

BOARD MEETING DATE: December 4, 2020

AGENDA NO. 1

MINUTES: Governing Board Monthly Meeting

SYNOPSIS: Attached are the Minutes of the November 6, 2020 meeting.

RECOMMENDED ACTION:

Approve Minutes of the November 6, 2020 Board Meeting.

Faye Thomas
Clerk of the Boards

FT:cmw

FRIDAY, NOVEMBER 6, 2020

Notice having been duly given, the regular meeting of the South Coast Air Quality Management District Board was conducted remotely via video conferencing and telephone. Members present:

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

Council Member Ben Benoit, Vice Chairman
Cities of Riverside County

Supervisor Lisa A. Bartlett
County of Orange

Council Member Joe Buscaino
City of Los Angeles

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

Senator Vanessa Delgado (Ret.)
Senate Rules Committee Appointee

Gideon Kracov
Governor's Appointee

Mayor Larry McCallon
Cities of San Bernardino County

Council Member Judith Mitchell
Cities of Los Angeles County – Western Region

Council Member Carlos Rodriguez
Cities of Orange County

Supervisor Janice Rutherford
County of San Bernardino

Members absent:

Supervisor Kathryn Barger
County of Los Angeles

Supervisor V. Manuel Perez
County of Riverside

CALL TO ORDER: Chairman Burke called the meeting to order at 9:00 a.m.

- Pledge of Allegiance: Led by Chairman Burke
- Roll Call
- Opening Comments

Council Member Cacciotti shared photos from demonstrations of electric lawn care equipment at Compton Unified School District and the City of Irwindale. He noted that newly appointed Hearing Board Alternate Micah Ali participated in the demonstration at Compton Unified. He thanked the Board and staff for their support of the program.

Council Member Mitchell commented that the City of Rolling Hills Estates has recently adopted the Green Zone program and thanked Council Member Cacciotti for his efforts promoting green lawn care equipment. She provided an update on the collaboration between CARB, the California Transportation Commission and Housing and Community Development Department, including a plan being developed through the California State Transportation agency to align programs and policies that meet the State's air quality goals to reduce greenhouse gases. She also encouraged Board members to participate in the AB 617 community meetings to see the progress being made.

CONSENT CALENDAR

1. Approve Minutes of October 2, 2020 Board Meeting and October 27, 2020 Special Board Meeting
2. Set Public Hearing December 4, 2020 to Consider Adoption of and/or Amendments to South Coast AQMD Rules and Regulations
 - A. Determine That Coachella Valley Extreme Area Plan for 1997 8-Hour Ozone Standard Is Exempt from CEQA and Approve Coachella Valley Extreme Area Plan for 1997 8-Hour Ozone Standard
 - B. Determine That Attainment Plan for 2006 24-hour PM2.5 Standard for South Coast Air Basin Is Exempt from CEQA and Approve Attainment Plan for 2006 24-hour PM2.5 Standard for South Coast Air Basin

- C. Determine That Amendments to Regulation XIII - New Source Review, Regulation XX - Regional Clean Air Incentives Market and Regulation XXX - Title V Permits, Are Exempt from CEQA and Amend Regulations XIII, XX and XXX
- D. Determine That Proposed Amendments to Rule 1146 - Emissions of Oxides of Nitrogen from Industrial, Institutional, and Commercial Boilers, Steam Generators, and Process Heaters Are Exempt from CEQA; and Amend Rule 1146

Budget/Fiscal Impact

- 3. Reimburse CEC and Return Interest
- 4. Amend Contract to Install Solar Panels for Volvo LIGHTS Project
- 5. Recognize Revenue, Issue Program Announcement, Execute Contracts, and Redistribute Funds for Heavy-Duty Truck Projects Meeting the Proposition 1B – Goods Movement Program Requirements
- 6. Appropriate Funds, Execute and/or Amend Contracts, and Issue Solicitations and Purchase Orders for AB 617 Implementation
- 7. Issue New Solicitations and Approve Contract Modification as Approved by MSRC

Action Item/No Fiscal Impact

- 8. Establish Board Meeting Schedule for Calendar Year 2021

Items 9 through 15 – Information Only/Receive and File

- 9. Legislative, Public Affairs and Media Report
- 10. Hearing Board Report
- 11. Civil Filings and Civil Penalties Report

12. Lead Agency Projects and Environmental Documents Received
13. Report of RFPs Scheduled for Release in November
14. Rule and Control Measure Forecast
15. Status Report on Major Ongoing and Upcoming Projects for Information Management

Council Member Mitchell noted that she has no financial interests in Item Nos. 4 and 5 but is required to identify for the record that she is a Board Member of CARB, which is involved in these items.

Due to requests to speak and Board member questions on Consent Calendar Item No. 3, the vote on the Consent Calendar was deferred until after those comments were made.

16. Items Deferred from Consent Calendar

3. Reimburse CEC and Return Interest

Council Member Cacciotti inquired about the reimbursement CEC is requesting and issues with the contractors. He asked whether staff will recoup the \$70,631 from the contractor that was unable to reimburse South Coast AQMD.

Wayne Nastri, Executive Officer, responded that the CEC audit uncovered discrepancies in the burden rate of the three contractors as well as their justification for that rate. He noted that one of the contractors is a small operation that, due to financial hardship, is unable to reimburse the funds.

Dr. Matt Miyasato, Chief Technologist/Science and Technology Advancement explained that Cummins merged with Cummins Westport, resulting in a different profit loss center; however, they maintained the same indirect overhead rate and the CEC determined they were using the incorrect rate. The other issue concerns a small company who is going out of business and is unable to reimburse the funds. South Coast AQMD will reimburse the CEC on their behalf then seek to recover the funds.

Harvey Eder, Public Solar Power Coalition, expressed concerns that he could not find the Zoom information for the Board meeting on the South

Coast AQMD website and he encountered difficulties connecting to remote meetings. He commented on filing legal documents in federal court.

Vice Chairman Benoit noted that the meeting information was available on the website the Friday before the meeting.

Ranji George, a member of the public, expressed support for fuel cell technologies and battery recycling and expressed the need for additional fuel cell charging stations.

MOVED BY CACCIOTTI, SECONDED BY
BENOIT, AGENDA ITEMS 1 THROUGH 15
APPROVED AS RECOMMENDED,
ADOPTING RESOLUTION 20-18 SETTING
THE TIME AND PLACE OF GOVERNING
BOARD REGULAR MEETINGS, BY THE
FOLLOWING VOTE:

AYES: Bartlett, Benoit, Burke, Buscaino,
Cacciotti, Delgado, Kracov,
McCallon, Mitchell, Rodriguez,
and Rutherford

NOES: None

ABSENT: Barger and Perez

Mayor McCallon commented on CARB's draft 2020 Mobile Source Strategy that is being developed in response to Senate Bill (SB) 44 and expressed concern that it falls short of what is needed for the South Coast region to meet the 2023 attainment goals. He questioned whether CARB is on track to meet its 2016 SIP commitments and inquired how staff plans to address this issue.

Mr. Nastri responded that staff submitted a comment letter to CARB regarding concerns with the 2020 draft Mobile Source Strategy to advise that it does not meet the legal requirements specified under SB 44, and is more focused on long-term attainment deadlines and not the obligations under the SIP. Staff has scheduled a meeting next week with CARB's executive staff to discuss these concerns. He noted that Council Member Mitchell has also raised these concerns to CARB's executive staff.

Chairman Burke commented that during his tenure on CARB's Board he raised the issue of changing the composition of the Board to be directly proportionate to the population it serves to ensure fair representation. He added that the next South Coast AQMD representative on CARB's Board may choose to address that issue.

Council Member Mitchell commented on her ongoing discussions and efforts with CARB staff regarding the Mobile Source Strategy and its failure to address the 2023 ozone requirements and the significant NOx emission reductions needed for the South Coast to achieve attainment. She noted her commitment to continue working with South Coast AQMD and CARB to address those issues and expressed concern with potential penalties if the ozone standards are not met.

Dr. Burke thanked Council Member Mitchell for her representation on the CARB Board and praised her work.

BOARD CALENDAR

17. Administrative Committee
18. Legislative Committee
19. Mobile Source Committee
20. Stationary Source Committee
21. Technology Committee
22. Mobile Source Air Pollution Reduction Review Committee
23. California Air Resources Board Monthly Report

Mr. George expressed concerns about proposals to use Carl Moyer funds for battery electric trucks and expressed support for increased funding for hydrogen and fuel cell zero emission technology and the development of plans for battery recycling. He commended staff for having a Cal/EPA speaker at the October Technology Committee meeting and expressed appreciation for the Committee members' productive discussion during that meeting.

Supervisor Rutherford expressed her opposition to the recommended position on HR 7822 in the Legislative Committee meeting report (Item No. 18).

Supervisor Bartlett asked whether the Legislative Committee had considered taking the alternate position of oppose unless amended. She expressed concerns about supporting a bill that may not be in the best interest of South Coast AQMD and requested that staff provide background information on the bill.

Lisa Tanaka O'Malley, Senior Public Affairs Manager, explained that Congresswoman Lisa Blunt Rochester introduced HR 7822 as a discussion document to receive input from stakeholders such as South Coast AQMD, the National Association of Clean Air Agencies (NACAA), environmental organizations and industry to craft a stronger bill that can be reintroduced in the 117th Congress. Ms. Tanaka noted that there are some provisions in the bill that staff would seek amendments to protect the authority of the states and local air quality agencies. However, the Congresswoman is open to actively work with South Coast AQMD and willing to make amendments.

Council Member Mitchell noted that the bill is in the formulation stage. She expressed support for the bill and noted that the South Coast AQMD has considerable experience and resources with community scale air quality issues. It would be beneficial to share that information at the federal level and help the author fashion a bill in a way that works across the country for other states and that also aligns with what California is doing.

Supervisor Bartlett expressed concerns with legislation being proposed at the federal level and inquired if staff and/or the Legislative Committee would be engaged in the process. She emphasized the importance for the Legislative Committee, in conjunction with staff, to be involved in the process and that all stakeholders be given the opportunity to provide input.

Council Member Mitchell responded that staff would be involved in the process of helping to craft amendments to the language. The finalized version would be submitted to the Legislative Committee for review.

Supervisor Rutherford noted that she raised concerns in the Legislative Committee about supporting legislation that establishes a federal program on fence-line monitoring. She noted that the funding would not accrue to South Coast AQMD and expressed the need to retain local control rather than having the federal government impose requirements.

MOVED BY CACCIOTTI, SECONDED BY MITCHELL, TO APPROVE AGENDA ITEMS 17 THROUGH 23 AS RECOMMENDED TO RECEIVE AND FILE THE COMMITTEE, MSRC AND CARB REPORTS AND APPROVE THE FOLLOWING POSITION ON LEGISLATION IN ITEM 18, BY THE FOLLOWING VOTE:

Receive and file; and take the following action as recommended:

Agenda Item	Recommendation
HR 7822 (Blunt Rochester) Public Health Air Quality Act	Support with Amendments

AYES: Bartlett (*Except HR 7822*), Benoit (*Except HR 7822*), Burke, Buscaino, Cacciotti, Delgado, Kracov, McCallon (*Except HR 7822*), Mitchell, Rodriguez (*Except HR 7822*), and Rutherford (*Except HR 7822*)

NOES: Bartlett (*HR 7822 only*), Benoit (*HR 7822 only*), McCallon (*HR 7822 only*), Rodriguez (*HR 7822 only*) and Rutherford (*HR 7822 only*)

ABSENT: Barger and Perez

Discussion ensued about the outcome of the vote. The recommendation was made to reconsider the vote then take action on Items No. 17 through 23 but bifurcate the action on HR 7822 in Item 18 for a separate vote.

MOVED BY BUSCAINO TO RECONSIDER AGENDA ITEMS 17 THROUGH 23 BUT BIFURCATE ITEM 18 TO PULL OUT THE LEGISLATIVE POSITION ON HR 7822 FOR A SEPARATE VOTE; THE MOTION WAS SECONDED BY BARTLETT AND APPROVED BY THE FOLLOWING VOTE:

AYES: Bartlett, Benoit, Burke, Buscaino, Cacciotti, Delgado, Kracov, McCallon, Mitchell, Rodriguez, and Rutherford

NOES: None

ABSENT: Barger and Perez

MOVED BY MCCALLON, SECONDED BY CACCIOTTI, AGENDA ITEMS 17 THROUGH, 19, (EXCLUDING THE LEGISLATIVE POSITION FOR HR 7822 IN ITEM 18), APPROVED AS RECOMMENDED TO RECEIVE AND FILE THE COMMITTEE, MSRC AND CARB REPORTS, BY THE FOLLOWING VOTE:

AYES: Bartlett, Benoit, Burke, Buscaino, Cacciotti, Delgado, Kracov, McCallon Mitchell, Rodriguez and Rutherford

NOES: None

ABSENT: Barger and Perez

MOVED BY MITCHELL, SECONDED BY BUSCAINO TO APPROVE THE FOLLOWING RECOMMENDATION ON HR 7822:

Agenda Item	Recommendation
HR 7822 (Blunt Rochester) Public Health Air Quality Act	Support with Amendments

THE MOTION FAILED BY THE FOLLOWING VOTE:

AYES: Burke, Buscaino, Cacciotti, Delgado, Kracov and Mitchell

NOES: Bartlett, Benoit, McCallon, Rodriguez and Rutherford

ABSENT: Barger and Perez

Bayron Gilchrist, General Counsel, noted that due to the motion failing, HR 7822 would continue to next month.

Council Member Benoit suggested that the Legislative Committee work on an alternative recommendation for HR 7822 and bring the item back to the Board. Mr. Nastri responded that staff would work with the Legislative Committee and its Chair.

Staff Presentations/Board Discussion

24. Budget and Economic Outlook Update (*Presentation In Lieu of Board Letter*)

Jill Whynot, Chief Operating Officer, gave the presentation on Item No. 24.

Council Member Cacciotti inquired about the company that was reported to have one third of the permits that are expiring.

Ms. Whynot clarified that there are ten companies that make up one third of the potentially expiring permits. The companies with expiring permits represent miscellaneous business types but the vast majority are smaller businesses. Staff continues to reach out to these businesses to provide information regarding the payment plan option.

Council Member Cacciotti commented on a small auto repair dealer in Los Angeles County that has experienced a significant reduction in their smog check testing operations. He noted that small businesses are hurting financially due to the pandemic.

Council Member Rodriguez thanked staff for their efforts to inform businesses about the payment plan option and inquired about the year-to-year comparison of the actual number of expired permits and the percentage change.

Ms. Whynot explained that staff started tracking the difference between potentially expired permits and actual permits that expired since the pandemic started. The database is not designed to provide year-to-year data comparing the percent change; however, staff would provide historical data on the total number of actual permits that have expired from year to date.

Chairman Burke inquired about the number of permits for dry cleaners that may expire due to the compliance deadline for Rule 1421 – Control of Perchloroethylene from Dry Cleaning Systems, to phase out the use of perchloroethylene as a cleaning solvent.

Ms. Whynot responded that there are currently approximately 120 dry cleaning businesses using perchloroethylene and the compliance deadline is December 31, 2020. Many of them are having financial difficulty due to the pandemic; however, staff has been doing extensive outreach to the dry cleaners and the Korean Dry Cleaners & Laundry Association to make them aware of the compliance deadline, assist with the transition and explain that they can go before the Hearing Board to seek a variance.

RECEIVE AND FILE; NO ACTION NECESSARY

25. 2020 Ozone Season and Wildfire Impacts (*Presentation in Lieu of Board Letter*)

Dr. Scott Epstein, Program Supervisor and Dr. Phillip Fine, DEO/Planning, Rule Development and Area Sources gave the presentation on Item No. 25.

Mayor McCallon questioned whether the Bobcat and El Dorado wildfires contributed to increases in the ozone level since both fires started in early September.

Dr. Epstein responded that several factors contributed to the high ozone values this year. The wildfires did not affect the entire ozone season, but preliminary data suggests that ozone was higher during those periods.

Council Member Rodriguez asked whether the effects from the Blue Ridge fire were included in the analysis.

Dr. Epstein responded that this analysis was compiled before the Blue Ridge fire occurred. While it may have affected ozone levels in the Orange County area on certain days, it is uncertain they would have affected the top 10 ozone days in the year.

Supervisor Bartlett noted the challenges that are inherent given the topography of the Basin and catastrophic events which further exacerbate air pollution. She asked whether additional emission reductions would be realistic and achievable.

Dr. Fine noted that the South Coast AQMD has been doing everything possible to reduce emissions and it has been a real challenge. If the South Coast fails to achieve attainment, U.S. EPA will require a new plan and set a new deadline. There is a provision in the federal Clean Air Act that also requires that when a region has failed to attain the standards by a specified deadline, a nonattainment fee be imposed on stationary sources.

Chairman Burke commented on the progress in reaching PM standards but noted the growing concerns regarding nanoparticles.

Mayor McCallon asked whether the high VOC levels are primarily due to the use of cleaning and sanitizing products during the pandemic.

Dr. Fine responded that product sales and usage information is needed to make that conclusion, but the spatial and temporal patterns this year seem to indicate that VOC levels did not drop as much as NOx.

Mayor McCallon reiterated his comment from a previous Board meeting where he suggested that the data collected during the April-June time frame would be an ideal time to check and adjust the ozone models. He also noted the westward shift of the ozone levels and record high readings in that part of the Basin.

Dr. Fine noted that it is hard to calibrate the models without the VOC emissions. He added that the University of California, Riverside has been conducting a study to evaluate meteorological factors and trends contributing to high ozone levels. They will also look at how activities during the COVID-19 pandemic have affected VOC emissions.

Senator Delgado noted the contrasting reports in the media about air quality during the pandemic and that questions regarding air quality in the region are one of the most common topics on social media. She suggested getting this information out in a format that would make it more understandable to the public.

Mr. Nastri commented on outreach efforts that staff is considering to inform the public about the various factors that have been affecting air quality this year and convey the region's air quality challenges.

Chairman Burke commented on the challenge of transmitting easily understood information to the general public and encouraged suggestions from Board members.

Council Member Buscaino inquired about fireworks activity in recent celebrations for the Dodgers and Lakers championships and the implications if fireworks emissions were excluded from the data for the entire year.

Dr. Fine responded that fireworks emissions are evaluated on a case-by-case basis. Air quality impacts from fireworks on Independence Day (July 4 & 5) are excluded in accordance with U.S. EPA's Exceptional Event Rule; however, celebrations for sporting events may not qualify for that designation.

Dr. Epstein added that there was a slight increase in emissions after the celebrations for the Dodgers World Series championship but the standards were not exceeded that day. An exceptional event demonstration may be submitted to U.S. EPA for consideration, but U.S. EPA will only consider it if the resulting emissions cause a significant exceedance or change the attainment status.

Harvey Eder commented on the effects and implications of climate change on air quality, citing the September 2020 issue of National Geographic, and expressed an urgent need to convert to solar.

Ranji George urged continued work that moves towards zero emission and away from combustion technologies.

Jessica Craven, Northeast Los Angeles (NELA) Climate Collective

Emily Spokes, NELA Climate Collective

Eleese Stemp, NELA Climate Collective

Carolina Forni, NELA Climate Collective

Commented on the poor air quality and adverse health effects; urged the

Board to address the climate crisis and be more aggressive and hold everyone to stricter standards to improve air quality; commended staff on the recent Environmental Justice Conference; and requested displaying the specific agenda item on the screen as they are being discussed and moving the Public Comment Period to the beginning of the agenda.

Chris Chavez, Coalition for Clean Air, noted the significant challenge for the South Coast region to meet the 2023 ozone standard. He expressed concerns with the South Coast AQMD's delay and ability in passing strong rules that would reduce emissions associated with warehouses, ports, and rail yards, and the need to rely on the "black box measures" to meet the 2016 AQMP emission goals. He urged stronger action from the Board to meet the clean air standards and noted that a lot of work is still needed.

Peter Herzog, NAIOP, suggested that further analysis is needed to explain the increase in ozone levels despite the significant decrease in NOx and PM. He also commented on the need to move forward with MATES V and focus on rules that are realistic and technologically feasible.

Chairman Burke requested that staff look into moving the Public Comment Period to the beginning of the agenda. He commented on the need to look at rulemaking efforts in the coming months.

RECEIVE AND FILE; NO ACTION NECESSARY

PUBLIC HEARING

26. Determine That Proposed Amendments to Rule 1178 – Further Reductions of VOC Emissions from Storage Tanks at Petroleum Facilities, Are Exempt from CEQA and Amend Rule 1178

Mike Morris, Planning and Rules Manager, gave the staff presentation on Item No. 26.

The public hearing was opened, and the following individual addressed the Board on Item 26.

Mr. Eder expressed support for the phase out of fossil fuels, concerns about limiting public testimony and difficulties he experienced filing legal documents.

There being no further testimony on this item, the public hearing was closed.

MOVED BY BENOIT, SECONDED BY CACCIOTTI, AGENDA ITEM NO. 26 APPROVED AS RECOMMENDED, ADOPTING RESOLUTION NO. 20-17 DETERMINING THAT PROPOSED AMENDED RULE 1178 – FURTHER REDUCTIONS OF VOC EMISSIONS FROM STORAGE TANKS AT PETROLEUM FACILITIES IS EXEMPT FROM THE REQUIREMENTS OF CEQA AND AMENDING RULE 1178 – FURTHER REDUCTIONS OF VOC EMISSIONS FROM STORAGE TANKS AT PETROLEUM FACILITIES, BY THE FOLLOWING VOTE:

AYES: Bartlett, Benoit, Burke, Buscaino, Cacciotti, Delgado, Kracov, McCallon, Mitchell, Rodriguez, and Rutherford

NOES: None

ABSENT: Barger and Perez

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

Mr. George expressed support for moving the Public Comment period to the beginning of the agenda and thanked the Board and staff for their efforts in addressing the concerns raised by employees and retirees about the Alameda decision.

Ian Stewart, Rail Propulsion Systems, thanked the Board and South Coast AQMD staff for their support and updated the Board on the progress of their current battery powered switcher locomotive demonstration project. He stressed the need for continued support to bring zero emission locomotives to market.

Mr. Eder commented on the history and death of the electric car and electric modes of transportation in the 1950's and expressed concern about methane gas emissions.

Jessie Parks urged the Board to support and consider a rule to regulate pollution from indirect sources. She expressed concern about the delay in an indirect source rule for warehouses and commented on the pollution from trucks and warehouses that is impacting air quality in communities throughout the region.

CLOSED SESSION

There was no closed session.

ADJOURNMENT

There being no further business, the meeting was adjourned by Chairman Burke at 11:40 a.m.

The foregoing is a true statement of the proceedings held by the South Coast Air Quality Management District Board on November 6, 2020.

Respectfully Submitted,

Faye Thomas
Clerk of the Boards

Date Minutes Approved: _____

Dr. William A. Burke, Chairman

ACRONYMS

AQMP = Air Quality Management Plan
CARB = California Air Resources Board
CEC = California Energy Commission
CEQA = California Environmental Quality Act
FY = Fiscal Year
MATES = Multiple Air Toxics Exposure Study
MSRC = Mobile Source (Air Pollution Reduction) Review Committee
NOx = Oxides of Nitrogen
PM = Particulate Matter
RFP = Request for Proposals
U.S. EPA = United States Environmental Protection Agency
VOC = Volatile Organic Compound