, and Outreach to Community Groups and Governments.

### **Major Events (Hosted and Sponsored)**

Each year, staff engage in hosting and sponsoring several major events throughout South Coast AQMD's four-county jurisdiction to promote, educate, and provide important information to the public regarding reducing air pollution, protecting public health, and improving air quality while minimizing economic impacts.

### Working with Communities

On November 2, South Coast AQMD's Working with Communities Program partnered with Habitat for Humanity of Greater Los Angeles to help build eight homes in the AB 617 Southeast Los Angeles community.

### **Community Events/Public Meetings**

Staff engaged with residents and stakeholders of diverse communities to provide information about the agency, incentive programs, and ways individuals can help reduce air pollution through events and meetings sponsored by South Coast AQMD or in partnership with others. Attendees typically receive information regarding the following:

- Tips on reducing their exposure to smog and its negative health effects;
- How to file a complaint;
- Clean air technologies and their deployment;
- Invitations to or notices of conferences, seminars, workshops, and other public events;
- South Coast AQMD incentive programs;
- Funding/grant opportunities by South Coast AQMD and partner agencies;
- Ways to participate in South Coast AQMD's rules and policy development; and
- Assistance in resolving air pollution-related problems.

*Staff attended and/or provided information and updates at the following November events and meetings:*

### Lake Arrowhead Communities Chamber of Commerce

On November 5, staff attended the Lake Arrowhead Communities Chamber of Commerce Government Affairs Committee meeting to provide information regarding the Check Before You Burn (CBYB) program.

### San Gabriel Valley Council of Governments

On November 6, staff participated in the San Gabriel Valley Council of Governments Transportation Committee meeting to share the latest Advisor newsletter and information regarding U.S. EPA's Clean School Bus Rebates program.

### Greater Riverside Chambers of Commerce

On November 8, staff took part in a Greater Riverside Chambers of Commerce Governmental Affairs Committee meeting to share information regarding the Replace Your Ride (RYR) program.

South Pasadena Chamber of Commerce

On November 11, staff participated in the South Pasadena Chamber of Commerce Legislative Affairs Committee meeting to share information regarding the CBYB program and the latest Advisor newsletter.

Casa Blanca Community Action Group

On November 13, staff attended the Casa Blanca Community Action Group meeting to provide information regarding RYR and Residential Electric Lawn & Garden Equipment Rebate program.

Inland Empire Fire Safe Alliance

On November 13, staff participated in the Inland Empire Fire Safe Alliance meeting to share information regarding CBYB and thanked the Mountain Rim Fire Safe Alliance for their assistance in distributing KN95 masks provided by South Coast AQMD during the fires in September.

Manhattan Beach Chamber of Commerce

On November 13, staff attended the Manhattan Beach Chamber of Commerce Government Affairs Committee meeting to share information regarding CBYB.

Fountain Valley Chamber of Commerce

On November 14, staff took part in the Fountain Valley Chamber of Commerce Government Affairs Committee meeting to announce the appointment of Orange County Supervisor Donald P. Wagner to the Governing Board and shared the latest Advisor newsletter.

Upland Chamber of Commerce

On November 14, staff participated in the Upland Chamber of Commerce Government Affairs Committee meeting to share information regarding RYR and CBYB.

Orange County Business Council

On November 15, staff participated in the Orange County Business Council Government Affairs Committee meeting to announce the appointment of Orange County Supervisor Donald P. Wagner to the Governing Board.

Harbor Association of Industry and Commerce

On November 21, staff attended the Harbor Association of Industry and Commerce Government Affairs Committee meeting to provide updates regarding the Volkswagen Environmental Mitigation Trust funding opportunities.

## **Environmental Justice Update**

The following are key EJ-related activities in which staff participated during November. These events and meetings involve communities affected disproportionately by adverse air quality impacts.

### California Climate Action Team

On November 7, staff attended the California Climate Action Team Public Health Workgroup meeting. An overview of the Fifth Climate Change Assessment and Public Health Report was presented, highlighting how these resources can support local, regional, tribal, and statewide planning to avoid health impacts associated with climate change.

### Pacoima Community Initiative

On November 8, staff participated in Pacoima Community Initiative's monthly meeting to share information regarding the South Coast AQMD's Clean Air Program for Elementary Students and Why Healthy Air Matters programs and how to report air quality issues.

### South Coast AQMD's EJ Advisory Group

On November 14, South Coast AQMD hosted the fourth quarterly EJ Advisory Group meeting. Presentations included an update on Assembly Bill 98 (J. Carrillo), which focuses on planning and zoning related to logistics use and trucks routes, as well as an update on South Coast AQMD Rule 1135: Emissions of Oxides of Nitrogen from Electricity Generating Facilities.

### U.S. EPA's National Environmental Justice Community Engagement Meeting

On November 19, staff participated in U.S. EPA's National Environmental Justice Community Engagement meeting. Agenda items included a presentation by the U.S. EPA's External Civil Rights Office and updates on Inflation Reduction Act grant programs.

## **Speakers Bureau/Visitor Services**

South Coast AQMD regularly receives requests for staff to speak on air quality-related issues from a wide variety of organizations, such as trade associations, chambers of commerce, community-based groups, schools, hospitals, and health-based organizations. South Coast AQMD also hosts visitors from around the world who meet with staff on a wide range of air quality issues.

### San Bernardino County Commuter Services

On November 19, staff attended San Bernardino County's Commuter Services monthly "Transit Tuesday" webinar to present an overview on South Coast AQMD's incentive programs.

### Communication Center Statistics

The Communication Center handles calls on South Coast AQMD's main line, 1-800-CUT-SMOG®, the Spanish line, and after-hours calls to those lines. Total calls received in the month of November are summarized below:

|   |       |
|---|-------|
| Calls to South Coast AQMD's Main Line and 1-800-CUT-SMOG® | 2,104 |
| Calls to South Coast AQMD's Spanish Line                  | 5     |
| Clean Air Connections                                     | 37    |
| Total Calls   | 2,146 |

### Public Information Center Statistics

The Public Information Center (PIC) handles phone calls and assists individuals who walk in for general information. Email advisories provide information on upcoming meetings and events, program announcements and alerts on time-sensitive issues. Information for the month of November is summarized below:

|                           |        |
|---------------------------|--------|
| Calls Received by PIC     | 45     |
| Calls to Automated System | 215    |
| Total Calls               | 260    |
| Visitor Transactions      | 74     |
| Email Advisories Sent     | 16,479 |

### Small Business Assistance

South Coast AQMD notifies local businesses of proposed regulations so they can participate in the agency's rule development process. South Coast AQMD works with other agencies and governments to identify efficient, cost-effective ways to reduce air pollution and shares that information broadly. Staff provided personalized assistance to small businesses over the telephone, at South Coast AQMD headquarters and via virtual on-site consultation, as summarized below for November.

- Provided permit application assistance to 145 companies; and
- Processed 81 Air Quality Permit Checklists.

Types of businesses assisted:

|                    |                          |            |
|--------------------|--------------------------|------------|
| Architecture Firms | Gas Stations             | Schools    |
| Auto Body Shops    | Manufacturing Facilities | Warehouses |
| Construction Firms | Offices                  |            |
| Dry Cleaners       | Restaurants              |            |
| Engineering Firms  | Retail Facilities        |            |

## Media Relations

The Media Office handles all South Coast AQMD outreach and communications with television, radio, newspapers and all other publications, and media operations. The November report is listed below:

|                          |     |
|--------------------------|-----|
| Major Media Interactions | 155 |
| Press Releases           | 16  |
| News Carousel            | 2   |

### Major Media Topics:

- **Air Quality:** Staff participated in an interview with CBS News and USC Annenberg Media regarding air quality due to severe winds and fire smoke. Staff also participated in an interview with NBC to discuss the air quality and safety precautions particularly in San Bernardino County.
- **Annual Emissions Reporting (AER):** LA Public Press had questions about the AER process and national/state air quality standards. Response was provided.
- **Ports:** KTLA requested information on our upcoming Public Working Group meeting on Port Charging and Fueling Infrastructure. Response was provided.
- **Caltrans Environmental Impact Report Project:** LA Times inquired about our agency's concerns over a potential traffic plan for the Vincent Thomas Bridge project near Wilmington. Response was provided.
- **Ecobat:** Public Health Watch had follow-up questions on Ecobat violations and inspections. Response was provided.
- **Wildfires:** University of Illinois journalism graduate student requested a statement and data regarding health effects from wildfires. Response was provided.
- **Warehouse Indirect Source Rule (ISR):** Inside EPA inquired about enforcement actions against warehouses and whether the actions are mostly tied to the ISR. Response was provided.
- **Hydrogen Sulfide:** Voice of San Diego requested an interview and resources on hydrogen sulfide guidelines to help evaluate SDAPCD's newly released guidelines. Reporter was referred to CARB for information on the state standard.
- **Chiquita Canyon Landfill (CCL):** Spectrum News asked for the effective date of the revised Hearing Board Order for CCL. Reporter also requested the last name of one of our legal staff members for a story. Responses were provided. KNX News requested information about the CCL modified Order of Abatement. Response was provided.
- **Ports ISR:** LA Times requested the latest update on the Ports ISR, federal emissions reductions and threat of Clean Air Act sanctions for ozone noncompliance. Response was provided. City News Service asked if we are developing a Zero-Emission Infrastructure Plan for ports. Response was provided.



- **Monitoring Efforts:** LA Public Press inquired about potential Trump administration impacts on monitoring efforts and Clean Air Act requirements. Response was provided.
- **Hyperion:** LA Times had follow-up questions on their Hyperion inquiry from September. Response was provided.
- **Air Pollution:** Cal State Northridge journalism student requested information regarding air pollution health effects and mitigation strategies. Response was provided.
- **Zero-Emission Water Heaters (Rule 1146.2):** Automation World inquired about additional resources on Rule 1146.2 and incentive programs for industrial operators and the benefits of electrification. Response was provided.
- **Methyl Bromide:** Long Beach Post requested information regarding the discovery of elevated levels of methyl bromide in West Long Beach. Response was provided.
- **Colorado Lagoon:** Long Beach Post/Long Beach Business Journal requested a comment on the Colorado Lagoon channel project in Long Beach and our confirmation on two complaint case numbers. Working on a response.
- **CCL Press Release:** Pitched to media outlets resulting in media coverage.
- **CBYB Press Release:** Pitched to media outlets resulting in media coverage.
- **New Board Member Press Release:** Pitched to media outlets.
- **No-Burn Day Advisory:** Pitched to media outlets resulting in media coverage.
- **Smoke Advisory:** Pitched to media outlets resulting in media coverage.
- **Windblown Dust Advisory:** Pitched to media outlets resulting in media coverage.

#### News Releases:

- **Check Before You Burn Pollution Prevention Program Begins November 1 – October 30, 2024 (English and Spanish)** - Informed the public of the start of the 13<sup>th</sup> Annual Check Before You Burn Season.
- **Orange County Supervisor Don Wagner Joins South Coast AQMD Governing Board – November 1, 2024 (English and Spanish)** - Informed the public of the newly appointed Board Member.
- **South Coast AQMD Issues and Expands Windblown Dust Advisories Due to High Winds – November 3, 5 & 6, 2024 (English and Spanish)** - Informed the public of PM10 Windblown Dust Advisories issued due to high winds.
- **No-Burn Alert: Mandatory Wood-Burning Ban in Effect for Residents of the South Coast Air Basin – November 7, 2024 (English and Spanish)** - Informed the public of a mandatory wood-burning ban due to predicted high air pollution.
- **South Coast AQMD Issues Smoke Advisory Due to the Mountain Fire – November 7, 2024 (English and Spanish)** - Informed the public of a smoke advisory due to a wildfire.
- **Chiquita Canyon Landfill (CCL) Required to Take Further Actions to Address Odors – November 14, 2024 (English and Spanish)** - Informed the public of an Order for Abatement issued to CCL, requiring additional measures to mitigate odors.

### News Carousel:

- **Get involved! Attend a working group meeting on Port Charging and Fueling Infrastructure on Fri., Nov. 15 (11/8)** – Linked to the Facility-Based Mobile Source Measures webpage.
- **Get funding for replacement or repower of combustion freight and marine, or Class 8 Freight and drayage truck projects (11/20)** – Linked to Volkswagen Mitigation Trust webpage.

### Social Media Posts:

- [Windblown Dust Advisory \(11/6\)](#): 14,990 Twitter Impressions
- --RT by @LAFDtalk, @michtrujillotv, @countyofLA, @NWSLosAngeles, @AirResources, @NWSSanDiego, @ReadyLA
- [Mountain Fire Smoke Advisory \(11/7\)](#): 6,591 Twitter Impressions
- --RT by @BelenNBCLA, @CodeRed001Blue, @NWSSanDiego
- [AQ Forecast \(11/17\)](#): 6,336 Twitter Impressions
- --RT by @KTLA, @CodeRed001Blue

### Outreach to Community Groups and Federal, State and Local Governments

Communication was conducted in November with elected officials and/or staff from the following state and federal offices:

- U.S. Senator Laphonza Butler
- U.S. Senator Alex Padilla
- U.S. Representative Pete Aguilar
- U.S. Representative Nanette Barragán
- U.S. Representative Ken Calvert
- U.S. Representative Tony Cárdenas
- U.S. Representative Judy Chu
- U.S. Representative Lou Correa
- U.S. Representative Robert Garcia
- U.S. Representative Jimmy Gomez
- U.S. Representative Kamlager-Dove
- U.S. Representative Young Kim
- U.S. Representative Mike Levin
- U.S. Representative Ted Lieu
- U.S. Representative Grace Napolitano
- U.S. Representative Jay Obernolte
- U.S. Representative Katie Porter
- U.S. Representative Raul Ruiz
- U.S. Representative Linda Sanchez
- U.S. Representative Adam Schiff
- U.S. Representative Brad Sherman
- U.S. Representative Michelle Steel
- U.S. Representative Mark Takano
- U.S. Representative Norma Torres
- U.S. Representative Maxine Waters
- Senator Catherine Blakespear
- Senator Steven Bradford
- Senator Rosilicie Ochoa Bogh
- Senator Richard Roth
- Senator Kelly Seyarto
- Assemblymember Sabrina Cervantes
- Assemblymember Laurie Davies
- Assemblymember Diane Dixon
- Assemblymember Bill Essayli
- Assemblymember Mike Gipson
- Assemblymember Chris Holden
- Assemblymember Tom Lackey
- Assemblymember Cottie Petrie-Norris
- Assemblymember Freddie Rodriguez
- Assemblymember Pilar Schiavo
- Assemblymember Tri Ta

Outreach was conducted personally and virtually in November to communicate with elected officials or staff from the following cities:

|                  |                      |                        |
|------------------|----------------------|------------------------|
| Agoura Hills     | El Monte             | Manhattan Beach        |
| Aliso Viejo      | El Segundo           | Maywood                |
| Anaheim          | Fountain Valley      | Menifee                |
| Arcadia          | Fullerton            | Mission Viejo          |
| Artesia          | Garden Grove         | Monrovia               |
| Azusa            | Gardena              | Montclair              |
| Baldwin Park     | Glendale             | Montebello             |
| Banning          | Hawaiian Gardens     | Monterey Park          |
| Beaumont         | Hawthorne            | Moreno Valley          |
| Bell             | Hemet                | Murrieta               |
| Bell Gardens     | Hermosa Beach        | Newport Beach          |
| Bellflower       | Hidden Hills         | Norco                  |
| Beverly Hills    | Huntington Beach     | Norwalk                |
| Bradbury         | Huntington Park      | Orange                 |
| Brea             | Inglewood            | Palm Springs           |
| Buena Park       | Irvine               | Palos Verdes Estates   |
| Burbank          | Irwindale            | Paramount              |
| Calabasas        | Jurupa Valley        | Pasadena               |
| Calimesa         | La Cañada Flintridge | Perris                 |
| Canyon Lake      | La Habra             | Pico Rivera            |
| Carson           | La Habra Heights     | Placentia              |
| Cerritos         | La Mirada            | Pomona                 |
| Chino            | La Palma             | Rancho Palos Verdes    |
| Chino Hills      | La Puente            | Rancho Santa Margarita |
| City of Industry | La Verne             | Redondo Beach          |
| Claremont        | Laguna Beach         | Riverside              |
| Colton           | Laguna Hills         | Rolling Hills          |
| Commerce         | Laguna Niguel        | Rolling Hills Estates  |
| Compton          | Laguna Woods         | Rosemead               |
| Corona           | Lake Elsinore        | San Clemente           |
| Costa Mesa       | Lake Forest          | San Dimas              |
| Covina           | Lakewood             | San Fernando           |
| Cudahy           | Lawndale             | San Gabriel            |
| Culver City      | Loma Linda           | San Jacinto            |
| Cypress          | Lomita               | San Juan Capistrano    |
| Dana Point       | Long Beach           | San Marino             |
| Diamond Bar      | Los Alamitos         | Santa Ana              |
| Downey           | Los Angeles          | Santa Clarita          |
| Duarte           | Lynwood              | Santa Fe Springs       |
| Eastvale         | Malibu               | Santa Monica           |

Seal Beach  
Sierra Madre  
Signal Hill  
South El Monte  
South Gate  
South Pasadena  
Stanton  
Temecula

Temple City  
Torrance  
Tustin  
Vernon  
Villa Park  
Walnut  
West Covina  
West Hollywood

Westlake Village  
Westminster  
Whittier  
Wildomar  
Yorba Linda

Staff represented South Coast AQMD in November and/or provided updates or a presentation to the following governmental agencies and business organizations:

Association of California Cities, Orange County  
Bear Valley Electric Service, Inc.  
California Department of Forestry and Fire Protection  
California Department of Toxic Substances Control  
California Hydrogen Business Council  
Carson Chamber of Commerce  
Coachella Valley Association of Governments  
Coachella Valley Economic Partnership  
Corona Chamber of Commerce  
Fountain Valley Chamber of Commerce  
Gardena Valley Chamber of Commerce  
Gateway Cities Council of Governments  
Greater Irvine Chamber of Commerce  
Greater Riverside Chambers of Commerce  
Harbor Association of Industry and Commerce  
Hermosa Beach Chamber of Commerce and Visitors Bureau  
Imperial Irrigation District  
Inglewood Airport Area Chamber of Commerce  
Inland Empire Regional Chamber of Commerce  
Inland Empire Resource Conservation District  
Inland Empire Utilities Agency  
Inland Regional Energy Network  
Lake Arrowhead Communities Chamber of Commerce  
League of California Cities, Riverside County Division  
Lomita Chamber of Commerce  
Long Beach Area Chamber of Commerce  
Los Angeles Area Chamber of Commerce  
Manhattan Beach Chamber of Commerce  
Metro Gold Line Foothill Extension Construction Authority  
Metrolink

Metropolitan Water District of Southern California  
Monday Morning Group, Riverside  
Moreno Valley Chamber of Commerce  
Mountain Transit  
Omnitrans  
Orange County Business Council  
Orange County Transportation Authority  
Palos Verdes Peninsula Chamber of Commerce  
Port of Long Beach  
Port of Los Angeles  
Redondo Beach Chamber of Commerce  
Southern California Association of Governments (SCAG)  
San Bernardino Area Chamber of Commerce  
San Bernardino County Fire Protection District  
San Bernardino County Transportation Authority  
San Bernardino Valley Municipal Water District  
San Gabriel Valley Council of Governments  
San Pedro Chamber of Commerce  
Santa Fe Springs Chamber of Commerce  
South Bay Association of Chambers of Commerce  
South Pasadena Chamber of Commerce  
Torrance Area Chamber of Commerce  
Upland Chamber of Commerce  
Valley Industry and Commerce Association  
Western Riverside Council of Governments

In November, staff represented South Coast AQMD and/or provided updates or a presentation to the following community and educational groups and organizations:

Bellflower Unified School District  
Downey Unified School District  
CALSTART  
Foundation for California Community Colleges  
HOPE Collaborative  
Inland Action  
Inland Empire Fire Safe Alliance  
Long Beach Unified School District  
Los Angeles Unified School District  
Montebello Unified School District  
Mountain Rim Fire Safe Council  
Norwalk-La Mirada Unified School District  
Reach Out, Jurupa Valley  
Rim of the World Unified School District

San Bernardino Valley College  
University of California, Irvine  
University of California, Riverside  
Upland Unified School District

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BOARD MEETING DATE: January 10, 2025

AGENDA NO. 16

REPORT: Hearing Board Report

SYNOPSIS: This reports the actions taken by the Hearing Board during the period of November 1 through November 30, 2024.

COMMITTEE: No Committee Review

RECOMMENDED ACTION:  
Receive and file.

Micah Ali  
Hearing Board Chair

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Attached are the following summaries: **November 2024 Hearing Board Cases, and Rules From Which Variances and Orders for Abatement Were Requested from November 1, 2024 through November 30, 2024.** The applicable South Coast AQMD Rules for 2024 are also attached.

There were no appeals filed during the period of November 1, 2024 to November 30, 2024.

### Report of November 2024 Hearing Board Cases

| Case Name and Case No.<br>(South Coast AQMD Attorney)                              | Rules   | Reason for<br>Petition/Hearing  | South Coast AQMD<br>Position/Hearing Board<br>Action | Type and Length of<br>Variance or Order  | Excess Emissions |
|--|---|---|--|--|------------------|
| 1. Beta Offshore Operating,<br>LLC<br>Case No. 5855-7<br>(Consent Calendar)        | 203(b)<br>1100(d)(1)(B)<br>1110.2(d),<br>1110.2(e)(2),<br>1110.2(e)(4),<br>1110.2(e)(10),<br>1110.2(f)(1)(C)<br>1110.2(F)(1)(D)<br>1134(d)(3),<br>1134(e)(2)<br>1134(e)(3),<br>2004(f)(1)<br>2012<br>3002(c)(1) | Petitioner's request<br>for a modification to<br>conditions and<br>extension of the final<br>compliance date for a<br>regular variance was<br>heard on the Hearing<br>Board's Consent<br>Calendar on 11/7/24. | Not Opposed/Granted                                  | MFCD/EXT granted<br>commencing 11/7/24 and<br>continuing through 3/24/25.                              | TBD              |
| 2. Beverly Hills Unified School<br>District<br>Case No. 6263-1<br>(Nicholas Dwyer) | 1466  | California Dept. of<br>Toxic Substances<br>Control required<br>contaminated soil at<br>BHHS be addressed.<br>Arsenic, cadmium<br>and lead was<br>detected.  | Opposed/No Action Taken                              | The hearing was continued;<br>however was later taken off<br>calendar at the request of<br>Petitioner. | None             |



| Case Name and Case No.<br>(South Coast AQMD Attorney)                                   | Rules                | Reason for<br>Petition/Hearing  | South Coast AQMD<br>Position/Hearing Board<br>Action | Type and Length of<br>Variance or Order                         | Excess Emissions   |
|---|----------------------|---|--|---|--|
| 3. Los Angeles County<br>Sanitation Districts<br>Case No. 3715-22<br>(Consent Calendar) | 203(b)<br>3002(c)    | Petitioner will be in violation of District Rules when it takes the continuous emission monitoring system (CEMS) serving the three combustion turbines at the Facility off-line while continuing to operate any of the combustion turbines.   | Not Opposed/Granted                                  | SV granted commencing 11/15/24 and continuing through 11/25/24. |  |
| 4. Medline Industries<br>Case No. 6265-1<br>(Consent Calendar)                          | 203(b)<br>3002(c)(1) | Main electrical switch board continues to be in disrepair and its building without power. Through multiple efforts and costs to expediate the materials, Petitioner has significantly reduced the lead time to replace the electrical switchboard from 30 plus weeks to approximately 10 weeks. | Not Opposed/Granted                                  | RV granted commencing 11/7/24 and continuing through 12/31/24.  | CO: 47.98 lbs/day<br>NOx: 165.31 lbs/day<br>PM: 2.70 lbs/day |

| Case Name and Case No.<br>(South Coast AQMD Attorney)             | Rules  | Reason for<br>Petition/Hearing   | South Coast AQMD<br>Position/Hearing Board<br>Action | Type and Length of<br>Variance or Order                         | Excess Emissions   |
|---|--------|--|--|---|--|
| 5. New Cingular Wireless<br>Case No. 5991-2<br>(Consent Calendar) | 203(b) | Due to an act of criminal mischief (vandalism) the electrical switchgear that serves the AT&T Mobility facility was damaged which severed the site from utility power. With the loss of power, the emergency generator was activated to ensure that the facility could continue providing uninterrupted vital telecommunications services, including Emergency 911 support, during the outage. | Not Opposed/Granted                                  | SV granted commencing 11/20/24 and continuing through 12/31/24. | NOx: .227 lb/day<br>VOC: .045 lb/day<br>CO: 2.273 lbs/day<br>PM10: .973 lb/day<br>SOx: 0.68 lb/day |

| Case Name and Case No.<br>(South Coast AQMD Attorney)   | Rules   | Reason for<br>Petition/Hearing  | South Coast AQMD<br>Position/Hearing Board<br>Action | Type and Length of<br>Variance or Order  | Excess Emissions  |
|---|---|---|--|--|---|
| 6. Snow Summit<br>Case No. 4657-3<br>(Consent Calendar)                                       | 203(b)<br>1100(d)(9)(A)<br>1100(d)(9)(B)<br>1110.2(d)(1)(B)(vi)<br>1110.2(e)(9)<br>2004(f)(1)<br>3002(c)(1) | Petitioner will be in violation of District Rules, which limits annual operating time for the six engines to 500 hours. Petitioner anticipates exceeding the 500-hour limit between the time of the hearing and December 31, 2024, when the limit resets. | Not Opposed/Granted                                  | SV granted commencing 11/20/24 and continuing through 12/31/24.  | CO: 72.1 lbs/day<br>NOx: 144.9 lbs/day<br>PM: 1.6 lbs/day<br>ROG: 13.7 lbs/day<br>SOx: 0.8 lb/day |
| 7. South Coast AQMD vs. Chiquita Canyon, LLC<br>Case No. 6177-4<br>(R. Mansell & M. Reichert) | 203(b)<br>402<br>431.1(c)(2)<br>1150(b)(2)<br>3002(c)(1)<br>HSC §41700                                      | Modified Stipulated Order to mitigate conditions that could contribute to potential odors and potential nuisance(s)   | Stipulated/Modified                                  | Status Report given, Mod. O/A issued commencing 11/13/24. The Hearing Board shall continue to retain jurisdiction over this matter until 12/31/25. | N/A   |
| 8. South Coast AQMD vs. Flexfirm Holdings<br>Case No. 6239-1<br>(J. Lee & S. Hanizavareh)     | 203(b)<br>402<br>1128<br>1147<br>HSC §41700   | Modified Stipulated Order to mitigate conditions that could contribute to potential odors and potential nuisance(s)   | Stipulated/Modified                                  | Mod. O/A issued commencing 11/6/24. The Hearing Board shall retain jurisdiction over this matter until 12/30/25.                                   | N/A   |

| Case Name and Case No.<br>(South Coast AQMD Attorney)  | Rules             | Reason for<br>Petition/Hearing  | South Coast AQMD<br>Position/Hearing Board<br>Action | Type and Length of<br>Variance or Order   | Excess Emissions |
|--|-------------------|---|--|---|------------------|
| 9. South Coast AQMD vs. Los Angeles City Sanitation Bureau, Hyperion Water Reclamation Plant Case No. 1212-40 (E. Chavez)  | 402<br>HSC §41700 | Modified Stipulated Order to mitigate conditions that could contribute to potential odors and potential nuisance(s) | Stipulated/Modified                                  | Status Report given; Mod. O/A extended through August 4, 2025.  | N/A              |
| 10. South Coast AQMD vs. Southern California Edison – Pebbly Beach Generating Station Case No. 1262-115 (Consent Calendar) | 1470(c)(4)(A)     | Modified Stipulated Order to mitigate conditions that could contribute to potential odors and potential nuisance(s) | Stipulated/Issued                                    | Mod. O/A issued commencing 11/20/24. The Hearing Board shall retain jurisdiction over this matter until 3/31/26, unless terminated earlier. | N/A              |

**Acronyms**

CO: Carbon Monoxide  
HSC: Health & Safety Code  
MFCD/Ext: Modification of a Final Compliance Date and Extension of a Variance  
Mod. O/A: Modification Order for Abatement  
N/A: Not Applicable  
NOx: Oxides of Nitrogen  
OA: Order for Abatement  
PM: Particulate Matter  
ROG: Reactive Organic Gas  
RV: Regular Variance  
SOx: Oxides of Sulfur  
TBD: To Be Determined  
VOC: Volatile Organic Compound

**Rules from which Variances and Orders for Abatement were Requested in 2024**

| Rules           | Jan | Feb | Mar | April | May | June | July | Aug | Sept | Oct | Nov | Dec | Total Actions |
|-----------------|-----|-----|-----|-------|-----|------|------|-----|------|-----|-----|-----|---------------|
| 201             |     |     |     |       |     |      |      |     |      | 1   |     |     | 1             |
| 202(a)          |     |     |     |       |     |      |      |     |      | 1   |     |     | 1             |
| 202(b)          |     |     |     |       | 1   |      |      |     |      |     |     |     | 1             |
| 203(b)          | 7   | 8   | 8   | 6     | 5   | 2    | 6    | 7   | 10   | 11  | 7   |     | 77            |
| 204             |     |     |     |       | 1   |      |      |     |      | 6   |     |     | 7             |
| 218(b)          |     |     |     |       |     |      |      |     |      | 1   |     |     | 1             |
| 218(b)(2)       |     |     |     |       |     | 1    |      |     |      |     |     |     | 1             |
| 218.1(b)(4)(c)  |     |     |     |       |     | 1    |      |     |      |     |     |     | 1             |
| 401(b)(1)       |     |     |     |       |     |      |      | 1   |      |     |     |     | 1             |
| 402             | 2   |     | 1   | 1     | 1   |      | 1    |     | 1    |     | 3   |     | 10            |
| 415(f)          |     |     |     |       |     |      | 1    |     |      |     |     |     | 1             |
| 415(g)          |     |     |     |       |     |      | 1    |     |      |     |     |     | 1             |
| 431.1(c)(2)     | 1   | 1   |     | 1     |     |      |      |     |      |     | 1   |     | 4             |
| 463(c)          |     |     |     |       | 1   |      |      |     |      |     |     |     | 1             |
| 464(b)(1)(A)    |     |     |     | 1     |     |      |      |     |      |     |     |     | 1             |
| 464(b)(2)       |     |     |     | 1     |     |      |      |     |      |     |     |     | 1             |
| 464(b)(3)       |     |     |     | 1     |     |      |      |     |      |     |     |     | 1             |
| 1100(d)(1)(B)   |     |     |     |       |     |      | 1    |     |      |     | 1   |     | 2             |
| 1105.1(e)(2)(A) | 1   | 1   | 1   |       |     |      |      |     |      |     |     |     | 3             |
| 1105.1(e)(2)(E) | 1   | 1   |     |       |     |      |      |     |      |     |     |     | 2             |
| 1110.2(d)       |     |     |     |       |     |      | 1    |     |      |     | 1   |     | 2             |
| 1110.2(e)(2)    |     |     |     |       |     |      | 1    |     |      |     | 1   |     | 2             |
| 1110.2(e)(4)    |     |     |     |       |     |      | 1    |     |      |     | 1   |     | 2             |
| 1110.2(e)(10)   |     |     |     |       |     |      | 1    |     |      |     | 1   |     | 2             |
| 1110.2(f)(1)(C) |     |     |     |       |     |      | 1    |     |      |     | 1   |     | 2             |
| 1110.2(F)(1)(D) |     |     |     |       |     |      | 1    |     |      |     | 1   |     | 2             |
| 1124(c)(1)      |     | 1   |     |       |     |      |      |     |      |     |     |     | 1             |
| 1124(c)(4)      |     | 1   |     |       |     |      |      |     |      |     |     |     | 1             |
| 1128            |     |     |     |       | 1   |      |      |     |      |     | 1   |     | 2             |
| 1134            |     |     |     |       |     |      |      |     |      | 1   |     |     | 1             |
| 1134(d)(3)      | 1   |     |     |       |     |      | 1    |     |      |     | 1   |     | 3             |
| 1134(e)(2)      |     |     |     |       |     |      | 1    |     |      |     | 1   |     | 2             |
| 1134(e)(3)      |     |     |     |       |     |      | 1    |     |      |     | 1   |     | 2             |

**Rules from which Variances and Orders for Abatement were Requested in 2024**

| Rules              | Jan | Feb | Mar | April | May | June | July | Aug | Sept | Oct | Nov | Dec | Total Actions |
|--------------------|-----|-----|-----|-------|-----|------|------|-----|------|-----|-----|-----|---------------|
| 1134(e)(2)(C)      | 1   |     |     |       |     |      |      |     |      |     |     |     | 1             |
| 1134(e)(2)(C)(iii) |     |     | 2   |       |     |      |      |     |      |     |     |     | 2             |
| 1146(c)(1)         |     | 1   |     |       |     |      |      |     |      |     |     |     | 1             |
| 1146(e)(1)         |     | 1   |     |       |     |      |      |     |      |     |     |     | 1             |
| 1147               |     |     |     |       | 1   |      | 1    |     |      |     | 1   |     | 3             |
| 1147(d)(1)(a)      |     |     |     |       |     |      | 1    | 1   |      |     |     |     | 2             |
| 1147(h)(13)(A)     |     |     |     | 1     | 1   |      |      |     |      |     |     |     | 2             |
| 1148.1(d)(8)       |     |     |     |       | 1   |      |      |     |      |     |     |     | 1             |
| 1150(b)(2)         |     |     | 1   | 1     |     |      |      |     |      |     | 1   |     | 3             |
| 1150.1(e)(2)(A)    |     |     | 1   |       |     |      |      |     |      |     |     |     | 1             |
| 1150.1(e)(2)(E)    |     |     | 1   |       |     |      |      |     |      |     |     |     | 1             |
| 1150.1(f)(2)(A)    | 1   |     |     |       |     |      |      |     |      |     |     |     | 1             |
| 1173(d)(1)(B)      |     |     |     |       | 1   |      |      |     |      |     |     |     | 1             |
| 1173(g)(1)         |     |     | 1   |       |     |      |      |     |      |     |     |     | 1             |
| 1176(e)(1)         |     |     |     | 1     |     |      |      |     |      |     |     |     | 1             |
| 1176(e)(2)         |     |     |     | 1     |     |      |      |     |      |     |     |     | 1             |
| 1196(d)            |     |     |     |       |     |      |      |     | 1    |     |     |     | 1             |
| 1196(d)(1)         |     |     |     |       |     | 1    |      | 2   |      |     |     |     | 3             |
| 1196(e)            |     |     |     |       |     |      |      |     | 1    |     |     |     | 1             |
| 1196(f)(8)(a)      |     |     |     |       |     |      |      | 1   |      |     |     |     | 1             |
| 1196(f)(10)        |     |     |     |       |     |      |      | 1   |      |     |     |     | 1             |
| 1303(a)(1)         |     |     |     |       | 1   |      |      |     |      |     |     |     | 1             |
| 1303(a)(2)         |     |     |     |       | 1   |      |      |     |      |     |     |     | 1             |
| 1420(f)(1)         |     |     |     |       | 1   |      | 2    |     |      |     |     |     | 3             |
| 1466               |     |     |     |       |     |      |      |     |      |     | 1   |     | 1             |
| 1470(c)(4)(A)      | 1   |     |     |       |     |      |      |     |      |     | 1   |     | 2             |
| 2004(f)(1)         | 5   | 5   | 4   | 3     | 3   | 2    | 3    | 1   | 1    | 5   | 2   |     | 34            |
| 2005               |     |     |     |       | 1   |      |      |     |      |     |     |     | 1             |
| 2012               |     |     |     |       |     |      | 1    |     |      |     | 1   |     | 2             |
| 2012(c)(3)(A)      |     |     |     |       | 1   |      |      |     |      |     |     |     | 1             |
| 2012 Att C, B.2.a  |     |     |     |       |     |      |      |     |      | 1   |     |     | 1             |
| 3002(c)            |     |     |     | 1     | 1   |      |      |     |      | 3   | 1   |     | 6             |
| 3002(c)(1)         | 7   | 7   | 4   | 3     | 2   | 2    | 4    | 5   | 2    | 5   | 3   |     | 44            |
| CA H&S Code 41700  | 1   |     | 1   | 1     | 1   |      | 1    | 1   | 1    |     |     |     | 7             |
| CA H&S Code 41701  |     |     |     |       |     |      |      | 1   |      |     |     |     | 1             |

**SOUTH COAST AQMD RULES AND REGULATIONS INDEX  
FOR 2024 HEARING BOARD CASES AS OF NOVEMBER 30, 2024**

**REGULATION II – PERMITS**

|          |                                |
|----------|--------------------------------|
| Rule 201 | Permit to Construct            |
| Rule 202 | Temporary Permit to Operate    |
| Rule 203 | Permit to Operate              |
| Rule 204 | Permit Conditions              |
| Rule 218 | Continuous Emission Monitoring |

**REGULATION IV – PROHIBITIONS**

|            |                                 |
|------------|---------------------------------|
| Rule 401   | Visible Emissions               |
| Rule 402   | Nuisance                        |
| Rule 431.1 | Sulfur Content of Gaseous Fuels |
| Rule 463   | Organic Liquid Storage          |
| Rule 464   | Wastewater Separators           |

**REGULATION XI - TOXICS AND OTHER NON-CRITERIA POLLUTANTS**

|             |  |
|-------------|--|
| Rule 1100   | Implementation Schedule for NO <sub>x</sub> Facilities   |
| Rule 1105.1 | Reduction of PM <sub>10</sub> and Ammonia Emissions from Fluid Catalytic Cracking Units  |
| Rule 1110.2 | Emissions from Stationary Internal Combustion Engines  |
| Rule 1124   | Aerospace Assembly and Component Manufacturing Operations.   |
| Rule 1128   | Paper, Fabric, and Film Coating Operations   |
| Rule 1134   | Emissions of Oxides of Nitrogen from Stationary Gas Turbines   |
| Rule 1146   | Emissions of Oxides of Nitrogen (NO <sub>x</sub> ) from Industrial, Institutional, and Commercial Boilers, Steam Generators, and Process Heaters |
| Rule 1147   | NO <sub>x</sub> Reductions from Miscellaneous Sources  |
| Rule 1148.1 | Oil and Gas Production Wells   |
| Rule 1150   | Excavation of Landfill Sites   |
| Rule 1150.1 | Control of Gaseous Emissions from Municipal Solid Waste Landfills  |
| Rule 1173   | Control of Volatile Organic Compound Leaks and Releases from Components at Petroleum Facilities and Chemical Plants                              |
| Rule 1176   | VOC Emissions from Wastewater Systems  |
| Rule 1196   | Clean On-Road Heavy-Duty Public Fleet Vehicles   |

**REGULATION XIII – NEW SOURCE REVIEW**

Rule 1303 Requirements

**REGULATION XIV - TOXICS AND OTHER NON-CRITERIA POLLUTANTS**

Rule 1420 Emissions Standard for Lead

Rule 1466 Control of Particulate Emissions from Soils with Toxic Air Contaminant

Rule 1470 Requirements for Stationary Diesel-Fueled Internal Combustion and Other Compression Ignition Engines

**REGULATION XX – REGIONAL CLEAN AIR INCENTIVES MARKET (RECLAIM)**

Rule 2004 Requirements

Rule 2005 New Source Review for RECLAIM

Rule 2012 Requirements for Monitoring, Reporting, and Recordkeeping for Oxides of Nitrogen (NOx) Emissions

**REGULATION XXX – TITLE V PERMITS**

3002 – Requirements

**CALIFORNIA HEALTH AND SAFETY CODE**

§41700 Prohibited Discharges

§41701 Restricted Discharges



[↑ Back to Agenda](#)

BOARD MEETING DATE: January 10, 2025

AGENDA NO. 17

REPORT: Civil Filings and Civil Penalties Report

SYNOPSIS: This report summarizes monthly penalties and legal actions filed by the General Counsel’s Office from November 1 through November 30, 2024. An Index of South Coast AQMD Rules is attached with the penalty report.

COMMITTEE: Stationary Source, December 20, 2024, Reviewed

RECOMMENDED ACTION:  
Receive and file.

Bayron T. Gilchrist  
General Counsel

BTG:cr

|           | <b>CIVIL FILINGS</b>  | <b>VIOLATIONS</b>   |
|-----------|---|---------------------|
| <b>1.</b> | S&W Gas Inc<br>County of San Bernardino Superior Court – Small Claims<br>Case No.: SCVA2403534; Filed 11.08.24 (CL)<br>NOV No.: P76152<br>461 – Gasoline Transfer and Dispensing<br>California Health and Safety Code § 42402   | 1                   |
| <b>2.</b> | Barajas Collision Center LLC<br>County of San Bernardino Superior Court – Small Claims<br>Case No.: SCVA2403564; Filed 11.15.24 (CL)<br>NOV No.: P74663<br>1151 – Motor Vehicle and Mobile Equipment Non-Assembly Line<br>Coating Operations<br>California Health and Safety Code § 42402 | 1                   |
|           |   | <b>2 Violations</b> |

**Attachments**

November 2024 Penalty Report

Index of South Coast AQMD Rules and Regulations

**SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT**  
**General Counsel's Office**  
**Settlement Penalty Report (11/01/2024 - 11/30/2024)**

**Total Penalties**

Civil Settlement: \$620,092.50

Hearing Board Settlement: \$324,153.80

MSPAP Settlement: \$112,135.25

**Total Cash Settlements: \$1,056,381.55**

**Total SEP Value: \$0.00**

**Fiscal Year through 11/30/2024 Cash Total: \$4,018,442.65**

**Fiscal Year through 11/30/2024 SEP Value Only Total: \$0.00**

| Fac ID       | Company Name              | Rule Number             | Settled Date | Init | Notice Nbrs  | Total Settlement |
|--------------|---------------------------|-------------------------|--------------|------|--|------------------|
| <b>Civil</b> |                           |                         |              |      |  |                  |
| 141383       | ACE HARDWARE CORPORATION  | 1168                    | 11/22/2024   | BT   | P79801   | \$18,200.00      |
| 197705       | AEROPOSTALE               | 2305                    | 11/07/2024   | JL   | O15035   | \$20,000.00      |
| 201310       | BRIDGE POINT CARSON LLC   | 203, 1148.1, 1173, 1176 | 11/08/2024   | SH   | P80709   | \$10,500.00      |
| 195107       | CALNRG OPERATING, LLC     | 463, 1173               | 11/14/2024   | EC   | P79903   | \$4,000.00       |
| 6616         | CHROMAL PLATING CO        | 1469                    | 11/08/2024   | SH   | P67517, P78607   | \$6,000.00       |
| 182561       | COLTON POWER LP           | 2012, 2012 Appendix A   | 11/08/2024   | DH   | P78903   | \$7,200.00       |
| 199903       | COOPER LIGHTING SOLUTIONS | 2305                    | 11/13/2024   | ND   | O15051   | \$11,000.00      |
| 19823        | CREE OIL LTD              | 203                     | 11/08/2024   | SH   | P74396   | \$4,000.00       |
| 122691       | DEIST                     | 203, 463, 1173          | 11/21/2024   | JL   | P75672, P75680, P79651   | \$14,400.00      |
| 85014        | HILL BROTHERS CHEMICAL CO | 314, 1113               | 11/20/2024   | JJ   | P75751   | \$5,000.00       |
| 187823       | KIRKHILL INC              | 1100, 2004, 2012, 2305  | 11/20/2024   | JL   | O15020, P66938, P78705   | \$10,500.00      |
| 139799       | LITHOGRAPHIX INC          | 2305, 3002, 3003, 3004  | 11/14/2024   | NS   | O15006, P65871, P73805   | \$13,463.00      |
| 201061       | LOWE'S COMPANIES INC      | 1143                    | 11/20/2024   | JL   | P74917, P74918, P74919,<br>P74920, P74921, P74922,<br>P74933, P74934 | \$293,000.00     |
| 2825         | MCP FOODS INC             | 2004, 3002              | 11/01/2024   | MR   | P67385, P74613   | \$2,418.00       |
| 8408         | OMNI METAL FINISHING INC  | 203, 1469               | 11/07/2024   | MR   | P74701, P74711, P79553   | \$4,231.50       |
| 183564       | ONNI TIMES SQUARE LP      | 203, 2004               | 11/08/2024   | RL   | P75626, P78703   | \$4,800.00       |

| Fac ID   | Company Name                              | Rule Number   | Settled Date | Init   | Notice Nbrs                            | Total Settlement |
|--|---|---|--------------|--------|--|------------------|
| 200617   | ONTPDC                                    | 2305  | 11/22/2024   | RM     | O15059, O15061                         | \$47,600.00      |
| 158855   | REDLANDS CITY MUNICIPAL UTILITIES & ENG   | 203   | 11/05/2024   | NS     | P74126, P74127                         | \$8,700.00       |
| 16639  | SHULTZ STEEL CO                           | 1430, 2004, 2012, 3002  | 11/14/2024   | MR     | P63810, P63822, P63834, P64382, P64395 | \$12,090.00      |
| 114083   | SOLUTIONS UNLIMITED - WILSON'S ART STUDIO | 3002  | 11/15/2024   | SH     | P73960                                 | \$750.00         |
| 191558   | SPACE EXPLORATION TECHNOLOGIES            | 2305  | 11/07/2024   | JL     | O15021                                 | \$2,500.00       |
| 181667   | TORRANCE REFINING COMPANY LLC             | 221, 463, 1114, 1118, 1178, 2004, 3002, 40 CFR 60, QQQ, 40 CFR 63.670 | 11/21/2024   | DH     | P65638                                 | \$84,960.00      |
| 181667   | TORRANCE REFINING COMPANY LLC             | 1118, 2004, 3002  | 11/21/2024   | DH     | P66724, P74080                         | \$4,680.00       |
| 200289   | VEYER                                     | 2305  | 11/07/2024   | ND     | O15054                                 | \$13,800.00      |
| 201692   | WIN IT AMERICA INC                        | 2305  | 11/07/2024   | ND     | O15083                                 | \$13,800.00      |
| 180360   | WINDSOR GARDENS CONVALESCENT CENTER       | 203   | 11/12/2024   | CM     | P78716                                 | \$2,500.00       |
| <b>Total Civil Settlements: \$620,092.50</b>         |   |   |              |        |  |                  |
| <b>Hearing Board</b>                                 |   |   |              |        |  |                  |
| 119219   | CHIQUITA CANYON LLC                       | 431.1, 3002   | 11/22/2024   | KER/MR | 6177-4                                 | \$304,153.80     |
| 146536   | WALNUT CREEK ENERGY LLC                   | 203, 2004, 3002   | 11/22/2024   | KCM    | 6230-6                                 | \$20,000.00      |
| <b>Total Hearing Board Settlements: \$324,153.80</b> |   |   |              |        |  |                  |
| <b>MSPAP</b>   |   |   |              |        |  |                  |
| 193990   | ARCADIA GOLF COURSE                       | 461   | 11/15/2024   | CR     | P73713                                 | \$504.00         |
| 174570   | ARCO (#42135) TESORO REFINING & MARKETING | 461, H&S 41960  | 11/22/2024   | CM     | P79604                                 | \$1,286.00       |
| 155753   | ARCO AM/PM CONTINENTAL OIL                | 461   | 11/22/2024   | CM     | P80571                                 | \$2,568.00       |
| 181026   | ARCO AM/PM (#42960)                       | 461, H&S 41960.2  | 11/01/2024   | CM     | P80961                                 | \$3,706.00       |
| 21330  | BLUE BANNER CO INC                        | 203   | 11/01/2024   | CM     | P79220                                 | \$1,209.00       |
| 201462   | BLUE BOX OPCO (DBA "INFANTINO")           | 2305  | 11/15/2024   | CL     | O15119                                 | \$5,000.00       |
| 180406   | BROADWAY MART INC                         | 461   | 11/01/2024   | SW     | P80934                                 | \$1,996.20       |
| 5023   | CAL ST UNIV LONG BEACH EH&S               | 1146, 1146.1  | 11/22/2024   | CL     | P73830                                 | \$16,723.00      |
| 23166  | CANDLEWOOD COUNTRY CLUB                   | 203, 222, 461   | 11/22/2024   | CL     | P74466                                 | \$4,819.00       |
| 203666   | CRASH MONSTERS GARAGE                     | 203   | 11/01/2024   | CR     | P74043                                 | \$857.00         |
| 195630   | DR HORTON                                 | 403   | 11/15/2024   | CM     | P74197                                 | \$2,018.00       |
| 202279   | DRINKPAK                                  | 2305  | 11/22/2024   | CL     | O15165                                 | \$5,000.00       |
| 143630   | ELECTRODE TECH INC REID METAL FINISHING   | 203, 1469   | 11/22/2024   | CL     | P65550, P74710                         | \$3,022.00       |
| 162592   | GROVE 76 (JC OIL INC)                     | 461   | 11/22/2024   | CL     | P70187                                 | \$777.00         |
| 113433   | HARBER COMPANIES INC                      | 1403  | 11/22/2024   | CL     | P74718, P74719                         | \$7,768.00       |
| 48040  | HILL'S BOAT SERVICE INC                   | 203   | 11/01/2024   | SW     | P79605                                 | \$1,148.55       |
| 116539   | HITEC METAL FABRICATION CORP              | 203   | 11/22/2024   | CL     | P80269                                 | \$2,018.00       |

| Fac ID                                       | Company Name                        | Rule Number      | Settled Date | Init | Notice Nbrs    | Total Settlement |
|--|-------------------------------------|------------------|--------------|------|----------------|------------------|
| 173417                                       | HUNTINGTON HARBOR CAR WASH          | 203, 461         | 11/01/2024   | CL   | P74811, P78775 | \$5,151.00       |
| 198202                                       | JET EDGE INTERNATIONAL              | 203              | 11/13/2024   | CL   | P62785         | \$5,802.00       |
| 198028                                       | KOIA ANAHEIM FACILITY LLC           | 203, 1146        | 11/01/2024   | CL   | P80266         | \$4,231.00       |
| 179557                                       | KR HOLLYWOOD LLC                    | 203              | 11/15/2024   | CL   | P76507         | \$1,386.00       |
| 70461  | LA CO FIRE STATION (#85)            | 461              | 11/08/2024   | CM   | P73178         | \$1,818.00       |
| 195683                                       | MATICH CORPORATION                  | 403              | 11/22/2024   | CR   | P74143         | \$2,018.00       |
| 183737                                       | ORANGE COUNTY GLOBAL MEDICAL CENTER | 1415.1           | 11/08/2024   | VB   | P74915         | \$9,368.00       |
| 85487  | PASADENA AUTO WASH                  | 461, H&S 41960.2 | 11/08/2024   | CR   | P80906         | \$2,861.00       |
| 181537                                       | PDQ RENTALS                         | 461              | 11/22/2024   | SW   | P79862         | \$3,022.50       |
| 194392                                       | RADC ENTERPRISES INC                | 461, H&S 41960.2 | 11/15/2024   | SW   | P80929         | \$1,438.00       |
| 136643                                       | RIVKAH INC                          | 461              | 11/15/2024   | VB   | P80935         | \$900.00         |
| 179084                                       | RJM MINI MARKET INC                 | 461, H&S 41960.2 | 11/08/2024   | CR   | P79376         | \$1,030.00       |
| 92752  | SANTA ANA CITY CORPORATE YARD       | 461              | 11/08/2024   | CR   | P73956, P73957 | \$2,218.00       |
| 185283                                       | SIXT RENT A CAR                     | 203, 461         | 11/08/2024   | VB   | P78416         | \$2,342.00       |
| 182089                                       | SUNBELT RENTALS PC 632              | 461              | 11/01/2024   | CL   | P71174, P75951 | \$554.00         |
| 195738                                       | THE HABIT BURGER                    | 222              | 11/08/2024   | CR   | P73921         | \$1,208.00       |
| 8443   | WORLD OIL MARKETING CO (#13)        | 461, H&S 41960.2 | 11/08/2024   | CR   | P80938         | \$1,513.00       |
| 186723                                       | WORLD PAC INC                       | 203              | 11/01/2024   | CL   | P75622         | \$4,855.00       |
| <b>Total MSPAP Settlements: \$112,135.25</b> |                                     |                  |              |      |                |                  |

## **SOUTH COAST AQMD'S RULES AND REGULATIONS INDEX FOR NOVEMBER 2024 PENALTY REPORT**

### **REGULATION II - PERMITS**

- Rule 203 Permit to Operate
- Rule 221 Plans
- Rule 222 Filing Requirements for Specific Emission Sources Not Requiring a Written Permit Pursuant to Regulation II

### **REGULATION III - FEES**

- Rule 314 Fees for Architectural Coatings

### **REGULATION IV - PROHIBITIONS**

- Rule 403 Fugitive Dust
- Rule 431.1 Sulfur Content of Gaseous Fuels
- Rule 461 Gasoline Transfer and Dispensing
- Rule 463 Storage of Organic Liquids

### **REGULATION XI - SOURCE SPECIFIC STANDARDS**

- Rule 1100 Implementation Schedule for NOx Facilities
- Rule 1113 Architectural Coatings
- Rule 1114 Petroleum Refinery Coking Operations (MCS-01)
- Rule 1118 Emissions from Refinery Flares
- Rule 1143 Consumer Paint Thinners & Multi-Purpose Solvents
- Rule 1146 Emissions of Oxides of Nitrogen from Industrial, Institutional and Commercial Boilers, Steam Generators, and Process Heaters
- Rule 1146.1 Emissions of Oxides of Nitrogen from Small Industrial, Institutional, and Commercial Boilers, Steam Generators, and Process Heaters
- Rule 1148.1 Oil and Gas Production Wells
- Rule 1151 Motor Vehicle and Mobile Equipment Non-Assembly Line Coating Operations
- Rule 1168 Adhesive and Sealant Applications
- Rule 1173 Fugitive Emissions of Volatile Organic Compounds
- Rule 1176 Sumps and Wastewater Separators
- Rule 1178 Further Reductions of VOC Emissions from Storage Tanks at Petroleum Facilities

### **REGULATION XIV - TOXICS**

- Rule 1403 Asbestos Emissions from Demolition/Renovation Activities
- Rule 1415.1 Reduction of Refrigerant Emissions from Stationary Refrigeration Systems
- Rule 1430 Control of Emissions from Metal Grinding Operations at Metal Forging Facilities
- Rule 1469 Hexavalent Chromium Emissions from Chrome Plating and Chromic Acid Anodizing Operations

**SOUTH COAST AQMD'S RULES AND REGULATIONS INDEX  
FOR NOVEMBER 2024 PENALTY REPORT**

**REGULATION XX - REGIONAL CLEAN AIR INCENTIVES MARKET (RECLAIM)**

- Rule 2004 Requirements
- Rule 2012 Requirements for Monitoring, Reporting, and Recordkeeping for Oxides of Nitrogen (NOx) Emissions
- Rule 2012
- Appendix A Protocol for Monitoring, Reporting, and Recordkeeping for Oxides of Nitrogen (NOx) Emissions

**REGULATION XXIII - FACILITY BASED MOBILE SOURCE MEASURES**

- Rule 2305 Warehouse Indirect Source Rule – Warehouse Actions and Investments to Reduce Emissions (Waive) Program

**REGULATION XXX - TITLE V PERMITS**

- Rule 3002 Requirements
- Rule 3003 Applications
- Rule 3004 Permit Types and Content

**CODE OF FEDERAL REGULATIONS**

- 40 CFR 60, QQQ Standards of Performance for VOC Emissions from Petroleum Refinery Wastewater
- 40 CFR 63.670 Requirements for Flare Control Devices

**CALIFORNIA HEALTH AND SAFETY CODE**

- 41960 Certification of Gasoline Vapor Recovery System
- 41960.2 Gasoline Vapor Recovery
- 42402 Violation of Emission Limitations – Civil Penalty

[↑ Back to Agenda](#)

BOARD MEETING DATE: January 10, 2025

AGENDA NO. 18

REPORT: Intergovernmental Review of Environmental Documents and CEQA Lead Agency Projects

SYNOPSIS: This report provides a listing of environmental documents prepared by other public agencies seeking review by South Coast AQMD between November 1, 2024 and November 30, 2024, and proposed projects for which South Coast AQMD is acting as lead agency pursuant to CEQA.

COMMITTEE: No Committee Review

RECOMMENDED ACTION:  
Receive and file.

Wayne Natri  
Executive Officer

SR:MK:BR:SW:ET

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### **Background**

The California Environmental Quality Act (CEQA) Statute and Guidelines require public agencies, when acting in their lead agency role, to provide an opportunity for other public agencies and members of the public to review and comment on the analysis in environmental documents prepared for proposed projects. A lead agency is when a public agency has the greatest responsibility for supervising or approving a proposed project and is responsible for the preparation of the appropriate CEQA document.

Each month, South Coast AQMD receives environmental documents, which include CEQA documents, for proposed projects that could adversely affect air quality. South Coast AQMD fulfills its intergovernmental review responsibilities, in a manner that is consistent with the Board's 1997 Environmental Justice Guiding Principles and Environmental Justice Initiative #4, by reviewing and commenting on the adequacy of the air quality analysis in the environmental documents prepared by other lead agencies.

The status of these intergovernmental review activities is provided in this report in two sections: 1) Attachment A lists all of the environmental documents prepared by other public agencies seeking review by South Coast AQMD that were received during the reporting period; and 2) Attachment B lists the active projects for which South Coast AQMD has reviewed or is continuing to conduct a review of the environmental documents prepared by other public agencies. Further, as required by the Board's October 2002 Environmental Justice Program Enhancements for fiscal year (FY) 2002-03, each attachment includes notes for proposed projects which indicate when South Coast AQMD has been contacted regarding potential air quality-related environmental justice concerns. The attachments also identify for each proposed project, as applicable: 1) the dates of the public comment period and the public hearing date; 2) whether staff provided written comments to a lead agency and the location where the comment letter may be accessed on South Coast AQMD's website; and 3) whether staff testified at a hearing.

In addition, the South Coast AQMD will act as lead agency for a proposed project and prepare a CEQA document when: 1) air permits are needed; 2) potentially significant adverse impacts have been identified; and 3) South Coast AQMD has primary discretionary authority over the approvals. Attachment C lists the proposed air permit projects for which South Coast AQMD is lead agency under CEQA.

**Attachment A – Log of Environmental Documents Prepared by Other Public Agencies and Status of Review, and Attachment B – Log of Active Projects with Continued Review of Environmental Documents Prepared by Other Public Agencies**

Attachment A contains a list of all environmental documents prepared by other public agencies seeking review by South Coast AQMD that were received pursuant to CEQA or other regulatory requirements. Attachment B provides a list of active projects, which were identified in previous months' reports, and which South Coast AQMD staff is continuing to evaluate or prepare comments relative to the environmental documents prepared by other public agencies. The following table provides statistics on the status of review<sup>1</sup> of environmental documents for the current reporting period for Attachments A and B combined<sup>2</sup>:

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<sup>1</sup> The status of review reflects the date when this Board Letter was prepared. Therefore, Attachments A and B may not reflect the most recent updates.

<sup>2</sup> Copies of all comment letters sent to the lead agencies are available on South Coast AQMD's website at: <http://www.aqmd.gov/home/regulations/ceqa/commenting-agency>.



| <b>Statistics for Reporting Period from November 1, 2024 to November 30, 2024</b>  |           |
|--|-----------|
| <b>Attachment A:</b> Environmental Documents Prepared by Other Public Agencies and Status of Review  | 73        |
| <b>Attachment B:</b> Active Projects with Continued Review of Environmental Documents Prepared by Other Public Agencies (which were previously identified in the September and October 2024 reports) | 8         |
| <b>Total Environmental Documents Listed in Attachments A &amp; B</b>   | <b>81</b> |
| <i>Comment letters sent</i>  | <i>10</i> |
| <i>Environmental documents reviewed, but no comments were made</i>   | <i>61</i> |
| <i>Environmental documents currently undergoing review</i>   | <i>10</i> |

Staff focuses on reviewing and preparing comments on environmental documents prepared by other public agencies for proposed projects: 1) where South Coast AQMD is a responsible agency under CEQA (e.g., when air permits are required but another public agency is lead agency); 2) that may have significant adverse regional air quality impacts (e.g., special event centers, landfills, goods movement); 3) that may have localized or toxic air quality impacts (e.g., warehouse and distribution centers); 4) where environmental justice concerns have been raised; and 5) which a lead or responsible agency has specifically requested South Coast AQMD review.

If staff provided written comments to a lead agency, then a hyperlink to the “South Coast AQMD Letter” is included in the “Project Description” column which corresponds to a notation in the “Comment Status” column. In addition, if staff testified at a hearing for a proposed project, then a notation is included in the “Comment Status” column. Copies of all comment letters sent to lead agencies are available on South Coast AQMD’s website at: <http://www.aqmd.gov/home/regulations/ceqa/commenting-agency>. Interested parties seeking information regarding the comment periods and scheduled public hearings for projects listed in Attachments A and B should contact the lead agencies for further details as these dates are occasionally modified.

In January 2006, the Board approved the Clean Port Initiative Workplan (Workplan). One action item of the Workplan was to prepare a monthly report describing CEQA documents for projects related to goods movement and to make full use of the process to ensure the air quality impacts of such projects are thoroughly mitigated. In accordance with this action item, Attachments A and B organize the environmental documents received according to the following categories: 1) goods movement projects; 2) schools; 3) landfills and wastewater projects; 4) airports; and 5) general land use projects. In response to the action item relative to mitigation, staff maintains a compilation of mitigation measures presented as a series of tables relative to off-road engines; on-road engines; harbor craft; ocean-going vessels; locomotives; fugitive dust; and greenhouse gases which are available on South Coast AQMD’s website at:

<http://www.aqmd.gov/home/regulations/ceqa/air-quality-analysis-handbook/mitigation-measures-and-control-efficiencies>. Staff will continue compiling tables of mitigation measures for other emission sources such as ground support equipment.

### **Attachment C – Proposed Air Permit Projects for Which South Coast AQMD is CEQA Lead Agency**

The CEQA lead agency is responsible for determining the type of environmental document to be prepared if a proposal requiring discretionary action is considered to be a “project” as defined by CEQA. South Coast AQMD periodically acts as lead agency for its air permit projects and the type of environmental document prepared may vary depending on the potential impacts. For example, an Environmental Impact Report (EIR) is prepared when there is substantial evidence that the project may have significant adverse effects on the environment. Similarly, a Negative Declaration (ND) or Mitigated Negative Declaration (MND) may be prepared if a proposed project will not generate significant adverse environmental impacts, or the impacts can be mitigated to less than significance. The ND and MND are types of CEQA documents which analyze the potential environmental impacts and describe the reasons why a significant adverse effect on the environment will not occur such that the preparation of an EIR is not required.

Attachment C of this report summarizes the proposed air permit projects for which South Coast AQMD is lead agency and is currently preparing or has prepared environmental documentation pursuant to CEQA. As noted in Attachment C, South Coast AQMD is lead agency for three air permit projects during November 2024.

#### **Attachments**

- A. Environmental Documents Prepared by Other Public Agencies and Status of Review
- B. Active Projects with Continued Review of Environmental Documents Prepared by Other Public Agencies
- C. Proposed Air Permit Projects for Which South Coast AQMD is CEQA Lead Agency

**ATTACHMENT A**  
**ENVIRONMENTAL DOCUMENTS PREPARED BY OTHER PUBLIC AGENCIES AND STATUS OF REVIEW**  
**November 1, 2024 to November 30, 2024**

| SOUTH COAST AQMD LOG-IN NUMBER<br>PROJECT TITLE  | PROJECT DESCRIPTION  | TYPE OF DOC.                            | LEAD AGENCY         | COMMENT STATUS                                |
|--|--|---|---------------------|---|
| <b>Warehouse &amp; Distribution Centers</b><br><b>LAC241101-14</b><br>East End Studios ADLA      | <p>The project consists of demolishing two existing warehouse structures totaling approximately 311,000 square feet and constructing a multi-story production studio campus totaling 675,611 square feet on approximately 14.6 acres. The project is located on the southeast corner of Alameda Street and Sixth Street at 1206-1338 East Sixth Street, 1210-1290 and 1219-1361 East Produce Street, 635-639 Mill Street, 1205-1321 Wholesale Street, and 640 South Alameda Street. Reference LAC240801-09 and LAC230214-05</p> <p>Staff previously provided comments on the Draft Environmental Impact Report for the project, which can be accessed at: <a href="https://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2024/august-2024/lac240801-09-deir-east-end-studios-adla-project.pdf">https://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2024/august-2024/lac240801-09-deir-east-end-studios-adla-project.pdf</a>.</p> <p style="text-align: center;">Comment Period: 11/18/2024 - 12/24/2024                      Public Hearing: N/A</p> | Final<br>Environmental<br>Impact Report | City of Los Angeles | Document reviewed -<br>No<br>comments<br>sent |
| <b>Warehouse &amp; Distribution Centers</b><br><b>LAC241101-15</b><br>Rexford Industrial Project | <p>The project consists of demolishing two existing multi-tenant industrial warehouse buildings totaling 89,870 square feet and constructing an approximately 138,972 square feet industrial warehouse building with a parking lot, ornamental landscaping, and associated infrastructure on the 7.03 acres. The project is located at 14830 Carmenita Road.</p> <p style="text-align: center;">Comment Period: 10/24/2024- 11/12/2024                      Public Hearing: N/A</p>  | Mitigated<br>Negative<br>Declaration    | City of Norwalk     | Document reviewed -<br>No<br>comments<br>sent |

**Key:**

# = Project has potential environmental justice concerns due to the nature and/or location of the project.

LAC = Los Angeles County, ORC = Orange County, RVC = Riverside County, SBC = San Bernardino County, ALL = All counties within the South Coast AQMD jurisdiction, and ODP = Outside District Jurisdiction

**Project Notes:**

1. Disposition may change prior to Governing Board Meeting
2. Documents received by the CEQA Intergovernmental Review program but not requiring review are not included in this report.



**ATTACHMENT A**  
**ENVIRONMENTAL DOCUMENTS PREPARED BY OTHER PUBLIC AGENCIES AND STATUS OF REVIEW**  
**November 1, 2024 to November 30, 2024**

| SOUTH COAST AQMD LOG-IN NUMBER<br>PROJECT TITLE   | PROJECT DESCRIPTION   | TYPE OF DOC.   | LEAD AGENCY          | COMMENT STATUS                       |
|---|---|--|----------------------|--------------------------------------|
| <b>Warehouse &amp; Distribution Centers</b><br><b>RVC241101-08</b><br>Appeal Nos. PLN 24-0169 and Appeal No. PLN 24: CADO Menifee Industrial Warehouse Project - Tentative Parcel Map No. 38139 (PLN 22-0041) and Plot Plan No. PLN 21-0370 | The project consists of consolidating eight parcels into one industrial parcel and constructing a 700,037 square foot warehouse on 40.03 acres. The project is located north of Corsica Lane, east of Wheat Street, south of Kuffel Road, and west of Byers Road (Assessor Parcel Numbers: 330-190-002 through 330-190-005 and 330-190-010 through 330-190-013).<br>Reference RVC240807-01<br><br>Comment Period: N/A<br>Public Hearing: 11/6/2024  | Other  | City of Menifee      | Document reviewed - No comments sent |
| <b>Warehouse &amp; Distribution Centers</b><br><b>RVC241101-18</b><br>Palm Springs Fulfillment Center   | The project consists of constructing a 739,360 square foot industrial warehouse on 38 acres. The project includes 736 parking stalls provided for cars, Americans with Disabilities Act (ADA) vehicles, and trucks and trailers. The project also includes 110 docks along the northern and southern sides of the building. The project is located near the northwest corner of Indian Canyon Drive and 19th Avenue (APN: 666-320-018).<br>Reference RVC240828-02, RVC240501-06, and RVC230809-04<br><br>Staff previously provided comments on the Recirculated Draft Environmental Impact Report for the project, which can be accessed at: <a href="https://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2024/october-2024/rvc240828-02-recirculated-deir-palm-springs-fulfillment-center-project.pdf">https://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2024/october-2024/rvc240828-02-recirculated-deir-palm-springs-fulfillment-center-project.pdf</a><br><br>Comment Period: N/A<br>Public Hearing: 11/13/2024 | Final Environmental Impact Report / Response to Comments | City of Palm Springs | Document reviewed - No comments sent |
| <b>Warehouse &amp; Distribution Centers</b><br><b>RVC241106-05</b><br>Ellis Logistics Center Project – Development Plan Review 22-00018   | The project consists of constructing a 643,419 square foot industrial warehouse on 34.52 acres. The project is bounded by Ellis Avenue to the north and the Burlington Northern Santa Fe (BNSF) / Southern California Regional Rail Authority (SCRRA) Railway (Metrolink) and Case Road to the southwest (APNs: 330-090-006 and 330-090-007).<br>Reference RVC241101-01, RVC240522-09 and RVC230412-05<br><br>Comment Period: N/A<br>Public Hearing: 11/6/2024  | Other  | City of Perris       | Document reviewed - No comments sent |

Key:

# = Project has potential environmental justice concerns due to the nature and/or location of the project.

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 Project Notes:

1. Disposition may change prior to Governing Board Meeting
2. Documents received by the CEQA Intergovernmental Review program but not requiring review are not included in this report.

**ATTACHMENT A**  
**ENVIRONMENTAL DOCUMENTS PREPARED BY OTHER PUBLIC AGENCIES AND STATUS OF REVIEW**  
**November 1, 2024 to November 30, 2024**

| SOUTH COAST AQMD LOG-IN NUMBER<br>PROJECT TITLE  | PROJECT DESCRIPTION  | TYPE OF DOC.                      | LEAD AGENCY         | COMMENT STATUS                       |
|--|--|-----------------------------------|---------------------|--------------------------------------|
| <i>Warehouse &amp; Distribution Centers</i><br><b>RVC241113-03</b><br>Majestic Freeway Business Center | The project consists of constructing and operating a 249,136 square foot warehouse/ distribution/ manufacturing development on 14.24 acres. The project is located north of Markham Street, east of Decker Road/Ellsworth Street, south of Oleander Avenue, and west of Harvill Avenue (APNs: 314-040-013, 314-040-014, 314-040-015, 314-040-021, 314-040-023, 314-040-024, 314-040-025, 314-040-026, 314-040-028, 314-040-031).<br>Reference RVC240419-06, RVC230905-01, and RVC220803-01<br><br>Comment Period: N/A<br>Public Hearing: 11/20/2024  | Other                             | County of Riverside | Document reviewed - No comments sent |
| <i>Warehouse &amp; Distribution Centers</i><br><b>RVC241126-01</b><br>Murrieta Road Warehouse Project  | The project consists of constructing an approximately 517,720 dock square foot distribution warehouse facility on 28.27 acres. The project would include 90 high doors and 4 grade-level truck doors, 409 automobile parking spaces, and 192 truck trailer parking spaces. The project is located north of McLaughlin Road, east of Geary Street, south of Floyd Avenue, and west of Murrieta Road (APNs: 330-210-010, -011, -013, and -062, 330-560-001 through 330-560-040, 330-570-001 through 330-570-033, and 330-571-001 through 330-571-005).<br>Reference RVC241016-19, RVC240604-05, and RVC231108-01<br><br>Comment Period: N/A<br>Public Hearing: 12/4/2024   | Other                             | City of Menifee     | Document reviewed - No comments sent |
| <i>Warehouse &amp; Distribution Centers</i><br><b>RVC241127-01</b><br>Majestic Thousand Palms          | The project consists of constructing a 1,238,992 square foot warehouse and a potential 50-megawatt (MW) Imperial Irrigation District (IID) joint electric substation on 83 acres. The project is located at the northeast corner of 30th Avenue and Rio Del Sol Road in the neighborhood of Thousand Palms of unincorporated Riverside County.<br>Reference RVC240501-03<br><br>Staff previously provided comments on the Draft Environmental Impact Report for the project, which can be accessed at: <a href="https://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2024/june-2024/rvc240501-03-deir-majestic-thousand-palms-project.pdf">https://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2024/june-2024/rvc240501-03-deir-majestic-thousand-palms-project.pdf</a> .<br><br>Comment Period: N/A<br>Public Hearing: N/A | Final Environmental Impact Report | County of Riverside | Under review, may submit comments    |

Key:

# = Project has potential environmental justice concerns due to the nature and/or location of the project.

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Project Notes:

1. Disposition may change prior to Governing Board Meeting
2. Documents received by the CEQA Intergovernmental Review program but not requiring review are not included in this report.

**ATTACHMENT A**  
**ENVIRONMENTAL DOCUMENTS PREPARED BY OTHER PUBLIC AGENCIES AND STATUS OF REVIEW**  
**November 1, 2024 to November 30, 2024**

| SOUTH COAST AQMD LOG-IN NUMBER<br>PROJECT TITLE   | PROJECT DESCRIPTION  | TYPE OF DOC.                           | LEAD AGENCY         | COMMENT STATUS                       |
|---|--|--|---------------------|--------------------------------------|
| <b><i>Industrial and Commercial</i></b><br><b>LAC241113-07</b><br>ENV-2021-4091: TVC 2050 Project   | The project consists of establishing Television City 2050 Specific Plan to allow for the continuation of an existing studio use and modernization and expansion of media production facilities on approximately 25 acres. The Specific Plan would permit up to a maximum of 1,724,000 square feet of sound stage, production support, production office, general office, and retail uses, up to 1,459,623 square feet of new development, the retention of a minimum of 264,377 square feet of existing uses, and the demolition of up to 479,303 square feet of existing media production facilities. The designated Historic-Cultural Monument (HCM No. 1167; CHC-2018- 476-HCM) would be retained and rehabilitated as part of the project. In addition, a Sign District would be established to permit studio-specific on-site signage. The project is located at 7716 - 7860 Beverly Boulevard, Los Angeles, CA 90036<br>Reference LAC240828-10, LAC231122-01, LAC220715-02 and LAC210706-06<br><br>Comment Period: N/A <span style="float: right;">Public Hearing: 12/3/2024</span>                        | Other                                  | City of Los Angeles | Document reviewed - No comments sent |
| <b><i>Industrial and Commercial</i></b><br><b>LAC241113-08</b><br>West Harbor Modification Project# | The project consists of constructing an approximately 100,000 square foot amphitheater on approximately 2.1 acres in the southern portion of the San Pedro Public Market Project site. The amphitheater would provide 6,200 seats and would host approximately 100 paid events per year. The project would also include the development of a parking lot at 208 East 22nd Street to provide up to 2,600 parking stalls for the greater San Pedro Waterfront site. The project is located on the southeast corner of Sampson Way and East Sixth Street at the Port of Los Angeles in the designated AB 617 Wilmington, Carson, West Long Beach community.<br>Reference LAC220414-02<br><br>Staff previously provided comments on the Notice of Preparation for the project, which can be accessed at: <a href="https://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2022/may/LAC220414-02.pdf">https://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2022/may/LAC220414-02.pdf</a> .<br><br>Comment Period: 11/6/2024 - 12/23/2024 <span style="float: right;">Public Hearing: 11/14/2024</span> | Subsequent Environmental Impact Report | Port of Los Angeles | Document reviewed - No comments sent |

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|--|--|-----------------------------------|------------------------|--------------------------------------|
| <i>Industrial and Commercial</i><br><b>LAC241113-11</b><br>ENV-2023-1348: Radford Studio Center Project                                      | The project consists of expanding a film and television production studio from 532,990 square feet to 1,667,010 square feet on 55 acres. The project is located at 4024, 4064 and 4200 North Radford Avenue.<br>Reference LAC230606-08<br><br>Staff previously provided comments on the Notice of Preparation for the project, which can be accessed at: <a href="https://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2023/july-2023/LAC230606-08.pdf">https://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2023/july-2023/LAC230606-08.pdf</a> .<br><br>Comment Period: N/A  | Initial Project Consultation      | City of Los Angeles    | Under review, may submit comments    |
| <i>Industrial and Commercial</i><br><b>LAC241120-05</b><br>John S Gibson Truck and Chassis Parking Lot Project#                              | The project consists of developing a 405,602 square foot short-term truck and chassis parking facility and related site improvements on 18.63 acres. The project includes paving the site and striping of 393 truck and chassis stalls. The project would be implemented in one development phase and requires a Port Master Plan Amendment. The project is located at 1599 John S. Gibson Boulevard in San Pedro within the designated AB 617 Wilmington, Carson, West Long Beach community.<br>Reference LAC231101-01<br><br>Comment Period: 11/15/2024- 1/10/2025   | Draft Environmental Impact Report | Port of Los Angeles    | Under review, may submit comments    |
| <i>Industrial and Commercial</i><br><b>LAC241120-06</b><br>2222 Rosemead Boulevard Warehouse Development- Conditional Use Permit (CUP 21-13) | The project consists of requesting approval of Conditional Use Permit No. 21-13 to allow the development of a new 156,877 square foot warehouse building on 5.14 acres. The project is located at 2222 Rosemead Boulevard.<br>Reference LAC241002-06<br><br>Staff previously provided comments on the Notice of Intent to Adopt a Mitigated Negative Declaration for the project, which can be accessed at: <a href="https://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2024/october-2024/lac241002-06-mnd-2222-rosemead-boulevard-warehouse-development.pdf">https://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2024/october-2024/lac241002-06-mnd-2222-rosemead-boulevard-warehouse-development.pdf</a> .<br><br>Comment Period: N/A | Conditional Use Permit / Other    | City of South El Monte | Document reviewed - No comments sent |
|  |  |                                   |                        | Public Hearing: 11/19/2024           |

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|--|---|--------------------------------------|---|--|
| <b><i>Industrial and Commercial</i></b><br><b>ORC241106-01</b><br>1977 Saturn Data Center Project  | The project consists of demolishing existing site improvements and constructing a new 218,400 square-foot data center with an ancillary equipment yard, substation, parking, and landscaping. An approximately 75,000 square-foot ancillary equipment yard would be located adjacent to the north side of the data center. The project would include 14 four-megawatt (MW) diesel generators to provide power in the event of an emergency. The project would also include a 24,000 square-foot electrical substation, appurtenant to the function of the data center. The project encompasses 15.8 acres and is located at 1977 Saturn Street (APN: 5265-026-054).<br><br><a href="https://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2024/december-2024/orc241106-01-mnd-1977-saturn-data-center-project.pdf">https://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2024/december-2024/orc241106-01-mnd-1977-saturn-data-center-project.pdf</a><br><br>Comment Period: 10/31/2024- 12/2/2024   | Mitigated<br>Negative<br>Declaration | City of Monterey<br>Park                            | Comment<br>letter sent<br>on<br>12/3/2024        |
| <b><i>Industrial and Commercial</i></b><br><b>RVC241127-02</b><br>March Plaza Project  | The project consists of constructing three multi-tenant business park buildings (Building A: 23,881 square feet, Building B: 20,340 square feet, and Building C: 22,465 square feet) totaling 66,686 square feet on 4.37 acres. A total of 143 parking spaces serving the development would be provided, including 8 accessible stalls. The project also requires an amendment to the Perris Valley Commerce Center Specific Plan (PVCCSP) in order to include a Planned Development Overlay (PDO). The project is located at the northwest corner of Perris Boulevard and Harley Knox Boulevard, in the Commercial Zone of the PVCCSP (APNs: 302-090-052, -053, -054, -056, -057, -058, -059, -060 and -061).<br><br>Comment Period: 11/29/2024- 12/30/2024  | Mitigated<br>Negative<br>Declaration | City of Perris                                      | Document<br>reviewed -<br>No<br>comments<br>sent |
| <b><i>Waste and Water-related</i></b><br><b>ALL241120-04</b><br>Conditional Exemption for Undeployed Airbags (Reference Number: R-2023-21E)# | The project consists of adopting the United States Environmental Protection Agency's (U.S. EPA) Interim Final Rule: Safe Management of Recalled Airbags in response to the urgent public health hazard posed by: 1) the quantity of recalled Takata airbag inflators still left in vehicles in California; 2) the unstable nature of chemicals and other materials found in these airbags deteriorating over time under California's hot and humid climate; and 3) the stockpiling of recalled airbag waste at handlers' facilities. The project consists of exempting the airbag waste from hazardous waste accumulation and transportation requirements if the airbag waste handler meets certain conditions. The emergency regulations apply to all airbag waste and not just the recalled Takata airbag inflators. Under the regulations, airbag waste does not require the use of a hazardous waste manifest or a registered transporter when being transported offsite, which reduces the airbag waste handler's cost of transporting the waste to a designated facility. The project has statewide applicability and includes six designated AB 617 communities: 1) East Los Angeles, Boyle Heights, West Commerce, 2) Eastern Coachella Valley, 3) San Bernardino, Muscoy, 4) Southeast Los Angeles, 5) South Los Angeles, and 6) Wilmington, Carson, West Long Beach.<br><br>Comment Period: N/A | Other                                | Department of<br>Toxic Substances<br>Control (DTSC) | Document<br>reviewed -<br>No<br>comments<br>sent |

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| <i>Waste and Water-related</i><br><b>LAC241105-02</b><br>South Beach Restoration and Shoreline Access Enhancement Project | The project consists of removing the remnants of an existing groin wall and constructing a new groin wall in its place at the same elevation. The project would restore approximately 100 linear feet of the existing seawall which forms a barrier between the upland promenade east of Crescent Avenue and the Pacific Ocean. The existing launch ramp for small watercraft and stairway down to the beach would be repaired/restored to improve the surface and overall safety and function. The project would require the placement of approximately 6,000 cubic yards of sand to restore the beach surface. The project is located at South Beach between Green Pleasure Pier to the north and the existing revetment along Pebbly Beach Road to the south, approximately 300 linear feet.<br><br>Comment Period: 10/29/2024- 11/27/2024<br>Public Hearing: N/A  | Mitigated Negative Declaration                           | City of Avalon                                     | Document reviewed - No comments sent |
| <i>Waste and Water-related</i><br><b>LAC241105-08</b><br>Garvey Reservoir Rehabilitation Project                          | The project consists of upgrading, replacing, and improving structures on 142 acres at the Metropolitan facilities at the Garvey Reservoir. Improvements include rehabilitating the inlet/outlet tower, upgrading the facility electrical system and ammonia feed system, repairing existing internal roadways, installing stormwater control improvements, and constructing a new pump station facility. The project is located at 1061 South Orange Avenue in Monterey Park. Reference LAC240613-02 and LAC240124-02<br><br>Staff previously provided comments on the Draft Environmental Impact Report for the project, which can be accessed at: <a href="https://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2024/july-2024/lac240613-02-deir-garvey-reservoir-rehabilitation-project.pdf">https://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2024/july-2024/lac240613-02-deir-garvey-reservoir-rehabilitation-project.pdf</a> .<br><br>Comment Period: N/A<br>Public Hearing: 11/19/2024 | Response to Comments / Final Environmental Impact Report | Metropolitan Water District of Southern California | Document reviewed - No comments sent |
| <i>Waste and Water-related</i><br><b>LAC241106-06</b><br>Class 1 Permit Modification for the Tesoro Carson Refinery#      | The project consists of a public notice to inform the community of a Class 1 Permit Modification to the Hazardous Waste Facility Post-Closure Permit for the Tesoro Los Angeles Refinery – Carson Operations (Facility). The project consists of updating the facility contact information. The project is located at 1801 East Sepulveda Boulevard in Carson, within the designated AB 617 Wilmington, Carson, and West Long Beach community. Reference LAC240410-05 and LAC240501-14<br><br>Comment Period: N/A<br>Public Hearing: N/A  | Permit Modification                                      | Department of Toxic Substances Control (DTSC)      | Document reviewed - No comments sent |

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|---|---|--------------------------------|---|--------------------------------------|
| <i>Waste and Water-related</i><br><b>LAC241115-01</b><br>Draft Hazardous Waste Operation and Post-Closure Permits for Ecobat Resources California, Inc. (formerly Quemetco, Inc.) | The project consists of two draft permits for the battery-recycling facility Ecobat Resources California, Inc. (Ecobat), that would impose stricter standards and increase financial assurance funding to protect public health and the environment in Los Angeles County. The first draft permit, the proposed renewal of the facility's "Operating Permit," has a five-year term and includes several mandatory conditions to protect the surrounding area and the environment. The second draft permit, the "Post-Closure Permit" is required to ensure that Ecobat will continue monitoring groundwater around two closed areas onsite for at least 13 more years. The project is located at 720 South Seventh Avenue near the northeast corner of South Seventh Avenue and Salt Lake Avenue in the City of Industry.<br>Reference LAC240910-08, LAC240724-05, LAC231101-18, LAC231011-07, LAC230606-03, LAC230418-08, LAC220621-11, LAC220301-09, LAC211001-05, LAC210907-04, LAC210907-03, LAC210427-09, LAC210223-04, LAC210114-07, LAC191115-02, and LAC180726-06<br><br>Comment Period: 11/18/2024 - 12/24/2024<br>Public Hearing: N/A | Other                          | Department of Toxic Substances Control (DTSC) | Document reviewed - No comments sent |
| <i>Waste and Water-related</i><br><b>LAC241120-03</b><br>College Ready Middle Academy #4 (Former Carmelo Auto Sales Inc.)#  | The project consists of updating the community on the cleanup activities at College Ready Middle Academy #4 School (Site). Previous investigations conducted at the 0.14-acre site found Volatile Organic Compounds (VOCs), primarily total petroleum hydrocarbons (TPHs), tetrachloroethylene (PCE), and lead in soil and soil vapor. The Site is planned to be redeveloped with a one-story multi-purpose building and a portion of another one-story classroom building. The project is located at 9701 South Main Street, Los Angeles, CA 90003 and is within the designated AB 617 South Los Angeles community.<br>Reference LAC240904-10<br><br>Comment Period: 11/13/2024- 12/16/2024<br>Public Hearing: N/A   | Draft Removal Action Work Plan | Department of Toxic Substances Control (DTSC) | Document reviewed - No comments sent |

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| <i>Waste and Water-related</i><br><b>ODP241101-10</b><br>Santa Susana Field Laboratory (SSFL)<br>Boeing Area I Burn Pit Cleanup | The project consists of providing a Community Update on a workshop series about the soil cleanup at the Santa Susana Field Laboratory (SSFL) Site. The project consists of removing soil containing excess concentrations of radionuclide and chemicals of concern at depths of one foot to 10 feet or refusal due to bedrock and removing soil six inches to two feet underneath all areas covered by geotextile fabric as necessary to stabilize the site until final cleanup is completed. The project site encompasses 2,850 acres and is located on the southeast corner of Service Area Road and Woolsey Canyon Road in Ventura County.<br><br>Reference ODP240201-08, ODP240103-06, ODP230608-01, ODP200724-03, ODP191113-01, ODP181221-07, ODP180904-15, ODP180814-10, ODP170926-03, ODP170915-02, ODP170908-05, ODP170420-07, ODP170405-01, ODP140116-02, ODP131121-02, LAC131018-05, LAC130918-13, LAC110510-12, and ODP100930-02<br><br>Comment Period: N/A<br>Public Hearing: 11/20/2024 | Other                          | Department of Toxic Substances Control (DTSC) | Document reviewed - No comments sent |
| <i>Waste and Water-related</i><br><b>ODP241119-03</b><br>Arsenic Exceedance-Remediation Project                                 | The project consists of drilling a new well near the existing Well No. 2, destructing the existing Well No. 2 and constructing an arsenic treatment facility of approximately 30 feet by 30 feet with solar power panels. Approximately 300 feet of 6-inch polyvinyl chloride transmission pipeline will be installed to deliver water from the proposed well to the treatment building. The project would replace Well No. 1 pump and motor, underground the onsite electrical lines, install new electrical panels, and remove the structure covering the existing electrical equipment. Four aging tanks will be removed and replaced with two new 146,500-gallon bolted steel tanks. The project is located at 28115 West Avenue C-6 in unincorporated cities of the County of Los Angeles.<br><br>Comment Period: 11/14/2024- 12/13/2024<br>Public Hearing: N/A   | Mitigated Negative Declaration | California Water Boards                       | Document reviewed - No comments sent |
| <i>Waste and Water-related</i><br><b>ORC241101-11</b><br>H-1001 Americana   | The project consists of providing a Community Update on the Removal Action Workplan to address contaminated soil at the H-1001 Americana (Site). Previous uses have impacted the Site with volatile organic compounds (VOCs), total petroleum hydrocarbons, pesticides, and arsenic. The Department of Toxic Substances Control (DTSC) proposes removal of arsenic and pesticide impacted soil, as well as installing a vapor intrusion mitigation system (VIMS) for chlorinated and gasoline related VOCs. The Site is approximately 4.95 acres, currently is vacant, and is planned to be used for affordable housing development. The project is located at 126 and 130 South Beach Boulevard, and 2970 West Lincoln Avenue, Anaheim, CA 92804.<br><br>Comment Period: 10/24/2024- 11/22/2024<br>Public Hearing: N/A  | Removal Action Workplan        | Department of Toxic Substances Control (DTSC) | Document reviewed - No comments sent |

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| <i>Waste and Water-related</i><br><b>ORC241120-02</b><br>Safety-Kleen Systems, Inc. Santa Ana   | The project consists of requesting a Community Survey on the permit modification at Safety-Kleen Systems, Inc. Santa Ana (Site). The project consists of modifications to an existing hazardous waste facility permit to convert a product tank to a hazardous waste storage tank. The project is located at 2120 South Yale Street near the southwest corner of South Yale Street and West Harvard Street.<br>Reference ORC230510-06<br><br>Comment Period: N/A<br>Public Hearing: N/A  | Other                          | Department of Toxic Substances Control (DTSC) | Document reviewed - No comments sent |
| <i>Waste and Water-related</i><br><b>RVC241101-04</b><br>Strawberry Creek Diversion Structure Rehabilitation and Pipeline Replacement Project | The project consists of reconstructing and rehabilitating an existing diversion structure and replacing an existing above ground line with a new underground pipeline. The project is located south of Strawberry Creek, west of Tahquitz Road within Fern Valley Road, in the E1/2 of the NE1/4 of Section 7, Township 5 South, Ranch 3 East, SBBM within Idyllwild Mountain Park Co.'s Subdivision No. 7 of the County of Riverside.<br><br>Comment Period: 10/28/2024- 11/18/2024<br>Public Hearing: 11/20/2024   | Mitigated Negative Declaration | Idyllwild Water District                      | Document reviewed - No comments sent |
| <i>Waste and Water-related</i><br><b>RVC241105-10</b><br>Joaquin Ranch Pump Station Disinfection System Improvements (Project No. D2199)      | The project consists of the constructing and operating chloramination disinfection facilities at the existing Joaquin Ranch Pump Station. The project is located on District-owned property at 42581 Vineyard Parkway in the City of Murrieta.<br><br><a href="https://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2024/november-2024/rvc241105-10-is-mnd-joaquin-ranch-pump-station-disinfection-system-improvements-project.pdf">https://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2024/november-2024/rvc241105-10-is-mnd-joaquin-ranch-pump-station-disinfection-system-improvements-project.pdf</a><br>Comment Period: 11/1/2024- 12/2/2024<br>Public Hearing: N/A | Mitigated Negative Declaration | Rancho California Water District              | Comment letter sent on 11/13/2024    |
| <i>Waste and Water-related</i><br><b>SBC241113-02</b><br>Fore Foothill & Grove  | The project consists of requesting a Community Survey on the cleanup activity at Fore Foothill & Grove (Site). The Site will be redeveloped for a mixed-use project including residential and commercial uses. Previous investigations conducted at the 9.98-acre site found volatile organic compounds (VOCs), total petroleum hydrocarbons (TPH), arsenic, and lead in soil and/or soil vapor. The project is located at 8112 Foothill Boulevard and 8118-8226 Red Hill Country Club Drive in Rancho Cucamonga.<br><br>Comment Period: N/A<br>Public Hearing: N/A  | Other                          | Department of Toxic Substances Control (DTSC) | Document reviewed - No comments sent |

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| <b>Utilities</b><br><b>LAC241101-17</b><br>Scattergood Generating Stations Units 1 and 2 Green Hydrogen-Ready Modernization Project              | The project consists of replacing existing conventional natural gas fired steam boiler generators with a combustion turbine generator and steam turbine generator. The project is located near the northwest corner of Vista Del Mar and West Grand Avenue in Playa del Rey.<br>Reference LAC240522-03 and LAC230524-02<br><br>Comment Period: 10/31/2024- 1/29/2025<br>Public Hearing: N/A  | Draft Environmental Impact Report                              | Los Angeles Department of Water and Power          | Under review, may submit comments    |
| <b>Utilities</b><br><b>LAC241119-04</b><br>Southern California Edison (SCE) Transmission Line Rating Remediation Gorman-Kern River 66 kV Project | The project consists of rebuilding 65.3 miles of existing 66 kilovolt (kV) subtransmission circuits by removing and replacing existing subtransmission towers and poles; removing and replacing existing conductor; installing optical ground wire; and modifying existing substations facilities associated with the powerline. The project location begins at Kern Canyon along State Route (SR-) 178 and extends south to Gorman-Kern Substation along Interstate (I-) 5. The project encompasses cities of Arvin and Bakerfield, within southwest Kern County and north Los Angeles County.<br><br>Comment Period: 11/22/2024- 12/23/2024<br>Public Hearing: N/A | Initial Study / Mitigated Negative Declaration                 | California Public Utilities Commission             | Document reviewed - No comments sent |
| <b>Transportation</b><br><b>LAC241101-05</b><br>Vincent Thomas Bridge Deck Replacement Project#  | The project consists of replacing the entire bridge deck, seismic sensors, the median concrete barriers, and the bridge railing of the Vincent Thomas Bridge. The project is located on State Route 47 (Bridge #53-1471) in Los Angeles, within the designated AB 617 Wilmington, Carson, and West Long Beach community.<br>Reference LAC241002-07, LAC240416-04, LAC230606-09, and LAC230418-09<br><br>Comment Period: N/A<br>Public Hearing: N/A   | Final Environmental Impact Report and Environmental Assessment | California Department of Transportation (Caltrans) | Document reviewed - No comments sent |

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|--|--|---------------------------------------|---|---|
| PROJECT TITLE  |  |                                       |   |   |
| <p><i>Transportation</i></p> <p><b>ORC241106-03</b><br/>Cannon Street Widening Project</p>                                 | <p>The project consists of widening the Cannon Street roadway within the project limits to accommodate a third northbound lane from approximately 500 feet north of Santiago Canyon Road to Serrano Avenue, where it would join the two existing dedicated right-turn lanes to eastbound Serrano Avenue. South of Santiago Creek, additional pavement would be constructed to the east to widen the roadway. North of Santiago Creek, the roadway would be widened to the west by approximately 6 feet. In the southbound direction, bicyclists and pedestrians would cross Santiago Creek on a new bridge just west of the existing vehicular bridge. The new bridge would be approximately 170 feet long and 12 feet wide. Existing pavement delineation would be reconfigured, and portions of the painted median would be replaced with a raised landscaped median. A traffic signal modification would be required at Taft Avenue. The project is located on Cannon Street between Santiago Canyon Road and Serrano Avenue.</p> <p style="text-align: center;">Comment Period: 10/31/2024- 11/30/2024      Public Hearing: N/A</p>  | <p>Mitigated Negative Declaration</p> | <p>City of Orange</p>                                     | <p>Document reviewed - No comments sent</p> |
| <p><i>Transportation</i></p> <p><b>RVC241113-10</b><br/>Interstate 15 Express Lanes Project Southern Extension (ELPSE)</p> | <p>The project consists of extending the tolled express lanes in both directions along Interstate 15 (I-15) in Riverside County between the cities of Lake Elsinore and Corona. The project is intended to improve and manage traffic operations, congestion, and travel times along the corridor by extending the I-15 Express Lanes an additional 15.8 miles. The proposed improvements would extend from El Cerrito Road in Corona, through Temescal Valley, to State Route (SR-) 74 (Central Avenue) in Lake Elsinore. The project would also add southbound auxiliary lanes between both the Main Street (post mile [PM] 21.2) Off-Ramp and SR-74 (Central Avenue) On-Ramp (approximately 0.75 mile), and the SR-74 (Central Avenue) Off-Ramp and Nichols Road On-Ramp (PM 23.9) (approximately 1 mile). The project also includes widening 15 bridges, creating multiple express lane access points, and constructing potential noise barriers, retaining walls, drainage systems, electronic toll collection equipment, ramp meters, and signage that would be located within the Project limits between PM 20.3 and PM 40.1. The project site encompasses the cities of Corona, Lake Elsinore, and Temescal Valley.<br/>Reference RVC241023-04, RVC191022-03, RVC160513-04 and RVC150730-09</p> <p style="text-align: center;">Comment Period: N/A      Public Hearing: 10/29/2024</p> | <p>Other</p>                          | <p>California Department of Transportation (Caltrans)</p> | <p>Document reviewed - No comments sent</p> |

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**November 1, 2024 to November 30, 2024**

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|--|--|--------------------------------------|---|---|
| <b><i>Institutional (schools, government, etc.)</i></b><br><b>LAC241105-01</b><br>Avalon Harbor Club Dock Replacement Project    | The project consists of replacing an existing dock with an Americans with Disabilities Act (ADA) compliant gangway to enable safer access. The proposed 80-foot gangway would be attached to the shoreline at the same location as the existing approach pier; thus, the end of the proposed gangway would be at the same approximate location as the existing 20-foot gangway. The project also includes placement of new docks and would be located at roughly the same location and have roughly the same footprint and seafloor shadow as the existing docks. The project is located midway between the Catalina Island Yacht Club and the Tuna Club via Saint Catherine Way.<br><br>Comment Period: 10/29/2024- 11/27/2024<br>Public Hearing: N/A   | Mitigated<br>Negative<br>Declaration | City of Avalon                                  | Document reviewed -<br>No<br>comments<br>sent |
| <b><i>Institutional (schools, government, etc.)</i></b><br><b>LAC241105-09</b><br>Baldwin Lake and Tule Pond Restoration Project | The project consists of removing approximately 65,000 cubic yards of sediment to deepen Baldwin Lake (Lake) and Tule Pond (Pond), installing a liner and aeration units at the Lake to improve the aquatic ecosystem; realigning one storm drain outlet and reconstructing three storm drain outlets with energy dissipators to minimize erosion; installing hydrodynamic separators and media filtration to treat residential runoff. The project also consists of restoring the Lake’s historic retaining wall, improving landscaping to provide operational benefits and additional educational opportunities for Arboretum visitors. The project encompasses 51 acres and is located at the Los Angeles County Arboretum and Botanic Gardens (301 North Baldwin Avenue, Arcadia, CA 91007).<br><br>Comment Period: 11/1/2024- 12/2/2024<br>Public Hearing: N/A | Mitigated<br>Negative<br>Declaration | Los Angeles<br>County Flood<br>Control District | Document reviewed -<br>No<br>comments<br>sent |
| <b><i>Institutional (schools, government, etc.)</i></b><br><b>ORC241113-09</b><br>Snug Harbor Surf Park Project                  | The project consists of removing existing improvements on a 15.38-acre project site and developing a 7-acre surf lagoon with warming pools, spas and seating areas; a three-story amenity clubhouse; a two-story athlete accommodation building; ancillary storage and maintenance areas, and associated parking areas with solar panels to provide onsite power. The project is located at 3100 Irvine Avenue within a portion of the Newport Beach Golf Course (APN: 119-200-41).<br><br>Comment Period: 11/7/2024- 12/6/2024<br>Public Hearing: N/A   | Notice of<br>Preparation             | City of Newport<br>Beach                        | Document reviewed -<br>No<br>comments<br>sent |

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|--|---|--|--------------------------------|--------------------------------------|
| <i>Institutional (schools, government, etc.)</i><br><b>RVC241101-16</b><br>20-Acre Passive Park (CIP 099)                | This project consists of constructing a triangular-shape 20-acre passive park with 65 parking spaces in two lots, one in the northern portion of the project site via Gierson Avenue and the other at the southwestern corner of the site along Palomar Street. The project would include amenities such as an interpretive panel, raptor perch, solar lighting, bike racks, a butterfly/pollinator garden, information kiosks, drinking fountains, pet stations, a network of trails, picnic tables, exercise stations, a disk golf course, bird observation area, bench seating, a community garden, lawn playfield, shade structures, bridge crossing, gates, restrooms, and natural drainage swales. The project is located east of Palomar Street, south of Gierson Avenue, and west of a drainage channel. The project is comprised of all of Assessor’s Parcel Number (APN) 380-050-025 and a portion of APN 380-050-027.<br><br>Comment Period: 10/30/2024- 11/28/2024<br>Public Hearing: N/A | Initial Study / Mitigated Negative Declaration | City of Wildomar               | Document reviewed - No comments sent |
| <i>Institutional (schools, government, etc.)</i><br><b>RVC241105-05</b><br>Beaumont Library Expansion - PP2024-0032      | The project consists of expanding and renovating the Beaumont Library. The site currently consists of a 10,991 square-foot building and 49 parking spaces. The expansion consists of an additional 9,114 square-foot building and 75 proposed parking spaces. Additionally, the expansion includes a community room, a family space room, new offices, a sorter room, a garage for the bookmobile van, and a new break room for staff. The project is located on the southeast corner of California Avenue and Eighth Street at 125 East 8th Street (APN: 418-081-016). Reference RVC240709-02<br><br>Comment Period: N/A<br>Public Hearing: N/A  | Site Plan                                      | City of Beaumont               | Document reviewed - No comments sent |
| <i>Institutional (schools, government, etc.)</i><br><b>RVC241105-07</b><br>La Sierra High School Track and Field Project | The project consists of renovating an existing track and field; adding field lighting, public address system, scoreboard, bleachers to accommodate 2,800 spectators; constructing a 5,500 square foot field house that would include restrooms, ticket office, storage, concessions stand, and team room; relocating existing tennis courts; and repaving and restriping a 134,000 square foot parking lot. The project would reduce the number of parking spaces by 136 parking stalls. The project encompasses 10.52 acres and is located at 4145 La Sierra Avenue, in the La Sierra Neighborhood of Riverside.<br><br>Comment Period: 11/1/2024- 12/5/2024<br>Public Hearing: N/A  | Notice of Preparation                          | Alvord Unified School District | Document reviewed - No comments sent |

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|--|--|--------------------------------|--------------------------|--------------------------------------|
| <b><i>Institutional (schools, government, etc.)</i></b><br><b>RVC241113-13</b><br>Beaumont Library Expansion - PP2024-0032         | The project consists of expanding and renovating the Beaumont Library. The site currently consists of 10,991 square feet building with 49 parking spaces. The expansion consists of an additional 9,114 square feet building and 60 proposed parking spaces. Additionally, the expansion includes a community room, a family space room, new offices, a sorter room, a garage for the bookmobile van, and a new break room for staff. The project is located on the southeast corner of California Avenue and Eighth Street at 125 East 8th Street (APN: 418-081-016). Reference RVC241105-05 and RVC240709-02<br><br>Comment Period: N/A <span style="float: right;">Public Hearing: N/A</span>   | Site Plan                      | City of Beaumont         | Document reviewed - No comments sent |
| <b><i>Institutional (schools, government, etc.)</i></b><br><b>SBC241119-01</b><br>Rosena Ranch Fire and Sheriff Station            | The project consists of constructing a new Fire and Sheriff Station on approximately 5 acres. The project would include a total of approximately 15,700 square feet of the new building area; of which approximately 6,552 square feet will serve as the living quarters for on-duty Fire Fighters and approximately 5,628 square feet will be provided for garage, equipment bays, and working areas. The Sheriff's station will include offices and other usable spaces of approximately 2,976 square feet. The project is located at the southeast corner of Glen Helen Parkway and Lytle Creek Road, approximately 0.31 miles north of Interstate 15.<br><br>Comment Period: 11/11/2024- 12/16/2024 <span style="float: right;">Public Hearing: N/A</span> | Mitigated Negative Declaration | County of San Bernardino | Document reviewed - No comments sent |
| <b><i>Retail</i></b><br><b>LAC241101-09</b><br>Mercedes Benz Dealership Project - Precise Plan No. 24-01 and Zone Change No. 24-01 | The project consists of constructing electric vehicle charging stations and a two-story dealership totaling 85,390 square feet on 3.53 acres. The project also includes a zone change to alter a portion of the project site currently zoned Neighborhood Commercial Mixed Use (SMU) to Service Commercial Mixed Use (SMU) within the Auto Plaza Overlay Zone. The project is located at 1800 East Garvey Avenue and 200 South Azusa Avenue (APNs: 8478-007-025; -031; and -042).<br><br>Comment Period: 10/30/2024- 11/18/2024 <span style="float: right;">Public Hearing: 12/10/2024</span>  | Mitigated Negative Declaration | City of West Covina      | Document reviewed - No comments sent |

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|---|---|--------------------------------|--------------------------|--------------------------------------|
| <b>Retail</b><br><b>LAC241113-04</b><br>Kia Dealership Calabasas Project            | The project consists of constructing a 45,780 square-foot car dealership and a 2,117 square-foot carwash facility on 10.94 acres. The project also includes a request for a Lot Merger to merge the two parcels, a request for a Sign Program and Sign Permit to install signage associated with the proposed dealership, and a request for an Oak Tree Permit for removal of three oak trees (one of which is a heritage oak tree) and encroachment into the protected zone of 21 oak trees for construction activities. The project proposes on-site planting of oak trees to mitigate for the oak tree removals associated with the project. The project is located at 24460 Calabasas Road (APNs: 2069-009-008 and 2069-009-020).<br><br>Comment Period: 11/6/2024- 12/6/2024<br>Public Hearing: N/A  | Mitigated Negative Declaration | City of Calabasas        | Document reviewed - No comments sent |
| <b>Retail</b><br><b>ODP241126-03</b><br>Love's Truck Stop and Mobile Home Park      | The project consists of constructing a truck stop comprised of a 9,000 square foot convenience store, a 2,600 square foot fast food restaurant, a 5,000 square foot dog park, six auto fueling island stations, eight truck fueling island stations, 100 overnight truck parking stalls, 11 overnight recreational vehicle parking stalls with hook-ups, truck weighing station, and recreational vehicle sewage dump station on 22.59 acres. The project also consists of constructing a mobile home park with 8 mobile home sites on 2.18 acres. The project is located on Baker Boulevard, approximately 2,000 feet east of Death Valley Road near the southwest corner of Lakeview Road and Silver Lane, within the neighborhood of Baker (APNs: 0544-472-03 and 0544-471-11).<br><br>Comment Period: 11/27/2024- 12/27/2024<br>Public Hearing: N/A | Mitigated Negative Declaration | County of San Bernardino | Document reviewed - No comments sent |
| <b>Retail</b><br><b>RVC241114-01</b><br>Oaktree Engraving & Monument - CUP2024-0006 | The project consists of establishing an engraving and monument business within an existing 1,973 square foot building. Business operations include designing on a computer, selling stock and custom items, spray paint, and engraving items with laser or sand blasting. The project is located at 506 Wellwood Avenue (APN: 417-062-001). Reference RVC241022-01<br><br><a href="https://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2024/november-2024/rvc241114-01-sp-oaktree-engraving-amp-monument---cup2024-0006.pdf">https://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2024/november-2024/rvc241114-01-sp-oaktree-engraving-amp-monument---cup2024-0006.pdf</a><br><br>Comment Period: N/A<br>Public Hearing: N/A   | Site Plan                      | City of Beaumont         | Comment letter sent on 11/20/2024    |

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|---|--|--|---------------------|--------------------------------------|
| <b>Retail</b><br><b>RVC241122-02</b><br>Walmart Solar Canopies - PLAN2024-0140  | The project consists of constructing six solar carport canopies of approximately 48 feet wide and 252 feet long comprised of 2,363 kW DC/1,680 kW AC canopy-mounted solar PV over existing ADA parking stalls in the parking lot to the south of an existing Walmart store and an 803 kW/1,606 kWh battery energy storage system (BESS) on the east side of the property. The project is located at 1540 East 2nd Street (APN: 419-260-081).<br><br>Comment Period: N/A<br>Public Hearing: N/A   | Site Plan  | City of Beaumont    | Document reviewed - No comments sent |
| <b>General Land Use (residential, etc.)</b><br><b>LAC241101-02</b><br>ENV-2021-4071: Fourth & Central Project               | The project consists of demolishing and adaptively reusing a cold storage facility to construct 1,589 residential units totaling 1,761,673 square feet, 411,113 square feet of office uses, and 145,748 square feet of restaurant/retail uses on 7.7 acres. The project site is comprised of the following areas: North Site (1.35 acres) located at the northeast corner of Fourth Street and Central Avenue; South Site (5.99 acres) located south of Fourth Street between Central Avenue and Alameda Street; and West Site (0.32 acres) located at the northwestern intersection of Gladys Avenue and Central Avenue. The project is located at 400 South Central Avenue (364-448 and 425-433 South Central Avenue; 715 and 730 East Fourth Street). Reference LAC240312-01, LAC231012-02, and LAC220310-03<br><br>Comment Period: N/A<br>Public Hearing: 11/20/2024 | Final Environmental Impact Report                | City of Los Angeles | Document reviewed - No comments sent |
| <b>General Land Use (residential, etc.)</b><br><b>LAC241105-03</b><br>ENV-2022-6065: 6136 West Manchester Boulevard Project | The project consists of developing an approximately 416,915 square foot mixed-use building comprised of 489 residential units, 549 vehicular parking spaces, 16,120 square feet of commercial space, and approximately 51,385 square feet of open space on 2.42 acres. The project is located at 6136 West Manchester Avenue and 8651 South La Tijera Boulevard, Los Angeles, CA 90045.<br><br>Comment Period: 10/31/2024- 12/2/2024<br>Public Hearing: N/A  | Sustainable Communities Environmental Assessment | City of Los Angeles | Document reviewed - No comments sent |

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| <b>General Land Use (residential, etc.)</b><br><b>RVC241119-02</b><br>Thermal Ranch Specific Plan - SP00401, GPA2300001, CZ2300003, TTM 38578, PPTs 230005, 230006, 240016 | The project consists of requesting entitlements for the following: 1) Adoption by resolution of a General Plan Amendment (GPA2300001); 2) Adoption by ordinance of a Change of Zone (CZ2300003); 3) Adoption of Specific Plan No. SP00401; 4) Approval of Tentative Tract Map No. 38578; and 5) Approval of Plot Plan Nos. 230005, 230006 and 240016 for future construction of mixed uses on 619 acres. The mixed uses would include 1,362 residential units on 223.1 acres, 75,000 square feet of equestrian event-related retail space, 10,000 square feet of office space, 150,000 square feet of retail space, and a 150-room hotel. The project is located approximately 3.7 miles west of State Highway 111 and State Highway 86 Expressway at Section 5, Township 7 South, Range 8 East, San Bernardino Base and Meridian (SBB&M).<br>Reference RVC230712-03<br><br>Comment Period: 11/18/2024 - 1/2/2025<br>Public Hearing: N/A | Draft Environmental Impact Report          | County of Riverside | Under review, may submit comments    |
| <b>General Land Use (residential, etc.)</b><br><b>RVC241120-01</b><br>Conditional Use Permit CUP2024-0009 and Tentative Map TTM2024-0004                                   | The project consists of constructing 99 residential units with covered parking facilities, an amenity building and related facilities, and grading and landscaping on two vacant lots. A Tentative Map is requested to allow individual ownership (airspace subdivision/condominiums) of the proposed residential units. The project is located north of Foster Road, east of State Highway 15, south of Cabot Drive, and west of Stonebridge Place (APNs: 282-112-010 and 282-112-001).<br><br>Comment Period: 11/13/2024 – 12/5/2024<br>Public Hearing: N/A  | Mitigated Negative Declaration / Site Plan | City of Corona      | Document reviewed - No comments sent |
| <b>General Land Use (residential, etc.)</b><br><b>RVC241120-07</b><br>Mission Grove Apartments (PR-2022-001359)  | The project consists of considering the following to facilitate construction of a multi-family residential development consisting of 347 units on 9.92 acres: 1) Overrule of Riverside County Airport Land Use Commission (ALUC) determination of the project's inconsistency with the March Air Reserve Base Land Use Compatibility Plan; and 2) Project Entitlements PR-2022-001359. The project is located at 375 Alessandro Boulevard, on the northwest corner of Mission Grove Parkway and Mission Village Drive, south of Alessandro Boulevard, in Ward 4.<br>Reference RVC240508-12 and RVC221101-04<br><br>Comment Period: N/A<br>Public Hearing: 12/3/2024  | Other                                      | City of Riverside   | Document reviewed - No comments sent |

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|--|---|---|------------------------|--------------------------------------|
| PROJECT TITLE  |   |   |                        |                                      |
| <b>General Land Use (residential, etc.)</b><br><b>RVC241122-01</b><br>Frederick's Ridge Tentative Tract Map No. 38472 (TTM38472) | The project consists of subdividing an existing parcel of approximately 162.9 acres into 434 single family residential lots, a 6.02-acre park, and 58.37 acres of conservation area. Additional improvements include 6.55 acres of storm drain and detention basins for water quality purposes, 14.0 acres of slope area for drainage purposes, and 6.97 acres of dedicated right-of-way (ROW). The project is located north of Via Curtidor, east of Christine Street, south of Scott Road, and west of Beeler Road and Pourroy Road, in the Sphere of Influence of the City of Murrieta (APN: 472-070-001).<br><br>Comment Period: 11/22/2024 – 12/23/2024<br>Public Hearing: N/A   | Notice of Preparation of a Draft Focused Environmental Impact Report                        | County of Riverside    | Under review, may submit comments    |
| <b>General Land Use (residential, etc.)</b><br><b>SBC241105-06</b><br>Villa Serena Specific Plan                                 | The project consists of constructing 65 residential units on 9.16 acres. The project also includes modifying 6.85 acres of the 15th Street flood control basin to retain the basin's stormwater and flood control capacity; extending 15th Street from the southwest corner of the project site to Campus Avenue; and developing a 0.15-acre pocket park on 15th Street. The project encompasses the existing 20.3 acres 15th Street flood control detention basin located south of the Upland Hills Country Club. The project is located near the southwest corner of East 15th Street and North Monte Verde Avenue (APNs: 1045-121-04 and 1045-151-35). Reference SBC240821-04, SBC240807-10, SBC240523-01 and SBC220217-04<br><br>Comment Period: 11/4/2024- 12/18/2024<br>Public Hearing: N/A   | Recirculated Draft Environmental Impact Report  | City of Upland         | Document reviewed - No comments sent |
| <b>General Land Use (residential, etc.)</b><br><b>SBC241106-04</b><br>The Hope Center Campus Project#                            | The project consists of requesting the U.S. Department of Housing and Urban Development (HUD) for the release of \$1,901,365 as part of the Community Development Block Grant (CDBG) program, and \$4,299,671 as part of the Home Investment Partnerships American Rescue Plan (HOME-ARP) Program to undertake the Hope Center Campus Project. The project includes converting the former School of Hope campus into a homeless navigation facility to provide interim housing and supportive services for homeless individuals and households at risk of becoming homeless. The project consists of demolishing the existing School of Hope Campus and installing prefabricated residential structures including congregate and non-congregate housing, as well as amenities. The project is located at 796 East 6th Street on a portion of a larger parcel (Assessor's Parcel Number 027-819-130), within the designated AB 617 San Bernardino, Muscoy community.<br><br>Comment Period: N/A<br>Public Hearing: N/A | Notice of Finding of No Significant Impact and Notice of Intent to Request Release of Funds | City of San Bernardino | Document reviewed - No comments sent |

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|---|---|----------------------|---|--------------------------------------|
| <i>Plans and Regulations</i><br><b>ALL241106-08</b><br>Safer Consumer Products Regulations – Listing Nail Products Containing Methyl Methacrylate (MMA) as a Priority Product (Reference Number: R-2023-03R)# | The project consists of amending the California Code of Regulations, title 22, division 4.5, chapter 55, section 69511, and adopting section 69511.9. The proposed amendment pertains to identification of a Priority Product under the Safer Consumer Products (SCP) regulations, approved by the Office of Administrative Law (OAL) and filed with the Secretary of State on August 28, 2013 (effective date: 10/01/2013; OAL Regulatory Action Number: Z-2012-07170-04). The project is applicable statewide in the State of California. The project has statewide applicability and includes six designated AB 617 communities: 1) East Los Angeles, Boyle Heights, West Commerce, 2) Eastern Coachella Valley, 3) San Bernardino, Muscoy, 4) Southeast Los Angeles, 5) South Los Angeles, and 6) Wilmington, Carson, West Long Beach.<br><br>Comment Period: 11/1/2024- 12/16/2024<br>Public Hearing: N/A                          | Other                | Department of Toxic Substances Control (DTSC) | Document reviewed - No comments sent |
| <i>Plans and Regulations</i><br><b>LAC241101-13</b><br>General Plan Amendment No. GPA 24-01 (Safety Element update and Environmental Justice Element adoption)  | The project consists of updating the City’s General Plan Safety Element to adopt a new Environmental Justice Element, including implementation actions in the Implementation Plan. The proposed Safety Element Update and new Environmental Justice Element include new and updated policies and goals designed to enhance public safety with regards to flood hazards, fire hazards, evacuation routes, and climate change, and promote healthy and equitable outcomes within the City. The project encompasses 11.2 square miles and is bounded by City of Sierra Madre to the north, City of Monrovia to the east, City of El Monte to the south, and cities of Temple City and San Marino to the west.<br><br>Comment Period: 10/24/2024- 11/25/2024<br>Public Hearing: N/A   | Negative Declaration | City of Arcadia                               | Document reviewed - No comments sent |
| <i>Plans and Regulations</i><br><b>LAC241113-06</b><br>Downey Housing Element Implementation Project  | The project consists of rezoning to address Downey’s unmet Regional Housing Needs Assessment (RHNA). Program 1.1 calls for rezoning actions to address the RHNA shortfall for the 2021-2029 planning period. To implement Program 1.1, two residential overlay zone districts will be created allowing high-density housing development: Housing Overlay #1 (HOU 1) will allow residential development at a density of 18-40 units per acre and will only be applied to R-3 RHNA rezoning sites identified in the Housing Element. It does not apply to the full R-3 zone; and Housing Overlay #2 (HOU 2) will allow development at 30 units per acre and will only be applied to Mixed Use, Corridor Residential Overlay, and Specific Plan RHNA rezoning sites identified in the Housing Element. The project is applicable citywide in the City of Downey.<br><br>Comment Period: 11/8/2024- 11/27/2024<br>Public Hearing: 12/4/2024 | Negative Declaration | City of Downey                                | Document reviewed - No comments sent |

Key:

# = Project has potential environmental justice concerns due to the nature and/or location of the project.

LAC = Los Angeles County, ORC = Orange County, RVC = Riverside County, SBC = San Bernardino County, ALL = All counties within the South Coast AQMD jurisdiction, and ODP = Outside District Jurisdiction  
Project Notes:

1. Disposition may change prior to Governing Board Meeting
2. Documents received by the CEQA Intergovernmental Review program but not requiring review are not included in this report.

**ATTACHMENT A**  
**ENVIRONMENTAL DOCUMENTS PREPARED BY OTHER PUBLIC AGENCIES AND STATUS OF REVIEW**  
**November 1, 2024 to November 30, 2024**

| SOUTH COAST AQMD LOG-IN NUMBER<br>PROJECT TITLE   | PROJECT DESCRIPTION   | TYPE OF DOC.  | LEAD AGENCY              | COMMENT STATUS                       |
|---|---|---|--------------------------|--------------------------------------|
| <b>Plans and Regulations</b><br><b>ORC241105-04</b><br>Land Use and Community Design Element and Residential Zoning Code Update | <p>The project consists of updating the Land Use and Community Design Element of the City’s General Plan and the Residential Zoning Code to facilitate the development of affordable housing consistent with the City’s 2021-2029 Housing Element. The project would: 1) include a General Plan Amendment (GPA) to update the text and exhibits of the Land Use and Community Design Element of the General Plan to include Goals and Policies for affordable housing; 2) update the text of Division 3, Division 4, Division 5, and Division 1 of the Residential Zoning Code to streamline review of development proposals and include design and development standards to be consistent with the adopted Housing Element and State Laws; 3) create new Division 7 of the Residential Zoning Code to include design and development standards for four mixed use overlays; and 4) study the impact of the future construction and development of 10,322 dwelling units and 438,333 square feet of new commercial space within 410 parcels within the Housing Incentive Overlay zones. The project encompasses 10.3 square miles and is bounded by the cities of La Mirada to the north, Anaheim to the south and east, Fullerton to the east, La Palma and Cerritos to the west, and Cypress to the west and south. The project is located citywide in the City of Buena Park.</p> <p style="text-align: center;">Comment Period: 11/4/2024 - 12/10/2024    Public Hearing: N/A</p> | Notice of Preparation   | City of Buena Park       | Document reviewed - No comments sent |
| <b>Plans and Regulations</b><br><b>SBC241113-12</b><br>Bloomington Business Park Specific Plan Project#                         | <p>The project consists of requesting entitlements for the following three components: 1) Bloomington Business Park Specific Plan (“Specific Plan”), which is a land-use guidance document for the development of industrial and business park uses.; 2) Opening Year Development within the Specific Plan’s Planning Area; and 3) rezoning a residential site (“Upzone Site”) to a higher density to offset the rezoning of the Specific Plan Area from residential to a non-residential use. The approximately 213-acre Specific Plan Area is divided into two planning areas: the approximately 141.4-acre Planning Area A and the approximately 71.6-acre Planning Area B. The project is bounded by Santa Ana Avenue to the north, Maple Avenue and Linden Avenue to the east, Jurupa Avenue to the south, and Alder Avenue to the west in Bloomington.</p> <p>Reference SBC220916-02, SBC210928-09, and SBC210105-05</p> <p><a href="https://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2024/december-2024/sbc241113-12-nop-bloomington-business-park-specific-plan-project.pdf">https://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2024/december-2024/sbc241113-12-nop-bloomington-business-park-specific-plan-project.pdf</a></p> <p style="text-align: center;">Comment Period: 11/12/2024 - 12/12/2024    Public Hearing: N/A</p>   | Notice of Preparation of a Recirculated Draft Environmental Impact Report / Other | County of San Bernardino | Comment letter sent on 12/12/2024    |

**Key:**

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Project Notes:

1. Disposition may change prior to Governing Board Meeting
2. Documents received by the CEQA Intergovernmental Review program but not requiring review are not included in this report.

**ATTACHMENT B**  
**ACTIVE PROJECTS WITH CONTINUED REVIEW OF ENVIRONMENTAL DOCUMENTS**  
**PREPARED BY OTHER PUBLIC AGENCIES**

| SOUTH COAST AQMD LOG-IN NUMBER   | PROJECT DESCRIPTION   | TYPE OF DOC.       | LEAD AGENCY                        | COMMENT STATUS                    |
|--|---|--------------------|------------------------------------|-----------------------------------|
| PROJECT TITLE  |   |                    |                                    |                                   |
| <b>Industrial and Commercial</b><br><b>LAC240910-02</b><br>3505 Pasadena Ave Warehouse Project                           | The project consists of constructing a 60,000 square foot light industrial warehouse on a 2.6-acre site. The site is a brownfield and former dry-cleaning facility. The project is bounded by Arroyo Seco River to the north, commercial and residential properties to the northeast and south, the Hillside Elementary School to the east, and the Metro Rail Pasadena Blue Line to the west. The project is located at 3505 Pasadena Avenue on Assessor's Parcel Number 5205-004-010.<br><br>Comment Period: N/A<br>Public Hearing: N/A   | Other              | City of Los Angeles                | Under review, may submit comments |
| <b>Waste and Water-related</b><br><b>ORC240904-11</b><br>Increase in Maximum Daily Operations at Prima Deshecha Landfill | The project consists of increasing the permitted daily maximum tonnage of waste received at the Landfill from 4,000 tons per day (TPD) to 8,000 TPD and allowing 36 operational emergency days on which the 8,000 TPD limit could be exceeded on 1,530 acres. The project is located at 32250 La Pata Avenue near the southeast corner of La Pata Avenue and Stallion Ridge in San Juan Capistrano.<br>Reference ORC230927-11<br><br>Staff previously provided comments on the Notice of Preparation for the project, which can be accessed at: <a href="https://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2023/october-2023/ORC230927-11.pdf">https://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2023/october-2023/ORC230927-11.pdf</a> .<br><br>Comment Period: N/A<br>Public Hearing: N/A | Preliminary Review | County of Orange Waste & Recycling | Under review, may submit comments |
| <b>Waste and Water-related</b><br><b>ORC240904-12</b><br>FRB Flare Facility Master Plan                                  | The project consists of improving and upgrading the existing Flare Facility at the County's Frank R. Bowerman (FRB) Landfill to ensure the landfill meets or exceeds all legal and regulatory requirements. The project consists of replacing existing Flares 1 through 5 with new flares (ultra-low nitrogen oxide [NOx] flares), installing a new Flare 7 (ultra-low NOx flare), and installing associated hydrogen sulfide (H2S) removal vessels, which will require additional electrical power. The project is located at 11002 Bee Canyon Access Road near the southeast corner of Bee Canyon Access Road and State Route 241 within the City of Irvine on approximately 2.3 acres.<br><br>Comment Period: N/A<br>Public Hearing: N/A   | Preliminary Review | County of Orange Waste & Recycling | Under review, may submit comments |

Key:

# = Project has potential environmental justice concerns due to the nature and/or location of the project.

LAC = Los Angeles County, ORC = Orange County, RVC = Riverside County, and SBC = San Bernardino County

Project Notes:

1. Disposition may change prior to Governing Board Meeting
2. Documents received by the CEQA Intergovernmental Review program but not requiring review are not included in this report.





**ATTACHMENT C PROPOSED AIR PERMIT PROJECTS FOR  
WHICH SOUTH COAST AQMD IS CEQA LEAD AGENCY  
THROUGH NOVEMBER 30, 2024**

| PROJECT DESCRIPTION   | PROPONENT                       | TYPE OF DOCUMENT                                     | STATUS   | CONSULTANT                             |
|---|---------------------------------|--|--|--|
| <p>Quemetco is proposing to modify its existing South Coast AQMD permits to allow the facility to recycle more batteries and to eliminate the existing daily idle time of the furnaces. The proposed project will increase the rotary feed drying furnace feed rate limit from 600 to 750 tons per day and increase the amount of total coke material allowed to be processed. In addition, the project will allow the use of petroleum coke in lieu of or in addition to calcined coke and remove one existing emergency diesel-fueled internal combustion engine (ICE) and install two new emergency natural gas-fueled ICEs.</p> | <p>Quemetco</p>                 | <p>Environmental Impact Report (EIR)</p>             | <p>The Draft EIR was released for a 124-day public review and comment period from October 14, 2021 to February 15, 2022 and approximately 200 comment letters were received.</p> <p>South Coast AQMD held two community meetings on November 10, 2021, and February 9, 2022, which presented an overview of the proposed project, the CEQA process, detailed analysis of the potentially significant environmental topic areas, and the existing regulatory safeguards. Response to written comments submitted relative to the Draft EIR and oral comments made at the community meetings are currently being prepared by the consultant.</p> <p>After the Draft EIR public comment and review period closed, Quemetco submitted additional applications for other permit modifications. South Coast AQMD staff is evaluating the effect of these new applications on the EIR process.</p> | <p>Trinity Consultants</p>             |
| <p>Sunshine Canyon Landfill is proposing to modify its South Coast AQMD permits for its active landfill gas collection and control system to accommodate the increased collection of landfill gas. The proposed project will: 1) install two new low-emission flares with two additional 300-horsepower electric blowers; and 2) increase the landfill gas flow limit of the existing landfill gas collection system.</p>   | <p>Sunshine Canyon Landfill</p> | <p>Subsequent Environmental Impact Report (SEIR)</p> | <p>The consultant is working on a Draft SEIR which South Coast AQMD staff is reviewing.</p>  | <p>Castle Environmental Consulting</p> |



**ATTACHMENT C PROPOSED AIR PERMIT PROJECTS FOR  
WHICH SOUTH COAST AQMD IS CEQA LEAD AGENCY  
THROUGH NOVEMBER 30, 2024**

| PROJECT DESCRIPTION  | PROPONENT   | TYPE OF DOCUMENT   | STATUS   | CONSULTANT   |
|--|---|--|--|--------------|
| <p>SoCalGas is proposing to modify their Title V permit for the Honor Rancho Natural Gas Storage Field to: 1) replace five compressor engines with four new natural gas-fueled compressor engines (each rated at 5,000 horsepower (hp)), new selective catalytic reduction systems and a new aqueous urea storage tank; 2) install two new electric compressors (each rated at 5,500 hp) with associated ancillary equipment; 3) construct a new building to house the new compressors; 4) install an advanced renewable energy system, which will include hydrogen electrolyzers, hydrogen storage, and fuel blending equipment to mix hydrogen with natural gas which will fuel the compressor engines; 5) install a hydrogen vehicle fueling station; 6) install an electric microgrid with an energy storage system and a natural gas fuel cell system; and 7) install one new electricity transmission line which will connect to Southern California Edison.</p> | <p>Southern California Gas Company (SoCalGas)</p> | <p>Addendum to the Final Subsequent Environmental Assessment for Rule 1110.2 and Rule 1100, and the Final Program EIR for the 2016 Air Quality Management Plan</p> | <p>The consultant has prepared a preliminary Draft Addendum which South Coast AQMD staff is reviewing.</p> | <p>Dudek</p> |

[↑ Back to Agenda](#)

BOARD MEETING DATE: January 10, 2025

AGENDA NO. 19

REPORT: Rule and Control Measure Forecast

SYNOPSIS: This report highlights South Coast AQMD rulemaking activities and public hearings scheduled for 2025 and provides a summary of implementation of the 2016 and 2022 AQMPs in 2024.

COMMITTEE: No Committee Review

RECOMMENDED ACTION:  
Receive and file.

Wayne Natri  
Executive Officer

SLR:MK:IM:JA:ZS

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## 2025 MASTER CALENDAR

The 2025 Master Calendar provides a list of proposed or proposed amended rules for each month, with a brief description, and a notation in the third column indicating if the rulemaking is for an AQMP, either the 2016 AQMP or 2022 AQMP, when adopted, Toxics, AB 617 (for BARCT) or measures identified in an AB 617 Community Emission Reduction Plan (CERP), SIP to address comments or actions from U.S. EPA for a rule that is in an approved SIP, or Other. Rulemaking efforts that are noted for implementation of the 2016 AQMP or 2022 AQMP when adopted, Toxics, and AB 617 are either statutorily required and/or are needed to address a public health concern. Projected emission reductions will be determined during rulemaking.

The following symbols next to the rule number indicate if the rulemaking will be a potentially significant hearing, will reduce criteria pollutants, or is part of the RECLAIM transition. Symbols have been added to indicate the following:

- \* *This rulemaking may have a substantial number of public comments.*
- + *This rulemaking will reduce criteria air contaminants and assist toward attainment of ambient air quality standards.*
- # *This rulemaking is part of the transition of RECLAIM to a command-and-control regulatory structure.*

The following table provides a list of changes since the previous Rule Forecast Report.

## 2025 MASTER CALENDAR

| Month                       | Title and Description  | Type of Rulemaking      |
|-----------------------------|--|-------------------------|
| <b>February<sup>1</sup></b> |  |                         |
| 1111* <sup>+</sup>          | <p><b>Reduction of NO<sub>x</sub> Emissions from Natural-Gas-Fired, Fan-Type Central Furnaces</b></p> <p>Proposed Amended Rule 1111 will require zero-emission NO<sub>x</sub> limits on new installations of applicable residential and commercial furnaces based on future effective dates, along with alternative compliance options.</p> <p style="text-align: right;"><i>Heather Farr 909.396.3672; CEQA and Socio: Barbara Radlein 909.396.2716</i></p> | AQMP                    |
| 1121* <sup>+</sup>          | <p><b>Control of Nitrogen Oxides from Residential Type, Natural-Gas-Fired Water Heaters</b></p> <p>Proposed Amended Rule 1121 will require zero-emission NO<sub>x</sub> limits on new installations of applicable small water heaters based on future effective dates, along with alternative compliance options.</p> <p style="text-align: right;"><i>Heather Farr 909.396.3672; CEQA and Socio: Barbara Radlein 909.396.2716</i></p>                       | AQMP                    |
| <b>March</b>                |  |                         |
| 1445*                       | <p><b>Control of Toxic Emissions from Laser and Plasma Arc Metal Cutting</b></p> <p>Proposed Rule 1445 will establish requirements to reduce hexavalent chromium and other metal toxic air contaminant particulate emissions from laser arc cutting.</p> <p style="text-align: right;"><i>Kalam Cheung 909.396.3281; CEQA and Socio: Barbara Radlein 909.396.2716</i></p>  | Toxics /<br>AB 617 CERP |

<sup>1</sup> At the December 2024 Stationary Source Committee meeting, it was recommended to move the February items, PAR 1111 and PAR 1121, to the April Board Meeting. The Governing Board will consider this recommendation at the January 2025 Board Meeting.

\* *Potentially significant hearing*

<sup>+</sup> *Reduce criteria air contaminants and assist toward attainment of ambient air quality standards*

<sup>#</sup> *Part of the transition of RECLAIM to a command-and-control regulatory structure*

## 2025 MASTER CALENDAR *(Continued)*

| Month          | Title and Description   | Type of Rulemaking        |
|----------------|---|---------------------------|
| May            |   |                           |
| 1171           | <p><b>Solvent Cleaning Operations</b><br/> Proposed Amended Rule 1171 will seek to phase out two toxic compounds, pCBtF and tBAC, and consider interim VOC limits for certain coatings that are being reformulated as well as other amendments to improve clarity.<br/> <i>Heather Farr 909.396.3672; CEQA and Socio: Barbara Radlein 909.396.2716</i></p>                                    | Toxics /<br>AB 617 CERP   |
| Regulation III | <p><b>Fees</b><br/> Regulation III, which is comprised of Rules 301, 303, 304, 304.1, 306, 307.1, 308, 309, 311, 313, 314, 315, and 316, will be amended to increase most fees to be consistent with the California Consumer Price Index as established in Rule 320 and other possible fee revisions.<br/> <i>Kalam Cheung 909.396.3281; CEQA and Socio: Barbara Radlein 909.396.2716</i></p> | Other                     |
| June           |   |                           |
|                | <b>Title and Description</b>  | <b>Type of Rulemaking</b> |
| 223            | <p><b>Emission Reduction Permits for Large Confined Animal Facilities</b><br/> Proposed Amended Rule 223 will seek additional ammonia emission reductions from large, confined animal facilities by lowering the applicability threshold. Proposed amendments will implement BCM-04 in the 2016 AQMP.<br/> <i>Kalam Cheung 909.396.3281; CEQA and Socio: Barbara Radlein 909.396.2716</i></p> | AQMP                      |
| 462            | <p><b>Organic Liquid Loading</b><br/> Proposed Amended Rule 462 will incorporate the use of advanced techniques to detect fugitive emissions and vapor leaks. Other amendments may be needed to streamline implementation and add clarity.<br/> <i>Michael Morris 909.396.3282; CEQA and Socio: Barbara Radlein 909.396.2716</i></p>  | AQMP                      |
| 1124           | <p><b>Aerospace Assembly and Component Manufacturing Operations</b><br/> Proposed Amended Rule 1124 will seek to phase out two toxic compounds, pCBtF and tBAC, and consider interim VOC limits for certain coatings that are being reformulated as well as other amendments to improve clarity.<br/> <i>Heather Farr 909.396.3672; CEQA and Socio: Barbara Radlein 909.396.2716</i></p>      | Toxics /<br>Other         |

\* *Potentially significant hearing*

+ *Reduce criteria air contaminants and assist toward attainment of ambient air quality standards*

# *Part of the transition of RECLAIM to a command-and-control regulatory structure*

## 2025 MASTER CALENDAR *(Continued)*

| Month                         | Title and Description   | Type of Rulemaking    |
|-------------------------------|---|-----------------------|
| <b>3<sup>rd</sup> Quarter</b> |   |                       |
| 2304*+<br>316.1               | <p><b>Commercial Marine Ports – Container Terminals Fees for Rule 2304</b></p> <p>Proposed Rule 2304 will establish requirements to reduce emissions from container terminals located at commercial marine ports and the mobile sources attracted to these facilities. Proposed Rule 316.1 will establish fees to recover the South Coast AQMD’s anticipated cost of implementing Proposed Rule 2304.</p> <p style="text-align: right;"><i>Elaine Shen 909.396.2715; CEQA and Socio: Barbara Radlein 909.396.2716</i></p> | AQMP /<br>AB 617 CERP |
| 445*                          | <p><b>Wood Burning Devices</b></p> <p>Proposed Amended Rule 445 will address additional U.S. EPA requirements for Best Available Control Measures, including lowering the curtailment threshold.</p> <p style="text-align: right;"><i>Kalam Cheung 909.396.3281; CEQA and Socio: Barbara Radlein 909.396.2716</i></p>   | AQMP                  |
| 1107                          | <p><b>Coating of Metal Parts and Products</b></p> <p>Proposed Amended Rule 1107 will seek to phase out two toxic compounds, pCBtF and tBAC, and consider interim VOC limits for certain coatings that are being reformulated as well as other amendments to improve clarity.</p> <p style="text-align: right;"><i>Heather Farr 909.396.3672; CEQA and Socio: Barbara Radlein 909.396.2716</i></p>   | Toxics /<br>Other     |
| 1133.3                        | <p><b>Emission Reductions from Greenwaste Composting Operations</b></p> <p>Proposed Amended Rule 1133.3 will seek additional VOC and ammonia emission reductions by requiring composting of chipped and ground greenwaste and other best management practices.</p> <p style="text-align: right;"><i>Michael Morris 909.396.3282; CEQA and Socio: Barbara Radlein 909.396.2716</i></p>   | AQMP                  |
| 1138+                         | <p><b>Control of Emissions from Restaurant Operations</b></p> <p>Proposed Amended Rule 1138 will address U.S. EPA requirements to be no less stringent than other air districts.</p> <p style="text-align: right;"><i>Elaine Shen 909.396.2715; CEQA and Socio: Barbara Radlein 909.396.2716</i></p>  | AQMP                  |
| <b>4<sup>th</sup> Quarter</b> |   |                       |
| 404                           | <p><b>Particulate Matter – Concentration</b></p> <p>Proposed Amended Rule 404 seeks to address operations of air curtain incinerators with new provisions and requirements.</p> <p style="text-align: right;"><i>Michael Morris 909.396.3282; CEQA and Socio: Barbara Radlein 909.396.2716</i></p>  | Other                 |

\* Potentially significant hearing

+ Reduce criteria air contaminants and assist toward attainment of ambient air quality standards

# Part of the transition of RECLAIM to a command-and-control regulatory structure

**2025 MASTER CALENDAR (Continued)**

| <b>Month</b>                                  | <b>Title and Description</b>   | <b>Type of Rulemaking</b> |
|---|--|---------------------------|
| <b>4<sup>th</sup> Quarter<br/>(Continued)</b> |  |                           |
| 1136  | <p><b>Wood Products Coatings</b><br/>Proposed Amended Rule 1136 will seek to phase out two toxic compounds, pCBtF and tBAC, and consider interim VOC limits for certain coatings that are being reformulated as well as other amendments to improve clarity.<br/><i>Heather Farr 909.396.3672; CEQA and Socio: Barbara Radlein 909.396.2716</i></p>  | Toxics / Other            |
| 1146  | <p><b>Emissions of Oxides of Nitrogen from Industrial, Institutional, and Commercial Boilers, Steam Generators, and Process Heaters</b><br/>Proposed amendments to Rule 1146 will seek further emission reductions from an updated BARCT analysis.<br/><i>Michael Morris 909.396.3282; CEQA and Socio: Barbara Radlein 909.396.2716</i></p>  | AQMP / Other              |
| 1146.1 <sup>#</sup>                           | <p><b>Emissions of Oxides of Nitrogen from Small Industrial, Institutional, and Commercial Boilers, Steam Generators, and Process Heaters</b><br/>Proposed amendments to Rule 1146.1 seeks further emission reductions from an updated BARCT analysis.<br/><i>Michael Morris 909.396.3282; CEQA and Socio: Barbara Radlein 909.396.2716</i></p>  | AQMP / Other              |
| 1420.2  | <p><b>Emission Standards for Lead from Metal Melting Facilities</b><br/>Proposed Amended Rule 1420.2 will update requirements to address arsenic emissions to close a regulatory gap between Rule 1420 and Rule 1407 - Control of Emissions of Arsenic, Cadmium, and Nickel from Non-Ferrous Metal Melting Operations. Additional amendments may be needed to address monitoring and post closure requirements.<br/><i>Kalam Cheung 909.396.3281; CEQA and Socio: Barbara Radlein 909.396.2716</i></p> | Toxics                    |
| 1426.1  | <p><b>Hexavalent Chromium Emissions from Metal Finishing Operations</b><br/>Proposed Rule 1426.1 will reduce hexavalent chromium emissions from heated chromium tanks used at facilities with metal finishing operations that are not subject to Rule 1469.<br/><i>Kalam Cheung 909.396.3281; CEQA and Socio: Barbara Radlein 909.396.2716</i></p>   | Toxics                    |

\* Potentially significant hearing

+ Reduce criteria air contaminants and assist toward attainment of ambient air quality standards

# Part of the transition of RECLAIM to a command-and-control regulatory structure

**2025 MASTER CALENDAR (Continued)**

| <b>Month</b>                                 | <b>Title and Description</b>  | <b>Type of Rulemaking</b> |
|--|---|---------------------------|
| <b>4<sup>th</sup> Quarter</b><br>(Continued) |   |                           |
| 1435*  | <p><b>Control of Toxic Air Contaminant Emissions from Metal Heating Operations</b><br/>                     Proposed Rule 1435 will establish requirements to reduce point source and fugitive toxic air contaminants including hexavalent chromium emissions from heat treating processes. Proposed Rule 1435 will also include monitoring, reporting, and recordkeeping requirements.<br/> <i>Kalam Cheung 909.396.3281; CEQA and Socio: Barbara Radlein 909.396.2716</i></p>                             | AQMP /<br>AB 617 CERP     |
| 1469   | <p><b>Hexavalent Chromium Emissions from Chromium Electroplating and Chromic Acid Anodizing Operations</b><br/>                     Amendments to Rule 1469 may be needed to address potential changes with the CARB’s Hexavalent Chromium Airborne Toxic Control Measure for Chrome Plating and Chromic Acid Anodizing Operations.<br/> <i>Kalam Cheung 909.396.3281; CEQA and Socio: Barbara Radlein 909.396.2716</i></p>   | Toxics /<br>Other         |
| Regulation XIII**                            | <p><b>New Source Review</b><br/>                     Proposed Amended Regulation XIII will revise New Source Review provisions to address facilities that are transitioning from RECLAIM to a command-and-control regulatory structure and to reconcile Regulation XIII with 2002 NSR Reform. Additional rules under Regulation XIII may be needed to address offsets and other provisions under Regulation XIII.<br/> <i>Michael Morris 909.396.3282; CEQA and Socio: Barbara Radlein 909.396.2716</i></p> | AQMP                      |
| Regulation XX**                              | <p><b>RECLAIM</b><br/>                     Proposed Amended Regulation XX will address the transition of NOx RECLAIM facilities to a command-and-control regulatory structure.<br/> <i>Michael Morris 909.396.3282; CEQA and Socio: Barbara Radlein 909.396.2716</i></p>  | AQMP                      |

\* Potentially significant hearing

+ Reduce criteria air contaminants and assist toward attainment of ambient air quality standards

# Part of the transition of RECLAIM to a command-and-control regulatory structure



## 2025 To-Be-Determined

| 2025             | Title and Description   | Type of Rulemaking |
|------------------|---|--------------------|
| 102              | <p><b>Definition of Terms</b><br/>Proposed amendments may be needed to update and add definitions, and potentially modify exemptions.<br/><i>TBD; CEQA and Socio: Barbara Radlein 909.396.2716</i></p>  | Other              |
| 103              | <p><b>Definition of Geographical Areas</b><br/>Proposed amendments are needed to update geographic areas to be consistent with state and federal references to those geographic areas.<br/><i>TBD; CEQA and Socio: Barbara Radlein 909.396.2716</i></p>   | Other              |
| 209              | <p><b>Transfer and Voiding of Permits</b><br/>Proposed amendments may be needed to clarify requirements for change of ownership and permits and the assessment of associated fees.<br/><i>Kalam Cheung 909.396.3281; CEQA and Socio: Barbara Radlein 909.396.2716</i></p>   | Other              |
| 403              | <p><b>Fugitive Dust</b><br/>Proposed Amended Rule 403 will seek to remove outdated provisions and clarify existing provisions to enhance compliance.<br/><i>TBD; CEQA and Socio: Barbara Radlein 909.396.2716</i></p>   | Other              |
| 403.1            | <p><b>Supplemental Fugitive Dust Control Requirements for Coachella Valley Sources</b><br/>Proposed Amended Rule 403.1 will clarify existing requirements for dust control and remove outdated provisions contained in supporting documents for Rule 403.1.<br/><i>TBD; CEQA and Socio: Barbara Radlein 909.396.2716</i></p>  | Other              |
| 407 <sup>#</sup> | <p><b>Liquid and Gaseous Air Contaminants</b><br/>Proposed Amended Rule 407 will update SO<sub>x</sub> emission limits to reflect Best Available Retrofit Control Technology, if needed, remove exemptions for RECLAIM facilities, and update monitoring, reporting, and recordkeeping requirements.<br/><i>TBD; CEQA and Socio: Barbara Radlein 909.396.2716</i></p> | AB 617<br>BARCT    |
| 410              | <p><b>Odors from Transfer Stations and Material Recovery Facilities</b><br/>Proposed Amended Rule 410 will clarify existing provisions. Additional provisions may be needed to address activities associated with diversion of food waste to transfer stations or material recovery facilities.<br/><i>TBD; CEQA and Socio: Barbara Radlein 909.396.2716</i></p>      | Other              |

\* Potentially significant hearing

+ Reduce criteria air contaminants and assist toward attainment of ambient air quality standards

# Part of the transition of RECLAIM to a command-and-control regulatory structure

**2025 To-Be-Determined (Continued)**

| 2025               | Title and Description  | Type of Rulemaking               |
|--------------------|--|----------------------------------|
| 425                | <p><b>Odors from Cannabis Processing</b><br/> Proposed Rule 425 will establish requirements for control of odors from cannabis processing.<br/> <i>TBD; CEQA and Socio: Barbara Radlein 909.396.2716</i></p>   | Other                            |
| 430                | <p><b>Breakdown Provisions</b><br/> Amendments to Rule 430 will be needed to remove exemptions for facilities that exit the RECLAIM program and update references to CEMS rules. Other amendments may be needed to address current policies from U.S. EPA regarding startup, shutdown, and malfunction requirements.<br/> <i>TBD; CEQA and Socio: Barbara Radlein 909.396.2716</i></p> | RECLAIM / Other                  |
| 431.1 <sup>#</sup> | <p><b>Sulfur Content of Gaseous Fuels</b><br/> Proposed Amended Rule 431.1 will assess exemptions, including RECLAIM, and update other provisions, if needed.<br/> <i>Heather Farr 909.396.3672; CEQA and Socio: Barbara Radlein 909.396.2716</i></p>  | AB 617<br>BARCT /<br>AB 617 CERP |
| 431.2 <sup>#</sup> | <p><b>Sulfur Content of Liquid Fuels</b><br/> Proposed Amended Rule 431.2 will assess exemptions, including RECLAIM, and update other provisions, if needed.<br/> <i>Heather Farr 909.396.3672; CEQA and Socio: Barbara Radlein 909.396.2716</i></p>   | AB 617<br>BARCT /<br>AB 617 CERP |
| 431.3 <sup>#</sup> | <p><b>Sulfur Content of Fossil Fuels</b><br/> Proposed Amended Rule 431.3 will assess exemptions, including RECLAIM, and update other provisions, if needed.<br/> <i>Heather Farr 909.396.3672; CEQA and Socio: Barbara Radlein 909.396.2716</i></p>   | AB 617<br>BARCT /<br>AB 617 CERP |
| 444                | <p><b>Open Burning</b><br/> Amendments may be needed to clarify existing provisions.<br/> <i>Michael Morris 909.396.3282; CEQA and Socio: Barbara Radlein 909.396.2716</i></p>   | Other                            |
| 444.1              | <p><b>Air Curtain Incinerators</b><br/> Proposed Rule 444.1 may be needed to address the operations of air curtain incinerators with provisions and requirements.<br/> <i>Michael Morris 909.396.3282; CEQA and Socio: Barbara Radlein 909.396.2716</i></p>  | Other                            |
| 461                | <p><b>Gasoline Transfer and Dispensing</b><br/> Amendments to Rule 461 may be needed to address potential regulatory gaps.<br/> <i>TBD; CEQA and Socio: Barbara Radlein 909.396.2716</i></p>   | Other                            |
| 468 <sup>#</sup>   | <p><b>Sulfur Recovery Units</b><br/> Proposed Amended Rule 468 will update SOx emission limits to reflect Best Available Retrofit Control Technology, if needed, remove exemptions for RECLAIM facilities, and update monitoring, reporting, and recordkeeping requirements.<br/> <i>TBD; CEQA and Socio: Barbara Radlein 909.396.2716</i></p>   | AB 617<br>BARCT                  |

\* Potentially significant hearing

+ Reduce criteria air contaminants and assist toward attainment of ambient air quality standards

# Part of the transition of RECLAIM to a command-and-control regulatory structure

## 2025 To-Be-Determined (*Continued*)

| 2025                   | Title and Description   | Type of Rulemaking               |
|------------------------|---|----------------------------------|
| 469 <sup>#</sup>       | <p><b>Sulfuric Acid Units</b><br/> Proposed Amended Rule 469 will update SOx emission limits to reflect Best Available Retrofit Control Technology, if needed, remove exemptions for RECLAIM facilities, and update monitoring, reporting, and recordkeeping requirements.<br/> <i>TBD; CEQA and Socio: Barbara Radlein 909.396.2716</i></p>                    | AB 617<br>BARCT                  |
| 1101 <sup>#</sup>      | <p><b>Secondary Lead Smelters/Sulfur Oxides</b><br/> Proposed Amended Rule 1101 will update SOx emission limits to reflect Best Available Retrofit Control Technology, if needed, remove exemptions for RECLAIM facilities, and update monitoring, reporting, and recordkeeping requirements.<br/> <i>TBD; CEQA and Socio: Barbara Radlein 909.396.2716</i></p> | AB 617<br>BARCT                  |
| 1102                   | <p><b>Dry Cleaners Using Solvent Other Than Perchloroethylene</b><br/> Proposed amendments may be needed to address certain exempt compounds, VOC limits for certain applications, and other amendments to improve clarity.<br/> <i>Michael Morris 909.396.3282; CEQA and Socio: Barbara Radlein 909.396.2716</i></p>   | AB 617 CERP                      |
| 1105 <sup>#</sup>      | <p><b>Fluid Catalytic Cracking Units SOx</b><br/> Proposed Amended Rule 1105 will update SOx emission limits to reflect Best Available Retrofit Control Technology, if needed, remove exemptions for RECLAIM facilities, and update monitoring, reporting, and recordkeeping requirements.<br/> <i>TBD; CEQA and Socio: Barbara Radlein 909.396.2716</i></p>    | AB 617<br>BARCT /<br>AB 617 CERP |
| 1108                   | <p><b>Cutback Asphalt</b><br/> Proposed amendments may be needed to address certain exempt compounds, VOC limits for certain applications, and other amendments to improve clarity.<br/> <i>Heather Farr 909.396.3672; CEQA and Socio: Barbara Radlein 909.396.2716</i></p>   | Toxics /<br>Other                |
| 1108.1                 | <p><b>Emulsified Asphalt</b><br/> Proposed amendments may be needed to address certain exempt compounds, VOC limits for certain applications, and other amendments to improve clarity.<br/> <i>Heather Farr 909.396.3672; CEQA and Socio: Barbara Radlein 909.396.2716</i></p>  | Toxics /<br>Other                |
| 1110.2* <sup>+ #</sup> | <p><b>Emissions from Gaseous- and Liquid-Fueled Engines</b><br/> Proposed amendments will address use of emergency standby engines, incorporate possible comments by U.S. EPA for approval into the SIP, and address monitoring provisions for new engines.<br/> <i>Michael Morris 909.396.3282; CEQA and Socio: Barbara Radlein 909.396.2716</i></p>           | AQMP /<br>AB 617<br>BARCT        |

\* *Potentially significant hearing*

+ *Reduce criteria air contaminants and assist toward attainment of ambient air quality standards*

# *Part of the transition of RECLAIM to a command-and-control regulatory structure*

**2025 To-Be-Determined (Continued)**

| 2025              | Title and Description   | Type of Rulemaking               |
|-------------------|---|----------------------------------|
| 1110.4            | <p><b>Emissions from Emergency Generators</b><br/>                     Proposed Rule 1110.4 will establish and revise rule provisions to reduce NO<sub>x</sub>, CO, and PM emissions from emergency generators.<br/> <i>Michael Morris 909.396.3282; CEQA and Socio: Barbara Radlein 909.396.2716</i></p>   | Other / AQMP                     |
| 1113              | <p><b>Architectural Coatings</b><br/>                     Proposed amendments may be needed to address delisted compounds and other amendments to improve clarity and to remove obsolete provisions.<br/> <i>Heather Farr 909.396.3672; CEQA and Socio: Barbara Radlein 909.396.2716</i></p>  | Other                            |
| 1114              | <p><b>Petroleum Refinery Coking Operations</b><br/>                     Proposed Amended Rule 1114 will seek to add notification requirements when coke particles, liquid and/or gas is ejected from the coke drum during cutting.<br/> <i>TBD; CEQA and Socio: Barbara Radlein 909.396.2716</i></p>  | Other                            |
| 1119 <sup>#</sup> | <p><b>Petroleum Coke Calcining Operations – Oxides of Sulfur</b><br/>                     Proposed Amended Rule 1119 will update SO<sub>x</sub> emission limits to reflect Best Available Retrofit Control Technology, if needed, remove exemptions for RECLAIM facilities, and update monitoring, reporting, and recordkeeping requirements.<br/> <i>TBD; CEQA and Socio: Barbara Radlein 909.396.2716</i></p> | AB 617<br>BARCT /<br>AB 617 CERP |
| 1122              | <p><b>Solvent Degreasers</b><br/>                     Proposed amendments may be needed to address certain exempt compounds, VOC limits for certain applications, and other amendments to improve clarity.<br/> <i>Heather Farr 909.396.3672; CEQA and Socio: Barbara Radlein 909.396.2716</i></p>  | Toxics /<br>Other                |
| 1125              | <p><b>Metal Container, Closure, and Coil Coating Operations</b><br/>                     Proposed amendments may be needed to address certain exempt compounds, VOC limits for certain applications, and other amendments to improve clarity.<br/> <i>Heather Farr 909.396.3672; CEQA and Socio: Barbara Radlein 909.396.2716</i></p>   | Toxics /<br>Other                |
| 1126              | <p><b>Magnet Wire Coating Operations</b><br/>                     Proposed amendments may be needed to address certain exempt compounds, VOC limits for certain applications, and other amendments to improve clarity.<br/> <i>Heather Farr 909.396.3672; CEQA and Socio: Barbara Radlein 909.396.2716</i></p>  | Toxics /<br>Other                |

\* Potentially significant hearing

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# Part of the transition of RECLAIM to a command-and-control regulatory structure

**2025 To-Be-Determined (Continued)**

| 2025   | Title and Description  | Type of Rulemaking |
|--------|--|--------------------|
| 1128   | <p><b>Paper, Fabric, and Film Coating Operations</b><br/>                     Proposed amendments may be needed to address certain exempt compounds, VOC limits for certain applications, and other amendments to improve clarity.<br/> <i>Heather Farr 909.396.3672; CEQA and Socio: Barbara Radlein 909.396.2716</i></p>         | Toxics / Other     |
| 1130   | <p><b>Graphic Arts</b><br/>                     Proposed amendments may be needed to address certain exempt compounds, VOC limits for certain applications, and other amendments to improve clarity.<br/> <i>Heather Farr 909.396.3672; CEQA and Socio: Barbara Radlein 909.396.2716</i></p>                                       | Toxics / Other     |
| 1130.1 | <p><b>Screen Printing Operations</b><br/>                     Proposed amendments may be needed to address certain exempt compounds, VOC limits for certain applications, and other amendments to improve clarity.<br/> <i>Heather Farr 909.396.3672; CEQA and Socio: Barbara Radlein 909.396.2716</i></p>                         | Toxics / Other     |
| 1142   | <p><b>Marine Tank Vessel Operations</b><br/>                     Proposed Amended Rule 1142 will address VOC and hydrogen sulfide emissions from marine tank vessel operations, applicability, noticing requirements, and provide clarifications.<br/> <i>TBD; CEQA and Socio: Barbara Radlein 909.396.2716</i></p>                | Other              |
| 1143   | <p><b>Consumer Paint Thinners and Multi-Purpose Solvents</b><br/>                     Proposed amendments may be needed to address certain exempt compounds, VOC limits for certain applications, and other amendments to improve clarity.<br/> <i>Heather Farr 909.396.3672; CEQA and Socio: Barbara Radlein 909.396.2716</i></p> | Toxics / Other     |
| 1144   | <p><b>Metalworking Fluids and Direct-Contact Lubricants</b><br/>                     Proposed amendments may be needed to address certain exempt compounds, VOC limits for certain applications, and other amendments to improve clarity.<br/> <i>Heather Farr 909.396.3672; CEQA and Socio: Barbara Radlein 909.396.2716</i></p>  | Toxics / Other     |
| 1145   | <p><b>Plastic, Rubber, Leather, and Glass Coatings</b><br/>                     Proposed amendments may be needed to address certain exempt compounds, VOC limits for certain applications, and other amendments to improve clarity.<br/> <i>Heather Farr 909.396.3672; CEQA and Socio: Barbara Radlein 909.396.2716</i></p>       | Toxics / Other     |

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# Part of the transition of RECLAIM to a command-and-control regulatory structure

**2025 To-Be-Determined (Continued)**

| <b>2025</b>                                   | <b>Title and Description</b>   | <b>Type of Rulemaking</b> |
|---|--|---------------------------|
| 1162  | <p><b>Polyester Resin Operations</b><br/> Proposed amendments may be needed to address certain exempt compounds, VOC limits for certain applications, and other amendments to improve clarity.<br/> <i>Heather Farr 909.396.3672; CEQA and Socio: Barbara Radlein 909.396.2716</i></p>   | Toxics / Other            |
| 1166  | <p><b>Volatile Organic Compound Emissions from Decontamination of Soil</b><br/> Proposed Amended Rule 1166 will update requirements, specifically concerning notifications and usage of mitigation plans (site specific versus various locations).<br/> <i>Michael Morris 909.396.3282; CEQA and Socio: Barbara Radlein 909.396.2716</i></p>   | Other                     |
| 1174  | <p><b>Control of Volatile Organic Compound Emissions from the Ignition of Barbecue Charcoal</b><br/> Proposed amendments may be needed to address certain exempt compounds, VOC limits for certain applications, and other amendments to improve clarity.<br/> <i>Heather Farr 909.396.3672; CEQA and Socio: Barbara Radlein 909.396.2716</i></p>  | AQMP / Other              |
| 1176  | <p><b>VOC Emissions from Wastewater Systems</b><br/> Proposed Amended Rule 1176 will clarify the applicability of the rule to include bulk terminals under definition of “Industrial Facilities,” and streamline and clarify provisions.<br/> <i>TBD; CEQA and Socio: Barbara Radlein 909.396.2716</i></p>   | Other / AB 617 CERP       |
| 1186.1, 1191, 1192, 1193, 1194, 1195, 1196* + | <p><b>Fleet Rules</b><br/> Proposed amendments to Rules 1186.1, 1191, 1192, 1193, 1194, 1195, 1196 will seek to align South Coast AQMD fleet rules with CARB’s final Advanced Clean Fleets regulation.<br/> <i>Sang-Mi Lee: 909.396.3169; CEQA and Socio: Barbara Radlein 909.396.2716</i></p>   | AQMP / Other              |
| 1401  | <p><b>New Source Review of Toxic Air Contaminants</b><br/> Proposed Amended Rule 1401 will amend Table 1 to include new toxic air contaminants identified by California Office of Environmental Health Hazard Assessment (OEHHA).<br/> <i>Kalam Cheung 909.396.3281; CEQA and Socio: Barbara Radlein 909.396.2716</i></p>  | Toxics / Other            |
| 1403*   | <p><b>Asbestos Emissions from Demolition/Renovation Activities</b><br/> Proposed Amended Rule 1403 will enhance implementation, improve rule enforceability, update provisions, notifications, exemptions, and align provisions with the applicable U.S. EPA National Emission Standard for Hazardous Air Pollutants (NESHAP) and other state and local requirements as necessary.<br/> <i>Kalam Cheung 909.396.3281; CEQA and Socio: Barbara Radlein 909.396.2716</i></p> | Toxics                    |

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# Part of the transition of RECLAIM to a command-and-control regulatory structure

**2025 To-Be-Determined (Continued)**

| 2025           | Title and Description   | Type of Rulemaking |
|----------------|---|--------------------|
| 1404           | <p><b>Hexavalent Chromium Emissions from Cooling Towers</b><br/>           Amendments may be needed to provide additional clarifications regarding use of process water that is associated with sources that have the potential to contain chromium in cooling towers and address VOC emissions.<br/> <i>TBD; CEQA and Socio: Barbara Radlein 909.396.2716</i></p>  | Toxics / AQMP      |
| 1411           | <p><b>Recovery or Recycling of Refrigerants from Motor Vehicle Air Conditioners</b><br/>           Proposed Amended Rule 1411 seeks amendments to coincide with Section 609 of the Clean Air Act.<br/> <i>TBD; CEQA and Socio: Barbara Radlein 909.396.2716</i></p>   | Toxics             |
| 1415<br>1415.1 | <p><b>Reduction of Refrigerant Emissions from Stationary Air Conditioning Systems, and Reduction of Refrigerant Emissions from Stationary Refrigeration Systems</b><br/>           Proposed Amended Rules 1415 and 1415.1 will align requirements with the proposed CARB Refrigerant Management Program and U.S. EPA’s Significant New Alternatives Policy Rule provisions relative to prohibitions on specific hydrofluorocarbons.<br/> <i>TBD; CEQA and Socio: Barbara Radlein 909.396.2716</i></p>     | Other              |
| 1420           | <p><b>Emissions Standard for Lead</b><br/>           Proposed Amended Rule 1420 will update requirements to address arsenic emissions to close a regulatory gap between Rule 1420 and Rule 1407 - Control of Emissions of Arsenic, Cadmium, and Nickel from Non-Ferrous Metal Melting Operations. Other provisions may be needed to address storage and handling requirements, and revise closure requirements.<br/> <i>Michael Morris 909.396.3282; CEQA and Socio: Barbara Radlein 909.396.2716</i></p> | Toxics             |
| 1420.1         | <p><b>Emission Standards for Lead and Other Toxic Air Contaminants from Large Lead-Acid Battery Recycling Facilities</b><br/>           Proposed Amendments are needed to update applicable test methods and provide clarifications regarding submittal of a source-test protocol. Additional amendments may be needed to address monitoring and post closure requirements.<br/> <i>Michael Morris 909.396.3282; CEQA and Socio: Barbara Radlein 909.396.2716</i></p>                                     | Toxics             |

\* Potentially significant hearing

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# Part of the transition of RECLAIM to a command-and-control regulatory structure

**2025 To-Be-Determined (Continued)**

| 2025   | Title and Description  | Type of Rulemaking   |
|--------|--|----------------------|
| 1420.3 | <p><b>Emissions Standards for Lead from Firing Ranges</b><br/>                     Proposed Rule 1420.3 will establish requirements to address lead emissions from firing ranges.<br/> <i>Kalam Cheung 909.396.3281; CEQA and Socio: Barbara Radlein 909.396.2716</i></p>  | Toxics / Other       |
| 1450*  | <p><b>Control of Methylene Chloride Emissions</b><br/>                     Proposed Rule 1450 will reduce methylene chloride emissions from furniture stripping and establish monitoring, reporting, and recordkeeping requirements.<br/> <i>Michael Morris 909.396.3282; CEQA and Socio: Barbara Radlein 909.396.2716</i></p>   | Toxics               |
| 1455   | <p><b>Control of Hexavalent Chromium Emissions from Torch Cutting and Welding</b><br/>                     Proposed Rule 1455 will establish requirements to reduce hexavalent chromium emissions from torch cutting and welding of chromium alloys.<br/> <i>Kalam Cheung 909.396.3281; CEQA and Socio: Barbara Radlein 909.396.2716</i></p>   | Toxics / AB 617 CERP |
| 1466   | <p><b>Control of Particulate Emissions from Soils with Toxic Air Contaminants</b><br/>                     Amendments may be needed for residential cleanup projects.<br/> <i>Michael Morris 909.396.3282; CEQA and Socio: Barbara Radlein 909.396.2716</i></p>  | Toxics               |
| 1466.1 | <p><b>Control of Particulate Emissions from Demolition of Buildings</b><br/>                     Proposed Rule 1466.1 will establish requirements to minimize PM emissions during the demolition of buildings that housed equipment and processes with metal toxic air contaminants and pollution control equipment.<br/> <i>Michael Morris 909.396.3282; CEQA and Socio: Barbara Radlein 909.396.2716</i></p>           | Toxics               |
| 1470   | <p><b>Requirements for Stationary Diesel-Fueled Internal Combustion and Other Compression Ignition Engines</b><br/>                     Proposed Amended Rule 1470 seeks to reduce NOx emissions from stationary internal combustion engines (ICEs) by replacing older ICEs with alternative cleaner technology.<br/> <i>Michael Morris 909.396.3282; CEQA and Socio: Barbara Radlein 909.396.2716</i></p>               | AQMP / Toxics        |
| 1470.1 | <p><b>Emissions from Emergency Standby Diesel-Fueled Engines</b><br/>                     Proposed Rule 1470.1 seeks to reduce NOx emissions from emergency standby internal combustion engines (ICEs) by replacing older ICEs and requiring the use of commercially available lower emission fuels, such as renewable diesel.<br/> <i>Michael Morris 909.396.3282; CEQA and Socio: Barbara Radlein 909.396.2716</i></p> | AQMP / Toxics        |

\* Potentially significant hearing

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# Part of the transition of RECLAIM to a command-and-control regulatory structure



**2025 To-Be-Determined (Continued)**

| 2025                           | Title and Description   | Type of Rulemaking |
|--------------------------------|---|--------------------|
| 1472                           | <p><b>Requirements for Facilities with Multiple Stationary Emergency Standby Diesel-Fueled Internal Combustion Engines</b><br/>                     Proposed Amended Rule 1472 will remove provisions that are no longer applicable, update and streamline provisions to reflect the latest OEHHA Health Risk Assessment Guidelines and assess the need for Compliance Plans.<br/> <i>Michael Morris 909.396.3282; CEQA and Socio: Barbara Radlein 909.396.2716</i></p> | Toxics             |
| 1480.1                         | <p><b>Ambient Monitoring and Sampling of Gaseous Toxic Air Contaminants</b><br/>                     Proposed Rule 1480.1 will establish requirements to conduct monitoring and sampling for those facilities identified as significant high-risk level.<br/> <i>Heather Farr 909.396.3672; CEQA and Socio: Barbara Radlein 909.396.2716</i></p>  | Toxics             |
| 1901                           | <p><b>General Conformity</b><br/>                     Proposed Amended Rule 1901 will establish a new General Conformity determination process for applicable projects receiving federal funding or approval.<br/> <i>TBD; CEQA and Socio: Barbara Radlein 909.396.2716</i></p>   | AQMP               |
| Regulation XX                  | <p><b>RECLAIM - Requirements for Oxides of Sulfur (SO<sub>x</sub>) Emissions</b><br/>                     Amendments to Regulation XX rules to address SO<sub>x</sub> requirements at RECLAIM facilities if there is consideration to transition SO<sub>x</sub> RECLAIM to command-and-control regulatory structure.<br/> <i>Michael Morris 909.396.3282; CEQA and Socio: Barbara Radlein 909.396.2716</i></p>  | RECLAIM / Other    |
| Regulation XXIII* <sup>+</sup> | <p><b>Facility-Based Mobile Sources</b><br/>                     Proposed rules within Regulation XXIII would reduce emissions from indirect sources and the mobile sources attracted to these facilities.<br/> <i>Elaine Shen 909.396.2715; CEQA and Socio: Barbara Radlein 909.396.2716</i></p>   | AQMP / AB 617 CERP |

\* Potentially significant hearing

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# Part of the transition of RECLAIM to a command-and-control regulatory structure

**2025 To-Be-Determined (Continued)**

| 2025  | Title and Description   | Type of Rulemaking                                |
|---|---|---|
| Regulation II, III, IV, V, VII, VIII, XI, XIV, XIX, XXIII, XXIV, XXX and XXXV | <p>Various rule amendments may be needed to meet the requirements of state and federal laws; implement OEHHA’s latest risk assessment guidance; incorporate changes from OEHHA to new or revised toxic air contaminants or their risk values; address variance issues, emission limits, technology-forcing emission limits, and conflicts with other agency requirements; abate substantial endangerment to public health; apply additional reductions to meet SIP short-term measure commitments; address issues raised by U.S. EPA or CARB for the SIP or for a rule that was submitted into the SIP; and address compliance issues raised by the Hearing Board. In addition, administrative changes could be necessary for Hearing Board procedures, filings, petitions, noticing, etc. Amendments to existing rules may be needed to address use of materials that contain chemicals of concern. The associated rule development or amendments include, but are not limited to, South Coast AQMD existing, or new rules to implement measures in the 2012, 2016 or 2022 AQMP. This includes measures in the 2016 AQMP to reduce toxic air contaminants or reduce exposure to air toxics from stationary, mobile, and area sources. Rule adoption or amendments may include updates to provide consistency with CARB Statewide Air Toxic Control Measures, U.S. EPA’s National Emission Standards for Hazardous Air Pollutants, or to address the lead National Ambient Air Quality Standard. Rule adoption or amendments may be needed to implement AB 617 including but not limited to BARCT rules, Community Emission Reduction Plans prepared pursuant to AB 617, or new or amended rules to abate a public health issue identified through emissions testing or ambient monitoring.</p> | Other / AQMP/ Toxics / AB 617 BARCT / AB 617 CERP |

\* *Potentially significant hearing*

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# *Part of the transition of RECLAIM to a command-and-control regulatory structure*

The following is a summary of implementation of the 2016 and 2022 AQMP in 2024.

### **Summary of 2016 AQMP and 2022 AQMP Implementation**

The 2016 AQMP and 2022 AQMP were adopted, respectively, in March 2017 and December 2022, then subsequently approved by CARB before being submitted to State Implementation Plan (SIP) with the U.S. EPA. Both AQMPs included a comprehensive control strategy with specific control measures to attain upcoming ozone and PM<sub>2.5</sub> National Ambient Air Quality Standards.

Staff continued working on fulfilling the Board directive for the 2016 and 2022 AQMP. Adoption of rules and rule amendments are also needed to meet the requirements of AB 617. From 2018 to 2024, a total of twenty-six rules (Rules 463, 1109.1, 1110.2, 1117, 1118, 1118.1, 1134, 1135, 1146, 1146.1, 1146.2, 1147, 1147.1, 1147.2, 1148.1, 1148.2, 1150.3, 1151, 1153.1, 1159.1, 1165, 1168, 1173, 1178, 1179.1, and 2306) were adopted/amended as part of the control measure strategies in both the 2016 and 2022 AQMP. Control Measure CMB-05 in the 2016 AQMP required facilities in the RECLAIM Program to implement BARCT and along with rules listed above, subsequent amendments to Rules 218.1, 218.2, 429, and 429.2 were adopted to specifically support the transition of RECLAIM facilities to a command and control regulatory program. With the exception of Rule 1109.1, the total emission reductions resulting from the RECLAIM transition rules are about six tpd which are anticipated to be achieved by 2024. Implementation of Rule 1109.1, adopted by the Board on November 5, 2021, is estimated to reduce NO<sub>x</sub> emissions by approximately 7.7 to 7.9 tpd upon final implementation. Upcoming Rules 462, 1111, 1121, 1146, and 1146.1 will continue to seek further emission reductions to fulfill the target goals set out in the 2022 AQMP.

The 2016 AQMP targeted NO<sub>x</sub> reductions goals of 23 tpd by 2023 and 31 tpd by 2031 to meet the 1997 and 2008 8-hour ozone standards, respectively, and as shown in Table 1, the 2023 NO<sub>x</sub> goal is anticipated to be met, yet more NO<sub>x</sub> reductions are needed in future years to achieve the 2031 goal. VOC reductions were targeted at 6.4 tpd by 2023 and 9.6 tpd by 2031 so more VOC reductions are necessary. Table 1 provides a complete list of rules that have been adopted as part of the implementation of 2016 AQMP. Table 2 provides the rules being amended and adopted as part of the implementation of the 2022 AQMP. While emission reduction efforts are ongoing, so far, NO<sub>x</sub> reductions by 2032 are anticipated to be 1.82 tpd, which is less than the target of 2.72 tpd by 2032. Similarly, NO<sub>x</sub> reductions are currently on track for 3.42 tpd by 2037 which is less than the target of 22.07 tpd in the 2022 AQMP. VOC reductions of 4.30 tpd by 2032 exceeds the target of 1.1 tpd, which will assist in the shortfall of VOC reductions from the implementation of the 2016 AQMP. Accordingly, the VOC reductions of 4.87 tpd by 2037 will exceed the target of 1.2 tpd in the 2022 AQMP and will assist in attaining the future ozone standard.

**Table 1**  
**2016 AQMP Emission Reductions (tons per day) by Measure/Adoption Date**

| Control Measure #           | Control Measure Title  | Adoption Date | AQMP Commitment |            | Reduction in Approved Measure/Rule(s) |            |
|-----------------------------|--|---------------|-----------------|------------|---------------------------------------|------------|
|                             |  |               | 2023            | 2031       | 2023                                  | 2031       |
| <b>VOC EMISSIONS*</b>       |  |               |                 |            |                                       |            |
| <b>CTS-01</b>               | Further Emission Reductions from Coatings, Solvents, Adhesives, and Sealants [R1168]     | 2017          | 1.0             | 2.0        | 1.1                                   | 1.1        |
| <b>FUG-01</b>               | Improved Leak Detection and Repair [R1178, R1173, R463, R1148.1]                         | --            | 2.0             | 2.0        | 0.45                                  | 0.61       |
| <b>CMB-01</b>               | Transition to Zero and Near-Zero Emission Technologies for Stationary Sources            | --            | 1.2             | 2.8        | --                                    | --         |
| <b>CMB-03</b>               | Emission Reductions from Non-Refinery Flares [R1118.1]                                   | 2018          | 0.4             | 0.4        | 0.014                                 | 0.014      |
| <b>ECC-02</b>               | Co-Benefits from Existing Residential and Commercial Building Energy Efficiency Measures | 2018          | 0.07            | 0.3        | 0.07                                  | --         |
| <b>ECC-03</b>               | Additional Enhancements in Reducing Existing Residential Building Energy Use             | --            | 0.2             | 0.3        | --                                    | --         |
| <b>BCM-10</b>               | Emission Reductions from Greenwaste Composting [R1133.3]                                 | --            | 1.5             | 1.8        | --                                    | --         |
| <b>MSC-02</b>               | Application of All Feasible Measures   | TBD           | TBD             | TBD        | 0.88**                                |            |
| <b>TOTAL VOC REDUCTIONS</b> |  |               | <b>6.4</b>      | <b>9.6</b> | <b>2.5</b>                            | <b>1.7</b> |

**Table 1 (Continued)**  
**2016 AQMP Emission Reductions (tons per day) by Measure/Adoption Date**

| Control Measure #             | Control Measure Title   | Adoption Date | AQMP Commitment |            | Reduction in Approved Measure/Rule(s) |         |
|-------------------------------|---|---------------|-----------------|------------|---------------------------------------|---------|
|                               |   |               | 2023            | 2031       | 2023                                  | 2031    |
| <b>PM2.5 EMISSIONS</b>        |   |               |                 |            |                                       |         |
| <b>BCM-01</b>                 | Further Emission Reductions from Commercial Cooking [R1138]   | --            | 0.0             | 3.3        | --                                    | --      |
| <b>BCM-04</b>                 | Emission Reductions from Manure Management Strategies [NH3]   | --            | 0.26            | 0.2        | --                                    | --      |
| <b>BCM-10</b>                 | Emission Reductions from Greenwaste Composting [NH3] [R1133.3]  | --            | 0.1             | 0.1        | --                                    | --      |
| <b>TOTAL PM2.5 REDUCTIONS</b> |   |               | <b>TBD</b>      | <b>3.6</b> | --                                    | --      |
| <b>NOx EMISSIONS*</b>         |   |               |                 |            |                                       |         |
| <b>CMB-01</b>                 | Transition to Zero and Near-Zero Emission Technologies for Stationary Sources   | --            | 2.5             | 6.0        | --                                    | --      |
| <b>CMB-02</b>                 | Emission Reductions from Replacement with Zero or Near-Zero NOx Appliances in Commercial and Residential Applications [R1111] | 2018          | 1.1             | 2.8        | 0.87                                  | 2.5     |
| <b>CMB-03</b>                 | Emission Reductions from Non-Refinery Flares [R1118.1]  | 2018          | 1.4             | 1.5        | 0.2                                   | 0.2     |
| <b>CMB-04</b>                 | Emission Reductions from Restaurant Burners and Residential Cooking   | --            | 0.8             | 1.6        | --                                    | --      |
| <b>CMB-05</b>                 | Further NOx Reductions from RECLAIM Assessment  | 2018-2023     | 0.0             | 5.0        | 9.4***                                | 13.7*** |

**Table 1 (Continued)**  
**2016 AQMP Emission Reductions (tons per day) by Measure/Adoption Date**

| Control Measure #                           | Control Measure Title  | Adoption Date | AQMP Commitment |             | Reduction in Approved Measure/Rule(s) |                     |
|---|--|---------------|-----------------|-------------|---------------------------------------|---------------------|
|   |  |               | 2023            | 2031        | 2023                                  | 2031                |
| <b>NO<sub>x</sub> EMISSIONS (CONTINUED)</b> |  |               |                 |             |                                       |                     |
| <b>ECC-02</b>                               | Co-Benefits from Existing Residential and Commercial Building Energy Efficiency Measures | 2018          | 0.3             | 1.1         | 0.3****                               | --                  |
| <b>ECC-03</b>                               | Additional Enhancements in Reducing Existing Residential Building Energy Use             | --            | 1.2             | 2.1         | --                                    | --                  |
| <b>MOB-03</b>                               | Emission Reductions at Warehouse Distribution Centers [R2305]                            | 2021          | TBD             | TBD         | 0.7 to 1.5*****                       | 1.5 to 3.0*****     |
| <b>MOB-04</b>                               | Emission Reductions at Commercial Airports [R2304]                                       | 2019          | TBD             | TBD         | 0.5                                   | 0.37                |
| <b>MOB-10</b>                               | Extension of the SOON Provision for Construction/Industrial Equipment                    | Ongoing       | 1.9             | 1.9         | *****                                 | TBD                 |
| <b>MOB-11</b>                               | Extended Exchange Program  | Ongoing       | 2.9             | 1.0         | <0.1                                  | TBD                 |
| <b>MOB-14</b>                               | Emission Reductions from Incentive Programs  | Ongoing       | 11              | 7.8         | 11.2                                  | TBD                 |
| <b>TOTAL NO<sub>x</sub> REDUCTIONS</b>      |  |               | <b>23.1</b>     | <b>31.0</b> | <b>23.3 to 24.1</b>                   | <b>18.3 to 19.8</b> |

\* SIP commitments in the 2016 AQMP for VOC and NO<sub>x</sub> use a summer planning inventory, whereas expected emission reductions shown in this table are based on annual average inventories estimated during development of specific rules/measures. Annual average inventories for VOC and NO<sub>x</sub> are generally lower than summer planning inventories, hence this table shows conservatively low emission reductions relative to SIP commitments.

\*\* Includes emission reductions from Rule 1113 amendment adopted in February 2016, which was not reflected in the 2016 AQMP emission inventory.

\*\*\* Reflects emission reductions from Rules 1109.1, 1110.2, 1117, 1134, 1135, 1146 series, 1147 series, 1150.3, 1153.1, 1159.1 and 1179.1 (adopted from 2018 to 2024, with partial reductions of 3.7 tpd and 5.8 tpd by 2023 and 2031, respectively for Rule 1109.1). The specific

emission reductions by 2023/2031 vary depending on the implementation schedule of each rule. There may be partial overlap between the emission reductions shown and those achieved from the RECLAIM shave as described in the 2015 amendment of Rule 2002. In addition, part of these emission reductions resulting from non-RECLAIM facilities satisfy commitments for CMB-01 and CMB- 02.

\*\*\*\* A linear extrapolation was used to estimate emission reductions from ECC-02 which are co-benefits from the adoption of State policies, such as SB350 and Title 24.

\*\*\*\*\* SIP credit subject to EPA’s approval.

\*\*\*\*\* Estimated reductions for MOB-10 included in MOB-14.

**Table 2**  
**2022 AQMP Emission Reductions (tons per day) by Measure/Attainment Date**

| Control Measure #           | Control Measure Title  | AQMP Commitment |      | Reduction in Approved Measure/Rule(s) |      |
|-----------------------------|--|-----------------|------|---------------------------------------|------|
|                             |  | 2032            | 2037 | 2032                                  | 2037 |
| <b>R-CMB-01<sup>a</sup></b> | Emission Reductions from Replacement with Zero Emission or Low NOx Appliances - Residential Water Heating [NOx][R1121]     | 0.46            | 1.25 | --                                    | --   |
| <b>R-CMB-02<sup>a</sup></b> | Emission Reductions from Replacement with Zero Emission or Low NOx Appliances - Residential Space Heating [NOx][R1111]     | 0.44            | 1.17 | --                                    | --   |
| <b>R-CMB-03</b>             | Emissions Reductions from Residential Cooking Devices [NOx]  | 0.29            | 0.79 | --                                    | --   |
| <b>R-CMB-04</b>             | Emission Reductions from Replacement with Zero Emission or Low NOx Appliances - Residential Other Combustion Sources [NOx] | 1.15            | 3.09 | --                                    | --   |
| <b>C-CMB-01<sup>a</sup></b> | Emission Reductions from Replacement with Zero Emission or Low NOx Appliances - Commercial Water Heating [NOx][R1146.2]    | 0.04            | 0.25 | 0.68                                  | 2.21 |
| <b>C-CMB-02<sup>a</sup></b> | Emission Reductions from Replacement with Zero Emission or Low NOx Appliances - Commercial Space Heating [NOx][R1111]      | 0.04            | 0.21 | --                                    | --   |

**Table 2 (Continued)**  
**2022 AQMP Emission Reductions (tons per day) by Measure/Attainment Date**

| Control Measure # | Control Measure Title   | AQMP Commitment |      | Reduction in Approved Measure/Rule(s) |      |
|-------------------|---|-----------------|------|---------------------------------------|------|
|                   |   | 2032            | 2037 | 2032                                  | 2037 |
| <b>C-CMB-03</b>   | Emission Reductions from Commercial Cooking Devices [NOx]   | 0.21            | 0.64 | --                                    | --   |
| <b>C-CMB-04</b>   | Emission Reductions from Small Internal Combustion Engines [NOx]  | 0.00            | 2.25 | --                                    | --   |
| <b>C-CMB-05</b>   | NOx Reductions from Small Miscellaneous Commercial Combustion Equipment (Non-Permitted) [NOx]                     | 0.00            | 5.14 | --                                    | --   |
| <b>L-CMB-01</b>   | NOx Reductions from RECLAIM Facilities [NOx]  | 0.00            | 0.31 | --                                    | --   |
| <b>L-CMB-02</b>   | Reductions from Boilers and Process Heaters (Permitted) [NOx][R1146, R1146.1]                                     | 0.00            | 0.45 | --                                    | --   |
| <b>L-CMB-03</b>   | NOx Emission Reductions from Permitted Non-Emergency Internal Combustion Engines [NOx]                            | 0.00            | 0.34 | --                                    | --   |
| <b>L-CMB-04</b>   | Emission Reductions from Emergency Standby Engines (Permitted) [NOx, VOCs] [R1110.4]                              | 0.00            | 2.04 | --                                    | --   |
| <b>L-CMB-05</b>   | NOx Emission Reductions from Large Turbines [NOx] [R1134]   | 0.00            | 0.07 | --                                    | --   |
| <b>L-CMB-06</b>   | NOx Emission Reductions from Electricity Generating Facilities [NOx] [R1135]                                      | 0.09            | 0.91 | 0.11                                  | 0.18 |
| <b>L-CMB-07</b>   | Emission Reductions from Petroleum Refineries [NOx][R1118]  | 0.00            | 0.89 | 0.03                                  | 0.03 |
| <b>L-CMB-08</b>   | NOx Emission Reductions from Combustion Equipment at Landfills and Publicly Owned Treatment Works [NOx] [R1150.3] | 0.00            | 0.33 | 0.15                                  | 0.15 |



**Table 2 (Continued)**  
**2022 AQMP Emission Reductions (tons per day) by Measure/Attainment Date**

| Control Measure #                          | Control Measure Title   | AQMP Commitment |                  | Reduction in Approved Measure/Rule(s) |                   |
|--|---|-----------------|------------------|---------------------------------------|-------------------|
|  |   | 2032            | 2037             | 2032                                  | 2037              |
| <b>L-CMB-09</b>                            | NOx Reductions from Incinerators [NOx][R1165]   | 0.00            | 0.90             | 0.76 <sup>b</sup>                     | 0.76 <sup>b</sup> |
| <b>L-CMB-10</b>                            | NOx Reductions from Miscellaneous Permitted Equipment [NOx][R1148.1]  | 0.00            | 1.01             | 0.05                                  | 0.05              |
| <b>TOTAL NOx Emission Reductions (tpd)</b> |   | <b>2.72</b>     | <b>22.07</b>     | <b>1.82</b>                           | <b>3.42</b>       |
| <b>ECC-01</b>                              | Co-Benefits from Existing and Future Greenhouse Gas Programs, Policies, and Incentives [NOx]                    | TBD             | TBD <sup>c</sup> | --                                    | --                |
| <b>ECC-02</b>                              | Co-Benefits from Existing and Future Residential and Commercial Building Energy Efficiency Measures [NOx, VOCs] | TBD             | TBD              | --                                    | --                |
| <b>ECC-03</b>                              | Additional Enhancements in Reducing Existing Residential Building Energy Use [NOx, VOCs]                        | TBD             | TBD              | --                                    | --                |
| <b>FUG-01</b>                              | Improved Leak Detection and Repair [VOCs] [R1173, R463, R1148.1]  | 0.6             | 0.6              | 3.41                                  | 3.92              |
| <b>FUG-02</b>                              | Emission Reductions from Industrial Cooling Towers [VOCs]   | TBD             | TBD              | --                                    | --                |
| <b>CTS-01</b>                              | Further Emission Reductions from Coatings, Solvents, Adhesives, and Lubricants [VOCs][R1151]                    | 0.5             | 0.5              | 0.19                                  | 0.19              |
| <b>FLX-02</b>                              | Stationary Source VOC Incentives [VOCs]   | TBD             | TBD              | --                                    | --                |
| <b>BIO-01</b>                              | Assessing Emissions from Urban Vegetation [VOCs]  | TBD             | TBD              | --                                    | --                |

**Table 2 (Continued)**  
**2022 AQMP Emission Reductions (tons per day) by Measure/Attainment Date**

| Control Measure #                          | Control Measure Title   | AQMP Commitment |                  | Reduction in Approved Measure/Rule(s) |                         |
|--|---|-----------------|------------------|---------------------------------------|-------------------------|
|  |   | 2032            | 2037             | 2032                                  | 2037                    |
| <b>L-CMB-04<sup>d</sup></b>                | Emission Reductions from Emergency Standby Engines (Permitted) [NO <sub>x</sub> , VOCs]   | 0.0             | 0.1              | --                                    | --                      |
| <b>MCS-01</b>                              | Application of All Feasible Measures [All Pollutants][R463, R1118, R1148.1, R1173, R1178] | TBD             | TBD              | 4.11                                  | 4.68                    |
| <b>TOTAL VOC Emission Reductions (tpd)</b> |   | <b>1.1</b>      | <b>1.2</b>       | <b>4.30<sup>e</sup></b>               | <b>4.87<sup>e</sup></b> |
| <b>MCS-02</b>                              | Wildfire Prevention [NO <sub>x</sub> , PM]  | N/A             | N/A <sup>f</sup> | --                                    | --                      |
| <b>FLX-01</b>                              | Improved Education and Public Outreach [All Pollutants]                                   | N/A             | N/A              | --                                    | --                      |

- a Will be used to assist CARB's control measure, Zero-Emission Standard for Space and Water Heaters included in the 2022 State SIP
- b Emission reductions account for the shutdown of the Southeast Resource Recovery Facility (SERRF)
- c TBD are reductions to be determined once the measure is further evaluated, the technical assessment is complete, and inventories and cost-effective control approaches are identified, and are not relied upon for attainment demonstration purposes.
- d This is a NO<sub>x</sub> control measure with co-benefits of VOC reductions.
- e Some rules address multiple control measures. The total VOC emission reductions removed multiple-counting of rule reductions.
- f N/A are reductions that cannot be quantified due to the nature of the measure (e.g., outreach) or if the measure is designed to ensure reductions that have been assumed to occur will in fact occur.

In addition, beyond the stationary and area source in the AQMPs, South Coast AQMD continues the implementation of incentive programs for cleaner on-road and off-road mobile sources that generate both NOx and PM emission reductions. These ongoing mobile source programs include incentive programs (e.g., Carl Moyer) specified in the 2016 AQMP control measure MOB-14 (Emission Reductions from Incentive Programs) along with the 2022 AQMP control measures MOB-05 (Accelerated Retirement of Older Light-Duty and Medium-Duty Vehicles), MOB-06 (Accelerated Retirement of Older On-Road Heavy Duty Vehicles), MOB-08 (Small Off Road Engine Equipment Exchange Program) and MOB-11 (Emission Reductions from Incentive Programs). The Mobile Source Incentive Programs listed in Table 3 includes the number of affected mobile source equipment and emission reductions in tons per year (tpy) for projects approved in year 2024.

**TABLE 3**  
**Estimated Emission Reductions Benefits From 2024 Incentive Programs**

| <b>Program</b>                            | <b># of Engines / Equipment / INF Stations</b> | <b>Estimated Emission Reductions NOx (TPY)</b> | <b>Estimated Emission Reductions PM (TPY)</b> | <b>Award Amount</b>  |
|---|--|--|---|----------------------|
| Carl Moyer <sup>1</sup>                   | 796  | 591.7  | 16.5  | \$296,926,808        |
| Carl Moyer ZE Infrastructure <sup>4</sup> | 28   | --   | --  | \$109,125,778        |
| Lower-Emission School Bus <sup>2</sup>    | NA   | NA   | NA  | NA                   |
| FARMER Program                            | 27   | 12.7   | 1.1   | \$2,045,790          |
| Volkswagen Mitigation <sup>3</sup>        | 119  | 208  | NA  | \$18,686,965         |
| VIP                                       | 4  | 1.31   | 0   | \$890,000            |
| Replace your Ride                         | 1,349  | 4  | 0.2   | \$10,968,500         |
| Residential Lawn & Garden                 | 1,673  | 0.11   | 0   | \$363,267            |
| Commercial L&G                            | 1,334  | 0.5  | 0.2   | \$1,762,405          |
| <b>TOTAL for 2024</b>                     | <b>5,330</b>                                   | <b>818.3</b>                                   | <b>18.0</b>                                   | <b>\$440,769,513</b> |

<sup>1</sup> Carl Moyer solicitation w/ data based on **February 2024** Board letter (including CAPP funded projects and backup projects (off-road/marine only))

<sup>2</sup>No new LESBP solicitation in 2023 or 2024

<sup>3</sup>Only NOx reduction is required for VW Program

<sup>4</sup>Carl Moyer solicitation w/ data based on **December 2024** Board letter (including CAPP funded projects and backup projects)

\* Potentially significant hearing

+ Reduce criteria air contaminants and assist toward attainment of ambient air quality standards

# Part of the transition of RECLAIM to a command-and-control regulatory structure

BOARD MEETING DATE: January 10, 2025

AGENDA NO. 20

PROPOSAL: Report of RFQs/RFPs Scheduled for Release in January

SYNOPSIS: This report summarizes the RFQs/RFPs for budgeted services over \$100,000 scheduled to be released for advertisement for the month of January.

COMMITTEE: Administrative, December 13, 2024, Reviewed

RECOMMENDED ACTION:

Approve the release of RFQs/RFPs for the month of January.

Wayne Nastri  
Executive Officer

SJ:gp

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**Background**

In January 2020, the Board approved a revised Procurement Policy and Procedure. Under the revised policy, RFQs/RFPs for budgeted items over \$100,000 that follow the Procurement Policy and Procedure would no longer be required to obtain individual Board approval. However, a monthly report of all RFQs/RFPs over \$100,000 is included as part of the Board agenda package and the Board may, if desired, take individual action on any item. The attached report provides the title and synopsis of the RFQ/RFP, the budgeted funds available, and the name of the Deputy Executive Officer/Assistant Deputy Executive Officer responsible for that item. Further detail including closing dates, contact information, and detailed proposal criteria will be available online at <http://www.aqmd.gov/grants-bids> following Board approval on January 10, 2025.

**Outreach**

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

Additionally, potential bidders may be notified utilizing South Coast AQMD's own electronic listing of certified minority vendors. Notice of the RFQs/RFPs will be 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>), where it can be viewed by making the selection "Grants & Bids."

**Proposal Evaluation**

Proposals received will be evaluated by applicable diverse panels of technically qualified individuals familiar with the subject matter of the project or equipment and may include outside public sector or academic community expertise.

**Attachment**

Report of RFQs/RFPs Scheduled for Release in January 2025

**January 10, 2025 Board Meeting  
Report on RFQs/RFPs Scheduled for Release on January 10, 2025**

(For detailed information visit South Coast AQMD's website at  
<http://www.aqmd.gov/nav/grants-bids>  
following Board approval on January 10, 2025)

**SPECIAL TECHNICAL EXPERTISE**

|               |  |             |
|---------------|--|-------------|
| RFP #P2025-08 | Issue RFP for Employment and Labor Relations<br>Legal Services | Olvera/2309 |
|---------------|--|-------------|

South Coast AQMD contracts with outside law firms for employee relations litigation services and for legal counsel on labor and employment law matters. This action is to issue an RFP to establish a list of prequalified counsel to provide these services as needs arise.

|               |  |             |
|---------------|--|-------------|
| RFP #P2025-09 | Issue RFP for Insurance Brokerage Services | Olvera/2309 |
|---------------|--|-------------|

The current contract for insurance brokerage services expires September 30, 2025. This action is to issue an RFP to solicit proposals from licensed insurance brokerage firms interested in providing these services to South Coast AQMD. Funds for this contract will be requested in future budgets.

|               |  |             |
|---------------|--|-------------|
| RFP #P2025-10 | Issue RFP for Occupational Health and Medical<br>Services Provider | Olvera/2309 |
|---------------|--|-------------|

South Coast AQMD contracts with qualified occupational medicine facilities and medical services providers to provide medical examinations and treatment of South Coast AQMD employees. The current contracts for these services expire June 30, 2025. This action is to issue an RFP to solicit proposals from occupational medicine facilities and medical services providers to provide these services as needs arise. Funds for these services will be requested in future budgets.

[↑ Back to Agenda](#)

BOARD MEETING DATE: January 10, 2025

AGENDA NO. 21

**PROPOSAL:** Receive and File Annual Report on South Coast AQMD's Deferred Compensation Plans

**SYNOPSIS:** South Coast AQMD sponsors IRS-approved 457(b), 401(a) and Omnibus Budget Reconciliation Act of 1990 Deferred Compensation Plans for its employees. This action is to receive and file the Deferred Compensation Plan Annual Report for Plan Year Ending June 2024 to address the Board's responsibility for monitoring the activities of the Deferred Compensation Plan Committee and ensuring the Committee carries out its fiduciary duties and responsibilities under the Committee Charter.

**COMMITTEE:** Administrative, December 13, 2024; Recommended for Approval

**RECOMMENDED ACTION:**

Receive and file Deferred Compensation Plan Annual Report for Plan Year Ending June 2024.

Wayne Natri  
Executive Officer

AJO:mm

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### **Background**

South Coast AQMD sponsors and administers 457(b), 401(a) and Omnibus Budget Reconciliation Act of 1990 (OBRA) Deferred Compensation Plans for its employees. The Deferred Compensation Plans, which include the 457(b), 401(a) and OBRA plans, are administered by Empower Retirement, LLC (Empower), one of the largest workplace retirement savings plan providers in the United States. State law governs the fiduciary requirements for the operation and investment of deferred compensation plans sponsored by governmental entities. South Coast AQMD's Governing Board serves a fiduciary role, subject to the duties and obligations under Article XVI, Section 17 of the California Constitution.

To meet its fiduciary responsibilities, the Board has established a Deferred Compensation Plan Committee (Committee) to oversee the administration of the Plans. In May 2008, the Board approved the Deferred Compensation Plan Committee Charter, formalizing the fiduciary duties and responsibilities of the Committee. The four members of the Deferred Compensation Plan Committee are the Chief Financial Officer, the Deputy Executive Officer/Administrative and Human Resources, the Human Resources Manager over employee benefits, and the General Counsel.

Pursuant to a 5-year contract, which began January 1, 2022, Empower provides record-keeping and administrative services for the Plans. In addition, South Coast AQMD utilizes the services of an independent, third-party consulting firm, Benefit Financial Services Group, to provide services to the Plans as a fiduciary under a Registered Investment Advisor agreement.

### **Summary of Report**

The Committee meets on a quarterly basis to review the design, investment options, asset allocation, and demographics of the Plans, and to make changes as necessary. During the 2023-24 fiscal year period, the Committee placed two funds on the Watch List due to performance and management issues, updated the Target Date Model allocations, and made several changes to remove and/or replace funds in the Plans. In addition, the in-Plan Roth conversion feature for rollovers and transfers was added to the 457 Plan.

As of June 30, 2024, the Plans have:

- 1,158 participants (employees and retirees)
- Approximately \$247 million in assets
- Outperformed the 1, 5 and 10-year performance benchmarks

The Annual Report provides detailed information regarding Plan Assets/Demographics, Committee Actions, and Plan Performance.

### **Proposal**

Staff recommends the Board receive and file the Deferred Compensation Plan Annual Report to the Board for Plan Year Ending June 2024.

### **Attachment**

Deferred Compensation Plan Annual Report for Plan Year Ending June 2024





# Report To The Board

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Plan Year Ending: June 2024

Prepared for: South Coast Air  
Quality Management District 457  
Deferred Compensation & 401(a)  
Defined Contribution Plans



# Table of Contents

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Plan Background

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## **Section 4**

Plan Performance / Cost Benchmarking

## **Section 5**

Appendix



# Plan Background

Section 1

# South Coast Air Quality Management District Plan

## South Coast Air Quality Management District Plan Overview

|                           |   |
|---------------------------|---|
| Plan Name                 | South Coast Air Quality Management District 457 Deferred Compensation & 401(a) Defined Contribution Plans |
| Inception Date (457 Plan) | January 1, 1987   |
| Inception Date (401 Plan) | January 1, 2017   |

## Plan Features (457 Plan)

|                        |  |
|------------------------|--|
| Plan Year End          | June 30 <sup>th</sup>  |
| Entry Date             | Immediate  |
| Employee Deferrals     | Pre-tax & Roth   |
| Catch-up               | Age 50 & Special 457 Catch-up Contributions                              |
| Employer Contributions | Yes - determined in accordance with the terms of the employment contract |

## Default Investment Alternative

|              |                                 |
|--------------|---------------------------------|
| Default Fund | T. Rowe Price Retirement Series |
|--------------|---------------------------------|

## Service Providers

|                  |   |
|------------------|---|
| Recordkeeper     | Empower                                   |
| Directed Trustee | Reliance Trust Company                    |
| Plan Advisor     | Benefit Financial Services Group ("BFSG") |

## Committee Oversight

|   |   |
|---|---|
| Membership                                    | John Olvera (Chair), Bayron Gilchrist, Sujata Jain, and Raquel Arciniega  |
| Duties  | Settlor and Fiduciary   |
| California Government Code 53213.5 Compliance | The Committee intends for the Plan to comply with the provisions of California Government Code 53213.5 providing Plan fiduciaries with relief from liability for the investment decisions made by participants. |



# Committee Meeting Summary & Plan Updates

## Section 2

| CALENDAR |     |     |     |     |     |     |
|----------|-----|-----|-----|-----|-----|-----|
| SUN      | MON | TUE | WED | THU | FRI | SAT |
|          | 1   | 2   | 3   | 4   | 5   | 6   |
| 7        | 8   | 9   | 10  | 11  | 12  | 13  |
| 14       | 15  | 16  | 17  | 18  | 19  | 20  |
| 21       | 22  | 23  | 24  | 25  | 26  | 27  |
| 28       | 29  | 30  | 31  |     |     |     |

|   |   |   |   |   |   |   |   |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |
|---|---|---|---|---|---|---|---|---|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 | 25 | 26 | 27 | 28 | 29 | 30 |
|---|---|---|---|---|---|---|---|---|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|



# Fiduciary Updates

---

| Meeting Date       | Item                             | Update  |
|--------------------|----------------------------------|---|
| September 12, 2023 | Watch List                       | Placed Metropolitan West Total Return on Watch due to underperformance and changes in management.                       |
| December 12, 2023  | Watch List                       | Placed Hartford International Opportunities on Watch due to underperformance and changes in management.                 |
| June 14, 2024      | Watch List                       | Removed T. Rowe Price Blue Chip Growth from Watch due to improved performance.  |
|                    | Fund Search                      | Reviewed an analysis of potential replacement options for the Metropolitan West Total Return fund. No action was taken. |
|                    | Target Date Models - 401(a) Plan | Added the Target Date Models to the District's 401(a) Plan, effective August 28, 2024                                   |
|                    | Target Date Models – 457(b) Plan | BFSG updated the Plan's Target Date Models in March 2024.   |

# Settlor Updates

---

| Meeting Date  | Item                                  | Update  |
|---------------|---------------------------------------|---|
| June 14, 2024 | In-Plan Roth Conversion – 457(b) Plan | The in-Plan Roth conversion feature for rollovers and transfers has been added, effective August 1, 2024. |



# Plan Assets / Demographics

Section 3



# Range of Investments

Lower risk/lower potential reward

Higher risk/higher potential reward

| FIXED INCOME                |                                      | BALANCED                            | EQUITY   |   |                                    |
|-----------------------------|--------------------------------------|-------------------------------------|--|---|------------------------------------|
| CAPITAL PRESERVATION        | INCOME                               | HYBRID                              | VALUE  | BLEND   | GROWTH                             |
| <b>DOMESTIC</b>             |                                      |                                     |  |   |                                    |
| <b>STABLE VALUE</b>         | <b>INTERMEDIATE CORE BOND</b>        | <b>MODERATE ALLOCATION</b>          | <b>LARGE VALUE</b>   | <b>LARGE BLEND</b>  | <b>LARGE GROWTH</b>                |
| Guaranteed Interest Account | Vanguard Total Bond Market Index Adm | American Funds American Balanced R6 | DFA US Large Cap Value I<br>Hartford Dividend and Growth R5                  | Vanguard FTSE Social Index Admiral<br>Vanguard Institutional Index I                | T. Rowe Price Blue Chip Growth I   |
|                             | <b>INTERMEDIATE CORE-PLUS BOND</b>   |                                     | <b>MID VALUE</b>   | <b>MID BLEND</b>  | <b>MID GROWTH</b>                  |
|                             | Metropolitan West Total Return Bd I  |                                     | Vanguard Selected Value Inv  | Vanguard Mid Cap Index Admiral  | Carillon Eagle Mid Cap Growth A    |
|                             |                                      |                                     | <b>SMALL VALUE</b>   | <b>SMALL BLEND</b>  | <b>SMALL GROWTH</b>                |
|                             |                                      |                                     | American Beacon Small Cap Value R6<br>Vanguard Small Cap Value Index Admiral | Vanguard Small Cap Index Adm  | Fidelity Small Cap Growth K6       |
| <b>FOREIGN</b>              |                                      |                                     |  |   |                                    |
|                             |                                      |                                     |  | <b>FOREIGN LARGE BLEND</b>  |                                    |
|                             |                                      |                                     |  | Hartford International Opportunities R5<br>Vanguard Developed Markets Index Admiral |                                    |
|                             |                                      |                                     |  |   | <b>FOREIGN SMALL/MID GROWTH</b>    |
|                             |                                      |                                     |  |   | MFS International New Discovery A  |
|                             |                                      |                                     |  | <b>DIVERSIFIED EMERGING MKTS</b>  |                                    |
|                             |                                      |                                     |  | Vanguard Emerging Mkts Stock Idx Adm  |                                    |
| <b>SPECIALTY</b>            |                                      |                                     |  |   |                                    |
|                             |                                      |                                     | <b>UTILITIES</b>   | <b>REAL ESTATE</b>  | <b>HEALTH</b>                      |
|                             |                                      |                                     | Vanguard Utilities Index Adm   | Vanguard Real Estate Index Admiral  | Vanguard Health Care Index Admiral |
| <b>ALLOCATION</b>           |                                      |                                     |  |   |                                    |
|                             |                                      | <b>TARGET DATE SERIES</b>           |  |   |                                    |
|                             |                                      | T. Rowe Price Retirement I Series   |  |   |                                    |

Funds listed in Red are scheduled to be removed.  
 Funds listed in Green are scheduled to be added.  
 Funds listed in Blue are frozen to contributions.  
 Funds listed in Purple represent Default Fund.

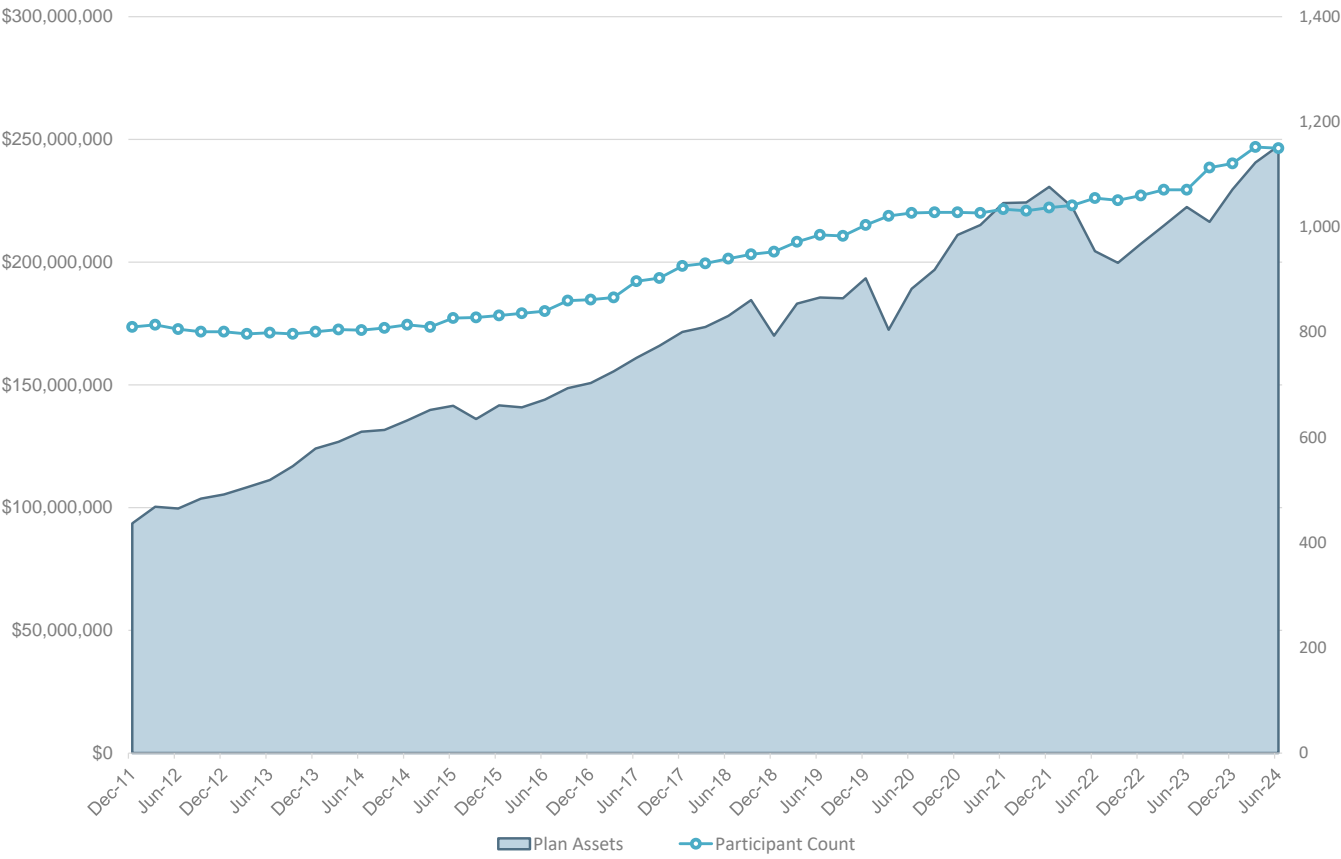
# Asset Allocation by Fund

| Investment Option                               | 2Q 2024              | % of Assets    | # of Balances |
|---|----------------------|----------------|---------------|
| <b>Guaranteed Interest Account</b>              | \$80,017,507         | 32.47%         | 644           |
| <b>Vanguard Institutional Index I</b>           | \$39,838,358         | 16.16%         | 470           |
| <b>T. Rowe Price Blue Chip Growth I</b>         | \$34,160,008         | 13.86%         | 520           |
| <b>Hartford Dividend and Growth R5</b>          | \$11,007,464         | 4.47%          | 426           |
| T. Rowe Price Retirement 2045 I                 | \$6,837,073          | 2.77%          | 90            |
| <b>Carillon Eagle Mid Cap Growth A</b>          | \$6,664,086          | 2.70%          | 393           |
| <b>Hartford International Opportunities R5</b>  | \$6,172,094          | 2.50%          | 410           |
| T. Rowe Price Retirement 2035 I                 | \$5,520,141          | 2.24%          | 50            |
| American Funds American Balanced R6             | \$5,130,648          | 2.08%          | 114           |
| <b>Vanguard Total Bond Market Index Adm</b>     | \$4,729,832          | 1.92%          | 281           |
| <b>Metropolitan West Total Return Bd I</b>      | \$4,147,962          | 1.68%          | 313           |
| <b>Vanguard Mid Cap Index Admiral</b>           | \$4,048,674          | 1.64%          | 267           |
| <b>Vanguard Selected Value Inv</b>              | \$3,778,995          | 1.53%          | 349           |
| <b>Fidelity Small Cap Growth K6</b>             | \$3,615,622          | 1.47%          | 346           |
| Vanguard FTSE Social Index Admiral              | \$3,584,597          | 1.45%          | 88            |
| Vanguard Health Care Index Admiral              | \$3,130,770          | 1.27%          | 107           |
| <b>Vanguard Developed Markets Index Admiral</b> | \$2,539,776          | 1.03%          | 210           |
| <b>Vanguard Small Cap Index Adm</b>             | \$2,331,401          | 0.95%          | 234           |
| T. Rowe Price Retirement 2040 I                 | \$2,243,503          | 0.91%          | 34            |
| <b>American Beacon Small Cap Value R6</b>       | \$2,102,805          | 0.85%          | 327           |
| <b>MFS International New Discovery A</b>        | \$1,834,830          | 0.74%          | 203           |
| T. Rowe Price Retirement 2050 I                 | \$1,808,210          | 0.73%          | 45            |
| T. Rowe Price Retirement 2055 I                 | \$1,764,595          | 0.72%          | 51            |
| T. Rowe Price Retirement 2060 I                 | \$1,541,545          | 0.63%          | 70            |
| Vanguard Small Cap Value Index Admiral          | \$1,429,347          | 0.58%          | 47            |
| Vanguard Utilities Index Adm                    | \$1,328,942          | 0.54%          | 86            |
| T. Rowe Price Retirement 2025 I                 | \$1,092,216          | 0.44%          | 22            |
| T. Rowe Price Retirement 2030 I                 | \$1,086,311          | 0.44%          | 18            |
| <b>DFA US Large Cap Value I</b>                 | \$861,509            | 0.35%          | 166           |
| <b>Vanguard Emerging Mkts Stock Idx Adm</b>     | \$847,643            | 0.34%          | 155           |
| Vanguard Real Estate Index Admiral              | \$840,287            | 0.34%          | 64            |
| T. Rowe Price Retirement 2065 I                 | \$198,140            | 0.08%          | 18            |
| T. Rowe Price Retirement 2020 I                 | \$184,433            | 0.07%          | 7             |
| T. Rowe Price Retirement 2015 I                 | \$28,874             | 0.01%          | 5             |
| T. Rowe Price Retirement 2010 I                 | \$12,643             | 0.01%          | 4             |
| T. Rowe Price Retirement 2005 I                 | \$8,042              | 0.00%          | 6             |
| <b>Subtotal</b>                                 | <b>\$246,468,883</b> | <b>100.00%</b> | <b>1,158</b>  |
| Self-Directed Brokerage Account                 | \$928,655            |                |               |
| <b>Total</b>                                    | <b>\$247,397,538</b> |                |               |
| <b>Total # of Participants</b>                  | <b>1,158</b>         |                |               |
| <b>Average Account Balance</b>                  | <b>\$213,642</b>     |                |               |

Note: Funds listed in **Bold** are included in the Target Date Models.

Note: Personal Choice Retirement Account had 18 balances as of quarter end.

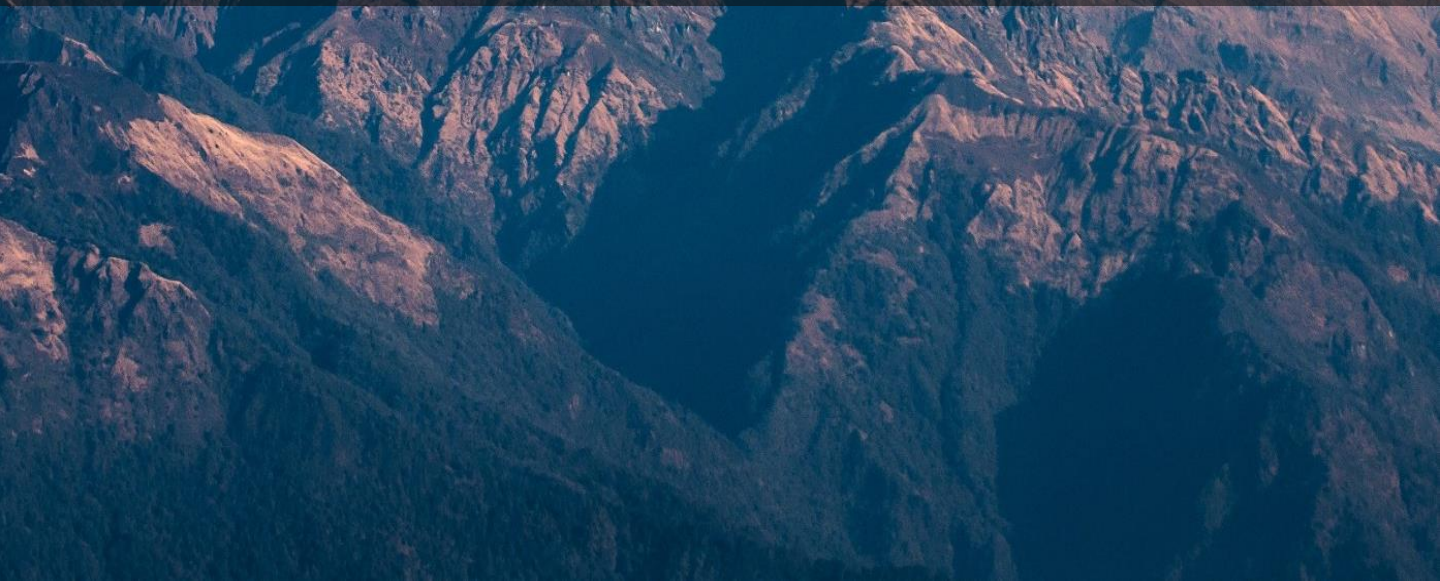
# Growth of Plan Assets





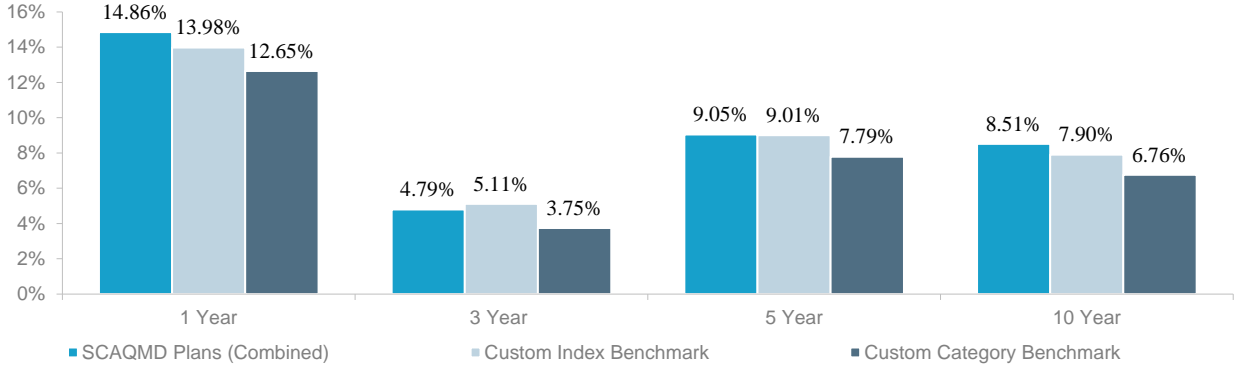
# Plan Performance / Cost

Section 4

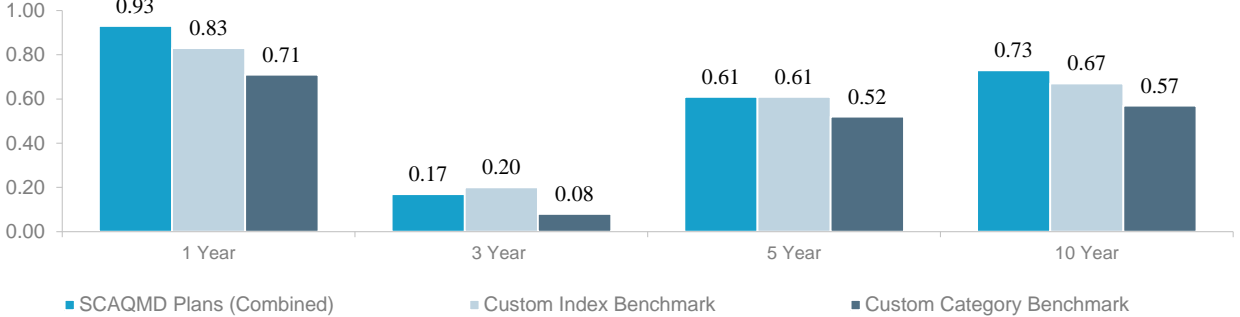


# Portfolio Return vs. Custom Benchmark

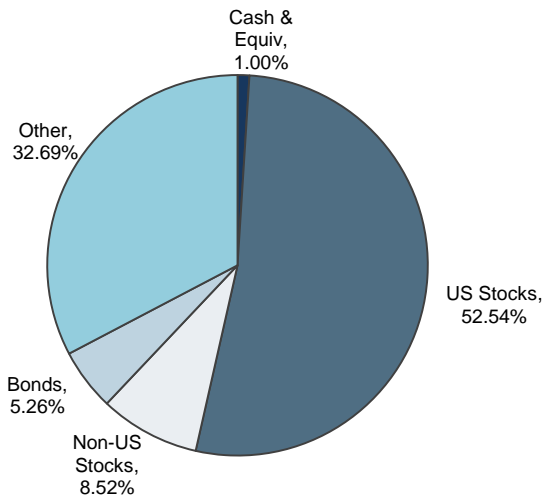
## Annualized Returns



## Sharpe Ratio



## Current Quarter



## Benchmark Weightings

| Index                                    | Category                    | Weight |
|--|-----------------------------|--------|
| BFSG Custom Stable Value                 | Stable Value                | 32.47% |
| Bloomberg US Agg Float Adj TR USD        | Intermediate Core Bond      | 1.92%  |
| Bloomberg US Agg Bond TR USD             | Intermediate Core-Plus Bond | 1.68%  |
| 40% BC Agg - 60% S&P 500                 | Moderate Allocation         | 2.08%  |
| Russell 1000 Value TR USD                | Large Value                 | 0.35%  |
| Russell 1000 Value TR USD                | Large Value                 | 4.47%  |
| S&P 500 TR USD                           | Large Blend                 | 1.45%  |
| S&P 500 TR USD                           | Large Blend                 | 16.16% |
| Russell 1000 Growth TR USD               | Large Growth                | 13.86% |
| Russell Mid Cap Value TR USD             | Mid Value                   | 1.53%  |
| CRSP US Mid Cap TR USD                   | Mid Blend                   | 1.64%  |
| Russell Mid Cap Growth TR USD            | Mid Growth                  | 2.70%  |
| Russell 2000 Value TR USD                | Small Value                 | 0.85%  |
| CRSP US Small Cap Value TR USD           | Small Value                 | 0.58%  |
| CRSP US Small Cap TR USD                 | Small Blend                 | 0.95%  |
| Russell 2000 Growth TR USD               | Small Growth                | 1.47%  |
| MSCI ACWI Ex USA NR USD                  | Foreign Large Blend         | 2.50%  |
| FTSE Dvlp ex US All Cap(US RIC)NR USD    | Foreign Large Blend         | 1.03%  |
| MSCI ACWI Ex USA Small Growth NR USD     | Foreign Small/Mid Growth    | 0.74%  |
| FTSE EMs AC China A Incl (US RIC) NR USD | Diversified Emerging Mkts   | 0.34%  |
| MSCI US IMI/Health Care 25-50 GR USD     | Health                      | 1.27%  |
| Real Estate Spliced Index                | Real Estate                 | 0.34%  |
| MSCI US IMI/Utilities 25-50 GR USD       | Utilities                   | 0.54%  |
| S&P Target Date Series                   | Target Date Series          | 9.06%  |

# Evaluation Methodology

Per Investment Policy Statement

## Returns (40%)

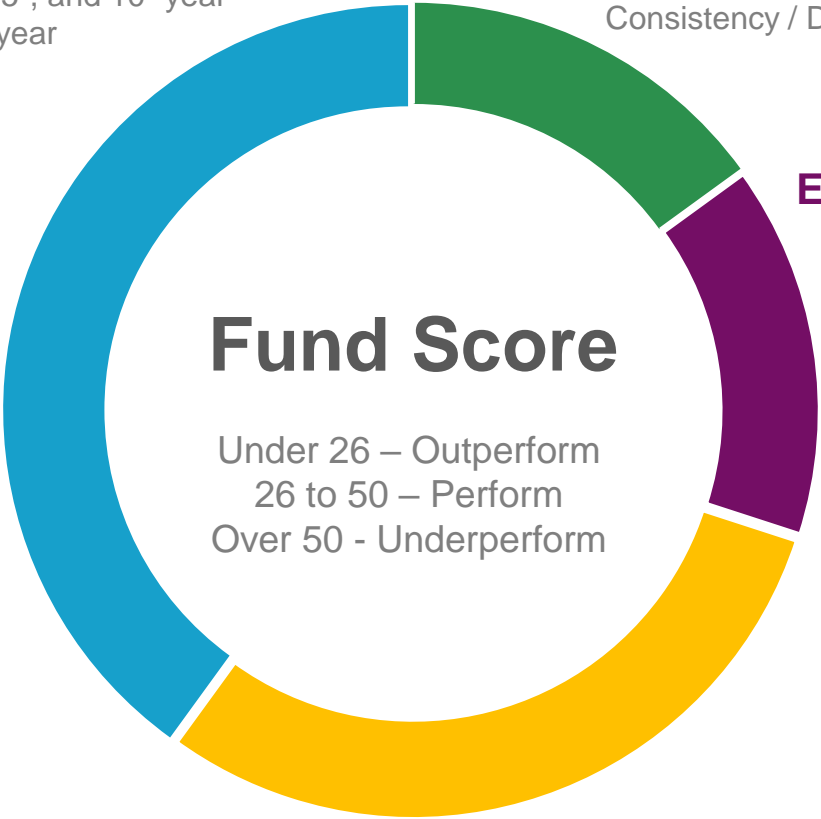
Trailing 3-, 5-, and 10- year  
Rolling 10-year

## Style (15%)

R<sup>2</sup>  
Credit Quality  
Consistency / Dispersion

## Expense (15%)

Net Expense Ratio



## Risk (30%)

Sharpe Ratio  
Up-Capture Ratio  
Down-Capture Ratio



All data points are percentile ranking relative to the Custom Peer Group. The Custom Peer Group is the fund's Morningstar Category excluding Index Funds, fund-of-funds, and funds with less than 3 Years of Returns. Only the lowest expense share class is evaluated.

# Evaluation Methodology Summary

| Investment Name  | Quarterly Ranking |      |      |      |
|--|-------------------|------|------|------|
|  | 2Q24              | 1Q24 | 4Q23 | 3Q23 |
| <b>Intermediate Core-Plus Bond</b><br>Metropolitan West Total Return Bond Fund | 63                | 64   | 61   | 65   |
| <b>Moderate Allocation</b><br>American Funds American Balanced Fund            | 17                | 15   | 15   | 17   |
| <b>Large Value</b><br>DFA US Large Cap Value Portfolio                         | 39                | 38   | 39   | 32   |
| Hartford Dividend and Growth Fund  | 5                 | 6    | 4    | 5    |
| <b>Large Blend</b><br>Vanguard FTSE Social Index Fund                          | 5                 | 6    | 6    | 8    |
| <b>Large Growth</b><br>T. Rowe Price Blue Chip Growth Fund                     | 29                | 37   | 43   | 45   |
| <b>Mid Value</b><br>Vanguard Selected Value Fund                               | 11                | 10   | 8    | 19   |
| <b>Mid Growth</b><br>Carillon Eagle Mid Cap Growth Fund                        | 13                | 6    | 9    | 13   |
| <b>Small Value</b><br>American Beacon Sm Cap Val Fd                            | 30                | 30   | 25   | 20   |
| <b>Small Growth</b><br>Fidelity Small Cap Growth Fund                          | 3                 | 3    | 7    | 17   |
| <b>Foreign Large Blend</b><br>Hartford International Opportunities Fd          | 50                | 61   | 60   | 61   |
| <b>Foreign Small/Mid Growth</b><br>MFS International New Discovery Fund        | 38                | 38   | 50   | 53   |
| <b>Target Date Series</b><br>T. Rowe Price Retirement Series                   | 28                | 27   | 20   | 11   |
| <b>Average Rank</b>  | 25                | 26   | 27   | 28   |
| <b>Plan Weighted Rank (Reweighted)</b>   | 25                | 27   | 28   | 28   |



Note: Average and Plan-Weighted Average rankings shown above reflect the actual funds offered in the Plan (and their respective weightings) during the applicable quarter.



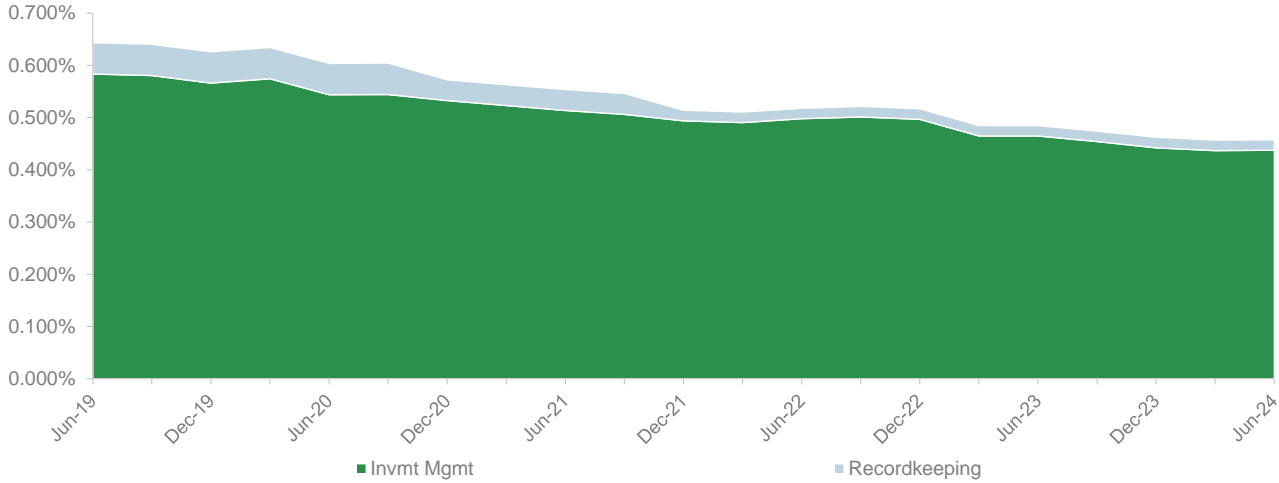
# Fee Breakdown & Recordkeeping Costs

|  | Plan Assets 06/30/2024 | Total Plan Expense (%) <sup>2</sup> | Total Plan Expense (\$) | Revenue to Invmt. Mgmt. (\$) | Revenue to RK / Admin. (Vendor) |
|--|------------------------|-------------------------------------|-------------------------|------------------------------|---------------------------------|
| <b>South Coast Air Quality Management District Retirement Savings Plan</b> | <b>\$246,468,883</b>   | <b>0.458%</b>                       | <b>\$1,127,690</b>      | <b>\$1,078,396</b>           | <b>\$49,294</b>                 |
|  |                        |                                     |                         | <b>0.438%</b>                | <b>0.020%</b>                   |
| <i>Industry Average</i> <sup>1</sup>                                       |                        | 0.511%                              | \$1,258,465             |                              |                                 |

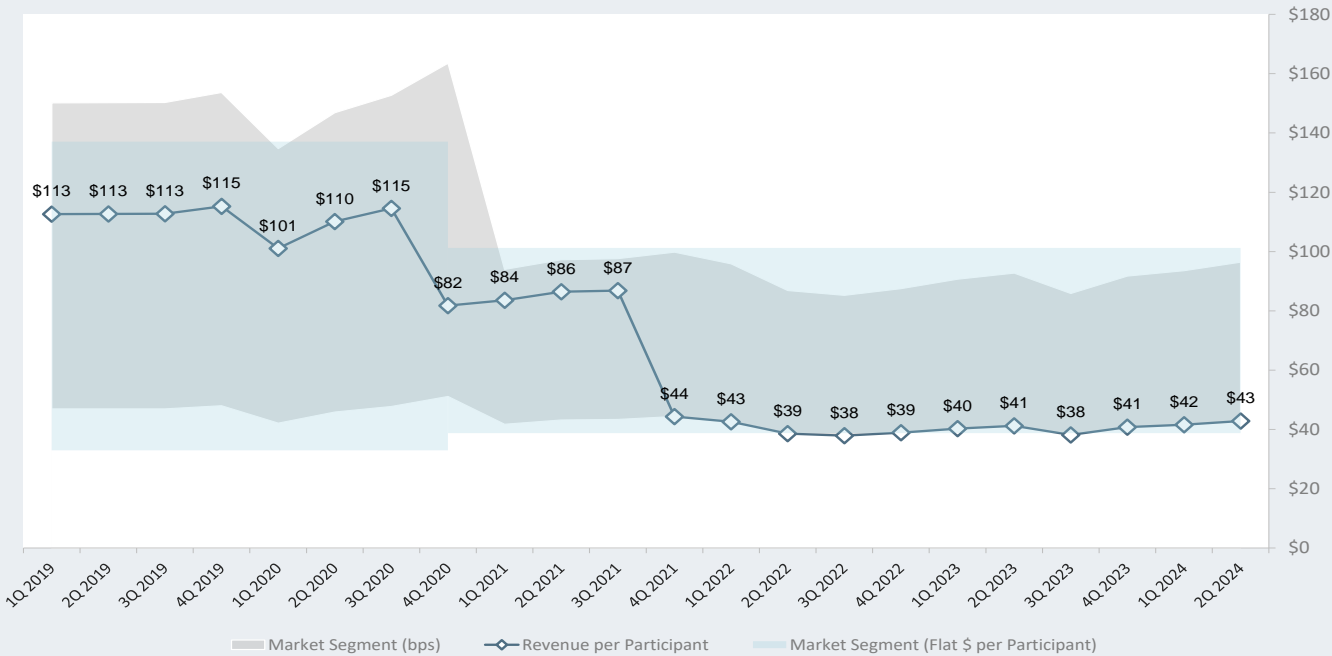
<sup>1</sup>The Industry Average represents the weighted expense (based upon current allocation) of lowest cost Institutional and Retirement share classes in each asset category from Morningstar, plus the benchmark revenue requirement.

<sup>2</sup>Total Plan Expense does not include additional qualified Plan expenses or transaction costs.

## Investment Management and Recordkeeping Costs



## Recordkeeping Fee on a Per Participant Basis





A photograph of a wooden desk with a white mug of coffee, a red pen, and a branch of holly with red berries. A semi-transparent grey banner is overlaid on the bottom half of the image.

# Appendix

## Section 5



South Coast  
AQMD

# South Coast Air Quality Management District

21865 Copley Drive, Diamond Bar, CA 91765  
(909) 396-2000, [www.aqmd.gov](http://www.aqmd.gov)

MEETING DATE: September 12, 2023

REPORT: Deferred Compensation Plan Committee

SYNOPSIS: The Deferred Compensation Plan Committee met on September 12, 2023, at 11:18 a.m.  
The following is a summary of that meeting.

RECOMMENDED ACTION:  
Receive and file.

A. John Olvera, Chair  
Deferred Compensation Plan

AJO:RH:tc

---

### **Committee Members Present**

John Olvera – Deputy Executive Officer / Admin and Human Resources  
Raquel Arciniega - Human Resources Manager  
Bayron Gilchrist – General Counsel

### **Committee Members Absent**

Sujata Jain - Chief Financial Officer

### **Guests**

Darren Stewart, Benefit Financial Services Group (“BFSG”)  
Aksana Muñoz, BFSG  
Lisa Braun-Ward, Empower Retirement (“Empower”)

### **Call to Order**

Chair Olvera called the meeting to order at 11:18 am.

**Approval of Prior Meeting Minutes:** The Committee members in attendance approved the minutes of the meeting held on June 21, 2023.

## **FIDUCIARY AGENDA**

**457 and 401(a) Plans Quarterly Investment Review – 2<sup>nd</sup> Quarter 2023:** The Committee members in attendance received and approved the Retirement Plan Quarterly Investment Review (the “Report”) for the 457 Deferred Compensation Plan and the 401(a) Defined Contribution Plan (collectively the “Plans”) for the quarter ending June 30, 2023.

The Committee reviewed fees paid to Empower for recordkeeping and administration of the District’s Plans. The Plan operates under a level fee arrangement where fund revenue sharing payments are credited directly to the participants invested in the fund. The Committee reviewed the share classes used in the Plan and noted that after adjusting for credited revenue sharing, using the optimal share class for each fund provided annualized savings of over \$26,000.

To provide context to the performance of the investment options in the Plans, BFSG provided an overview of the economy and capital markets during the reporting period. The presentation was followed by a quantitative and qualitative review of the funds offered in the Plans, in accordance with the Evaluation Methodology criteria set forth in the Plans’ Investment Policy Statement (the “IPS”).

*Metropolitan West Total Return Bond* - The fund’s Evaluation Methodology rank declined from 59 to 63 during the quarter. While the fund is underperforming the peer group over longer term periods, the portfolio is outperforming the Bloomberg Aggregate Bond Index. A longer portfolio duration than category peers continued to negatively impact relative performance during the quarter as interest rates rose, particularly in the shorter end of the yield curve. Issued selection in large banks and communications companies contributed positively relative to the benchmark index. Considering short-term underperformance relative to the benchmarks and upcoming changes in fund management, BFSG proposed placing the fund on the Watch List. The Committee members in attendance agreed.

*T. Rowe Price Blue Chip Growth* was placed on the Watch List in September 2022 due to underperformance and a manager change. Performance improved significantly during the quarter and over the one-year period. The fund’s growth investment style was the primary reason for the underperformance in 2022 as growth strategies struggled that year. The fund also posted competitive returns on a year-to-date basis. After discussion, the Committee members in attendance agreed to keep the fund on the Watch List pending further performance improvements.

*Hartford International Opportunities Fund* – An overweight to China negatively impacted performance over the 1-and 3-year periods. BFSG noted that the fund’s long-term manager is retiring in mid-2024. No action was recommended at this time.

*MFS International New Discovery* was placed on the Watch List in September of 2021 due to changes in management. The fund's conservative style was one of the major reasons for its recent underperformance. It is designed to perform well in down markets as illustrated by its strong down-market ratio. During the quarter, performance was negatively impacted by an overweight to materials coupled with an overweight to China. The fund outperformed its category peers over the 3-year period while maintaining lower volatility compared to its peers. After discussion, the Committee members in attendance agreed to keep the fund on the Watch List.

*Hartford Healthcare* is scheduled to be replaced by Vanguard Health Care Index on September 18, 2023.

*The T. Rowe Price Retirement series* outperformed the benchmark indexes and respective peer groups during the quarter. BFSG noted an upcoming addition of Hedged Equity and Dynamic Credit for portfolios starting ten years to retirement in the third quarter of 2023. The intent of these additions is to dampen volatility for those participants closest to retirement.

Other areas reviewed included the performance of the Target Date Models, and point-in-time Plan-level performance.

**Annual Board Report:** The Committee reviewed and discussed the Annual Report prepared by BFSG. The purpose of the Annual Report was to assist the Governing Board in fulfilling its responsibility to monitor the Committee, to which it has delegated fiduciary responsibility. The Committee reviewed major decisions made during the previous Plan year and unanimously agreed to approve the Annual Report as presented.

**BFSG Participant Education Update:** BFSG updated the Committee on the upcoming webinar, Understanding How to Diversify Your Retirement Account. As of the date of the meeting, BFSG's Certified Financial Planner, Keith Johnson had a total of 22 one-on-one consultations and delivered 3 financial plans.

#### **SECURE Act 2.0 Update**

On August 25, 2023, the IRS announced a two-year postponement for the implementation of the Roth catch-up provision under SECURE Act 2.0. This provision would have impacted participants with an income exceeding \$145,000 in the preceding year and required all impacted participants catch-up contributions be made on a Roth basis. The guidance also addressed the technical error that would have eliminated all catch-up contributions beginning in 2024.

### **SETTLOR AGENDA**

**Quarterly Review 457 and 401(a) Plans:** Ms. Braun-Ward presented the 457(b) Plan Review report for the quarter ending June 30, 2023. Areas reviewed included Plan assets, demographics, cash flow, asset allocation, and loan utilization. Ms. Braun-Ward discussed each section in the Plan Review in detail.

Empower's 401(a) Plan Review report was also reviewed. As of the end of the reporting period, Plan assets totaled \$1,029,292, representing 81 participants with a balance.

**Expense Budget Account Quarterly Activity Review:** The Committee reviewed the accounting activity report for the Plan Expense Budget account.

### **OTHER MATTERS:**

**Public Comments** – There were no public comments.

**Other Business** – There was no other business.

**Adjournment** - The meeting adjourned at 12:12 p.m.



**South Coast  
Air Quality Management District**

21865 Copley Drive, Diamond Bar, CA 91765  
(909) 396-2000, [www.aqmd.gov](http://www.aqmd.gov)

MEETING DATE: December 12, 2023

REPORT: Deferred Compensation Plan Committee

SYNOPSIS: The Deferred Compensation Plan Committee met on December 12, 2023, at 10:05 a.m.  
The following is a summary of that meeting.

RECOMMENDED ACTION:  
Receive and file.

A. John Olvera, Chair  
Deferred Compensation Plan

AJO:RH:tc

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**Committee Members Present**

John Olvera – Deputy Executive Officer / Admin and Human Resources  
Raquel Arciniega - Human Resources Manager  
Bayron Gilchrist – General Counsel  
Sujata Jain - Chief Financial Officer

**Committee Members Absent**

None

**Guests**

Darren Stewart, Benefit Financial Services Group (“BFSG”)  
Aksana Muñoz, BFSG  
Lisa Braun-Ward, Empower Retirement (“Empower”)  
Claudia Leao, Empower  
Rob Dwyer, Empower

**Call to Order:** Chair Olvera called the meeting to order at 10:05 am.

**Approval of Prior Meeting Minutes:** The Committee approved the minutes of the meeting held on September 12, 2023, as written. Ms. Jain abstained due to her absence at the last meeting.

**Addition to the Agenda:** Mr. Olvera noted that the Annual Board report was revised to incorporate the addition of Management to the 401(a) Plan effective January 1, 2023.

**FIDUCIARY AGENDA**

**457 and 401(a) Plans Quarterly Investment Review – 3<sup>rd</sup> Quarter 2023:** The Committee received and approved the Retirement Plan Quarterly Investment Review (the “Report”) for the 457 Deferred Compensation Plan and the 401(a) Defined Contribution Plan (collectively the “Plans”) for the quarter ending September 30, 2023.

The Committee reviewed fees paid to Empower for recordkeeping and administration of the District’s Plans. The Plan operates under a level fee arrangement where fund revenue sharing payments are credited directly to the participants invested in the fund. The Committee reviewed the share classes used in the Plan and noted that after adjusting for credited revenue sharing, using the optimal share class for each fund provided annualized savings of approximately \$22,000.

To provide context to the performance of the investment options in the Plans, BFSG provided an overview of the economy and capital markets during the reporting period. The presentation was followed by a quantitative and qualitative review of the funds offered in the Plans, in accordance with the Evaluation Methodology criteria set forth in the Plans’ Investment Policy Statement (the “IPS”).

*Metropolitan West Total Return Bond* was placed on the Watch List in September 2023 - The fund’s Evaluation Methodology rank declined from 63 (“underperform”) to 65 (“underperform”) during the quarter as the portfolio underperformed the peer group by more than 30 basis points. Performance now trails the peer group average over all periods noted in the Report, though the fund still outperforms the Bloomberg Aggregate Bond Index over 5- and 10-year periods. An overweight to duration continued to detract from relative performance during the quarter as interest rates rose. Positioning within agency MBS, an area of emphasis for the fund, also detracted from relative results. After further discussion, the Committee agreed to keep the fund on the Watch List.

*T. Rowe Price Blue Chip Growth* was added to the Watch List in September 2022 due to underperformance and a manager change. In the June 2023 meeting, the Committee reviewed a Fund Search analysis and decided to retain the fund on the Watch List. Contributors to recent performance included an underweight to consumer staples and an overweight to communication services. Strong stock selection in healthcare also had a positive impact. Despite historically underperforming in down markets based on its down capture ratio, the fund outperformed during the quarter. Considering its underperformance over the 3-year period, the Committee agreed to maintain the fund on the Watch List.

*Hartford International Opportunities Fund* experienced short-term underperformance against both benchmarks, both in up- and down-markets. Poor stock selection in consumer staples and a growth-oriented portfolio were primary factors in this recent performance downturn. Additionally, the fund faces uncertainty as the long-term manager plans to retire in June 2024. His comanager, Tara Stilwell will assume sole decision making at the end of 2023. While she has been on the fund since 2010, her primary focus was mentoring the dedicated analyst team rather than day-to-day portfolio decisions. Given the underperformance and the upcoming management transition, the Committee agreed to place the fund on the Watch List.

*MFS International New Discovery* was added to the Watch List in September 2021 following management changes. Despite the initial concerns, the fund has demonstrated competitive performance over the short term. Notably, it serves as a strong downside protector in the Plan, evident in its down-capture ratio. Strong stock selection within the portfolio has contributed to its recent performance. The Committee agreed to keep the fund on the Watch List.

*Hartford Healthcare* was replaced with Vanguard Health Care Index on September 18, 2023.

The current versions of the *T. Rowe Price Retirement Series* funds utilized by the Plan are technically separate funds from the retail versions even though they have the same managers, strategy and allocations. In February 2024, T. Rowe Price will be closing the current versions and merging them with a new I share class of the retail versions. The merger will not affect pricing, strategy, management, or allocation and will provide the ability to analyze the funds over longer periods.

During the discussion on Target Date Models, BFSG addressed forthcoming changes. These updates encompass minor allocation adjustments across each asset class. Among notable adjustments, there is a reduction in the capital preservation category, coupled with a corresponding addition to the fixed income category.

The Committee reviewed point-in-time Plan-level performance.

**BFSG Participant Education Update:** On November 28, 2023, BFSG conducted 4<sup>th</sup> quarterly webinar for District employees, titled “Year-End Tax Planning.” Following the session’s completion, the webinar recording was provided to Human Resources.

As of the date of this meeting, BFSG’s Certified Financial Planner, Keith Johnson, conducted a total of 29 one-on-one consultations and delivered 5 comprehensive financial plans.

BFSG also presented a recap of the recently concluded Fall Webinar series, which took place from October 26, 2023, through November 16, 2023. The series covered a diverse range of retirement planning-related topics and received substantial attendance from District employees. The Committee received the attendance report and the webinar replay links prior to this meeting.

**Quarterly Review 457 and 401(a) Plans:** Ms. Braun-Ward presented a comprehensive 457(b) Plan Review report for the quarter ending September 30, 2023. The review covered various aspects, including Plan assets, demographics, cash flow, asset allocation, savings and deferral rates, participation, loan utilization, and the utilization of Empower’s Lifetime Income Score tool. Ms. Braun-Ward provided detailed insights into each section of the Plan Review during her presentation.

Additionally, Ms. Braun-Ward discussed Empower’s Money in Motion report, offering insights into rollovers both into and out of the Plan throughout the 2023 year.

The Committee revisited the prior discussion regarding the potential inclusion of Empower’s point-in-time fiduciary advice and managed accounts service to the Plan. This consideration stemmed from a previous decision influenced by a lawsuit filed against Empower last year, specifically related to the vendor’s managed accounts. In the latest update, Empower informed the Committee that the lawsuit had been recently dismissed and committed to providing official confirmation of the dismissal.

Subject to the verification of the lawsuit dismissal, the Committee agreed to further explore the potential addition of Empower’s point-in-time fiduciary advice and managed accounts service at the upcoming meeting.

Empower's 401(a) Plan Review report was also presented to the Committee. As of the end of the reporting period, Plan assets totaled \$1,089,139, representing 84 participants with a balance.

**Expense Budget Account Quarterly Activity Review:** The Committee reviewed the accounting activity report for the Plan Expense Budget account.

**SETTLOR AGENDA**

None

**OTHER MATTERS:**

**Public Comments** – There were no public comments.

**Other Business** – There was no other business.

**Adjournment** - The meeting adjourned at 11:24 a.m.





South Coast  
AQMD

# South Coast Air Quality Management District

21865 Copley Drive, Diamond Bar, CA 91765  
(909) 396-2000, [www.aqmd.gov](http://www.aqmd.gov)

MEETING DATE: March 5, 2024

REPORT: Deferred Compensation Plan Committee

SYNOPSIS: The Deferred Compensation Plan Committee met on March 5, 2024, at 10:35 a.m. The following is a summary of that meeting.

RECOMMENDED ACTION:  
Receive and file.

A. John Olvera, Chair  
Deferred Compensation Plan

AJO:RH:tc

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**Committee Members Present**

John Olvera – Deputy Executive Officer / Admin and Human Resources  
Raquel Arciniega - Human Resources Manager  
Bayron Gilchrist – General Counsel  
Sujata Jain - Chief Financial Officer

**Committee Members Absent**

None

**Guests**

Darren Stewart, Benefit Financial Services Group (“BFSG”)  
Aksana Muñoz, BFSG  
Lisa Braun-Ward, Empower Retirement (“Empower”)  
Claudia Leao, Empower  
Ron Savageau, Empower

**Call to Order:** Chair Olvera called the meeting to order at 10:35 am.

**Approval of Prior Meeting Minutes:** The Committee approved the minutes of the meeting held on December 12, 2023, as written.

**FIDUCIARY AGENDA**

**457 and 401(a) Plans Quarterly Investment Review – 4<sup>th</sup> Quarter 2023:** The Committee received and approved the Retirement Plan Quarterly Investment Review (the “Report”) for the 457 Deferred Compensation Plan and the 401(a) Defined Contribution Plan (collectively the “Plans”) for the quarter ending December 31, 2023.

The Committee reviewed fees paid to Empower for recordkeeping and administration of the District’s Plans. The Plan operates under a level fee arrangement where fund revenue sharing payments are credited directly to the participants invested in the fund. The Committee reviewed the share classes used in the Plan and noted that after adjusting for credited revenue sharing, using the optimal share class for each fund provided annualized savings of approximately \$24,000.

To provide context to the performance of the investment options in the Plans, BFSG provided a brief overview of the economy and capital markets during the reporting period. The presentation was followed by a quantitative and qualitative review of the funds offered in the Plans, in accordance with the Evaluation Methodology criteria set forth in the Plans’ Investment Policy Statement (the “IPS”).

*Metropolitan West Total Return Bond* was placed on the Watch List in September 2023 - With a significant decline in intermediate- and long-term interest rates during the quarter, the fund’s longer duration positioning led to the outperformance of the Bloomberg US Aggregate Index and its category peers. The fund’s overweight to agency and non-agency mortgage-backed securities was also additive as spreads tightened in November and December. The Evaluation Methodology ranking improved from 65 to 61 during the quarter. Performance over the 5- and 10-year periods continued to outpace the Bloomberg US Aggregate Index but trailed the peer group. After discussion, the Committee agreed to maintain the fund on the Watch List.

*T. Rowe Price Blue Chip Growth* was added to the Watch List in September 2022 due to underperformance and a manager change. In the June 2023 meeting, the Committee reviewed a Fund Search analysis and decided to retain the fund on the Watch List. The recent Report illustrated improved performance both during the quarter and over the one-year period. The fund employs a pure growth approach and avoids most traditional value sectors such as utilities, consumer staples, and real estate, which detracted from performance in 2022 but was a large tailwind in 2023. Following thorough discussion, the Committee agreed to maintain it on the Watch List to monitor for further performance improvement.

*Hartford International Opportunities* was placed on the Watch List in December 2023 due to underperformance and the impending management change. Despite outperforming both the index benchmark and category peers

over the quarter, it underperformed over the one- and three-year periods. This underperformance was primarily attributed to the portfolio's growth tilt, as foreign growth strategies lagged their value counterparts until the fourth quarter of 2023. A new manager took over stock selection at the beginning of 2024 although the previous manager will remain on the fund for the first half of the year. Throughout the quarter, strong overall stock selection was offset by poor selection in healthcare, specifically biotech and medical device stocks. Following a thorough discussion, the Committee agreed to maintain the fund on the Watch List to closely monitor its performance under the new management.

*MFS International New Discovery* was added to the Watch List in September 2021 after experiencing management changes. Known for its defensively structured portfolio, the fund typically exhibits lower volatility compared to its peers. Despite outperforming the index benchmark over the quarter, it slightly lagged its category peers. This was attributed to a high cash position and an overweight to consumer staples, which detracted from recent performance. Stock selection was a positive contributor during the quarter, particularly led by consumer discretionary stocks. After thorough discussion, the Committee agreed to maintain the fund on the Watch List for ongoing monitoring.

As previously discussed, the current versions of the *T. Rowe Price Retirement Series* funds utilized by both Plans are technically separate funds from the retail versions even though they have the same managers, strategy and allocations. In February 2024, T. Rowe Price closed the current versions and merged them with a new I share class of the retail versions. The merger did not affect pricing, strategy, management, or allocation and will provide the ability to analyze the funds over longer periods.

During the discussion on Target Date Models, BFGS noted that the allocation changes reviewed at the prior meeting were not approved by Empower. This was due to restrictions related to the Guaranteed Interest Account. BFGS has since provided Empower with the revised allocation adjustments and is currently awaiting Empower's approval and implementation of the changes.

As allocated by participants on December 31, 2023, the Plans slightly trailed the custom index benchmark over the 3-year period. Though, the index benchmark does not include investment fees. Over all other time periods, the Plans outperformed both the custom active and passive benchmarks.

**Discussion and Consideration to Add Empower's Advice and Managed Accounts Service:** The Committee revisited prior discussions regarding the potential inclusion of Empower's point-in-time fiduciary advice and managed accounts service in the Plan. To facilitate the discussion, Mr. Savageau and Ms. Leao highlighted the benefits of incorporating these services into the Plans. This was followed by a demonstration of the advisory services web tool.

During the discussion, Mr. Savageau emphasized that Empower's advisory service and access to point-in-time fiduciary advice would need to be added as a package; the District cannot selectively choose one of these services. He also provided an overview of the fee structure associated with managed accounts.

BFGS underscored that adding these services and subsequent monitoring constitute fiduciary decisions, clarifying that advising on whether to include these services falls outside of BFGS's scope of services.

Following a comprehensive discussion, the Committee reached a consensus to revisit this topic at the next scheduled meeting, allowing for further deliberation and consideration of the implications before making a final decision.

**BFGS Participant Education Update:** BFGS shared a finalized educational calendar for the 2024 year. The scheduled live webinars cover a range of topics, including Behavioral Finance, Retirement Income Needs, Expense and Debt Management, and Charitable Gift Giving Strategies. These webinars are scheduled for March 14, May 15, August 22, and November 21, 2024, respectively. A recording of each webinar will be provided to the District's HR.

**Quarterly Review 457 and 401(a) Plans:** Ms. Braun-Ward briefly reviewed the 457(b) Plan Review report for the quarter ending December 31, 2023. The review covered various aspects, including Plan assets, demographics, cash flow, asset allocation, savings and deferral rates, participation, loan utilization, and the utilization of Empower's Lifetime Income Score tool.

Empower's 401(a) Plan Review report was also presented to the Committee.

**Expense Budget Account Quarterly Activity Review:** The Committee reviewed the accounting activity report for the Plan Expense Budget account.

**SETTLOR AGENDA**

None

**OTHER MATTERS:**

**Public Comments** – There were no public comments.

**Other Business** – There was no other business.

**Adjournment** - The meeting adjourned at 12:35 p.m.



# South Coast Air Quality Management District

21865 Copley Drive, Diamond Bar, CA 91765  
(909) 396-2000, [www.aqmd.gov](http://www.aqmd.gov)

MEETING DATE: June 14, 2024

REPORT: Deferred Compensation Plan Committee

SYNOPSIS: The Deferred Compensation Plan Committee met on June 14, 2024, at 11:30 a.m. The following is a summary of that meeting.

RECOMMENDED ACTION:  
Receive and file.

A. John Olvera, Chair  
Deferred Compensation Plan

AJO:RH:tc

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**Committee Members Present**

John Olvera – Deputy Executive Officer / Admin and Human Resources  
Bayron Gilchrist – General Counsel  
Sujata Jain - Chief Financial Officer

**Committee Members Absent**

Raquel Arciniega - Human Resources Manager

**Guests**

Darren Stewart, Benefit Financial Services Group (“BFSG”)  
Aksana Muñoz, BFSG  
Lisa Braun-Ward, Empower Retirement (“Empower”)

**Call to Order:** Chair Olvera called the meeting to order at 11:35 am.

**Approval of Prior Meeting Minutes:** The Committee members in attendance approved the minutes of the meeting held on March 5, 2024, as written.

**FIDUCIARY AGENDA**

**457 and 401(a) Plans Quarterly Investment Review – 1<sup>st</sup> Quarter 2024:** The Committee members in attendance received and approved the Retirement Plan Quarterly Investment Review (the “Report”) for the 457 Deferred Compensation Plan and the 401(a) Defined Contribution Plan (collectively the “Plan”) for the quarter ending March 31, 2024.

The Committee reviewed fees paid to Empower for recordkeeping and administration of the District’s Plan. The Plan operates under a level fee arrangement where fund revenue sharing payments are credited directly to the participants invested in the fund. The Committee reviewed the share classes used in the Plan and noted that after adjusting for credited revenue sharing, using the optimal share class for each fund provided annualized savings of over \$24,000.

To provide context to the performance of the investment options in the Plans, BFSG provided a brief overview of the economy and capital markets during the reporting period. The presentation was followed by a quantitative and qualitative review of the funds offered in the Plans, in accordance with the Evaluation Methodology criteria set forth in the Plan’ Investment Policy Statement (the “IPS”).

*Metropolitan West Total Return Bond* was placed on the Watch List in September 2023 – Following a short-term rebound in performance during the fourth quarter of 2023, the fund underperformed its index and peers during the first quarter. The portfolio’s overweight duration position was the main detractor during the quarter as yields moved higher. Consistent with its view that the economy will begin to weaken, fund management has maintained an underweight to credit, which continued to detract from performance as spreads tightened. Performance trails the peer group over all measured periods and its Evaluation Methodology rank declined from 61 to 64. The Committee members in attendance agreed to maintain the fund on the Watch List, pending review of a Fund Search later in the meeting.

*T. Rowe Price Blue Chip Growth* was added to the Watch List in September 2022 due to underperformance and a manager change. In the June 2023 meeting, the Committee reviewed a Fund Search analysis and decided to retain the fund on the Watch List. Over the recent quarter and one-year period, the fund has shown significant improvement in its performance, consistently outperforming both the index benchmark and its category peers. Its overall Evaluation Methodology ranking score has also seen improvement since it was placed on the Watch List. Stock selection in the technology sector, most notably an underweight to Apple and an overweight to Nvidia, was a major contributor to performance during the quarter. Given the notable improvement in performance, the Committee members in attendance agreed to remove the fund from the Watch List.

*Hartford International Opportunities* was placed on the Watch List in December 2023 due to underperformance and a manager change. The fund's growth tilt was a benefit to performance over the last few quarters. During the reporting period, major contributors were an overweight to technology and an underweight to real estate.

The fund has outperformed its peers since the new manager took over in December 2023. BFSG brought a Fund Search with potential replacement options for the Committee's consideration. However, considering the fund's strong performance, the Committee members in attendance agreed to keep it on the Watch List to monitor performance under new management, deeming a review of the Fund Search unnecessary.

*MFS International New Discovery* has been on the Watch List since September 2021 due to management changes. In the September 2022 meeting, the Committee reviewed a Fund Search analysis and decided to retain the fund on the Watch List. Known for its defensively structured portfolio, the fund typically exhibits significantly lower volatility compared to its peers and performed competitively in recent down markets. During the reporting period, poor stock selection in industrials detracted from performance. The Committee members in attendance agreed to keep the fund on the Watch List to closely monitor its performance.

Other areas reviewed included performance of the T. Rowe Price Retirement series, the Plan's Target Date Models, and point-in-time Plan-level performance. It was noted that the Target Date Models were updated in late-March 2024.

**In-Plan Roth Conversion Feature:** The Committee discussed the possible addition of a Roth conversion feature to the 457(b) Plan. This feature would allow both active and terminated employees to convert their pre-tax money into a Roth source within the Plan. Ms. Braun-Ward highlighted the benefits, including potential tax-free growth and tax-free withdrawals in retirement, providing tax diversification. However, the amount converted is subject to federal income tax in the year of conversion. Empower's call center and website will inform employees of the tax consequences. Considering employee interest, the Committee members in attendance agreed to add the in-Plan Roth conversion feature for rollovers and transfers.

**Fund Search Analysis:** For the Committee's consideration, BFSG prepared a Fund Search consisting of current options and available alternatives in the Intermediate Core-Plus category, including the current option, Metropolitan West Total Bond. Each investment option was reviewed in accordance with the Plan's Investment Policy Statement criteria, which encompasses performance, risk-adjusted performance, style consistency, expense, and qualitative factors.

BFSG discussed the fund performance in detail, noting that the Metropolitan West Total Bond fund underperformed its peers on a year-to-date basis. After thorough consideration, the Committee members in attendance agreed to keep the fund on the Watch List and to revisit the Fund Search for this category at the next meeting.

**Target Date Models:** The Committee members in attendance agreed to add the Target Date Models to the District's 401(a) Plan.

**Discussion and Consideration to Add Empower's Advice and Managed Accounts Service:** The Committee revisited prior discussions regarding the potential inclusion of Empower's point-in-time fiduciary advice and managed accounts service in the Plan. Ms. Braun-Ward recapped the benefits of adding these services. After discussion, the Committee members in attendance asked Ms. Braun-Ward to bring additional demographics data to the next meeting for the Committee's consideration.

**BFSG Participant Education Update:** On March 14, 2024, BFSG conducted a webinar for District employees titled "Behavioral Finance," which was attended by 39 employees. Another webinar titled "Retirement Income Needs" was held on May 15, 2024, with 40 employees in attendance. The next webinar, "Expense & Debt Management," is scheduled for August 22, 2024. As of the date of this meeting, BFSG's Certified Financial Planner, Keith Johnson, has conducted 17 one-on-one consultations and delivered 6 comprehensive financial plans.

**Quarterly Review 457 and 401(a) Plans:** Ms. Braun-Ward briefly reviewed the 457(b) Plan Review report for the quarter ending March 31, 2024. The review covered various aspects, including Plan assets, demographics, cash flow, asset allocation, savings and deferral rates, participation, loan utilization, and the utilization of Empower's Lifetime Income Score tool.

Empower's 401(a) Plan Review report was also presented to the Committee.

**Expense Budget Account Quarterly Activity Review:** The Committee reviewed the accounting activity report for the Plan Expense Budget account.

**SETTLOR AGENDA**

None

**OTHER MATTERS:**

**Public Comments** – There were no public comments.

**Other Business** – There was no other business.

**Adjournment** - The meeting adjourned at 1:50 p.m.



[↑ Back to Agenda](#)

BOARD MEETING DATE: January 10, 2025

AGENDA NO. 22

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, December 13, 2024, Reviewed

RECOMMENDED ACTION:  
Receive and file.

Wayne Natri  
Executive Officer

RMM:XC:DD:HL:dc

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### **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

January 10, 2025 Board Meeting  
 Status Report on Ongoing and Upcoming Projects for  
 Information Management

| <b>Warehouse Indirect Source Rule Online Reporting Portal Phase 4</b> |   |
|---|---|
| Brief description:  | Development of online reporting portal for Rule 2305 –Warehouse Indirect Source       |
| Estimated project cost  | \$250,000   |
| Overall project status  | Completed   |
| Percentage complete   | 100%  |
| LAST 30 days  | <ul style="list-style-type: none"> <li>User Acceptance Testing and Go-live</li> </ul> |
| NEXT 30 days  | <ul style="list-style-type: none"> <li>Post-Production Support</li> </ul>             |
| Original estimated go-live date                                       | 8/9/24  |
| Current estimated go-live date  | 12/27/24  |
| Go-live date  | N/A   |
| Notes   | Project Completed.  |

| <b>South Coast AQMD Mobile Application Phase 6</b> |  |
|--|--|
| Brief description:                                 | The Phase 6 enhancement of the South Coast AQMD mobile app focuses on introducing the Open Burn Program and Check Before You Burn (CBYB) feature layers, enhancing user access to detailed environmental data and preparing the map component for future expansions. |
| Estimated project cost                             | \$54,785   |
| Overall project status                             | In Progress  |
| Percentage complete                                | 85%  |
| LAST 30 days                                       | <ul style="list-style-type: none"> <li>User Acceptance Testing</li> </ul>  |
| NEXT 30 days                                       | <ul style="list-style-type: none"> <li>Working on going live</li> </ul>  |
| Original estimated go-live date                    | 12/20/24   |
| Current estimated go-live date                     | 1/24/25  |
| Go-live date                                       | N/A  |
| Notes  | Schedule extended to accommodate new features.   |

## ATTACHMENT

### January 10, 2025 Board Meeting Status Report on Ongoing and Upcoming Projects for Information Management

| <b>Agenda Tracking System</b>   |  |
|---------------------------------|--|
| 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             | 70%  |
| LAST 30 days                    | <ul style="list-style-type: none"> <li>• System Development in Progress</li> </ul>                             |
| NEXT 30 days                    | <ul style="list-style-type: none"> <li>• System Development in Progress</li> </ul>                             |
| Original estimated go-live date | 11/15/24   |
| Current estimated go-live date  | 5/9/25   |
| Go-live date                    | N/A  |
| Notes                           | Additional enhancements were requested by the users.   |

| <b>Online Application Filing</b> |   |
|----------------------------------|---|
| 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"> <li>• User Acceptance Testing of Phase 1 of the project (first ten 400-E-XX forms)</li> <li>• User Acceptance Testing of next set of Rule 222 forms</li> </ul> |
| NEXT 30 days                     | <ul style="list-style-type: none"> <li>• User Acceptance Testing of Phase 1 of the project (first ten 400-E-XX forms)</li> <li>• User Acceptance Testing of next set of Rule 222 forms</li> </ul> |
| Original estimated go-live date  | 1/17/25   |
| Current estimated go-live date   | 1/17/25   |
| Go-live date                     | N/A   |

ATTACHMENT

January 10, 2025 Board Meeting  
 Status Report on Ongoing and Upcoming Projects for  
 Information Management

|   |   |
|---|---|
| Notes   | IM Development Complete.  |
| <b>Permit Workflow Automation – Phase 1 &amp; 2</b> |   |
| Brief description:                                  | Automate application acceptance and engineering evaluation processes into paperless workflows |
| Estimated project cost                              | \$250,000   |
| Overall project status                              | In Progress   |
| Percentage complete                                 | 60%   |
| LAST 30 days  | <ul style="list-style-type: none"> <li>System Development in Progress</li> </ul>              |
| NEXT 30 days  | <ul style="list-style-type: none"> <li>System Development in Progress</li> </ul>              |
| Original estimated go-live date                     | 3/14/25   |
| Current estimated go-live date                      | 6/12/25   |
| Go-live date  | N/A   |
| Notes   | Phase 2 added; UAT for both phases to be conducted simultaneously.                            |

|                                 |  |
|---------------------------------|--|
| <b>Website Upgrade</b>          |  |
| Brief description:              | Upgrade the Website Content Management System to latest version                        |
| Estimated project cost          | \$100,000  |
| Overall project status          | In Progress  |
| Percentage complete             | 80%  |
| LAST 30 days                    | <ul style="list-style-type: none"> <li>User Acceptance Testing and Training</li> </ul> |
| NEXT 30 days                    | <ul style="list-style-type: none"> <li>User Acceptance Testing and Training</li> </ul> |
| Original estimated go-live date | 10/11/24   |
| Current estimated go-live date  | 3/11/25  |
| Go-live date                    | N/A  |
| Notes                           | Go-live postponed for additional training and testing.                                 |

ATTACHMENT

January 10, 2025 Board Meeting  
 Status Report on Ongoing and Upcoming Projects for  
 Information Management

| <b>Compliance System</b>        |  |
|---------------------------------|--|
| 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             | 75%  |
| LAST 30 days                    | <ul style="list-style-type: none"> <li>System Development in progress</li> </ul>   |
| NEXT 30 days                    | <ul style="list-style-type: none"> <li>System Development in progress</li> </ul>   |
| Original estimated go-live date | 2/28/25  |
| Current estimated go-live date  | 2/28/25  |
| Go-live date                    | N/A  |
| Notes                           | Project is on schedule.  |

| <b>Carl Moyer Program GMS Phase III</b> |  |
|---|--|
| Brief description:                      | Develop Contracting, Invoicing, and Annual Reporting modules for Carl Moyer Program web application. This system will include integration internal South Coast AQMD systems. |
| Estimated project cost                  | \$200,000  |
| Overall project status                  | In Progress  |
| Percentage complete                     | 50%  |
| LAST 30 days                            | <ul style="list-style-type: none"> <li>System Development in progress</li> </ul>   |
| NEXT 30 days                            | <ul style="list-style-type: none"> <li>System Development in progress</li> </ul>   |
| Original estimated go-live date         | 4/10/25  |
| Current estimated go-live date          | 4/10/25  |
| Go-live date                            | N/A  |
| Notes                                   | Project is on schedule.  |

ATTACHMENT

January 10, 2025 Board Meeting  
 Status Report on Ongoing and Upcoming Projects for  
 Information Management

| <b>Annual Emissions Reporting 2025</b> |  |
|--|--|
| Brief description:                     | Update AER Web Tools with new functionality to prepare for the filing period beginning on January 1, 2025. |
| Estimated project cost                 | \$212,304  |
| Overall project status                 | Completed  |
| Percentage complete                    | 100%   |
| LAST 30 days                           | <ul style="list-style-type: none"> <li>User Acceptance Testing</li> </ul>                                  |
| NEXT 30 days                           | <ul style="list-style-type: none"> <li>Post-Production Support</li> </ul>                                  |
| Original estimated go-live date        | 12/31/24   |
| Current estimated go-live date         | 12/31/24   |
| Go-live date                           | N/A  |
| Notes                                  | Project Completed.   |

| <b>AirNet Upgrade</b>           |  |
|---------------------------------|--|
| Brief description:              | Upgrade AirNet (Intranet) to the latest version of SharePoint. This project will involve migrating existing content, custom web parts, and other components, while delivering a modern and refreshed design. |
| Estimated project cost          | \$180,000  |
| Overall project status          | In Progress  |
| Percentage complete             | 20%  |
| LAST 30 days                    | <ul style="list-style-type: none"> <li>System Development in progress</li> </ul>   |
| NEXT 30 days                    | <ul style="list-style-type: none"> <li>System Development in progress</li> </ul>   |
| Original estimated go-live date | 4/25/25  |
| Current estimated go-live date  | 4/25/25  |
| Go-live date                    | N/A  |
| Notes                           | Project is on schedule.  |

ATTACHMENT

January 10, 2025 Board Meeting  
Status Report on Ongoing and Upcoming Projects for  
Information Management

| Projects that have been completed within the last 12 months are shown below |                    |
|---|--------------------|
| COMPLETED PROJECTS  |                    |
| PROJECT   | DATE COMPLETED     |
| Rideshare Survey Enhancement  | October 18, 2024   |
| Source Test Tracking System (STTS)  | September 20, 2024 |
| IT Service Management   | September 17, 2024 |
| Rule 1180 System Enhancements   | August 16, 2024    |
| Rule 1415 System Enhancements   | August 9, 2024     |
| AQ-SPEC Cloud Platform Phase 2  | July 10, 2024      |
| 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   |

[↑ Back to Agenda](#)

BOARD MEETING DATE: January 10, 2025

AGENDA NO. 23

REPORT: Administrative Committee

SYNOPSIS: The Administrative Committee held a hybrid meeting on Friday, December 13, 2024. The following is a summary of the meeting.

RECOMMENDED ACTION:  
Receive and file.

Michael Cacciotti, Vice Chair  
Administrative Committee

SN:cb

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### **Committee Members**

Present: Vice Chair Michael Cacciotti  
Board Member Gideon Kracov  
Supervisor V. Manuel Perez

Absent: Chair Vanessa Delgado, Committee Chair  
Councilmember Larry McCallon

### **Call to Order**

Vice Chair Cacciotti called the meeting to order at 10:00 a.m.

For additional details of the Administrative Committee Meeting, please refer to the [Webcast](#).

### **DISCUSSION ITEMS:**

1. **Board Members' Concerns:** There were no Board Members' concerns to report.
2. **Chair's Report of Approved Travel:** No travel was reported.
3. **Report of Approved Out-of-Country Travel:** No out-of-country travel was reported.



4. **Review January 10, 2025 Governing Board Agenda:** Board Member Kracov and Vice Chair Cacciotti inquired about selection of contractors for GoZero Program and stated it is relevant to the discussion on Rules 1111 and 1121. Executive Officer Wayne Nastri indicated there will be multiple contractors and this will be discussed at the Stationary Source Committee. For additional information, please refer to the [Webcast at 3:38](#).
5. **Approval of Compensation for Board Member Assistant(s)/Consultant(s):** This item was moved to Action Items as approval from the Administrative Committee is needed. For additional information please refer to the [Webcast at 4:37](#).
6. **Update on South Coast AQMD Diversity, Equity and Inclusion Efforts:** Anissa Heard-Johnson, Diversity, Equity & Inclusion (DEI) Officer, DEI with Community Air Programs, provided an update on agency efforts, seasonal events, cultural displays, Statewide DEI Working Group, and discussed Diane Judith Nash for Fabulous Female Friday.

Board Member Kracov appreciated the work and expressed curiosity in seeing how the conversations evolve in 2025.

Harvey Eder, Public Solar Power Coalition, provided public comment on various discrimination issues.

For additional information, please refer to the [Webcast at 6:25](#).

7. **Report of RFQs/RFPs Scheduled for Release in January:** Sujata Jain, Chief Financial Officer, reported that there was an RFP to establish a list of pre-qualified outside legal counsel, a second to solicit proposals from licensed brokerage firms and a third for occupational health and medical service providers. For additional information, please refer to the [Webcast at 17:19](#).
8. **Status Report on Major Ongoing and Upcoming Projects for Information Management:** Ron Moskowitz, Information Technology Manager, Information Management, reported on the status of various projects. For additional information, please refer to the [Webcast at 18:41](#).
9. **Receive and File Annual Report on South Coast AQMD's Deferred Compensation Plans:** John Olvera, Deputy Executive Officer/Administrative & Human Resources, reported that this item is to receive and file the annual report on South Coast AQMD's Deferred Compensation Plan for fiscal year ending June 2024. For additional information, please refer to the [Webcast at 20:13](#).

**ACTION ITEMS:**

5. **Approval of Compensation for Board Member Assistant(s)/Consultant(s):** There was one proposal for the compensation for a Board Consultant, County of San Bernardino (Katherine Kolcheva) and two modifications for Board Consultants, County of San Bernardino (Michael Miller) and County of San Bernardino (Peter Rogers). The contracts will be effective from December 1, 2024 through June 30, 2025. For additional information, please refer to the [Webcast at 4:37](#).

Moved by Kracov; seconded by Perez, unanimously approved.

Ayes: Cacciotti, Kracov, Perez  
Noes: None  
Absent: Delgado, McCallon

10. **Establish Rule 2305 Penalty Special Revenue Fund:** Dr. Sarah Rees, Deputy Executive Officer/Planning, Rule Development and Implementation, reported that this action is a result of Assembly Bill 98 that requires the South Coast AQMD to establish a process for receiving community input on how penalty funds collected on and after January 2025 from implementation of the warehouse indirect source rule (Rule 2305) are going to be spent. This action is to establish a special penalty fund for Rule 2305 to track and manage penalty funds moving forward.

Board Member Kracov expressed his observation regarding the requirements from the Assembly Bill and the challenges, and importance of communicating with industry and communities that we have the same goals. Supervisor Perez inquired if there have been discussions about use of these funds. Executive Officer Wayne Nastri responded that South Coast AQMD opposed the Bill and that the Board has the discretion with input from the public on use of the funds. Supervisor Perez wanted to ensure the agency has cost recovery with the extra administrative work. For additional information, please refer to the [Webcast at 21:14](#).

Moved by Kracov; seconded by Perez, unanimously approved.

Ayes: Cacciotti, Kracov, Perez  
Noes: None  
Absent: Delgado, McCallon

11. **Adopt Resolution per AB 2522 (Carillo) to Increase Governing Board Member Compensation, Appropriate Funds from Undesignated Fund Balance, and Transfer funds Between Major Objects:** Lisa Tanaka, Deputy Executive Officer/Legislative, Public Affairs and Media, indicated that South Coast AQMD sponsored AB 2522 by Wendy Carillo to increase Board Member compensation from \$100 to up to \$200 for each day, not to exceed \$2000 per

month. The Bill also included an annual cost of living increase beginning on January 1, 2026, pending Board approval. This action is to adopt a resolution to increase Board Member compensation and to appropriate \$78,000 from the General Undesignated Fund to the Governing Board fiscal year 2024/25 budget and to transfer \$87,173 from Salaries and Employee Benefits to the Governing Board fiscal year 2024/25 budget for San Bernardino County Board Consultants/Assistants contracts.

Board Member Kracov and Supervisor Perez thanked staff for their leadership for this bill. Vice Chair Cacciotti inquired about the issue regarding the two CARB Board Members and Mr. Nastri confirmed that staff is working on pursuing legislation in the upcoming legislative session. Board Member Kracov asked and staff confirmed that the action will be retroactive for January 1, 2025. For additional information, please refer to the [Webcast at 28:28](#).

Moved by Kracov; seconded by Perez, unanimously approved.

Ayes: Cacciotti, Kracov, Perez  
Noes: None  
Absent: Delgado, McCallon

12. **Establish List of Prequalified Counsel to Represent and Advise South Coast AQMD on Legal Matters Related to Environmental Law and General Governmental Matters:** Bayron Gilchrist, General Counsel, reported that this action is to establish a list of pre-qualified counsel to represent us in environmental law and general governmental matters.

Board Member Kracov expressed support for this item and stated they are all excellent law firms. For additional information, please refer to the [Webcast at 33:56](#).

Moved by Kracov; seconded by Perez, unanimously approved.

Ayes: Cacciotti, Kracov, Perez  
Noes: None  
Absent: Delgado, McCallon

13. **Execute Contract for Biennial Audit of Motor Vehicle Registration Revenues for FYs 2021-22 and 2022-23:** Ms. Jain reported that this item is to award a contract to the audit firm of Simpson & Simpson, CPA to conduct the biannual audit for motor vehicle registration revenue for fiscal years 2021/22 and 2022/23. The cost of the audit is \$148,210 and the funding is available in the 2024/25 budget. For additional information, please refer to the [Webcast at 36:17](#).

Moved by Kracov; seconded by Perez, unanimously approved.

Ayes: Cacciotti, Kracov, Perez  
Noes: None  
Absent: Delgado, McCallon

14. **Recognize Revenue, Appropriate Funds, Issue Solicitations and Purchase Orders for Air Monitoring Equipment and Execute Contract:** Dr. Jason Low, Deputy Executive Officer/Monitoring & Analysis Division, reported that this item is to recognize over \$1.2 million and appropriate these funds to the Monitoring & Analysis budget to be able to issue an RFP in the amount of \$600,000 and then execute a contract for air monitoring equipment testing and validation center. For additional information, please refer to the [Webcast at 37:34](#).

Moved by Kracov; seconded by Perez, unanimously approved.

Ayes: Cacciotti, Kracov, Perez  
Noes: None  
Absent: Delgado, McCallon

15. **Amend Contract for Janitorial Services at Diamond Bar Headquarters:** Mr. Olvera reported that this item is to extend a contract for janitorial services through December 2026 and requesting funding to cover the costs.

Vice Chair Cacciotti inquired about the use of the cleaning materials. Mr. Olvera indicated that cleaning materials are low VOC and are ordered by staff. For additional information, please refer to the [Webcast at 39:01](#).

Moved by Kracov; seconded by Perez, unanimously approved.

Ayes: Cacciotti, Kracov, Perez  
Noes: None  
Absent: Delgado, McCallon

16. **Amend FY 24-25 Budget by Adding and Deleting Positions Throughout the Agency to Address Operational Needs, Adopt a New Class Specification, Amend an Existing Class Specification and Appropriate Funds from Undesignated (Unassigned) Fund Balance:** Mr. Olvera reported that this item is to amend FY 2024-25 to add and delete positions throughout the agency to address operational needs for implementation of CPRG and other agency programs. For additional information, please refer to the [Webcast at 40:33](#).

Moved by Kracov; seconded by Perez, unanimously approved.

Ayes: Cacciotti, Kracov, Perez  
Noes: None  
Absent: Delgado, McCallon

**WRITTEN REPORT:**

17. **Local Government & Small Business Assistance Advisory Group Minutes for the June 14, 2024 Meeting:** The report was acknowledged and received.
18. **Local Government & Small Business Assistance Advisory Group Minutes for the August 9, 2024 Meeting:** The report was acknowledged and received.
19. **Environmental Justice Advisory Group Minutes for the February 23, 2024 Meeting:** The report was acknowledged and received.
20. **Environmental Justice Advisory Group Minutes for the May 24, 2024 Meeting:** The report was acknowledged and received.
21. **Environmental Justice Advisory Group Minutes for the August 30, 2024 Meeting:** The report was acknowledged and received.

**OTHER MATTERS:**

22. **Other Business:** Board Member Kracov commented on the upcoming Stationary Source Committee. For additional information, please refer to the [Webcast at 42:49](#).
23. **Public Comment:** Mr. Eder provided public comment on agenda comment time and purging people. For additional information, please refer to the [Webcast at 43:01](#).
24. **Next Meeting Date:** The next regular Administrative Committee meeting is scheduled for Friday, January 17, 2025 at 10:00 a.m.

**Adjournment**

The meeting was adjourned at 10:45 a.m.



# South Coast Air Quality Management District

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

## LOCAL GOVERNMENT & SMALL BUSINESS ASSISTANCE (LGSBA) ADVISORY GROUP FRIDAY, JUNE 14, 2024 MEETING MINUTES

### **MEMBERS PRESENT:**

South Coast AQMD Board Members:

Supervisor Curt Hagman

Mayor Patricia Lock Dawson

Public Members:

Paul Avila, P.B.A. & Associates

Geoffrey Blake, Metal Finishers of Southern California

LaVaughn Daniel, DancoEN

John DeWitt, JE DeWitt, Inc.

Bill LaMarr, California Small Business Alliance

Rita Loof, RadTech International

Eddie Marquez, Roofing Contractors Association

David Rothbart, Los Angeles County Sanitation Districts

### **MEMBERS ABSENT:**

South Coast AQMD Board Members:

Mayor José Luis Solache

Councilmember Carlos Rodriguez

Public Members:

Felipe Aguirre

Rachelle Arizmendi

Vice Mayor Ted Bui, City of Fountain Valley

Todd Campbell, Clean Energy

Mayor Pro Tem Blair Stewart, City of Brea

### **OTHERS PRESENT:**

Mark Taylor

Warisa Niizawa

Mark Abramowitz

### **SOUTH COAST AQMD STAFF:**

Susan Nakamura, Chief Operating Officer

Derrick Alatorre, Deputy Executive Officer

Dr. Anissa Cessa Heard-Johnson, Deputy Executive Officer

Dr. Jason Low, Deputy Executive Officer

Dr. Sarah Rees, Deputy Executive Officer  
Ian MacMillan, Assistant Deputy Executive Officer  
Dr. Jillian Wong, Assistant Deputy Executive Officer  
Daphne Hsu, Principal Deputy District Counsel  
Walter Shen, Planning and Rules Manager  
Denise Peralta Gailey, Public Affairs Manager  
Howard Lee, Information Technology Manager  
Pedro Piqueras, Program Supervisor  
De Groeneveld, Information Technology Supervisor  
Elaine-Joy Hills, Senior Staff Specialist  
Chhai Chorn, Air Quality Engineer  
Van Doan, Air Quality Specialist  
Christian Fielding, Air Quality Specialist  
Debra Ashby, Senior Public Affairs Specialist  
Aisha Reyes, Senior Public Affairs Specialist  
Cindy Bustillos, Executive Secretary  
Ghislain Muberwa, Information Technology Specialist I  
Camila Castro, Student Intern  
Timothy (TJ) Chang, Student Intern

**Agenda Item #1 – Roll Call/Call to Order/Opening Remarks**

Supervisor Curt Hagman called the meeting to order at 11:30 a.m., roll call was taken, and a quorum was present.

For additional details of the LGSBA Advisory Group Meeting, please refer to the [Webcast](#).

**Agenda Item #2 – Approval of February 9, 2024 Meeting Minutes**

Supervisor Hagman called for approval of the February 9, 2024, meeting minutes.

There were no public comments.

Motion to approve minutes made by David Rothbart; seconded by LaVaughn Daniel; approved.

Ayes: Avila, Blake, Daniel, DeWitt, Hagman, LaMarr, Lock Dawson, Rothbart,

Noes: None

Abstained: Marquez

Absent: Aguirre, Arizmendi, Bui, Campbell, Loof, Rodriguez, Solache, Stewart,

For additional details, please refer to the [Webcast](#), beginning at 5:00.

**Agenda Item #3 – Approval of Draft Letter on CARB’s AB 617 Community Air Protection Blueprint**

Supervisor Hagman and the Advisory Group members discussed the letter drafted by the LGSBA members regarding CARB’s AB 617 Blueprint 2.0.

Daphne Hsu, Principal Deputy District Counsel, stated if a quorum of the Advisory Group does not vote in favor of the letter as required by the charter for forwarding a formal recommendation, the Advisory Group could still forward a communication to the Administrative Committee regarding this item. For additional details, please refer to the [Webcast](#), beginning at 6:10.

Motion to approve the letter to be submitted as a communication to the Administrative Committee was made by John DeWitt; seconded by David Rothbart.

Ayes: Avila, Blake, Daniel, DeWitt, LaMarr, Marquez, Rothbart, Lock Dawson

Noes: None

Abstained: Hagman

Absent: Aguirre, Arizmendi, Bui, Campbell, Loof, Rodriguez, Solache, Stewart

For additional details, please refer to the [Webcast](#), beginning at 7:00.

There were no public comments.

**Agenda Item #4 – Review of Follow-Up and Action Items**

There were no follow-up or action items.



### **Agenda Item #5 – Climate Change and Air Quality**

Dr. Sarah Rees, Deputy Executive Officer, Planning, Rule Development & Implementation, provided a general introduction to climate change and how South Coast AQMD's efforts to address air quality issues can complement and achieve co-benefits and climate change goals.

Supervisor Hagman announced that Rita Loof arrived at 11:43 am. Please refer to the [Webcast](#), beginning at 13:20.

Eddie Marquez asked if naturally occurring emissions are taken into consideration for warming effect. Dr. Rees replied yes. For additional details, please refer to the [Webcast](#), beginning at 16:00.

Mr. Rothbart mentioned ozone standards and asked about regulatory authority. Dr. Rees replied that the focus is on reduction of criteria pollutants, including ozone and nitrogen oxides (NOx) by moving away from combustion, and at the same time, achieving the co-benefit of greenhouse gas (GHG) emissions reduction. For additional details, please refer to the [Webcast](#), beginning at 38:35.

Rita Loof asked about water vapor as a GHG, stationary source subject to fees in Proposed Rule 317.1 – Clean Air Act Nonattainment Fees for 8-Hr Ozone Standards (PR 317.1) and operators that choose to change operations and reduce GHGs such as removing a combustion device from service. Dr. Rees replied that water vapor is naturally occurring, stated that our primary focus is to reduce criteria pollutants and evaluate available technologies to achieve those reductions, in addition to GHGs. For additional details, please refer to the [Webcast](#), beginning at 41:15.

Paul Avila asked if Dr. Rees could present on the Cap-and-Trade Program. Mr. Alatorre stated that the discussion topics are selected from the list of approved goals and objectives and encouraged Mr. Avila to propose that topic for the next list. For additional details, please refer to the [Webcast](#), beginning at 45:05.

Mr. Marquez commented that other states must also contribute to the effort to achieve clean air and asked what could be done. Dr. Rees replied that the focus is on health-based air quality standards and South Coast AQMD will do what it takes to achieve the standards as there is a health burden in our region. For additional details, please refer to the [Webcast](#), beginning at 46:45.

John DeWitt asked if Dr. Rees could present to other groups. Susan Nakamura, Chief Operating Officer, mentioned that the request could be submitted to Mr. Alatorre. For additional details, please refer to the [Webcast](#), beginning at 50:30.

For additional details on the presentation and discussions, please refer to the [Webcast](#), beginning at 10:30.

### **Agenda Item #6 – Update on South Coast AQMD Mobile Source Incentives Program**

Walter Shen, Planning and Rules Manager, Technology Advancement Office, provided an overview and highlights on South Coast AQMD mobile source incentives program.

Mr. Avila asked if old vehicles could be made salvageable or have to be scrapped and asked how much it costs to scrap a bus. Mr. Shen replied that the program guidelines include complete scrapping of the

old equipment and replied that the scrapping cost of a bus is not tracked. Please refer to the [Webcast](#), beginning at 57:39.

Ms. Loof asked if the AB 617 Community Air Protection funding is strictly for mobile sources or could be applied to stationary sources. Ms. Nakamura stated that it is based on what the Community Steering Community prioritizes. Please refer to the [Webcast](#), beginning at 01:04:31.

Mr. Alatorre mentioned that funding for Los Angeles and Orange Counties are comparable. Mr. Shen replied that the funding amount aligns with the county's population. Please refer to the [Webcast](#), beginning at 01:04:31.

Mr. Rothbart asked which is more cost-effective between battery electric and low NOx technologies, in terms of emissions reductions. Mr. Shen replied that there is currently more incentive funding for zero emissions projects. Mr. Alatorre added that the funding is allocated for specific projects and there are requirements which must be adhered to. Please refer to the [Webcast](#), beginning at 1:08:12

Mr. Avila asked for an approximate lifespan of a larger garden equipment. Mr. Shen replied at least 15 years. Please refer to the [Webcast](#), beginning at 01:12:15

Ms. Loof asked if there are additional emissions reductions that are not presented on this slide. Mr. Shen replied that the emission reduction benefits portrayed is an overview. Please refer to the [Webcast](#), beginning at 01:15:30.

Ms. Nakamura mentioned that some projects do not have associated emissions reductions. For example, air filtration projects do not result in emissions reductions; however, result in exposure reductions. Please refer to the [Webcast](#), beginning at 01:17:42.

For additional details on the presentation and discussions, please refer to the [Webcast](#), beginning at 52:30.

There were no public comments.

#### **Agenda Item #7 – Other Business**

Ms. Loof did not participate during voting of items #2-3 and wanted to express support for those items.

Mr. Rothbart asked if there is a plan to discuss advisory group by-laws. Mr. Alatorre replied that LGSBA Chair Carlos Rodriquez would decide.

Mr. DeWitt asked if a permitting update would be possible before December 2024. Mr. Alatorre replied this topic is on the list of 2024 Goals and Objectives and could be discussed.

#### **Agenda Item #8 – Public Comment**

There were no public comments.

**Agenda Item #9 – Next Meeting Date**

The next regular LGSBA Advisory Group meeting is scheduled for Friday, August 9, 2024, at 11:30 a.m.

**Adjournment**

The meeting was adjourned at 12:53 p.m.

June 14, 2024

Governing Board  
South Coast Air Quality Management District  
21865 Copley Drive  
Diamond Bar, CA 91765

Dear Governing Board Members,

We are writing on behalf of the Local Government and Small Business Assistance Advisory Group to ask for your support, approval, and subsequent letter to the California Air Resources Board (CARB) requesting that industry trade groups and associations be seated on AB 617 Community Steering Committees (CSCs).

When the CARB Board initially voted to approve the Community Air Protection Blueprint, they did so without explicitly prohibiting industry trade groups and associations from participating on these committees but rather left it up to the air districts to decide.

Typically, trade groups and associations are non-profit, non-partisan, 501(c) organizations that represent hundreds or thousands of businesses (mostly small businesses) spread throughout the jurisdiction of most air districts, and not just in disproportionately impacted communities. Moreover, any recommendations, decisions, plans, and rules emanating from the deliberations by these CSCs are certain to be of significance to all the members of these trade groups and associations because they will have the potential to impact all of them regardless of the neighborhoods in which they reside.

We believe the inclusion of these organizations would serve to enhance everyone's goal of successfully implementing a fair and equitable Clean Air Protection Program for all stakeholders.

Therefore, we are asking for your support of the concept to allow industry trade groups and associations to be enrolled and seated as members of these CSCs and request that you send a letter to ask the same of the CARB Board.

Thank you for your continued commitment to improving air quality in our region.

Sincerely,

Local Government and Small Business Assistance Advisory Group  
South Coast Air Quality Management District



# South Coast Air Quality Management District

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

## LOCAL GOVERNMENT & SMALL BUSINESS ASSISTANCE (LGSBA) ADVISORY GROUP FRIDAY, AUGUST 9, 2024 MEETING MINUTES

### **MEMBERS PRESENT:**

South Coast AQMD Board Members:  
Councilmember Carlos Rodriguez

Public Members:

Felipe Aguirre  
Paul Avila, P.B.A. & Associates  
Geoffrey Blake, Metal Finishers of Southern California  
LaVaughn Daniel, DancoEN  
Bill LaMarr, California Small Business Alliance  
Rita Loof, RadTech International

### **MEMBERS ABSENT:**

South Coast AQMD Board Members:  
Supervisor Curt Hagman  
Mayor Patricia Lock Dawson  
Mayor José Luis Solache

Public Members:

Rachelle Arizmendi  
Vice Mayor Ted Bui, City of Fountain Valley David Rothbart, Los Angeles County Sanitation Districts  
Todd Campbell, Clean Energy  
John DeWitt, JE DeWitt, Inc.  
Eddie Marquez, Roofing Contractors Association  
Mayor Pro Tem Blair Stewart, City of Brea

### **OTHERS PRESENT:**

Mark Abramowitz  
Harvey Eder  
Jerome Joaquin  
Olivia Martinez  
Mark Taylor, Board Member Consultant (*Rodriguez*)

**SOUTH COAST AQMD STAFF:**

Susan Nakamura, Chief Operating Officer  
Jason Aspell, Deputy Executive Officer  
Dr. Sarah Rees, Deputy Executive Officer  
Dr. Anissa Cessa Heard-Johnson, Deputy Executive Officer  
Michael Krause, Assistant Deputy Executive Officer  
Lisa Tanaka, Assistant Deputy Executive Officer  
Dr. Jillian Wong, Assistant Deputy Executive Officer  
Daphne Hsu, Principal Deputy District Counsel  
Dr. Kalam Cheung, Planning and Rules Manager  
Eugene Kang, Planning and Rules Manager  
Fortune Chen, Program Supervisor  
Howard Lee, Information Technology Manager  
De Groeneveld, Information Technology Supervisor  
Ghislain Muberwa, Information Technology Specialist I  
Elaine-Joy Hills, Senior Staff Specialist  
Chhai Chorn, Air Quality Engineer  
Van Doan, Air Quality Specialist  
Debra Ashby, Sr. Public Affairs Specialist  
Brandee Keith, Sr. Public Affairs Specialist  
Lara Brown, Sr. Administrative Assistant  
Matthew Ceja, Legislative Analyst  
Erika Valle, Legislative Analyst  
Cindy Bustillos, Executive Secretary

**Agenda Item #1 – Roll Call/Call to Order/Opening Remarks**

LGSBA Chair Carlos Rodriguez called the meeting to order at 2:00 p.m., roll call was taken, and a quorum wasn't present.

For additional details of the LGSBA Advisory Group Meeting, please refer to the [Webcast](#).

**Agenda Item #2 – Approval of June 14, 2024 Meeting Minutes**

Chair Rodriguez suggested to vote on June 14, 2024, meeting minutes at the next meeting due to a lack of quorum.

There were no public comments.

For additional details, please refer to the [Webcast](#), beginning at 0:05:15.

**Agenda Item #3 – Review of Follow-up and Action Items**

There were no follow-up or action items.

#### **Agenda Item #4 – Overview of Rule 317.1 - Clean Air Act Nonattainment Fees for the 8-Hour Ozone Standards and Potential Fee Equivalency**

Michael Krause, Assistant Deputy Executive Officer, Planning, Rule Development and Implementation, presented an overview of Rule 317.1 concerning Clean Air Act Nonattainment Fees for the 8-Hour Ozone Standards. Several members including Paul Avila, Bill LaMarr, Rita Loof, and LaVaughn Daniel discussed aspects of Rule 317.1 which focuses on fee payments, exclusion plans, baseline emissions, and the impact on small businesses. Key inquiries included how fees are determined, the timeline for payments starting in 2026, and the applicability of the rule to stationary sources rather than mobile sources.

Participants also discussed the use of funds for cleaner technologies, fee adjustments based on the Consumer Price Index, and compliance with federal standards. Several questions centered on facilities' obligations, potential technology upgrades, and confidentiality concerns regarding emissions data.

Harvey Eder made commented fees. For additional details, please refer to the [Webcast](#), beginning at 1:03:10.

For additional details on the presentation and discussions, please refer to the [Webcast](#), beginning at 0:06:05.

#### **Agenda Item #5 – 2025 Goals & Objectives**

LGSBA Chair Rodriguez mentioned the Climate Pollution Reduction Grant as a topic for a future meeting and requested input on the proposed 2025 goals and objectives.

Lisa Tanaka, Assistant Deputy Executive Officer, Legislative, Public Affairs, and Media, previewed topics for the next LGSBA meeting which were on the Goals & Objectives list, including legislative updates, budget discussions, and permitting streamlining efforts. Ms. Loof suggested presentations on rule amendments, the advisory group's role, and the Quantity and Emission Report requirement. There was discussion about the process for receiving and filing a letter related to CARB's AB 617 Blueprint 2.0, and the importance of quorum was emphasized, with nine members needed to proceed.

For additional details, please refer to the [Webcast](#), beginning at 1:31:00.

***Follow-up Item #1:** Staff shall provide clarification on quorum and the process to communicate recommendations by the advisory group.*

There were no public comments.

**Agenda Item #7 – Public Comment**

Mr. Eder expressed concerns about the cities of Richmond and Oakland and solar power. For additional details, please refer to the [Webcast](#), beginning at 1:37:35.

**Agenda Item #8 – Next Meeting Date**

The next regular LGSBA Advisory Group meeting is scheduled for Friday, November 8, 2024, at 11:30 a.m.

**Adjournment**

The meeting was adjourned at 3:40 p.m.





# South Coast Air Quality Management District



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## MEETING OF THE ENVIRONMENTAL JUSTICE ADVISORY GROUP FRIDAY, FEBRUARY 23, 2024 MEETING MINUTES

### **Board Members Present:**

Chair Vanessa Delgado  
Supervisor Curt Hagman  
Mayor José Luis Solache

### **Members Present:**

Pamela Atcitty  
Elizabeth Alcantar  
Dr. Lawrence Beeson  
Paul Choe  
Kerry Doi  
Dr. Afif El-Hasan  
Mary Figueroa  
Angela Garcia  
Ana Gonzalez  
Lisa Hart  
Oscar Rodriguez  
Rafael Yanez

### **Members Absent:**

Veronica Padilla-Campos, Advisory Group Chair  
Manuel Arredondo  
Angelica Balderas  
Ada Briceño  
Suzanne Bilodeau  
Kareem Gongora  
Dr. Jill Johnston  
Humberto Lugo  
Edward Marquez  
Donald Smith

### **South Coast AQMD Staff:**

Lisa Tanaka, Assistant Deputy Executive Officer/Legislative, Public Affairs & Media  
Nicholas Sanchez, Assistant Chief Deputy Counsel, Legal

Philip Crabbe III, Sr. Public Affairs Manager/Legislative, Public Affairs and Media  
Alicia Lizarraga, Sr. Public Affairs Manager/Legislative, Public Affairs and Media  
Monika Kim, Public Affairs Manager/Legislative, Public Affairs & Media  
Evangelina Barrera, Senior Public Affairs Specialist/Legislative, Public Affairs and Media  
Brandee Keith, Senior Public Affairs Specialist/Legislative, Public Affairs and Media  
Dan Garcia, Planning & Rules Manager/Technology Advancement Office  
Walter Shen, Planning & Rules Manager/Technology Advancement Office  
Frances Maes, Air Quality Specialist/Technology Advancement Office  
Kristina Voorhees, Assistant Air Quality Specialist/Technology Advancement Office

### **Call To Order/Opening Remarks**

Chair Vanessa Delgado called the meeting to order at 12:06 p.m. For additional details, please refer to the webcast at [8:00](#).

### **Agenda Item #1: Approval of the November 16, 2023 Meeting**

Supervisor Curt Hagman moved to approve Agenda Item 1. Dr. Lawrence Beeson seconded the motion. Motion passed.

Ayes: Delgado, Hagman, Solache, Atcitty, Alcantar, Beeson, Choe, Doi, El-Hasan, Figueroa, Gonzalez, Yanez

Absent: Padilla-Campos, Arredondo, Balderas, Briceño, Bilodeau, Gongora, Johnston, Lugo, Marquez, Smith

### **Agenda Item #2: Review of Follow-Up/Action Items**

There were no action items from prior meetings for review.

### **Agenda Item #3: 2023 Summary Report on State and Federal Legislation**

Philip Crabbe III, Sr. Public Affairs Manager, Legislative, Public Affairs and Media, presented an overview of 2023 Summary Report on State and Federal Legislation.

Rafael Yanez asked for further information regarding the Climate Pollution Reduction Grants (CPRG) and what South Coast AQMD is currently pursuing. Ms. Tanaka provided information on South Coast AQMD's regional CPRG application focused on goods movement. Mr. Yanez asked whether AB 617 communities would be considered for projects and receive any of the CPRG grant funding. Ms. Tanaka responded that if South Coast AQMD received a CPRG grant, AB 617 communities would be eligible for potential projects.

Ana Gonzalez asked to discuss support of California Assembly Constitutional Amendment 16 (ACA 16) and recommended staff review it and send a letter of support in favor of the amendment. Chair Delgado requested the Amendment be revisited during member updates so it could be agendaized for a future meeting.

Mayor Elizabeth Alcantar asked for clarification regarding the Clean Ports Program and eligible communities. Ms. Tanaka reported that the South Coast AQMD CPRG proposal includes the entire region and that the Ports are developing their applications for the Clean Ports Program.

For more information, refer to webcast at [13:12](#).

**Agenda Item #4: Lower-Emission School Bus Program**

Kristina Voorhees, Assistant Air Quality Specialist, Technology Advancement Office, presented on the Lower-Emission School Bus Program.

Supervisor Hagman asked why school buses had not already been subject to transition requirements and deadlines. Walter Shen, Planning and Rules Manager, Technology Advancement Office explained school buses were subject to the truck and bus regulation but had been granted a compliance extension.

Dr. Beeson asked if the program was a scrap-and-replace program and what happened with the resulting scrap. Mr. Shen confirmed it is a scrap-and-replace program and the resulting materials become the responsibility of the dismantler.

Dr. Afif El-Hasan asked whether school districts receiving lower-emission buses were monitoring student attendance. Improved school attendance would provide a financial incentive for school districts to support the program. He followed up by asking whether any of the lower-emissions buses would be funded for vehicles specifically assigned for transporting children with health concerns and conditions. Mr. Shen replied that it would be taken into consideration and the main focus is currently on lower-income, environmental justice communities.

Bobbi Jo Chavarria with the Sierra Club commented in support of school bus transition and developed infrastructure to support the use of lower-emission buses.

Ms. Gonzalez asked whether the number of buses allocated to different regions was based on population or on the number of applications received. Mr. Shen responded that they are based on number of applications received, with consideration given to population and equity.

Oscar Rodriguez asked what struggles districts faced in the application process and approval. Mr. Shen said the current major obstacle is a lack of infrastructure support.

Mr. Yanez asked if the funding was available only to districts who managed their own school buses, or if districts working with outside parties to provide transportation services were also eligible. Ms. Vorhees responded that typically, South Coast AQMD works only with school districts.

Chair Delgado asked if there was any local match requirement for funding. Mr. Shen responded that there is none.

For more information, refer to webcast at [36:00](#).

**Agenda Item #5: AB617 Residential Air Filtration Program**

Frances Maes, Air Quality Specialist, Technology Advancement Office, presented on the AB 617 Residential Air Filtration Program.

Dr. El-Hasan asked if the HEPA filters also included a carbon filter. Ms. Maes confirmed that they do.

Ms. Gonzalez asked why the San Bernardino/Muscoy AB 617 community had not been included in the program. Mr. Garcia, Planning and Rules Manager, Technology Advancement Office, stated that the San Bernardino/Muscoy Community Steering Committee (CSC) opted not to allocate funding toward air filtration, but the program could be pursued in the future if interest is expressed. There is a separate pilot program for air filters in place in San Bernardino currently.

Angela Garcia asked for information regarding the types of available air filtration units. There are multiple models of air filters available through the program, ranging in capacity to cover an average room to a small house. Ms. Garcia also asked how outreach was conducted to residents and communities. South Coast AQMD staff are working with community partners participating in AB 617 CSCs to conduct outreach.

Kerry Doi asked if staff have encountered reluctance from communities, and if so, how it could be overcome. Mr. Garcia stated that community events have helped to build confidence with the communities, as well as working closely with the AB 617 CSCs.

Dr. El-Hasan asked whether there were any plans to distribute follow-up questionnaires to assess the effectiveness and related health impacts of participation in the program. Mr. Garcia responded that there is an opportunity to collect follow-up responses and feedback.

Mr. Yanez asked if the program utilizes AB 617 Year 3 funds. Ms. Maes confirmed the program uses Year 3 funds. He highlighted the importance of the program and asked if the air filters would affect electricity costs for users. Dr. El-Hasan added that air filtration can assist with medical issues and that doctors can provide documentation to potentially receive a utility discount.

For more information, refer to webcast at [53:29](#).

#### **Agenda Item #6: Member Updates/Other Business**

Dr. El-Hasan shared the results of a recent report by the American Lung Association describing the health benefits for children if the State of California adopted all-electric vehicle policies. For more information, refer to webcast at [1:16:58](#).

**ACTION ITEM:** Ms. Gonzalez requested an update on the progress of the Warehouse Indirect Source Rule to be presented at a future meeting.

**ACTION ITEM:** Include discussion and possible action regarding ACA 16 as a future agenda item.

#### **Agenda Item #7: Public Comment**

There were no public comments.

#### **Agenda Item #8: Next Meeting Date**

The next regular EJAG meeting date is May 24, 2024.

#### **Adjournment**

Chair Delgado adjourned the meeting at 1:20 p.m.



# South Coast Air Quality Management District



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## MEETING OF THE ENVIRONMENTAL JUSTICE ADVISORY GROUP FRIDAY, MAY 24, 2024 MEETING MINUTES

### **Board Members Present:**

Advisory Group Chair Veronica Padilla-Campos  
Senator Vanessa Delgado (Ret.), Chair  
Board Member Curt Hagman  
Board Member José Luis Solache

### **Members Present:**

Manuel Arredondo  
Dr. Lawrence Beeson  
Suzanne Bilodeau  
Lisa Hart  
Dr. Afif El-Hasan  
Kareem Gongora  
Ana Gonzalez  
Rafael Yanez

### **Members Absent:**

Elizabeth Alcantar  
Pamela Atcitty  
Angelica Balderas  
Ada Briceño  
Paul Choe  
Kerry Doi  
Mary Figueroa  
Angela Garcia  
Dr. Jill Johnston  
Humberto Lugo  
Edward Marquez  
Oscar Rodriguez  
Donald Smith

### **South Coast AQMD Staff:**

Lisa Tanaka, Assistant Deputy Executive Officer/Legislative, Public Affairs & Media  
Nicholas Sanchez, Assistant Chief Deputy District Counsel/Legal  
Anissa Heard-Johnson, Deputy Executive Officer/ Diversity, Equity, & Inclusion

Ian MacMillian, Assistant Deputy Executive Officer/Planning, Rule Development, & Implementation,  
Vicki White, Planning & Rules Manager Transportation Programs/ Planning, Rule Development, & Implementation,  
Alejandra Vega/Senior Public Affairs Specialist/ Legislative, Public Affairs & Media

**Call To Order/Opening Remarks**

Mayor Solache called the meeting to order at 12:06 p.m., and roll call was taken. Based on the number of members present, there was not a quorum.

**Agenda Item #1: Approval of the February 23, 2024, Meeting Minutes:**

Due to lack of quorum, this item was continued to the next meeting.

**Agenda Item #2: Review of Follow-Up/Action Items**

For more information, refer to webcast at [11:30:00](#).

Ms. Tanaka reviewed the action items from the February 24, 2024, meeting:

1. Include discussion on ACA 16 (Bryan) - Environmental Rights.  
This item was included in the agenda.
2. Provide and update on Warehouse Indirect Source Rule (ISR).  
This item was included in the agenda.

**Agenda Item #3: California Assembly Constitutional Amendment (ACA) 16 (Bryan) – Environmental Rights**

For more information, refer to webcast at [12:20:00](#).

Mr. Crabbe III presented an update regarding California ACA 16 authored by Assemblymember Isaac Bryan.

Ms. Gonzalez clarified that New York overwhelmingly passed a similar piece of legislation in 2022.

**Agenda Item #4: Warehouse Actions and Investments to Reduce Emissions (WAIRE) Program Update**

For more information, refer to webcast at [16:46:00](#).

Ms. White provided an update on the WAIRE program.

Mr. Gongora asked if there are strategies being utilized in the region or partnerships with other agencies to bring the businesses into compliance and if staff were conducting warehouse visits. Ms. White responded that there are a lot of resources and staff designated to this rule, including short videos on the South Coast AQMD's website, providing regular updates to the AB 617 Community Steering Committees (CSC), and presentations to businesses. There are approximately 3,400 facilities subject to the rule, and about 70 site visits are conducted per week.

Dr. El-Hassan asked how long trucks are idling about agreements in place with warehouses. Ms. White responded that the California Air Resources Board (CARB) is responsible for truck idling and that the South Coast AQMD has been working closely with CARB, especially through the AB 617 program, and have also helped install no idling signs.

Ms. Gonzalez stated that a warehouse is being built 100 feet from her house and would like South Coast AQMD to increase enforcement of the rule. Ms. White stated that the rule is for existing warehouses and South Coast AQMD works with cities to provide information on the rule.

Mr. Yanez asked if there was an increase in compliance staff. Mr. MacMillan responded that Ms. White oversees a new team that focuses on implementation, outreach and training.

Mr. Gongora asked where the data can be viewed. Ms. White responded that reporting data is available on the Facility Information Detail (F.I.N.D.) web tool on [aqmd.gov](http://aqmd.gov).

Ms. Chavarria of the Sierra Club made a public comment that more guidance to local municipalities would be helpful.

**Agenda Item #5: Assembly Bill 617 Implementation Update**

For more information, refer to webcast at [1:11:33](#).

Dr. Heard-Johnson provided an update on the implementation of Assembly Bill 617, Community Emission Reductions Plans.

EJAG Chair Padilla-Campos offered to work with staff to take a deeper dive into the community programs that are not being utilized.

Mr. Gongora stated he could help with technical outreach in the Inland Empire.

Ms. Gonzalez stated she would like to see EJ Interagency Task Force come back and to include other agencies to create an open dialogue.

Mr. Arredondo stated that he has been involved in the AB 617 Eastern Coachella Valley (ECV) CSC since the beginning and is happy with the progress that has been made.

Mr. Yanez stated he has been part of the AB 617 East Los Angeles, Boyle Heights, West Commerce (ELABHWC) CSC since the beginning and requested staff increase the number of meetings so that there can be meaningful dialogue.

Ms. Chavarria stated that the missing piece with the community program was the collaboration with local elected officials.

**Agenda Item #6: 10<sup>th</sup> Annual Environmental Justice Conference**

For more information, refer to webcast at [2:20:15](#).

Ms. Vega provided an update on the 10th Annual Environmental Justice Conference. Ms. Vega asked the advisory group for any ideas or speaker suggestions.

**Agenda Item #7- Member Updates/Other Business**

No other business discussed.

**Agenda Item #8- Public Comment**

Mr. Mark Abramowitz stated that 10 percent of all NO<sub>x</sub> emissions from electricity are generated from Edison's site in Catalina, and those emissions are regulated under South Coast AQMD's Rule 1135. He requested that EJAG look at the rule and provide a presentation on the status.

Ms. Chavarria stated that the in-person Railyard ISR meetings have been cancelled and moved to virtual meetings. Sierra Club in San Bernardino is working with local clean air advocates to host community led workshops to inform the community of the Railyard ISR.

**Agenda Item #9: Next Meeting Date**

The next regular EJAG meeting date is Friday, August 23, 2024.

**Adjournment**

Mayor Solache adjourned the meeting at 2:29 p.m.





# South Coast Air Quality Management District



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## MEETING OF THE ENVIRONMENTAL JUSTICE ADVISORY GROUP FRIDAY, AUGUST 30, 2024 MEETING MINUTES

### **Board Members Present:**

Advisory Group Chair, Veronica Padilla-Campos

### **Members Present:**

Manuel Arredondo  
Angelica Balderas  
Dr. Lawrence Beeson  
Ada Briceño  
Kerry Doi  
Lisa Hart  
Angela Garcia  
Kareem Gongora  
Ana Gonzalez  
Rafael Yanez

### **Members Absent:**

Senator Vanessa Delgado (Ret.), Chair (Board Member)  
Board Member Curt Hagman  
Board Member José Luis Solache  
Elizabeth Alcantar  
Pamela Atcitty  
Suzanne Bilodeau  
Paul Choe  
Dr. Afif El-Hasan  
Mary Figueroa  
Dr. Jill Johnston  
Humberto Lugo  
Edward Marquez  
Oscar Rodriguez  
Donald Smith

### **South Coast AQMD Staff:**

Susan Nakamura, Chief Operating Officer  
Derrick Alatorre, Deputy Executive Officer, Legislative, Public Affairs & Media  
Nicholas Sanchez, Assistant Chief Deputy Counsel, Legal

Michael Krause, Assistant Deputy Executive Officer, Planning, Rules Development and Implementation

Alicia Lizarraga, Sr. Public Affairs Manager, Legislative, Public Affairs & Media  
Evangelina Barrera, Sr. Public Affairs Officer, Legislative, Public Affairs & Media  
Brandee Keith, Sr. Public Affairs Officer, Legislative, Public Affairs & Media

### **Call To Order/Opening Remarks**

Advisory Group Chair Veronica Padilla-Campos called the meeting to order at 12:00 p.m., and roll call was taken.

### **Agenda Item #1: Approval of the February 23, 2024, and May 24, 2024, Meeting Minutes**

Due to lack of quorum, these items were tabled until the next meeting.

### **Agenda Item #2: Review of Follow-Up/Action Items**

There were no action items from the May 24, 2024, meeting

### **Agenda Item #3: Climate Pollution Reduction Grant (CPRG) Comprehensive Climate Action Plan (CCAP) for the Los Angeles – Long Beach – Anaheim Metropolitan Statistical Area**

Ryan Wolfe, Manager of Sustainable and Resilient Development, Southern California Association of Governments, presented an update on the Climate Pollution Reduction Grant (CPRG) Comprehensive Climate Action Plan (CCAP) for the Los Angeles – Long Beach – Anaheim Metropolitan Statistical Area (MSA).

Manuel Arredondo asked if the project's scope includes areas in the Coachella Valley and lower desert. Mr. Wolfe responded that the Coachella Valley is included in the Inland Empire MSA's CCAP.

Kerry Doi requested clarification on the greenhouse gas (GHG) inventory which prompted a discussion on the topic. Rafael Yanez suggested additional reduction measures to assist in optimizing home ventilation and insulation to reduce home heating and cooling costs.

Advisory Group Chair Padilla-Campos inquired whether the plan included measures to reduce plastic waste. Mr. Wolfe confirmed there were measures that could affect the reduction of plastics. Mr. Yanez offered additional insights into the prevalent use of plastics.

For more information, refer to webcast at [00:04:34](#)

### **Agenda Item #4: Go Zero Pilot Program for Residential and Commercial Building Appliances Program**

Michael Krause, Assistant Deputy Executive Officer, Planning, Rules, Development and Implementation, presented on the Go Zero Pilot Program for Residential and Commercial Building Appliances Program.

Angela Garcia asked if there would be an income requirement for participation and access to the program for low-income residents. Mr. Krause clarified that eligibility would focus on impacted communities designated by CalEnviroScreen, which considers multiple factors, including income

levels and that application assistance would be provided. For more information, please refer to the Webcast at [00.52:42](#).

Lisa Hart inquired if South Coast AQMD rebates could be combined with other incentive programs and emphasized the importance of outreach. Mr. Krause confirmed incentives from Go Zero can be combined with other incentives.

Kareem Gongora suggested prioritizing transparency in the application process, noting that incentives might not fully cover equipment upgrade costs.

Dr. Lawrence Beeson asked about funding for outreach. Mr. Krause mentioned no current plans for specific outreach funding but noted contractors' effectiveness in promoting savings.

Mr. Yanez discussed optimizing cost reductions and comparing upfront and long-term costs.

Ms. Hart suggested updating the program webpage with outreach information and future funding. Mr. Krause confirmed that a program webpage would be created and future funding will be depend on the program's success.

Chair Padilla-Campos asked about rebate processing, and Mr. Krause clarified that rebates would be issued after purchase and application processing. She also inquired about connecting participants with providers, and Mr. Krause mentioned past success in this area.

Harvey Eder provided public comment on solar heating and heat pumps.

For more information, refer to webcast at [00:33:32](#)

#### **Agenda Item #5: Member Updates/Other Business**

**ACTION ITEM:** Ana Gonzalez requested an update on Rule 1135 be agendized for the next meeting.

**ACTION ITEM:** Ms. Gonzalez requested an update on Assembly Bill 98, regarding air monitoring, and requested an update on South Coast AQMD's position on the bill.

Mr. Yanez reported on the AB 617 Joint CSC event and provided a summary on lessons learned.

Derrick Alatorre announced his upcoming retirement.

For more information, refer to webcast at [01:36:14](#).

#### **Agenda Item #6: Public Comment**

Mr. Eder shared concerns about meeting scheduling and reporting.

For more information, refer to webcast at [01:47:05](#).

#### **Agenda Item #7: Next Meeting Date**

The next regular EJAG meeting date is November 14, 2024.

**Adjournment**

Chair Padilla-Campos adjourned the meeting at 1:49 p.m.

BOARD MEETING DATE: January 10, 2025

AGENDA NO. 24

REPORT: Climate Change Committee

SYNOPSIS: The Climate Change Committee held a meeting on Friday, December 13, 2024. The following is a summary of the meeting.

RECOMMENDED ACTION:  
Receive and file.

V. Manuel Perez, Chair  
Climate Change Committee

SR:rb

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### **Committee Members**

Present: Supervisor V. Manuel Perez, Committee Chair  
Councilmember Michael Cacciotti  
Supervisor Donald Wagner

Absent: Board Member Veronica Padilla-Campos, Committee Vice-Chair  
Supervisor Curt Hagman

### **Call to Order**

Committee Chair Perez called the meeting to order at 11:28 a.m.

For additional details of the Climate Change Committee Meeting, please refer to the [Webcast](#).

### **ROLL CALL**

### **INFORMATIONAL ITEMS:**

#### **1. Discussion of Climate Change Committee Charter**

Executive Officer Wayne Nastri presented elements of a Climate Change Committee Draft Charter. For additional details, please refer to the [Webcast](#) beginning at 15:31.

Board Member Cacciotti commented on the importance of engaging with faith-based communities as staff works with stakeholders to educate them on climate change concerns. For additional details please refer to the [Webcast](#) beginning at 27:47.

Committee Chair Perez noted that climate change encompasses many topics, and it would be good to start tackling a few topics before branching out to work with international partners. For future committee meetings, he recommended presentations from climate change experts on select topics. For additional details please refer to the [Webcast](#) beginning at 30:30.

Supervisor Wagner noted that climate change is not limited by jurisdictional boundaries and is a problem greater than what can be addressed by South Coast AQMD and should be shared with other partners. He further noted the importance of solutions do not disadvantage South Coast AQMD. For additional details please refer to the [Webcast](#) beginning at 34:34.

Committee Chair Perez asked that committee members provide ideas for future Climate Change Committee meetings. Mr. Nastri suggested that staff follow up with committee members individually to get their ideas. For additional details please refer to the [Webcast](#) beginning at 36:34.

## **2. Overview of COP 29**

Sarah Rees, Deputy Executive Officer/Planning, Rule Development and Implementation provided an overview of the recent Conference of the Parties (COP) held in Baku, Azerbaijan. For additional details please refer to the [Webcast](#) beginning at 40:30.

Committee Chair Perez asked South Coast AQMD's role at COP. Dr. Rees responded that South Coast AQMD has not previously attended nor participated in COP. Committee Chair Perez further asked how South Coast AQMD could participate in future COP meetings and if there could be opportunities to exchange information with similar entities. Dr. Rees noted that climate negotiations for COP occur at the national level, but state and regional entities can attend, and also hold side events at COP for sharing information. Mr. Nastri commented that staff can work with groups like The Climate Registry and C40 Cities regarding future participation at COP and added that funding and staffing would need to be addressed. Committee Chair Perez suggested potentially engaging with entities closer to the region first on climate matters, such as Tijuana or Mexico City, before branching out to broader international partners. For additional details please refer to the [Webcast](#) beginning at 57:24.

Cacciotti suggested that work on climate could be included in the Environmental Justice conference that South Coast AQMD holds annually. For additional details please refer to the [Webcast](#) beginning at 01:05:52.

Committee Chair Perez inquired whether South Coast AQMD plans to attend COP next year. Mr. Nastri responded that staff considered attending the past COP meeting but ultimately decided not to attend. Mr. Nastri noted that there would also be challenges in attending COP next year in Brazil. Committee Chair Perez suggested that staff consider what South Coast AQMD's message would be at COP, and that a potential topic could be air quality co-benefits associated with actions to address climate change. He further suggested that South Coast AQMD partner with other cities that are facing similar air quality challenges, starting with cities within the United States and Mexico. Committee Chair Perez noted that there are similar air quality challenges in cities like Tijuana and suggested a presentation on air pollution at the border for the next Committee meeting. Mr. Nastri responded that staff will reach out to U.S. EPA to learn about their program on cross-boundary pollution with Mexico. For additional details please refer to the [Webcast](#) beginning at 01:06:45.

Harvey Eder, Public Solar Power Coalition, commented that COP 28 was held in the Middle East and that impacted the ability to phase out fossil fuels. For additional details please refer to the [Webcast](#) beginning at 01:17:25.

### **OTHER MATTERS:**

#### **3. Other Business**

There was no other business to report.

#### **4. Public Comment Period**

Mr. Eder commented on a study he conducted on a low-income solar hot water heater program. For additional details please refer to the [Webcast](#) beginning at 01:21:44.

#### **5. Next Meeting Date**

To be determined.

### **Adjournment**

The meeting adjourned at 12:53 p.m.

### **Attachments**

Attendance Record

**ATTACHMENT 1**

**SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT  
CLIMATE CHANGE COMMITTEE MEETING  
Attendance – December 13, 2024**

|  |                               |
|--|-------------------------------|
| Councilmember Michael Cacciotti .....      | South Coast AQMD Board Member |
| Supervisor Curt Hagman .....               | South Coast AQMD Board Member |
| Board Member Veronica Padilla-Campos ..... | South Coast AQMD Board Member |
| Supervisor J. Manuel Perez .....           | South Coast AQMD Board Member |
| Supervisor Donald Wagner .....             | South Coast AQMD Board Member |
| Guillermo Gonzalez .....                   | Board Consultant (Perez)      |
| Andrew Silva .....                         | Board Consultant (Dawson)     |
| K. Dixon .....                             | Public Member                 |
| Harvey Eder .....                          | Public Solar Power Coalition  |
| Peter Okurowski .....                      | CCEEB                         |
| Ramine Ross .....                          | WSPA                          |
| David Rothbart .....                       | Clean Water SoCal             |
| Cesar Ayala .....                          | South Coast AQMD Staff        |
| Barbara Baird .....                        | South Coast AQMD Staff        |
| Rachel Ballon .....                        | South Coast AQMD Staff        |
| Cindy Bustillos .....                      | South Coast AQMD Staff        |
| Matthew Ceja .....                         | South Coast AQMD Staff        |
| Javier Enriquez .....                      | South Coast AQMD Staff        |
| Scott Gallegos .....                       | South Coast AQMD Staff        |
| De Groeneveld .....                        | South Coast AQMD Staff        |
| Roupen Karakouzian .....                   | South Coast AQMD Staff        |
| Angela Kim .....                           | South Coast AQMD Staff        |
| Howard Lee .....                           | South Coast AQMD Staff        |
| Terrence Mann .....                        | South Coast AQMD Staff        |
| Ron Moskowitz .....                        | South Coast AQMD Staff        |
| Ghislain Muberwa .....                     | South Coast AQMD Staff        |
| Pami Mukherjee .....                       | South Coast AQMD Staff        |
| Susan Nakamura .....                       | South Coast AQMD Staff        |
| Wayne Nastri .....                         | South Coast AQMD Staff        |
| Lisa Tanaka O'Malley .....                 | South Coast AQMD Staff        |
| Sarah Rees .....                           | South Coast AQMD Staff        |
| Paul Rodriguez .....                       | South Coast AQMD Staff        |
| Alberto Silva .....                        | South Coast AQMD Staff        |
| Brian Tomasovic .....                      | South Coast AQMD Staff        |
| Mei Wang .....                             | South Coast AQMD Staff        |
| Victor Yip .....                           | South Coast AQMD Staff        |



BOARD MEETING DATE: January 10, 2025

AGENDA NO. 25

REPORT: Investment Oversight Committee

SYNOPSIS: The Investment Oversight Committee held a hybrid meeting on Friday, December 13, 2024. The following is a summary of the meeting.

RECOMMENDED ACTION:  
Receive and file.

Michael A. Cacciotti, Committee Chair  
Investment Oversight Committee

SJ:gp

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### **Committee Members**

Present: Vice Chair Michael A. Cacciotti, Committee Chair  
Supervisor Curt Hagman  
Richard Dixon  
Jill Whynot  
Sarah Meacham

Absent: Board Member Veronica Padilla-Campos

### **Call to Order**

Committee Chair Cacciotti called the meeting to order at 8:04 a.m.

For additional details of the Investment Oversight Committee Meeting, please refer to the [Webcast](#).

### **DISCUSSION ITEMS:**

1. *Quarterly Report of Investments:* Sujata Jain, Chief Financial Officer presented the quarterly investment report. Committee Chair Cacciotti asked about reinvesting the U.S. Treasury Notes funds that have or will be maturing in November and December 2024. Ms. Jain explained that she reached out to the Los Angeles County Treasurer about reinvesting the funds and will also reach out to staff regarding the restricted funds and the ability to reinvest those funds. For additional information please refer to the [Webcast at 8:02](#).

2. Cash Flow Forecast: Ms. Jain reported on the cash flow for the current and next three years. Ms. Jain explained that staff works with the Los Angeles County Treasurer for investments that will provide additional interest yield. For additional information please refer to the [Webcast at 10:03](#).
3. Financial Market Update: Richard Babbe, PFM Asset Management, gave the financial market update from the second quarter. Mr. Babbe discussed consumer price index, inflation trends, demands for goods and services, gross domestic product, unemployment and consumer spending. Mr. Babbe explained that at the beginning of the third quarter, the labor market weakened significantly and pushed the Fed to cut rates aggressively at their September meeting. For additional information please refer to the [Webcast at 11:10](#).

Committee Member Sarah Meacham asked what PFM Asset Management is doing with accounts given the expectation of rate cuts. Mr. Babbe explained that they are taking a wait and see approach. For additional information please refer to the [Webcast at 27:03](#).

Supervisor Hagman asked about the decline in unemployment rates. Mr. Babbe talked about the workforce participation by different age groups. For additional information please refer to the [Webcast at 28:30](#).

Chair Cacciotti asked about the treasury notes maturing and his recommendations for reinvesting. Mr. Babbe talked about fund restrictions. For additional information please refer to the [Webcast at 32:03](#).

Executive Officer Wayne Nastri asked about the impact of possible tariffs on the market and overall economy. Mr. Babbe explained that tariffs in general are anticipated to be inflationary but more of an inflationary shock. For additional information please refer to the [Webcast at 36:03](#).

Committee Member Sarah Meacham commented on South Coast AQMD's portfolio and suggested increasing the amount invested in the Local Agency Investment Fund. Ms. Jain explained that she will reach out to Los Angeles County regarding investments within our investment policy. For additional information please refer to the [Webcast at 39:02](#).

#### **ACTION ITEMS:**

4. Approve Committee Meeting Dates for Calendar Year 2025: Motion was made by Committee Member Richard Dixon, Seconded by Supervisor Hagman to adopt the proposed meeting dates of March 14, June 13, September 12, and December 12, 2025. The committee voted to adopt the motion 5-0. For additional information please refer to the [Webcast at 41:34](#).

**OTHER MATTERS:**

**5. Other Business**

There was no other business to report.

**6. Public Comment Period**

Harvey Eder, Public Solar Power Coalition, was cut off because he was speaking off topic. For additional details, please refer to the [Webcast at 45:06](#).

**7. Next Meeting Date**

The next regular Investment Oversight Committee meeting is scheduled for Friday, March 14, 2025.

**Adjournment**

The meeting adjourned at 8:45 a.m.

[↑ Back to Agenda](#)

BOARD MEETING DATE: January 10, 2025

AGENDA NO. 26

REPORT: Legislative Committee

SYNOPSIS: The Legislative Committee held a hybrid meeting on Friday, December 13, 2024. The following is a summary of the meeting.

| Agenda Item   | Recommendation/Action   |
|---|-------------------------|
| <b>SB 34 (Richardson) – Ports: emissions: intermodal goods movement stakeholder group</b> | <b>Work With Author</b> |

Receive and file this report and approve agenda items as specified in this letter.

Michael A. Cacciotti, Committee Chair  
Legislative Committee

LTO:PFC:DPG:EV:MC:mc

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### **Committee Members**

Present: Councilmember Michael A. Cacciotti, Committee Chair  
Mayor Patricia Lock Dawson  
Supervisor Curt Hagman  
Supervisor V. Manuel Perez  
Councilmember Nithya Raman

### **Call to Order**

Chair Michael Cacciotti called the meeting to order at 9:03 a.m.

### **ACTION/DISCUSSION ITEMS:**

#### **1. Issue RFP for Legislative Representation in Sacramento, CA**

Lisa Tanaka, Deputy Executive Officer, Legislative, Public Affairs & Media, presented a proposed RFP for specialized legislative representation and strategic political consulting services for South Coast AQMD in Sacramento for FY 2025-26. The total cost of the contract is not to exceed \$180,000 for the initial one-year period with up to two, one-year extensions, upon sufficient budget and Board approval.

**Staff recommended APPROVAL of issuing an RFP for Legislative Representation in Sacramento**

Moved by: Hagman, Seconded: Lock Dawson  
Ayes: Cacciotti, Lock Dawson, Hagman, Perez, Raman  
Noes: None  
Abstain: None

There was no public comment.

For additional information, please refer to the [Webcast](#) beginning at 5:05.

**2. Recommend Position on State Bills**

Philip Crabbe, Senior Public Affairs Manager, Legislative, Public Affairs & Media, presented on SB 34 (Richardson) Ports: emissions: intermodal goods movement stakeholder group. The bill would require CARB to establish an intermodal goods movement stakeholder group consisting of, among others, representatives from 12 California ports, multiple labor representatives, and the California Department of Transportation. The bill would require the stakeholder group to develop a plan that specifies short-term thresholds of yellow, orange, and red for port emissions, and actions to be taken to reduce port emissions when the thresholds are reached. Some concerns with the bill are:

- Role of the proposed stakeholder group and conflicts with existing state and local authority, which could set a precedent of usurping local government authority; and
- Potential delay of emission reductions by preventing stakeholder group plan actions from being implemented before July 1, 2027.

Councilmember Raman inquired as to what the goal is in working with the bill's author. Executive Officer Wayne Nastri responded that the goal would be to work with the Assemblymember to communicate regulatory authority concerns and to strongly encourage that bill not move forward in the legislative process.

**Staff recommended a WORK WITH AUTHOR position on this bill.**

Moved by: Lock Dawson, Seconded: Hagman  
Ayes: Cacciotti, Lock Dawson, Hagman, Perez, Raman  
Noes: None

Harvey Eder, Public Solar Power Coalition, provided public comment regarding the ports.

For additional information, please refer to the [Webcast](#) beginning at 8:59.

## **DISCUSSION ITEMS:**

### **3. Update and Discussion on Federal Legislative Issues**

South Coast AQMD's federal legislative consultants (Carmen Group, Cassidy & Associates, and Kadesh & Associates) provided written reports on key Washington, D.C. issues.

Gary Hoitsma, Carmen Group, reported on the transition of the Executive branch. Cabinet nominations include former Representative Lee Zeldin for U.S. EPA Administrator, Chris Wright for Department of Energy Secretary and Sean Duffy for Department of Transportation Secretary. For additional information, please refer to the [Webcast](#) beginning at 20:22.

Jed Dearborn, Cassidy & Associates, reported on the remainder of the 118<sup>th</sup> Congress. Negotiations are focused on extending federal funding at current levels through mid-March 2025. For additional information, please refer to the [Webcast](#) beginning at 24:11.

Mark Kadesh, Kadesh & Associates, reported on the upcoming 119<sup>th</sup> Congress. There are six new Representatives for the South Coast region and a new U.S. Senator, Adam Schiff. Committee assignments will be announced soon. For additional information, please refer to the [Webcast](#) beginning at 25:23.

There was no public comment.

### **4. Update and Discussion on State Legislative Issues**

South Coast AQMD's state legislative consultants (Resolute, California Advisors, LLC, and Joe A. Gonsalves & Son) provided written reports on key issues in Sacramento.

David Quintana, Resolute, reported that state legislators were sworn in for the new legislative session on December 2 and Governor Gavin Newsom announced special elections for two vacancies in the state Legislature. There is also a new reduced bill limit of 35 bills per legislator over the two-year session in both legislative houses. For additional information, please refer to the [Webcast](#) beginning at 29:08.

Ross Buckley, California Advisors, LLC, reported on the three bills introduced during the special legislative session called by the Governor, which began on December 2, that is meant to bolster legal resources to protect California policies from possible future actions by the Trump Administration. For additional information, please refer to the [Webcast](#) beginning at 30:43.

Paul Gonsalves, Joe A. Gonsalves & Son, provided a summary of the November Cap-and-Trade Program auction results. For additional information, please refer to the [Webcast](#) beginning at 32:27.

Mr. Eder provided public comment regarding PM2.5 emissions.

**OTHER MATTERS:**

**5. Other Business**

There was no other business to report.

**6. Public Comment Period**

Mr. Eder provided public comment regarding the Trump Administration.

**7. Next Meeting Date**

The next regular Legislative Committee meeting is scheduled for Friday, January 17, 2025.

**Adjournment**

The meeting was adjourned at 9:40 a.m.

**Attachments**

1. Attendance Record
2. SB 34 (Richardson) Bill Analysis
3. SB 34 (Richardson) Bill Language
4. Update on Federal Legislative Issues – Written Reports
5. Update on State Legislative Issues – Written Reports

# ATTACHMENT 1

## SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT LEGISLATIVE COMMITTEE MEETING ATTENDANCE RECORD – DECEMBER 13, 2024

|                                       |                               |
|---------------------------------------|-------------------------------|
| Council Member Michael Cacciotti..... | South Coast AQMD Board Member |
| Mayor Patricia Lock Dawson .....      | South Coast AQMD Board Member |
| Supervisor Curt Hagman .....          | South Coast AQMD Board Member |
| Supervisor V. Manuel Perez .....      | South Coast AQMD Board Member |
| Council Member Nithya Raman.....      | South Coast AQMD Board Member |
| Mark Taylor.....                      | Board Consultant (Rodriguez)  |
| Ben Wong.....                         | Board Consultant (Cacciotti)  |
| Ross Buckley .....                    | California Advisors, LLC      |
| Gary Hoitsma .....                    | Carmen Group, Inc.            |
| Jed Dearborn.....                     | Cassidy & Associates          |
| Paul Gonsalves .....                  | Joe A. Gonsalves & Son        |
| Mark Kadesh .....                     | Kadesh & Associates           |
| David Quintana.....                   | Resolute                      |
| Harvey Eder.....                      | Public Solar Power Coalition  |
| Grace Garner .....                    | Public Member                 |
| Bill La Marr.....                     | Public Member                 |
| Debra Mendelsohn.....                 | Public Member                 |
| Peter Okurowski .....                 | Public Member                 |
| David Rothbart .....                  | Public Member                 |
| Debra Ashby.....                      | South Coast AQMD Staff        |
| Jason Aspell .....                    | South Coast AQMD Staff        |
| Barbara Baird .....                   | South Coast AQMD Staff        |
| Cathy Bartels .....                   | South Coast AQMD Staff        |
| Cindy Bustillos .....                 | South Coast AQMD Staff        |
| Lara Brown.....                       | South Coast AQMD Staff        |
| Matthew Ceja .....                    | South Coast AQMD Staff        |
| Maria Corralejo .....                 | South Coast AQMD Staff        |
| Philip Crabbe.....                    | South Coast AQMD Staff        |
| Scott Gallegos .....                  | South Coast AQMD Staff        |
| Denise Gailey .....                   | South Coast AQMD Staff        |
| Bayron Gilchrist .....                | South Coast AQMD Staff        |
| De Groeneveld.....                    | South Coast AQMD Staff        |
| Sheri Hanizavareh .....               | South Coast AQMD Staff        |
| Anissa Cessa Heard-Johnson.....       | South Coast AQMD Staff        |
| Roupen Karakousian .....              | South Coast AQMD Staff        |
| Angela Kim .....                      | South Coast AQMD Staff        |
| Howard Lee .....                      | South Coast AQMD Staff        |
| Alicia Lizarraga .....                | South Coast AQMD Staff        |
| Brisa Lopez .....                     | South Coast AQMD Staff        |
| Jason Low .....                       | South Coast AQMD Staff        |
| Terrence Mann .....                   | South Coast AQMD Staff        |



Ian McMillan ..... South Coast AQMD Staff  
Ron Moskowitz ..... South Coast AQMD Staff  
Susan Nakamura ..... South Coast AQMD Staff  
Wayne Nastri ..... South Coast AQMD Staff  
Robert Paud ..... South Coast AQMD Staff  
Aaron Katzenstein ..... South Coast AQMD Staff  
Sarah Rees ..... South Coast AQMD Staff  
Danielle Soto ..... South Coast AQMD Staff  
Lisa Tanaka O'Malley ..... South Coast AQMD Staff  
Brian Tomasovic ..... South Coast AQMD Staff  
Mei Wang ..... South Coast AQMD Staff  
Victor Yip ..... South Coast AQMD Staff  
Chris Yu ..... South Coast AQMD Staff

# ATTACHMENT 2A

South Coast Air Quality Management District  
Legislative Analysis – SB 34 (Richardson)  
Version: Introduced – 12/2/24  
Analyst: DPG

## **SB 34 (Richardson)**

Ports: emissions: intermodal goods movement stakeholder group.

**Summary:** This bill would require CARB to establish an intermodal goods movement stakeholder group (stakeholder group) consisting of, among others, a member from each port district, labor, and CARB to develop a plan that specifies short-term thresholds of yellow, orange, and red for port emissions and actions to be taken to reduce port emissions when the thresholds are reached.

**Background:** California has 12 ports through which goods are imported to and exported from international markets. Existing law regulates the operation of ports and harbors and imposes various limitations on emissions of air contaminants for the control of air pollution from vehicular and non-vehicular sources. Vehicles and equipment at ports are significant sources of air pollution. Ships, trucks, and cargo handling equipment at ports and offsite goods movement systems are often fueled by diesel and emit air pollutants such as diesel particulate matter (DPM) and nitrogen oxides (NOx).

Governmental oversight of ports in California is distributed across several state and local agencies, including the Department of Transportation, CARB, the Governor’s Office of Business and Economic Development, cities, and the South Coast AQMD. Each entity has different responsibilities regarding ports and goods movement.

The Ports of Los Angeles and Long Beach are the two busiest marine ports in the nation; they are also the largest source of NOx in the South Coast region. Additionally, DPM emissions from port sources continue to pollute the region, including neighboring overburdened communities. In order to meet state and federal standards to protect public health, South Coast AQMD’s 2022 Air Quality Management Plan, Indirect Source Rule related to ports, as well as AB 617 Community Emission Reduction efforts within the region include key measures focused on reducing port emission sources.

**Status:** 12/2/24 - Introduced. Read first time. To Senate Rules for assignment. To print.

**Specific Provisions:** Specifically, this bill would:

- 1) Require CARB to establish an intermodal goods movement stakeholder group, consisting of an individual representing the following:
  - International Longshore and Warehouse Union Local 13
  - International Longshore and Warehouse Union Local 63
  - International Longshore and Warehouse Union Local 94

- International Longshore and Warehouse Union Southern California District Council
  - Terminal and tenant operations
  - Ship and vessel operations
  - Rail and locomotive operations
  - Freight forwarders
  - Warehouse distribution centers
  - California Association of Port Authorities
  - A representative from each of the 12 California ports through which goods are imported and exported from international markets, including the Ports of Los Angeles and Long Beach
  - California Department of Transportation
  - CARB
- 2) The stakeholder group shall develop a plan that specifies thresholds of yellow, orange, and red for port emissions and specifies actions to be taken to reduce port emissions when the thresholds are reached. An action in the plan shall be agreed to by the entity that would be required to perform the action under the plan.
  - 3) In developing the plan, the stakeholder group shall hold monthly meetings and meet with appropriate state agencies to determine emission impact levels, discuss a draft plan and provide and obtain recommendations relating to plan performance.
  - 4) On or before January 31, 2027, the stakeholder group shall submit a report to the Legislature and the Governor with its findings, recommendations and the plan.
  - 5) The plan shall not be implemented before July 1, 2027.

**Impacts on South Coast AQMD’s Mission, Operations or Initiatives:** The South Coast Air Basin will not meet state and federal ambient air quality standards without significant emissions reductions related to the San Pedro Bay Ports. SB 34 could artificially constrain the implementation of emission reductions at the ports by preventing stakeholder group actions until no earlier than July 1, 2027.. It is critical to not slow emission reductions measures to protect public health of portside communities and workers at the San Pedro Bay Ports. Although there is much work to be done and challenges to be addressed related to the transition to zero-emission technologies, there also should not be a delay in working on the deployment of infrastructure and technologies to leverage current state and federal funding available for the modernization of goods movement.

Additionally, this bill is problematic in that it appears to be creating a temporary quasi-regulatory entity that conflicts with existing state and local regulatory authority and processes. Any plan created appears to require that governmental entities “agree” to implement portions of the plan.

As an agency responsible for meeting state and federal ambient air quality standards, it is imperative that South Coast AQMD preserve its existing local authority. SB 34 could establish a harmful precedent by pre-empting or conflicting with local government and air agencies regulatory responsibilities to comply with state and federal law.

**Recommended Position: WORK WITH AUTHOR**

Staff recommend a “Work with Author” position to discuss the following:

- Role of the proposed stakeholder group and its problematic conflict with existing state and local authority. This could set a dangerous precedent of usurping local governmental authority; and,
- Potentially delaying of emission reductions by preventing stakeholder group actions to be implemented until no earlier than July 1, 2027, which could impact the South Coast Air Basin’s ability to meet state and federal ambient air quality standards.

**Support:**

N/A

**Opposition:**

N/A

# ATTACHMENT 2B

**SENATE BILL**

**No. 34**

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**Introduced by Senator Richardson**

December 2, 2024

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An act to add Section 39619.3 to the Health and Safety Code, relating to ports.

## LEGISLATIVE COUNSEL'S DIGEST

SB 34, as introduced, Richardson. Ports: emissions: intermodal goods movement stakeholder group.

Existing law regulates the operation of ports and harbors. Existing law imposes various limitations on emissions of air contaminants for the control of air pollution from vehicular and nonvehicular sources and generally designates the State Air Resources Board as the state agency with primary responsibility for the control of vehicular air pollution.

This bill would require the state board to establish an intermodal goods movement stakeholders group consisting of, among others, a member from each specified port district. By requiring a port district to participate in the group, the bill would impose a state-mandated local program. The bill would require the group to develop a plan that specifies short-term thresholds of yellow, orange, and red for port emissions and specifies actions to be taken to reduce port emissions and port-related emissions when the thresholds are reached, as specified. The bill would require the group to submit a report to the Legislature, on or before January 31, 2027, with its findings, recommendations, and the plan.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: yes.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. The Legislature finds and declares all of the  
2 following:
- 3 (a) California has 12 ports through which goods are imported  
4 to and exported from international markets.
- 5 (b) The Port of Oakland’s highest value exports are food related,  
6 including, but not limited to, fruits, nuts, meats, wines, and spirits.  
7 In contrast, the Humboldt Bay Harbor District primarily imports  
8 and exports logs and wood chips due to the lumber businesses in  
9 its region.
- 10 (c) The Port of Los Angeles is considered the busiest container  
11 port in the Western Hemisphere. It handles around 10,000,000  
12 cargo containers annually. In June 2024, the Port of Los Angeles  
13 processed 827,757 twenty-foot equivalent units (TEUs), a  
14 10-percent increase from the previous month. And in the third  
15 quarter of 2024, the Port of Los Angeles processed 2,850,000  
16 TEUs, its best quarter in over 116 years. Each year, the cargo  
17 flowing through this port generates over \$200 billion in economic  
18 activity and sustains nearly 3,000,000 jobs in the United States.
- 19 (d) The Port of Los Angeles is part of the San Pedro Complex,  
20 which is the container hub for both the Port of Los Angeles and  
21 the Port of Long Beach. The San Pedro Complex is the largest  
22 container hub in the United States and accounts for over 30 percent  
23 of the TEUs in the United States. It is also the fifth largest container  
24 hub in the world.
- 25 (e) Vehicles and equipment at ports are significant sources of  
26 air pollution. Ships, trucks, and cargo handling equipment at ports  
27 and offsite goods movement systems are often fueled by diesel  
28 and emit air pollutants such as particulate matter and nitrogen  
29 oxides. In recent years, California ports have faced several  
30 challenges, including, but not limited to, onsite and offsite port  
31 congestion and air pollution from associated facilities and vehicles.

1 Both the State of California and the federal government have  
2 engaged in legislative, regulatory, and budgetary efforts to help  
3 ports address these challenges.

4 (f) State involvement with ports in California is distributed  
5 across several agencies, including the Department of  
6 Transportation, the Transportation Agency, the State Air Resources  
7 Board, the Governor’s Office of Business and Economic  
8 Development, and the local South Coast Air Quality Management  
9 District. Each entity has different responsibilities regarding ports  
10 and goods movement.

11 (g) The long term plan to reduce port emissions requires ports  
12 to adopt new zero-emission technologies. However, ports face  
13 several barriers, including, but not limited to, the following:

- 14 (1) Certain electric vehicles are not yet widely available.
- 15 (2) Barriers to siting and building a sufficient electrical grid to  
16 power zero-emission technologies.
- 17 (3) High and unbudgeted costs.
- 18 (4) Unsuitability of current batteries for port operations.

19 (h) As a result of these barriers and others, the timeline for  
20 implementing zero-emission technologies at ports remains unclear  
21 and the costs remain unknown but are believed to exceed \$1 billion.

22 (i) To reduce port emissions in the short term, while 2035  
23 zero-emission goals are implemented, an intermodal goods  
24 movement stakeholders group shall be created to develop a plan  
25 to reduce port emissions when damaging levels arise.

26 SEC. 2. Section 39619.3 is added to the Health and Safety  
27 Code, to read:

28 39619.3. (a) The state board shall establish an intermodal  
29 goods movement stakeholders group, consisting of each of the  
30 following individuals:

- 31 (1) An individual representing each of the following:
  - 32 (A) International Longshore and Warehouse Union Local 13.
  - 33 (B) International Longshore and Warehouse Union Local 63.
  - 34 (C) International Longshore and Warehouse Union Local 94.
  - 35 (D) International Longshore and Warehouse Union Southern  
36 California District Council.
- 37 (2) An individual representing terminal and tenant operations.
- 38 (3) An individual representing ship and vessel operations.
- 39 (4) An individual representing rail and locomotive operations.

- 1 (5) An individual representing freight forwarders, as defined in
- 2 Section 220 of the Public Utilities Code.
- 3 (6) An individual representing warehouse distribution centers.
- 4 (7) An individual representing the California Association of
- 5 Port Authorities.
- 6 (8) An individual representing each of the following:
- 7 (A) The Port of Benicia.
- 8 (B) The Port of Hueneme.
- 9 (C) The Port of Long Beach.
- 10 (D) The Port of Los Angeles.
- 11 (E) The Port of Oakland.
- 12 (F) The Port of Redwood City.
- 13 (G) The Port of Richmond.
- 14 (H) The Port of San Diego.
- 15 (I) The Port of San Francisco.
- 16 (J) The Port of Stockton.
- 17 (K) The Port of West Sacramento.
- 18 (L) The Humboldt Bay Harbor District.
- 19 (9) An individual representing the Department of Transportation.
- 20 (10) An individual representing the state board.
- 21 (b) The intermodal goods movement stakeholders group shall
- 22 develop a plan that specifies short-term thresholds of yellow,
- 23 orange, and red for port emissions and specifies actions to be taken
- 24 to reduce port emissions and port-related emissions when the
- 25 thresholds are reached. An action in the plan shall be agreed to by
- 26 the entity that would be required to perform the action under the
- 27 plan.
- 28 (c) In developing the plan described in subdivision (b), the
- 29 intermodal goods movement stakeholders group shall do both of
- 30 the following:
- 31 (1) Hold monthly meetings in person or by video conference.
- 32 (2) Meet with appropriate state agencies to do all of the
- 33 following:
- 34 (A) Determine escalating emission impact levels for the yellow,
- 35 orange, and red thresholds.
- 36 (B) Discuss a draft of the plan.
- 37 (C) Provide and obtain recommendations relating to the
- 38 performance of the plan, if any.
- 39 (d) (1) On or before January 31, 2027, the intermodal goods
- 40 movement stakeholders group shall submit a report to the



1 Legislature and the Governor with its findings, recommendations,  
2 and the plan.

3 (2) (A) The requirement for submitting a report imposed under  
4 this subdivision is inoperative on January 1, 2031, pursuant to  
5 Section 10231.5 of the Government Code.

6 (B) A report to be submitted pursuant to this subdivision shall  
7 be submitted in compliance with Section 9795 of the Government  
8 Code.

9 (3) The plan shall not be implemented before July 1, 2027.

10 SEC. 3. If the Commission on State Mandates determines that  
11 this act contains costs mandated by the state, reimbursement to  
12 local agencies and school districts for those costs shall be made  
13 pursuant to Part 7 (commencing with Section 17500) of Division  
14 4 of Title 2 of the Government Code.

# ATTACHMENT 3A



**Carmen Group**  
I N C O R P O R A T E D

**To:** South Coast AQMD Legislative Committee  
**From:** Carmen Group  
**Date:** November 26, 2024  
**Re:** Federal Update -- Executive Branch

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## **Trump Transition – Cabinet Appointments**

### The Cabinet (Nominees)

|                  |                               |
|------------------|-------------------------------|
| State            | <b>Marco Rubio</b>            |
| Treasury         | <b>Scott Bessent</b>          |
| Defense          | <b>Pete Hegseth</b>           |
| Attorney General | <b>Pam Bondi</b>              |
| Interior         | <b>Doug Burgum</b>            |
| Agriculture      | <b>Brooke Rollins</b>         |
| Commerce         | <b>Howard Lutnick</b>         |
| Labor            | <b>Lori Chavez-DeRemer</b>    |
| HHS              | <b>Robert F. Kennedy, Jr.</b> |
| HUD              | <b>Scott Turner</b>           |
| Transportation   | <b>Sean Duffy</b>             |
| Energy           | <b>Chris Wright</b>           |
| Education        | <b>Linda McMahon</b>          |
| VA               | <b>Doug Collins</b>           |
| DHS              | <b>Kristi Noem</b>            |

### Cabinet-Level (Nominees)

|                  |                       |
|------------------|-----------------------|
| WH COS           | <b>Susie Wiles</b>    |
| EPA              | <b>Lee Zeldin</b>     |
| OMB              | <b>Russell Vought</b> |
| DNI              | <b>Tulsi Gabbard</b>  |
| CIA              | <b>John Ratcliffe</b> |
| USTR             |                       |
| UN Ambassador    | <b>Elise Stefanik</b> |
| Economic Advisor |                       |
| SBA              |                       |
| Science Advisor  |                       |

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## **Trump Transition -- Energy/Environment Developments**

**EPA Administrator Lee Zeldin**, 44, Trump campaign surrogate; US Rep. (Long Island, NY) (2015-2023); GOP candidate for NY Governor (2022); NY St. Sen. (2011-2014); US Army (2003-2007); Attorney; US House Committees--Foreign Affairs; Financial Services; Served on Climate Solutions Caucus and Conservative Climate Caucus.

**Interior Secretary (“Energy Czar”) Doug Burgum**, 68, Trump campaign surrogate; ND Governor (2016-present); Investor and businessman—software and real estate. Sold software company to Microsoft in 2001 for \$1.1 billion. As Gov, supported statewide NetZero by 2030 with “All of Above” energy approach. Strongly favors oil and gas drilling. Will also serve under Trump as chair of a new National Energy Council to promote US energy dominance, made up of all federal energy-related agencies. As such, he will be the Nation’s “Energy Czar” and also hold a seat on the President’s National Security Council.

**Energy Secretary Chris Wright**, 59, Trump campaign donor; CEO of Liberty Energy, fracking company, based in Colorado. Hands-on experience with oil, gas, LNG, nuclear; Mechanical and electrical engineering degrees from MIT. Strong, articulate fossil fuels proponent; Has testified before Congress; Member of the executive committee of the Domestic Energy Producers Alliance [www.depause.org](http://www.depause.org) chaired by Harold Hamm, Founder-CEO of Continental Energy in Oklahoma.

**Transportation Secretary Sean Duffy**, 53, Fox Business TV personality; US Rep. (Northern Wisconsin) (2011-2019); Resigned to care for ailing child; Served on House Financial Services committee. Ashland County District Attorney (2002-2010); JD, William Mitchell College of Law.

**OMB Director Russell Vought**, 48, Founder, Center for Renewing America (conservative policy advocacy); Heritage Foundation Project 2025—Chapter on Executive Office of the President; OMB -- Director (2020-2021), Acting Director (2019-2020), Deputy Director (2017-2019); Staff positions, House Republican Study Committee, House Republican Conference; Legislative assistant to Sen. Phil Gramm (R-TX); JD, George Washington University School of Law.

The **National Energy Council** is a new entity being created by Trump and chaired by his Interior Secretary and “Energy Czar” Doug Burgum. According to Trump, it will be made up of the federal departments and agencies involved with permitting, regulating, producing, generating, distributing and transporting energy and will encourage cutting red tape and boosting private sector investment. Burgum says, “Focusing on innovation over regulation to solve the nation’s challenges will allow us to smartly expand American energy and make our world cleaner and safer by selling energy to our friends and allies versus having them buy it from our adversaries.”

The **Department of Government Efficiency (DOGE)** is a new non-governmental entity being created by Trump and led by Elon Musk and Vivek Ramaswamy and designed to help “cut the federal government down to size.” They have set an ambitious timeline to

complete and sunset the entire DOGE effort by July 4, 2026. The plan is that the DOGE team will work closely with the White House, the OMB, the Trump teams at the federal agencies, as well as with a soon-to-be created House Oversight Subcommittee on DOGE to be chaired by Rep. Marjorie Taylor Greene (R-GA) and a Senate DOGE Caucus to be chaired by Sen. Joni Ernst (R-IA). DOGE will pursue three kinds of reforms: regulatory rescissions, administrative reductions, and cost savings. It is clear that key environmental regulations, including air-related regulations, are at the top of their target list, as are significant budget and personnel cuts to the EPA. Musk and Ramaswamy have cited two recent critical Supreme Court decisions as giving guidance to their work. These are *West Virginia v. EPA* (2022) (which overturned the Obama EPA's Clean Power Plan) and *Loper Bright v. Raimondo* (2024) (which overturned the 40-year old *Chevron* doctrine requiring court deference to federal agencies' interpretations of ambiguous statutes). They say, "these cases suggest that a plethora of current federal regulations exceed the authority Congress has granted under law." They say a list of such regulations is being assembled to be presented to the incoming President for executive action to pause enforcement, and to initiate agency-by-agency reviews and possible rescissions. In addition, they are looking at mass headcount reductions in the federal workforce, corresponding budget cuts, procurement process reforms, civil service reforms, and reassessments of the use and possible commercialization of federal buildings and real estate, while at the same time possibly transferring entire agencies to new locations across the country outside of the Washington, DC area.

### **Analysis**

Several common traits stand out among most of Trump's cabinet nominees: 1) strong loyalty to Trump and Trump's policy agenda; 2) demonstrated ability as effective TV communicators and advocates; and 3) little, if any, direct prior experience in the detailed workings of the agencies they are set to lead. These traits apply especially to the ones South Coast will be most affected by: Zeldin at EPA, Burgum at Interior, Wright at Energy, and Duffy at Transportation. The one exception for which we should take note is Russell Vought at OMB. Not only did he spend all four years of the first Trump administration at OMB, but he has also spent the last four years contemplating a return to that post, while outlining a much stronger role for OMB in bringing agencies in line with policies emanating not from the agencies, but from the White House. Writing in the Heritage Foundation's Project 2025 recommended blueprint, Vought sees OMB as being much more aggressive in using its levers of regulatory and management power to impose the President's agenda on the federal bureaucracy. This will only be enhanced by a very close relationship between Vought and the DOGE initiative, where Vought will be tasked with implementing and enforcing its recommendations. In addition, we've learned that the Trump White House wants to expand its normal close ties with all the federal agencies by also building similar strong relationships with every agency's authorizing committee in Congress to make sure there is strong unity of purpose behind the President's agenda. At least early in the new administration, it appears that major decisions of importance to South Coast (for example, on regulatory changes, CRA resolutions, tax credits, unspent IRA funds, California waivers, budget cuts, personnel cuts, court litigation, etc.) will emanate primarily from the White House/OMB/DOGE and not from deliberations within the affected agencies like EPA, DOT, or DOE.

## **Lame Duck Congress**

As Congress approached the Thanksgiving break at the end of November, little progress had been made on critical appropriations matters (including all 12 unfinished spending bills) necessary to assure federal government funding for the remainder of FY 25 in the face of a Dec. 20 deadline for action. Unless there is a contrary signal from the President-Elect, a continuing resolution (CR) for three months or longer appeared to be most likely. Also hanging in limbo before the end of the year: \$99 billion in new disaster relief funding requested by President Biden; the annual National Defense Authorization Act; the Farm Bill; and smaller bills on rail safety, online child safety, and permitting reforms for energy production, among others.

## **Department of Transportation**

**MARAD Announces Port Infrastructure Grants:** In November, the Maritime Administration (MARAD) announced nearly \$580 million to fund 31 port improvement projects in 15 states under the Port Infrastructure Development Program (PIDP) authorized by the Bipartisan Infrastructure Law passed in 2021. In California, the Port of Oakland received a \$49.5 million grant for its Outer Terminal Infrastructure Modernization Project.

**FAA Announces Airport Terminal Grants:** In late October, the Federal Aviation Administration (FAA) announced \$970 million for 125 airport terminal improvement projects in 46 states under the Airport Terminal Program created by the Bipartisan Infrastructure Law. Grants were awarded to eight projects in California, including \$30 million for LAX; \$10.6 million for John Wayne (Santa Ana) Airport; \$9.3 million for Bob Hope (Burbank) Airport; \$7 million for Ontario International Airport; and \$6 million for Palm Springs International Airport.

## **Environmental Protection Agency**

**EPA Announces Rule Targeting Power Plant NO<sub>x</sub> Emissions:** In November, the EPA announced a new proposed rule to strengthen limits on NO<sub>x</sub> emissions from fossil-fuel-fired stationary combustion turbines. It says the proposed New Source Performance Standards (NSPS) for NO<sub>x</sub> will reduce exposure to dangerous air pollution in nearby communities. The stronger standards would apply to facilities that begin construction or modification after the date of the rule's publication.

**EPA Announces Final Rule on Methane Emissions:** In November, the EPA announced a final rule to reduce methane emissions for the oil and gas sector as it says is authorized under the Inflation Reduction Act. The rule facilitates the EPA to collect a Waste Emissions Charge from the largest emitters of methane if their emissions exceed specific performance levels, while also allowing for exemptions under certain circumstances.

**EPA Issues Guidance on Indoor Air Quality:** In November, the EPA released updated guidance on indoor air quality strategies for preventing the spread of common respiratory viruses in homes, schools, offices, and commercial buildings. The guidance outlines

specific strategies including filtration improvements in heating, ventilation and air conditioning systems as well as other best practices reflecting the latest relevant science.

**EPA Targets Protecting Communities from PFAS Pollution:** In November, the EPA issued its detailed annual report on progress addressing PFAS pollution. It also announced the launch of a new no-cost technical assistance effort focused on reducing exposure to PFAS and other contaminants in small or disadvantaged communities. In addition, the agency awarded a \$400,000 Small Business Innovation Research (SBIR) grant to Water Illumination, Inc. in Riverside, California, that is developing a chemical-free UV technology that destroys PFAS in saline wastewater.

## **Department of Energy**

**DOE Announces Awards for Local Government Clean Energy Projects:** In November, the Department of Energy (DOE) announced the distribution of \$17.7 under the Energy Efficiency and Conservation Block Grant (EEBG) Program to 61 local and territorial governments to improve energy efficiency and lower overall energy use. Among the award recipients in California were: Fontana (\$240,630); Fullerton (\$183,850); Riverside (\$325,070); and Riverside County (\$477,090.)

**DOE Announces Projects to Slash EV Battery Recycling Costs:** In late October, DOE announced \$45 million in funding from the Bipartisan Infrastructure Law for eight projects that will lower costs of recycling electric vehicle batteries and battery components with the longer-term goal of reducing electric vehicle costs. Two of the eight projects are in California: **EJ Storage Solutions of Los Angeles** received \$3.5 million to design, fabricate and test a new cost-effective system for transporting second-life, defective, damaged and recycled EV batteries. In addition, **ReJoule, Inc. of Signal Hill** received \$6.3 million to develop and scale a technology for EV battery diagnostics to quickly detect safety hazards, damage or defects in recycled batteries.

**DOE Releases Report on Sustainable Aviation Fuel:** In November, DOE released its latest report [Pathways to Commercial Liftoff: Sustainable-Aviation-Fuel](#) on the near-term potential for sustainable aviation fuel (SAF) to help decarbonize the aviation sector.

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**Outreach:** During November in the aftermath of the election, Carmen Group has been in touch with numerous contacts in the Republican Party, the Trump campaign, the Trump transition team, the America First Policy Institute, the Heritage Foundation, other think tanks, law firms, lobby firms, corporate entities and business coalition members, news media, interest groups, Congressional staff, and others in Washington, DC and around the country on issues involving the Transition and related personnel and policy issues and their potential impact on South Coast interests.

###

# ATTACHMENT 3C

## KADESH & ASSOCIATES

South Coast AQMD Report for the December 2024  
Legislative Meeting covering November 2024  
Kadesh & Associates

Following November's election, members of the House and Senate returned to Washington for a two-week session before the Thanksgiving break. They did not make much progress in resolving the year-end legislative logjam.

With Republicans winning the majority in the Senate, the first order of business was deciding on a new Majority Leader to succeed Mitch McConnell: John Thune (R-SD) defeated John Cornyn (R-TX) and Rick Scott (R-FL) in a secret ballot, after several high-profile Trump allies had signaled their preference for Scott.

The biggest outstanding question for the remainder of the year is what to do with the FY25 appropriations process: at this point, the most likely outcome is a Continuing Resolution (CR) through March 2025, allowing the new Republican majority to put their stamp on the rest of the fiscal year. This will need to be decided on and written in early December, allowing the House and Senate to work through votes before the December 20 deadline.

Looking ahead, the congressional delegation from the South Coast region will change significantly in the next month: Senator-elect Schiff will be sworn into office in early December for the last weeks of the 118<sup>th</sup> Congress, and several new members of the House from Southern California will be sworn into office in early January, including Luz Rivas, Laura Friedman, Gil Cisneros (who is returning to Congress), George Whitesides, and Dave Min; as of this memo several other House races are within a few hundred votes. The incoming members have begun staffing up and traveled to DC for orientation meetings this month, and will be selecting their congressional offices later in the month. Over the coming months, party leadership will announce their committee assignments.

### Kadesh & Associates Activity Summary-

-Worked with South Coast AQMD and the congressional delegation on whole-of-government efforts to address air quality through BIL and IRA funding programs, and met with delegation and South Coast AQMD staff to plan for the lame duck session and 119<sup>th</sup> Congress.

Contacts: Contacts included staff and Members throughout the CA delegation, Senate offices, and members of key committees. We have also been in touch with administration staff.

## South Coast Air Quality Management District Legislative and Regulatory Update –November 2024

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### ❖ Important Upcoming Dates

December 02, 2024 – Legislature Reconvenes for 2025-2026 Legislative Session

### ❖ RESOLUTE Actions on Behalf of South Coast AQMD. RESOLUTE partners David Quintana, and Alfredo Arredondo continued their representation of SCAQMD before the State’s Legislative and the Executive branch. Selected highlights of our recent advocacy include:

- Provided ongoing updates as the November 5 Election results began to materialize.
- Followed up on bills for the 2024 legislative session, including for SCAQMD sponsored legislation.

### ❖ November 5<sup>th</sup> State Election Outcomes. The official canvass of the votes in California runs for 30 days after election day. By then, all counties must certify and report their election results to the Secretary of State. The Secretary of State must officially certify all races by December 13th.

In California, as long as a mail-in ballot has been postmarked by election day, and received within 7 days after the election, it can still be counted. So, though the count may say “100% of precincts reporting” this in no way means that 100% of the votes cast have been counted. It just means that 100% of the precincts have delivered all or parts of their ballots to the county and doesn’t take into account the millions that were mailed in or cast as a “provisional ballot.” This will take weeks.

The final results so far provide the CA legislative Democrats, even with the potential loss of 2-3 seats, will continue to maintain their numbers well beyond the super-majority in both houses. However, the Republicans in both houses of the legislature performed as well as we have seen in the recent past. The Republicans are certainly going to increase their numbers in the legislature for the first time in many electoral cycles. This includes Assemblymember Eduardo Garcia’s former district flipping from Democrat to Republican, and Senator Newman losing his re-election bid, turning that seat from Democrat to Republican. A third Assembly district, that of Assemblymember Cervantes, is still too close to call at this time, but is likely to also flip from Democrat to Republican.

### ❖ LAO Releases Fiscal Outlook. On November 20<sup>th</sup>, the Legislative Analyst’s Office released their fiscal outlook for the 2025-2026 Budget Year. The Executive Summary is listed below:

- The Fiscal Outlook gives the Legislature our independent estimates and analysis of the state’s budget condition for the 2025-26 budget process. We evaluate the budget condition based on current law and policy at both the state and federal level. This means we are assessing the state’s spending and revenues assuming no new laws or policies are enacted. This is not a prediction of what will happen—state and federal laws and policies will change in the coming years—but rather serves as a baseline to help the Legislature understand its starting place. Further, while changes in federal policy are being actively discussed, we cannot predict which changes may be enacted and therefore cannot estimate the effects on California’s budget.
- *Legislative Action Last Year Addressed Anticipated Budget Problem Proactively.* In the 2024-25 budget process, the Legislature not only addressed the budget problem for that fiscal year, but also made proactive decisions to address the anticipated budget problem for 2025-26. These choices included about



\$11 billion in spending-related solutions and \$15 billion in all other solutions, including \$5.5 billion in temporary revenue increases and a \$7 billion withdrawal from the state's rainy-day fund. After these solutions, the spending plan assumed the 2025-26 budget would be balanced.

- ***Revenues Running Ahead of Broader Economy.*** Despite softness in the state's labor market and consumer spending, earnings of high-income Californians have surged in recent months. Income tax collections have seen a similar bounce. This recovery in income tax revenues is being driven by the recent stock market rally, which calls into question its sustainability in the absence of improvements to the state's broader economy.
- ***Revenue Improvement Offset by Higher Costs, 2025-26 Budget Remains Roughly Balanced.*** Although revenues are running ahead of budget act assumptions, those improvements are roughly offset by spending increases across the budget. On net, our assessment finds the state has a small deficit of \$2 billion. Given the size and unpredictability of the state budget, we view this to mean the budget is roughly balanced. If a budget problem of this magnitude were to materialize by the end of the budget process in June, relatively minor budget solutions would be needed.
- ***Revenues Are Unlikely to Grow Fast Enough to Catch Up to Atypically High Spending Growth.*** While the budget picture is fair for the upcoming year, our outlook suggests that the state faces double-digit operating deficits in the years to come. By historical standards, spending growth in this year's outlook is high. Our estimate of annual, total spending growth across the forecast period—from 2025-26 to 2028-29—is 5.8 percent compared to an average of 3.5 percent in other recent outlooks. Meanwhile, revenue growth over the outlook window is just above 4 percent—lower than its historical average largely due to policy choices that end during the forecast window. Taken together, we view it as unlikely that revenue growth will be fast enough to catch up to ongoing spending.
- ***No Capacity for New Commitments.*** While out-year estimates are highly uncertain, we anticipate the Legislature likely will need to address deficits in the future, for example by reducing spending or increasing taxes. In our view, this year's budget does not have capacity for new commitments, particularly ones that are ongoing.

The full report is available here: <https://lao.ca.gov/Publications/Report/4939>



## CALIFORNIA ADVISORS, LLC

South Coast AQMD, Legislative Committee Report  
California Advisors, LLC  
December 13, 2024

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### **Election Update**

County election officials are still counting votes cast in the November 5<sup>th</sup> General Election. As of November 25<sup>th</sup>, there are an estimated 182,000 votes across the state that have not been counted yet. County election offices are required to finalize their official results by December 5<sup>th</sup>. The California Secretary of State will certify the results of the election on December 13<sup>th</sup>.

There are several competitive races for the State Legislature. In the State Senate District 37, Steve Choi (R) leads incumbent Josh Newman (D) by just over 6,000 votes. In State Assembly District 58, Leticia Castillo (R) leads Clarissa Cervantes (D) by less than 600 votes in the race to succeed former Assemblymember Sabrina Cervantes (D). Meanwhile, Republicans have likely picked up the State Assembly District 36 with Jeff Gonzalez's (R) victory over Joey Acuña Jr (D). If the leads of the candidates listed above hold, Republicans will flip one State Senate seat and two Assembly seats. This would leave Democrats with a 30-10 majority in the Senate and a 60-20 majority in the Assembly.

Additionally, there are ten statewide ballot measures that voters have decided on. Among these, Proposition 4 would authorize the state to borrow \$10B for climate resilience programs. Proposition 4 passed, earning 59.7% of the vote.

### **2025 Legislative Session Update**

The Legislature will meet on December 2<sup>nd</sup> to swear in incoming members prior to reconvening on January 6<sup>th</sup>, 2025. Meanwhile, following President-Elect Trump's victory on November 5<sup>th</sup>, Governor Newsom called the Legislature into an extraordinary session to "protect California values." The extraordinary session will begin on December 2<sup>nd</sup> and run concurrently with the regular 2025 legislative session. The purpose of the extraordinary session is to immediately increase funding for the California Department of Justice, which anticipates increased litigation costs during the Trump Administration. The new extraordinary session will theoretically allow legislators to increase California DOJ funding on a quicker basis compared to the regular state budget process.

## **Budget Update**

The State Department of Finance's monthly finance bulletin shows that general fund tax receipts for the fiscal year to date are \$5.3B above 2024-2025 budget act estimates. Interest income on the State's cash balances is 26.0% above DOF projections, offsetting a 2.3% drop in state sales tax revenue. The extent that this overage will help resolve the State's structural budget problems is unclear. Much of the revenue increase must be diverted to fund schools in accordance with Proposition 98. Any remaining funds will likely be insufficient to fully resolve projected budget deficits.

On November 25<sup>th</sup>, Governor Newsom announced that California would step in to provide a California ZEV rebate if the incoming Trump Administration follows through on its threat to eliminate the federal tax credit. The Clean Vehicle Rebate Program (CVRP), was phased out in 2023. During its lifetime, the CVRP funded more than 594,000 vehicles and saved more than 456 million gallons of fuel. The Governor indicated that this program could be funded by the Greenhouse Gas Reduction Fund.

# ATTACHMENT 4C



## **Joe A. Gonsalves & Son**

**Anthony D. Gonsalves**

**Jason A. Gonsalves**

**Paul A. Gonsalves**

PROFESSIONAL LEGISLATIVE REPRESENTATION

925 L ST. - SUITE 250 - SACRAMENTO, CA 95814-5766

916 441-8597 - FAX 916 441-5061

Email: gonsalves@gonsalvi.com

TO: South Coast Air Quality Management District

FROM: Anthony, Jason & Paul Gonsalves

SUBJECT: Legislative Update – November 2024

DATE: Monday, November 25, 2024

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The month of November was focused on the General Election, as all 80 seats in the Assembly and half of the seats in the Senate (20 of the 40) were up for election. The November General Election also included 10 ballot propositions for voters to decide on, including a \$10 billion Climate Bond. Although the final results of the November election won't be certified until December 13th, 2024, it looks like the State Legislature will have at least 30 new members when they return on December 2, 2024 for their ceremonial swearing in. That, coupled with the 37 new members elected in 2022, means 67 of 120 members of the legislature will have 2 years or less experience. This highlights the necessity to continue to educate the new members of the Legislature on issues of importance during the 2025 legislative session.

The following will provide you with updates of interest to the District:

### **ELECTION UPDATE**

#### State Senate

Prior to the November 5, 2024 election, the Senate was comprised of 31 Democrats and 9 Republicans. The post-election results show the makeup of the Senate as 30 Democrats and 10 Republicans. Of the 20 seats up for election, 7 incumbents won and only 1 incumbent lost, which also flipped that seat from Democrat to Republican. Additionally, of the 13 new members of the Senate, 6 are new members and 7 are coming over from the Assembly.

#### State Assembly

Prior to the November 5, 2024 election, the Assembly was comprised of 62 Democrats and 17 Republicans, with 1 vacant seat. The post-election results show the makeup of the Assembly as 60 Democrats and 19 Republicans with 1 vacant seat. Of the 80 seats up for election, 56 incumbents won, which means there will be 24 new members of the Assembly. This means the Assembly Democrats lost 2 seats and the Assembly Republicans gained 2 seats.

#### Ballot Propositions

Proposition 2: Borrow \$10 Billion for K-14 School Construction and Modernization

- Passed - 58.2% to 41.8%

Proposition 3: Reaffirm the Right of Same-Sex Couples to Marry

- Passed - 62.5% to 37.5%

Proposition 4: Borrow \$10 Billion for Water, Drought, Wildfire Prevention and Clean Air Programs

- Passed - 59.3% to 40.7%

Proposition 5: Reduce Voter Approval Requirements for Local Housing and Infrastructure Bonds

- Failed – 44.5% to 55.5%

Proposition 6: Limit Forced Labor in State Prisons

- Failed – 46.5% to 53.5%

Proposition 32: Raise the State Minimum Wage to \$18 an Hour

- Failed – 48.9% to 51.1%

Proposition 33: Allow Local Governments to Impose Rent Controls

- Failed – 39.5% to 60.5%

Proposition 34: Require Certain Health Providers to Use Nearly All Revenue from a Federal Prescription Drug Program on Patient Care

- Passed – 50.8% to 49.2%

Proposition 35: Make Permanent a Tax on Managed Health Care Insurance Plans.

- Passed 67.6% to 32.4%

Proposition 36: Increase Penalties for Theft and Drug Trafficking

- 68.9% to 31.1%

### **SPECIAL SESSION TO PROTECT CALIFORNIA VALUES**

On November 7, 2024, Governor Newsom announced a proclamation to convene a special session of the California Legislature aimed at protecting the state's values and fundamental rights in light of the incoming Trump administration. This special session will focus on enhancing California's legal resources to defend civil rights, reproductive freedoms, climate initiatives, and immigrant families.

This initiative marks the first of several measures from the Newsom Administration in collaboration with the Legislature, as the Governor seeks to strengthen California's defenses against a federal administration that has previously posed threats. By convening a special session, the Legislature can take swift action to safeguard California and its core values. The session is set to commence on December 2, 2024.

The Governor has put forth several immediate priorities for protection during this special session, aimed at reinforcing legal defenses against federal actions. His proclamation calls for legislation to allocate additional resources to the California Department of Justice and other state agencies to actively pursue litigation against any unlawful actions by the incoming Trump Administration, as well as to defend against federal lawsuits that threaten California's laws and policies. This funding will enable prompt legal action and the pursuit of injunctive relief against illegal federal initiatives.

### **LOW CARBON FUEL STANDARDS**

On November 8, 2024, the California Air Resources Board approved updates to the Low Carbon Fuel Standard (LCFS). These changes are expected to accelerate the development of zero-emission infrastructure and help the state meet its legally mandated air quality and climate goals.

The LCFS works by reducing air pollution and greenhouse gas emissions through a declining carbon intensity target for transportation fuels in California. Producers that fail to meet the established

benchmarks must purchase credits from those that do, generating \$4 billion in annual private sector investments in cleaner transportation. These funds benefit Californian consumers in several ways:

- Expanding consumer choices, thus fostering competition in transportation fuel pricing
- Supporting the growth of new industries and attracting investments that create jobs and strengthen communities
- Decreasing reliance on petroleum and its associated volatility in supply and pricing
- Making electric vehicles more affordable
- Enhancing the availability of electric vehicle charging and hydrogen refueling infrastructure
- Diminishing health impacts and healthcare costs linked to fossil fuel-related air pollution

The updates set ambitious targets to cut the carbon intensity of California's transportation fuel pool by 30% by 2030 and by 90% by 2045. They also enhance support for zero-emissions infrastructure, particularly for medium- and heavy-duty vehicles, and expand the eligibility of transit agencies to generate credits.

The LCFS aims to offer the most cost-effective means of supporting clean fuels and infrastructure, with affordability as a paramount consideration. The Board has directed staff to evaluate the effects of the adopted amendments on retail gasoline prices every six months and to produce an annual report starting one year from the amendments' effective date, in collaboration with the California Energy Commission.

The program currently caps the costs that companies can pass on to consumers by limiting the price of credits that high-carbon-intensity fuel producers must purchase for compliance, while allowing the banking of credits bought at lower rates. Data from third-party commodities market experts indicate that the current LCFS cost pass-through to California consumers is approximately \$0.10 per gallon of gasoline, consistent with self-reported data from high-carbon-intensity fuel producers, which reflect a cost pass-through of \$0.08 to \$0.10 per gallon.

### **CARB'S INCENTIVE PROGRAM**

On November 21, 2024, CARB approved a \$34.94 million incentive funding plan that will continue to support ongoing efforts to increase access to medium- and heavy-duty zero-emission trucks, buses, and equipment, with a focus on small businesses.

The 2024-25 Funding Plan for Clean Transportation Incentives increases funding for small businesses that want to modernize their fleets with cleaner vehicles, including assistance for rentals, leases and truck loans. The funding plan allocates existing funds toward incentive projects that support the state's air quality and climate goals, including for marine vessels, emerging technologies and zero-emission off-road equipment, such as freight, construction and agricultural equipment.

The approved plan also maintains a commitment to address environmental inequities and provides a boost to businesses that need the most support, with at least 60% of funding focused on bolstering equitable outcomes.

The funding plan was created by an extensive outreach process to help determine priorities. Highlights include:

- \$5 million for the Zero-Emission Truck Loan Pilot project to help fleets purchase zero-emission medium- and heavy-duty trucks. The project is offered in partnership with the California Energy Commission, which provides loan support for charging and other zero-emission fueling infrastructure.
- \$14.97 million for the Innovative Small e-Fleet Pilot Project, which provides vouchers for medium- and heavy-duty vehicles for small businesses and other organizations with 20 or fewer vehicles.
- \$14.97 million for the Clean Off-Road Equipment Project that helps businesses purchase zero-emission off-road equipment such as forklifts and cargo loaders.

CARB's incentives projects are designed to encourage adoption of zero-emission options and have successfully supported technological advancements and encouraged the market to move toward cleaner options.

### **CALIFORNIA ZEV PROGRAM**

On November 25, 2024, Governor Newsom announced that if the incoming Trump Administration abolishes the federal ZEV tax credit, he will advocate for the reintroduction of a revised version of the successful Clean Vehicle Rebate Program (CVRP), which was discontinued in 2023. The proposed rebates in California would aim to stimulate innovation and competition within the ZEV market and may be funded through the Greenhouse Gas Reduction Fund.

In the third quarter of 2024, Californians purchased 115,897 ZEVs, accounting for 26.4% of all new vehicle sales in the state. With the increasing number of electric vehicles (EVs), including plug-in hybrids, consumers are experiencing the benefits of a more extensive and efficient charging network being developed throughout California.

California's commitment to clean vehicles is unparalleled. In response to the growing demand for EVs and plug-in hybrids, the state is rapidly allocating funds to enhance and ensure a reliable and user-friendly charging infrastructure. Key developments include:

- The installation of 150,000 public and shared private electric vehicle chargers, along with over 500,000 home chargers.
- Allocation of more than \$32 million in federal funds to install, operate, and maintain 458 direct-current fast chargers (DCFC) along major highways. California has also received approval for an additional \$81.7 million in federal funds for next year.
- Accessibility to grants and rebates for low-income residents.

California's commitment extends beyond electric vehicles, focusing on emission reduction in freight transport and schools. Recent initiatives have included:

- \$102 million dedicated to installing charging and hydrogen fueling stations for zero-emission trucks along critical freight corridors, including Interstate 5.
- \$500 million invested in deploying an additional 1,000 ZEV school buses.

Additionally, State agencies are actively working to accelerate the deployment of charging stations, streamline processes, set guidelines, prepare for increased grid demand, and work with local utilities to efficiently electrify charging infrastructure. Key activities include:

- Collecting improved data on EV charger availability.
- Prioritizing ready-to-go projects for state and federal incentives.
- Developing the Zero-Emission Vehicle Infrastructure Plan (ZIP).
- Establishing reliability standards and updating transportation energy forecasts.

## **2025 LEGISLATIVE DEADLINES**

Jan. 6: Legislature reconvenes

Jan. 10: Budget bill must be submitted by Governor

Jan. 24: Last day to submit bill requests to the Office of Legislative Counsel.

Feb. 21: Last day for bills to be introduced

May 2: Last day for policy committees to hear and report to fiscal committees' fiscal bills introduced in their house

May 9: Last day for policy committees to hear and report to the Floor nonfiscal bills introduced in their house

May 16: Last day for policy committees to meet prior to June 9

May 23: Last day for fiscal committees to hear and report to the Floor bills introduced in their house.  
Last day for fiscal committees to meet prior to June 9

June 2-6: Floor Session only. No committee may meet for any purpose except Rules Committee, bills referred pursuant to A.R. 77.2, and Conference Committees

June 6: Last day for each house to pass bills introduced in that house

June 9: Committee meetings may resume

June 15: Budget bill must be passed by midnight

July 18: Last day for policy committees to hear and report bills

Aug. 29: Last day for fiscal committees to hear and report bills to the Floor

Sept. 2-12: Floor session only. No committees may meet for any purpose, except Rules Committee, bills referred pursuant to Assembly Rule 77.2, and Conference Committees

Sept. 5: Last day to amend on the Floor

Sept. 12: Last day for each house to pass bills. Interim Recess begins upon adjournment



BOARD MEETING DATE: January 10, 2025

AGENDA NO. 27

REPORT: Stationary Source Committee

SYNOPSIS: The Stationary Source Committee held a hybrid meeting on Friday, December 20, 2024. The following is a summary of the meeting.

RECOMMENDED ACTION:  
Receive and file.

Larry McCallon,  
Committee Chair  
Stationary Source Committee

JA:cr

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### **Committee Members**

Present: Councilmember Larry McCallon, Committee Chair  
Supervisor Holly J. Mitchell, Committee Vice Chair  
Chair Vanessa Delgado  
Vice Chair Michael A. Cacciotti  
Supervisor Curt Hagman  
Board Member Veronica Padilla-Campos

### **Call to Order**

Committee Chair McCallon called the meeting to order at 10:30 a.m.

For additional information of the Stationary Source Committee Meeting, please refer to the [Webcast](#).

### **Roll Call**

### **ACTION ITEM:**

- 1. Select Third Party Contractors to Administer Go Zero Pilot Incentive Program**  
Heather Farr, Planning and Rules Manager, Planning, Rule Development and Implementation, provided a summary of proposals submitted for RFP #P2025-01 and recommended third party contractors for implementation the Go Zero Pilot Incentive Program, based on panel review. For additional details please refer to the [Webcast](#) beginning at 2:38.

Committee Chair McCallon asked for clarification of splitting the outreach program (sub-project 5) between two bidders. Ms. Farr explained that the split is based on the larger population in Los Angeles and Orange County compared to Inland Empire. As a result, additional outreach is planned for these areas. For additional details please refer to the [Webcast](#) beginning at 6:40.

Board Member Padilla-Campos suggested that staff conduct a program evaluation before the end of the pilot phase and asked if the Board needs a motion for a six-month evaluation. Ms. Farr responded that staff will monitor the program and can update the committee. For additional details please refer to the [Webcast](#) beginning at 8:12.

Committee Chair McCallon inquired about funding availability and sources for future phases. Executive Officer Wayne Nastri responded that future fundings will be subject to the Board's approval and more information about Go Zero including its funding information can be found on the website as noted on the outreach flyer. For additional details please refer to the [Webcast](#) beginning at 10:51.

Brian Schmidt, Menlo Spark, commented their organization funded a multifamily affordable housing retrofit project in San Mateo County and there are other funded retrofit projects in Northern California suggesting their case study information would be helpful to contractors. For additional details please refer to the [Webcast](#) beginning at 13:42.

Vice Chair Cacciotti asked how many homes Go Zero will incentivize if the Go Zero incentives can be stacked with other incentive programs. Staff responded that several thousand homes can be funded and commented that other programs can be used with Go Zero. For additional details please refer to the [Webcast](#) beginning at 15:30.

Moved by; Hagman seconded by Cacciotti; unanimously approved.

Ayes: Cacciotti, Delgado, Mitchell, Hagman, Padilla-Campos, McCallon

Noes: None

Abstain: None

Absent: None

### **INFORMATIONAL ITEM:**

#### **2. Update on Proposed Amended Rule 1111 – Reduction of NOx Emissions from Natural Gas-Fired Furnaces and Proposed Amended Rule 1121 – Reduction of NOx Emissions from Small Natural Gas-Fired Water Heaters**

Ms. Farr provided updates on Proposed Amended Rules 1111 and 1121, outreach efforts, most revisions to the proposed amended rules, affordability issues of the proposed amended rules, and staff's recommendation for additional time. For additional details, please refer to the [Webcast](#) beginning at 20:55.

Supervisor Hagman supported the delay, so staff can conduct more outreach and further evaluate implementation costs. Supervisor Hagman also stated personal concerns about costs regarding heating and cooling equipment in his home. For additional details please refer to the [Webcast](#) beginning at 34:31.

Board Member Padilla-Campos asked for clarification of the different compliance dates for homes that have installed conditioning systems within the past ten years. Staff explained that this provision addresses stranded assets for more recently installed air conditioning systems, and allows these homeowners to install of a gas unit. After 2035, this provision would sunset. For additional details please refer to the [Webcast](#) beginning at 35:49.

Vice Chair Cacciotti supported moving the effective dates for both proposed rules to 2029, and requested clarification whether the technology check-ins will be performed as previously planned. Ms. Farr responded, after dates are moved, it may be beneficial to adjust the technology check-ins to align with the later implementation timeline. Ms. Farr also noted that heat pumps are being sold in significant numbers as of 2022 with sales surpassing gas furnaces. For additional details please refer to the [Webcast](#) beginning at 37:12.

Committee Vice Chair Mitchell recognized the outreach efforts staff has done since the October Stationary Source Committee meeting and commented that further delays in the rulemaking need to be justified through actionable efforts and suggested a subcommittee to consider recommendations to address affordability beyond incentives, in order to provide measurable metrics for staff and the public. For additional details please refer to the [Webcast](#) beginning at 38:00.

Chair Vanessa Delgado supported a delay in the rule so staff can reassess affordable technologies. For additional details please refer to the [Webcast](#) beginning at 46:37.

Vice Chair Cacciotti raised concerns about electrical grid reliability and suggested staff work with all utility providers. For additional details please refer to the [Webcast](#) beginning at 49:01.

There were 54 public comments. Many commenters supported the incentives. For additional details please refer to the [Webcast](#) beginning at 54:00

The following commenters supported the rules. They suggested no further delay, important health benefit, the need to adopt the rules to meet ozone standards, technology available now, the need to set market signal, the delaying of rules will not address affordability, concerns will be addressed at technology check-in, and use financing to address affordability concerns.

Fernando Gaytan, Earthjustice  
Suzanne Caflisch, community member  
Wes, community member  
Michelle Kim, community member  
Topher Mathers, community member  
Thomas Kim, community member  
Lillian Liang, community member  
Chris Chavez, Coalition for Clean Air  
Pete Marsh, community member  
Catalina, community member  
Julio Rodriguez, community member  
Michael Rochmes, Climate Reality Los Angeles  
Kim, community member  
Julia May, Communities for a Better Environment  
Jed Holtzman, RMI  
Jim Stewart, Sierra Club  
Jane Williams, California Communities Against Toxics  
Vickie Kirschenbaum, community member  
Al Sattler, community member  
Sam Fishman, SPUR  
David Martinez, Climate Action Campaign  
Kaita Keuchi, community member

The following public members expressed opposition or concern with the proposed amended rules. They suggested to delay the rules in order to address concerns on costs, affordability especially for low-income residents and small businesses, compliance timelines, and grid reliability, and also highlighted the need for alternative fuel, consumer choice, further technology development, more outreach, and more focus on mobile sources.

David Coffaro, Greater Irvine Chamber of Commerce  
Mary Caporale, Boys Republic  
Debra Porada, community member  
Ernest Shaw, Utility Workers of America, Local 43  
Kevin Barker, SoCalGas  
Anne Mallari, We Care  
Alexander Kim, Asian Business Association Orange County  
Bruce Smith, community member  
Peggi Hazlett, Greater Ontario Business Council  
Mike Learakos, Abound Food Care  
Kris Murray, Association of California Cities – Orange County  
Robert Castaneda, Low Income Oversight Board  
Luis Portillo, San Gabriel Valley Economic Partnership  
Peter Whittingham, Los Angeles County Business Federation (Bizfed)

Henry Rogers, Harbor Association of Industry and Commerce; South Bay Association of Chambers of Commerce  
Richard Markuson, Public Heating & Cooling Contractors of America  
Linda, community member  
Clint Olivier, Central Valley Business Federation (Bizfed)  
Mike Lewis, Construction Industry Air Quality Coalition  
Victoria Hernandez, South Orange County Economic Coalition  
Vickie McMurchie, Dana Point Chamber of Commerce  
Bob Shepard, community member  
Hassan Rahim, Aria Cleaners  
Amy Valdivia, Upland Chamber of Commerce  
Tim Hepburn, Mayor, City of La Verne  
Aaron Steinmetz, Upland Chamber of Commerce  
George Boutros, Orange County Business Council  
Elissa Diaz, Los Angeles Area Chamber of Commerce (LAACC)  
Evan Sanford, Redlands Chamber of Commerce  
Jonnae Sylvester, Brea Chamber of Commerce  
Richard Ren, New World International  
Jackie Romero, California Restaurant Association

Committee Chair McCallon recommended staff to reevaluate the cost-effectiveness calculations and affordability of the rules to homeowners. Committee Chair McCallon asked for clarification on the NOx reductions from the proposed rules. In addition, Chair McCallon emphasized the importance of reaching out to all utilities within the South Coast AQMD regarding the proposed rules. For additional details please refer to the [Webcast](#) beginning at 1:54:19.

Committee Chair McCallon made a motion to accept staff's recommendation to return to the Stationary Source Committee in February with a 60-day delay to the Board.

Moved by McCallon; seconded by Cacciotti; unanimously approved.

Ayes: Cacciotti, Hagman, McCallon  
Abstain: Mitchell, Padilla-Campos  
Noes: None  
Absent: Delgado

**WRITTEN REPORTS:**

**3. Monthly Permitting Enhancement Program (PEP) Update**

The report was acknowledged by the committee.

**4. Monthly Update of Staff’s Work with U.S. EPA and CARB on New Source Review Issues for the Transition of RECLAIM Facilities to a Command-and-Control Regulatory Program**

The report was acknowledged by the committee.

**5. Notice of Violation Penalty Summary**

The report was acknowledged by the committee.

**OTHER MATTERS:**

**6. Other Business**

There was no other business to report.

**7. Public Comment Period**

Pastor Zach emphasized the importance of focusing on vehicle emissions as a critical factor in improving air quality particularly in Southern California. For additional details please refer to the [Webcast](#) beginning at 2:03:35.

Al Sattler stressed the importance for stronger measures to control mobile source pollution and highlighted the importance of federal support. For additional details please refer to the [Webcast](#) beginning at 2:04:55.

**8. Next Meeting Date**

The next Stationary Source Committee meeting is scheduled for Friday, January 24, 2025.

**Adjournment**

The meeting was adjourned at 12:35 p.m.

**Attachments**

1. Attendance Record
2. Monthly Permitting Enhancement Program (PEP) Update
3. Monthly Update of Staff’s Work with U.S. EPA and CARB on New Source Review Issues for the Transition of RECLAIM Facilities to a Command-and-Control Regulatory Program
4. Notice of Violation Penalty Summary

## ATTACHMENT 1

### **SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT STATIONARY SOURCE COMMITTEE**

**Attendance –December 20, 2024**

|  |   |
|--|---|
| Councilmember Cacciotti .....              | South Coast AQMD Board Member                   |
| Senator Vanessa Delgado (Ret) .....        | South Coast AQMD Board Member                   |
| Supervisor Curt Hagman .....               | South Coast AQMD Board Member                   |
| Councilmember Larry McCallon .....         | South Coast AQMD Board Member                   |
| Supervisor Holly J. Mitchell .....         | South Coast AQMD Board Member                   |
| Board Member Veronica Padilla-Campos ..... | South Coast AQMD Board Member                   |
|  |   |
| Debra Mendelsohn .....                     | Board Consultant (McCallon)                     |
| Mark Taylor .....                          | Board Consultant (Rodriguez)                    |
|  |   |
| Kevin Barker .....                         | SoCalGas  |
| George Boutros .....                       | Orange County Business Council                  |
| Suzanne Caflisch .....                     | community member                                |
| Mary Caporale, .....                       | Boys Republic                                   |
| Robert Castaneda .....                     | Low Income Oversight Board                      |
| Catalina .....                             | community member                                |
| Chris Chavez .....                         | Coalition for Clean Air                         |
| David Coffaro .....                        | Greater Irvine Chamber of Commerce              |
| Elissa Diaz .....                          | LAACC   |
| Sam Fishman .....                          | SPUR  |
| Fernando Gaytan .....                      | Earthjustice                                    |
| Peggi Hazlett .....                        | Greater Ontario Business Council                |
| Tim Hepburn .....                          | Mayor, City of La Verne                         |
| Victoria Hernandez .....                   | South Orange County Economic Coalition          |
| Jed Holtzman .....                         | RMI   |
| Kaita Keuchi .....                         | community member                                |
| Michelle Kim .....                         | community member                                |
| Thomas Kim .....                           | community member                                |
| Kim .....                                  | community member                                |
| Alexander Kim .....                        | Asian Business Association Orange County        |
| Vickie Kirschenbaum .....                  | community member                                |
| Mike Learakos .....                        | Abound Food Care                                |
| Mike Lewis .....                           | Construction Industry Air Quality Coalition     |
| Lillian Liang .....                        | community member                                |
| Anne Mallari .....                         | We Care   |
| Richard Markuson .....                     | Public Heating & Cooling Contractors of America |
| Pete Marsh .....                           | community member                                |
| David Martinez .....                       | Climate Action Campaign                         |
| Topher Mathers .....                       | community member                                |
| Julia May .....                            | Communities for a Better Environment            |
| Vickie McMurchie, .....                    | Dana Point Chamber of Commerce                  |
| Linda .....                                | community member                                |
| Kris Murray .....                          | Association of California Cities Orange County  |
| Clint Olivier .....                        | Bizfed  |
| Debra Porada .....                         | community member                                |
| Luis Portillo .....                        | San Gabriel Valley Economic Partnership         |
| Hassan Rahim .....                         | Aria Cleaners                                   |

## ATTACHMENT 1

### **SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT STATIONARY SOURCE COMMITTEE**

**Attendance –December 20, 2024**

|                         |   |
|-------------------------|---|
| Richard Ren .....       | New World International                     |
| Michael Rochmes .....   | Climate Reality Los Angeles                 |
| Julio Rodriguez .....   | community member                            |
| Henry Rogers .....      | Harbor Association of Industry and Commerce |
| Jackie Romero .....     | California Restaurant Association           |
| Evan Sanford .....      | Redlands Chamber of Commerce                |
| Al Sattler .....        | community member                            |
| Brian Schmidt .....     | Menlo Spark                                 |
| Ernest Shaw .....       | Local 43 Utility Workers of America         |
| Bob Shepard .....       | community member                            |
| Bruce Smith .....       | community member                            |
| Aaron Steinmetz .....   | Upland Chamber of Commerce                  |
| Jim Stewart .....       | Sierra Club                                 |
| Jonnae Sylvester .....  | Brea Chamber of Commerce                    |
| Amy Valdivia .....      | Upland Chamber of Commerce                  |
| Wes .....               | community member                            |
| Peter Whittingham ..... | Bizfed                                      |
| Jane Williams .....     | California Communities Against Toxics       |
| Pastor Zach .....       | community member                            |

|                            |                        |
|----------------------------|------------------------|
| Jason Aspell .....         | South Coast AQMD staff |
| Cesar Ayala .....          | South Coast AQMD staff |
| Barbara Baird .....        | South Coast AQMD staff |
| Cindy Bustillos .....      | South Coast AQMD staff |
| Heather Farr .....         | South Coast AQMD staff |
| Scott Gallegos .....       | South Coast AQMD staff |
| De Groeneveld .....        | South Coast AQMD staff |
| Sheri Hanizavareh .....    | South Coast AQMD staff |
| Aaron Katzenstein .....    | South Coast AQMD staff |
| Michael Krause .....       | South Coast AQMD staff |
| Howard Lee .....           | South Coast AQMD staff |
| Jason Low .....            | South Coast AQMD staff |
| Terrence Mann .....        | South Coast AQMD staff |
| Ron Moskowitz .....        | South Coast AQMD staff |
| Ghislain Muberwa .....     | South Coast AQMD staff |
| Susan Nakamura .....       | South Coast AQMD staff |
| Wayne Nastri .....         | South Coast AQMD staff |
| Sarah Rees .....           | South Coast AQMD staff |
| Catherine Rodriguez .....  | South Coast AQMD staff |
| Alberto Silva .....        | South Coast AQMD staff |
| Lisa Tanaka O'Malley ..... | South Coast AQMD staff |
| Mei Wang .....             | South Coast AQMD staff |
| Jillian Wong .....         | South Coast AQMD staff |



**Monthly Permitting Enhancement Program (PEP) Update**  
**South Coast AQMD**  
**Stationary Source Committee – December 20, 2024**

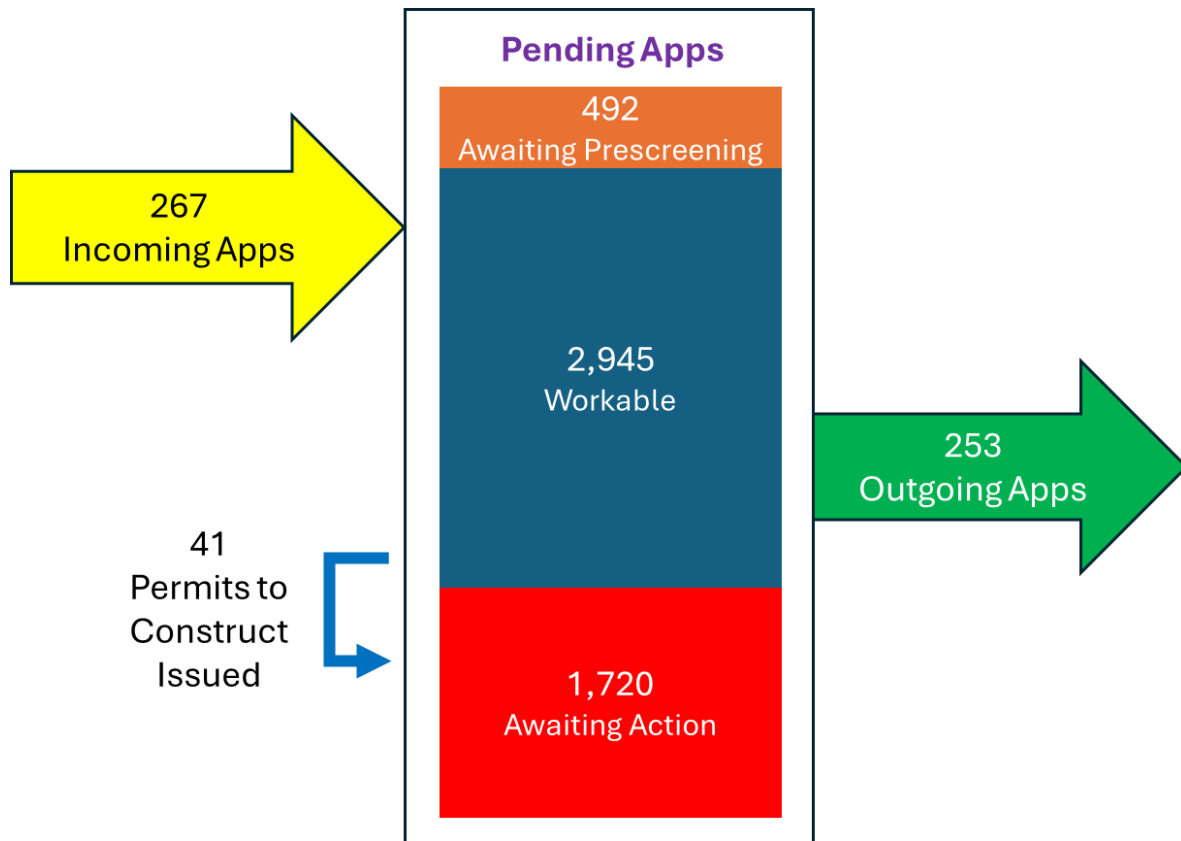
**Background**

At the February 2, 2024 Board meeting, the Board directed staff to provide monthly updates to the Stationary Source Committee to report progress made under the Permitting Enhancement Program (PEP). The Chair's PEP initiative was developed to enhance the permitting program and improve permitting inventory and timelines. This report provides a summary of the pending permit application inventory, monthly production, and other PEP related activities.

**Summary**

Pending Permit Application Inventory

The permitting process consists of a constant stream of incoming applications and outgoing application issuances, rejections, and denials. The remainder of the applications are considered the pending application inventory. The inventory consists of applications that are being prescreened prior to being accepted, workable applications, and non-workable applications. Non-workable means that staff are unable to proceed with processing an application because it is awaiting actions to address various regulatory requirements or deficiencies. As an example, after staff issues a Permit to Construct to a facility, staff must wait for the facility to construct and test the equipment prior to issuing a final Permit to Operate. Once a final Permit to Operate is issued, the permit application is removed from the pending application inventory. Other examples include facilities that may be in violation of rules and cannot be permitted until a facility achieves compliance, staff awaiting additional information from facilities, or facilities that have not completed the CEQA process for their project. During the life of an application, it may switch several times between being workable and non-workable as actions are taken by facilities and staff. Attachment 1 contains more detailed descriptions of the categories of non-workable permit applications. Figure 1 below provides a monthly snapshot of the pending application inventory.



**Figure 1: Application Processing Workflow – November 2024**

Table 1 below lists the categories included in Awaiting Action (Non-Workable) for the last month. Please note that Table 1 provides a snapshot of data and applications may change status several times before final action. Multiple categories may apply to a single application.

**Table 1: Awaiting Action (Non-Workable) Applications Summary**

| Awaiting Action (Non-Workable) Categories | Jun 2024 | Jul 2024 | Aug 2024 | Sep 2024 | Oct 2024 | Nov 2024 |
|---|----------|----------|----------|----------|----------|----------|
| Additional Information from Facility      | 220      | 219      | 265      | 286      | 294      | 288      |
| CEQA Completion                           | 35       | 31       | 32       | 34       | 34       | 34       |
| Completion of Construction                | 904      | 935      | 983      | 1,015    | 1,034    | 1,078    |
| Facility Compliance Resolution            | 22       | 36       | 36       | 37       | 36       | 37       |
| Facility Draft Permit Review              | 63       | 59       | 74       | 43       | 56       | 51       |
| Fee Payment Resolution                    | 3        | 4        | 4        | 6        | 5        | 6        |
| Other Agency Review                       | 15       | 36       | 45       | 37       | 36       | 46       |
| Other Facility Action                     | 4        | 10       | 10       | 21       | 21       | 21       |
| Other South Coast AQMD Review             | 0        | 0        | 0        | 0        | 0        | 0        |
| Public Notice Completion                  | 35       | 29       | 23       | 24       | 25       | 20       |
| Source Test Completion                    | 138      | 142      | 137      | 169      | 169      | 154      |

Please see Attachment 1 for more information on these categories.

In November, staff continued to complete applications at a rate higher than the targeted month to month average, raising the overall annual average. Not reflected in Figure 1 are an

additional 173 permits issued through the online permitting system which did not impact the permit application inventory. Staff has automated the permitting process for certain equipment allowing staff to focus their efforts on other permit applications. These 173 permit completions are reflected in Figure 2 below.

Since outgoing applications (green arrow) were less than incoming applications (yellow arrow) this month, the pending application inventory increased slightly. A lower than average number of incoming applications was received in November but was within typical seasonal fluctuations. The annual average production has increased over 15% as compared to this time last year. In addition, since May, the inventory of Workable applications has decreased from 3,088 to 2,945.

The inventory of Awaiting Action applications has recently increased. Most of the Awaiting Action applications have a Completion of Construction status. From March to November, staff issued many Permits to Construct, thereby increasing the Completion of Construction status from 770 to 1,078, including 41 Permits to Construct issued in November. Staff must wait for construction of the equipment to be completed prior to moving forward on these applications.

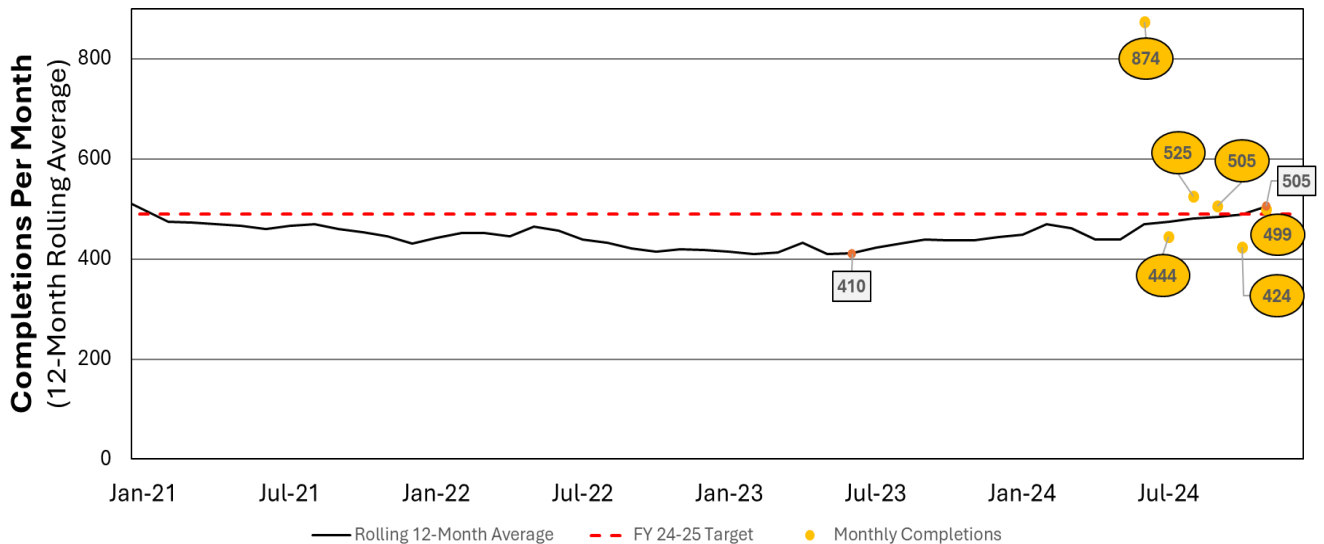
The rate of incoming applications is unpredictable and is dependent on business demands and the economic climate, as well as South Coast AQMD rule requirements. Maintaining the average production rate of outgoing applications greater than average rate of incoming applications is key to reducing the pending application inventory until a manageable working inventory is established. As stated above, the spike in incoming applications occurred in June as expected, and this typically results in a swell in the inventory as time is needed to address the surge of permit applications.

Maintaining a low vacancy rate with trained and experienced permitting staff is the biggest factor in maintaining high production and reducing the pending application inventory. In addition, data and analysis showed that addressing vacancies at the Senior and Supervising AQ Engineers was vital since these positions are the review and approval stages of the permitting process.

### Production

Prior to staff retirements, permit production levels in 2020 were typically above 500 completions per month. Prior to PEP implementation, high vacancy rates resulted in decreased permit completions. Lower production rates nearing 400 completions per month occurred as the vacancy rate peaked. As the vacancy rate has been reduced and staff have been trained, production has increased. Figure 2 below shows a rolling 12-month average of application completions and the monthly production for the last six months. Recently, increased monthly production levels (orange circles) are raising the rolling 12-month production averages (black line) in the chart below as compared to the period before PEP. The rolling 12-month average includes the monthly totals from the last year to visualize the trend over time, as production in individual months often fluctuates (in addition to fluctuations in incoming application submittals). The current rolling 12-month average production rate is 505 completions per month. A higher rolling 12-month average will indicate sustained higher production levels.

These higher production levels will begin to reduce the pending application inventory and improve permit processing times. A new fiscal year (FY) goal was set to increase production by 500 completions as compared to 2023. This equates to a soft target of 489 completions per month. The red line in Figure 2 shows this new fiscal year goal.



**Figure 2: Application Completions - Rolling 12-Month Average and Recent Six Months**

Production began to increase in the second half of 2023 as substantial promotions and hiring occurred. New engineering staff are currently being trained and production is expected to increase over the coming months and years as they become more experienced in their duties and can process more complex projects.

#### Engineering & Permitting (E&P) Vacancy Rate

The current E&P vacancy rate was maintained at 10.2%. The minimum target vacancy rate for PEP is 10%. When PEP was first announced, the E&P vacancy rate was greater than 20%. One separation due to a transfer and one hiring are anticipated to occur in December and will maintain the vacancy rate at 10.2%. Hiring of new engineers is targeted for the first quarter of 2025 and the recruitment is in process.

#### Key Activities

- Staff delayed the effective date of the new Health Risk Assessment module to allow for additional time for facilities to transition to the new tool. The effective date was moved from November 1 to December 1.
- Staff created additional application forms to implement Rule 317.1. Staff is in the process of developing additional resources to assist facilities navigate new Rule 317.1 requirements.
- Staff conducted a Permit Streamlining Task Force (PSTF) meeting on December 10 and presented PEP efforts related to the public notice process. The PSTF also discussed concepts to enhance the Certified Permitting Professional Program under PEP.

Upcoming Meetings:

- Staff will present a PEP update to the Board in first quarter of 2025.
- Staff will conduct either a PSTF or a Permitting Working Group meeting in March 2025
- Staff is targeting to conduct at least six public meetings regarding permitting in Fiscal Year 2024-2025. Staff has reached 75% of this target.

## Attachment 1

### Explanation of Non-Workable Application Statuses

Workable applications are those applications where staff have the required information to process the permit application.

Non-workable applications are those applications where the application process has been paused while staff are awaiting the resolution of one or more related tasks or where the permit cannot be issued.

#### Description of Non-Workable/Awaiting Action Terms

##### Additional Information from Facility

During permit processing staff may need additional information from a facility that was not included in the original permit application package or a change of scope of the proposed project. Additional information may include items regarding materials used in the equipment (such as toxics), equipment information, or other items to perform emission calculations or determine compliance for the proposal in the application.

##### CEQA Completion

Prior to issuing permits, CEQA requirements are required to be evaluated and completed. South Coast AQMD can either be the Lead Agency that certifies or approves the CEQA document or the Responsible Agency that consults with the Lead Agency (typically a land use agency) on the CEQA document.

##### Completion of Construction

After a Permit to Construct is issued, the permit application file remains in the pending application inventory. Staff must wait for the facility to complete construction prior to completing other compliance determination steps before the permitting process can continue. Typically, a Permit to Construct is valid for one year, but it may be extended for various reasons if the facility demonstrates they are making increments of progress. For some large projects, construction may take years while the permit application remains in the pending application inventory.

##### Facility Compliance Resolution

Prior to issuing permits the affected facility must demonstrate compliance with all rules and regulations [Rule 1303(b)(4)]. Prior to the issuance of a Permit to Construct, all major stationary sources that are owned or operated by, controlled by, or under common control in the State of California are subject to emission limitations must demonstrate that they are in compliance or on a schedule for compliance with all applicable emission limitations and standards under the Clean Air Act. [Rule 1303(b)(2)(5)].

##### Facility Draft Permit Review

If a facility requests to review their draft permit, staff provides the facility a review period prior to proceeding with issuance. During the review period, staff do not perform any additional evaluation until feedback from the facility is received. Some projects include several permits or large facility permit documents which may take a substantial time to review.

### Fee Payment Resolution

Prior to issuing permits, all fees must be remitted, including any outstanding fees from associated facility activities including, but not limited to, annual operating and emission fees, modeling or source testing fees, and permit reinstatement fees.

### Other Agency Review

The Title V permitting program requires a 45-day review of proposed permitting actions by U.S. EPA prior to many permitting actions. During the review period, staff are unable to proceed with permit issuance. If U.S. EPA has comments or requests additional information, the review stage may add weeks or months to the process before staff can proceed with the project.

For Electricity Generating Facilities (Power Plants), CEC may provide a review of proposed permits prior to issuance.

### Other Facility Action

Prior to issuing a permit, a facility may need to take action to address deficiencies or take steps to meet regulatory requirements. This may include acquiring Emission Reduction Credits after staff notifies a facility the project requires emissions to be offset, performing an analysis for Best Available Control Technology requirements, or conducting air dispersion modeling.

### Other South Coast AQMD Review

Prior to proceeding with a permit evaluation, permit engineering staff may require assistance and support from other South Coast AQMD departments. For example, IM support for electronic processing due to unique or long-term project considerations or to complete concurrent review of separate phases or integrated processes for multi-phase projects is routinely needed.

### Public Notice Completion

There are several South Coast AQMD requirements that may require public noticing and a public participation process prior to permit issuance. Rule 212 and Regulation XXX both detail public noticing thresholds and requirements which include equipment located near schools, high-emitting equipment, equipment above certain health risk thresholds, or significant projects or permit renewals in the Title V program. The public notice period is typically 30 days, and staff are required to respond to all public comments in writing prior to proceeding with the permitting process. Other delays in the public notice process may include delays in distribution of the notice by the facility, incomplete distribution which may require restarting the 30-day period, or requests for extension from the public.

### Source Test Completion

Many rules require source testing prior to permit issuance. Source testing is the measurement of actual emissions from a source that may be used to determine compliance with emission limits, or measurements of toxic emissions may be used to perform a health risk assessment. Lab analysis of an air sample is often required as part of the process. The testing is performed by third party contractors who prepare a source test protocol to detail the testing program, and a source test report with the results of the testing and equipment operation. Both the protocol and report need to be reviewed and approved by South Coast AQMD staff.

## **December 2024 Update on Work with U.S. EPA and California Air Resources Board on New Source Review Issues for the RECLAIM Transition**

At the October 5, 2018, Board meeting, the Board directed staff to provide the Stationary Source Committee with a monthly update of staff’s work with U.S. EPA regarding resolving NSR issues for the transition of facilities from RECLAIM to a command-and-control regulatory structure. Key activities with U.S. EPA and CARB since the last report are summarized below.

| <b>Item</b>   | <b>Discussion</b>   |
|---|---|
| Meeting with U.S. EPA (Region IX) – December 12, 2024 | <ul style="list-style-type: none"><li>• Discussed options for the future of NOx RECLAIM and the status of Maricopa County Rule 205 – Emission Offsets Generated by Voluntary Mobile Source Emission Reduction Credits</li></ul> |

- RECLAIM/NSR Working Group meeting is not planned for December
- The RECLAIM/NSR Working Group will be reconvened when there is information to report



**SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT**  
**General Counsel's Office**  
**Settlement Penalty Report (11/01/2024 - 11/30/2024)**

**Total Penalties**

Civil Settlement: \$620,092.50  
Hearing Board Settlement: \$324,153.80  
MSPAP Settlement: \$112,135.25  
**Total Cash Settlements: \$1,056,381.55**  
**Total SEP Value: \$0.00**

**Fiscal Year through 11/30/2024 Cash Total: \$4,018,442.65**  
**Fiscal Year through 11/30/2024 SEP Value Only Total: \$0.00**

| Fac ID       | Company Name              | Rule Number             | Settled Date | Init | Notice Nbrs  | Total Settlement |
|--------------|---------------------------|-------------------------|--------------|------|--|------------------|
| <b>Civil</b> |                           |                         |              |      |  |                  |
| 141383       | ACE HARDWARE CORPORATION  | 1168                    | 11/22/2024   | BT   | P79801   | \$18,200.00      |
| 197705       | AEROPOSTALE               | 2305                    | 11/07/2024   | JL   | O15035   | \$20,000.00      |
| 201310       | BRIDGE POINT CARSON LLC   | 203, 1148.1, 1173, 1176 | 11/08/2024   | SH   | P80709   | \$10,500.00      |
| 195107       | CALNRG OPERATING, LLC     | 463, 1173               | 11/14/2024   | EC   | P79903   | \$4,000.00       |
| 6616         | CHROMAL PLATING CO        | 1469                    | 11/08/2024   | SH   | P67517, P78607   | \$6,000.00       |
| 182561       | COLTON POWER LP           | 2012, 2012 Appendix A   | 11/08/2024   | DH   | P78903   | \$7,200.00       |
| 199903       | COOPER LIGHTING SOLUTIONS | 2305                    | 11/13/2024   | ND   | O15051   | \$11,000.00      |
| 19823        | CREE OIL LTD              | 203                     | 11/08/2024   | SH   | P74396   | \$4,000.00       |
| 122691       | DEIST                     | 203, 463, 1173          | 11/21/2024   | JL   | P75672, P75680, P79651   | \$14,400.00      |
| 85014        | HILL BROTHERS CHEMICAL CO | 314, 1113               | 11/20/2024   | JJ   | P75751   | \$5,000.00       |
| 187823       | KIRKHILL INC              | 1100, 2004, 2012, 2305  | 11/20/2024   | JL   | O15020, P66938, P78705   | \$10,500.00      |
| 139799       | LITHOGRAPHIX INC          | 2305, 3002, 3003, 3004  | 11/14/2024   | NS   | O15006, P65871, P73805   | \$13,463.00      |
| 201061       | LOWE'S COMPANIES INC      | 1143                    | 11/20/2024   | JL   | P74917, P74918, P74919,<br>P74920, P74921, P74922,<br>P74933, P74934 | \$293,000.00     |
| 2825         | MCP FOODS INC             | 2004, 3002              | 11/01/2024   | MR   | P67385, P74613   | \$2,418.00       |
| 8408         | OMNI METAL FINISHING INC  | 203, 1469               | 11/07/2024   | MR   | P74701, P74711, P79553   | \$4,231.50       |

| Fac ID   | Company Name                              | Rule Number   | Settled Date | Init   | Notice Nbrs                               | Total Settlement |
|--|---|---|--------------|--------|---|------------------|
| 183564   | ONNI TIMES SQUARE LP                      | 203, 2004   | 11/08/2024   | RL     | P75626, P78703                            | \$4,800.00       |
| 200617   | ONTPDC                                    | 2305  | 11/22/2024   | RM     | O15059, O15061                            | \$47,600.00      |
| 158855   | REDLANDS CITY MUNICIPAL UTILITIES & ENG   | 203   | 11/05/2024   | NS     | P74126, P74127                            | \$8,700.00       |
| 16639  | SHULTZ STEEL CO                           | 1430, 2004, 2012, 3002  | 11/14/2024   | MR     | P63810, P63822, P63834,<br>P64382, P64395 | \$12,090.00      |
| 114083   | SOLUTIONS UNLIMITED - WILSON'S ART STUDIO | 3002  | 11/15/2024   | SH     | P73960                                    | \$750.00         |
| 191558   | SPACE EXPLORATION TECHNOLOGIES            | 2305  | 11/07/2024   | JL     | O15021                                    | \$2,500.00       |
| 181667   | TORRANCE REFINING COMPANY LLC             | 221, 463, 1114, 1118, 1178,<br>2004, 3002, 40 CFR 60, QQQ,<br>40 CFR 63.670 | 11/21/2024   | DH     | P65638                                    | \$84,960.00      |
| 181667   | TORRANCE REFINING COMPANY LLC             | 1118, 2004, 3002  | 11/21/2024   | DH     | P66724, P74080                            | \$4,680.00       |
| 200289   | VEYER                                     | 2305  | 11/07/2024   | ND     | O15054                                    | \$13,800.00      |
| 201692   | WIN IT AMERICA INC                        | 2305  | 11/07/2024   | ND     | O15083                                    | \$13,800.00      |
| 180360   | WINDSOR GARDENS CONVALESCENT CENTER       | 203   | 11/12/2024   | CM     | P78716                                    | \$2,500.00       |
| <b>Total Civil Settlements: \$620,092.50</b>         |   |   |              |        |   |                  |
| <b>Hearing Board</b>                                 |   |   |              |        |   |                  |
| 119219   | CHIQUITA CANYON LLC                       | 431.1, 3002   | 11/22/2024   | KER/MR | 6177-4                                    | \$304,153.80     |
| 146536   | WALNUT CREEK ENERGY LLC                   | 203, 2004, 3002   | 11/22/2024   | KCM    | 6230-6                                    | \$20,000.00      |
| <b>Total Hearing Board Settlements: \$324,153.80</b> |   |   |              |        |   |                  |
| <b>MSPAP</b>   |   |   |              |        |   |                  |
| 193990   | ARCADIA GOLF COURSE                       | 461   | 11/15/2024   | CR     | P73713                                    | \$504.00         |
| 174570   | ARCO (#42135) TESORO REFINING & MARKETING | 461, H&S 41960  | 11/22/2024   | CM     | P79604                                    | \$1,286.00       |
| 155753   | ARCO AM/PM CONTINENTAL OIL                | 461   | 11/22/2024   | CM     | P80571                                    | \$2,568.00       |
| 181026   | ARCO AM/PM (#42960)                       | 461, H&S 41960.2  | 11/01/2024   | CM     | P80961                                    | \$3,706.00       |
| 21330  | BLUE BANNER CO INC                        | 203   | 11/01/2024   | CM     | P79220                                    | \$1,209.00       |
| 201462   | BLUE BOX OPCO (DBA "INFANTINO")           | 2305  | 11/15/2024   | CL     | O15119                                    | \$5,000.00       |
| 180406   | BROADWAY MART INC                         | 461   | 11/01/2024   | SW     | P80934                                    | \$1,996.20       |
| 5023   | CAL ST UNIV LONG BEACH EH&S               | 1146, 1146.1  | 11/22/2024   | CL     | P73830                                    | \$16,723.00      |
| 23166  | CANDLEWOOD COUNTRY CLUB                   | 203, 222, 461   | 11/22/2024   | CL     | P74466                                    | \$4,819.00       |
| 203666   | CRASH MONSTERS GARAGE                     | 203   | 11/01/2024   | CR     | P74043                                    | \$857.00         |
| 195630   | DR HORTON                                 | 403   | 11/15/2024   | CM     | P74197                                    | \$2,018.00       |
| 202279   | DRINKPAK                                  | 2305  | 11/22/2024   | CL     | O15165                                    | \$5,000.00       |
| 143630   | ELECTRODE TECH INC REID METAL FINISHING   | 203, 1469   | 11/22/2024   | CL     | P65550, P74710                            | \$3,022.00       |
| 162592   | GROVE 76 (JC OIL INC)                     | 461   | 11/22/2024   | CL     | P70187                                    | \$777.00         |
| 113433   | HARBER COMPANIES INC                      | 1403  | 11/22/2024   | CL     | P74718, P74719                            | \$7,768.00       |

| Fac ID                                       | Company Name                        | Rule Number      | Settled Date | Init | Notice Nbrs    | Total Settlement |
|--|-------------------------------------|------------------|--------------|------|----------------|------------------|
| 48040  | HILL'S BOAT SERVICE INC             | 203              | 11/01/2024   | SW   | P79605         | \$1,148.55       |
| 116539                                       | HITEC METAL FABRICATION CORP        | 203              | 11/22/2024   | CL   | P80269         | \$2,018.00       |
| 173417                                       | HUNTINGTON HARBOR CAR WASH          | 203, 461         | 11/01/2024   | CL   | P74811, P78775 | \$5,151.00       |
| 198202                                       | JET EDGE INTERNATIONAL              | 203              | 11/13/2024   | CL   | P62785         | \$5,802.00       |
| 198028                                       | KOIA ANAHEIM FACILITY LLC           | 203, 1146        | 11/01/2024   | CL   | P80266         | \$4,231.00       |
| 179557                                       | KR HOLLYWOOD LLC                    | 203              | 11/15/2024   | CL   | P76507         | \$1,386.00       |
| 70461  | LA CO FIRE STATION (#85)            | 461              | 11/08/2024   | CM   | P73178         | \$1,818.00       |
| 195683                                       | MATICH CORPORATION                  | 403              | 11/22/2024   | CR   | P74143         | \$2,018.00       |
| 183737                                       | ORANGE COUNTY GLOBAL MEDICAL CENTER | 1415.1           | 11/08/2024   | VB   | P74915         | \$9,368.00       |
| 85487  | PASADENA AUTO WASH                  | 461, H&S 41960.2 | 11/08/2024   | CR   | P80906         | \$2,861.00       |
| 181537                                       | PDQ RENTALS                         | 461              | 11/22/2024   | SW   | P79862         | \$3,022.50       |
| 194392                                       | RADC ENTERPRISES INC                | 461, H&S 41960.2 | 11/15/2024   | SW   | P80929         | \$1,438.00       |
| 136643                                       | RIVKAH INC                          | 461              | 11/15/2024   | VB   | P80935         | \$900.00         |
| 179084                                       | RJM MINI MARKET INC                 | 461, H&S 41960.2 | 11/08/2024   | CR   | P79376         | \$1,030.00       |
| 92752  | SANTA ANA CITY CORPORATE YARD       | 461              | 11/08/2024   | CR   | P73956, P73957 | \$2,218.00       |
| 185283                                       | SIXT RENT A CAR                     | 203, 461         | 11/08/2024   | VB   | P78416         | \$2,342.00       |
| 182089                                       | SUNBELT RENTALS PC 632              | 461              | 11/01/2024   | CL   | P71174, P75951 | \$554.00         |
| 195738                                       | THE HABIT BURGER                    | 222              | 11/08/2024   | CR   | P73921         | \$1,208.00       |
| 8443   | WORLD OIL MARKETING CO (#13)        | 461, H&S 41960.2 | 11/08/2024   | CR   | P80938         | \$1,513.00       |
| 186723                                       | WORLDPAC INC                        | 203              | 11/01/2024   | CL   | P75622         | \$4,855.00       |
| <b>Total MSPAP Settlements: \$112,135.25</b> |                                     |                  |              |      |                |                  |

**SOUTH COAST AQMD'S RULES AND REGULATIONS INDEX  
FOR NOVEMBER 2024 PENALTY REPORT**

**REGULATION II - PERMITS**

- Rule 203 Permit to Operate
- Rule 221 Plans
- Rule 222 Filing Requirements for Specific Emission Sources Not Requiring a Written Permit Pursuant to Regulation II

**REGULATION III - FEES**

- Rule 314 Fees for Architectural Coatings

**REGULATION IV - PROHIBITIONS**

- Rule 403 Fugitive Dust
- Rule 431.1 Sulfur Content of Gaseous Fuels
- Rule 461 Gasoline Transfer and Dispensing
- Rule 463 Storage of Organic Liquids

**REGULATION XI - SOURCE SPECIFIC STANDARDS**

- Rule 1100 Implementation Schedule for NOx Facilities
- Rule 1113 Architectural Coatings
- Rule 1114 Petroleum Refinery Coking Operations (MCS-01)
- Rule 1118 Emissions from Refinery Flares
- Rule 1143 Consumer Paint Thinners & Multi-Purpose Solvents
- Rule 1146 Emissions of Oxides of Nitrogen from Industrial, Institutional and Commercial Boilers, Steam Generators, and Process Heaters
- Rule 1146.1 Emissions of Oxides of Nitrogen from Small Industrial, Institutional, and Commercial Boilers, Steam Generators, and Process Heaters
- Rule 1148.1 Oil and Gas Production Wells
- Rule 1151 Motor Vehicle and Mobile Equipment Non-Assembly Line Coating Operations
- Rule 1168 Adhesive and Sealant Applications
- Rule 1173 Fugitive Emissions of Volatile Organic Compounds
- Rule 1176 Sumps and Wastewater Separators
- Rule 1178 Further Reductions of VOC Emissions from Storage Tanks at Petroleum Facilities

**REGULATION XIV - TOXICS**

- Rule 1403 Asbestos Emissions from Demolition/Renovation Activities
- Rule 1415.1 Reduction of Refrigerant Emissions from Stationary Refrigeration Systems
- Rule 1430 Control of Emissions from Metal Grinding Operations at Metal Forging Facilities
- Rule 1469 Hexavalent Chromium Emissions from Chrome Plating and Chromic Acid Anodizing Operations

**SOUTH COAST AQMD'S RULES AND REGULATIONS INDEX  
FOR NOVEMBER 2024 PENALTY REPORT**

**REGULATION XX - REGIONAL CLEAN AIR INCENTIVES MARKET (RECLAIM)**

- Rule 2004 Requirements
- Rule 2012 Requirements for Monitoring, Reporting, and Recordkeeping for Oxides of Nitrogen (NOx) Emissions
- Rule 2012
- Appendix A Protocol for Monitoring, Reporting, and Recordkeeping for Oxides of Nitrogen (NOx) Emissions

**REGULATION XXIII - FACILITY BASED MOBILE SOURCE MEASURES**

- Rule 2305 Warehouse Indirect Source Rule – Warehouse Actions and Investments to Reduce Emissions (Waive) Program

**REGULATION XXX - TITLE V PERMITS**

- Rule 3002 Requirements
- Rule 3003 Applications
- Rule 3004 Permit Types and Content

**CODE OF FEDERAL REGULATIONS**

- 40 CFR 60, QQQ Standards of Performance for VOC Emissions from Petroleum Refinery Wastewater
- 40 CFR 63.670 Requirements for Flare Control Devices

**CALIFORNIA HEALTH AND SAFETY CODE**

- 41960 Certification of Gasoline Vapor Recovery System
- 41960.2 Gasoline Vapor Recovery
- 42402 Violation of Emission Limitations – Civil Penalty

 [Back to Agenda](#)

BOARD MEETING DATE: January 10, 2025

AGENDA NO. 28

REPORT: Technology Committee

SYNOPSIS: The Technology Committee held a hybrid meeting on Friday, December 20, 2024. The following is a summary of the meeting.

RECOMMENDED ACTION:  
Receive and file.

Carlos Rodriguez, Chair  
Technology Committee

AK:kr

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### **Committee Members**

Present: Supervisor Curt Hagman  
Mayor Patricia Lock Dawson  
Councilmember Larry McCallon  
Board Member Veronica Padilla-Campos  
Supervisor Donald Wagner  
Mayor Pro Tem Carlos Rodriguez, Committee Chair

### **Call to Order**

Committee Chair Carlos Rodriguez called the meeting to order at 9:00 a.m.

For additional details of the Technology Committee Meeting, please refer to the [Webcast](#).

### **ACTION ITEMS:**

**1. Recognize Revenue for Implementation of Programs for Replacement of Class 6 and 7 Vehicles and School Buses with Zero-Emission Vehicles and Reimburse General Fund (*Motion Requested*)**

Krystle Martinez, Program Supervisor/Technology Advancement Office, presented on two grants: Empowering Local Environmental Change Through Replacing Internal Combustion with Battery Electric Class 6 or 7 Vehicles (ELECTRIC) and Clean Air Rides for Kids (CARE4Kids). Ms. Martinez explained that the ELECTRIC program will replace diesel or gasoline-powered Class 6 and 7 freight delivery

vehicles with zero-emission vehicles and the CARE4Kids program will replace internal combustion Class 6 and 7 school buses with zero-emission buses. These actions are to: 1) recognize revenue, upon receipt, up to \$33,898,522 from U.S. EPA for the ELECTRIC Program into Fund (17); 2) recognize revenue, upon receipt, up to \$24,842,632 from U.S. EPA for the CARE4Kids Program into Fund (17); and 3) reimburse General Fund up to \$6,061,504 from Fund (17) for the administrative costs to run the programs. For additional details, please refer to the [Webcast](#) beginning at 5:49.

Councilmember McCallon asked how many school districts responded to the proposal and the response from school districts in San Bernardino County. Ms. Martinez responded that a notice was sent out to school districts and of the eight school districts that responded, one school district is in San Bernardino County. Aaron Katzenstein, Deputy Executive Officer/Technology Advancement Office, further clarified that the Redlands Unified School District responded and did not know why other school districts within San Bernardino County did not respond. For additional details, please refer to the [Webcast](#) beginning at 8:38.

Committee Chair Rodriguez asked if there is a general timeline for when the school buses and vehicles will be deployed and asked for updates on deployment. Ms. Martinez responded within two years for the vehicle and school bus programs, and staff confirmed to provide updates on deployment. For additional details, please refer to the [Webcast](#) beginning at 12:52

Harvey Eder, Public Solar Power Coalition, expressed concern for the CEQA requirement pertaining to political economics, equity disbursement, and the necessity of solar for low income. For additional details, please refer to the [Webcast](#) beginning at 10:17.

Moved by McCallon; seconded by Hagman; unanimously approved.

Ayes: Hagman, Lock Dawson, McCallon, Wagner, Rodriguez  
Noes: None  
Abstain: None  
Absent: Padilla-Campos

**2. Execute Contracts and Transfer Funds under Climate Pollution Reduction Grant Infrastructure, Vehicles, and Equipment Strategy for Climate, Equity, Air Quality, and National Competitiveness Program and Issue RFP for Third-Party Facilitator(s) For Infrastructure, Vehicles, and Equipment Strategy for Climate, Equity, Air Quality, and National Competitiveness and Empowering Local Environmental Change Through Replacing Internal Combustion with Battery Electric Class 6 or 7 Vehicles**

Mei Wang, Assistant Deputy Executive Officer/Technology Advancement Office, provided an update on implementation of South Coast AQMD's Infrastructure, Vehicle, and Equipment Strategy for Climate, Equity, Air Quality, and National Competitiveness (INVEST CLEAN), which is a grant from U.S. EPA as part of the Climate Pollution Reduction Grant (CPRG). These actions are to: 1) execute contracts with the Los Angeles County Electrical Educational and Training Trust Fund, Alliance for Sustainable Energy LLC, and SCAG in the amounts not to exceed \$5,000,000, \$1,800,000, and \$51,500,000, respectively, to conduct a workforce development program, validate program's emission reduction performance, and implement the Last Mile Freight Program; 2) issue RFP #2025-11 to solicit Third-Party Facilitator(s) for Community Benefit Programs and authorize the Executive Officer to execute and/or amend contracts; 3) transfer up to \$20,000 as temporary loan from Legislative, Public Affairs and Media FY 2024-25 Professional and Special Services Fund (01) into EPA CPRG Special Revenue Fund (90) to cover the Third-Party Facilitator's initial costs for the INVEST CLEAN work; 4) transfer up to \$100,000 as a temporary loan from Clean Fuels Fund (31) to Fund (90) for Alliance for Sustainable Energy's initial program setup costs; and 5) Appropriate \$ 150,000 from the General Fund Undesignated (Unassigned) Fund Balance into Information Management's FY 2024-25 Budget, Services and Supplies and/or Capital Outlays Major Objects for INVEST CLEAN online project application system modification. For additional details, please refer to the [Webcast](#) beginning at 14:56.

Councilmember McCallon, Supervisor Hagman, Mayor Lock Dawson and Supervisor Wagner commented that they do not have a financial interest but are required to identify for the record that Councilmember McCallon, Supervisor Hagman, and Mayor Lock Dawson are Regional Council Members for the Southern California Association of Governments and Supervisor Wagner is a member of the Transportation Committee, Regional Council, Executive and Administrative Committee, Legislative/Communications & Membership Committee, and Joint Policy Committee for Southern California Association of Governments, which is involved in this item.

Supervisor Hagman commented that many other governmental agencies are working on workforce training, including colleges, and recommended that South Coast AQMD coordinate efforts with other agencies so efforts are not duplicated.

Dr. Katzenstein responded that International Brotherhood of Electrical Workers



(IBEW) covers a wide regional area and already has an apprenticeship program; the task here is focused on the electrical charging and enabling the scale-up. Staff will have IBEW reach out to the existing programs. For additional details, please refer to the [Webcast](#) beginning at 23:06.

Mr. Eder recommended increasing the use of renewable energy sources.

Committee Chair Rodriguez expressed interest in obtaining updates on workforce training, community engagement, and collaboration. Lisa Tanaka, Deputy Executive Officer/Legislative, Public Affairs and Media, provided information about hosting office hours and contacting Metropolitan Statistical Area, cities, and interested parties. Committee Chair Rodriguez suggested, and staff agreed to following up with all the parties involved in the CPRG INVEST CLEAN grant and updating the committee to ensure transparency. For additional details, please refer to the [Webcast](#) beginning at 27:19.

Moved by Hagman; seconded by McCallon; unanimously approved.

Ayes: Hagman, Lock Dawson, McCallon, Wagner, Rodriguez  
Noes: None  
Abstain: None  
Absent: Padilla-Campos

**3. Transfer and Appropriate Funds, Recognize Revenue, and Execute Contract for EV Charger Installation Services at South Coast AQMD Headquarters**

Vasileios Papapostolou, Planning and Rules Manager/Technology Advancement Office, presented on the replacement of charging infrastructure at South Coast AQMD Headquarters, including a CALSTART award of \$70,000 to South Coast AQMD to replace 28 EV chargers under the Communities in Charge grant. These actions are to: 1) transfer and appropriate \$723,248 from the Clean Fuels Program Fund (31) into the Technology Advancement Office's FY 2024-25 Budget; 2) recognize revenue, upon receipt, up to \$70,000 awarded from CALSTART into the Clean Fuels Program Fund (31); and 3) execute a contract with GreenWealth Energy Solutions, Inc. for EV hardware and software installation and maintenance at South Coast AQMD headquarters for up to \$723,248 from Technology Advancement Office's FY 2024-25 Budget. For additional details, please refer to the [Webcast](#) beginning at 32:18

Councilmember McCallon asked which area will be worked on first to install the EV chargers. Dr. Katzenstein responded that the CC8 Parking Area will be prioritized first because there are fewer chargers in that area, then will progress towards the larger installation areas. For additional details, please refer to the [Webcast](#) beginning at 36:33

Mayor Lock Dawson stated that charging technologies are changing rapidly and asked what the strategy is to be adaptive and if the installed technology will become quickly outdated. Dr. Katzenstein stated that the charging plugs are now standardized in the industry, such as the J1772 and NACS/Tesla plugs, and these new installations will include both types. Dr. Katzenstein also stated this installation will include more advanced software management capabilities, allowing staff to better monitor and change different parameters, if needed. For additional details, please refer to the [Webcast](#) beginning at 37:16.

Committee Chair Rodriguez asked about warranty information for these chargers. Dr. Papapostolou replied typically 5-7 years. Dr. Katzenstein explained that these chargers are for light-duty vehicles and the most difficult part of the installation is providing power to the chargers. He said once the power is provided, the charger infrastructure can be replaced as needed. Dr. Katzenstein also mentioned the 7-year service agreement will cover the anticipated 5-year lifespan of these new chargers. For additional details, please refer to the [Webcast](#) beginning at 39:06.

Moved by Hagman; seconded by McCallon; unanimously approved.

Ayes: Hagman, Lock Dawson, McCallon, Padilla-Campos, Rodriguez

Noes: None

Abstain: None

Absent: None

**4. Recognize Funds, Execute or Amend Contracts for Zero-Emission Heavy-Duty Truck Replacement Projects and Reimburse General Fund for Administrative Costs**

Tom Lee, Planning and Rules Manager/Technology Advancement Office, presented on the U.S. EPA Diesel Emissions Reduction Act grant to replace up to 22 heavy-duty Class 8 diesel trucks with new zero-emission trucks. The project will target Class 8 diesel truck fleets that operate around the San Pedro Bay Ports. These actions are to: 1) recognize \$4,500,000 from EPA DERA into the Clean Fuels Program Fund (31) for the replacement of Class 8 diesel trucks with ZE trucks; 2) execute or amend contracts for ZE truck replacement projects using future project lists from the Carl Moyer Program solicitations; 3) reimburse the General Fund (01) up to \$100,000 from the Clean Fuels Program Fund (31) for administrative costs to implement the DERA projects; and 4) reimburse the General Fund (01) using FY 2019 TAG funds for deployment of fuel cell transit buses at SunLine Transit Agency from the Advanced Technology, Outreach and Education Fund (17) up to \$156,601 for administrative costs. For additional details, please refer to the [Webcast](#) beginning at 42:06. No questions or comments from Committee members.

Moved by Hagman; seconded by McCallon; unanimously approved.

Ayes: Hagman, Lock Dawson, McCallon, Padilla-Campos, Rodriguez  
Noes: None  
Abstain: None  
Absent: None

**OTHER MATTERS:**

**1. Other Business**

Chair Rodriguez thanked Mark Taylor for his years of service as a staff consultant. For additional details, please refer to the [Webcast](#) beginning at 48:48.

Executive Officer Wayne Nastri announced that Ruby Laity, Principal Deputy District Counsel, will be leaving South Coast AQMD for a new position in San Diego and thanked her for her 16 years of service.

**2. Public Comment Period**

No public comment

**3. Next Meeting Date**

The next regular Technology Committee meeting is scheduled for Friday, January 24, 2025, at noon.

**Adjournment**

The meeting adjourned at 9:50 a.m.

**Attachment**

Attendance Record

**ATTACHMENT**

**SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT  
TECHNOLOGY COMMITTEE MEETING  
Attendance Record – December 20, 2024**

|  |                                   |
|--|-----------------------------------|
| Supervisor Curt Hagman .....               | South Coast AQMD Board Member     |
| Mayor Patricia Lock Dawson .....           | South Coast AQMD Board Member     |
| Councilmember Larry McCallon .....         | South Coast AQMD Board Member     |
| Board Member Veronica Padilla-Campos ..... | South Coast AQMD Board Member     |
| Mayor Pro Tem Carlos Rodriguez .....       | South Coast AQMD Board Member     |
| Supervisor Donald Wagner .....             | South Coast AQMD Board Member     |
|  |                                   |
| Bill Glazier .....                         | Board Consultant (Cacciotti)      |
| Debra Mendelsohn .....                     | Board Consultant (McCallon)       |
| Fred Minassian .....                       | Board Consultant (Padilla-Campos) |
| Andy Silva .....                           | Board Consultant (Lock Dawson)    |
| Mark Taylor .....                          | Board Consultant (Rodriguez)      |
|  |                                   |
| Harvey Eder .....                          | Public Solar Power Coalition      |
| Moses Huerta .....                         | Public Member                     |
| Charles Kim .....                          | Public Member                     |
| Lisa Mirisola .....                        | Public Member                     |
| Beth Quiambao .....                        | Public Member                     |
|  |                                   |
| Debra Ashby .....                          | South Coast AQMD Staff            |
| Berj Der Boghossian .....                  | South Coast AQMD Staff            |
| Isabel Builles .....                       | South Coast AQMD Staff            |
| Cindy Bustillos .....                      | South Coast AQMD Staff            |
| Sam Cao .....                              | South Coast AQMD Staff            |
| Penny Shaw Cedillo .....                   | South Coast AQMD Staff            |
| Philip Crabbe III .....                    | South Coast AQMD Staff            |
| Christian Felding .....                    | South Coast AQMD Staff            |
| Scott Gallegos .....                       | South Coast AQMD Staff            |
| Sheri Hanizavareh .....                    | South Coast AQMD Staff            |
| Sujata Jain .....                          | South Coast AQMD Staff            |
| Justin Joe .....                           | South Coast AQMD Staff            |
| Roupen Kakouzian .....                     | South Coast AQMD Staff            |
| Aaron Katzenstein .....                    | South Coast AQMD Staff            |
| Angela Kim .....                           | South Coast AQMD Staff            |
| Ruby Laity .....                           | South Coast AQMD Staff            |
| Alicia Lizarraga .....                     | South Coast AQMD Staff            |
| Howard Lee .....                           | South Coast AQMD Staff            |
| Tom Lee .....                              | South Coast AQMD Staff            |
| Hay Lo .....                               | South Coast AQMD Staff            |
| Joseph Lopat .....                         | South Coast AQMD Staff            |

Jason Low .....South Coast AQMD Staff  
Ian MacMillan ..... South Coast AQMD Staff  
Krystle Martinez .....South Coast AQMD Staff  
Ron Moskowitz ..... South Coast AQMD Staff  
Ghislain Muberwa ..... South Coast AQMD Staff  
Susan Nakamura .....South Coast AQMD Staff  
Wayne Nastri .....South Coast AQMD Staff  
Lisa Tanaka ..... South Coast AQMD Staff  
Vasileios Papapostolou .....South Coast AQMD Staff  
Anish Pathak .....South Coast AQMD Staff  
Robert Paud ..... South Coast AQMD Staff  
Marissa Poon ..... South Coast AQMD Staff  
Cynthia Ravenstein .....South Coast AQMD Staff  
Kristin Remy ..... South Coast AQMD Staff  
Brian Roberts ..... South Coast AQMD Staff  
Danielle Soto ..... South Coast AQMD Staff  
Carolina Vargas .....South Coast AQMD Staff  
Kristina Voorhees .....South Coast AQMD Staff  
Mei Wang ..... South Coast AQMD Staff  
Fan Xu ..... South Coast AQMD Staff

BOARD MEETING DATE: January 10, 2025

AGENDA NO. 30

**PROPOSAL:** Select Third Party Contractors to Administer Go Zero Pilot Incentive Program

**SYNOPSIS:** South Coast AQMD released RFP #P2025-01 in August 2024 to solicit proposals for third-party contractor(s) to administer sub-projects of the Go Zero incentive program. Staff from South Coast AQMD and California Air Resources Board evaluated the proposals and is providing recommendations for third-party contractors to implement each sub-project. Go Zero will be initially funded up to \$21 million from mitigation fees collected under the alternative compliance options for residential space heating appliances maintained in the Rule 1111 Air Quality Investment Fund (27), approved in August 2024 at RFP #P2025-01 release.

**COMMITTEE:** Stationary Source, December 20, 2024, Reviewed

**RECOMMENDED ACTIONS:**

Authorize the Chair (or by the Chair's designation, the Executive Officer) to execute contracts from the Rule 1111 Air Quality Investment Fund (27) with:

1. Electric & Gas Industries Association (EGIA) in an amount not to exceed \$9,000,000 to administer single family rebates;
2. Willdan Energy Solutions in an amount not to exceed \$10,000,000 to administer multifamily and small business rebates;
3. The Energy Coalition in an amount not to exceed \$1,800,000 to conduct installer training and 80 percent of outreach and application assistance; and
4. Community Connections, LLC in an amount not to exceed \$200,000 to conduct 20 percent of outreach and application assistance.

Wayne Nastri  
Executive Officer

## **Background**

The 2022 AQMP is a blueprint for measures that are needed for the South Coast Air Basin to meet the ozone NAAQS. In order to meet state and federal air quality standards and provide clean air to the 17 million residents within the South Coast AQMD, the 2022 AQMP relied on the deployment of zero-emission technologies, wherever feasible. To partially implement the AQMP, South Coast AQMD is developing zero-emission NOx standards for residential and commercial space and water heating appliances.

One challenge for the widespread implementation of zero-emission residential and commercial space and water heating appliances is the cost, particularly for residents in overburdened communities. Through the 2022 AQMP Resolution, the Board directed staff to work with stakeholders to develop concepts for a funding program to incentivize the transition to zero-emission technologies, with a strong emphasis on incentivizing zero-emission technologies in overburdened communities. Substantial incentive funds and programs are needed to address the potentially significant cost of adopting zero-emission appliances for these communities to implement zero-emission technologies in an equitable way.

## **Go Zero Pilot Incentive Program**

The objectives of the Go Zero pilot incentive program are divided into five sub-projects funded with \$21 million from the Rule 1111 Air Quality Investment Fund (Fund 27). A third-party contractor could submit a bid for any or all sub-projects, which include:

- Sub-Project 1: Rebate program for single family space and water heating appliances, or other single-family appliances included in future modified phase(s) (\$9 million);
- Sub-Project 2: Rebate program for multifamily space and water heating appliances, or other multifamily appliances included in future modified phase(s) (\$5 million);
- Sub-Project 3: Rebate program for small business water heating appliances, or other small business appliances included in future modified phase(s) (\$5 million);
- Sub-Project 4: Training program for installers of zero-emission space and water heating appliances (\$1 million); and
- Sub-Project 5: Targeted outreach and application assistance to residents in overburdened communities (\$1 million).

At least 75 percent of the rebate funding (single family, multifamily, and small business rebates) will be dedicated to those applying from overburdened communities, identified under Senate Bill 535 (De León, Statutes of 2012)

(<https://oehha.ca.gov/calenviroscreen/sb535>) or through participation in the utility

California Alternate Rates for Energy or Family Electric Rate Assistance discounted rates programs which are financial assistance programs helping qualifying families lower their monthly energy bills.

### **RFP Release**

Following the Board's approval on August 2, 2024, RFP #P2025-01 was issued to solicit proposals from qualified applicants to serve as third-party contractor(s) to administer the five sub-projects. A Bidders' Conference was held on August 28, 2024, and the deadline for proposals was September 27, 2024, at 1:00 p.m. PT.

### **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 Sun, and Riverside County's Press Enterprise newspapers.

Additionally, potential bidders were notified utilizing South Coast AQMD's 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>).

Staff conducted outreach alongside rulemaking for space heating and water heating zero-emission standards, presented on Go Zero at many meetings with various local governments, utility providers, other rebate program administrators, and environmental groups since January 2024, and had considerable community engagement. Newsletters notified over 6,000 recipients, 41 California Lobbying Firms, and 108 Caucus members. Outreach ensured organizations representing large groups were included (e.g., BizFed, representing more than 400,000). Several South Coast AQMD Advisor articles mentioned the program and other incentives.

### **Bid Evaluation**

A panel of five reviewers, consisting of three panel members from South Coast AQMD's Planning, Rule Development and Implementation, one panel member from South Coast AQMD's Legislative, Public Affairs and Media, and one panel member from CARB, considered the seven submitted proposals. Each sub-project had between three to seven bidders. All bidders offered English and Spanish language support, along with any other needed language support, as was specified in the RFP. Proposals were evaluated based on the criteria outlined in the RFP.

EGIA, a non-profit company which administered the previous CleanAir Furnace Rebate Program, scored the highest for Sub-Projects 1, 2, and 3. The low 8.5 percent administrative cost was key to setting apart their total points.



Willdan Energy Solutions, a local business which had the greatest experience administering multifamily and small business incentives, had the second highest score for Sub-Projects 2 and 3; however, their high score in experience and background for Sub-Projects 2 and 3 set their proposal apart from the other bidders. Multifamily and small business are the new focus of South Coast AQMD incentive programs, and this type of experience is highly necessary.

The Energy Coalition, a non-profit, scored highest for Sub-Projects 4 and 5. For Sub-Project 4 (Installer Training), The Energy Coalition proposed the most years of training, sessions, and enrollees. For Sub-Project 5 (Outreach and Application Assistance), The Energy Coalition has relevant technical and outreach experience throughout all South Coast AQMD counties.

One bidder, Community Connections, LLC, showed strong community engagement, outreach experience, and representation of Diversity, Equity and Inclusion in Los Angeles and Orange Counties.

### **Proposal**

For Sub-Projects 1 through 4, based on panel review scoring and consideration of multifamily and small business administration experience, staff recommends selecting:

- EGIA, for Sub-Project 1 (Single Family Rebates, \$9 Million);
- Willdan Energy Solutions, for Sub-Project 2 (Multifamily Rebates, \$5 Million) and Sub-Project 3 (Small Business Rebates, \$5 Million); and
- The Energy Coalition, for Sub-Project 4 (Installer Training, \$1 Million).

For Sub-Project 5, based on panel review scoring and consideration of thorough coverage of public outreach, staff recommends selecting both The Energy Coalition and Community Connections, LLC and to divide the tasks. Staff recommends selecting:

- Community Connections, LLC, to provide outreach in Los Angeles and Orange Counties to cover the larger population in those counties, allocating twenty percent of Sub-Project 5 funding (\$200,000); and
- The Energy Coalition, to provide outreach and application assistance in Los Angeles, Orange, San Bernardino and Riverside Counties and recommends allocating eighty percent of Sub-Project 5 funding (\$800,000).

### **Benefits to South Coast AQMD**

The Go Zero pilot incentive program will provide rebates to consumers, multifamily property owners, and small businesses replacing traditional NOx emission appliances, such as furnaces or water heaters, with zero-emission appliances; provide training to installers to help educate the workforce; and provide targeted outreach and application assistance to residents in overburdened communities. Initiating the rebate program will help implement 2022 AQMP control measures for widespread adoption of zero-emission appliances, which is necessary to reduce NOx emissions and to meet the NAAQS ozone standards.

### **Resource Impacts**

Sufficient funds are available in Rule 1111 Air Quality Investment Fund (27). As the program will be administrated by selected contractor(s) with administration fees included in the allocated \$21 million funding, no administrative cost will be required for staff.

### **Attachment**

- A. Panel Scoring
- B. Presentation

## Attachment A – Panel Scoring

|  | Average of Panel Reviewers' Technical Points for Sub-Project 1 (Single Family Rebates) |                                 |               |   |                             | Additional Points                           |   | Total Technical Plus Additional Points |
|--|--|---------------------------------|---------------|---|-----------------------------|---|---|--|
|  | Experience/<br>Background (20)   | Administration<br>Approach (20) | Outreach (20) | Accountability and<br>Statistics of<br>Similar Projects<br>(10) | Administration<br>Fees (30) | Specified Criteria -<br><i>Capped at 15</i> | Total Additional<br>Points (self-<br>certified) |  |
| <b>Bidders</b>   |  |                                 |               |   |                             |   |   |  |
| <b>ELECTRIC AND<br/>GAS INDUSTRIES<br/>ASSOCIATION</b> | 19   | 17.6                            | 16.4          | 10  | 30.0                        | None found                                  | 0   | 93.0                                   |
| <b>FRONTIER<br/>ENERGY</b>                             | 17.2   | 16.2                            | 14.6          | 6.2   | 24.9                        | None found                                  | 0   | 79.1                                   |
| <b>THE ENERGY<br/>COALITION</b>                        | 16.4   | 18.6                            | 18            | 8.8   | 8.2                         | None found                                  | 0   | 70.0                                   |
| <b>WILLDAN<br/>ENERGY<br/>SOLUTIONS</b>                | 12.6   | 18.4                            | 18.6          | 9.2   | 6.5                         | Local Business - 5                          | 5   | 70.3                                   |

| Bidders                                 | Average of Panel Reviewers' Technical Points for Sub-Project 2 (Multifamily Rebates) |                              |               |  |                          | Additional Points                 |   | Total Technical Plus Additional Points |
|---|--|------------------------------|---------------|--|--------------------------|-----------------------------------|---|--|
|   | Experience/ Background (20)  | Administration Approach (20) | Outreach (20) | Accountability and Statistics of Similar Projects (10) | Administration Fees (30) | Specified Criteria - Capped at 15 | Total Additional Points (self-certified) - Not to Exceed 15 |  |
| ELECTRIC AND GAS INDUSTRIES ASSOCIATION | 13.8   | 16                           | 16.6          | 8  | 30                       | None found                        | 0   | 84.4                                   |
| THE ENERGY COALITION                    | 11.8   | 18.4                         | 18            | 7.8  | 0                        | None found                        | 0   | 56.0                                   |
| WILLDAN ENERGY SOLUTIONS                | 20   | 19                           | 18.8          | 10   | 5.0                      | Local Business - 5                | 5   | 77.8                                   |

| Bidders                                 | Average of Panel Reviewers' Technical Points for Sub-Project 3 (Small Business Rebates) |                              |               |  |                          | Additional Points                 |   | Total Technical Plus Additional Points |
|---|---|------------------------------|---------------|--|--------------------------|-----------------------------------|---|--|
|   | Experience/ Background (20)   | Administration Approach (20) | Outreach (20) | Accountability and Statistics of Similar Projects (10) | Administration Fees (30) | Specified Criteria - Capped at 15 | Total Additional Points (self-certified) - Not to Exceed 15 |  |
| ELECTRIC AND GAS INDUSTRIES ASSOCIATION | 11  | 15.6                         | 15.6          | 8.2  | 30.0                     | None found                        | 0   | 80.4                                   |
| FRONTIER ENERGY                         | 10.8  | 14.4                         | 14.2          | 6.4  | 24.8                     | None found                        | 0   | 70.6                                   |
| THE ENERGY COALITION                    | 13.8  | 16.4                         | 17            | 7.8  | 1.0                      | None found                        | 0   | 56.0                                   |
| WILLDAN ENERGY SOLUTIONS                | 20  | 18.6                         | 18.4          | 10   | 5.0                      | Local Business - 5                | 5   | 77.0                                   |

|  | Average of Panel Reviewers' Technical Points for Sub-Project 4 (Installer Training) |                              |               |  |                          | Additional Points  |  | Total Technical Plus Additional Points |
|--|---|------------------------------|---------------|--|--------------------------|--|--|--|
|  | Experience/ Background (20)   | Administration Approach (20) | Outreach (20) | Accountability and Statistics of Similar Projects (10) | Administration Fees (30) | Specified Criteria - <i>Capped at 15</i>   | Total Additional Points (self-certified) - <i>Not to Exceed 15</i> |  |
| <b>Bidders</b>                                 |   |                              |               |  |                          |  |  |  |
| <b>ELECTRIC AND GAS INDUSTRIES ASSOCIATION</b> | 19  | 18.6                         | 15.2          | 10   | 30                       | None found   | 0  | 92.8                                   |
| <b>FRONTIER ENERGY</b>                         | 14.2  | 12                           | 15            | 5  | 30                       | None found   | 0  | 76.2                                   |
| <b>NORTH STAR ALLIANCES</b>                    | 10  | 12                           | 15            | 6.4  | 30                       | Small Business Enterprise/Small Business Joint Venture - 10;<br>Local Business - 5 | 15   | 88.4                                   |
| <b>THE ENERGY COALITION</b>                    | 19.6  | 18.6                         | 19.2          | 9.6  | 30                       | None found   | 0  | 97                                     |
| <b>WILLDAN ENERGY SOLUTIONS</b>                | 17  | 17.6                         | 17.2          | 10   | 30                       | Local Business - 5   | 5  | 96.8                                   |

|  | Average of Panel Reviewers' Technical Points for Sub-Project 5 (Application Assistance/Outreach) |                              |               |  |                          | Additional Points  |   | Total Technical Plus Additional Points |
|--|--|------------------------------|---------------|--|--------------------------|--|---|--|
|  | Experience/ Background (20)  | Administration Approach (20) | Outreach (20) | Accountability and Statistics of Similar Projects (10) | Administration Fees (30) | Specified Criteria - Capped at 15  | Total Additional Points (self-certified) - Not to Exceed 15 |  |
| <b>Bidders</b>                                 |  |                              |               |  |                          |  |   |  |
| <b>COMMUNITY CONNECTIONS, LLC</b>              | 14.2   | 11.4                         | 14            | 5  | 30                       | Small Business Enterprise/Small Business Joint Venture - 10; Local Business - 5                | 15  | 89.6                                   |
| <b>ELECTRIC AND GAS INDUSTRIES ASSOCIATION</b> | 14   | 15                           | 14            | 8  | 30                       | None found   | 0   | 81                                     |
| <b>FRONTIER ENERGY</b>                         | 12   | 14                           | 13            | 7  | 30                       | None found   | 0   | 76                                     |
| <b>NORTH STAR ALLIANCES</b>                    | 12.2   | 11.2                         | 11.6          | 7  | 30                       | Small Business Enterprise/Small Business Joint Venture - 10; Local Business - 5                | 15  | 87                                     |
| <b>QUITCARBON</b>                              | 6.6  | 11.4                         | 10.4          | 6.8  | 30                       | Small Business Enterprise/Small Business Joint Venture - 10; Low Emission Vehicle Business - 5 | 15  | 80.2                                   |
| <b>THE ENERGY COALITION</b>                    | 16.6   | 17.8                         | 16.6          | 9  | 30                       | None found   | 0   | 90                                     |
| <b>WILLDAN ENERGY SOLUTIONS</b>                | 14.2   | 17                           | 14            | 9  | 30                       | Local Business - 5   | 5   | 89.2                                   |



# Third-Party Contractor Selection for Go Zero Incentive Program

Board Meeting  
January 10, 2025



# Background



2022 AQMP seeks the adoption of zero-emission standards, wherever feasible, to meet National Ambient Air Quality Standards

- Ongoing rulemaking for zero-emission space and water heating appliances
- One of the challenges is high implementation cost



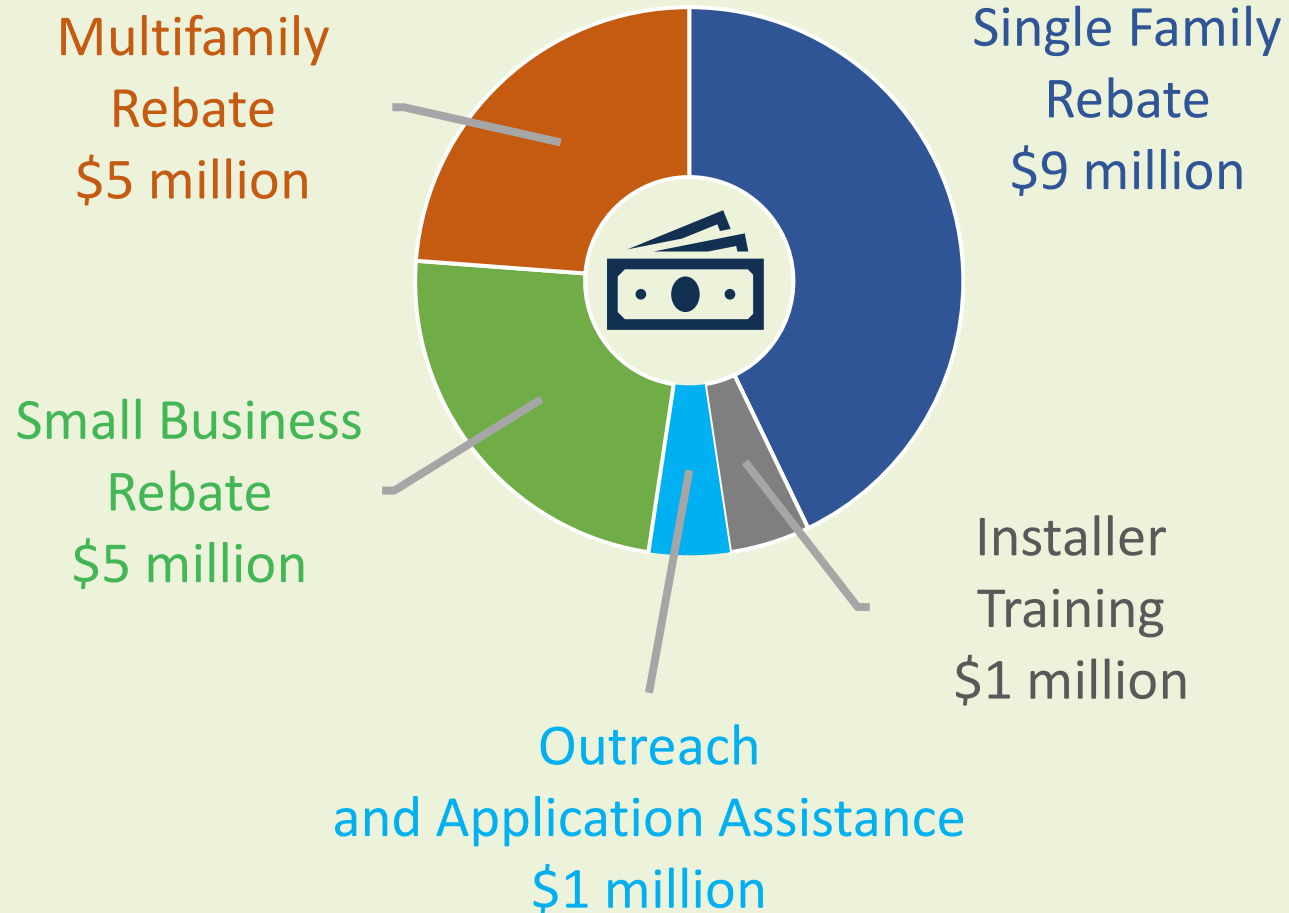
Go Zero pilot incentive program will incentivize the purchase of zero-emission space and water heating appliances

- Encourage the early adoption of zero-emission technologies
- Provide needed financial assistance in overburdened communities
- Pilot phase needed for lessons and experiences to improve for future phases including amount of rebates
- Contractor selection approved by Stationary Source Committee on December 20, 2024



# Go Zero Pilot Incentive Program Sub-Projects

Pilot program includes five sub-projects:



Initial pilot program funding of \$21 million, with 75% of rebate funds for overburdened communities

Contractors could submit a bid to administer any or all sub-projects

# Proposals



## RFP Outreach

- Posted in newspapers, newsletters, website, advisor articles
- Notified business associations, lobbying firms, Caucus members, various minority chambers of commerce
- Outreach alongside rulemaking



## Bidders

- Seven bidders applied for one or more Sub-Projects
- Proposed subcontractors for certain parts of projects
  - Bidders responsible for working with subcontractors



## Panel Review

- Five panel members:
  - Four from two divisions of South Coast AQMD
  - One from California Air Resources Board
- Reached out to bidders for clarification and conducted reference checks

# Bidders

## Non-profits:

- EGIA
- The Energy Coalition

## Local Businesses:

- Willdan Energy Solutions
- North Star Alliances
- Community Connections

## Small Businesses:

- North Star Alliances
- QuitCarbon
- Community Connections

## Minority- or Woman-led:

- North Star Alliances
- Community Connections

## Location of Experience

- Community Connections in LA & OC
- QuitCarbon in NorCal
- Others in all four counties

# Staff Recommendation

**EGIA:**

- **Sub-Project 1** (Single Family Rebates, \$9 Million)

**Willdan Energy Solutions:**

- **Sub-Project 2** (Multifamily Rebates, \$5 Million)
- **Sub-Project 3** (Small Business Rebates, \$5 Million)

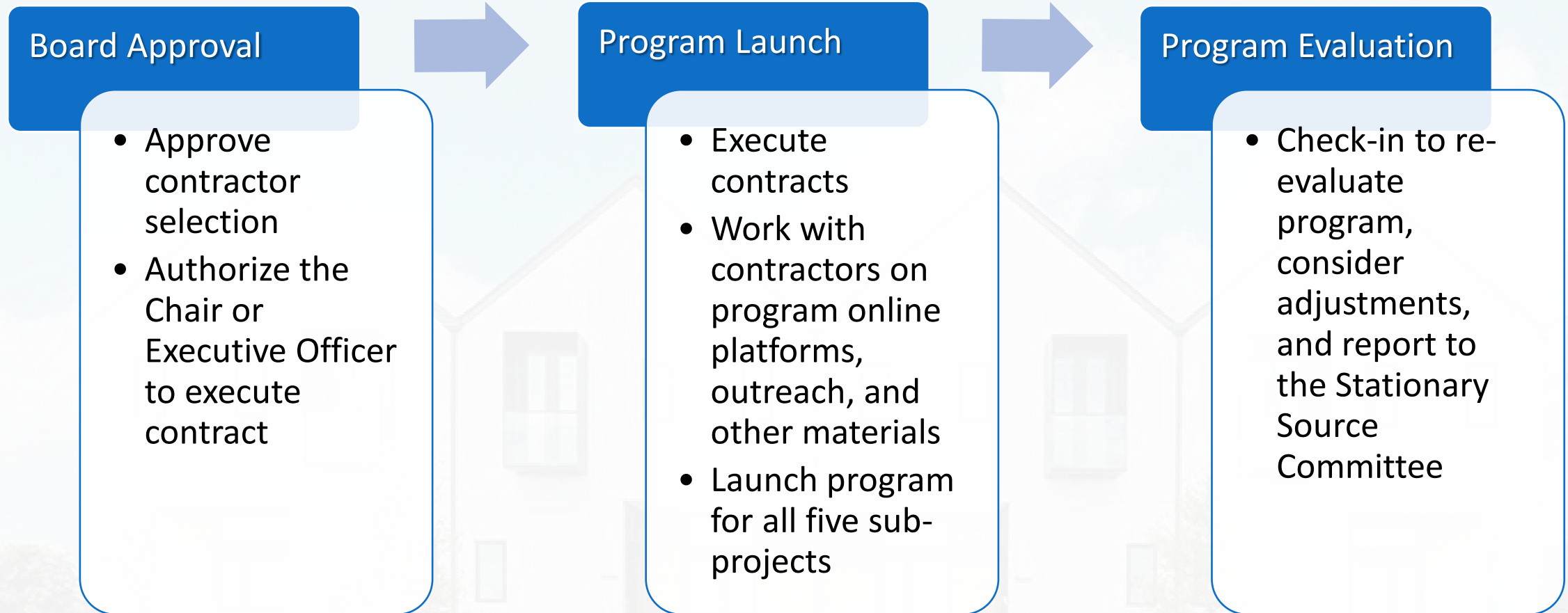
**The Energy Coalition:**

- **Sub-Project 4** (Installer Training, \$1 Million)
- **80% of Sub-Project 5** (\$800,000)
  - **Application assistance (\$600,000) and outreach (\$200,000) in all four counties**

**Community Connections, LLC:**

- **20% of Sub-Project 5** (\$200,000)
- **Outreach in Los Angeles and Orange Counties**

# Next Steps



BOARD MEETING DATE: January 10, 2025

AGENDA NO. 31

**PROPOSAL:** Determine That Proposed Amended Rule 1179.1 – Emission Reductions from Combustion Equipment at Publicly Owned Treatment Works Facilities, Is Exempt from CEQA; and Amend Rule 1179.1

**SYNOPSIS:** Rule 1179.1 establishes NO<sub>x</sub> limits for boilers, turbines, and engines located at publicly owned treatment works. Proposed Amended Rule 1179.1 will correct cross-references in Attachment 1 by harmonizing it with similar references in Attachment 1 of Rule 1110.2 – Emissions from Gaseous- and Liquid-Fueled Engines.

**COMMITTEE:** No Committee Review

**RECOMMENDED ACTIONS:**

Adopt the attached Resolution:

1. Determining that Proposed Amended Rule 1179.1 – Emission Reductions from Combustion Equipment at Publicly Owned Treatment Works Facilities, is exempt from the requirements of the California Environmental Quality Act; and
2. Amending Rule 1179.1 – Emission Reductions from Combustion Equipment at Publicly Owned Treatment Works Facilities.

Wayne Natri  
Executive Officer

SR:MK:MM:IS

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This Board letter serves as the Staff Report for the proposed amendments to Rule 1179.1 – Emission Reductions from Combustion Equipment at Publicly Owned Treatment Works Facilities (PAR 1179.1).

**Background**

Rule 1179.1 – Emission Reductions from Combustion Equipment at Publicly Owned Treatment Works Facilities (Rule 1179.1) was adopted in 2020 and established emission limits for boilers, turbines, and engines located at publicly owned treatment works. Rule 1179.1 also incorporated provisions similar to relevant source-specific rules such as Rule 1110.2 – Emissions from Gaseous- and Liquid-Fueled Engines (Rule 1110.2), including Rule 1110.2 - Attachment 1 which describes the requirements for inspection and monitoring plans. Attachment 1 of Rule 1179.1 identifies items required to be included in the inspection and monitoring plan for engines submitted to the Executive Officer for approval. The intent of Rule 1179.1 - Attachment 1 was to contain the same elements as Rule 1110.2 - Attachment 1. However, South Coast AQMD staff identified erroneous cross-references between Rule 1179.1 - Attachment 1 and Rule 1110.2 – Attachment 1.

On February 4, 2024, a compliance advisory was issued to correct Rule 1179.1 - Attachment 1 by harmonizing it with Rule 1110.2 - Attachment 1.<sup>1</sup> PAR 1179.1 will codify the corrected rule references described in the compliance advisory.

**Public Process**

Staff held a Public Workshop for PAR 1179.1 on October 23, 2024. Comments were received and responses to these comments are summarized under Key Issues.

**Proposal**

PAR 1179.1 will correct erroneous cross-references in Rule 1179.1 - Attachment 1 by harmonizing it with Rule 1110.2 - Attachment 1.

| <b>Rule 1179.1 - Attachment 1 Section</b> | <b>Rule 1179.1 -Attachment 1 Erroneous Cross-References</b> | <b>PAR 1179.1 - Attachment 1 Corrected Cross-References</b> |
|---|---|---|
| A 1                                       | Clause (h)(2)(C)(ii)  | Paragraph (e)(9)  |
| C   | Clause (h)(2)(D)(ii)  | Paragraph (h)(2)  |
| D 4                                       | Clause (h)(2)(D)(ii)  | Paragraph (h)(2)  |
| E   | Clause (h)(2)(D)(iii)                                       | Paragraph (k)(1)  |
| G   | Subparagraph (h)(2)(H)                                      | Paragraph (k)(4)  |

**Key Issues**

Staff is not aware of any key remaining issues.

<sup>1</sup> <http://www.aqmd.gov/docs/default-source/compliance/rule-1179-1-compliance-advisory.pdf?sfvrsn=6>

### **California Environmental Quality Act (CEQA)**

Pursuant to the California Environmental Quality Act (CEQA) Guidelines Sections 15002(k) and 15061, PAR 1179.1 is exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3). A Notice of Exemption has been prepared pursuant to CEQA Guidelines Section 15062 and is included as Attachment G of this Board letter. If PAR 1179.1 is approved, the Notice of Exemption will be filed for posting with the county clerks of Los Angeles, Orange, Riverside, and San Bernardino counties, and with the State Clearinghouse of the Governor's Office of Planning and Research.

### **Socioeconomic Impact Assessment**

The proposed amendments to Rule 1179.1 are administrative in nature, do not affect air quality or emission limitations, and thus, will not result in socioeconomic impacts. Therefore, a socioeconomic impact assessment is not required under Health and Safety Code Sections 40440.8 and 40728.5.

### **Comparative Analysis**

PAR 1179.1 does not impose a new or more stringent emissions limit or standard, or a new or more stringent monitoring, reporting, or recordkeeping requirement. Therefore, consistent with Health and Safety Code Section 40727.2 (g), no comparative analysis is required.

### **AQMP and Legal Mandates**

The Health and Safety Code requires South Coast AQMD to adopt an AQMP to meet state and federal ambient air quality standards in the South Coast Air Basin. In addition, the Health and Safety Code requires South Coast AQMD to adopt rules and regulations that carry out the objectives of the AQMP. PAR 1179.1 is an administrative correction and is not part of any control measure in the 2022 AQMP.

### **Resource Impacts**

Existing staff resources are adequate to implement the recommended actions.

### **Attachments**

- A. Summary of Proposal
- B. Key Issues and Responses
- C. Rule Development Process
- D. Key Contacts List
- E. Resolution
- F. Proposed Amended Rule 1179.1
- G. Notice of Exemption from CEQA
- H. Board Presentation



**ATTACHMENT A**  
**SUMMARY OF PROPOSED AMENDED RULE 1179.1**

**Proposed Amended Rule 1179.1 – Emission Reductions from Combustion  
Equipment at Publicly Owned Treatment Works Facilities**

Proposed Amended Rule 1179.1 will correct erroneous cross-references in Attachment 1.

**ATTACHMENT B**  
**KEY ISSUES AND RESPONSES**

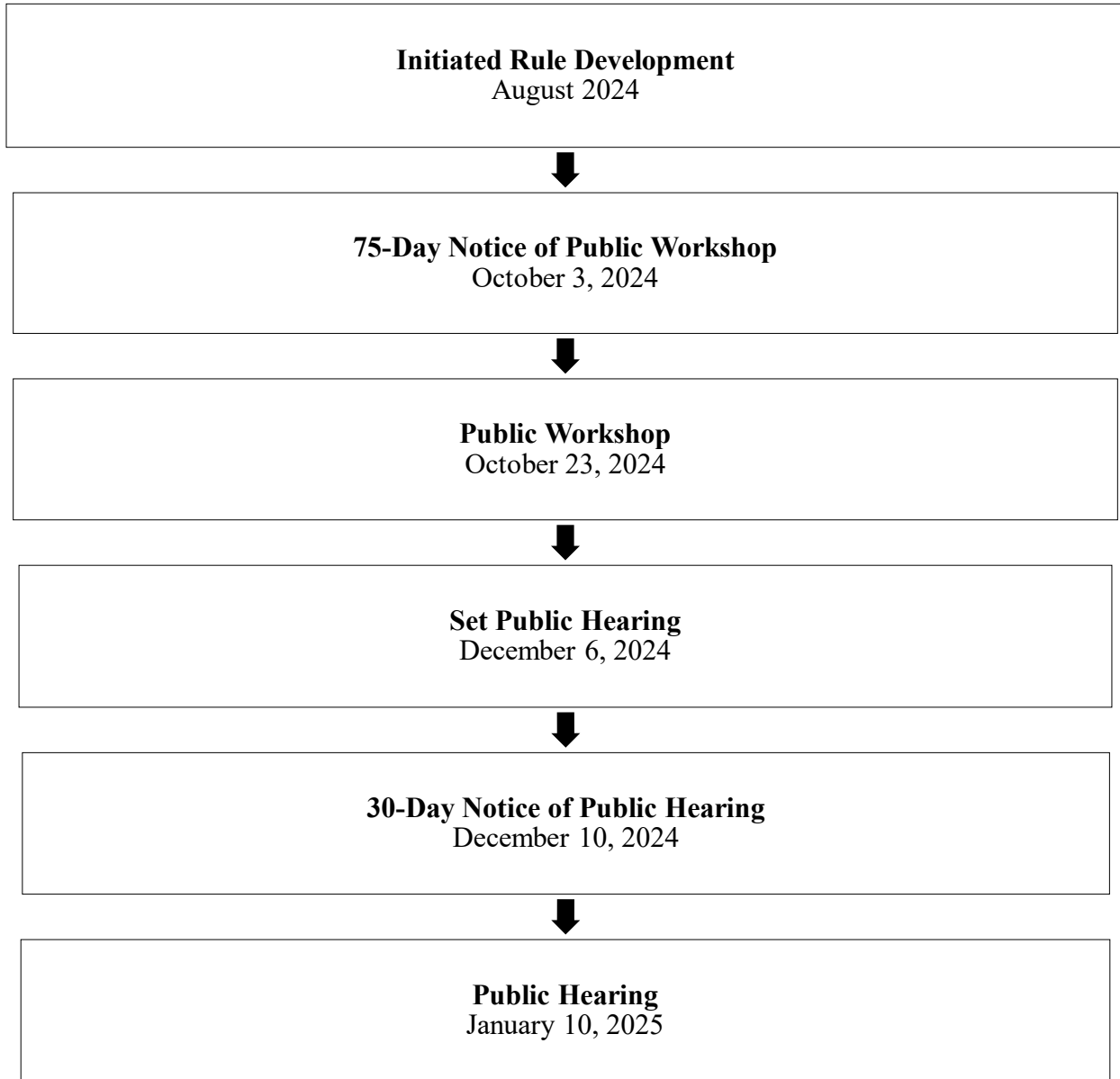
**Proposed Amended Rule 1179.1 – Emission Reductions from Combustion  
Equipment at Publicly Owned Treatment Works Facilities**

Throughout the rulemaking process, staff worked with stakeholders to resolve key issues. One request was made to reconsider permit revision requirements to decrease paperwork and workload on the permitting staff. However, the permit revision schedule in Rule 1179.1 paragraph (1)(1) is no later than the next Title V permit renewal application date to reduce impacts to affected facilities and permitting staff as much as possible.

Staff is not aware of any other key remaining issues.

**ATTACHMENT C**  
**RULE DEVELOPMENT PROCESS**

**Proposed Amended Rule 1179.1 – Emission Reductions from Combustion  
Equipment at Publicly Owned Treatment Works Facilities**



Five (5) months spent in rule development  
One (1) Public Workshop

**ATTACHMENT D**  
**KEY CONTACTS LIST**

**Proposed Amended Rule 1179.1 – Emission Reductions from Combustion  
Equipment at Publicly Owned Treatment Works Facilities**

Clean Water SoCal  
LA County Sanitation Districts

**ATTACHMENT E**

RESOLUTION NO. 25-\_\_\_\_\_

**A Resolution of the Governing Board of the South Coast Air Quality Management District (South Coast AQMD) determining that Proposed Amended Rule 1179.1 – Emission Reductions from Combustion Equipment at Publicly Owned Treatment Works Facilities, is exempt from the requirements of the California Environmental Quality Act (CEQA).**

**A Resolution of the South Coast AQMD Governing Board amending Rule 1179.1 – Emission Reductions from Combustion Equipment at Publicly Owned Treatment Works Facilities**

**WHEREAS**, the South Coast AQMD Governing Board finds and determines that Proposed Amended Rule 1179.1 is considered a “project” as defined by CEQA; and

**WHEREAS**, the South Coast AQMD has had its regulatory program certified pursuant to Public Resources Code Section 21080.5 and CEQA Guidelines Section 15251(l) and has conducted a CEQA review and analysis of the proposed project pursuant to such program (South Coast AQMD Rule 110); and

**WHEREAS**, the South Coast AQMD Governing Board finds and determines that after conducting a review of the proposed project in accordance with CEQA Guidelines Section 15002(k) – General Concepts, the three-step process for deciding which document to prepare for a project subject to CEQA, and CEQA Guidelines Section 15061 – Review for Exemption, procedures for determining if a project is exempt from CEQA, that Proposed Amended Rule 1179.1 is exempt from CEQA; and

**WHEREAS**, the South Coast AQMD Governing Board finds and determines that, since Proposed Amended Rule 1179.1 will make administrative clarifications which will not require physical modifications, it can be seen with certainty that the proposed project would not cause a significant adverse effect on the environment; therefore, the proposed project is exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) – Common Sense Exemption; and

**WHEREAS**, the South Coast AQMD staff has prepared a Notice of Exemption for the proposed project that is completed in compliance with CEQA Guidelines Section 15062 – Notice of Exemption; and

**WHEREAS**, Proposed Amended Rule 1179.1 and supporting documentation, including but not limited to, the Notice of Exemption and the Board Letter, were presented to the South Coast AQMD Governing Board and the South Coast AQMD Governing Board has reviewed and considered this information, as well as has taken and considered staff testimony and public comment prior to approving the proposed project; and

**WHEREAS**, the South Coast AQMD Governing Board finds and determines, taking into consideration the factors in Section (d)(4)(D) of the Governing Board Procedures (Section 30.5(4)(D)(i) of the Administrative Code), that there were no modifications to Proposed Amended Rule 1179.1 since the Notice of Public Hearing was published; and

**WHEREAS**, Proposed Amended Rule 1179.1 will be submitted for inclusion into the State Implementation Plan; and

**WHEREAS**, Health and Safety Code Section 40727 requires that prior to adopting, amending or repealing a rule or regulation, the South Coast AQMD Governing Board shall make findings of necessity, authority, clarity, consistency, non-duplication, and reference based on relevant information presented at the public hearing and in the Board Letter (that serves as the Staff Report); and

**WHEREAS**, the South Coast AQMD Governing Board has determined that a need exists to adopt Proposed Amended Rule 1179.1 to codify corrected rule references; and

**WHEREAS**, the South Coast AQMD Governing Board has determined that there is a problem that Proposed Amended Rule 1179.1 will alleviate, namely to correct erroneous rule references; and

**WHEREAS**, the South Coast AQMD Governing Board obtains its authority to adopt, amend, or repeal rules and regulations from Health and Safety Code Sections 39002, 40000, 40001, 40440, 40702, 40725 through 40728, 41508, and 41511; and

**WHEREAS**, the South Coast AQMD Governing Board has determined that Proposed Amended Rule 1179.1 is written and displayed so that its meaning can be easily understood by persons directly affected by it; and

**WHEREAS**, the South Coast AQMD Governing Board has determined that Proposed Amended Rule 1179.1 is in harmony with, and not in conflict with or contradictory to, existing statutes, court decisions, or state or federal regulations; and

**WHEREAS**, the South Coast AQMD Governing Board has determined that Proposed Amended Rule 1179.1 does not impose the same requirements as any existing state or federal regulations, and the proposed amended rule is necessary and proper to execute the powers and duties granted to, and imposed upon, the South Coast AQMD; and

**WHEREAS**, the South Coast AQMD Governing Board, in adopting Proposed Amended Rule 1179.1, references the following statute which the South Coast AQMD hereby implements, interprets or makes specific: Health and Safety Code Sections 39002, 40001, 40440(a), 40440(b), 40406, 40702, 40725 through 40728.5; and

**WHEREAS**, the South Coast AQMD Governing Board finds that no comparative analysis pursuant to Health and Safety Code Section 40727.2 is required because Proposed Amended Rule 1179.1 contains changes which are administrative in nature and do not impose a new emission limit or standard, make an existing emission limit or standard more stringent, or impose new or more stringent monitoring, reporting, or recordkeeping requirements; and

**WHEREAS**, the South Coast AQMD Governing Board finds that no socioeconomic impact assessment for Proposed Amended Rule 1179.1 is required per Health and Safety Code Sections 40440.8 and 40728.5 because the proposed amendments are administrative in nature and will not significantly affect air quality or emissions limitations such that no adverse socioeconomic impacts are expected; and

**WHEREAS**, the South Coast AQMD Governing Board finds that analyses for cost-effectiveness and incremental cost-effectiveness consistent with the Health and Safety Code Section 40920.6 are not required because that Proposed Amended Rule 1179.1 does not include new Best Available Retrofit Control Technology requirements nor a feasible measure pursuant to Health and Safety Code Section 40914; and

**WHEREAS**, the South Coast AQMD staff conducted a public workshop on October 23, 2024 regarding Proposed Amended Rule 1179.1; and

**WHEREAS**, the public hearing has been properly noticed in accordance with all provisions of Health and Safety Code Sections 40725 and 40440.5; and

**WHEREAS**, the South Coast AQMD Governing Board has held a public hearing in accordance with all provisions of law; and

**WHEREAS**, the South Coast AQMD specifies the Planning and Rules Manager of Proposed Amended Rule 1179.1 as the custodian of the documents or other materials which constitute the record of proceedings upon which the adoption of the proposed amended rule is based, which are located at the South Coast Air Quality Management District, 21865 Copley Drive, Diamond Bar, California; and

**NOW, THEREFORE BE IT RESOLVED**, that the South Coast AQMD Governing Board does hereby determine, pursuant to the authority granted by law, that Proposed Amended Rule 1179.1 is exempt from CEQA pursuant to CEQA Guidelines Sections 15061(b)(3) – Common Sense Exemption. This information was presented to the South Coast AQMD Governing Board, whose members exercised their independent judgment and reviewed, considered, and approved the information therein prior to acting on Proposed Amended Rule 1179.1; and

**BE IT FURTHER RESOLVED**, that the South Coast AQMD Governing Board does hereby adopt, pursuant to the authority granted by law, Proposed Amended Rule 1179.1 as set forth in the attached, and incorporated herein by reference; and

**BE IT FURTHER RESOLVED**, that the South Coast AQMD Governing Board requests that Proposed Amended Rule 1179.1 be submitted for inclusion in the State Implementation Plan; and

**BE IT FURTHER RESOLVED**, that the Executive Officer is hereby directed to forward a copy of this Resolution and Proposed Amended Rule 1179.1 and supporting documentation to the California Air Resources Board for approval and subsequently submitted to the U.S. Environmental Protection Agency for inclusion into the State Implementation Plan.

DATE: \_\_\_\_\_

\_\_\_\_\_  
CLERK OF THE BOARDS



## ATTACHMENT F

(Adopted October 2, 2020)(Amended TBD)

**PROPOSED**                    **EMISSION REDUCTIONS FROM COMBUSTION**  
**AMENDED**                    **EQUIPMENT AT PUBLICLY OWNED TREATMENT WORKS**  
**RULE 1179.1**                    **FACILITIES**

(a) Purpose

The purpose of this rule is to reduce emissions of Oxides of Nitrogen (NO<sub>x</sub>) and Carbon Monoxide (CO) from boilers and turbines, and emissions of NO<sub>x</sub>, CO, and Volatile Organic Compounds (VOCs) from engines, located at publicly owned treatment works (POTW) facilities.

(b) Applicability

This rule applies to the following equipment located at a POTW facility:

- (1) Digester gas and dual fuel boilers and process heaters over 400,000 Btu/hr;
- (2) Digester gas and dual fuel turbines less than 0.3 MW;
- (3) Turbines greater than or equal to 0.3 MW; and
- (4) Digester gas and dual fuel engines greater than 50 rated brake horsepower.

(c) Definitions

- (1) ANNUAL HEAT INPUT is the total heat input to a unit during a calendar year.
- (2) BOILER is any combustion equipment fired with a liquid or gaseous fuel and used to produce steam or to heat water, and that is not used exclusively to produce electricity for sale. Boiler does not include any open heated tank, adsorption chiller unit, or waste heat recovery boiler that is used to recover sensible heat from the exhaust of a combustion turbine or any unfired waste heat recovery boiler that is used to recover sensible heat from the exhaust of any combustion equipment.
- (3) BREAKDOWN is a physical or mechanical failure or malfunction of an engine, air pollution control equipment, or related operating equipment that is not the result of operator error, neglect, improper operation or improper maintenance procedures, which leads to excess emissions beyond rule related emission limits or equipment permit conditions.
- (4) BTU is British thermal unit(s).

- (c) (5) COMBINED CYCLE TURBINE is a turbine that recovers heat from the gas turbine exhaust.
- (6) CONTINUOUS EMISSION MONITORING SYSTEM (CEMS) is the total combined equipment and systems, including the sampling interface, analyzers, and data acquisition and handling system, required to continuously determine air contaminants and diluent gas concentrations and/or mass emission rate of a source effluent (as applicable).
- (7) DIGESTER GAS is gas that is produced by anaerobic decomposition of organic material.
- (8) DIGESTER GAS UNIT is any combustion equipment subject to this rule permitted to fire digester gas exclusively.
- (9) DUAL FUEL UNIT is any combustion equipment subject to this rule permitted to fire digester gas and another fuel.
- (10) ENGINE is any internal combustion equipment that is spark- or compression ignited and burns liquid and/or gaseous fuel to create heat that move pistons to do work.
- (11) LEAN-BURN ENGINE is an engine that operates with high levels of excess air and an exhaust oxygen concentration of greater than 4 percent.
- (12) NATURAL GAS is a mixture of gaseous hydrocarbons, with at least 80 percent methane by volume, and of pipeline quality, such as the gas sold or distributed by any utility company regulated by the California Public Utilities Commission.
- (13) OXIDES OF NITROGEN (NO<sub>x</sub>) EMISSIONS is the sum of nitric oxides and nitrogen dioxides emitted, collectively expressed as nitrogen dioxide emissions.
- (14) POST-COMBUSTION CONTROL is any air pollution control equipment which eliminates, reduces, or controls the issuance of air contaminants after combustion.
- (15) PROCESS HEATER is any combustion equipment fired with liquid and/or gaseous fuel and which transfers heat from combustion gases to water or process streams. Process Heater does not include any kiln or oven used for drying, curing, baking, cooking, calcining, or vitrifying; or any unfired waste heat recovery heater that is used to recover sensible heat from the exhaust of any combustion equipment.
- (16) PUBLICLY OWNED TREATMENT WORKS FACILITY OR POTW FACILITY is a wastewater treatment or reclamation plant owned or operated by

- (c) a public entity, including all operations within the boundaries of the wastewater and sludge treatment plant.
  - (17) RATED BRAKE HORSEPOWER (bhp) is the rating specified by the manufacturer, without regard to any derating, and listed on the engine nameplate.
  - (18) RATING OF A TURBINE is the continuous MW (megawatt) rating or mechanical equivalent by a manufacturer for a turbine without including the increase in the turbine shaft output and/or the decrease in turbine fuel consumption by the addition of energy recovered from exhaust heat.
  - (19) RICH-BURN ENGINE is an engine designed to operate near stoichiometric conditions.
  - (20) SELECTIVE CATALYTIC REDUCTION (SCR) is a post-combustion control that reduces NO<sub>x</sub> with catalyst and a reducing agent.
  - (21) SHUTDOWN is the time period that begins when an operator reduces load and which ends in a period of zero fuel flow.
  - (22) SIMPLE CYCLE TURBINE is a turbine that does not recover heat from the combustion turbine exhaust gases to heat water or generate steam.
  - (23) STARTUP is the time period that begins when a unit combusts fuel after a period of zero fuel flow and which ends when the unit reaches stable operating conditions.
  - (24) THERM is 100,000 Btu.
  - (25) TUNING is adjusting, optimizing, rebalancing, or other similar operations to a unit or an associated control device. Tuning does not include normal operations to meet load fluctuations.
  - (26) TURBINE is any internal combustion equipment that burns liquid and/or gaseous fuel to create hot gas that expands to move a rotor assembly, with vanes or blades, to do work.
  - (27) UNIT is a boiler, turbine, or engine subject to this rule.
- (d) Emission Limits
  - (1) On and after the compliance date specified in Table 1, an owner or operator shall not operate a unit in a manner that discharges NO<sub>x</sub>, CO, or VOC into the atmosphere in excess of the limits specified in Table 1, excluding start-up and shutdown periods as specified pursuant to paragraph (d)(5). Compliance with the emission limits in Table 1 shall be demonstrated with all applicable compliance tests as required by this rule.

(d)

| <b>TABLE 1</b>  |   |                                 |                                  |                                 |
|---|---|---------------------------------|----------------------------------|---------------------------------|
| <b>CONCENTRATION LIMITS</b>   |   |                                 |                                  |                                 |
| <b>DIGESTER GAS AND DUAL FUEL BOILERS AND PROCESS HEATERS</b>                                 |   |                                 |                                  |                                 |
| <b>EQUIPMENT CATEGORY</b>   | <b>NO<sub>x</sub><br/>(ppm)<sup>1</sup></b> | <b>CO<br/>(ppm)<sup>1</sup></b> | <b>COMPLIANCE<br/>DATE</b>       |                                 |
| Rated heat input capacity<br>> 2 MMBtu/hr and firing 90% digester gas or<br>more <sup>2</sup> | 15  | 400                             | On or before<br>October 2, 2020  |                                 |
| Rated heat input capacity > 2 MMBtu/hr and<br>firing 100% natural gas                         | 9   |                                 | On or before<br>October 2, 2020  |                                 |
| Rated heat input capacity ≤ 2 MMBtu/hr  | 30  |                                 | On or before<br>October 2, 2020  |                                 |
| <b>TURBINES</b>   |   |                                 |                                  |                                 |
| <b>EQUIPMENT CATEGORY</b>   | <b>NO<sub>x</sub><br/>(ppm)<sup>3</sup></b> | <b>CO<br/>(ppm)<sup>3</sup></b> | <b>COMPLIANCE<br/>DATE</b>       |                                 |
| Rating ≥ 0.3 MW and firing 60% digester gas <sup>4</sup><br>or more                           | 18.8  | 130                             | On or before<br>October 2, 2020  |                                 |
| Simple cycle with rating ≥ 0.3 MW and<br>firing 100% natural gas                              | 2.5   |                                 | On or before<br>October 2, 2020  |                                 |
| Combined cycle with rating ≥ 0.3 MW and<br>firing 100% natural gas                            | 2   |                                 | On or before<br>October 2, 2020  |                                 |
| Digester gas or dual fuel with rating<br>< 0.3 MW   | 9   |                                 | On or before<br>October 2, 2020  |                                 |
| <b>DIGESTER GAS AND DUAL FUEL ENGINES</b>   |   |                                 |                                  |                                 |
| <b>EQUIPMENT CATEGORY</b>   | <b>NO<sub>x</sub><br/>(ppm)<sup>5</sup></b> | <b>CO<br/>(ppm)<sup>5</sup></b> | <b>VOC<br/>(ppm)<sup>6</sup></b> | <b>COMPLIANCE<br/>DATE</b>      |
| Engines > 50 bhp  | 11  | 250                             | 30                               | On or before<br>October 2, 2020 |

<sup>1</sup> All parts per million (ppm) emission limits are referenced at 3% volume stack gas oxygen on a dry basis and averaged over 15 minutes.

<sup>2</sup> Percent digester gas is based on the flowrates and higher heating values of the fuels.

<sup>3</sup> All parts per million (ppm) emission limits are referenced at 15% volume stack gas oxygen on a dry basis and averaged over 1 hour.

<sup>4</sup> Percent digester gas is based on volume averaged over a 24 hour period.

<sup>5</sup> All parts per million (ppm) emission limits are referenced at 15% volume stack gas oxygen on a dry basis and averaged over 15 minutes.

<sup>6</sup> Parts per million (ppm) emission limit referenced at 15% volume stack gas oxygen on a dry basis, measured as carbon, and averaged over the sampling time required by the test method.

- (d) (2) An owner or operator of a dual fuel boiler simultaneously firing digester gas and more than 10 percent but less than 100 percent natural gas, based on the flowrates and higher heating values of the fuels used, shall comply with the natural gas emission limit in Table 1 or the weighted emission limit calculated by Equation 1. The owner or operator of a boiler using the weighted emission limit shall obtain flowrates and higher heating values by the following methods:
- (A) Measure the flow of each fuel used with a non-resettable totalizing fuel flow meter as approved by the Executive Officer, at the time of compliance determination.
- (B) Measure the higher heating value of digester gas using a monitoring procedure approved by South Coast AQMD. The digester gas sample used to obtain the higher heating value shall be collected no earlier than 30 days before compliance is determined.

$$\text{Weighted Limit} = \frac{(\text{CL}_A \times \text{Q}_A \times \text{V}_A) + (\text{CL}_B \times \text{Q}_B \times \text{V}_B)}{(\text{Q}_A \times \text{V}_A) + (\text{Q}_B \times \text{V}_B)} \quad (\text{Equation 1})$$

Where:

$\text{CL}_A$  = compliance limit in Table 1 when firing 90% digester gas or more

$\text{Q}_A$  = higher heating value of digester gas in Btu per standard cubic foot (scf)

$\text{V}_A$  = flowrate of digester gas in scf per unit of time

$\text{CL}_B$  = compliance limit in Table 1 when firing 100% natural gas

$\text{Q}_B$  = higher heating value of natural gas in Btu per scf

$\text{V}_B$  = flowrate of natural gas in scf per unit of time

- (3) An owner or operator of a dual fuel turbine simultaneously firing digester gas and more than 40 percent but less than 100 percent natural gas, based on volume averaged over 24 hours, shall comply with the weighted emission limit calculated by Equation 2. The owner or operator of a turbine using the weighted emission limit shall obtain flowrates and higher heating values by the following methods:
- (A) Measure the flow of each fuel used with a non-resettable totalizing fuel flow meter as approved by the Executive Officer, at the time of compliance determination.

- (d) (B) Measure the higher heating value of the digester gas using a monitoring procedure approved by South Coast AQMD. The digester gas sample used to obtain the higher heating value shall be collected no earlier than 30 days before compliance is determined..

$$\text{Weighted limit} = \frac{((\text{CL}_A + 18.1) \times Q_A \times V_A) + (\text{CL}_B \times Q_B \times V_B)}{(Q_A \times V_A) + (Q_B \times V_B)} \quad (\text{Equation 2})$$

Where:

$\text{CL}_A$  = compliance limit in Table 1 when firing 60% digester gas or more

$Q_A$  = higher heating value of digester gas in Btu per scf

$V_A$  = flowrate of digester gas in scf per unit of time

$\text{CL}_B$  = compliance limit in Table 1 when firing 100% natural gas

$Q_B$  = higher heating value of natural gas in Btu per scf

$V_B$  = flowrate of natural gas in scf per unit of time

- (4) Averaging Times for Units with CEMS
- (A) An owner or operator of a boiler shall meet the applicable emission limits specified in Table 1 or paragraph (d)(2), averaged over a fixed interval of 1 clock hour.
- (B) An owner or operator of a turbine shall meet the applicable emission limits specified in Table 1 or paragraph (d)(3), averaged over a rolling period of 1 hour.
- (C) An owner or operator of an engine shall meet the applicable emission limits specified in Table 1 averaged over one of the following interval periods:
- (i) A fixed interval of 1 hour;
  - (ii) A fixed interval of 24 hours when meeting the emission limits at or below 11 ppmvd for NOx and 250 ppmvd for CO (if CO is selected for averaging), each corrected to 15% oxygen, with the emission limits and averaging time specified in the permit to operate for the engine on or before November 1, 2019; or
  - (iii) A fixed interval of 48 hours when meeting the emission limits at or below 9.9 ppmvd for NOx and 225 ppmvd for CO (if CO is selected for averaging), each corrected to 15% oxygen, with emission limits and averaging time specified in the permit to operate for the engine.

## (d) (5) Startup and Shutdown

An owner or operator of a unit shall meet the following startup and shutdown requirements for that unit, if NO<sub>x</sub>, CO, or VOC is discharged into the atmosphere in excess of the limits specified in Table 1, paragraph (d)(2), or paragraph (d)(3):

- (A) Startup of a boiler shall not exceed the time period necessary for proper operation of the boiler or for temperatures to be reached for the proper operation of the emission control equipment. Startup or shutdown shall not exceed 6 hours.
- (B) An owner or operator of a boiler  $\geq 5$  MMBtu/hr shall submit to the Executive Officer by January 1 of each year, a plan of scheduled startup and shutdown events for that year.
  - (i) The number of scheduled startups/shutdowns for a boiler  $\geq 5 - 40$  MMBtu/hr shall not exceed 10 per month.
  - (ii) The number of scheduled startups/shutdowns for a boiler  $> 40$  MMBtu/hr shall not exceed 10 per year.
- (C) An owner or operator of a unit subject to subparagraph (d)(5)(B) shall submit prior notification of scheduled shutdowns and scheduled startups following scheduled shutdowns in a timely manner and form as specified by the Executive Officer. Shutdowns and startups shall be scheduled in pairs with scheduled dates for each. Notification of scheduled startups and shutdowns is required only if an exemption from the emission limit is required. This notification shall contain the following information:
  - (i) Dates and times of the scheduled startup and shutdown and its duration; and
  - (ii) Any other process variables that are appropriate as determined by the Executive Officer.
- (D) Startup of a turbine shall not exceed the time at which control equipment is properly operating. Startup or shutdown shall not exceed 2 hours for turbines with SCR and shall not exceed 3 hours for turbines without SCR.
- (E) For engines:
  - (i) Startup shall not exceed the time period necessary for operating temperatures to be reached for the proper operation of the emission control equipment, or the tuning of the engine and/or

- (d) emission control equipment. Startup or shutdown shall not exceed 30 minutes, unless the Executive Officer approves in writing a longer period, not to exceed 2 hours, and that period is specified by permit conditions;
  - (ii) Startup after an engine overhaul or major repair requiring removal of a cylinder head or for the installation or the replacement of catalytic emission control equipment shall not last longer than 4 operating hours.
- (6) An owner or operator of any turbine shall not burn liquid fuel.

(e) Source Testing

An owner or operator of a unit shall meet the following source test requirements:

- (1) An owner or operator of a unit shall conduct source tests for the following equipment and applicable pollutants in accordance with the schedule in Table 2.



(e)

| <b>TABLE 2</b>                                     |   |                  |   |
|--|---|------------------|---|
| <b>SOURCE TESTING SCHEDULE</b>                     |   |                  |   |
| <b>Equipment Category</b>                          | <b>Frequency</b>  | <b>Pollutant</b> | <b>Elapsed Time Prior to Conducting Source Test<sup>1</sup></b> |
| Boilers $\geq$ 10 MMBtu/hr                         | Every 3 years from the date the previous source test was required, no later than the last day of the calendar month that the test is due  | NOx,<br>CO       | At least 250 operating hours or at least 30 calendar days       |
| Boilers < 10 MMBtu/hr and > 2 MMBtu/hr             | Every 5 years from the date the previous source test was required, no later than the last day of the calendar month that the test is due  |                  |   |
| Turbines with output capacity rating $\geq$ 2.9 MW | Every year from the date the previous source test was required, no later than the last day of the calendar month that the test is due   |                  | At least 40 operating hours or at least 7 calendar days         |
| Turbines with output capacity rating < 2.9 MW      | Every 3 years from the date the previous source test was required, no later than the last day of the calendar month that the test is due or every 8,760 operating hours, whichever occurs later               |                  |   |
| Engines  | Every 2 years from the date the previous source test was required, no later than the last day of the calendar month that the test is due, or every 8,760 operating hours, whichever occurs first <sup>2</sup> |                  | NOx,<br>CO,<br>and VOC reported as carbon                       |

<sup>1</sup> Elapsed time subsequent to any tuning or servicing, unless tuning or servicing is due to an unscheduled repair.

<sup>2</sup> Frequency may be reduced once every 3 years if the engine has operated less than 2,000 hours since the last source test. If the engine has not been operated before the date a source test is due, the source test shall be conducted by the end of 7 consecutive days or 15 cumulative days of resumed operation. An owner or operator of the engine shall keep sufficient operating records to demonstrate that it meets the requirements for extension of the source testing deadlines.

- (e) (2) An owner or operator of any unit previously not required to conduct an initial source test shall conduct a source test within 12 months from October 2, 2020.
- (3) An owner or operator shall submit a source test protocol for approval no later than 60 days prior to a scheduled source test date and conduct the source test within 90 days after a written approval of the source test protocol by the Executive Officer is electronically distributed.
  - (A) An owner or operator of a unit subject to a previously approved source test protocol shall submit a subsequent protocol if the unit has been altered in a manner that requires a permit alteration, if emission limits for the unit have changed since the previous source test, or if requested by the Executive Officer.
- (4) An owner or operator shall include in the protocol the name, address and phone number of the unit operator and the South Coast AQMD-approved source testing contractor that will conduct the test(s), the application and permit number(s), a copy of the current valid approved permit, emission limits, a description of the unit(s) to be tested, the test methods and procedures to be used, the number of tests to be conducted and under what loads.
  - (A) For engines, an owner or operator shall also include in the protocol the required minimum sampling time for the VOC test, based on the analytical detection limit and expected VOC levels. A description of the parameters to be measured in accordance with the Inspection & Monitoring (I&M) plan requirements of this rule shall also be included in the protocol.
- (5) No later than 30 days prior to conducting a source test, an owner or operator shall notify the Executive Officer of the scheduled source test date. If a scheduled source test is delayed, an owner or operator shall notify the Executive Officer within 24 hours from the time that an owner or operator knew of the delay. An owner or operator shall provide at least 7 days prior notice of the rescheduled date of the source test or arrange a rescheduled date with the Executive Officer by mutual agreement.
- (6) An owner or operator shall conduct the source testing using a South Coast AQMD approved contractor under the Laboratory Approval Program (LAP) according to the procedures in Table 3.

(e)

| <b>TABLE 3</b>                     |  |
|------------------------------------|--|
| <b>SOURCE TESTING METHODS</b>      |  |
| <b>Pollutant</b>                   | <b>Test Methods</b>  |
| NO <sub>x</sub>                    | South Coast AQMD Test Methods 100.1 or 7.1                               |
| CO                                 | South Coast AQMD Test Methods 100.1 or 10.1, or EPA Test Method 10       |
| CO <sub>2</sub> and O <sub>2</sub> | South Coast AQMD Test Methods 3.1 or 100.1                               |
| VOC                                | South Coast AQMD Test Methods 25.1 or 25.3, excluding ethane and methane |

- (7) An owner or operator shall provide source testing facilities as follows:
- (A) Sampling ports adequate for the applicable test methods. This includes constructing the air pollution control system and stack or duct such that pollutant concentrations can be accurately determined by applicable test methods;
  - (B) Safe sampling platform(s), scaffolding or mechanical lifts, including safe access, that comply with California General Safety Orders; and
  - (C) Utilities for sampling and testing equipment.
- (8) For boilers and turbines, the LAP contractor conducting the source test shall make emissions determinations in the as-found operating conditions and shall conduct the source test for at least 15 minutes. No compliance determination shall be made during startup, shutdown, or under breakdown conditions.
- (9) For engines, the LAP contractor shall conduct source testing for at least 30 minutes during normal operation (actual duty cycle). This test shall not be conducted under a steady-state condition unless it is the normal operation. In addition, the LAP contractor shall conduct source testing for NO<sub>x</sub> and CO emissions for at least 15 minutes at: an engine's actual peak load, or the maximum load that can be practically achieved during the test; and at actual minimum load, excluding idle, or the minimum load that can be practically achieved during the test. These additional two tests are not required if the permit limits the engine to operating at one defined load,  $\pm 10$  percent. The LAP contractor shall not conduct any pre-tests for compliance. If an emission exceedance is found during any of the three phases of the test, that phase shall be completed and reported. An operator shall correct the exceedance, and the source test shall be immediately resumed.

- (e) (10) An owner or operator shall submit all source test reports, including a description of the unit tested, to the Executive Officer within 60 days of completion.
- (11) An owner or operator may use a relative accuracy test audit (RATAs) required by Rules 218 and 218.1, any applicable South Coast AQMD rule for CEMS certification, operation, monitoring, reporting, and notification, 40 CFR Part 75 Subpart E, or 40 CFR Part 60 Appendix B Specification 2, in lieu of a source test for those pollutants monitored by a CEMS and for all operating loads required by the source test, provided that the RATA is conducted within the same calendar year the source test is required.

(f) CEMS

An owner or operator of a unit that meets the criterion in Table 4 shall install, operate, and maintain in calibration a CEMS, or an equivalent verification system, that complies with Rules 218 and 218.1, or any applicable South Coast AQMD rule for CEMS certification, operation, monitoring, reporting, and notification.

| <b>TABLE 4<br/>UNITS REQUIRING CEMS</b> |   |                         |
|---|---|-------------------------|
| <b>Equipment Type</b>                   | <b>Threshold</b>  | <b>Pollutant(s)</b>     |
| Boilers                                 | Rated heat input capacity > 40 MMBtu/hr and an annual heat input > 200 x 10 <sup>9</sup> Btu per year   | NO <sub>x</sub>         |
| Turbines                                | Output capacity rating ≥ 2.9 MW   | NO <sub>x</sub>         |
| Engines                                 | Capacity rating ≥ 1000 bhp and operating more than 2 million bhp-hr per calendar year   | NO <sub>x</sub> ,<br>CO |
|   | Combined capacity rating ≥ 1500 bhp and a combined fuel usage of > 16 x 10 <sup>9</sup> Btu per year, for engines at the same location <sup>1</sup> |                         |

<sup>1</sup> Effective October 1, 2007, engines located within 75 feet of another engine (measured from engine block to engine block) are considered to be at the same location.

- (1) An owner or operator of a turbine required to install a CEMS shall also install equipment that measures and records the following:
  - (A) Flowrate of fuel gases and the ratio of water or steam to fuel added to the combustion chamber or to the exhaust for the reduction of NO<sub>x</sub> emissions, as applicable;

- (f)
  - (B) Elapsed time of operation; and
  - (C) Turbine output in MW.
- (2) An owner or operator of an engine shall meet the following requirements:
  - (A) A CO CEMS shall not be required for lean-burn engines.
  - (B) The following engines shall not be counted towards the combined rating of 1500 bhp or greater and combined fuel usage of more than  $16 \times 10^9$  Btu per year (higher heating value) of engines at the same location:
    - (i) Engines rated at less than 500 bhp;
    - (ii) Standby engines that are limited by permit conditions to only operate when other primary engines are not operable;
    - (iii) Engines that are limited by and in compliance with permit conditions to operate less than 1000 hours per year or a fuel usage of less than  $8 \times 10^9$  Btu per year (higher heating value of all fuels used);
    - (iv) Engines with an output capacity rating  $\geq 1000$  bhp and operating more than 2 million bhp-hr per calendar year required to have a CEMS; and
    - (v) Engines in compliance with permit conditions that limit the simultaneous use of the engines at the same location in a manner to limit the combined rating of all engines in simultaneous operation to less than 1500 bhp.
  - (C) In lieu of complying with the CEMS requirements of this subdivision, an owner or operator of an engine 1000 bhp or greater and less than 1200 bhp, or engines at the same location with a combined output capacity rating of 1500 bhp or greater and a combined fuel usage of  $> 16 \times 10^9$  Btu per year (higher heating value), may alternatively comply with the I&M plan requirements, pursuant to subdivision (g), provided an owner or operator conducts diagnostic emission checks at least weekly or every 150 operating hours, whichever occurs later.
    - (i) If the engine is found to exceed an applicable NO<sub>x</sub> or CO limit by a source test or a South Coast AQMD test using a portable analyzer on 3 or more combined occasions in any 12-month period, an owner or operator shall comply with the CEMS requirements of this subdivision and shall submit a CEMS application to the Executive Officer within 6 months of the third

- (f) exceedance and obtain final approval of the CEMS within 1 year from the initial approval.
- (D) An owner or operator of any engine initially exempt from CEMS by the low-use criterion in Table 4 that later exceeds that criterion, shall install CEMS on that engine. The owner or operator shall submit an application for CEMS within 6 months after the conclusion of the first 12-month period for which the engine(s) exceed the criterion, and shall obtain final approval for the CEMS within 1 year from the initial approval.
- (E) An owner or operator may take an existing NOx CEMS out of service for up to two weeks (cumulative) in order to modify the CEMS to add CO monitoring.
- (F) Notwithstanding the requirements of Rules 218, 218.1, or any applicable South Coast AQMD rule for CEMS certification, operation, monitoring, reporting, and notification, an owner or operator of an engine required to install a CEMS may:
  - (i) Store data electronically without a strip chart recorder, but there shall be redundant data storage capability for at least 15 days of data. An operator shall demonstrate that both sets of data are equivalent.
  - (ii) Conduct relative accuracy testing, as required by Rule 218.1, any applicable South Coast AQMD rule for CEMS certification, operation, monitoring, reporting, and notification, or 40 CFR Part 75 Subpart E, on the same schedule for source testing, as specified in Table 2, instead of annually. The minimum sampling time for each test is 15 minutes.
- (G) An owner or operator of a new engine shall not install an engine farther than 75 feet from another engine unless the owner or operator demonstrates to the Executive Officer that operational needs or space limitations require it.
- (H) An owner or operator of any new engine issued a permit to construct after October 2, 2020 shall comply with the applicable CEMS requirements of this subdivision when engine operation commences.

(g) Inspection and Monitoring (I&M) Plans

An owner or operator of an engine shall comply with the following requirements for submitting I&M plans:

- (1) An owner or operator of an engine without a NO<sub>x</sub> and CO CEMS shall submit to the Executive Officer an I&M plan for approval. One plan application is required for each facility that does not have a NO<sub>x</sub> and CO CEMS for each engine. If an engine has a NO<sub>x</sub> CEMS and does not have a CO CEMS, it is subject to this subdivision as it pertains to CO only. The I&M plan shall include all items listed in Attachment 1. An owner or operator may request an alternative item(s) in Attachment 1 that is determined by the Executive Officer to be equivalent in meeting the same objectives.
  - (A) Upon written approval by the Executive Officer, an owner or operator shall implement the I&M plan as approved.
  - (B) An owner or operator shall submit an I&M plan for approval to the Executive Officer for a plan revision before any change in I&M plan operations can be implemented. The operator shall apply for a plan revision prior to any change in emission limits or control equipment.
  - (C) An owner or operator of any new engine issued a permit to construct after October 2, 2020 shall comply with the applicable I&M plan requirements of this subdivision when engine operation commences. If applicable, an owner or operator shall provide the required information in this subdivision to the Executive Officer prior to the issuance of the permit to construct so that the I&M procedures can be included in the permit.

(h) Diagnostic Emission Checks for Boilers and Engines

An owner or operator shall perform diagnostic emissions checks of NO<sub>x</sub> and CO emissions for pollutants not monitored by a CEMS, with a portable NO<sub>x</sub>, CO, and oxygen analyzer that is calibrated, maintained and operated in accordance with manufacturers specifications and recommendations and the South Coast AQMD Combustion Gas Periodic Monitoring Protocol for the Periodic Monitoring of Nitrogen Oxides, Carbon Monoxide, and Oxygen from Combustion Sources Subject to Rules 1110.2, 1146 and 1146.1. The portable analyzer diagnostic emission checks shall only be conducted by a person who has completed an appropriate South Coast AQMD-approved training program in the operation of portable analyzers and has received a certification issued by South Coast AQMD.

## (h) (1) Boilers

- (A) For boilers greater than or equal to 5 MMBtu/hr, an owner or operator shall perform diagnostic emission checks at least monthly or every 750 boiler operating hours, whichever occurs later. If a boiler is in compliance for 3 consecutive diagnostic emission checks, without any adjustments to the oxygen sensor set points, then the boiler may be checked quarterly or every 2,000 boiler operating hours, whichever occurs later, until the resulting diagnostic emission check exceeds the applicable limit.
- (B) For boilers less than 5 MMBtu/hr and greater than 2 MMBtu/hr, an owner or operator shall perform checks at least quarterly or every 2,000 boiler operating hours, whichever occurs later. If a boiler is in compliance for 4 consecutive required diagnostic emission checks, without any adjustments to the oxygen sensor set points, then the boiler may be checked semi-annually or every 4,000 unit operating hours, whichever occurs later, until the diagnostic emission check exceeds the applicable limit.
- (C) A diagnostic emission check that finds the emissions in excess of those allowed by this rule or a permit condition shall not constitute a violation of this rule if an owner or operator corrects the problem and demonstrates compliance with another emission check within 72 hours from the time an owner or operator knew of excess emissions, or reasonably should have known, or shutdown the boiler by the end of an operating cycle, whichever is sooner. Any diagnostic emission check conducted by South Coast AQMD staff that finds emissions in excess of those allowed by this rule or a permit condition is a violation.

## (2) Engines

An owner or operator shall perform diagnostic emission checks at least weekly or every 150 hours, whichever occurs later. No engine or control system, maintenance or tuning, may be conducted within 72 hours prior to the diagnostic emission check, unless it is an unscheduled, required repair.

- (A) If an engine is in compliance for 3 consecutive diagnostic emission checks, without any adjustments to the oxygen sensor set points, then the engine may be checked monthly or every 750 engine operating hours, whichever occurs later, until there is a noncompliant diagnostic emission check or, for rich-burn engines with a catalytic control device



- (h) that simultaneously reduces emissions of NO<sub>x</sub>, CO, and VOC, until the oxygen sensor is replaced. When making adjustments to the oxygen sensor set points that are not within 72 hours prior to the diagnostic emission check, returning to a more frequent diagnostic emission check schedule is not required if the engine is in compliance with the applicable emission limits prior to and after the set point adjustments.
- (B) For lean-burn engines that have a NO<sub>x</sub> CEMS, and that are subject to a CO limit more stringent than 2000 ppmvd, an owner or operator shall perform a CO diagnostic emission check at least quarterly, or every 2,000 engine operating hours, whichever occurs later.
- (C) For lean-burn engines that have a NO<sub>x</sub> CEMS and that are not subject to a CO limit more stringent than 2000 ppmvd, diagnostic emission checks are not required.
- (D) A diagnostic emission check that finds the emissions in excess of those allowed by this rule or a permit condition shall meet the requirements in subparagraph (k)(1)(A).

(i) Recordkeeping

An owner or operator of a boiler > 2 MMBtu/hr, turbine, or engine, shall keep and maintain all data logs, monitoring records, including CEMS data, source test reports, diagnostic emission checks, maintenance, service and tuning records, and any other information required by this rule, on-site for 5 years. Records shall be made available to the Executive Officer upon request.

(1) Boilers

- (A) The owner or operator of a boiler  $\geq 5$  MMBtu/hr shall maintain and keep records of startup and shutdown events.
- (B) The owner or operator of a boiler  $\geq 5$  MMBtu/hr with CEMS shall keep records of startup and shutdown events that include hour-by-hour fuel gas firing rates, flue gas temperatures, NO<sub>x</sub> emissions, and any process variables that are appropriate as determined by the Executive Officer, during startup and shutdown periods.

(2) Turbines

- (A) An owner or operator shall maintain an operating log that includes total hours of operation, type of fuel used, fuel consumption (cubic feet of gas), cumulative hours of operation to date for the calendar year, and the actual startup and shutdown times on a daily basis.

- (i) (B) For emission control systems used to comply with this rule, an owner or operator shall maintain daily records of system operation and maintenance that demonstrates continuous operation and compliance of an emission control device during periods of emission producing activities.
- (3) An owner or operator of any engine shall maintain a monthly operating log that includes total hours of operation, type of fuel used, fuel consumption (cubic feet of gas), and cumulative hours of operation since the last source test.
- (4) An owner or operator of a unit required to conduct a source test, pursuant to Table 2, shall maintain records of any tuning or servicing of the unit and hours of operation subsequent to any tuning or servicing, until a source test is conducted.
- (j) Other Requirements for Boilers
  - (1) An owner or operator shall not lower the rated heat input capacity of a boiler to less than or equal to 2 MMBtu/hr. The lowered rated heat input capacity shall be based on manufacturer's identification or rating plate or permit condition.
  - (2) An owner or operator of a boiler less than or equal to 2 MMBtu/hr shall perform maintenance in accordance with the manufacturer's schedule and specifications as identified in a manual and other written materials supplied by the manufacturer or distributor. The owner or operator shall maintain on site a copy of the manufacturer's and/or distributor's written instructions and retain a record of the maintenance activity for a period of 3 years.
- (k) Other Requirements for Engines
  - (1) Requirements for responding to, diagnosing and correcting breakdowns, faults, malfunctions, alarms, diagnostic emission checks finding emissions in excess of rule or permit limits, and parameters out-of-range.
    - (A) For any diagnostic emission check or breakdown that results in emissions in excess of those allowed by this rule or a permit condition, an owner or operator shall correct the problem as soon as possible and demonstrate compliance with another diagnostic emission check, or shutdown an engine by the end of an operating cycle, or within 24 hours from the time the owner or operator knew of the breakdown or excess emissions, or reasonably should have known, whichever is sooner.

- (k) (B) For excess emissions due to breakdowns that result in NOx or CO emissions greater than the concentrations specified in Table 5, an owner or operator shall not be considered in violation of this rule if the operator demonstrates the all of the following: (1) compliance with subparagraph (k)(1)(A), (2) compliance with the reporting requirements of paragraph (k)(4), and (3) the engine with excess emissions has no more than 3 incidences of breakdowns with emissions exceeding Table 5 limits in the calendar quarter.

| TABLE 5<br>EXCESS EMISSION CONCENTRATION THRESHOLDS FOR<br>BREAKDOWNS |                          |                         |
|---|--------------------------|-------------------------|
| Equipment Category  | NOx (ppmvd) <sup>1</sup> | CO (ppmvd) <sup>1</sup> |
| Lean-Burn Engines   | 45                       | 250                     |
| Rich-Burn Engines   | 150                      | 2000                    |

<sup>1</sup> Corrected to 15% oxygen.

- (C) Any emission check conducted by South Coast AQMD staff that finds excess emissions will be treated as a violation.
- (D) For other problems, such as parameters out-of-range, an owner or operator shall correct the problem and demonstrate compliance with another diagnostic emission check within 48 hours of the owner or operator first knowing of the problem.
- (2) An owner or operator shall maintain an operational non-resettable totalizing time meter to determine the engine elapsed operating time.
- (3) An owner or operator of a spark-ignited engine without a Rule 218-approved CEMS shall maintain the air-to-fuel ratio controller and oxygen sensor and feedback control system, or other equivalent technology approved by the Executive Officer, CARB, and EPA.
- (4) Reporting Requirements
  - (A) An owner or operator shall report to the Executive Officer, by telephone (1-800-CUT-SMOG or 1-800-288-7664) or other South Coast AQMD-approved method, any breakdown resulting in emissions in excess of rule or permit emission limits within 1 hour of such noncompliance or within 1 hour of the time the owner or operator knew or reasonably should have known of its occurrence. Such report shall identify the

- (k) time, specific location, equipment involved, responsible party to contact for further information, and to the extent known, the causes of the noncompliance, and the estimated time for repairs. In the case of emergencies that prevent a person from reporting all required information within the 1-hour limit, the Executive Officer may extend the time for the reporting of required information provided the owner or operator has notified the Executive Officer of the noncompliance within the 1-hour limit.
- (B) Within 7 calendar days after the reported breakdown has been corrected, but no later than 30 calendar days from the initial date of the breakdown, unless an extension has been approved in writing by the Executive Officer, an owner or operator shall submit a written breakdown report to the Executive Officer which includes:
- (i) An identification of the equipment involved in causing, or suspected of having caused, or having been affected by the breakdown;
  - (ii) The duration of the breakdown;
  - (iii) The date of correction and information demonstrating that compliance is achieved;
  - (iv) An identification of the types of excess emissions, if any, resulting from the breakdown;
  - (v) A quantification of the excess emissions, if any, resulting from the breakdown and the basis used to quantify the emissions;
  - (vi) Information substantiating whether the breakdown resulted from operator error, neglect or improper operation or maintenance procedures;
  - (vii) Information substantiating that steps were immediately taken to correct the condition causing the breakdown, and to minimize the emissions, if any, resulting from the breakdown;
  - (viii) A description of the corrective measures undertaken and/or to be undertaken to avoid such a breakdown in the future; and
  - (ix) Pictures of any equipment which failed, if available.

- (k) (C) Within 15 days of the end of each calendar quarter, an owner or operator shall submit to the Executive Officer a report that lists each occurrence of a breakdown, fault, malfunction, alarm, engine or control system operating parameter out of the acceptable range established by an I&M plan or permit condition, or a diagnostic emission check that finds excess emissions. Such report shall be in a South Coast AQMD-approved format, and for each incident shall identify the time of the incident, the time the operator learned of the incident, specific location, equipment involved, responsible party to contact for further information, to the extent known the causes of the event, the time and description of corrective actions, including shutting an engine down, and the results of all portable analyzer NO<sub>x</sub> and CO emissions checks done before or after the corrective actions. An owner or operator shall also report if no incidents occurred.
- (l) Schedule for Permit Revisions
- (1) No later than the date a facility's next Title V permit renewal application is due, an owner or operator of a Title V facility shall submit applications for each existing unit subject to this rule, and applications for I&M plans, if applicable.
- (2) An owner or operator of a non-Title V facility shall:
- (A) Submit an application for each existing boiler > 2 MMBtu/hr subject to this rule on or before January 1, 2023.
- (B) Submit an application for each existing boiler ≤ 2 MMBtu/hr subject to this rule on or before July 1, 2023.
- (C) Submit an application for each existing engine subject to this rule and an I&M plan application for each facility with an existing engine subject to this rule on or before January 1, 2024.
- (D) Submit an application for each existing turbine subject to this rule on or before July 1, 2024.
- (m) Exemptions
- (1) The emission limits in Table 1 or paragraph (d)(2) of this rule do not apply to any boiler 5 MMBtu/hr or greater in operation prior to September 5, 2008 with an annual heat input of less than or equal to 90,000 therms per year. An owner or operator of such boiler shall not operate the boiler in a manner that exceeds NO<sub>x</sub> emissions of 30 ppm corrected to three percent oxygen on a dry basis. In

- (m) lieu of complying with the applicable emission limits specified in Table 1 or paragraph (d)(2), the owner or operator shall:
- (A) Tune the unit(s) at least twice per year, (at intervals from four to eight months apart) in accordance with the procedure described in Attachment 2 or the unit manufacturer's specified tune-up procedure. If a different tune-up procedure from that described in Attachment 2 is used then a copy of this procedure shall be kept on site. The owner or operator of any unit(s) selecting the tune-up option shall maintain records for a rolling 24-month period verifying that the required tune-ups have been performed. If the unit does not operate throughout a continuous 6-month period within a 12-month period, only one tune-up is required for the 12-month period that includes the entire period of non-operation. For this case, the tune-up shall be conducted within 30 days of startup. No tune-up is required during a rolling 12-month period for any unit that is not operated during that rolling 12-month period; this unit may be test fired to verify availability of the units for its intended use but once the test firing is completed the unit shall be shutdown. Records of test firings shall be maintained for a rolling 24-month period, and shall be made accessible to an authorized South Coast AQMD representative upon request.
- (B) Any boiler subject to the requirements specified in paragraph (m)(1) that exceeds 90,000 therms of annual heat input from all fuels used shall constitute a violation of this rule. In addition, the owner or operator shall:
- (i) Within four months after exceeding 90,000 therms of annual heat input, submit required applications for permits to construct and operate; and
- (ii) Within 18 months after exceeding 90,000 therms of annual heat input, demonstrate and maintain compliance with all applicable requirements of this rule.
- (2) An owner or operator of any turbine  $\geq 0.3$  MW claiming any of the following exemptions shall provide verification of meeting the applicable criteria. All records shall be kept on-site for 5 years and made available to South Coast AQMD staff upon request.
- (A) The provisions of this rule shall not apply to turbines operated exclusively for firefighting and/or flood control.

- (m) (B) A turbine that operates only as a power source for a facility when the primary power source has been rendered inoperable, except it may not be used for power interruption pursuant to an interruptible power supply agreement, shall not be subject to the provisions of this rule, provided that an owner or operator:
  - (i) Installs and maintains in proper operation a non-resettable engine hour meter;
  - (ii) Maintains an operating log that includes, on a daily basis, the total hours of operation, type and quantity of fuel used, cumulative hours of operation to date for the calendar year, and the actual startup and shutdown times; and
  - (iii) Demonstrates a usage of less than 200 hours of operation per calendar year.
- (C) If the hour-per-year limit in clause (m)(2)(B)(iii) is exceeded, the exemption shall be automatically and permanently withdrawn, and the owner or operator shall:
  - (i) Notify the Executive Officer within 7 days of the date the hour-per-year limit is exceeded; and
  - (ii) Within 30 days after the date the hour-per-year limit is exceeded, submit a permit application for modification to equipment to meet the applicable compliance limit within 24 months of the date the hour-per-year limit is exceeded. Included with this permit application, an owner or operator shall submit an emission control plan including a schedule of increments of progress for the installation of the required control equipment. This plan shall be subject to the review and approval of the Executive Officer.
- (3) This rule does not apply to any boiler, turbine < 0.3 MW, or engine that is not permitted to fire digester gas or digester gas and another fuel. An owner or operator of a boiler or engine permitted to fire exclusively non-digester gas fuels shall comply with the following rules:
  - (A) For boilers, Rule 1146 – Emissions of Oxides of Nitrogen from Industrial, Institutional and Commercial Boilers, Steam Generators, and Process Heaters, Rule 1146.1 – Emissions of Oxides of Nitrogen from Small Industrial, Institutional, and Commercial Boilers, Steam Generators, and Process Heaters, and Rule 1146.2 – Emission of Oxides

- (m) of Nitrogen from Large Water Heaters and Small Boilers and Process Heaters; and
  - (B) For engines, Rule 1110.2 – Emissions from Gaseous- and Liquid-Fueled Engines.
- (4) This rule does not apply to emergency standby engines, engines used for fire-fighting and flood control, and any other emergency engines approved by the Executive Officer, which have permit conditions that limit operation to 200 hours or less per year as determined by an elapsed operating time meter, provided that an owner or operator:
  - (A) Installs and maintains in proper operation a non-resettable engine hour meter; and
  - (B) Maintains an operating log that includes cumulative hours of operation to date for the calendar year.
- (5) This rule does not apply to:
  - (A) Laboratory engines used in research and testing purposes;
  - (B) Engines operated for purposes of performance verification and testing of engines;
  - (C) Auxiliary engines used to power other engines or gas turbines during start-ups;
  - (D) Portable engines that are registered under the state registration program pursuant to Title 13, Article 5 of the CCR;
- (6) This rule does not apply to any turbine < 0.3 MW that was in operation prior to May 3, 2013.
- (7) The emission limits in Table 1 or paragraph (d)(2) do not apply to any existing boiler  $\leq 2$  MMBtu/hr without a NOx concentration limitation specified in the permit.
- (8) The emission limits in Table 1 or paragraph (d)(3) do not apply to the initial commissioning of a new engine or turbine for the period specified by permit conditions.
  - (A) The commissioning of a new engine shall not exceed 150 operating hours.
  - (B) The commissioning of a new turbine shall not exceed 150 operating hours, unless the Executive Officer approves in writing a longer time period and that time period is specified in the permit to operate.
- (9) The natural gas emission limits in Table 1 do not apply to boilers  $\leq 2$  MMBtu/hr that are demonstrated to use less than 9,000 therms of natural gas during every



- (m) calendar year. Compliance with the exemption limit shall be demonstrated by a calculation based on the annual fuel consumption recorded by an in line fuel meter or the annual operating hours recorded by a timer and using one of the following methods.
  - (A) Annual therm usage recorded by fuel meter and corrected to standard pressure; or
  - (B) Amount of fuel (i.e., in thousand cubic feet of gas corrected to standard pressure) converted to therm using the higher heating value of the fuel; or
  - (C) Annual therm usage calculated by multiplying the number of hours fuel is burned by the rated heat input capacity of the unit converted to therms.
- (10) This rule shall not apply to engines owned and operated by San Bernardino City Municipal Water Department that are subject to the variance issued by the South Coast Air Quality Management District Hearing Board on December 20, 2018 during the term of that variance. The engines shall remain subject to Rule 1110.2 – Emissions from Gaseous- and Liquid-Fueled Engines and the variance for its duration.

## ATTACHMENT 1

An I&M plan submitted to the Executive Officer for approval and implementation shall include:

- A. Identification of engine and control equipment operating parameters necessary to maintain pollutant concentrations within the rule and permit limits. This shall include, but not be limited to:
1. Procedures for using a portable NO<sub>x</sub>, CO and oxygen analyzer to establish the set points of the air-to-fuel ratio controller (AFRC) at 25%, 60% and 95% load (or fuel flow rate),  $\pm 5\%$ , or the minimum, midpoint and maximum loads that actually occur during normal operation,  $\pm 5\%$ , or at any one load within the  $\pm 10\%$  range that an engine permit is limited to in accordance with ~~(h)(2)(C)(ii)~~ paragraph (e)(9) of the rule;
  2. Procedures for verifying that the AFRC is controlling the engine to the set point during the daily monitoring required by subdivision D of this attachment;
  3. Procedures for reestablishing all AFRC set points with a portable NO<sub>x</sub>, CO and oxygen analyzer whenever a set point must be readjusted, within 24 hours of an oxygen sensor replacement, and, for rich-burn engines with a catalytic control device that simultaneously reduces emissions of NO<sub>x</sub>, CO, and VOC, between 100 and 150 engine operating hours after an oxygen sensor replacement;
  4. For engines with catalysts, the maximum allowed exhaust temperature at the catalyst inlet, based on catalyst manufacturer specifications;
  5. For lean-burn engines with SCR, the minimum exhaust temperature at the catalyst inlet required for reactant flow (ammonia or urea), and procedures for using portable NO<sub>x</sub> and oxygen analyzer to establish the acceptable range of reactant flow rate, as a function of load.

Parameter monitoring is not required for diesel engines without exhaust gas recirculation and catalytic exhaust control devices.

- B. Procedures for alerting the operator to emission control malfunctions. Engine control systems, such as air-to-fuel ratio controllers, shall have a malfunction indicator light and audible alarm.
- C. Procedures for diagnostic emission checks conducted by a portable NO<sub>x</sub>, CO, and oxygen analyzer per the requirements of ~~clause (h)(2)(D)(ii)~~ paragraph (h)(2) of the rule.
- D. Procedures for at least daily monitoring, inspection and recordkeeping of:
1. engine load or fuel flow rate;
  2. the set point, maximums and acceptable ranges of the parameters identified by subdivision A of this attachment, and the actual values of the same parameters;
  3. the engine elapsed time meter operating hours;
  4. the operating hours since the last diagnostic emission check required by ~~clause (h)(2)(D)(ii)~~ paragraph (h)(2) of the rule;
  5. for rich-burn engines with three-way catalysts, the difference of the exhaust temperatures ( $\Delta T$ ) at the inlet and outlet of the catalyst (changes in the  $\Delta T$  can indicate changes in the effectiveness of the catalyst);
  6. engine control system and AFRC system faults or alarms that affect emissions.

The daily monitoring and recordkeeping may be done in person by the operator, or by remote monitoring.

- E. Procedures for responding to, diagnosing and correcting breakdowns, faults, malfunctions, alarms, diagnostic emission checks finding emissions in excess of rule or permit limits, and parameters out-of-range, per the requirements of ~~clause (h)(2)(D)(iii)~~ paragraph (k)(1) of the rule.
- F. Procedures and schedules for preventative and corrective maintenance.
- G. Procedures for reporting noncompliance to the Executive Officer in accordance with ~~subparagraph (h)(2)(H)~~ paragraph (k)(4) of the rule.
- H. Procedures and format for the recordkeeping of monitoring and other actions required by the plan.

## ATTACHMENT 2

**A. Equipment Tuning Procedure<sup>1</sup> for Forced-Draft Boilers, Steam Generators, and Process Heaters.**

Nothing in this Equipment Tuning Procedure shall be construed to require any act or omission that would result in unsafe conditions or would be in violation of any regulation or requirement established by Factory Mutual, Industrial Risk Insurers, National Fire Prevention Association, the California Department of Industrial Relations (Occupational Safety and Health Division), the Federal Occupational Safety and Health Administration, or other relevant regulations and requirements.

Should a different tuning procedure be used, a copy of this procedure should be kept with the unit records for two years and made available to the South Coast AQMD personnel on request.

1. Operate the unit at the firing rate most typical of normal operation. If the unit experiences significant load variations during normal operation, operate it at its average firing rate.
2. At this firing rate, record stack gas temperature, oxygen concentration, and CO concentration (for gases fuels) or smoke-spot number<sup>2</sup> (for liquid fuels), and observe flame conditions after unit operation stabilizes at the firing rate selected. If the excess oxygen in the stack gas at the lower end of the range of typical minimum values<sup>3</sup>, and if CO emissions are low and there is not smoke, the unit is probably operating at near optimum efficiency - at this particular firing rate.
3. Increase combustion air flow to the furnace until stack gas oxygen levels increase by one to two percent over the level measured in Step 2. As in Step 2, record the stack gas temperature, CO concentration (for gaseous fuels) or smoke-spot number (for liquid fuels), and observed flame conditions for these higher oxygen levels after boiler operation stabilizes.

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<sup>1</sup> This tuning procedure is based on a tune-up procedure developed by KVB, Inc. for the United States EPA

<sup>2</sup> The smoke-spot number can be determined with ASTM Test Method D-2156 or with the Bacharach method. ASTM Test Method D-2156 is included in a tuneup kit that can be purchased from the Bacharach Company.

<sup>3</sup> Typical minimum oxygen levels for boilers at high firing rates are:

1. For natural gas: 0.5% - 3%
2. For liquid fuels: 2% - 4%

However, complete the remaining portion of this procedure to determine whether still lower oxygen levels are practical.

4. Decrease combustion air flow until the stack gas oxygen concentration is at the level measured in Step 2. From this level gradually reduce the combustion air flow, in small increments. After each increment, record the stack gas temperature, oxygen concentration, CO concentration (for gaseous fuels) and smoke-spot number (for liquid fuels). Also observe the flame and record any changes in its condition. Also observe the flame and record any changes in its condition.
5. Continue to reduce combustion air flow stepwise, until one of these limits reached:
  - a. Unacceptable flame conditions – such as flame impingement on furnace walls or burner parts, excessive flame carryover, or flame instability.
  - b. Stack gas CO concentrations greater than 400 ppm
  - c. Smoking at the stack
  - d. Equipment-related limitations – such as low windbox/furnace pressure differential, built in air-flow limits, etc.
6. Develop an O<sub>2</sub>/CO curve (for gaseous fuels) or O<sub>2</sub>/smoke curve (for liquid fuels) similar to those shown in Figures 1 and 2 using the excess oxygen and CO or smoke-spot number data obtained at each combustion air flow setting.

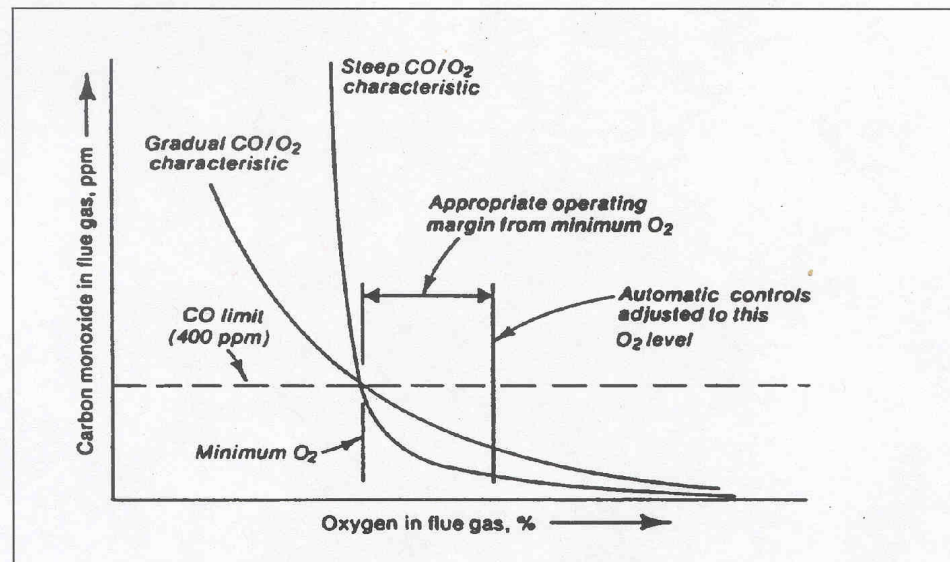


Figure 1 Oxygen/CO Characteristic Curve

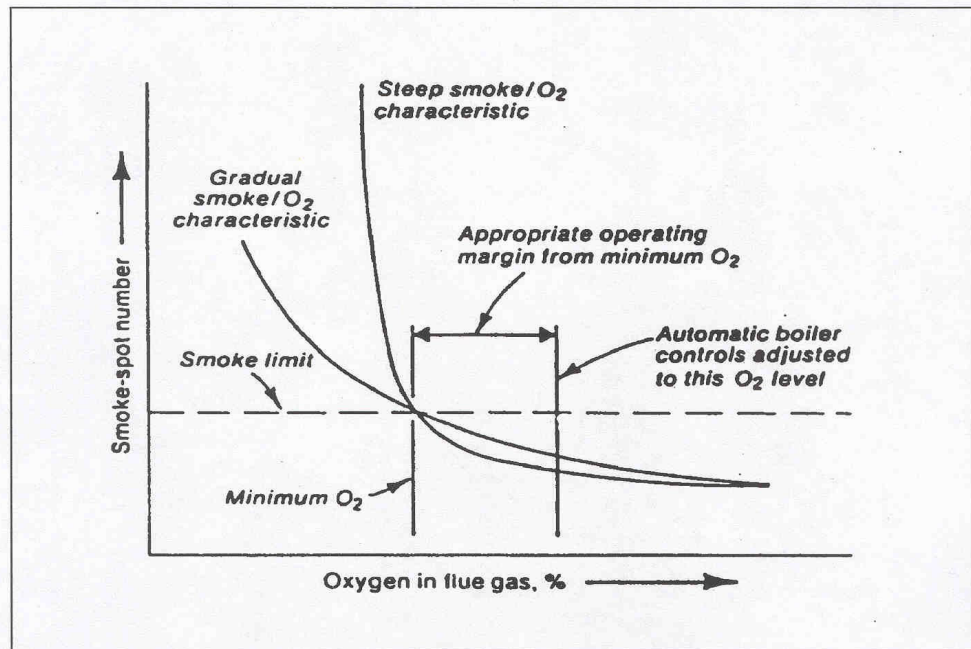


Figure 2 Oxygen/Smoke Characteristic Curve

- From the curves prepared in Step 6, find the stack gas oxygen levels where the CO emissions or smoke-spot number equal the following values:

| <u>Fuel</u>    | <u>Measurement</u> | <u>Value</u> |
|----------------|--------------------|--------------|
| Gaseous        | CO Emissions       | 400 ppm      |
| #1 and #2 oils | smoke-spot number  | number 1     |
| #4 oil         | smoke-spot number  | number 2     |
| #5 oil         | smoke-spot number  | number 3     |
| Other oils     | smoke-spot number  | number 4     |

The above conditions are referred to as the CO or smoke thresholds, or as the minimum excess oxygen level.

Compare this minimum value of excess oxygen to the expected value provided by the combustion unit manufacturer. If the minimum level found is substantially higher than the value provided by the combustion unit manufacturer, burner adjustments can probably be made to improve fuel and air mixing, thereby allowing operation with less air.

- Add 0.5 to 2.0 percent O<sub>2</sub> to the minimum excess oxygen level found in Step 7 and reset burner controls to operate automatically at this higher stack gas oxygen level. This margin above the minimum oxygen level accounts for fuel variations,

variations in atmospheric conditions, load changes, and nonrepeatability or play in automatic controls.

9. If the load of the combustion unit varies significantly during normal operation, repeat Steps 1-8 for firing rates that represent the upper and lower limits of the range of the load. Because control adjustments at one firing rate may affect conditions at other firing rates, it may not be possible to establish the optimum excess oxygen level at all firing rates. If this is the case, choose the burner control settings that give best performance over the range of firing rates. If one firing rate predominates, settings should optimize conditions at that rate.
10. Verify that the new settings can accommodate the sudden load changes that may occur in daily operation without adverse effects. Do this by increasing and decreasing load rapidly while observing the flame and stack. If any of the conditions in Step 5 result, reset the combustion controls to provide a slightly higher level of excess oxygen at the affected firing rates. Next, verify these new settings in a similar fashion. Then make sure that the final control settings are recorded at steady-state operating conditions for future reference.
11. When the above checks and adjustments have been made, record data and attach combustion analysis data to boiler, steam generator, or heater records indicating name and signature of person, title, and the date the tune up was performed

**B. Equipment Tuning Procedure for natural Draft-Fired Boilers, Steam Generators, and Process Heaters.**

Nothing in this Equipment Tuning Procedure shall be construed to require any act or omission that would result in unsafe conditions or would be in violation of any regulation or requirement established by Factory Mutual, Industrial Risk Insurers, National Fire Prevention Association, the California Department of Industrial Relations (Occupational Safety and Health Division), the Federal Occupational Safety and Health Administration, or other relevant codes, regulations and equipment manufacturers specifications and operating manuals.

Should a different tuning procedure be used, a copy of this procedure should be kept with the unit records for two years and made available to the South Coast AQMD personnel on request.

1. **PRELIMINARY ANALYSIS**
  - a. **CHECK THE OPERATING PRESSURE OR TEMPERATURE.**

Operate the boiler, steam generator, or heater at the lowest acceptable

pressure or temperature that will satisfy the load demand. This will minimize heat and radiation losses. Determine the pressure or temperature that will be used as a basis for comparative combustion analysis before and after tuneup.

b. CHECK OPERATING HOURS.

Plan the workload so that the boiler, steam generator, or process heater operates only the minimum hours and days necessary to perform the work required. Fewer operating hours will reduce fuel use and emissions. For units requiring a tuneup to comply with the rule, a totalizing non-resettable fuel meter will be required for each fuel used and for each boiler, steam generator, and heater to prove fuel consumption is less than the heat input limit in therms per year specified in the rule.

c. CHECK AIR SUPPLY.

Sufficient fresh air supply is essential to ensure optimum combustion and the area of air supply openings must be in compliance with applicable codes and regulations. Air openings must be kept wide open when the burner is firing and clear from restriction to flow.

d. CHECK VENT

Proper venting is essential to assure efficient combustion. Insufficient draft or overdraft promotes hazards and inefficient burning. Check to be sure that vent is in good condition, sized properly and with no obstructions.

e. COMBUSTION ANALYSIS

Perform an "as is" combustion analysis (CO, O<sub>2</sub>, etc.) with a warmed up unit at high and low fire, if possible. In addition to data obtained from combustion analysis, also record the following:

- i. Inlet fuel pressure at burner (at high & low fire)
- ii. Draft at inlet to draft hood or barometer damper
  - 1) Draft hood: high, medium, and low
  - 2) Barometric Damper: high, medium, and low
- iii. Steam pressure, water temperature, or process fluid pressure or temperature entering and leaving the boiler, steam generator, or process heater.
- iv. Unit rate if meter is available.

With above conditions recorded, make the following checks and corrective actions as necessary:



**2. CHECKS & CORRECTIONS****a. CHECK BURNER CONDITION.**

Dirty burners or burner orifices will cause boiler, steam generator, or process heater output rate and thermal efficiency to decrease. Clean burners and burner orifices thoroughly. Also, ensure that fuel filters and moisture traps are in place, clean, and operating properly, to prevent plugging of gas orifices. Confirm proper location and orientation of burner diffuser spuds, gas canes, etc. Look for any burned-off or missing burner parts, and replace as needed.

**b. CHECK FOR CLEAN BOILER, STEAM GENERATOR, OR PROCESS HEATER TUBES & HEAT TRANSFER SURFACES.**

External and internal build-up of sediment and scale on the heating surfaces creates an insulating effect that quickly reduces unit efficiency. Excessive fuel cost will result if the unit is not kept clean. Clean tube surfaces, remove scale and soot, assure proper process fluid flow and flue gas flow.

**c. CHECK WATER TREATMENT & BLOWDOWN PROGRAM.**

Soft water and the proper water or process fluid treatment must be uniformly used to minimize scale and corrosion. Timely flushing and periodic blowdown must be employed to eliminate sediment and scale build-up on a boiler, steam generator or process heater.

**d. CHECK FOR STEAM, HOT WATER OR PROCESSFLUID LEAKS.**

Repair all leaks immediately since even small high-pressure leaks quickly lead to considerable fuel, water and steam losses. Be sure there are no leaks through the blow-off, drains, safety valve, by-pass lines or at the feed pump, if used.

**3. SAFETY CHECKS**

a. Test primary and secondary low water level controls.

b. Check operating and limit pressure and temperature controls.

c. Check pilot safety shut off operation.

d. Check safety valve pressure and capacity to meet boiler, steam generator or process heater requirements.

e. Check limit safety control and spill switch.

**4. ADJUSTMENTS**

While taking combustion readings with a warmed up boiler, steam generator, or process heater at high fire perform checks and adjustments as follows:

- a. Adjust unit to fire at rate; record fuel manifold pressure.
- b. Adjust draft and/or fuel pressure to obtain acceptable, clean combustion at both high, medium and low fire. Carbon Monoxide CO value should always be below 400 parts per million (PPM) at 3% O<sub>2</sub>. If CO is high make necessary adjustments.

Check to ensure boiler, steam generator, or process heater light offs are smooth and safe. A reduced fuel pressure test at both high and low fire should be conducted in accordance with the manufacturer's instructions and maintenance manuals.

- c. Check and adjust operation of modulation controller. Ensure proper, efficient and clean combustion through range of firing rates.

When above adjustments and corrections have been made, record all data.

**5. FINAL TEST**

Perform a final combustion analysis with a warmed up boiler, steam generator, or process heater at high, medium and low fire, whenever possible. In addition to data from combustion analysis, also check and record:

- a. Fuel pressure at burner (High, Medium, and Low).
- b. Draft above draft hood or barometric damper (High, Medium, and Low).
- c. Steam pressure or water temperature entering and leaving boiler, steam generator, or process heater.
- d. Unit rate if meter is available.

When the above checks and adjustments have been made, record data and attach combustion analysis data to boiler, steam generator, or process heater records indicating name and signature of person, title, company name, company address and date the tuneup was performed.

ATTACHMENT G



**South Coast  
Air Quality Management District**

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

**SUBJECT: NOTICE OF EXEMPTION FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT**

**PROJECT TITLE: PROPOSED AMENDED RULE 1179.1 – EMISSION REDUCTIONS FROM COMBUSTION EQUIPMENT AT PUBLICLY OWNED TREATMENT WORKS FACILITIES**

Pursuant to the California Environmental Quality Act (CEQA) Guidelines, the South Coast Air Quality Management District (South Coast AQMD), as Lead Agency, has prepared a Notice of Exemption pursuant to CEQA Guidelines Section 15062 – Notice of Exemption for the project identified above.

If the proposed project is approved, the Notice of Exemption will be filed for posting with the county clerks of Los Angeles, Orange, Riverside, and San Bernardino Counties. The Notice of Exemption will also be electronically filed with the State Clearinghouse of the Governor's Office of Planning and Research for posting on their CEQAnet Web Portal which may be accessed via the following weblink: <https://ceqanet.opr.ca.gov/search/recent>. In addition, the Notice of Exemption will be electronically posted on the South Coast AQMD's webpage which can be accessed via the following weblink: <http://www.aqmd.gov/nav/about/public-notices/ceqa-notices/notices-of-exemption/noe---year-2025>.



# Proposed Amended Rule 1179.1 – Emission Reductions from Combustion Equipment at Publicly Owned Treatment Works Facilities



Board Meeting  
January 10, 2025

# Background

- Rule 1179.1 was adopted in 2020 and established emission limits for boilers, turbines, and engines located at publicly owned treatment works facilities
- Staff identified erroneous cross-references in Rule 1179.1 - Attachment 1
- On February 4, 2024, a compliance advisory was issued with the correct cross-references
- Proposed Amended Rule 1179.1 (PAR 1179.1) corrects rule references



# Corrected Attachment 1 Cross References

| <b>Attachment 1 Section</b> | <b>Rule 1179.1- Attachment 1 Erroneous Cross- References</b> | <b>PAR 1179.1 - Attachment 1 Corrected Cross-References</b> |
|-----------------------------|--|---|
| <b>A 1</b>                  | Clause (h)(2)(C)(ii)   | Paragraph (e)(9)  |
| <b>C</b>                    | Clause (h)(2)(D)(ii)   | Paragraph (h)(2)  |
| <b>D 4</b>                  | Clause (h)(2)(D)(ii)   | Paragraph (h)(2)  |
| <b>E</b>                    | Clause (h)(2)(D)(iii)  | Paragraph (k)(1)  |
| <b>G</b>                    | Subparagraph (h)(2)(H)                                       | Paragraph (k)(4)  |

# Impact Assessments

## Socioeconomic Impact Assessment

- Not required because PAR 1179.1 is administrative in nature and will not affect air quality or emission limitations

## California Environmental Quality Act (CEQA)

- PAR 1179.1 qualifies for a CEQA exemption

## No Key Issues

- Public Workshop held on October 23, 2024



# Staff Recommendations



## Adopt Resolution:

- Determining that Proposed Amended Rule 1179.1 is exempt from the requirements of the California Environmental Quality Act
- Amending Rule 1179.1

BOARD MEETING DATE: January 10, 2025

AGENDA NO. 32

**PROPOSAL:** Determine That Proposed Amended Regulation XXX – Title V Permits, Is Exempt from CEQA; and Amend Regulation XXX

**SYNOPSIS:** Regulation XXX – Title V Permits establishes provisions for Title V facilities including obtaining a Title V permit and complying with the conditions of the permit. To be consistent with a decision made by the U.S. Supreme Court on U.S. EPA’s Greenhouse Gas Tailoring Rule and Title V operating permit program regulations, Proposed Amended Regulation XXX will remove the emergency affirmative defense and certain greenhouse gas provisions.

**COMMITTEE:** Stationary Source, November 15, 2024, Reviewed

**RECOMMENDED ACTIONS:**

Adopt the attached Resolution:

1. Determining that Proposed Amended Regulation XXX – Title V Permits is exempt from the requirements of the California Environmental Quality Act; and
2. Amending Regulation XXX – Title V Permits.

Wayne Natri  
Executive Officer

SR:MK:MM:IS:AO

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This Board letter serves as the Staff Report for the proposed amendments to Regulation XXX – Title V Permits (PAR XXX).

**Background**

Regulation XXX – Title V Permits was adopted in 1993 to encompass the permitting process and requirements established by U.S. EPA in the 1990 amendments to the federal Clean Air Act. Title V facilities are defined as major sources that emit the largest quantities of pollutants in South Coast AQMD as determined by meeting and/or surpassing the applicable emission thresholds of any pollutants in Rule 3001–Applicability (Rule 3001). Title V facilities are required to operate in compliance with all terms, requirements, and conditions specified in their respective Title V permit at all

times. There are approximately 310 facilities in South Coast AQMD with Title V permits.

In Rule 3002 – Requirements (Rule 3002), when facing an action alleging non-compliance with a technology-based limitation, Title V facilities can assert an affirmative defense of an emergency if they satisfy the conditions of subdivision (g) – Emergency Provisions. An affirmative defense can be used to mitigate or prevent emission violation penalties if certain conditions are met.

Following court decisions of the U.S. Court of Appeals for the D.C. Circuit – primarily the court’s 2014 decision in *NRDC v. EPA*, 749 F.3d 1055 – U.S. EPA reevaluated its interpretation of the federal Clean Air Act with respect to affirmative defense provisions. On August 21, 2023, U.S. EPA removed the Title V emergency affirmative defense provisions from Title V operating permit program regulations. U.S. EPA also required air pollution control agencies to remove emergency affirmative defense provisions from their Title V permit programs within one year after final rule effective date.<sup>1</sup> U.S. EPA granted South Coast AQMD a one-year extension from the August 21, 2024, deadline.

Rules 3001 and 3002 also include greenhouse gas (GHG) emission provisions that trigger requirements for a facility to obtain a Title V permit. GHG provisions were included in Regulation XXX to address U.S. EPA’s Greenhouse Gas Tailoring Rule. However, in *Utility Air Regulation Group v. EPA*, 573 U.S. 302 (2014), the U.S. Supreme Court held that U.S. EPA may not treat GHGs as an air pollutant for purposes of determining whether a source is a major source that is required to obtain a Prevention of Significant Deterioration or Title V permit.<sup>2</sup> Therefore, certain provisions of Regulation XXX relative to GHGs are proposed to be deleted.

## **Public Process**

Staff held a Public Workshop on October 2, 2024.

## **Proposal**

Proposed Amended Rule 3002 (PAR 3002) will remove the emergency affirmative defense provisions to be consistent with U.S. EPA’s Title V operating permit program regulations. Following U.S. EPA approval of Proposed Amended Rule 3002 as a revision to the approved Title V program, Title V permits that reference or contain the emergency affirmative defense provisions will be updated to remove such provisions during regular permit renewal or other permit revision, consistent with U.S. EPA guidance. After removal of the emergency affirmative defense provisions, staff still retains the discretion and authority, on a case-by-case basis, to consider emergency circumstances in evaluating ongoing non-compliance and possible violations. To be

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<sup>1</sup> <https://www.federalregister.gov/d/2023-15067>

<sup>2</sup> <https://www.epa.gov/nsr/clean-air-act-permitting-greenhouse-gases>

consistent with the U.S. Supreme Court’s decision, PAR 3002 will also remove provisions related to U.S. EPA’s Greenhouse Gas Tailoring Rule that trigger requirements for a facility to obtain a Title V permit.

Four additional Regulation XXX rules will also be amended to remove or update provisions related to the deletion of the emergency affirmative defense and certain GHG provisions. Proposed Amended Rule 3001 – Applicability (PAR 3001) will remove a provision triggering Title V permit applicability when GHG emission thresholds are exceeded as well as associated rule language in subdivision (d) – Exemptions. Proposed Amended Rule 3003 – Applications (PAR 3003) will correct a reference to Rule 3002. Proposed Amended Rule 3004 – Permit Types and Content (PAR 3004) will remove references to the emergency affirmative defense provisions in Rule 3002. Proposed Amended Rule 3008 – Potential to Emit Limitations (PAR 3008) will remove the GHG emission threshold for Title V permit applicability and GHG emission limits derived from the GHG Tailoring Rule.

### **Key Issues**

Staff is not aware of any key remaining issues.

### **California Environmental Quality Act (CEQA)**

Pursuant to the California Environmental Quality Act (CEQA) Guidelines Sections 15002(k) and 15061, Proposed Amended Regulation XXX is exempt from CEQA pursuant to CEQA Guidelines Sections 15061(b)(3), 15308, and 15321. Further, there is no substantial evidence that any of the exceptions, as set forth in CEQA Guidelines Section 15300.2, apply to the proposed project. A Notice of Exemption has been prepared pursuant to CEQA Guidelines Section 15062 and is included as Attachment G of this Board Letter. If the proposed project is approved, the Notice of Exemption will be filed with the county clerks of Los Angeles, Orange, Riverside, and San Bernardino counties, and with the State Clearinghouse of the Governor’s Office of Planning and Research.

### **Socioeconomic Impact Assessment**

The proposed amendments to Regulation XXX are administrative in nature, do not affect air quality or emission limitations, and thus, will not result in socioeconomic impacts. Therefore, a socioeconomic impact assessment is not required under Health and Safety Code Sections 40440.8 and 40728.5.

### **Comparative Analysis**

Health and Safety Code Section 40727.2(g) is applicable to Proposed Amended Regulation XXX. Therefore, a comparative analysis is not required because Proposed Amended Regulation XXX does not impose a new or more stringent emissions limit or standard, or a new or more stringent monitoring, reporting, or recordkeeping requirement.

### **AQMP and Legal Mandates**

The Health and Safety Code requires the South Coast AQMD to adopt an Air Quality Management Plan (AQMP) to meet state and federal ambient air quality standards in the South Coast Air Basin. In addition, the Health and Safety Code requires the South Coast AQMD to adopt rules and regulations that carry out the objectives of the AQMP. Proposed Amended Regulation XXX is not part of any control measure in the 2022 AQMP.

### **Resource Impacts**

Existing staff resources are adequate to implement the recommended actions.

### **Attachments**

- A. Summary of Proposal
- B. Key Issues and Responses
- C. Rule Development Process
- D. Key Contacts List
- E. Resolution
- F1. Proposed Amended Rule 3001
- F2. Proposed Amended Rule 3002
- F3. Proposed Amended Rule 3003
- F4. Proposed Amended Rule 3004
- F5. Proposed Amended Rule 3008
- G. Notice of Exemption from CEQA
- H. Board Presentation

**ATTACHMENT A**  
**SUMMARY OF PROPOSAL**

**Proposed Amended Regulation XXX – Title V Permits**

- PAR 3001 removes GHGs from triggering Title V permit applicability
- PAR 3002 removes emergency affirmative defense provisions and GHGs from triggering Title V permit applicability
- PAR 3003 corrects a reference to Rule 3002
- PAR 3004 removes references to the emergency affirmative defense provisions
- PAR 3008 removes GHG emission threshold for Title V applicability and a related requirement

**ATTACHMENT C  
RULE DEVELOPMENT PROCESS**

**Proposed Amended Regulation XXX – Title V Permits**



**Five (5) months spent in rule development**

**One (1) Public Workshop**

**One (1) Stationary Source Committee Meeting**

**ATTACHMENT D**  
**KEY CONTACTS LIST**

**Proposed Amended Regulation XXX – Title V Permits**

Air Products Manufacturing

Clean Water SoCal

Glendale Water & Power

PBF Energy

Southern California Edison

United States Environmental Protection Agency

Western States Petroleum Association



**ATTACHMENT E**

RESOLUTION NO. 25-\_\_\_\_\_

**A Resolution of the Governing Board of the South Coast Air Quality Management District (South Coast AQMD) determining that Proposed Amended Regulation XXX – Title V Permits, is exempt from the requirements of the California Environmental Quality Act (CEQA).**

**A Resolution of the South Coast AQMD Governing Board amending Regulation XXX – Title V Permits.**

**WHEREAS**, the South Coast AQMD Governing Board finds and determines that Proposed Amended Regulation XXX is considered a "project" as defined by CEQA; and

**WHEREAS**, the South Coast AQMD has had its regulatory program certified pursuant to Public Resources Code Section 21080.5 and CEQA Guidelines Section 15251(l), and has conducted a CEQA review and analysis of the proposed project pursuant to such program (South Coast AQMD Rule 110); and

**WHEREAS**, the South Coast AQMD Governing Board finds and determines that after conducting a review of the proposed project in accordance with CEQA Guidelines Section 15002(k) – General Concepts, the three-step process for deciding which document to prepare for a project subject to CEQA, and CEQA Guidelines Section 15061 – Review for Exemption, procedures for determining if a project is exempt from CEQA, that Proposed Amended Regulation XXX is exempt from CEQA; and

**WHEREAS**, the South Coast AQMD Governing Board finds and determines that, since Proposed Amended Regulation XXX will make administrative clarifications which will not require physical modifications, it can be seen with certainty that implementing the proposed project would not cause a significant adverse effect on the environment; therefore, the proposed project is exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) – Common Sense Exemption; and

**WHEREAS**, the South Coast AQMD Governing Board finds and determines that the proposed project is also categorically exempt from CEQA pursuant to CEQA Guidelines Section 15308 – Actions by Regulatory Agencies for the Protection of the Environment, because Proposed Amended Regulation XXX is designed to further protect or enhance the environment; and

**WHEREAS**, the South Coast AQMD Governing Board finds and determines that the proposed project is also categorically exempt from CEQA pursuant to CEQA Guidelines Section 15321 – Enforcement Actions by Regulatory Agencies because Proposed Amended Regulation XXX clarifies the enforcement requirements; and

**WHEREAS**, the South Coast AQMD Governing Board has determined that there is no substantial evidence indicating that any of the exceptions set forth in CEQA Guidelines Section 15300.2 – Exceptions, apply to the proposed project; and

**WHEREAS**, the South Coast AQMD staff has prepared a Notice of Exemption for the proposed project, that is completed in compliance with CEQA Guidelines Section 15062 – Notice of Exemption; and

**WHEREAS**, Proposed Amended Regulation XXX and supporting documentation, including but not limited to, the Notice of Exemption and the Board Letter, were presented to the South Coast AQMD Governing Board and the South Coast AQMD Governing Board has reviewed and considered this information, as well as has taken and considered staff testimony and public comment prior to approving the proposed project; and

**WHEREAS**, the South Coast AQMD Governing Board finds and determines, taking into consideration the factors in Section (d)(4)(D) of the Governing Board Procedures (Section 30.5(4)(D)(i) of the Administrative Code), that there were no modifications to Proposed Amended Regulation XXX since the notice of public hearing was published; and

**WHEREAS**, Proposed Amended Rule 3001, Proposed Amended Rule 3002, Proposed Amended Rule 3003, and Proposed Amended Rule 3004 will be submitted as program revisions to the approved Title V program; and

**WHEREAS**, Health and Safety Code Section 40727 requires that prior to adopting, amending, or repealing a rule or regulation, the South Coast AQMD Governing Board shall make findings of necessity, authority, clarity, consistency, non-duplication, and reference based on relevant information presented at the public hearing, in the rulemaking record, and in the Final Staff Report; and

**WHEREAS**, the South Coast AQMD Governing Board has determined that a need exists to amend Regulation XXX to address U.S. Environmental Protection Agency’s mandate for regulatory agencies to remove emergency affirmative defense provisions in the Title V operating permit program regulations, as well as the U.S. Supreme Court’s decision regarding the U.S. Environmental Protection Agency’s Greenhouse Gas provisions; and

**WHEREAS**, the South Coast AQMD Governing Board has determined that there is a problem that Proposed Amended Regulation XXX will alleviate, namely to ensure consistency with U.S. Environmental Protection Agency and a ruling by the U.S. Supreme Court; and

**WHEREAS**, the South Coast AQMD Governing Board obtains its authority to adopt, amend, or repeal rules and regulations from Health and Safety Code Sections 39002, 40000, 40001, 40440, 40702, 40725 through 40728, 41508, and 41700; and

**WHEREAS**, the South Coast AQMD Governing Board has determined that Proposed Amended Regulation XXX is written and displayed so that the meaning can be easily understood by persons directly affected by it; and

**WHEREAS**, the South Coast AQMD Governing Board has determined that Proposed Amended Regulation XXX is in harmony with, and not in conflict with or contradictory to, existing statutes, court decisions, and federal or state regulations; and

**WHEREAS**, the South Coast AQMD Governing Board has determined that Proposed Amended Regulation XXX does not impose the same requirements as any existing state or federal regulation, and the proposed amendments are necessary and proper to execute the powers and duties granted to, and imposed upon, the South Coast AQMD; and

**WHEREAS**, the South Coast AQMD Governing Board, in amending Regulation XXX, the South Coast AQMD Governing Board references the following rule, which the South Coast AQMD hereby implements, interprets, enforces, or makes specific: U.S. Environmental Protection Agency 40 CFR Parts 52.21, 70, and 71; and

**WHEREAS**, the South Coast AQMD Governing Board finds that no comparative analysis pursuant to Health and Safety Code Section 40727.2 is required because Proposed Amended Regulation XXX contains changes which are administrative in nature and do not impose a new emission limit or standard, make an existing emission limit or standard more stringent, or impose new or more stringent monitoring, reporting, or recordkeeping requirements; and

**WHEREAS**, the South Coast AQMD Governing Board finds that no socioeconomic impact assessment for Proposed Amended Regulation XXX is required per Health and Safety Code Sections 40440.8 and 40728.5 because the proposed amendments are administrative in nature and will not significantly affect air quality or emissions limitations such that no adverse socioeconomic impacts are expected; and

**WHEREAS**, the South Coast AQMD Governing Board finds that analyses for cost-effectiveness and incremental cost-effectiveness consistent with the Health and Safety Code Section 40920.6 are not required because Proposed Amended Regulation XXX does not include new Best Available Retrofit Control Technology requirements nor a feasible measure pursuant to Health and Safety Code Section 40914; and

**WHEREAS**, the South Coast AQMD staff conducted a Public Workshop regarding Proposed Amended Regulation XXX on October 2, 2024; and

**WHEREAS**, the Public Hearing has been properly noticed in accordance with the provisions of Health and Safety Code Sections 40725 and 40440.5; and

**WHEREAS**, the South Coast AQMD Governing Board has held a Public Hearing in accordance with all provisions of state and federal law; and

**WHEREAS**, the South Coast AQMD Governing Board specifies the Planning, Rule Development and Implementation Manager overseeing the development of Proposed Amended Regulation XXX as the custodian of the documents or other materials which constitute the record of proceedings upon which the adoption of this proposed project is based, which are located at the South Coast Air Quality Management District, 21865 Copley Drive, Diamond Bar, California; and

**NOW, THEREFORE BE IT RESOLVED**, that the South Coast AQMD Governing Board does hereby determine, pursuant to the authority granted by law, that the proposed project, Proposed Amended Regulation XXX, which includes Proposed Amended Rules 3001, 3002, 3003, 3004, and 3008, is exempt from CEQA pursuant to CEQA Guidelines Sections 15061(b)(3) – Common Sense Exemption. The South Coast AQMD Governing Board does also hereby determine, pursuant to the authority granted by law, that the proposed project is categorically exempt from CEQA pursuant to CEQA Guidelines Section 15308 – Actions by Regulatory Agencies for Protection of the Environment, and CEQA Guidelines Section 15321 – Enforcement Actions by Regulatory Agencies. No exceptions to the application of the categorical exemptions as set forth in CEQA Guidelines Section 15300.2 – Exceptions, apply to the proposed project. This information was presented to the South Coast AQMD Governing Board, whose members exercised their independent judgement and reviewed, considered, and approved the information therein prior to acting on Proposed Amended Regulation XXX; and

**BE IT FURTHER RESOLVED**, that the South Coast AQMD Governing Board does hereby adopt, pursuant to the authority granted by law, Proposed Amended Regulation XXX as set forth in the attached, and incorporated herein by reference; and

**BE IT FURTHER RESOLVED**, that the South Coast AQMD Governing Board requests that Proposed Amended Rule 3001, Proposed Amended Rule 3002, Proposed Amended Rule 3003, and Proposed Amended Rule 3004 be submitted as program revisions to the Title V program; and

**BE IT FURTHER RESOLVED**, that the Executive Officer is hereby directed to forward a copy of this Resolution and Proposed Amended Rule 3001, Proposed Amended Rule 3002, Proposed Amended Rule 3003, Proposed Amended Rule 3004 and supporting documentation to California Air Resources Board for approval and subsequently submitted to the U.S. Environmental Protection Agency as program revisions to the Title V program.

DATE: \_\_\_\_\_

\_\_\_\_\_

CLERK OF THE BOARDS

# ATTACHMENT F1

(Adopted October 8, 1993)(Amended August 11, 1995)  
(Amended November 14, 1997)(Amended November 5, 2010)  
(Amended December 4, 2020)(Amended TBD)

[RULE INDEX TO BE ADDED AFTER RULE ADOPTION]

## **PROPOSED AMENDED RULE 3001. APPLICABILITY**

(a) Phase One Title V Permits

Prior to December 4, 2020, operators of facilities that have, in 1992 or later, reported annual emissions equal to or greater than any of the threshold amounts shown in Table 1 shall submit initial Title V applications to the Executive Officer and obtain Title V permits in accordance with the timelines specified in Rule 3003 - Applications.

TABLE 1

Emission Threshold Levels for Facilities During Phase One

Based on Actual Reported Emissions in tons per year (tpy) per Facility Location

| Pollutant           | Actual Reported Emission Threshold Levels Per Facility Location |  |   |
|---------------------|---|--|---|
|                     | South Coast Air Basin (tpy)                                     | Riverside County Portion of Salton Sea Air Basin (tpy) | Non-Palo Verde, Riverside County Portion of Mojave Desert Air Basin (tpy) |
| VOC                 | 8   | 20   | 80  |
| NO <sub>x</sub>     | 8   | 20   | 80  |
| SO <sub>x</sub>     | 80  | 80   | 80  |
| CO                  | 40  | 80   | 80  |
| PM-10               | 56  | 56   | 80  |
| Single HAP          | 8   | 8  | 8   |
| Combination of HAPs | 20  | 20   | 20  |

(b) Phase Two Title V Permits

(1) Operators of facilities, not subject to the provisions of subdivision (a) of this rule, with the potential to emit any regulated air pollutant at, or greater than, any of the threshold amounts shown in Table 2 shall submit to the Executive

Officer applications for initial Title V permits in accordance with the timelines specified in Rule 3003 - Applications, and obtain Title V permits within five years after the effective date, as defined in paragraph (b)(8) of Rule 3000.

- (2) For the purpose of this subdivision, the potential to emit for a RECLAIM pollutant from a RECLAIM facility is the higher of:
  - (A) the starting allocation plus nontradeable credits; or
  - (B) RECLAIM Trading Credits (RTC) held in the allocation account after any trading.

RTCs held in the certificate account are not part of the allocation.

**TABLE 2**

**Emission Threshold Levels for Facilities During Phase Two**

Based on Potential to Emit in tons per year (tpy) per Facility Location

| Pollutant           | Potential to Emit Emission Threshold Levels Per Facility Location |  |   |
|---------------------|---|--|---|
|                     | South Coast Air Basin (tpy)                                       | Riverside County Portion of Salton Sea Air Basin (tpy) | Non-Palo Verde, Riverside County Portion of Mojave Desert Air Basin (tpy) |
| VOC                 | 10  | 10   | 100   |
| NO <sub>x</sub>     | 10  | 10   | 100   |
| SO <sub>x</sub>     | 100   | 100  | 100   |
| CO                  | 50  | 100  | 100   |
| PM-10               | 70  | 70   | 100   |
| Single HAP          | 10  | 10   | 10  |
| Combination of HAPs | 25  | 25   | 25  |

- (c) **Additional Facilities Requiring Title V Permits**

In addition to subdivisions (a) and (b) of this rule, operators of the following facilities shall submit applications to the Executive Officer to obtain Title V permits in accordance with the timelines specified in Rule 3003 - Applications, or with federal regulations:

- (1) All new facilities that have a potential to emit any regulated air pollutant at, or greater than, any of the levels specified in Table 2 of subdivision (b) of this rule, and for which applications for permits to construct and permits to operate are deemed complete after March 31, 2000;
- (2) All facilities initially not subject to Title V requirements, that after installation or modification of equipment would have a potential to emit any regulated air pollutant at, or greater than, any of the levels specified in Table 2 of subdivision (b) of this rule, and for which applications for permits to construct or permits to operate are deemed complete after March 31, 2000;
- (3) All "affected sources" as defined under the acid rain provisions of Title IV of the federal Clean Air Act and 40 CFR Part 70, Section 70.2;
- (4) Solid waste incineration units required to obtain a permit pursuant to Section 129(e) of the federal Clean Air Act;
- (5) All facilities subject to a standard, limitation, or other requirement of the New Source Performance Standards in 40 CFR Part 60 or National Emission Standards for Hazardous Air Pollutants in 40 CFR Part 61 or Part 63 that are specifically required by federal regulation to obtain a Title V permit; and,
- (6) All other facilities so designated by the EPA by future amendments to 40 CFR Part 70, Section 70.3.
- (7) All facilities that have obtained a District facility permit with a condition limiting facility emissions for the purpose of being exempt from Title V permit requirements pursuant to paragraph (d)(2) of this rule, and that have reported annual emissions, calculated in accordance with permit terms and conditions under normal operating conditions, equal to or greater than any of the threshold amounts specified in Table 2 of subdivision (b) of this rule.
- (8) On and after January 2, 2011, applicable requirements for greenhouse gases shall be included in Title V permits for any facility that is otherwise required, after that date, to obtain a new, renewed, or revised Title V permit pursuant to subdivision (a) of this rule.
- ~~(9) On and after July 1, 2011, any facility with a potential to emit  $\geq 100,000$  tpy CO<sub>2e</sub>, on a CO<sub>2e</sub> basis (Global Warming Potential applied) and a Potential to Emit GHGs  $> 100$  tpy GHGs on a mass basis (no Global Warming Potential applied) shall apply for a Title V permit within 180 days after July 1, 2011, unless a Title V permit has already been applied for.~~

(d) Exemptions

- (1) Notwithstanding subdivision (b) of this rule, facilities that would be required to obtain a Title V permit solely because they are subject to one or more of the following regulations are exempt from Title V permit requirements:
  - (A) 40 CFR Part 60, subpart AAA - Standards of Performance for New Residential Wood Heaters;
  - (B) 40 CFR Part 61, subpart M - National Emission Standard for Hazardous Air Pollutants for Asbestos, Section 61.145 - Standard for Demolition and Renovation.
- (2) Facilities subject to the requirements of subdivision (a) (b) or (c) of this rule, that demonstrate to the satisfaction of the Executive Officer that the facility's potential to emit has been reduced, either through a facility modification or by accepting an enforceable condition in the District facility permit, to less than the levels for all air contaminants specified in Table 2 of subdivision (a) of this rule, ~~and the PTE is less than 100,000 tpy CO<sub>2</sub>e GHGs,~~ are exempt from Title V permit requirements.

(e) Phase One Exclusions

- (1) Except in the case of an affected source under the acid rain program, an applicant may request, and the Executive Officer may grant an exclusion from subdivision (a) of this rule, Phase One Title V Permits, provided that the facility can demonstrate to the satisfaction of the Executive Officer that:
  - (A) the most recent, validated, reported emissions are less than the thresholds in subdivision (a); and
  - (B) a permanent change has occurred at the facility to explain the reduction in reported emissions.
- (2) All requests for exclusion shall be in a form specified by the Executive Officer, shall include copies of reported emissions data and are subject to approval by the Executive Officer.



## ATTACHMENT F2

(Adopted October 8, 1993)(Amended August 11, 1995)  
(Amended November 14, 1997)(Amended November 5, 2010) (Amended TBD)

[RULE INDEX TO BE ADDED AFTER RULE ADOPTION]

### **PROPOSED AMENDED RULE 3002. REQUIREMENTS**

- (a) Requirement for Title V Permit
- (1) A person shall not construct, modify, relocate, or operate a Title V facility, or equipment located at a Title V facility, without first obtaining a Title V permit or permit revision that allows such construction, modification, relocation or operation, except for:
    - (A) Equipment exempted from permitting requirements pursuant to Rule 219 - Equipment Not Requiring a Written Permit Pursuant to Regulation II;
    - (B) Operation of equipment or a facility pursuant to the application shield provisions of subdivision (b) of this rule; and,
    - (C) Construction, modification, relocation and operation of equipment or a facility authorized by a non-Title V permit issued by the Executive Officer. The Executive Officer may issue a non-Title V permit to existing Phase One or Phase Two facilities that apply for a non-Title V permit prior to the issuance of their initial Title V permit.
  - (2) On and after January 2, 2011, applicable requirements for greenhouse gases shall be included in Title V permits for any facility that is otherwise required, after that date, to obtain a new, renewed, or revised Title V permit pursuant to paragraph (a)(1) of this rule.
  - ~~(3) On and after July 1, 2011, any facility with a potential to emit  $\geq 100,000$  tpy CO<sub>2e</sub>, on a CO<sub>2e</sub> basis (Global Warming Potential applied) and a Potential to Emit GHGs  $> 100$  tpy GHGs on a mass basis (no Global Warming Potential applied) shall apply for a Title V permit within 180 days after July 1, 2011, unless a Title V permit has already been applied for, and all GHG requirements that are applicable requirements (as defined in Rule 3000 (b)(4)) shall be included in the permit.~~
  - ~~(4) On and after July 1, 2011, any new or modified facility with a Potential to Emit increase of  $\geq 100,000$  tpy CO<sub>2e</sub> shall be subject to the requirements specified in paragraph (a)(1) of this rule.~~

(b) Application Shield

Notwithstanding subdivision (a) of this rule, it is not a violation of this rule to operate a Title V facility or equipment located at a Title V facility without a Title V permit, provided that:

- (1) A timely and complete application for initial Title V permit issuance or Title V permit renewal for such facility or equipment has been filed with the Executive Officer; and
- (2) The Executive Officer has not taken final action on the application.

For the purpose of an application shield, a timely and complete application is one that has been submitted in accordance with subdivisions (a) and (c) of Rule 3003. The application shield shall not apply if the permit applicant has failed to submit information required pursuant to subdivision (d) of this rule.

(c) Duty to Comply

- (1) A person shall construct and operate a Title V facility and all equipment located at a Title V facility in compliance with all terms, requirements, and conditions specified in the Title V permit at all times.
- (2) Any non-compliance with a Title V facility permit term, requirement, or condition is a violation of Regulation XXX and is a violation of the federal Clean Air Act if the permit term, requirement or condition is federally enforceable. Each day during any portion of which a violation occurs is a separate offense. Any non-compliance shall be grounds for:
  - (A) enforcement action (under the California Health & Safety Code and the federal Clean Air Act);
  - (B) permit termination;
  - (C) permit revocation and reissuance;
  - (D) permit revision; and
  - (E) denial of a permit renewal or revision application.
- (3) It shall not be a defense for a person in any of the actions listed in paragraph (c)(2) of this rule that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of the permit, ~~except as provided for in subdivision (g) of Rule 3002.~~
- (4) A permit may be revised, revoked, reopened and reissued, or terminated for cause as provided in Rule 3004 - Permit Types and Content, and Rule 3005

- Permit Revisions. The filing of a request by the holder of a Title V permit, for a permit revision, revocation and reissuance, or termination, or of a notification of planned changes or anticipated non-compliance does not stay any permit condition.

(d) Duty to Provide Timely Information

An applicant for, or holder of, a Title V permit shall furnish to the Executive Officer within a reasonable time, as specified by the Executive Officer in writing, any information that the Executive Officer requests in writing to process a permit application or to determine whether cause exists for revising, revoking and reissuing, or terminating the permit, or to determine compliance with the permit.

(e) Duty to Provide Records

A holder of a Title V permit shall furnish to the Executive Officer within a reasonable time, as specified by the Executive Officer in writing, copies of records that are required, by the permit, to be kept. Copies of information claimed to be confidential shall be submitted in a form segregated from other information, conspicuously marked "confidential" on each page, with a concise identification of the basis for the claim.

(f) Duty to Pay Fees

- (1) The applicant for, or holder of, a Title V permit shall pay all required fees as specified in Regulation III - Permit Fees.
- (2) Failure to pay fees in compliance with paragraph (f)(1) of this rule shall be grounds for permit expiration or revocation of the subject permit(s).

~~(g) Emergency Provisions~~

~~An emergency shall constitute an affirmative defense to an action brought for non-compliance with a technology based limitation if all of the following conditions are met:~~

- ~~(1) Properly signed, contemporaneous operating logs or other credible evidence that demonstrates compliance with this subdivision are kept at the facility;~~
- ~~(2) The owner/operator of a Title V facility demonstrates that an emergency occurred and that the permit holder can identify the cause(s) of the emergency;~~

- ~~(3) — During the period of the emergency, the facility permit holder took all reasonable steps to minimize levels of emissions that exceeded the emission standards, or other requirements in the permit;~~
- ~~(4) — The owner/operator of a Title V facility submitted a written notice of the emergency to the District within two working days of the time when emission limitations were exceeded due to the emergency. This notice shall contain a description of the emergency, any steps taken to mitigate emissions, and corrective actions taken;~~
- ~~(5) — The permitted facility was being operated properly (i.e., operated and maintained in accordance with the manufacturer's specifications, and in compliance with all regulatory requirements or a compliance plan) before the emergency; and~~
- ~~(6) — The facility complies with the breakdown provision of Rule 430 — Breakdown Provisions, or subdivision (i) of Rule 2004 — Requirements, whichever is applicable.~~

~~In any enforcement proceeding, the facility permit holder seeking to establish the occurrence of an emergency shall have the burden of proof.~~

## ATTACHMENT F3

(Adopted October 8, 1993)(Amended August 11, 1995)  
(Amended November 14, 1997)(Amended March 16, 2001)  
(Amended November 5, 2010)(Amended TBD)

[RULE INDEX TO BE ADDED AFTER RULE ADOPTION]

### **PROPOSED AMENDED RULE 3003. APPLICATIONS**

(a) Application Requirements

The operator of a Title V facility shall submit a timely and complete Title V permit application in accordance with this rule.

(1) Facilities Applying for Initial Title V Permits During Phase One

(A) For facilities required to obtain initial Title V permits pursuant to subdivision (a) of Rule 3001 and that are specifically identified by the District on or before the effective date as defined in paragraph (b)(8) of Rule 3000, a timely initial permit application is one submitted to the Executive Officer within 90 days of receipt of the District's notice to the facility with facility-specific application materials, or within one year from the effective date, whichever comes first.

(B) For all other facilities required to obtain initial Title V permits pursuant to subdivision (a) of Rule 3001, a timely initial permit application is one that is submitted within 180 days after the facility becomes subject to the Title V permit program.

(2) Facilities Applying for Initial Title V Permits During Phase Two

(A) For existing facilities required to obtain initial Title V permits pursuant to subdivision (b) of Rule 3001, a timely initial permit application is one submitted to the Executive Officer within 90 days of receipt of the District's notice to the facility with facility-specific application materials, or no later than June 30, 2001, whichever occurs first.

(B) For all other facilities required to obtain initial Title V permits pursuant to subdivision (b) of Rule 3001, a timely initial permit application is one that is submitted within 180 days after the facility becomes subject to the Title V permit program.

(3) Additional Facilities Applying for Initial Title V Permits

Except as set forth elsewhere in this subdivision or in subdivision (c) of this rule, a timely initial permit application is one that is submitted within 180 days after the facility becomes subject to the Title V permit program.

- (4) A person who has filed a timely and complete application for an initial Title V permit with the Executive Officer shall be allowed to amend the initial Title V facility permit application if non-Title V Permits to Construct pursuant to Rule 201 or Permits to Operate pursuant to Rule 203 were issued 30 days or more prior to the scheduled issuance of the initial proposed permit for public review.
- (5) A person electing to apply for a non-Title V permit, as allowed by paragraph ~~(a)(3)~~(a)(1)(C) of Rule 3002, that is issued too late to be incorporated into the initial permit application in accordance with paragraph (a)(4) of this rule, shall file an application for a Title V permit revision within 90 days of the issuance of a facility's initial Title V permit.
- (6) For purposes of permit renewal, a timely application is one that is submitted at least 180 days, but no more than 545 days, prior to the date of permit expiration.
- (7) For facilities which are, or include, major sources (as defined in Section 70.2 of 40 CFR Part 70) in categories or subcategories for which EPA has failed to promulgate a maximum achievable control technology emissions standard by the date established pursuant to subsections (e)(1) and (e)(3) of Section 112 of the federal Clean Air Act, a timely application for a facility permit or permit revision, as appropriate, is one which is submitted within 18 months of such failure, and which complies with Section 112 of the federal Clean Air Act.

(b) Application Content

(1) Initial Permit and Permit Renewal Applications

An applicant shall submit, on forms specified by the Executive Officer and approved by EPA, all information necessary to evaluate the subject facility and the application, to determine the applicability of and to impose all regulatory requirements, and to determine the fee amounts required pursuant to Regulation III - Permit Fees.

(2) Permit Revision Applications

The applicant shall submit the same information as specified in paragraph (b)(1) of this rule, but only to the extent that such information is related to

the permit revision. If applicable, information required by paragraphs (c)(2), (d)(2), and (e)(2) of Rule 3005 shall also be provided.

**(c) Complete Application**

- (1) The Executive Officer shall, upon receipt of any application, promptly determine whether the application is complete pursuant to the criteria set forth in the Technical Guidance Document.
- (2) Unless the Executive Officer determines that an application is not complete within 60 days of receipt of the application for initial permit issuance or permit renewal, or within 30 days of receipt for permit revisions, such application shall be deemed to be complete.
- (3) If the application is determined to be incomplete, the Executive Officer shall notify the applicant in writing what additional information is necessary to make the application complete and shall specify in writing a reasonable deadline for providing such information.
- (4) If the applicant does not provide all requested information on or before the deadline specified, the Executive Officer may deny the application. The Executive Officer may extend the initial deadline if requested by the applicant.
- (5) To be deemed complete, an application must provide all information required pursuant to subdivision (b) of this rule.
- (6) An applicant shall provide application statements and information that are true, accurate, and complete, based on information and belief formed after reasonable inquiry.
- (7) The responsible official shall certify all information provided as part of a permit application, a supplement or correction pursuant to subdivision (d) of this rule, or in response to a request for information from the Executive Officer. The certification shall state that, based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate, and complete.

**(d) Duty to Supplement or Correct Application**

- (1) Any applicant for, or holder of, a Title V permit who fails to submit any relevant information or who has submitted incorrect information in an application for a permit or permit revision shall, upon becoming aware of

such failure or incorrect submittal, promptly submit such supplementary facts or corrected information.

- (2) An applicant shall provide such additional information as necessary to determine compliance with any requirements that became applicable to the facility after the date a complete application was filed but prior to release of a proposed permit.

(e) Requests for Additional Information

- (1) Even after an application is deemed complete, an applicant shall provide such additional information as has been requested in writing by the Executive Officer as necessary to evaluate or take final action on the application, on or before the reasonable deadline specified in the request.
- (2) The facility's ability to operate without a permit, as set forth in subdivision (b) of Rule 3002 shall terminate at 5:00 p.m. on the date specified by the Executive Officer unless the applicant has, on or before that time provided all information requested by the Executive Officer pursuant to either paragraph (e)(1) of this rule, or subdivision (d) of Rule 3002.

(f) Confidential Information

Whenever an applicant for, or holder of, a Title V permit submits information to the Executive Officer in connection with a Title V permit application under a claim of confidentiality, such applicant or permit holder may be required, by the Executive Officer, to submit a copy of such information directly to the EPA Administrator, along with a concise statement of the basis of such claim of confidentiality.

(g) Sharing of Information

- (1) Except as provided in paragraph (g)(2) of this rule, any information obtained from a facility or used in the administration of the Title V permit program shall be made available without restriction to EPA upon request.
- (2) Where the Executive Officer submits information to the EPA under a claim of confidentiality, the Executive Officer shall provide a copy of such claim if made by a third party, or a concise statement of the basis of such claim, if made by the Executive Officer.

(h) Preservation of New Source Review



The submittal of a complete Title V permit application, or application for revision of such permit, shall not relieve any person of the requirements for a pre-construction permit under Title I of the federal Clean Air Act, District Regulation XIII - New Source Review, or District Rule 2005 - New Source Review For RECLAIM.

(i) Action on Applications

(1) The Executive Officer shall deny an application for initial permit, permit revision, or permit renewal if the applicant cannot show that operation under the permit will comply with all regulatory requirements, unless:

(A) the District Hearing Board has issued a valid variance granted pursuant to Rule 515 or Rule 517, order for abatement which has the effect of a variance pursuant to Regulation VIII, or federal alternative operating condition established pursuant to Rule 518.2 for those regulatory requirements for which the facility is not in compliance; and

(B) the facility operator has submitted with the Title V permit application an acceptable compliance plan.

(2) Except during the 3-year, Phase One period for initial permit issuance, following the effective date, and for applications identified in paragraph (i)(3) of this rule, the Executive Officer shall issue a permit or deny a permit application according to the following schedule:

(A) Applications for initial permits, significant permit revisions and permit renewals: within 18 months after receipt of a complete application pursuant to subdivision (c) of this rule;

(B) Applications for administrative permit revisions: within 60 days after receipt of a complete application pursuant to subdivision (c) of this rule; and,

(C) Applications for minor permit revisions: within 90 days after the receipt of a complete application pursuant to subdivision (c) of this rule or within 15 days after the end of EPA's 45-day review period, whichever is later.

(D) Applications for group processing of multiple minor permit revisions: within 180 days after the receipt of the first complete application, in a group of multiple minor permit revision

- applications, pursuant to subdivision (c) of this rule or within 15 days after the end of EPA's 45-day review period, whichever is later.
- (E) Applications for de minimis significant permit revisions: within 180 days after the receipt of a complete application pursuant to subdivision (c) of this rule or within 15 days after the end of EPA's 45-day review period, whichever is later.
- (3) For an application for an initial permit for a new facility or a significant permit revision, that includes a request for a Permit to Construct, the Executive Officer shall issue a permit or deny a permit application according to the following schedule:
- (A) Applications for which an Environmental Impact Report is not required and where EPA does not object to the proposed Title V permit or revision within the 45-day review period: within 265 days after the application is deemed complete;
  - (B) Applications containing a demonstration of an early toxic reduction to comply with Section 112(i)(5) of the federal Clean Air Act, for which an Environmental Impact Report is not required and where EPA does not object to the proposed Title V permit or revision within the 45-day review period: within 265 days after the application is deemed complete;
  - (C) Applications for which an Environmental Impact Report is not required and EPA objects to the proposed permit or revision: within 355 days after the application is deemed complete;
  - (D) Applications for which an Environmental Impact Report is required: within the timeframes defined in subparagraphs (i)(3)(A) or (B) or (C) of this rule plus 180 days.
- (4) A permit, permit revision, or renewal may be issued only if all the following conditions have been met:
- (A) The Executive Officer has received a complete application for a permit, permit revision, or, permit renewal.
  - (B) Except for administrative permit revisions, minor permit revisions, and de minimis significant permit revisions, the Executive Officer and the facility have complied with the requirements for public participation under Rule 3006.

- (C) Except for administrative permit revisions the Executive Officer has complied with the requirements for notifying and responding to affected states under subdivision (m) of this rule.
  - (D) The conditions of the permit provide for compliance with all regulatory requirements.
  - (E) The EPA Administrator has received a copy of the proposed permit, any notices required under Rules 3003, 3005, and 3006, and any revisions to the proposed permit in response to public or affected State comments and has not objected to issuance of the permit under 40 CFR Part 70, Section 70.8(c) within the time period specified therein.
- (5) If the Executive Officer fails to act within the time required by this rule on an application for permit renewal, the EPA may invoke its authority under Section 505(e) of the federal Clean Air Act to terminate or revoke and reissue the permit.
  - (6) Initial Phase One Title V permits, which are required to be issued within three years after the effective date, shall be classified by the Executive Officer into Groups A, B, and C, such that each group contains one-third of the Title V sources identified by the District for Phase One, as far as practicable.
    - (A) The Executive Officer shall issue Title V permits to the groups according to the following schedule, measured from the effective date: Group A within one year; Group B within two years; and Group C within three years, as far as practicable.
    - (B) A facility assigned to any group may not petition the Executive Officer or the Hearing Board to change their group designation.
  - (7) The Executive Officer shall, to the extent possible, simultaneously commence any required noticing and review by the public, EPA and affected States.
- (j) EPA Review
    - (1) The Executive Officer shall submit to the EPA Administrator:
      - (A) each application for initial permit, permit renewal, minor permit revision, de minimis significant permit revision and significant permit revision;

- (B) each proposed permit for initial permit, renewal permit, or permit revision, excluding administrative permit revisions;
  - (C) any revisions to the proposed permit in response to public or affected State comments;
  - (D) a copy of any notices required by Rules 3003, 3005, or 3006; and,
  - (E) each final Title V permit, within 5 working days of permit issuance.
- (2) To the extent practicable, the information required by paragraph (j)(1) of this rule shall be provided in a computer-readable format compatible with EPA's national database management system.
  - (3) The Executive Officer shall keep the information required by paragraph (j)(1) of this rule for 5 years following the issuance of a final Title V permit so that the EPA Administrator may ascertain whether the Title V program complies with the requirement of Part 70 and the federal Clean Air Act. Such information shall be made available to EPA within a reasonable time of the request.
  - (4) At least 10 days prior to the end of EPA's review period of a proposed permit, the Executive Officer shall notify the applicant, the EPA Administrator and any affected State, in writing, of any refusal to accept all recommendations for the proposed permit that any affected State submitted during the public or affected State review periods. The notice shall include the Executive Officer's reasons for not accepting any such recommendations.
- (k) EPA Objection
- (1) No permit or permit revision for which an application must be transmitted to EPA pursuant to subdivision (j) of this rule may be issued if the EPA objects to its issuance in writing within 45 days of receipt of the proposed permit and all necessary supporting information, or within 90 days if the EPA provides a written request to delay the permit issuance on the basis that an additional 45 days is necessary to review the public and affected State comments made to the proposed permit. The objection shall include a statement of the reasons for the objection and a description of the terms and conditions that the permit must include to respond to the objections.
  - (2) Within 14 days of receipt of EPA's objection to a proposed permit, the District shall notify the applicant of EPA's objection.

- (3) Within 90 days after receipt of timely objection from EPA that meets the requirements of paragraph (k)(1) of this rule, the Executive Officer shall evaluate EPA's objection, negotiate with EPA over any disagreements, and do one of the following:
    - (A) deny the proposed permit; or
    - (B) revise and submit to EPA a new proposed permit in response to EPA's objection.
  - (4) If the Executive Officer fails, within the time specified in paragraph (k)(3) of this rule, to either deny the proposed permit or revise and submit a new proposed permit in response to the objection, EPA may issue or deny the permit in accordance with 40 CFR Part 70, Section 70.8(c).
- (l) Public Petitions to the EPA Administrator
- (1) If the EPA Administrator does not object in writing pursuant to subdivision (k) of this rule, any person may petition the EPA Administrator within 60 days after the expiration of the EPA Administrator's 45-day review period to make such objection, as provided for in 40 CFR Part 70, Section 70.8(d).
  - (2) Any petition under this subdivision shall be based only on objections to the proposed permit that were raised with reasonable specificity during the public comment period provided for in Rule 3006, unless the petitioner demonstrates, to the EPA Administrator, that it was impracticable to raise such objections within such period, or unless the grounds for objection arose after such period.
  - (3) If the EPA Administrator objects to the proposed permit as a result of a petition filed under this subdivision, the Executive Officer shall not issue the permit until EPA's objection has been resolved. If the permit was issued after the end of EPA's 45-day review period and prior to receipt of EPA's objections, a petition under this rule section does not stay the effectiveness of a permit or its requirements.
  - (4) If the permit has been issued prior to receipt of an EPA objection under this rule, EPA may revise, terminate, or revoke such permit.
- (m) Review by Affected States
- (1) Except for administrative permit revisions, the Executive Officer shall give notice of each proposed permit to any affected State on or before the notice is provided to the EPA.

- (2) Any affected State may provide recommendations in writing, based upon applicable requirements or requirements of 40 CFR Part 70, with respect to the proposed permit, within 30 days of receipt of the notice.
  - (3) The Executive Officer shall respond to affected State recommendations in accordance with paragraph (j)(4) of this rule.
- (n) Prohibition of Default Issuance
- (1) Except for administrative permit revisions, no Title V permit may be issued until after EPA and affected States have had an opportunity to review the proposed permit in accordance with this rule, unless EPA has waived such review for EPA and the affected States.
  - (2) Except for administrative permit revisions, minor permit revisions, and de minimis significant permit revisions, no Title V permit may be issued until after the public has had an opportunity to review the proposed permit in accordance with Rule 3006.
  - (3) No provision of these rules shall be construed to require that a Title V permit or renewal be issued after a certain time if the Executive Officer fails to take action on the application.
  - (4) Failure of the Executive Officer to take action on an application within the time specified by these rules shall not constitute final permit action except for purposes of a judicial or authorized administrative proceeding seeking to compel the Executive Officer to take final action on the application.

## ATTACHMENT F4

(Adopted October 8, 1993)(Amended August 11, 1995)  
(Amended November 14, 1997) (Amended December 12, 1997)(Amended TBD)

*[RULE INDEX TO BE ADDED AFTER RULE ADOPTION]*

### **PROPOSED AMENDED RULE 3004. PERMIT TYPES AND CONTENT**

(a) Permit Content for Non-RECLAIM Facilities

Each Title V permit shall include:

- (1) Emissions limitations and those operational requirements that assure compliance with all regulatory requirements at the time of permit issuance.
- (2) The permit expiration date and a statement that the facility's right to operate terminates on the permit expiration date unless the facility is protected by an application shield pursuant to subdivision (b) of Rule 3002 due to the filing of a timely and complete application for renewal.
- (3) The origin and authority of each permit term or condition, and the identification of any difference in form from the applicable requirement upon which the term or condition is based.
- (4) Monitoring, recordkeeping, and reporting requirements, as follows:
  - (A) All emissions monitoring and analysis procedures or test methods required by regulatory requirements;
  - (B) Monitoring and recordkeeping sufficient to substantiate the facility's compliance with the terms and conditions of Title V permit. With respect to recordkeeping, the permit shall require, where applicable, records of required monitoring information that include, but not limited to, the following:
    - (i) the date, place as defined in the permit, and time of sampling or measurements;
    - (ii) the date(s) analyses were performed;
    - (iii) the company or entity that performed the analyses;
    - (iv) the analytical techniques or methods used;
    - (v) the results of such analyses; and
    - (vi) the operating conditions as existing at the time of sampling or measurement;
  - (C) Where the applicable requirement does not require periodic monitoring or testing, the permit shall include periodic monitoring or recordkeeping sufficient to yield reliable data from a relevant

time period that is representative of the source's compliance with the terms of the permit. Recordkeeping provisions may be sufficient to meet the requirements of this subparagraph;

- (D) Requirements concerning the use, maintenance, and, where appropriate, installation of monitoring and recordkeeping equipment or methods;
  - (E) Keeping all records of required monitoring data specified in permits, regulatory requirements and District monitoring protocols or rules for a period of at least five years from the date of the monitoring sample, measurement, report, or application; and,
  - (F) Submittal, to the Executive Officer, of reports of any required monitoring at least every six months. All instances of deviations from permit requirements shall be clearly identified in such reports.
- (5) A requirement for prompt reporting, as defined by District protocol or rule or permit condition, of deviations from permit requirements, including those attributable to upset conditions, the probable cause of such deviations, and any corrective actions or preventive measures taken.
- (6) A severability clause consistent with subdivision (b) of Rule 3007.
- (7) Provisions stating the following:
- (A) The holder of the Title V permit shall comply with all regulatory requirements and facility permit conditions, except as provided for ~~in subdivision (g) of Rule 3002 or~~ in an alternative operating condition imposed pursuant to Rule 518.2;
  - (B) Any non-compliance with subparagraph (a)(7)(A) of this rule, shall be a violation of the federal Clean Air Act pursuant to paragraph (c)(2) of Rule 3002;
  - (C) The facility permit may be revised, revoked, reopened and reissued, or terminated for cause, including, but not limited to, failure to comply with regulatory requirements, permit terms or conditions;
  - (D) The filing of any application for permit revision, revocation, or termination, or of a notification of planned changes or anticipated non-compliance, does not stay any permit condition;
  - (E) The permit does not convey any property rights of any sort or any exclusive privilege;



- (F) The applicant for, or holder of, a Title V permit shall furnish timely information and records to the Executive Officer when requested pursuant to subdivision (d) or (e) of Rule 3002 ;
  - (G) The applicant for, or holder of, a Title V permit shall pay all required fees specified in Regulation III - Permit Fees;
  - (H) It shall not be a defense for a person in an enforcement action, including those listed in paragraph (c)(2) of Rule 3002, that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of this permit, ~~except as provided for in subdivision (g) of Rule 3002;~~ and,
  - (I) The conditions under which the permit will be reopened as specified in paragraph (g)(1) of Rule 3005.
- (8) Provisions for alternative operating scenarios consistent with regulatory requirements, and including the requirement to maintain a contemporaneous log of the scenario under which the facility is operating.
  - (9) If requested by the applicant, terms and conditions for trading of emissions increases and decreases in a permitted facility, provided that regulatory requirements allow such trading without a case-by-case approval of each emission trade. Such terms and conditions:
    - (A) Shall include all terms required by subdivisions (a) and (b) of this rule to determine compliance;
    - (B) May extend the permit shield described in subdivision (c) of this rule to all terms and conditions that allow such emission trading; and,
    - (C) Must meet all applicable requirements and requirements of this regulation.
  - (10) Compliance requirements, including:
    - (A) Compliance certification, testing, monitoring, reporting, and recordkeeping requirements sufficient to assure compliance with the terms and conditions of the permit, consistent with paragraph (a)(4) of this rule.
    - (B) Inspection and entry requirements that require that, upon presentation of appropriate credentials, the holder of the Title V permit shall allow the Executive Officer or authorized representative to:

- (i) Enter the premises where a Title V facility is located, emission-related activity is conducted, or records are kept under the conditions of the permit;
  - (ii) Have access to and copy, at reasonable times, any records that must be kept under the conditions of the permit;
  - (iii) Inspect at reasonable times, any facilities, equipment (including monitoring and air pollution control equipment), practices, or operations regulated or required under the permit; and,
  - (iv) Sample or monitor, at reasonable times, substances or parameters for the purpose of assuring compliance with the permit or regulatory requirements.
- (C) For facilities that are not in compliance with all applicable regulatory requirements at the time of permit issuance or permit renewal, a requirement to comply with all requirements of an alternative operating condition, variance or order for abatement issued by the District Hearing Board. The permit shall include a compliance schedule of remedial measures, including an enforceable sequence of actions with milestones, to be taken by the owner or operator to achieve compliance. This compliance schedule shall resemble and be at least as stringent as that contained in any:
- (i) Judicial consent decree or administrative order to which the source is subject; or
  - (ii) Findings or decisions issued by the District Hearing Board as a result of any administrative proceeding concerning the source.
- (D) Progress reports consistent with the terms established in the schedule of compliance, as specified in subparagraph (a)(10)(C) of this rule, to be submitted at least semi-annually, or at a more frequent period if specified in the schedule. Such progress reports shall contain:
- (i) Dates for achieving the activities, milestones or compliance required in the schedule of compliance and dates when such activities, milestones or compliance were achieved; and,

- (ii) An explanation of why any dates in the schedule of compliance were not, or will not be met, and any preventative or corrective measures adopted.
- (E) Requirements for compliance certification with terms and conditions contained in the permit, including emissions limitations, standards, and work practices. Permits shall include each of the following:
  - (i) The frequency (not less than annually or such more frequent periods as specified in the regulatory requirements, schedule of compliance or by the Executive Officer in the permit) of the submissions of compliance certifications;
  - (ii) In accordance with paragraph (a)(4) of this rule, a means for monitoring the compliance of the facility with its emissions limitations, standards, and work practices;
  - (iii) A requirement that the compliance certification include the following:
    - (a) The identification of each term or condition of the permit that is the basis of the certification;
    - (b) The compliance status for the duration of the reporting period;
    - (c) Whether compliance was continuous or intermittent;
    - (d) The method(s) used for determining the compliance status of the Title V facility, currently and over the reporting period specified in paragraph (a)(4) of this rule; and,
    - (e) Such other facts that the Executive Officer may require to determine the compliance status of the facility.
  - (iv) The requirement that all compliance certifications be submitted to the EPA Administrator as well as the Executive Officer; and,
  - (v) Such additional requirements as may be specified pursuant to Sections 114(a)(3) and 504(b) of the federal Clean Air Act.
- (F) Such other provisions as the Executive Officer may require.

- (11) To the extent feasible, identification of those permit conditions which are not federally enforceable.
- (12) Provisions that all documents, including compliance documents, required by a Title V permit or Regulation XXX to be submitted to the District or EPA shall contain a certification consistent with paragraph (c)(7) of Rule 3003 by a responsible official.
- (13) A listing of all equipment not described by subdivision (h) of this rule that are subject to any source-specific regulatory requirements.

**(b) Permit Content for RECLAIM Facilities**

Each Title V permit for RECLAIM facilities shall include:

- (1) all applicable provisions specified in Rule 2006 - Permits;
- (2) provisions specified in subdivision (a) of this rule; and,
- (3) a provision stating that permit revisions are not required for emission trading to the extent allowed by Regulation XX.

**(c) Permit Shield**

- (1) The Executive Officer may expressly include in a Title V permit a provision stating that compliance with the conditions of the permit shall be deemed compliance with any regulatory requirements as of the date of permit issuance, provided that:

- (A)
  - (i) Such regulatory requirements are included and are specifically identified in the permit; or,
  - (ii) The Executive Officer, in acting on the permit application or revision determines in writing that other requirements specifically identified are not applicable to the facility, and the permit includes this determination or a concise summary thereof.

- (B) The facility specifically requests a permit shield and indicates the following:

- (i) Specific process units for which a permit shield is sought or indicates the shield is for the entire facility ;
- (ii) Reason that a permit shield is sought; and,
- (iii) Proposed duration of a permit shield.

- (2) A permit that does not expressly state that a permit shield exists shall be conclusively presumed not to provide such a shield.

- (3) Nothing in this rule or in any Title V permit shall alter or affect the following:
    - (A) The provisions of Section 303 of the federal Clean Air Act (emergency orders) including the authority of the EPA Administrator.
    - (B) The liability of an owner or operator of a facility for any violation of regulatory requirements prior to, or at the time of, permit issuance;
    - (C) The applicable requirements of the acid rain program, consistent with Section 408(a) of the federal Clean air Act;
    - (D) The ability of EPA to obtain information from a facility pursuant to Section 114 of the federal Clean Air Act;
    - (E) The applicability of State or local requirements that are not "applicable requirements", as defined in Rule 3000, at the time of permit issuance but which do apply to the facility, such as toxics requirements unique to the State; or,
    - (F) The applicability of regulatory requirements with compliance dates after the permit issuance date.
  - (4) A request for a permit shield made outside an application for an initial permit or a permit renewal, shall be applied for as a significant permit revision.
  - (5) A permit shield shall not apply to any operational change required pursuant to paragraph (i)(1) of Rule 3005.
- (d) Temporary Source Permits
- (1) Except in the cases of an affected source under the acid rain program or portable equipment registered to operate statewide pursuant to Article 5 - Portable Engine and Equipment Registration, Title 13 of the California Code of Regulations, an applicant may request, and the Executive Officer may issue, a single Title V permit to a temporary source authorizing emissions from similar operations by the same facility owner or operator at multiple temporary locations.
  - (2) An application for a temporary source permit shall be denied unless the permit applicant demonstrates that the operation covered by the permit is temporary, involves at least one change of location during the term of the

permit, and does not operate at any one location or stationary facility for more than twelve consecutive months.

- (3) Each operator of a temporary source shall notify the Executive Officer in writing, postmarked at least 10 calendar days in advance of each change in location, with the following information:
  - (A) The address of the new equipment location;
  - (B) The date operations are to begin at the new location; and,
  - (C) Any terms of the temporary source permit which will be applicable at the new location but were not applicable at the previous location.
- (4) Except as modified by this rule, an application for a temporary source permit is governed by all Regulation XXX rules.
- (5) In addition to the requirements of subdivision (a) of Rule 3004, a temporary source permit shall include:
  - (A) Conditions that will assure compliance with all regulatory requirements at all authorized locations;
  - (B) A requirement that the owner or operator notify the Executive Officer of location changes in compliance with paragraph (d)(3) of this rule; and,
  - (C) Conditions that will assure that the operation is temporary, involves at least one change of location during the term of the permit, and does not operate at any one location or facility for more than twelve consecutive months.

(e) **General Permits**

The Executive Officer may issue a general permit covering numerous similar equipment after notice and opportunity for EPA review and public participation in compliance with Rules 3005 and 3006.

- (1) To qualify as a general permit, the equipment category shall meet all of the following criteria:
  - (A) the general permit complies with all regulatory requirements; and,
  - (B) the equipment category does not require a Rule 1401 - New Source Review of Carcinogenic Air Contaminants, evaluation.
- (2) All general permits shall contain:
  - (A) criteria by which equipment qualifies for the permit; and,
  - (B) standard conditions and terms and emissions limits.

- (3) Once a general permit has been issued by the Executive Officer, Title V facilities with equipment that would qualify for a general permit may apply to the Executive Officer for coverage under the terms of the general permit. General permits are not authorized for affected sources under the acid rain program.
  - (4) Unless otherwise provided in the applicable general permit, an applicant for coverage under the general permit shall submit an application containing all the information required by subdivision (b) of Rule 3003 and shall include a certification by a responsible official complying with paragraph (c)(7) of Rule 3003.
  - (5) The Executive Officer shall deny the application for coverage under a general permit unless the application demonstrates that the equipment would qualify for coverage as specified in the terms of the permit, and has the ability to comply with all the conditions and terms of the general permit.
  - (6) Unless otherwise provided in the applicable general permit, the Executive Officer shall determine if the application is complete pursuant to subdivision (c) of Rule 3003 and shall approve or deny the application for coverage under the general permit within thirty days after the application is deemed complete.
  - (7) Issuance or denial of an application for coverage under a general permit shall not be a final permit action for purposes of judicial review.
  - (8) If the equipment that has been approved for coverage under a general permit is later determined not to qualify for the conditions and terms of the general permit, the Title V facility shall be subject to enforcement action for operating without a Title V permit.
- (f) Permit Expiration and Renewal
- (1) Except for solid waste incineration facilities subject to standards under Section 129(e) of the Clean Air Act, a Title V permit shall expire 5 years from the date of issuance unless such permit has been renewed pursuant to this regulation.
  - (2) A Title V permit for a solid waste incineration facility combusting municipal waste subject to standards under Section 129(e) of the Clean Air Act shall expire 12 years from the date of issuance unless such permit has been renewed pursuant to this regulation. These permits shall be reviewed by the Executive Officer at least every five years from the date of issuance.

- (3) Except as provided in paragraph (f)(4) of this rule, on and after the date of expiration of a Title V permit a person shall not operate a Title V facility, or equipment located at a Title V facility, unless such permit has been renewed pursuant to this regulation.
  - (4) If a timely and complete application for permit renewal has been filed, consistent with paragraph (a)(5) of Rule 3003, but the Executive Officer has failed to issue or deny the renewal permit before the end of the term of the previous permit, then the previous permit shall not expire and all the terms and conditions of the previous permit, including any permit shield, shall remain in effect until the Executive Officer issues or denies the renewal permit.
  - (5) The provisions of paragraph (f)(4) of this rule do not apply to a Title V facility if the applicant for, or holder of, the Title V permit has failed to submit, by the deadline specified in writing by the Executive Officer, any additional information identified as being needed to process the application.
  - (6) Permits being renewed are subject to the same procedural requirements that apply to initial new source Title V permit issuance, including those for public participation and affected State and EPA review.
- (g) **Federal Enforceability**  
All terms and conditions in a Title V permit, including any provisions designed to limit a facility's potential to emit, are enforceable by the EPA Administrator and citizens under the federal Clean Air Act, unless the term or condition is designated as not federally enforceable.
- (h) The following equipment shall not be listed on a Title V permit:
- (1) Permitted portable equipment, provided that such equipment:
    - (A) is not a major source as defined by 40 CFR Part 70, Section 70.2;
    - (B) usage does not conflict with the terms or conditions of the Title V permit of the facility visited by the portable equipment; and
    - (C) is not located at the facility for more than twelve consecutive months after commencing operation.
  - (2) Equipment that, pursuant to Rule 219 - Equipment Not Requiring a Written Permit Pursuant to Regulation II, do not require a written permit and are not subject to any source-specific regulatory requirements, unless otherwise



required under Regulation XX - Regional Clean Air Incentives Market (RECLAIM).

- (3) Rule 441 - Research Operations, provided that such research operation:
  - (A) does not individually meet the applicability criteria pursuant to Rule 3001; and,
  - (B) is not a support facility making a significant contribution to the product of a collocated facility.
- (4) Non-road engines, as defined by 40 CFR Part 89, Section 89.2, manufactured on or after November 15, 1990 or another date subsequently determined by EPA.
- (5) Military tactical support equipment registered to operate statewide pursuant to Article 5 - Portable Engine and Equipment Registration, Title 13 of the California Code of Regulations.

## ATTACHMENT F5

F(Adopted March 16, 2001)(Amended November 5, 2010)(Amended TBD)

[RULE INDEX TO BE ADDED AFTER RULE ADOPTION]

### **PROPOSED AMENDED RULE 3008.    POTENTIAL TO EMIT LIMITATIONS**

(a) Purpose

The purpose of this rule is to exempt low-emitting facilities with actual emissions below a specific threshold from federal Title V permit requirements by limiting the facility's potential to emit.

(b) Applicability

This rule shall apply to any facility which would, if it did not comply with the limitations set forth in either paragraphs (d)(1) or (d)(2) of this rule, have the potential to emit air contaminants equal to or in excess of the thresholds specified in Table 2, subdivision (b) of Rule 3001 – Applicability, ~~or for GHGs 100,000 or more tpy CO<sub>2</sub>e.~~

(c) Definitions

All terms shall retain the definitions in Rule 3000 - General, unless otherwise defined herein.

(1) 12-MONTH PERIOD means a period of twelve (12) consecutive months determined on a rolling basis with a new 12-month period beginning on the first day of each calendar month.

(2) ACTUAL EMISSIONS means the emissions of regulated air pollutants from a facility on a 12-month basis. Valid continuous emission monitoring data or source test data shall be preferentially used to determine actual emissions. In the absence of valid continuous emissions monitoring data or source test data, the basis for determining actual emissions shall be: throughputs of process materials; throughputs of materials stored; usage of materials; data provided in manufacturer's product specifications; material volatile organic compound (VOC) content reports or laboratory analyses; other information required by this rule and applicable District, state, and federal regulations; or information requested by or available to the District. All calculations of actual emissions shall use United States Environmental Protection Agency (EPA), California Air Resources Board (CARB) or District approved methods, including emission factors and assumptions.

- (3) ALTERNATIVE OPERATIONAL LIMIT means a limit on a measurable parameter, such as hours of operation, throughput of materials, use of materials, or quantity of product, as specified in paragraph (d)(2).
- (4) DE MINIMIS FACILITY means any facility that emits in every 12-month period quantities of actual emissions as specified in either subparagraph (A) or (B) below:
  - (A) The facility emits:
    - (i) less than or equal to four (4) tons per year of each regulated air pollutant (excluding hazardous air pollutants (HAPs)); and
    - (ii) less than or equal to four (4) tons per year of any single HAP, or twenty (20) percent of any newly adopted major source threshold for a single HAP that EPA may establish by rule, whichever is less; and
    - (iii) less than or equal to five (5) tons per year of any combination of HAPs; and
    - (iv) less than 25,000 tons per year CO<sub>2</sub>e for GHG emission.
  - (B) At least 90 percent of the facility's emissions are associated with an operation for which the throughput is less than or equal to any of the following quantities specified:
    - (i) 1,120 gallons of any combination of solvent-containing materials but no more than 440 gallons of any one solvent-containing material, provided that the materials do not contain the following: methyl chloroform (1,1,1-trichloroethane), methylene chloride (dichloromethane), tetrachloroethylene (perchloroethylene), or trichloroethylene;
    - (ii) 600 gallons of the combination of all solvent-containing materials where the materials contain the following: methyl chloroform (1,1,1-trichloroethane), methylene chloride (dichloromethane), tetrachloroethylene (perchloroethylene), or trichloroethylene, but not more than 240 gallons of any one solvent-containing material;
    - (iii) 960 gallons of solvent-containing (or VOC containing) material, used at a paint spray unit(s);

- (iv) 5,722,667 gallons of gasoline dispensed from equipment with Phase I and II vapor recovery system as defined in Rule 461;
  - (v) 972,000 gallons of gasoline dispensed from equipment with only Phase I vapor recovery system as defined in Rule 461;
  - (vi) 376,000 gallons of gasoline dispensed from equipment without Phase I and II vapor recovery system as defined in Rule 461;
  - (vii) 1,120 gallons of gasoline combusted;
  - (viii) 13,280 gallons of diesel fuel combusted;
  - (ix) 56,800,000 cubic feet of natural gas combusted;
  - (x) 19,184 gallons of ultraviolet/electron beam materials not to exceed 50 grams/liter.
- (5) EMISSION UNIT means any article, machine, equipment, operation, contrivance, or related groupings of such that may produce and/or emit any regulated air pollutant or HAP.
- (6) MAJOR SOURCE means any facility with a potential to emit, measured in tons per year per facility location, exceeding the emission threshold levels in Table 2, subdivision (b) of Rule 3001.
- (7) POTENTIAL TO EMIT means the maximum capacity of a facility to emit an air pollutant based on its physical and operational design. Any physical or operational limitation on the capacity of the facility to emit a pollutant, including air pollution control equipment and restrictions on hours of operation or on the type or amount of material combusted, stored, or processed, shall be treated as part of its design only if the limitation is legally and practically enforceable by the EPA and citizens or by the District.
- (8) PROCESS STATEMENT means a Declaration of Total Emissions filed pursuant to Rule 301(e)(7) or a 12-month report on permitted emission units from an operator of a facility certifying under penalty of perjury the following: throughputs of process materials; throughputs of materials stored; usage of materials; fuel usage; any available continuous emissions monitoring data; hours of operation; and any other information required by this rule or requested by the District.
- (d) Requirements

Any facility subject to this rule shall comply with either one of the following requirements:

(1) Emission Limitations

A facility subject to this rule has the following limits on emissions in every 12-month period:

- (A) 50 percent of the major source thresholds for regulated air pollutants (excluding HAPs and GHGs);
- (B) 5 tons per year of any single HAP, or fifty (50) percent of any newly adopted major source threshold for a single HAP that EPA may establish by rule, whichever is less; and
- (C) 12.5 tons per year of any combination of HAPs; ~~and (D) — less than 50,000 tons per year CO<sub>2</sub>e for GHG emissions.~~

(2) Alternative Operational Limits

Any facility for which 90 percent of the facility's emissions from the permitted emission units in every 12-month period are associated with one of the operations identified in Table 1 shall comply with the corresponding operational limits in Table 1.

(e) Recordkeeping

- (1) The recordkeeping provisions below shall not apply to De Minimis facilities.
- (2) On and after May 15, 2001, the operator operating a facility subject to this rule under any one alternative operational limit, shall operate the facility in compliance with the alternative operational limit and comply with the following recordkeeping requirements as applicable:
  - (A) The operator shall maintain all purchase orders, invoices, and other documents to support information required to be maintained in a monthly log. Records required under this section shall be maintained on site for five years and be made available to the District, CARB, or the EPA upon request.
  - (B) The operator of a Gasoline Dispensing Facility equipped with Phase I and Phase II Vapor Recovery Systems shall maintain on site a monthly log of gallons of gasoline dispensed in the preceding month with a calculation of the total gallons dispensed in the previous 12 months.

- (C) The operator of a Degreasing or Solvent-Using unit shall maintain on site a monthly log of amount and type of solvent used in the preceding month with a calculation of the total gallons used in the previous 12 months.
  - (D) The operator of a Paint-Spraying Unit shall maintain on site a monthly log of the gallons of VOC-containing materials used in the preceding 12 months with a calculation of the gallons of volatile organic compound-containing materials that also contain hazardous air pollutants used in the previous 12 months, and a calculation of the total gallons of volatile organic compound-containing materials used in the previous 12 months.
  - (E) The operator of an Emergency Standby Engine with output less than 1,000 brake horsepower shall maintain on site a monthly log of hours of operation, amount of fuel used, and a calculation of the total hours operated and amount of fuel used in the previous 12 months shall be kept on site.
- (3) On and after May 15, 2001, the operator of a facility not operating under any alternative operational limit, shall comply with the following applicable recordkeeping requirements. The recordkeeping requirements of this rule shall not replace any recordkeeping requirement contained in an operating permit or in a District, State, or Federal rule or regulation.
- (A) The operator of a facility subject to this rule shall keep and maintain records for each permitted emission unit or groups of permitted emission units sufficient to determine actual emissions. Such information shall be summarized in a monthly log, maintained on site for five years and shall be made available to the District, CARB, or EPA staff upon request.
  - (B) **Coating/Solvent Emission Unit**  
The operator of a facility subject to this rule that operates a coating/solvent emission unit or uses a coating, solvent, ink, or adhesive shall keep and maintain the records in accordance with Rule 109.
  - (C) **Organic Liquid Storage Unit**  
The operator of a facility subject to this rule that contains an organic liquid storage unit shall keep and maintain the following records:

- (i) A monthly log identifying the liquid stored and monthly throughput; and
- (ii) Information on the tank design and specifications including control equipment.

**(D) Combustion Emission Unit**

The operator of a facility subject to this rule that contains a combustion emission unit shall keep and maintain the following records:

- (i) Information on equipment type, make and model, maximum design process rate or maximum power input/output, minimum operating temperature (for thermal oxidizers) and capacity, control device(s) type and description (if any) and all source test information; and
- (ii) A monthly log of hours of operation, fuel type, fuel usage, and fuel heating value.

**(E) Emission Control Unit**

The operator of a facility subject to this rule that contains an emission control unit shall keep and maintain the following records:

- (i) Information on equipment type and description, make and model, and emission units served by the control unit;
- (ii) Information on equipment design including where applicable: pollutant(s) controlled; control effectiveness; maximum design or rated capacity; inlet and outlet temperatures, and concentrations for each pollutant controlled; catalyst data (type, material, life, volume, space velocity, ammonia injection rate and temperature); baghouse data (design, cleaning method, fabric material, flow rate, air/cloth ratio); electrostatic precipitator data (number of fields, cleaning method, and power input); scrubber data (type, design, sorbent type, pressure drop); other design data as appropriate; all source test information; and
- (iii) A monthly log of hours of operation including notation of any control equipment breakdowns, upsets, repairs, maintenance and any other deviations from design parameters.

(F) General Emission Unit

The operator of a facility subject to this rule that contains an emission unit not included in subdivision (e) of this rule shall keep and maintain the following records:

- (i) Information on the process and equipment including the following: equipment type, description, make and model, maximum design process rate or throughput; control device(s) type and description (if any);
- (ii) Any additional information requested in writing by the Executive Officer;
- (iii) A monthly log of operating hours, each raw material used and its amount, each product produced and its production rate; and
- (iv) Purchase orders, invoices, and other documents to support information in the monthly log.

(f) Reporting

- (1) The reporting provisions below shall not apply to De Minimis facilities.
- (2) Notwithstanding the provisions in paragraph (f)(1), within 30 days of a written request by the District or the EPA, the operator of a facility not maintaining records pursuant to subdivision (e) shall demonstrate that the facility's emissions or throughput are not in excess of the applicable quantities set forth in the definition of De Minimis facility.
- (3) The operator of a facility subject to this rule shall provide to the District a process statement or monthly log at the time of 12-month renewal for the previous 12 months of operation. The operator shall certify that the monthly log is true, accurate and complete.
- (4) Any additional information requested by the Executive Officer shall be submitted to the Executive Officer within 30 days of the date of request.
- (5) The operator shall notify the Executive Officer within 7 days of any exceedance of the alternative operational limit.
- (6) Notwithstanding the provisions in paragraph (f)(3), a current Declaration of Total Emissions submitted in accordance with paragraph (e)(7)(A) of Rule 301 - Permitting and Associated Fees shall be deemed to meet the reporting requirements of this rule.



(g) Violations

- (1) Failure to comply with any of the applicable provisions of this rule shall constitute a violation of this rule. Each day during which a violation of this rule occurs is a separate offense.
- (2) A facility subject to this rule shall be subject to applicable federal requirements for a major source, including all other applicable rules of Regulation XXX, when the conditions specified in either subparagraph (g)(2)(A) or (g)(2)(B) below, occur;
  - (A) Commencing on the first day following every 12-month period in which the facility exceeds a limit specified in paragraph (d)(1) and any applicable alternative operational limit specified in paragraph (d)(2), or
  - (B) Commencing on the first day following every 12-month period in which the operator cannot demonstrate that the facility is in compliance with the limits in paragraph (d)(1) or any applicable alternative operational limit specified in paragraph (d)(2).

(h) Exemptions

This rule shall not apply to the following facilities:

- (1) Any facility, whose emissions, throughput, or operation, at any time after March 16, 2001 are greater than the quantities specified in paragraphs (d)(1) and (d)(2) and which meets both of the following conditions:
  - (A) The operator has notified the District at least 30 days prior to any exceedance that the operator intends to submit an application for a Title V permit, or otherwise obtain permit limits that are legally and practically enforceable by the EPA and citizens or by the District; and
  - (B) A complete Title V permit application is received by the District, or the permit action to otherwise obtain limits that are legally and practically enforceable by the EPA and citizens, or by the District is completed, within 12 months of the date of notification.
- (2) Any facility that has applied for a Title V permit in a timely manner and in conformance with Rule 3003 - Applications, and is awaiting final action by the District and EPA.

- (3) Any facility required to obtain an operating permit under Rule 3001 - Applicability for any reason other than being a major source.
- (4) Any facility with a valid Title V permit.
- (5) Notwithstanding paragraphs (h)(2) and (h)(4) of this rule, nothing in this subdivision shall prevent any facility which has applied for or had a Title V permit from qualifying to comply with this rule in the future in lieu of maintaining an application for a Title V permit, or upon rescission of a Title V permit provided the operator demonstrates to the satisfaction of the Executive Officer that the facility's emissions have been permanently reduced by accepting an enforceable permit change and is in compliance with the emission limitations in paragraph (d)(1) or an applicable alternative operational limit in paragraph (d)(2).
- (6) Any facility which has a valid operating permit with conditions limiting facility emissions that are legally and practically enforceable by the EPA and citizens or the District to below the applicable threshold(s) for a major source as defined in paragraph (c)(6).

**Table 1  
Alternative Operational Limits**

| Type of Operation  | Usage Limit in Every 12-Month Period  |
|--|---|
| <p><b>Printing, Publishing, and Packaging</b></p> <p><b>Flexography and Rotogravure</b><br/>(using water-based or UV-cured inks, coatings, and adhesives)</p> <p><b>Flexography and Rotogravure</b><br/>(using solvent-based inks)</p> <p><b>Heatset Offset Lithography</b></p> <p><b>Non-Heatset Offset Lithography</b><br/>(web- or sheet-fed)</p> <p><b>Screen Printers</b></p> | <p>In addition to the individual equipment usage limits listed, all Printing, Publishing, and Packaging operations have usage limits of 1,333 gallons of materials containing any one HAP, and 3,333 gallons of materials containing combination HAPs.</p> <p>40,000 pounds inks, coatings, adhesives, dilution solvents, &amp; cleaning solvents</p> <p>10,000 pounds (before controls) of inks, coatings, adhesives, dilution solvents &amp; cleaning solvents</p> <p>10,000 pounds (before controls) of ink, cleaning solvent, &amp; fountain solution additives</p> <p>1,425 gallons of cleaning solvent &amp; fountain solution additives</p> <p>1,425 gallons of solvent-based inks, cleaning solvents, adhesives, &amp; coatings</p> |
| <p><b>Boilers</b> (<math>\leq 100,000,000</math> Btu/hr)</p>   | <p>71,000,000 cubic feet of natural gas consumed</p>  |
| <p><b>Bulk Gasoline Plants</b><br/>(equipped with vapor-balance system)</p>  | <p>20,000 gallons per day of gasoline loaded &amp; unloaded</p>   |
| <p><b>Degreasers &amp; Other Units if the solvents do not include:</b><br/>1,1,1-trichloroethane, dichloromethane, tetrachloroethylene, or trichloroethylene</p>   | <p>5,400 gallons of any combination of solvent-containing materials<br/>2,200 gallons of any one solvent-containing material</p>  |
| <p><b>Degreasers &amp; Other Units if the solvents include:</b><br/>1,1,1-trichloroethane, dichloromethane, tetrachloroethylene, or trichloroethylene</p>  | <p>2,900 gallons of any combination of VOC-containing materials<br/>1,200 gallons of any one solvent-containing material</p>  |
| <p><b>Emergency Standby Engines</b><br/>(<math>&lt; 1,000</math> brake horsepower)</p>   | <p><math>&lt; 200</math> hours of operation</p>   |
| <p><b>Gasoline Dispensing Facilities</b><br/>(Equipped with Phase I and Phase II vapor recovery systems)</p>   | <p>7,150,000 gallons of gasoline dispensed</p>  |
| <p><b>Hot Mix Asphalt Plants</b></p>   | <p>125,000 tons of hot mix asphalt produced</p>   |
| <p><b>Spray Booths</b></p>   | <p>1,100 gallons of all VOC-containing materials, with no more than 110 gallons of VOC- &amp; HAP-containing materials and the VOC content <math>\leq 1000</math> gram/liter, less water and exempt compounds</p>   |
| <p><b>Ultraviolet/Electron Beam Cured Operations</b></p>   | <p>21,582 gallons of ultraviolet/electron beam materials not to exceed 50 grams/liter.</p>  |

ATTACHMENT G



**South Coast  
Air Quality Management District**

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

**SUBJECT: NOTICE OF EXEMPTION FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT**

**PROJECT TITLE: PROPOSED AMENDED REGULATION XXX – TITLE V PERMITS**

Pursuant to the California Environmental Quality Act (CEQA) Guidelines, the South Coast Air Quality Management District (South Coast AQMD), as Lead Agency, has prepared a Notice of Exemption pursuant to CEQA Guidelines Section 15062 – Notice of Exemption for the project identified above.

If the proposed project is approved, the Notice of Exemption will be filed for posting with the county clerks of Los Angeles, Orange, Riverside, and San Bernardino Counties. The Notice of Exemption will also be electronically filed with the State Clearinghouse of the Governor's Office of Planning and Research for posting on their CEQAnet Web Portal which may be accessed via the following weblink: <https://ceqanet.opr.ca.gov/search/recent>. In addition, the Notice of Exemption will be electronically posted on the South Coast AQMD's webpage which can be accessed via the following weblink: <http://www.aqmd.gov/nav/about/public-notices/ceqa-notices/notices-of-exemption/noe---year-2025>.

**NOTICE OF EXEMPTION FROM THE  
CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)**

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**To:** County Clerks for the Counties of Los Angeles, Orange, Riverside and San Bernardino; and Governor's Office of Planning and Research – State Clearinghouse

**From:** South Coast Air Quality Management District  
21865 Copley Drive  
Diamond Bar, CA 91765

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**Project Title:** Proposed Amended Regulation XXX – Title V Permits

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**Project Location:** The proposed project is located within the South Coast Air Quality Management District's (South Coast AQMD) jurisdiction, which includes the four-county South Coast Air Basin (all of Orange County and the non-desert portions of Los Angeles, Riverside, and San Bernardino counties), and the Riverside County portion of the Salton Sea Air Basin and the non-Palo Verde, Riverside County portion of the Mojave Desert Air Basin.

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**Description of Nature, Purpose, and Beneficiaries of Project:** Regulation XXX – Title V Permits contains the permitting process and requirements established by the United States Environmental Protection Agency (U.S. EPA) in the 1990 amendments to the federal Clean Air Act. Proposed Amended Regulation XXX – Title V Permits (Proposed Amended Regulation XXX) is comprised of: 1) Proposed Amended Rule 3002 – Requirements (PAR 3002) which seeks to remove the emergency affirmative defense provisions as directed by U.S. EPA's decision on August 21, 2023; 2) Proposed Amended Rule 3001 – Applicability (PAR 3001), PAR 3002 and Proposed Amended Rule 3008 – Potential to Emit Limitations (PAR 3008) which seek to remove the greenhouse gas (GHG) emission threshold for Title V permit applicability and GHG emission limits derived from U.S. EPA's Greenhouse Gas Tailoring Rule to be consistent with the U.S. Supreme Court's decision in *Utility Air Regulation Group v. EPA*, 573 U.S. 302 (2014); 3) Proposed Amended Rule 3003 – Applications (PAR 3003) which seeks to correct a reference to Rule 3002; and 4) Proposed Amended Rule 3004 – Permit Types and Content (PAR 3004) which seeks to remove references which correspond to the proposed removal of provisions in PAR 3002. While implementation of the proposed project will not result in any changes in emissions, Proposed Amended Regulation XXX will benefit stakeholders by having improved clarity when implementing the applicable requirements.

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**Public Agency Approving Project:**  
South Coast Air Quality Management District

**Agency Carrying Out Project:**  
South Coast Air Quality Management District

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**Exempt Status:**

CEQA Guidelines Section 15061(b)(3) – Common Sense Exemption

CEQA Guidelines Section 15308 – Actions by Regulatory Agencies for Protection of the Environment

CEQA Guidelines Section 15321 – Enforcement Actions by Regulatory Agencies

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**Reasons why project is exempt:** South Coast AQMD, as Lead Agency, has reviewed Proposed Amended Regulation XXX pursuant to: 1) CEQA Guidelines Section 15002(k) – General Concepts, the three-step process for deciding which document to prepare for a project subject to CEQA; and 2) CEQA Guidelines Section 15061 – Review for Exemption, procedures for determining if a project is exempt from CEQA. The corrections to and/or removal of references from provisions in PAR 3001, PAR 3002, PAR 3003, PAR 3004, and PAR 3008 in response to U.S. EPA's direction and/or legal decisions are administrative in nature and are not expected to require any physical modifications. Thus, it can be seen with certainty that there is no possibility that the proposed project may cause a significant adverse effect on the environment. Therefore, the proposed project is exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) – Common Sense Exemption. The proposed project is also categorically exempt from CEQA pursuant to: 1) CEQA Guidelines Section 15308 – Actions by Regulatory Agencies for Protection of the Environment because the proposed amendments are designed to further protect or enhance the environment; and 2) CEQA Guidelines Section 15321 – Enforcement Actions by Regulatory Agencies because the proposed amendments clarify the enforcement requirements. Further, there is no substantial evidence indicating that any of the exceptions set forth in CEQA Guidelines Section 15300.2 – Exceptions apply to the proposed project.

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# Proposed Amended Regulation XXX – Title V Permits

Board Meeting  
January 10, 2025

# Regulation XXX and Rule 3002 Background

- Title V facilities are major sources which emit the largest quantities of pollutants as determined by meeting and/or surpassing applicable emission thresholds
- Regulation XXX – Title V Permits, encompasses the permitting process and requirements for Title V Facilities
- Rule 3002 – Requirements, establishes provisions for Title V facilities including obtaining a Title V permit and complying with the conditions of the permit, including:
  - **Emergency Affirmative Defense Provisions:** Can be used to mitigate or prevent emission violation penalties during a qualified emergency provided certain conditions are met
  - **Greenhouse Gas Tailoring Rule Provisions:** Allows use of greenhouse gas emissions for Title V permit applicability



# Need for Amendments Due to Court Rulings

**To be consistent with U.S. EPA and the U.S. Supreme Court:** proposed amendments will remove provisions and references relating to the Emergency Affirmative Defense and Greenhouse Gas Tailoring Rule provisions

- After rulings made by the U.S. Court of Appeals, U.S. EPA removed emergency affirmative defense provisions from Title V permit regulations to ensure the authority of courts to assess civil penalties<sup>1</sup>
  - August 2025 deadline for South Coast AQMD to remove provisions
- U.S. Supreme Court ruled that U.S. EPA may not treat greenhouse gases as a pollutant for Title V permit applicability<sup>2</sup>

<sup>1</sup> [HTTPS://WWW.FEDERALREGISTER.GOV/D/2023-15067](https://www.federalregister.gov/d/2023-15067)

<sup>2</sup> [HTTPS://WWW.EPA.GOV/NSR/CLEAN-AIR-ACT-PERMITTING-GREENHOUSE-GASES](https://www.epa.gov/nsr/clean-air-act-permitting-greenhouse-gases)

# Proposed Amendments to Regulation XXX

## Rule 3002 Emergency Affirmative Defense Provisions Changes

- Delete subdivision (g) - Emergency Provisions
- Delete reference to subdivision (g) in paragraph (c)(3)

## Rule 3002 Greenhouse Gas Tailoring Rule Changes

- Delete paragraphs (a)(3) and (a)(4)

## Rule Language Consistency Changes

- Delete references to emergency affirmative defense and Greenhouse Gas Tailoring Rule provisions in Reg XXX Rules 3001, 3003, 3004, and 3008

# Impact Assessments

## Emission Reductions and Cost

- No emission reductions expected
- No additional costs since Title V permits will be updated during periodic permit renewal or revisions

## Socioeconomic Impact Assessment

- Not required because the proposed amendments are administrative and will not affect air quality or emission limits

## California Environmental Quality Act (CEQA)

- Project qualifies for a CEQA exemption

Staff is not aware of any remaining key issues

# Staff Recommendations

- Adopt resolution:
  - Determining that Proposed Amended Regulation XXX – Title V Permits is exempt from the requirements of the California Environmental Quality Act; and
  - Amending Regulation XXX – Title V Permits

[↑ Back to Agenda](#)

BOARD MEETING DATE: January 10, 2025

AGENDA NO. 33

**PROPOSAL:** Approve the Imposition of the Management’s Last, Best and Final Offer on a Revised Telework Program Policy and Authorize the Executive Officer to Implement the Revised Telework Program Policy for South Coast AQMD Professional Unit Employees

**SYNOPSIS:** Management and the South Coast AQMD Professional Employees Association have reached impasse in the bargaining process for a revised Telework Program policy. This action is to hold a public hearing regarding the impasse, and to consider approving the imposition of the Management’s Last, Best and Final Offer on a revised Telework Program policy and authorizing the Executive Officer to implement the policy for Professional Unit employees. This policy is the same revised Telework Program policy issued by the Executive Officer for all other employees on September 26, 2024, which has an effective date of April 1, 2025.

**COMMITTEE:** No Committee Review

**RECOMMENDED ACTION:**

Approve the Imposition of the Management’s Last, Best and Final Offer on a Revised Telework Program Policy, as set forth in Attachment A, and Authorize the Executive Officer to Implement the Revised Telework Program Policy for Professional Unit Employees.

Wayne Natri  
Executive Officer

## **Background**

The South Coast AQMD's current Telework Program Policy (Administrative Policies and Procedures, No. 46) has been in effect since April 2022. The Telework Program Policy was established after the pandemic to allow employees to work from home with a minimum number of in-office days. Beginning June 2023, a Telework Committee (Committee), consisting of representatives from each employee group (Teamsters, PEA, nonrepresented), met six times to discuss changes to the Telework Program. The primary change proposed by management was to modify the criteria and approval of a minimum 1-day in-office schedule to be more restrictive as an option for employees. As revised, a minimum 2-day in-office schedule would be the standard schedule. Most employees work a Tuesday-Friday, 4/10 schedule.

With the consensus of the Committee, including the Teamsters representatives, policy revisions were finalized in July 2024. PEA requested to also bargain the policy separately. Consistent with PEA's MOU, approved on March 1, 2024, Management agreed to bargain with PEA on revisions to the telework policy. The revised Telework Program was issued by the Executive Officer in September 2024, subject to completion of the bargaining process with PEA, with a 6-month notice period – changes go into effect April 1, 2025. (The 6-month notice period was agreed to in the current MOU with PEA, and is applied to all employees.)

Between August and September 2024, Management and PEA met five times to bargain the policy revisions. Although some additional changes were agreed to by the parties, and incorporated into the final revised policy, the process ended in impasse. With Board approval, Management issued a Last, Best & Final Offer (LBFO) to PEA for a revised Telework Program policy. The LBFO consists of the same revised policy provisions issued to all other employees, with an April 1, 2025 effective date.

In accordance with South Coast AQMD's Employee Relations Resolution, the parties participated in mediation in November 2024, conducted by an outside facilitator. The session concluded without an agreement. On November 26, 2024, a Factfinding Panel held a hearing on the matter, in accordance with State law on bargaining. The 3-member panel consisted of PEA and Management appointees, and a neutral member agreed to by both parties.

The Factfinding Panel issued its advisory report on December 20, 2024, presenting its findings and recommendations on the Telework Program proposals from PEA and Management. (Attachment B). The Factfinder recommends Management's proposal of a minimum 2-day in-office schedule. The Management panel member concurred with all of the Factfinder's recommendations. The PEA panel member disagreed with the report, but submitted no dissenting opinion. As required by law, the report was posted on South Coast AQMD's [website](#) on December 27, 2024.

**Proposal**

Management recommends the Board approve the imposition of the Last, Best and Final Offer (Attachment A), and authorize the Executive Officer to implement South Coast AQMD's revised Telework Program policy for Professional Unit employees. This is the same revised Telework Program policy (Administrative Policies and Procedures, No. 46) issued by the Executive Officer for all other employees. The effective date of the revised policy would be April 1, 2025, as it is for all other employees.

There are no budget impacts for this proposal.

**Attachments**

- A. South Coast AQMD's Last, Best and Final Offer for revised Administrative Policies & Procedures No. 46, Telework Program
- B. Factfinder's Report Re: Telework Policy Bargaining Impasse

ATTACHMENT A

South Coast AQMD's LBFO for revised Administrative Policies & Procedures  
No. 46, Telework Program





# SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

## ADMINISTRATIVE POLICIES AND PROCEDURES

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### NUMBER 46.0 – TELEWORK PROGRAM

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Effective: [DATE SIGNED] (supersedes Policy No. 46, dated ~~January 1, 2019~~ April 14, 2022)

#### 46.1 ~~PURPOSE AND APPLICABILITY:~~

This Policy addresses eligibility, application and approval processes, requirements, and authorities associated with South Coast AQMD's Telework Program.

This Policy applies to all full-time South Coast AQMD employees, except Field Staff. Field Staff are generally assigned a District vehicle to travel to specific locations, offsite from District facilities, to conduct their work. Telework for Field Staff will be handled by Department policy. Such policies must be consistent with this Policy's guidelines, requirements, and restrictions.

#### 46.2 ~~DEFINITION~~PURPOSE:

South Coast AQMD's Telework Program is a voluntary work arrangement, under which an employee performs the duties and responsibilities of the employee's position from an approved worksite, other than the location from which the employee would otherwise work. South Coast AQMD's Telework Program allows an employee to perform work from an approved worksite, during any part of paid work hours approved by the employee's management.

#### 46.3 POLICY STATEMENT:

The goal of South Coast AQMD's Telework Program is to create a hybrid work environment that meets South Coast AQMD's operational needs and also provides benefits for individual employees and the community. A hybrid work environment incorporates technology and communication tools to allow for the portability of work across multiple locations, which provides work flexibility, encourages new efficiencies, and decreases air pollution by reducing commute travel. This Policy also recognizes the benefits of in-person interaction to establish and maintain work relationships, collaboration, learning, teamwork, and trust throughout the agency.

In general, South Coast AQMD employees are required to work in an office setting four days a



# SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

## ADMINISTRATIVE POLICIES AND PROCEDURES

week. The office location is either South Coast AQMD's Diamond Bar headquarters or the Long Beach Field Office. The Telework Program provides employees the opportunity to choose to telework while performing their duties, subject to the requirements and conditions of this Policy, where the priority of any telework arrangement is to meet South Coast AQMD's operational needs. Operational need includes but is not limited to: program implementation, training, productivity, performance, efficiency, communications, employee engagement, collaboration, coverage of schedules, and mentoring.

~~As set forth in this Policy,~~ South Coast AQMD has the right to refuse either the amount of teleworking to an employee, or to terminate a teleworking arrangement, at any time in accordance with the requirements of this Policy, applicable laws, and applicable MOUs.

Participating employees are required to adhere to all requirements of this Policy, and of all South Coast AQMD policies and procedures, while teleworking. Failure to do so may result in the employee being removed from the Telework Program or the number of telework days reduced, as well as any other appropriate action.

#### **46.4 TELEWORK SCHEDULE OPTIONS:**

The Telework Program provides three schedule options for teleworking. Employees may apply for telework under one of these schedules, subject to the procedures and conditions set forth below.

- **2-Day Telework** – A Deputy Executive Officer (DEO) or designee can approve up to two (2) telework days per week or the monthly equivalent.
- **3-Day Telework** – The DEO/Chief Operating Officer (COO) can approve up to three (3) telework days per week or the monthly equivalent.
- **Non-Permanent 4-Day Telework** – The Executive Officer (EO) can approve four (4) telework days per week on a non-permanent basis.

A non-telework or "in-office day" can include working at an off-site location where an employee is conducting South Coast AQMD business with management approval. Examples of working off-site include, but are not limited to, visiting a facility, attending a work-related off-site meeting, meeting with stakeholders, conducting outreach in the community, in- or out-of-Basin travel, or participating in a conference. Employees that do not have an approved Telework Agreement or elect not to participate in South Coast AQMD's Telework Program would work in the office four days per week.



# SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

## ADMINISTRATIVE POLICIES AND PROCEDURES

### 46.5 PROCEDURES:

#### 46.5.1 Requirements for Approval

a. **2-Day Telework Schedule** – Approval is evaluated based on all of the following criteria:

- 1) Employee's job duties can be completed through telework;
- 2) Operational needs of the department can be completed through telework;
- 3) Employee's performance meets the following:
  - a) most recent performance appraisal is rated Satisfactory or better;  
and
  - b) employee is not currently on a Performance Improvement Plan.  
~~past performance indicates a likelihood of success for telework.~~  
{This factor does not disqualify new hires from participation.}; and
- 3)4) Individual and department performance can be measured and supervised through telework.

Employee may appeal a complete denial [no telework hours approved] or 1-day telework, of a request for a ~~2-Day Standard~~ Telework Schedule to the ~~Chief Operating Officer (COO).~~

b. **3-Day Telework Schedule** – Approval is evaluated based on all of the following criteria:

- 1) Same criteria (1-4) as 2-Day Telework Schedule;
- 2) Employee's past performance and conduct in the Telework Program, where applicable, meet the requirements set forth in Sections 46.5.3 and 46.5.4 of this policy,
- 1)3) Description of employee's job duties that demonstrates that the employee's job classification and work assignment is particularly suited for a 3-day telework schedule can meet their responsibilities effectively through telework.
- 2)4) Approval does not affect job duties requiring regular access to equipment at headquarters (such as the lab or print shop) or requiring face-to-face interaction with internal or external persons,
- 5) Approval does not adversely affect another individual's work schedule, ~~team or departmental performance, or other operational needs.~~ Plans will be established by the manager to ensure employee will have consistent communications with their supervisor and manager, and will have regular interaction with colleagues, and
- 3)6) DEO's recommendation for approval of the 3-Day Telework Schedule.



# SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

## ADMINISTRATIVE POLICIES AND PROCEDURES

Employee may appeal a ~~complete denial [no telework hours approved]~~ of a request for a 3-Day Telework Schedule to the ~~Chief Operating Officer (COEO)~~.

- c. **Non-Permanent 4-Day Schedule** – Approval is evaluated based on the following criteria:
- 1) Same criteria (1-4) as ~~3~~ 2-Day Telework Schedule
  - 2) Request includes a specified end date that is reasonable for the circumstance for a Non-Permanent 4-Day Telework Schedule.
  - 3) Duration of the schedule requested is consistent with operational needs.
  - 4) Proposed telework location does not conflict with operational needs and if the location is outside of the United States, Information Management approval of the telework location is required for approval.
  - 5) ~~Additional m~~ Measures of communication, performance and productivity are ~~proposed~~ established by the DEO, as needed.
  - 6) DEO recommends approval of the Non-Permanent 4-Day Telework Schedule.

The EO's decision is final.

### 46.5.2 Application and Approval Process; and Modification of Telework Schedule

- a. To apply to the Telework Program, employees must submit a Telework Application & Agreement form to their DEO or designee at least two weeks prior to the proposed new or modified telework schedule. The application must provide:
- 1) Description of how the applicable criteria for approval will be met;
  - 2) Description of the equipment to be used while teleworking;
  - 3) Vehicle and commute information, including the type of vehicle, decrease in miles travelled, and the commute time avoided;
  - 4) ~~Description and p~~ A photo of the proposed work area that demonstrates that Section 46.5.3 requirements are met;
  - 5) Proposed schedule of day(s) for teleworking; and
  - 6) Participation or planned participation in a carpool or vanpool through the South Coast AQMD Rideshare Program.
- b. If approved, the DEO/COO/EO will return a signed Telework Application & Agreement to the employee, indicating approval, modification, or denial of the proposed schedule. The reasons for a modification or a denial of a proposed telework schedule shall be stated. If the proposed telework schedule is modified or denied, the employee may revise and resubmit the Telework Application & Agreement to the DEO/COO; or, in the case of a complete denial or a reduction to a 1-day telework, may appeal decision to the COO/EO.



# SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

## ADMINISTRATIVE POLICIES AND PROCEDURES

- c. The employee must submit the signed Approved Telework Agreement to their manager and the department will email a copy to Human Resources at TELEWORK@aqmd.gov.
- d. Participating employees must report to their DEO or designee any change in circumstances described in their application for evaluation of whether the criteria for approval can still be met.
- e. Each department and HR will maintain a list of approved teleworkers.
- f. If an employee changes departments or positions, the employee must submit a new application to the DEO/COO for approval to participate in the Telework Program.
- g. The EO or COO or DEO may terminate an employee's approval to participate in the Telework Program based on changed circumstances that no longer meet criteria for approval.
- h. Modifications may be made to an approved telework schedule, as follows:
  - 1) Changes to approved telework days may be requested by the employee for manager approval.
  - 2) Management may revise the employee's approved regular telework schedule based on operational need, with 14 calendar days notice. The notice shall include the basis for the revised schedule and the duration of the revised schedule.
- i. The approved Telework Agreement will be amended to show the new approved regular telework schedule and the department will submit a copy to Human Resources at TELEWORK@aqmd.gov.

### 46.5.3 Telework Location and Environment

- a. Employee shall designate a workspace within the telework location for placement and installation of equipment to be used while teleworking.
  - 1) Employee shall maintain this workspace in a safe condition, free from hazards and other dangers to the employee and equipment.
  - 2) ~~DEO, upon review of HR, must approve of the site chosen as the employee's telework location and of the proposed workspace.~~
  - 3) 2) Employee may submit a request-revised Telework Application & Agreement for approval, in writing to the DEO, to change the designated telework location. If approved, the signed Telework Agreement will be amended to show the new designated telework location sent to the employee.
  - 4) 3) Employee may seek approval to telework outside of California or the United States for non-permanent 4-Day Telework Schedules, but not for the 2-Day or 3-Day Schedules.
- b. South Coast AQMD, through HR and other appropriate District staff, and in agreement with the employee, can make on-site visits (with reasonable



# SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

## ADMINISTRATIVE POLICIES AND PROCEDURES

advance notice—at least 1 business day) to the telework location, to determine if the site and workspace is suitable for teleworking and safe and free from hazards, or to maintain, repair, inspect, or retrieve South Coast AQMD- owned equipment or supplies. Employee’s failure to cooperate with this process may result in appropriate action taken by management to address the matter, including but not limited to, removal from the Telework Program.

- c. South Coast AQMD will not pay for operating costs, approved worksite maintenance, or any other incidental cost (such as, utilities or internet) related to the use of the employee’s approved telework location. South Coast AQMD provides a telework stipend through its Rideshare Program.
- d. As deemed necessary by the department, South Coast AQMD will provide the employee with computer hardware, computer software, email, voicemail, connectivity to host applications, and other applicable equipment for telework.
- e. Telework can only be performed on South Coast AQMD-issued equipment and use of such equipment is limited to authorized persons and for purposes relating to South Coast AQMD business.
- f. South Coast AQMD will provide office supplies as needed. Out-of-pocket expenses for other supplies will not be reimbursed unless by prior approval by the employee’s supervisor.

#### 46.5.4 Program Restrictions and Requirements

- a. Participants must be available by phone, Cisco Jabber or other messaging software, and email during authorized work hours, and must perform their work during such hours at the approved telework location, in accordance with applicable MOUs, Salary Resolution, and District policies.
- b. Participants may be required to return to South Coast AQMD headquarters or an off-site location, due to operational needs, on a scheduled telework day without advance notice. Advance notice will be given, if deemed practicable by the manager.
  - 1) The telework day is not required to be re-scheduled.
  - 2) Employee and manager shall agree on expected response time.
- ~~c.~~ An “in-office day” means the employee spends the entire workday in the office, when reporting to the office, unless approved by their manager to complete the day teleworking or to take leave time.
- ~~d.~~ Any South Coast AQMD materials taken from a South Coast AQMD facility shall be kept in the designated work area and not be made accessible to others.
- ~~e.~~ Employees must take all precautions necessary to prevent unauthorized access to confidential data or information. Paper copies of confidential materials may not be removed from South Coast AQMD facilities.
- ~~f.~~ Employees shall not be conducting childcare or dependent care when teleworking. Teleworking is not a substitute for child or dependent care.



# SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

## ADMINISTRATIVE POLICIES AND PROCEDURES

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- g. If an employee is absent, due to approved leave, on a scheduled in-office or non-telework day(s), employee is not required to make up for that in-office or non-telework day.
  - f.i. In circumstances where employee health and safety are a concern, such as severe weather conditions or wildfires, the Executive Officer may recommend that employees telework to the extent feasible, subject to operational needs, and employees would not be required to make up for that in-office or non-telework day.
  - j. Employees shall report an injury that occurred while teleworking, and alleged to be within the course and scope of employment, in accordance with South Coast AQMD's injury and workers' compensation policies and procedures. *(See, Injury and Illness Prevention Program, available on AirNet; Injury Incident Report form, available on AirNet in the Risk Management folder.)*

### 46.6 PROGRAM EVALUATION:

In order to ensure an efficient and effective program, there will be ongoing review and evaluation of the Program. Evaluation criteria will include, but is not limited to: employee and supervisor feedback, the type and volume of work being done through telecommuting, the ability of employees to complete tasks while telecommuting, and the responsiveness of the employee while telecommuting.

A Telework Committee, consisting of labor and management representatives, the DEO of A&HR, and COO will meet ~~six (6) months from the date of implementation of this Policy (expected May 2022)~~ at least once every twenty-four (24) months to review and evaluate the Program and identify issues, if any. Committee members will provide input, data, and recommendations for the Telework Program for consideration by the EO.

~~The Telework Committee, DEO of A&HR, and COO will meet again one year from the date of implementation of this Policy to review, evaluate, and make recommendations for the Telework Program. Thereafter, the Telework Committee, DEO of A&HR, and COO will meet every two (2) years for such purposes.~~

Upon review of the Committee's feedback, the EO may modify, or suspend, or terminate the Telework Program based on South Coast AQMD's operational needs or other factors. Reasonable advance notice, based on the impact of the change, will be provided to employees prior to implementation. Where there is a change that would reduce telework options, there will be at least 6 months written notice for implementation after the revised policy is approved by the Executive Officer.

**APPROVED BY:**



# **SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT**

## **ADMINISTRATIVE POLICIES AND PROCEDURES**

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\_\_\_\_\_  
Wayne Nastri, Executive Officer

\_\_\_\_\_  
Date

Related documents:

1. Telework Application & Agreement (link to be provided)
2. South Coast AQMD Telework Program – Frequently Asked Questions (link to be provided)

**(District's Last Best & Final Offer, 9-17-2024)**



ATTACHMENT B

Factfinder's Report Re: Telework Policy Bargaining Impasse

**FACTFINDING DIRECTED BY THE PUBLIC EMPLOYMENT  
RELATIONS BOARD**

In the Matter of a Bargaining Impasse

**South Coast Air Quality Management District,  
Employer**

and

**South Coast Professional Employees Association,  
Employee Organization**

**Re: Telework Policy Bargaining Impasse; PERB CASE NO. LA-IM-342-M**

**Factfinding Panel**

**Laura Drottz Kalty – Employer Member**

**Adam Stern – Employee Organization Member**

**Carol A. Vendrillo – Neutral Member**

**December 20, 2024**

***Appearances:***

*For the Employer:*

Laura Drottz Kalty  
Liebert Cassidy Whitmore  
6033 West Century Blvd., 5<sup>th</sup> Floor  
Los Angeles, CA 90045

*For the Employee Organization:*

Adam N. Stern  
The Myers Law Group  
9327 Fairway View Place, Suite 100  
Rancho Cucamonga, CA 91730

## **INTRODUCTION**

The South Coast Air Quality Management District (South Coast AQMD or District) and the South Coast Professional Employees Association (PEA or Association) have reached a bargaining impasse concerning the District's telework program. The parties initiated this factfinding process pursuant to the Meyers-Milias Brown Act, Government Code Section 3505.4 and the District's Employee Relations Resolution, Section 11 (District Exhibit 1).

On November 26, 2024, a meeting was convened by the Panel during which persons with knowledge about the bargaining history shared information and concerns about the District's proposal to alter its telework program. The parties introduced documentary evidence that was considered in making their recommendations.

## **ISSUE**

Does the position advanced by the District or the Association better conform to the criteria set forth in Section 3505.4 and Section 11 of the District's Employee Relations Resolution?

## **FACTUAL SUMMARY**

The District and the Association are parties to a Memorandum of Understanding (MOU) which runs from January 1, 2024, to December 31, 2027 (Employer Exhibit 6). That document, at Article 48, provides for the maintenance of a telework program that gives employees options to telework while performing their job duties. It also recognizes the existence of a joint labor-management committee tasked with addressing the telework program. Section 2 of Article 48 requires management to provide at least six months

written notice to employees prior to implementation of any changes that would reduce telework options.

District employees impacted by this dispute work a 4/10 schedule. They work four ten-hour days. In 2017, the District adopted a telecommuting pilot project that allowed a small group of 35 employees to work from home 30 hours a month at the discretion of their supervisor (District Slide 11). In 2019, the District adopted a policy whereby employees could work off-site one day a week with their supervisors' approval (District Slide 12). When the COVID pandemic intervened in 2020, the policy was expanded, and employees were directed to work from home "to the maximum extent possible." (District Slide 13.)

As part of its administrative policies and procedures post-COVID, the District has adjusted the telework program in Policy Number 46.0. It created a hybrid work environment. The version that took effect on April 13, 2022, required employees to work in the office four days a week. However, guided by the District's "operational needs," the policy gave employees three schedule options to work from home – a two-day telework schedule, a three-day schedule, and a 4-day schedule. The two- and three-day options required approval of the deputy executive officer (DEO). The four-day option required approval of the executive officer.

The criteria for approval were spelled out in the policy. Employees were required to submit a telework application to their DEO two weeks prior to the proposed modification. Employees could appeal the DEO's denial of a telework request to their chief operating officer. Employees were required to designate a workspace within the telework location and allow the District's human resources staff to make on-site visits

with reasonable advance notice (District Exhibit 2). In practice, the DEOs were regularly approving the three-day telework schedule so that employees were required to work in the office one day a week only.

In 2023, the District advised the Association that it wished to change the telework program to effectively require that employees come into the office two days a week. The parties discussed this at meetings of the telework committee on several occasions in 2023 and 2024. The telework committee's discussion were on a parallel track with negotiations. Eventually, the proposed telework policy change was discussed at the bargaining table. When parties reached agreement on a comprehensive MOU, it did not incorporate the complete telecomputing Policy No. 46.

The District formulated its last, best and final offer on September 17, 2024 (District Exhibit 4). PEA President Brian Vlasich rejected the District's final offer on September 24, 2024 (District Exhibit 5). The District then declared impasse on September 25, 2024 (District Exhibit 5).

The District's last, best, and final offer expanded the policy statement and the operational needs language to include employee engagement, collaboration, and mentoring. The new schedule set out in Policy No. 46.0 permits up to two telework days a week with the approval of the DEO or designee and up to three telework days a week with the approval of the chief operating officer. The four-day telework option still requires the approval of the executive officer.

The District has announced it intends to implement this version of the policy on April 1, 2025.

## **PARTIES POSITIONS**

*The Association position.* The Association seeks to maintain the status quo that requires employees to report to the office for in-person work one of their four workdays. PEA conducted an anonymous worker survey of its members in May 2024 (Association Exhibit 3). The surveys showed many employees made decisions about where to work and live based on a telework policy that allowed them to work from home three of the four days a week. The survey revealed that employees would terminate their employment with the District if the telework policy changed. Of those surveyed, 98 percent said they wanted the telework policy to stay the same or be expanded. People have adjusted to the schedule and like it.

The Association also seeks to have the telework policy made part of the MOU and be subject to the contractual grievance procedure. Alternatively, it seeks to have the denial of a telecommuting schedule announced by the supervisor or manager within a 14-day period, with the reasons for the denial articulated. It also seeks to have a denied telework request be appealable.

PEA also objects to the District's right to inspect an employee's home office. It wants advance pre-notification of such visits and the names of the persons who will be conducting the visits.

PEA is critical of the District's assertion that a return to on-site work will build the organization's culture. There is no plan in place to make that occur, the Association claims. Training sessions are conducted using Zoom, with employees participating from their cubicles.

PEA is opposed to the six-month notice of a change in the telework policy. PEA is seeking a commitment from the District that it will not further impinge on the telework policy or eliminate it entirely. The District's verbal commitment that they will not change policy is contrary to six-month notice language.

Many studies show the benefits of telework. It provides a reasonable work/life balance, reduces commute times, encourages interactions with family members, and is less stressful. Telework also has economic benefits. It reduces transportation and parking costs. And by boosting morale, increases productivity (Association Exhibits F, G, H, I, and J). For these reasons, PEA objects to additional language in "operational needs" language.

The Association objects to having the deputy executive officer grant approval of the two-day telework schedule. It asserts that approval should be made by an employee's supervisor or manager who is most familiar with the work.

PEA is seeking limitations on the inspections of home offices. They desire advance written notice and the names of the staff members who will be conducting visit.

The policy change sought by the District of requiring in-office work two days a week is stricter than comparable agencies. In support of that position, the Association refers to telecommuting policies at other public entities. It points to the Bay Area Air Quality Management District as the most similar. In that agency, the number of days an employee may work from home is at the discretion of the division director (Association Exhibit K). That MOU allows an employee and his or her supervisor to agree on "core days and hours during which the employee will be working remotely." It does not require any days in the office.

The Sacramento Air Quality Management District's telework policy allows the employee and his or her immediate supervisor to evaluate the suitability of telework (Association Exhibit M). It requires employees to work in the office as least one day a week (Association Exhibit N). The telework policy for Los Angeles County requires approval by the employee's supervisor of the request to telework (Association Exhibit P).

*District's position.* The requirement that employees return to on-site work two days a week will achieve an appropriate work/life balance. It will help rebuild agency culture through more in-person interaction and increase professional development opportunities. Requiring two days in the office reflects the value of personal interactions and a team environment. It also will increase institutional history. An on-site presence is critical for training and building work relationships. This is critical to the District because 78 percent of employee have been in their position five years or less (District Slide 9).

District's operational needs are primary. Two-days in the office offers more opportunity for growth, personal interaction, more on the job training, and mentorship.

The District's telework policy, when compared to other similar agencies, is highly competitive, especially for those working a four/ten schedule: San Joaquin and Los Angeles require days on-site; Ventura's 4/10 personnel are allowed only one day at home. Butte and Santa Barbara require two days on-site.

### **RECOMMENDATION**

Both Government Code Section 3505.4 and the District's Employee Relations Resolution at Section 11 set out the criteria for selecting between the parties' positions. In this case, Subsections (4) and (5) seem most relevant. They concern the welfare of the



public and the conditions of employment at comparable jurisdictions. The District's local rules impose the same instructions.

The parties' positions on the proposed new telework policy address a number of aspects of Policy 46. Each is discussed separately.

*(1) Number of days required to be on-site.* With one exception, all of the telework policies adopted by comparable agencies present a mixture of time working from home and time working in the office. No clear picture emerges as to how best to divide these two work assignments. No "best practice" emerges.

However, among those jurisdictions where employees work four ten-hour shifts and only are on site four days a week, two jurisdictions require employees to report to the office two days a week (San Joaquin and Los Angeles). In one jurisdiction with a four/ten schedule (Ventura), employees only are allowed to work from home one of their four workdays. There is no jurisdiction where employees who work a four/ten schedule are allowed to be at the office only one day a week.

These four/ten agencies are the most comparable to the South Coast AQMD. They require employees to spend two days in the office and allow them to work from home on two days. This same fifty/fifty split as used in other four/ten agencies is reasonable for South Coast AQMD and conforms to the comparability criteria set out in the statute and the local rule.

*(2) Level of management approval needed.* On its face, the District's final offer requires that a schedule allowing for two days of telework obtain approval from the DEO. However, the language adds the DEO's "designee," which the District asserts is intended to include the employee's manager. In other words, an employee's manager may sign off

on an employee's request to telework for two days. If that is what the District intends, the language of the final offer should so state. Otherwise, the requirement of approval of the DEO for a two-day telework schedule is out of step with the practice in comparable agencies.

The same cannot be said of the proposal that approval of a three-day telework schedule – with an employee only working in the office on one of his or her four workdays. Having the chief operations officer make that determination is not unreasonable given the potential broad-based impact on operations.

*(3) Statement of reasons for denial of telework schedule.* The individual denying a telework request should be required to articulate the reasons for such a denial.

*(4) Grievable as part of MOU or right to appeal.* The parties' recently ratified successor MOU addresses the telework policy at Article 48. Therefore, violations or misapplication of the telework policy is not currently subject to the contractual grievance procedure. To make the denial of a telework application grievable would require a re-opener of the MOU. However, nothing prevents Policy No. 46 itself from providing a right to appeal the denial of telework request. How burdensome this would be is unknown without a record of the number of denials issued by management.

*(5) Inspection of Home Office.* PEA's desire to have some constraints placed on the home inspection process – advance notice of the home visit and identification of who will be conducting it – is reasonable and can easily be accomplished.

*(6) Six-month notice of change.* Many of the telework policies promulgated by comparable agencies make clear that a telework option is “not an entitlement or a District-wide benefit.” (Association Exhibit M; Sac Metro Air District.) Telework is a

“management option, not a universal employee benefit.” (Association Exhibit O; Los Angeles County.) The same is true of the South Coast AQMD. The District is not required to provide employees with a telework option. It is an adjustment or an alternative to an employee’s regular work hours. Therefore, the District can elect to alter Policy 46 as it sees fit, as it did when COVID sent people home in droves because of the public health crisis brought about by the pandemic. Given that, it is not tenable for the Association to object to the District’s proposal to provide six-months’ notice of a change in the telework policy.

(7) *Broadly worded policy statement language.* PEA objects to the language in the policy statement that views the hybrid schedule as recognizing “the benefits of in-person interaction to establish and maintain work relationships, collaboration, learning, teamwork, and trust throughout the agency.” While the Association may disagree that on-site work brings about those results, the policy statement is no more than a preamble that requires no “buy in” from the PEA.

### **RECOMMENDATION**

For the reasons expressed above, the Neutral Member of the Factfinding Panel urges the Board to adopt a revised Policy No. 46 that comports with the recommendations outlined above.

Dated: December 20, 2024

/s/Carol A. Vendrillo  
**CAROL A. VENDRILLO, ESQ.**  
Arbitrator

## SCAQMD CONCURRING OPINION

I was appointed by the South Coast Air Quality Management District to serve as the District's representative on the factfinding panel in this impasse between the District and the South Coast Air Quality Management District Professional Employees Association as to Administrative Policies and Procedures, Policy Number 46.0 – Telework Program. **I concur with the Factfinder's Report and Recommendations.**

The District concurs as to Issue (1), that there should be two days required to be on-site.

As to Issue (2), level of management approval needed, the District clarifies that what is meant by DEO or "designee" approval is to allow for greater discretion among various departments of various sizes and nature of operations, and that the decision on teleworking could be made by the Deputy Executive Officer, or designee which could include an Assistant DEO, a Director, a manager or even a supervisor – but the Departments should have the discretion to make the decision on up to two days of teleworking.

As to Issue (3), statement of reasons for denial of telework schedule, the District concurs and refers to Section 46.5.2.b of the Telework Program.

As to Issue (4), grievable as part of MOU or right to appeal, the District notes there is a right to appeal set forth in Sections 46.5.1.a and b and 46.5.2.b of the Telework Program.

As to Issue (5), inspection of home office, the District concurs and refers to Section 46.5.3.b of the Telework Program.

And as to Issue (6), six-month notice of change and (7), broadly worded policy statement language, the District concurs.

For the reasons expressed herein, the District's Last, Best and Final Offer, dated September 17, 2024, mirrors the recommendations of this Factfinding Report, and the District hopes this will allow the parties to reach agreement on Policy No. 46.0. However, in the event the parties are still not in agreement, staff will recommend that the Board impose the terms of the District's Last Best and Final Offer following the Public Hearing on the matter of the impasse.

Dated: December 20, 2024

/s/Laura Drottz Kalty  
Liebert Cassidy Whitmore  
**SCAQMD Panel Member**

**SOUTH COAST PROFESSIONAL EMPLOYEES' ASSOCIATION:**

**Association Panel Member Adam Stern expressed disagreement with the Panel's recommendation but submitted no dissenting opinion.**