

BOARD MEETING DATE: May 3, 2024

AGENDA NO. 1

MINUTES: Governing Board Monthly Meeting

SYNOPSIS: Attached are the Minutes of the April 5, 2024 Board Meeting.

RECOMMENDED ACTION:

Approve the April 5, 2024 Board Meeting Minutes.

Faye Thomas
Clerk of the Boards

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FRIDAY, APRIL 5, 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

Councilmember Nithya Raman
City of Los Angeles

Mayor José Luis Solache
Cities of Los Angeles County – Western Region

Absent: Supervisor Andrew Do
County of Orange

Board Member Veronica Padilla-Campos
Speaker of the Assembly Appointee

Supervisor V. Manuel Perez
County of Riverside

Councilmember Carlos Rodriguez
Cities of Orange County

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

CALL TO ORDER: Chair Delgado called the meeting to order at 9:04 a.m.

- Pledge of Allegiance: Led by Vice Chair Cacciotti
- Roll Call

Councilmember Raman arrived at 9:11 a.m.

- Opening Comments

Executive Officer Wayne Nastri made announcements regarding the 34th Annual Clean Air Awards; the Board Budget Workshop scheduled for April 12; the change in the time and pace of the May Legislative and Administrative Committee meetings; the number of applications received for this year's Student Internship Program, which runs from June 11, 2024 through August 2, 2024; the historic grant proposal staff submitted in response to U.S. EPA's Climate Pollution Reduction Grants (CPRG) program solicitation; and comments staff submitted to U.S. EPA regarding their proposed disapproval of the South Coast AQMD's Contingency Measure Plan for the 1997 Ozone SIP. He shared photos of recent events hosted by South Coast AQMD, including Derrick Alatorre, Deputy Executive Officer/Legislative, Public Affairs and Media, interviewing Paul Chavez, the son of Cesar Chavez, and Chair Delgado presenting a Legacy Award to the Speaker of the California Assembly Robert Rivas at the annual Cesar Chavez Legacy Award ceremony on April 4, 2024. For additional details, please refer to the [Webcast](#) beginning at 8:08.

Councilmember Cacciotti shared photos of a press conference hosted by the City of Glendale and American Green Zone Alliance (AGZA) held on March 26, 2024 at the Glendale Sports Complex to celebrate Glendale's achievement as the largest municipality in the United States to convert all of their handheld landscape maintenance equipment to electric; and a group of Girl Scouts he spoke to during their visit for an up-close look at the South Pasadena Police Department's electric vehicles.

Supervisor Mitchell thanked staff for inviting her to speak at the South Coast AQMD Women's Herstory event and those who participated in the event for a discussion about empowerment and leadership.

Chair Delgado announced that the Port ISR Working Group meetings would be transitioning to a learning session at the Board Retreat in May and invited fellow Board members to suggest topics to explore.

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.

Kevin Ni, South Coast AQMD employee, thanked the Board for approving the Professional Unit Bargaining Group's 4-year labor agreement at the February meeting. For additional details, please refer to the [Webcast](#) beginning at 15:21.

Fernando Gaytan, Earthjustice, requested a public health expert on the panel discussion regarding the ports at the Governing Board Retreat. He commented that a port ISR rule can help facilitate coordination around infrastructure to expedite a more comprehensive and widespread adoption of zero-emission solutions throughout the port complex, and the need to set clear goals for zero emissions with interim targets. He urged for no further delays to rulemaking. For additional details, please refer to the [Webcast](#) beginning at 16:20.

Sal DiConstanzo, International Longshore & Warehouse Union Local 13, commented on the number of regulations for port sources that are already in place and the Ports doing their share, and possible negative impacts and repercussions a port ISR could have on the economy. Mr. DiConstanzo commented that the federal advocacy work should continue with U.S. EPA. For additional details, please refer to the [Webcast](#) beginning at 18:39.

Thomas Jelenic, Pacific Merchant Shipping Association, expressed appreciation for the port ISR meetings, but suggested that discussions should also focus on emission reductions that can be achieved beyond CARB's comprehensive regulatory framework. He commented on the need to move forward with technical discussions to identify emissions from all port-related sources for facilities subject to PR 2304, identify emission reductions adopted and proposed by CARB, determine what remaining emission reductions are possible from Proposed Rule 2304, identify what technologies or actions could reduce those emissions, and evaluate whether such technologies or actions are technologically, economically, and operationally feasible. (Written Comments Submitted) For additional details, please refer to the [Webcast](#) beginning at 21:43.

David Libatique, Port of Los Angeles, expressed gratitude for the opportunity to be part of the Washington D.C. advocacy trip. He echoed the sentiments of other stakeholders who commended the collaborative framework established for the Port ISR Working Group meetings and commented on the ports' commitment to clean air goals and the importance of collaborating to identify areas of joint work and productive engagement. For additional details, please refer to the [Webcast](#) beginning at 24:53.

Ranji George, a member of the public, commented on the role that hydrogen technology can play on a range of issues in the ports, goods movement, and other applications and suggested that the Board visit Sunline Transit who uses hydrogen fuel cell technology. He encouraged the Board to address the problem of EV battery recycling and to prioritize funding for hydrogen projects, including more hydrogen stations for consumers. For additional details, please refer to the [Webcast](#) beginning at 26:28.

Harvey Eder, Public Solar Power Coalition, expressed concerns about the reported figures on global warming, his negative experience regarding filings in federal court, and that the Solar New Deal has been ignored. He thanked Ranji George for supporting him over the years. For additional details, please refer to the [Webcast](#) beginning at 29:54.

Written Comment Letter Submitted Regarding Port ISR Technical Workgroup Meetings

One letter signed on behalf of the following organizations: International Longshore & Warehouse Union (ILWU) Local 13, ILWU Local 94, ILWU Local 63, and Pacific Merchant Shipping Association

There being no further requests to speak, the Public Comment Period on Non-Agenda Items was closed.



CONSENT AND BOARD CALENDAR

Items 1 and 2 – Action Items/No Fiscal Impact

1. Approve Minutes of March 1, 2024 Board Meeting
2. Set Public Hearings to Consider Adoption of and/or Amendments to South Coast AQMD Rules and Regulations

May 3, 2024

- A. Determine That Proposed Amendments to Regulation III – Fees Are Exempt from CEQA; Amend Regulation III – Fees; and Adopt Executive Officer’s Proposed Goals and Priority Objectives, and Proposed Budget for FY 2024-25

June 7, 2024

- B. Determine That Proposed Amended Rule 1146.2 – Emissions of Oxides of Nitrogen from Large Water Heaters and Small Boilers and Process Heaters, Is a Later Activity Within Scope of Final Program Environmental Impact Report for 2022 AQMP Such That No New Environmental Document Will Be Required; and Amend Rule 1146.2

Items 3 through 13 – Budget/Fiscal Impact

3. Authorize Purchase of Maintenance and Support Services for Servers and Storage Devices
4. Revision of List of Prequalified Vendors to Provide Computer, Network, Printer, Hardware, and Software
5. Execute Contract for Operation of Diamond Bar Headquarters Cafeteria
6. Amend MOU with Teamsters Local 911 and Modify Compensation for Non-Represented Employees

7. Recognize Revenue, Appropriate Funds, Issue Solicitations and Execute Purchase Orders and/or Contracts to Meet Operational Needs for U.S. EPA Community-Scale Air Toxics Ambient Monitoring Project
8. Recognize Revenue and Appropriate Funds for PM2.5 Air Monitoring Program and Issue Purchase Order for Air Monitoring Equipment
9. Transfer Funds for the Commercial Electric Lawn and Garden Equipment Incentive and Exchange Program
10. Issue Program Announcement and Execute Contracts for Proposition 1B – Goods Movement Emission Reduction Program
11. Approve South Coast AQMD Annual Investment Policy and Delegation of Authority to Appointed Treasurer to Invest South Coast AQMD Funds
12. Remove Various Fixed Assets from South Coast AQMD Inventory
13. Approve Contract Award and Modification as Approved by MSRC

Items 14 through 19 – Information Only/Receive and File

14. Legislative, Public Affairs and Media Report
15. Hearing Board Report
16. Civil Filings and Civil Penalties Report
17. Intergovernmental Review of Environmental Documents and CEQA Lead Agency Projects
18. Rule and Control Measure Forecast
19. Status Report on Major Ongoing and Upcoming Projects for Information Management

Items 20 through 26 – Reports for Committees and CARB

The California Air Resources Board March Board meeting was cancelled.

20. Administrative Committee
21. Investment Committee
22. Legislative Committee
23. Mobile Source Committee
24. Stationary Source Committee
25. Technology Committee
26. Mobile Source Air Pollution Reduction Review Committee
27. Items Deferred from Consent and Board Calendar

Agenda Item No. 9 was pulled for discussion.

As required by the Brown Act, John Olvera, Deputy Executive Officer/Administrative & Human Resources orally reported that Agenda Item No. 6 includes compensation increases to salary and benefits for executive staff and management and confidential employees. For additional details, please refer to the [Webcast](#) beginning at 32:26.

Mr. Olvera provided clarification on a proposed action in Agenda Item No. 6 that provides for a 2.75% increase to Salary Steps 6, 7 and 8 for Management and Confidential employees. The Board Letter incorrectly states that, with this increase, these Steps would match Steps 1-5 as 5.5% intervals. Mr. Olvera clarified that these steps would match Steps 1-5 as 5.5% intervals for Confidential employees; however, the Management class Salary Schedule has a 5% differential between Steps 1-5.

Disclosure

Supervisor Mitchell reported that she had no financial interest in Agenda Item No. 11 but is required to identify for the record that she is a member of the Los Angeles County Board of Supervisors, which is involved in this item.

Item Pulled for Discussion

Agenda Item No. 9

Vice Chair Cacciotti expressed support for Agenda Item No. 9 and recommended that some of the funds allocated for the Commercial Electric Lawn and Garden Equipment program be used to support more outreach efforts that includes trainings and demonstrations for cities and the faith-based communities. For additional details, please refer to the [Webcast](#) beginning at 33:51.

The public comment period was opened for Agenda Item Nos. 1 through 26 and the following individual addressed the Board.

Agenda Item No. 2B

Adrian Martinez, Earthjustice, expressed support for PAR 1146.2 and commented that it will achieve significant emission reductions and therefore it was important that it gets adopted in June. For additional details, please refer to the [Webcast](#) beginning at 35:15.

Written Comment Letter Submitted Regarding Agenda Item No. 2B

One letter signed on behalf of the following organizations: Active San Gabriel Valley, California Communities Against Toxics, California Safe Schools, Center for Community Action & Environmental Justice, Coalition for Clean Air, Coalition for a Safe Environment, Communities for a Better Environment, Day One, Earthjustice, East Yard Communities for Environmental Justice, Industrious Labs, People's Collective for Environmental Justice, Redeemer Community Partnership, RMI, SAFE Cities at Stand.earth, San Pedro & Peninsula Homeowners Association, Sierra Club, Sustainable Claremont, and West Long Beach Association

There being no further requests to speak, the public comment period was closed for Agenda Item Nos. 1 through 26.

Board Action (Items 1-26)

MOVED BY CACCIOTTI AND SECONDED BY SOLACHE TO APPROVE AGENDA ITEM NOS. 1 THROUGH 26 AS RECOMMENDED AND TO:

RECEIVE AND FILE THE BOARD COMMITTEES AND MSRC REPORTS AND ADOPT THE POSITIONS ON LEGISLATIONS AS SET FORTH BELOW; AND

ADOPT RESOLUTION NO. 24-10 DELEGATING AUTHORITY TO THE TREASURER OF THE COUNTY OF THE LOS ANGELES TO INVEST AND REINVEST FUNDS OF THE SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT.

THE MOTION PASSED BY THE FOLLOWING VOTE:

AYES: Cacciotti, Lock Dawson, Delgado, Hagman, McCallon, Mitchell, Raman, and Solache

NOES: None

ABSENT: Do, Kracov, Padilla-Campos, Perez, and Rodriguez

<u>Legislation/Agenda Item</u>	<u>Recommended Action</u>
AB 1894 (Ta) Nonvehicular Air pollution: civil penalties	Oppose
State Proposition 1935	Oppose



STAFF PRESENTATION/BOARD DISCUSSION/RECEIVE AND FILE

28. Update on South Coast Air Basin Attainment Plan for 2012 Annual PM2.5 Standard (Presentation in Lieu of Board Letter)

Sarah Rees, Deputy Executive Officer/Planning, Rule Development and Implementation, gave the staff presentation.

The public comment period for Agenda Item No. 28 was opened. There being no requests to speak, the public comment period was closed for Agenda Item No. 28.

Mayor Solache acknowledged the son of his Board Consultant who was seated in the audience.

PUBLIC HEARING

29. Determine That Proposed Amended Rule 1118 – Control of Emissions from Refinery Flares, Is Exempt from CEQA; and Amend Rule 1118

Mike Krause, Assistant Deputy Executive Officer, Planning, Rule Development and Implementation gave the staff presentation.

Supervisor Hagman inquired about concerns regarding the live video streaming of flare events. Mr. Krause explained that refineries have communicated that sharing live video streaming to the public presented cybersecurity concerns and risks and that PAR 1118 does not require that refineries to publicly post real-time video feeds of flare events. Mr. Krause explained that PAR 1118 includes a requirement for refineries to take photos when there is a flare event and to include them in their quarterly reports which is available to the public. Mr. Krause also added that refineries are required to maintain a live feed of their flares and to make those recordings available to South Coast AQMD's compliance and enforcement team. For additional details, please refer to the [Webcast](#) beginning at 1:01:31.

In response to Mayor Lock Dawson's inquiry about flaring events, Mr. Krause described the purpose of flaring in the refining process and the circumstances under which they occur. For additional details, please refer to the [Webcast](#) beginning at 1:02:50.

Councilmember Raman asked about the cost to lower the SO₂ performance target to get additional emission reductions. Mr. Krause explained that lowering the threshold would require operators to install co-generation units and the cost effectiveness is about \$2 million per ton of SO₂ reduced, which is substantially higher than the agency's cost-effectiveness guide of \$50,000 per ton of SO₂ reduced. Executive Officer Nastri further explained that the cost for a co-generation unit with the refinery modifications is about \$250 to \$300 million, and the primary purpose of the co-generation unit is to provide reliable power for the facility but also provides the co-benefit of using the gas that would have been flared. For additional details, please refer to the [Webcast](#) beginning at 1:04:44.

Supervisor Mitchell asked about facilities that have been able to meet an SO₂ performance target of 0.1 ton per million barrels of processing capacity without the cogeneration unit. Mr. Krause acknowledged that one facility has met a 0.1 SO₂ target but that refinery is producing biofuels. For additional details, please refer to the [Webcast](#) beginning at 1:10:15.

Supervisor Mitchell asked and Mr. Krause confirmed that the still photos that refineries are required to include in their quarterly reports are made available to the public. She acknowledged Myra Mendez, the intern who compiled the flare data for the rule during her internship last year, to emphasize the meaningfulness of the South Coast AQMD Student Internship Program. For additional details, please refer to the [Webcast](#) beginning at 1:11:39.

Vice Chair Cacciotti commented on Agenda Item No 16, the Civil Filings and Civil Penalties Report, to highlight that the penalties assessed for violating Rule 1118 are a substantial amount. For additional details, please refer to the [Webcast](#) beginning at 1:12:24.

The public comment period was opened for Agenda Item No. 29 and the following individuals addressed the Board.

For additional details on the following comments, please refer to the [Webcast](#) beginning at 1:13:25.

Dulce Altamirano, CBE and Wilmington Resident (via translator)

Dori Chandler, Coalition for Clean Air

Byron Chan, Earthjustice

Chris Chavez, Coalition for Clean Air

Julia May, Communities for a Better Environment (Written Comments Submitted)

Maria Serafina, CBE and Wilmington Resident (via translator)

Janielle Torregosa, Asian Pacific Environmental Network

Jane Williams, Communities Against Toxics

These commenters addressed the following issues:

- Commented on negative health impacts to communities from refineries
- Expressed concerns that PAR 1118 is not strong, particularly for the AB 617 Wilmington, Carson, West Long Beach communities
- Expressed support for strengthening refinery flare regulations
- Requested a lower SO2 performance target
- Emphasized the need for real-time video monitoring accessible to the public

Ramine Ross, Western States Petroleum Association, highlighted the cybersecurity and homeland security implications associated with requiring real-time video images of refinery flares and thanked staff for considering their concerns. For additional details, please refer to the [Webcast](#) beginning at 1:29:32.

Written Comment Letters Submitted:

- One letter submitted on behalf of the following organizations: Asian Pacific Environmental Network, California Communities Against Toxics, California Safe Schools, Coalition for Clean Air, Communities for a Better Environment (CBE) Earthjustice, and East Yard Communities for Environmental Justice
(Attachment included from: CBE Youth for Environmental Justice)
- Western States Petroleum Association

There being no further requests to speak, the public comment period was closed for Agenda Item No. 29.

Mr. Krause pointed out that the Flare Event Notification System (FENS) in the existing rule provides information to the public on flaring events and includes an interactive map that identifies when facilities are flaring. He also pointed out that South Cost AQMD has a team of inspectors dedicated to the refineries 24/7 with a satellite office nearby, which allows for timely response to flare events. For additional details, please refer to the [Webcast](#) beginning at 1:40:19

Supervisor Mitchell commended members of the public for taking pictures and sharing their lived experiences; and recognized the concerns of vulnerable communities that are disproportionately impacted by adverse health effects and have less access to health care services. She emphasized that PAR 1118 moves us closer to the ultimate goal of controlling and reducing emissions from refinery flaring. For additional details, please refer to the [Webcast](#) beginning at 1:41:49.

Mayor Pro Tem McCallon commended staff for their work in developing a rule that achieves emission reductions. He acknowledged that both sides are not happy with the rule and that there are still some concerns that eventually will need to be addressed. He moved to adopt PAR 1118. For additional details, please refer to the [Webcast](#) beginning at 1:44:17.

Board Action (Item 29)

MOVED BY MCCALLON AND SECONDED BY CACCIOTTI TO APPROVE AGENDA ITEM NO. 29 AS RECOMMENDED AND ADOPT RESOLUTION NO. 24-11

- 1) DETERMINING THAT PROPOSED AMENDED RULE 1118 – CONTROL OF EMISSIONS FROM REFINERY FLARES, IS EXEMPT FROM THE REQUIREMENTS OF THE CALIFORNIA ENVIRONMENTAL QUALITY ACT; AND
- 2) AMENDING RULE 1118

THE MOTION PASSED BY THE FOLLOWING VOTE:

AYES: Cacciotti, Lock Dawson, Delgado, Hagman, Kracov, McCallon, Mitchell, Raman, and Solache

NOES: None

ABSENT: Do, Padilla-Campos, Perez, and Rodriguez



CLOSED SESSION

The Board recessed to closed session at 10:43 a.m. pursuant to Government Code sections:

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

- 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 SCAQMD is a party. The action is:

South Coast Air Quality Management District v. EPA, U.S. District Court for the Central District of California, Case No. 2:23-cv-02646; and

CONFERENCE WITH LEGAL COUNSEL – INITIATING LITIGATION

- 54956.9(a) and 54956.9(d)(4) to consider initiation of litigation in one case.

Following closed session, Bayron Gilchrist, General Counsel, announced that there were no reportable actions taken in closed session.

ADJOURNMENT

There being no further business, the meeting was adjourned by Mr. Gilchrist at 11:26 a.m.

The foregoing is a true statement of the proceedings held by the South Coast Air Quality Management District Board on April 5, 2024.

Respectfully Submitted,

Faye Thomas
Clerk of the Boards

Date Minutes Approved: _____

Vanessa Delgado, Chair

ACRONYMS

AQMP = Air Quality Management Plan
CARB = California Air Resources Board
CEQA = California Environmental Quality Act
FY = Fiscal Year
ISR = Indirect Source Rule

MOU = Memorandum of Understanding
MSRC = Mobile Source Air Pollution Reduction Review Committee
PAR = Proposed Amended Rule
PR = Proposed Rule