



South Coast Air Quality Management District

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

A G E N D A

MEETING, JUNE 3, 2016

A meeting of the South Coast Air Quality Management District Board will be held at 9:00 a.m., in the Auditorium at SCAQMD Headquarters, 21865 Copley Drive, Diamond Bar, California.

Questions About an Agenda Item

- The name and telephone number of the appropriate staff person to call for additional information or to resolve concerns is listed for each agenda item.
- In preparation for the meeting, you are encouraged to obtain whatever clarifying information may be needed to allow the Board to move expeditiously in its deliberations.

Meeting Procedure

- The public meeting of the SCAQMD Governing Board begins at 9:00a.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.

Questions About Progress of the Meeting

- During the meeting, the public may call the Clerk of the Board's Office at (909) 396-2500 for the number of the agenda item the Board is currently discussing.

The agenda and documents in the agenda packet will be made available upon request in appropriate alternative formats to assist persons with a disability. Disability-related accommodations will also be made available to allow participation in the Board meeting. Any accommodations must be requested as soon as practicable. Requests will be accommodated to the extent feasible. Please telephone the Clerk of the Boards Office at (909) 396-2500 from 7:00 a.m. to 5:30p.m. Tuesday through Friday.

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 the South Coast Air Quality Management District Clerk of the Board's Office, 21865 Copley Drive, Diamond Bar, CA 91765.

The Agenda is subject to revisions. For the latest version of agenda items herein or missing agenda items, check the District's web page (www.aqmd.gov) or contact the Clerk of the Board, (909) 396-2500. Copies of revised agendas will also be available at the Board meeting.

CALL TO ORDER

- Pledge of Allegiance
- Opening Comments: William A. Burke, Ed.D., Chair
Other Board Members
Wayne Nastri, Acting Executive Officer

Staff/Phone (909) 396-

CONSENT CALENDAR (Items 1 through 22)

Note: Consent Calendar items held for discussion will be moved to Item No. 23

1. Approve Minutes of May 6, 2016 Board Meeting **McDaniel/2500**

Budget/Fiscal Impact

2. Recognize Revenue and Execute Contract for Development and Demonstration of Ultra-Low Emission Natural Gas Switcher Locomotive **Miyasato/3249**

Emissions from locomotives are projected to increase over the next decade, and development and early commercialization of ultra-low NOx emission locomotive technologies is a critical component for achieving the federal ambient air quality standards. VeRail Technologies, Inc. (VeRail) is currently developing ultra-low emission natural gas locomotives that are 90% cleaner than the current Tier 4 NOx emissions standard. The Ports of Long Beach and Los Angeles, as well as U.S. EPA and Southern California Gas Company, have partnered to fund the development and demonstration of the ultra-low NOx natural gas locomotive with Pacific Harbor Line. This action is to recognize revenues of up to \$1 million from U.S. EPA and Southern California Gas Company and execute a contract with VeRail for the development and demonstration of an ultra-low NOx emission natural gas switcher locomotive in an amount not to exceed \$1 million from the Clean Fuels Fund (31). (Reviewed: Technology Committee, May 20, 2016; Recommended for Approval)

3. **Execute Contracts for Technical Assistance for Advanced, Low and Zero Emission Mobile and Stationary Source Control Technologies and Implementation of Incentive Programs** **Minassian/2641**

On February 5, 2016, the Board approved the release of an RFP to solicit proposals to provide technical assistance, implementation and outreach support for advanced, low and zero emission control technologies for the Clean Fuels Program and various incentive programs. Ten proposals were received in response to the solicitation. These actions are to execute contracts with four technical experts to provide technical assistance and outreach support at a total cost not to exceed \$760,000, comprised of \$250,000 from the Clean Fuels Fund (31); \$175,000 from the Carl Moyer Program AB 923 Fund (80); \$285,000 from the Proposition 1B-Goods Movement Program Fund (81); and \$50,000 from the AB 1318 Mitigation Fees Fund (58). Funding from the Carl Moyer, Proposition 1B and AB 1318 funds will be from the administrative portion of those funds. (Reviewed: Technology Committee, May 20, 2016; Recommended for Approval)

4. **Issue Program Announcement for Heavy-Duty Diesel Trucks and Transport Refrigeration Units Under Proposition 1B-Goods Movement Program** **Minassian/2641**

In June 2015, CARB approved updates to the Proposition 1B-Goods Movement Emission Reduction Program Guidelines identifying new specifications and funding levels for eligible heavy-duty truck projects. The updates include funding for near-zero and zero emission truck projects for large fleets. This action is to issue, and if undersubscribed re-issue, a Program Announcement for heavy-duty diesel trucks and transport refrigeration units under the Proposition 1B-Goods Movement Program. (Reviewed: Technology Committee, May 20, 2016; Recommended for Approval)

5. **Recognize and Transfer Revenue and Appropriate Funds for Monitoring Programs and Lab Analysis, Issue Solicitations and Execute Contract and Purchase Orders for Field and Laboratory Equipment, and Transfer Funds for Enhanced Particulate Monitoring Program** **Tisopulos/3123**

U.S. EPA has allocated Section 103 funds in the amount of \$731,010 for the PM2.5 Program. This action is to recognize revenue and appropriate funds into Science and Technology Advancement's FY 2015-16 Budget for the PM2.5 Monitoring Program (as well as carry over any unexpended funds into the FY 2016-17 Budget), issue an RFP, execute a contract, and issue purchase order for field and laboratory equipment. These actions are to also transfer and appropriate \$375,000 into Science and Technology Advancement's FY 2016-17 Budget, re-issue an RFQ and issue purchase orders for field and laboratory equipment. Finally, this action is to transfer \$175,000 into Science and Technology Advancement's FY 2015-16 Budget between Major Objects to realign expenditures for the FY 2015-16 Enhanced Particulate Monitoring Program. (Reviewed: Administrative Committee, May 13, 2016; On the motion of Chairman Burke, the Committee unanimously approved all agenda items to be forwarded to the full Board.)

6. **Execute Contract for Landscape Maintenance at Diamond Bar Headquarters (*Continued from May 6, 2016 Board Meeting*)** **Johnson/3018**

The current contract for landscape maintenance at Diamond Bar headquarters expires June 30, 2016. On December 4, 2015, the Board approved release of an RFP to solicit proposals from contractors interested in providing this service for the next three-year period. This action is to execute a contract with So Cal Land Maintenance, Inc., through June 30, 2019, for an amount not to exceed \$182,821. Funding for this contract has been included in the FY 2016-17 Budget and will be requested in successive fiscal years. (Reviewed: Administrative Committee, April 8 and May 13, 2016; On the motion of Chairman Burke, the Committee unanimously approved all agenda items to be forwarded to the full Board.)

7. **Issue RFP for Executive Search and Recruitment Services** **Johnson/3018**

On April 1, 2016, the Board appointed Wayne Natri as the Acting Executive Officer for a six-month period ending September 30, 2016. This action is to issue an RFP for an executive search and recruitment firm to conduct national and international search and recruitment efforts to solicit highly qualified candidates to fill the Executive Officer position on a permanent basis. (Reviewed: Administrative Committee, May 13, 2016; On the motion of Chairman Burke, the Committee unanimously approved all agenda items to be forwarded to the full Board.)

8. **Execute Contract for Deferred Compensation Plan Consultant Services** **Johnson/3018**

On February 5, 2016, the Board authorized the release of an RFP for deferred compensation plan consultant services. This action is to execute a three-year contract with Benefit Financial Services Group (BFSG) to represent and advise SCAQMD on the administration of its 457 Deferred Compensation program to ensure optimal plan design and regulatory compliance. The consultant will also provide analysis of plan assets and investment options, employee education and administrative support. These consultant services will be funded on a cost reimbursement basis by SCAQMD's 457 plan vendor (MassMutual), for a fee of \$30,000 per year, as provided for under the Internal Revenue Code. (Reviewed: Administrative Committee, May 13, 2016; On the motion of Chairman Burke, the Committee unanimously approved all agenda items to be forwarded to the full Board.)

9. **Amend Contract for Website Evaluation and Improvement** **Marlia/3148**

On November 6, 2015, the Board approved execution of a contract with Xivic Inc., the contractor selected by the Administrative Committee for the evaluation of the SCAQMD website and development of recommendations for improvement. The contractor has conducted an extensive evaluation and recommended a number of improvements to better organize content and make it easier for users to find the information they need, including revised site navigation and a redesigned home page. The recommendations have been presented to the Administrative Committee and approved for implementation. This action is to amend the contract with Xivic Inc. to add \$98,715 for implementing the approved recommendations for the SCAQMD website. Funds are available in the FY 2015-16 Budget. (Reviewed: Administrative Committee, May 13, 2016; On the motion of Chairman Burke, the Committee unanimously approved all agenda items to be forwarded to the full Board.)

10. **Execute Contract for Protocol Development Support for Reconciling Air Quality Monitoring Data with Dispersion Modeling Results** **Whynot/3104**

At its April 1, 2016 meeting, the Board approved the release of an RFP for Protocol Development for Reconciling Air Quality Monitoring Data with Dispersion Modeling Results to provide support to staff in developing a consistent methodology for facilities to use when preparing AB 2588 health risk assessments. Six proposals were received and scored considering both technical merit and costs. This action is to award a time and materials contract to EnviroComp Consulting, Inc. for an amount not to exceed \$97,627. Funds for this contract are included in the FY 2015-16 Budget. (Reviewed: Administrative Committee, May 13, 2016; On the motion of Chairman Burke, the Committee unanimously approved all agenda items to be forwarded to the full Board.)

11. **Execute Contracts with Consultants to Provide CEQA Assistance** **Whynot/3104**

At its April 1, 2016 meeting, the Board approved the release of an RFP for CEQA Consultant Assistance to provide support to staff in preparing CEQA documents when the SCAQMD is a lead agency on permit and rule projects. Four proposals were received and scored considering both technical merit and costs. This action is to award two time and materials contracts for an amount not to exceed \$50,000 each to Environmental Audit Inc. and PlaceWorks. Funds for this contract are included in the FY 2015-16 Budget. (Reviewed: Administrative Committee, May 13, 2016; On the motion of Chairman Burke, the Committee unanimously approved all agenda items to be forwarded to the full Board.)

12. **Approve Transfer of Monies from General Fund to Health Effects Research Fund** **O'Kelly/2828**

In 2008, the Board established a Health Effects Research Fund initially funded at \$1.5 million from the BP Arco Settlement Fund. The Board further authorized, upon annual Board approval, the transfer of 20% of annual penalty money received that exceeds \$4 million in receipts to the Health Effects Research Fund. This action is to transfer the monies received in FY 2014-15 to the Health Effects Research Fund. (Reviewed: Administrative Committee, May 13, 2016; On the motion of Chairman Burke, the Committee unanimously approved all agenda items to be forwarded to the full Board.)

13. **Establish ExxonMobil Settlement Projects Special Revenue Fund** **O'Kelly/2828**

This item is to establish a Special Revenue Fund to receive and account for Supplemental Environmental Project monies received pursuant to a settlement agreement with ExxonMobil related to an explosion and restart of equipment at the Torrance Refinery. Further Board action will be required prior to any expenditures of these monies. (Reviewed: Administrative Committee, May 13, 2016; On the motion of Chairman Burke, the Committee unanimously approved all agenda items to be forwarded to the full Board.)

14. **Appropriate Funds and Authorize Amending/Initiating Contracts with Outside Counsel and Specialized Legal Counsel and Services** **Wiese/3460**

Legal is currently being assisted in environmental lawsuits by outside law firms and in other matters requiring specialized legal counsel and services, including ongoing litigation. This action is to appropriate \$500,000 from the Undesignated Fund Balance to Legal's FY 2015-16 Budget and amend or initiate contracts to expend these funds with prequalified counsel approved by the Board as well as specialized legal counsel and services. (Reviewed: Administrative Committee, May 13, 2016; On the motion of Chairman Burke, the Committee unanimously approved all agenda items to be forwarded to the full Board.)

15. **Approve Contract Award and Issue Solicitation Approved by MSRC** **Pettis**

As part of their FYs 2014-16 AB 2766 Discretionary Fund Work Program, the MSRC approved a new contract under the Alternative Fuel Infrastructure Program, as well as the release of a Program Announcement for the Near-Zero Natural Gas Engine Incentive Program. At this time the MSRC seeks Board approval of the contract award and to release the solicitation. (Reviewed: Mobile Source Air Pollution Reduction Review Committee, May 19, 2016; Recommended for Approval)

Items 16 through 22 - Information Only/Receive and File

16. Legislative and Public Affairs Report **Smith/3242**
- This report highlights the April 2016 outreach activities of Legislative and Public Affairs, which include: Environmental Justice Update, Community Events/Public Meetings, Business Assistance, and Outreach to Business and Federal, State, and Local Government. (No Committee Review)
17. Hearing Board Report **Camarena/2500**
- This reports the actions taken by the Hearing Board during the period of April 1 through April 30, 2016. (No Committee Review)
18. Civil Filings and Civil Penalties Report **Wiese/3460**
- This reports the monthly penalties from April 1 through April 30, 2016, and legal actions filed by the General Counsel's Office from April 1 through April 30, 2016. An Index of District Rules is attached with the penalty report. (Reviewed: Stationary Source Committee, May 20, 2016)
19. Lead Agency Projects and Environmental Documents Received by SCAQMD **Whynot/3104**
- This report provides, for the Board's consideration, a listing of CEQA documents received by the SCAQMD between April 1, 2016 and April 30, 2016, and those projects for which the SCAQMD is acting as lead agency pursuant to CEQA. (Reviewed: Mobile Source Committee, May 20, 2016)
20. Rule and Control Measure Forecast **Fine/2239**
- This report highlights SCAQMD rulemaking activities and public workshops potentially scheduled for the year 2016. (No Committee Review)
21. Report of RFPs/RFQs Scheduled for Release in June **O'Kelly/2828**
- This report summarizes the RFPs/RFQs for budgeted services over \$75,000 scheduled to be released for advertisement for the month of June. (Reviewed: Administrative Committee, May 13, 2016; On the motion of Chairman Burke, the Committee unanimously approved all agenda items to be forwarded to the full Board.)

22. **Status Report on Major Projects for Information Management Scheduled to Start During Last Six Months of FY 2015-16** **Marlia/3148**

Information Management is responsible for data systems management services in support of all SCAQMD operations. This action is to provide the monthly status report on major automation contracts and projects to be initiated by Information Management during the last six months of FY 2015-16. (No Committee Review)

23. Items Deferred from Consent Calendar

BOARD CALENDAR

24. **Administrative Committee (Receive & File)** **Chair: Burke** **Nastri/3131**
25. **Investment Oversight Committee (Receive & File)** **Chair: Antonovich** **O’Kelly/2828**
26. **Legislative Committee** **Chair: Mitchell** **Smith/3242**

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

Agenda Item	Recommendation
AB 1691 (Gipson, Garcia) Vehicular Air Pollution: Vehicle Retirement	Support with Amendments
AB 1965 (Cooper) Vehicle Retirement and Replacement	Support with Amendments
AB 2293 (Garcia) California Green Business Program and Green Assistance Program	Support
AB 2415 (Garcia) California Clean Truck, Bus, and Off-Road Vehicle and Equipment Technology Program	Support with Amendments
SB 1043 (Allen) Biogas and Biomethane	Support
SB 1387 (De Leon) Nonvehicular Air Pollution: Market-based Incentive Programs: South Coast Air Quality Management District Board	Watch and Express Concerns and/or Seek Amendments to Oversight Portion of Bill

27. **Mobile Source Committee (Receive & File)** **Chair: Parker** **Fine/2239**

28. Stationary Source Committee (Receive & File) **Chair: B. Benoit** **Nazemi/2662**
29. Technology Committee (Receive & File) **Chair: J. Benoit** **Miyasato/3249**
30. Mobile Source Air Pollution Reduction **Board Liaison: Antonovich** **Hogo/3184**
Review Committee (Receive & File)
31. California Air Resources Board Monthly **Board Rep: Mitchell** **McDaniel/2500**
Report (Receive & File)

Staff Presentation/Board Discussion

32. Status Update of Southern California Gas Company's **Nazemi/2662**
Underground Natural Gas Storage Facilities Operating in
SCAQMD (*Presentation in lieu of Board Letter*)

Of the five underground natural gas storage facilities operating in Southern California by SoCalGas, four are located within the jurisdiction of SCAQMD. This status update provides an overview of SoCalGas operations at the underground natural gas storage facilities located in Aliso Canyon, Montebello, Playa del Rey, and Honor Rancho. (Reviewed: Stationary Source Committee, May 20, 2016)

PUBLIC HEARINGS

33. Receive Public Input on Acting Executive Officer's Draft Goals **Nastri/3131**
and Priority Objectives for FY 2016-17

A set of goals and priority objectives for FY 2016-17 has been developed. The Acting Executive Officer wishes to receive public and Board Member input on these goals and priority objectives. (Reviewed: Administrative Committee, May 13, 2016)

34. Amend Rule 1110.2 - Emissions from Gaseous- and Liquid-Fueled Engines

Fine/2239

The Board adopted amendments at the December 4, 2015 meeting to provide the regulated community with additional time to comply with the biogas engine limits. Staff was directed to return to the Board with an amendment that would provide relief for one affected facility as expeditiously as possible with the proper CEQA analysis. This single facility operates two landfill gas-fired engines at the Prima Deshecha Landfill, is subject to a power purchase agreement (PPA) that expires on October 1, 2022, and cannot economically meet the established compliance deadline of January 1, 2017. The proposed amendments would exempt the facility operator from the emission requirements of the rule, contingent on the facility submitting a retirement plan for the permanent shutdown of all equipment subject to this rule at the expiration date of the PPA. This action is to adopt the resolution: 1) Certifying the Subsequent Environmental Assessment; and 2) Amending Rule 1110.2 - Emissions from Gaseous- and Liquid-Fueled Engines. (Reviewed: Stationary Source Committee, April 15, 2016)

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

BOARD MEMBER TRAVEL – (*No Written Material*)

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

CONFLICT OF INTEREST DISCLOSURES – (*No Written Material*)

Under the approval authority of the Acting Executive Officer, the District will enter into a contract with Gladstein, Neandross & Associates (Contract No. C16367). The contractor is a potential source of income for Governing Board Member Joseph Lyou, which qualifies for the remote interest exception of Section 1090 of the California Government Code. Dr. Lyou abstained from any participation in the making of the contract.

CLOSED SESSION - (No Written Material)

Wiese/3460

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

It is necessary for the Board to recess to closed session pursuant to Government Code section 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 actions are:

- Communities for a Better Environment v. SCAQMD, Los Angeles Superior Court Case No. BS153472 (Phillips 66);
- Communities for a Better Environment, et al. v. SCAQMD, Los Angeles Superior Court Case No. BS161399 (RECLAIM);
- People of the State of California, ex rel SCAQMD v. Exide Technologies, Inc., Los Angeles Superior Court Case No. BC533528;
- Exide Technologies, Inc., Petition for Variance, SCAQMD Hearing Board Case No. 3151-31;
- In the Matter of SCAQMD v. Exide Technologies, Inc., SCAQMD Hearing Board Case No. 3151-29 (Order for Abatement);
- In re: Exide Technologies, Inc., U.S. Bankruptcy Court for the District of Delaware Case No. 13-11482 (KJC) (Bankruptcy case);
- In the Matter of SCAQMD v. Southern California Gas Company, Aliso Canyon Storage Facility, SCAQMD Hearing Board Case No. 137-76 (Order for Abatement);
- People of the State of California, ex rel SCAQMD v. Southern California Gas Company, Los Angeles Superior Court Case No. BC608322; Judicial Council Coordinated Proceeding No. 4861;
- Grassroots Coalition, Todd T. Cardiff v. SCAQMD, Los Angeles Superior Court Case No. BS161545;
- Fast Lane Transportation, Inc. et al. v. City of Los Angeles, et al., Contra Costa County Superior Court Case No. MSN14-0300 (formerly South Coast Air Quality Management District v. City of Los Angeles, et al., Los Angeles Superior Court Case No. BS 143381) (SCIG);
- Physicians for Social Responsibility, et al. v. U.S. EPA, U.S. Court of Appeals, Ninth Circuit, Case No. 14-73362 (1-Hour ozone);
- Refinery Safety Network v. SCAQMD, Hearing Board of SCAQMD; ExxonMobil Oil Corp., Los Angeles Superior Court Case No. BS161815;
- SCAQMD v. City of Moreno Valley, et al., Riverside County Superior Court, Case Nos. RIC 1511213 and RIC 1601988 (World Logistics Center);
- SCAQMD v. U.S. EPA, U.S. Court of Appeals, Ninth Circuit, Case No. 13-73936 (Morongo Redesignation);
- SCAQMD v. U.S. EPA, U.S. Court of Appeals, Ninth Circuit, Case No. 15-71600 (Pechanga Redesignation);
- SCAQMD v. U.S. EPA, D.C. Circuit Court Case No. 15-1115 (RFP for Coachella);

- Sierra Club, et al. v. U.S. EPA, U.S. District Court for Northern District of California Case No. 3:14-CV-04596 (PM2.5 designation to serious); and
- WildEarth Guardians v. U.S. EPA, D.C. Circuit Court Case No. 14-1145 (PM2.5 moderate designation).

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).

- Harvey Mark Eder, et al. v. EPA, et al., U.S. Court of Appeals, Ninth Circuit, Case No. 16-71455 (Intervene).

CONFERENCE WITH LEGAL COUNSEL – THREATENED LITIGATION

It is also necessary for the Board to recess to closed session pursuant to Government Code sections 54956.9(a) and 54956.9(d)(2) due to significant exposure to litigation (multiple cases).

ADJOURNMENT

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

Members of the public are afforded an opportunity to speak on any listed item before or during consideration of that item. Please notify the Clerk of the Board, (909) 396-2500, if you wish to do so. All agendas are posted at SCAQMD Headquarters, 21865 Copley Drive, Diamond Bar, California, at least 72 hours in advance of the meeting. At the end of the agenda, an opportunity is also provided for the public to speak on any subject within the SCAQMD's authority. Speakers may be limited to three (3) minutes each.

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 Public Comments 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, provided 25 copies are presented to the Clerk of the Board. Electronic submittals to cob@aqmd.gov of 10 pages or less including attachment, in MS WORD, plain or HTML format will also be accepted by the Board and made part of the record if received no later than 5:00 p.m., on the Tuesday prior to the Board meeting.

ACRONYMS

AQIP = Air Quality Investment Program	NGV = Natural Gas Vehicle
AQMP = Air Quality Management Plan	NOx = Oxides of Nitrogen
AVR = Average Vehicle Ridership	NSPS = New Source Performance Standards
BACT = Best Available Control Technology	NSR = New Source Review
Cal/EPA = California Environmental Protection Agency	OEHHA = Office of Environmental Health Hazard Assessment
CARB = California Air Resources Board	PAMS = Photochemical Assessment Monitoring Stations
CEMS = Continuous Emissions Monitoring Systems	PAR = Proposed Amended Rule
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	PR = Proposed Rule
CTG = Control Techniques Guideline	RFP = Request for Proposals
DOE = Department of Energy	RFQ = Request for Quotations
EV = Electric Vehicle	SCAG = Southern California Association of Governments
FY = Fiscal Year	SIP = State Implementation Plan
GHG = Greenhouse Gas	SOx = Oxides of Sulfur
HRA = Health Risk Assessment	SOON = Surplus Off-Road Opt-In for NOx
LEV = Low Emission Vehicle	SULEV = Super Ultra Low Emission Vehicle
LNG = Liquefied Natural Gas	TCM = Transportation Control Measure
MATES = Multiple Air Toxics Exposure Study	ULEV = Ultra Low Emission Vehicle
MOU = Memorandum of Understanding	U.S. EPA = United States Environmental Protection Agency
MSERCs = Mobile Source Emission Reduction Credits	VOC = Volatile Organic Compound
MSRC = Mobile Source (Air Pollution Reduction) Review Committee	VMT = Vehicle Miles Traveled
NATTS =National Air Toxics Trends Station	ZEV = Zero Emission Vehicle
NESHAPS = National Emission Standards for Hazardous Air Pollutants	

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BOARD MEETING DATE: June 3, 2016

AGENDA NO. 1

MINUTES: Governing Board Monthly Meeting

SYNOPSIS: Attached are the Minutes of the May 6, 2016 meeting.

RECOMMENDED ACTION:

Approve Minutes of the May 6, 2016 Board Meeting.

Sandra McDaniel,
Clerk of the Boards

SM:dg

FRIDAY, MAY 6, 2016

Notice having been duly given, the regular meeting of the South Coast Air Quality Management District Board was held at District Headquarters, 21865 Copley Drive, Diamond Bar, California. Members present:

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

Council Member Ben Benoit, Vice Chairman
Cities of Riverside County

Mayor Michael D. Antonovich
County of Los Angeles

Supervisor John J. Benoit
County of Riverside

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

Dr. Joseph K. Lyou
Governor's Appointee

Mayor Larry McCallon
Cities of San Bernardino County

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

Supervisor Shawn Nelson (arrived at 9:30 a.m.)
County of Orange

Dr. Clark E. Parker, Sr.
Senate Rules Committee Appointee

Council Member Dwight Robinson
Cities of Orange County

Supervisor Janice Rutherford
County of San Bernardino

Member Absent:

Council Member Joe Buscaino
City of Los Angeles

CALL TO ORDER: Chairman Burke called the meeting to order at 9:05 a.m.

- Pledge of Allegiance: Led by Supervisor Benoit.
- Opening Comments

Dr. Parker. Noted that two weeks ago he attended a meeting of the California Fuel Cell Partnership, where CARB Chair Mary Nichols, announced that she would be driving a fuel cell vehicle from Santa Monica to Sacramento accompanied by a few others, including CEC member Janea Scott; and shared pictures taken at a ribbon-cutting ceremony for a new fuel cell station in Santa Monica.

Councilman Cacciotti. Stated that he attended the Advanced Clean Transportation (ACT) Expo in Long Beach; and showed photos, including one of the all-electric Chevy Bolt, one of a heavy-duty vehicle made by Peterbilt that may be available for public safety vehicle use, and a photo of the Zero Emissions Infrastructure Program Manager from the Governor's Office, Tyson Eckerle.

Councilman Benoit. Noted that he also attended the ACT Expo, stating that five or ten years ago these electric vehicles were just great ideas, but are now a reality and actual products available on the market.

Dr. Lyou. Announced that he and Councilman Buscaino also attended the ACT Expo in Long Beach, receiving a check for \$23.6 million from CARB going towards the purchase of 43 electric and plug-in hybrid drayage trucks as part of the greenhouse gas reduction fund money from AB32 being invested in zero emission freight. He also showed pictures from his trip to China, April 9-17, 2016, where he visited the electric vehicle manufacturing sites and infrastructure, noting all forms of electric transportation especially for government agency uses, and the similarities and differences in comparison to our policies.

Supervisor Benoit. Commented on the CARB relocation to the University of California, Riverside, (UCR), thanking the Board for its support, and noting that groundbreaking should occur after the first of 2017.

Chairman Burke. Urged the Acting Executive Officer, Wayne Nastri, to look into a repowering exchange program for the use of cleaner fuel for the many diesel-powered ambulances that are required to be idling at all times throughout the South Coast air basin; and to report back to the Board at its June 3, 2016 meeting.

CONSENT CALENDAR

1. Approve Minutes of April 1, 2016 Board Meeting
2. Set Public Hearings June 3, 2016 to:
 - A. Receive Public Input on Acting Executive Officer's Draft Goals and Priority Objectives for FY 2016-17
 - B. Amend Rule 1110.2 - Emissions from Gaseous- and Liquid-Fueled Engines

Budget/Fiscal Impact

3. Execute Contract to Develop and Demonstrate Fuel Cell Extended-Range Powertrain for Parcel Delivery Trucks **E**
4. Recognize and Appropriate Funds and Execute and Amend Contracts for EV Charger Stations and Installation Services at SCAQMD Headquarters **E**
5. Approve Trucks, Transport Refrigeration Units and Infrastructure Projects Under Proposition 1B-Goods Movement Program **E**
6. Execute Contract for Landscape Maintenance at Diamond Bar Headquarters
7. Authorize Purchase of Audio Visual Enhancements for Conference Room GB and Hearing Board Room
8. Appoint Members to SCAQMD Hearing Board
9. Remove Various Fixed Assets from SCAQMD Inventory
10. Approve Maximum Support Level Expenditures for Board Member Assistants and Board Member Consultants for FY 2016-17
11. Approve Contract Awards and Modification Approved by MSRC

Dr. Lyou announced his abstention on Item No. 3 because UPS and Complete Coach Works are potential sources of income to him; and on Item No. 5 because CVS is a potential source of income to him.

Councilwoman Mitchell announced her abstention on Item No. 5 because CVS is a potential source of income to her.

Supervisor Rutherford and Mayor McCallon announced that they serve as Board Members for the San Bernardino Associated Governments which is involved with Item No. 11.

Supervisor Benoit and Councilman Benoit announced that they serve as Commissioners for the Riverside County Transportation Commission which is involved with Item No. 11.

Agenda Items 2A, 6 and 8 were withheld for comment and discussion. Mr. Nastri noted that staff was requesting that Item No. 16 be continued to the June 3, 2016 meeting to allow for amendments to the report.

MOVED BY J. BENOIT, SECONDED BY CACCIOTTI, AGENDA ITEMS 1, 2B, 3 THROUGH 5, 7, AND 9 THROUGH 11, APPROVED AS RECOMMENDED, BY THE FOLLOWING VOTE:

AYES: Antonovich, B. Benoit, J. Benoit, Burke, Cacciotti, Lyou (*except Items #3 and #5*), McCallon, Mitchell (*except Item #5*), Parker, Robinson and Rutherford.

NOES: None.

ABSTAIN: Lyou (*Items #3 and #5 only*) and Mitchell (*Item #5 only*).

ABSENT: Buscaino and Nelson.

(Supervisor Nelson arrived at 9:30 a.m.)

18. Items Deferred from Consent Calendar

Supervisor Nelson announced that he serves on the Board of Directors of the Orange County Transportation Authority which is involved with Item No. 11.

2. Set Public Hearings June 3, 2016 to:
 - A. Receive Public Input on Acting Executive Officer's Draft Goals and Priority Objectives for FY 2016-17

Supervisor Benoit suggested the addition of a third region to the Clean Communities Plan, noting that the Eastern Coachella Valley is also a prime candidate for this program.

Dr. Lyou noted that perhaps it would be prudent to add a city from the county of Orange as the region's three other counties would then be represented under the Plan.

MOVED BY J. BENOIT, SECONDED BY CACCIOTTI, AGENDA ITEM 2A APPROVED AS RECOMMENDED WITH THE MODIFICATION FOR GOAL II.1 TO INCLUDE EASTERN COACHELLA VALLEY AND AN APPROPRIATE LOCATION IN ORANGE COUNTY IN THE CLEAN COMMUNITIES PLAN PILOT STUDIES, BY THE FOLLOWING VOTE:

AYES: Antonovich, B. Benoit, J. Benoit, Burke, Cacciotti, Lyou, McCallon, Mitchell, Nelson, Parker, Robinson and Rutherford.

NOES: None.

ABSENT: Buscaino.

6. Execute Contract for Landscape Maintenance at Diamond Bar Headquarters

Councilman Cacciotti questioned whether the contract requires the landscaper to utilize electric lawn equipment.

William Johnson, Assistant DEO/Administrative and Human Resources, explained that staff could certainly work with the landscaper to demonstrate cleaner lawn equipment.

Dr. Matt Miyasato, DEO/Science and Technology Advancement, explained that since the requirement to use electric equipment was not included in the original RFP, the District Headquarters could simply be used as a demonstration location for these newer technology products.

Mr. Nastri suggested that staff could review the contract terms more closely and report back to the Board regarding the recourse that may be available to include language regarding the use of low-emission gardening tools.

Councilman Cacciotti requested that the item be continued to the next Board meeting to allow for further work to be done towards including language in the contract that would require the use of electric-powered lawn and garden equipment.

AGENDA ITEM 6 WAS CONTINUED TO THE
JUNE 3, 2016 BOARD MEETING.

8. Appoint Members to SCAQMD Hearing Board

David Holtzman, incumbent Public Member of the Hearing Board addressed the Board expressing his appreciation for having served for the three year term ending June 30th, and noting his willingness to continue to serve for the next term commencing on July 1, 2016.

Written Comments Submitted By:

Cara Horowitz

Elizabeth Wall Ralston, Los Angeles resident

Andy Lipkis, President, TreePeople

Maria Montero, President, League of Women Voters of Los Angeles

Robert Aronson, Marina del Rey resident

Jay Ross, Los Angeles resident

Liz Amsden, Los Angeles resident

Julie Tyler

MOVED BY PARKER, SECONDED BY
B. BENOIT, AGENDA ITEM 8 APPROVED AS
RECOMMENDED, BY THE FOLLOWING
VOTE:

AYES: Antonovich, B. Benoit, J. Benoit,
Burke, Cacciotti, Lyou, McCallon,
Mitchell, Nelson, Parker,
Robinson and Rutherford.

NOES: None.

ABSENT: Buscaino.

Items 12 through 17 - Information Only/Receive and File

12. Legislative and Public Affairs
13. Hearing Board Report
14. Civil Filings and Civil Penalties Report
15. Lead Agency Projects and Environmental Documents Received by SCAQMD
16. Rule and Control Measure Forecast - **Continued to June 3, 2016**
17. Status Report on Major Projects for Information Management Scheduled to Start During Last Six Months of FY 2015-16

BOARD CALENDAR

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

MOVED BY MITCHELL, SECONDED BY CACCIOTTI, AGENDA ITEMS 12 THROUGH 15, 17 AND 19 THROUGH 25, APPROVED AS RECOMMENDED, RECEIVING AND FILING THE COMMITTEE, MSRC AND CARB REPORTS, BY THE FOLLOWING VOTE:

AYES: Antonovich, B. Benoit, J. Benoit, Burke, Cacciotti, Lyou, McCallon, Mitchell, Nelson, Parker, Robinson and Rutherford.

NOES: None.

ABSENT: Buscaino.

PUBLIC HEARINGS

26. Adopt Executive Officer's FY 2016-17 SCAQMD Budget and Work Program

Michael O'Kelly, Chief Financial Officer, gave the staff presentation.

Chairman Burke inquired if the annual amount of penalty money for the last five years was under \$5 million.

Mr. O'Kelly replied that about four years ago it was and this current year will be about \$4.9 million; however, on average it has been about \$9 million annually.

Supervisor Rutherford questioned the effects and impacts of the retirement system on the budget, and what is anticipated in regard to the different tiers.

Mr. O'Kelly explained that salary and benefits are about 80 percent of the budget, with retirement cost currently at approximately \$26 million; that number was approximately \$13 million six years ago. As far as the tier rates, out of about 700 employees currently at the District, about 100 of them have started after January 1, 2013; so, there is about \$700,000-800,000 a year savings associated just from the tier difference on the retirement rates. Then, from employees that were hired after 2006 and before 2013, the savings are about \$1 million per year. Once the employee turnover occurs over the next 15-20 years, the turnover from the savings from the tier rates will be about \$4 million per year. In summary, we are seeing a flattening in the contribution rates; and there is probably a higher likelihood that we would see continued increases before we see decreases, if not purely from the Retirement Board's possible decision of reducing their assumed

rate, but also regardless of what they assume, if they do not hit an assumption, that results in additional costs.

Supervisor Nelson inquired what portion of the budget was comprised of fines, as opposed to permit fees and other items.

Mr. O'Kelly replied that about \$5 million are penalties and settlements, and approximately half of that amount would be related to fines and penalties.

Supervisor Nelson noted that the District is fining cities, water districts, and other public agencies that we consider to be our partners; and he encouraged a future agenda or study session to consider the possible need for policy changes.

Dr. Parker questioned the deficit or surplus of past years compared to this year.

Mr. O'Kelly replied that in the past six years, the budget has been about \$3 million on the favorable side; and that amount is what is expected for this year.

Dr. Parker further inquired whether or not the reserve balance was decreasing at the rate projected.

Mr. O'Kelly explained that in the first five-year plan, the unreserved fund balance was projected to dip to about 18 percent of the general fund revenues. Now it is 25-29 percent, which is much better than projected. Expenditures are closely watched, particularly salaries and benefits; the District comes in under budget in that area, and the net result is typically \$1-5 million on the positive side.

Mayor McCallon questioned if the Board received actuals versus the budget on a regular basis, as he has not yet seen one.

Mr. O'Kelly replied that the budget versus the actuals of the general fund are prepared on a quarterly basis and emailed to the Board members and their Board Consultants; the last one being the quarter ending on March 31, 2016.

Chairman Burke inquired about funds designated for a purpose that had not been used over a period of time.

Mr. O'Kelly replied that those designated funds would continue through successive budgets and reflected in the unreserved fund balance as available money.

Mayor McCallon inquired about how the fees are determined and whether or not SCAQMD makes money on the fees or just recovers costs.

Chairman Burke commented that every permit issued is subsidized; and that for more than 20 years, the Board has not been inclined to recover the actual cost of issuing a permit.

Mayor McCallon further inquired, since the fees are subsidized, if there is a report provided on how much is being subsidized.

Mr. O'Kelly stated that this information is in the financial statements, showing a shortfall of about \$5-7 million on an annual basis when you look at the fees versus the services provided.

The public hearing was opened and the following individuals addressed the Board on Agenda Item 26.

BILL LAMARR, California Small Business Alliance

Expressed support for the continued involvement of the Budget Advisory Committee, representatives of the regulated community and other stakeholder in the budget process; and are encouraged that staff will analyze the impacts of broadening the definition of small business, with the intent of making services and fee discounts available to a larger number of small facilities.

HARVEY EDER, Public Solar Power Coalition

Urged for the District to focus on immediate total solar conversion and cautioned against the dangers of climate change.

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

Supervisor Benoit acknowledged Mr. O'Kelly for his proficient presentation and also for the time he served as Acting Executive Officer.

MOVED BY J. BENOIT, SECONDED BY
CACCIOTTI, AGENDA ITEM NO. 26
APPROVED AS RECOMMENDED:

- 1) REMOVING FROM RESERVES AND DESIGNATIONS ALL AMOUNTS ASSOCIATED WITH THE FY 2015-16 BUDGET;
- 2) APPROVING TOTAL APPROPRIATIONS OF \$141,527,695;
- 3) APPROVING TOTAL REVENUES OF \$136,446,280;

- 4) APPROVING THE ADDITION OF TEN (10) NET AUTHORIZED/FUNDED POSITIONS AS DETAILED IN THE FY 2016-17 BUDGET; AND
- 5) APPROVING A PROJECTED JUNE 30, 2017 RESERVES AND DESIGNATIONS FUND BALANCE OF \$14,612,899 AND TOTAL UNDESIGNATED FUND BALANCE OF \$28,116,551.

BY THE FOLLOWING VOTE:

AYES: B. Benoit, J. Benoit, Burke, Cacciotti, Lyou, McCallon, Mitchell, Nelson, Parker, Robinson and Rutherford.

NOES: None.

ABSENT: Antonovich and Buscaino.

27. Amend Rule 306 – Plan Fees

Michael O’Kelly, Chief Financial Officer, included information regarding the proposed amendment to Rule 306 along with the staff presentation on Item 26.

The public hearing was opened and the following individuals addressed the Board on Agenda Item 27.

HARVEY EDER, Public Solar Power Coalition

Noted the importance of maintaining a fee waiver provision for those that qualify.

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

Councilman Robinson inquired as to whether the District has any sense of the number of businesses that are operating without permits.

Mohsen Nazemi, DEO/Engineering and Compliance, explained that through the new business outreach program, the Public Affairs office assists businesses in learning what they need to do in order to obtain a permit. Compliance staff, while in the field, come across facilities that require permits but do not have them. If there is no prior affiliation with the District’s program, they are generally given a break; however, if they are aware of SCAQMD or have

other permits for equipment, if unpermitted equipment is at the facility and not in operation, a Notice to Comply may be issued for them to apply for a permit. If, however, the equipment is in operation or there is evidence that it recently operated, then a Notice of Violation is issued for them to apply for a permit. The new business outreach program has not been very aggressive in the past few years; but these compliance issues are discovered through field inspections and complaints.

MOVED BY J. BENOIT, DULY SECONDED,
AGENDA ITEM NO. 27 APPROVED AS
RECOMMENDED BY STAFF, ADOPTING
RESOLUTION NO. 16-4 DETERMINING
THAT THE PROPOSED AMENDMENTS TO
RULE 306 ARE EXEMPT FROM CEQA AND
AMENDING RULE 306, BY THE FOLLOWING
VOTE:

AYES: Antonovich, B. Benoit, J. Benoit,
Burke, Cacciotti, Lyou, McCallon,
Mitchell, Nelson, Parker,
Robinson and Rutherford.

NOES: None.

ABSENT: Buscaino.

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

Harvey Eder, Public Solar Power Coalition, pointed out discrepancies in past AQMPs that should have addressed solar power technologies, but did not.

Miriam Nakamura-Quan, Parent Group – San Marino Unified School District and Dr. Raymond Quan, San Marino Unified School District Cell Tower Advisory Committee, expressed concern with a Verizon Wireless cell tower backup generator that is located in close proximity to classrooms at an elementary school, as well as the HVAC system for those rooms. They noted that children are present before and after traditional school hours and may be exposed to the exhaust from the engine.

In response to Chairman Burke's direction to have staff work with the commenters to address their concerns, Mohsen Nazemi, DEO/Engineering and Compliance, explained that the engine being referenced is exempt from SCAQMD permit requirements, adding that staff did, however, visit the site in response to the complaint. He confirmed that staff would connect with Mr. and Mrs. Quan to continue to evaluate their concerns.

Yvonne Watson, Montebello Resident, expressed appreciation for staff's response to her concerns at the April meeting regarding ongoing effects of the now-decommissioned Montebello oilfields; and noted her continued concern for the lack of transparency on the part of SoCalGas.

CLOSED SESSION

The Board recessed to closed session at 10:45 a.m., 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 District is a party, as follows:

People of the State of California, ex rel SCAQMD v. Exide Technologies, Inc., Los Angeles Superior Court Case No. BC533528;

Exide Technologies, Inc., Petition for Variance, SCAQMD Hearing Board Case No. 3151-31;

In the Matter of SCAQMD v. Exide Technologies, Inc., SCAQMD Hearing Board Case No. 3151-29 (Order for Abatement);

In re: Exide Technologies, Inc., U.S. Bankruptcy Court for the District of Delaware Case No. 13-11482 (KJC) (Bankruptcy case);

In the Matter of SCAQMD v. Southern California Gas Company, Aliso Canyon Storage Facility, SCAQMD Hearing Board Case No. 137-76 (Order for Abatement);

People of the State of California, ex rel SCAQMD v. Southern California Gas Company, Los Angeles Superior Court Case No. BC608322; Judicial Council Coordinated Proceeding No. 4861;

Refinery Safety Network v. SCAQMD, Hearing Board of SCAQMD; ExxonMobil Oil Corp., Los Angeles Superior Court Case No. BS161815; and

SCAQMD v. U.S. EPA, U.S. Court of Appeals, Ninth Circuit, Case No. 13-73936 (Morongo Redesignation).

- 54956.9(a) and 54956.9(d)(2) due to significant exposure to litigation (multiple cases).

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

ADJOURNMENT

There being no further business, the meeting was adjourned by Kurt Wiese at 11:15 a.m.

The foregoing is a true statement of the proceedings held by the South Coast Air Quality Management District Board on May 6, 2016.

Respectfully Submitted,

Altheresa Rothschild
Deputy Clerk Transcriber

Date Minutes Approved: _____


Dr. William A. Burke, Chairman

ACRONYMS

AQMP = Air Quality Management Plan
BARCT= Best Available Retrofit Control Technology
CaFCP = California Fuel Cell Partnership
CARB = California Air Resources Board
CEC = California Energy Commission
CEQA = California Environmental Quality Act
EV = Electric Vehicle
FY = Fiscal Year
GHG = Greenhouse Gas
MSRC = Mobile Source Air Pollution Reduction Review Committee
NOx = Oxides of Nitrogen
OEHHA = Office of Environmental Health Hazard Assessment
RFP = Request for Proposals
SIP = State Implementation Plan
U.S. EPA = United States Environmental Protection Agency
VOC = Volatile Organic Compound

BOARD MEETING DATE: June 3, 2016

AGENDA NO. 2

PROPOSAL: Recognize Revenue and Execute Contract for Development and Demonstration of Ultra-Low Emission Natural Gas Switcher Locomotive 

SYNOPSIS: Emissions from locomotives are projected to increase over the next decade, and development and early commercialization of ultra-low NOx emission locomotive technologies is a critical component for achieving the federal ambient air quality standards. VeRail Technologies, Inc. (VeRail) is currently developing ultra-low emission natural gas locomotives that are 90% cleaner than the current Tier 4 NOx emissions standard. The Ports of Long Beach and Los Angeles, as well as U.S. EPA and Southern California Gas Company, have partnered to fund the development and demonstration of the ultra-low NOx natural gas locomotive with Pacific Harbor Line. This action is to recognize revenues of up to \$1 million from U.S. EPA and Southern California Gas Company and execute a contract with VeRail for the development and demonstration of an ultra-low NOx emission natural gas switcher locomotive in an amount not to exceed \$1 million from the Clean Fuels Fund (31).

COMMITTEE: Technology, May 20, 2016; Recommended for Approval

RECOMMENDED ACTIONS:

1. Recognize, upon receipt, up to \$500,000 each from U.S. EPA and Southern California Gas Company into the Clean Fuels Fund (31) for development and demonstration of an ultra-low emission natural gas switcher locomotive; and
2. Authorize the Chairman to execute a contract with VeRail for development and demonstration of an ultra-low emission natural gas switcher locomotive in an amount not to exceed \$1,000,000 from the Clean Fuels Fund (31).

Wayne Natri
Acting Executive Officer

Background

Despite the last two decades of aggressive efforts to reduce air pollution, the region continues to have some of the worst air quality in the U.S. based on the number of days the National Ambient Air Quality Standards for ozone are exceeded. The region is also designated nonattainment for PM_{2.5} and extreme nonattainment for 8-hr ozone. Diesel locomotives are a significant source of diesel PM and NO_x emissions that contribute to the South Coast Air Basin's air quality problem and adversely impact sensitive receptors near railways and rail yards. This source category is projected to be one of the five largest contributors to NO_x emissions, even as the legacy fleet of older and higher polluting locomotives are retired and replaced with locomotives meeting the most stringent current standard (Tier 4). Significant emission reductions beyond those achieved from the cleanest diesel locomotive technologies are still needed to meet the federal ozone air quality standards. Natural gas-powered locomotive technologies show promise as a cleaner alternative with the added benefit of lower operational (fuel) costs.

VeRail Technologies, Inc., (VeRail) is developing a new generation of railroad locomotives that combine ultra-low NO_x emission natural gas engines with on-board high-storage capacity (5,000 psi) CNG fuel storage tanks. Switcher locomotives using these technologies are comparable to new Tier 4 diesel switcher locomotives in cost, horsepower and refueling interval while achieving 90% lower NO_x and PM emissions. VeRail locomotives use a modular design consisting of three engines that can be upgraded with batteries and fuel cells to achieve future zero emission technologies.

The Ports of Long Beach and Los Angeles (Ports) recently approved funding for VeRail to demonstrate the emissions, reliability, durability, safety, fuel efficiency and operating performance of one ultra-low emission natural gas switcher locomotive at Pacific Harbor Line (PHL). However, additional funding is needed to expedite production of the switcher locomotive, provide CNG refueling infrastructure, and support a two-year development and demonstration program. U.S. EPA and Southern California Gas Company (SoCalGas), both local ports and VeRail are partnering to cosponsor the development and demonstration of the ultra-low NO_x switcher locomotive. The U.S. EPA funding is from the Section 105 Clean Air Technology Initiative (CATI). CATI was established by the U.S. EPA, CARB, San Joaquin Valley Air Pollution Control District and SCAQMD to identify and implement emission reduction projects in San Bernardino and Boyle Heights where residents are disproportionately affected by emissions of diesel exhaust from the goods movement corridors and from diesel activities at the Ports, warehouses and rail yards.

Proposal

The project is intended to advance locomotive engine technologies to achieve NO_x emission levels that are at least 90% lower than current Tier 4 NO_x locomotive emission standard. VeRail will be required to conduct engine and aftertreatment development activities to achieve the ultra-low emissions target and perform substantial

validation and durability testing to confirm the robustness of their design. Once developed, the engine will be tested on an engine dynamometer under the Federal Locomotive Test Procedure for emissions certification. The engine will then be integrated into a locomotive chassis configuration and tested to further support CARB locomotive emissions certification procedure. The program will ultimately conclude after the locomotive has been placed in a typical switcher locomotive operation at the Ports to fully validate its performance, durability and reliability.

The action is to recognize, upon receipt, up to \$500,000 each from U.S. EPA and SoCalGas for a total of up to \$1 million and also authorize the Chairman to execute a contract with VeRail for development and demonstration of an ultra-low emission natural gas switcher locomotive in an amount not to exceed \$1 million.

Sole Source Justification

Section VII.B.2 of the Procurement Policy and Procedure identifies provisions by which sole source awards may be justified. This request for a sole source award is made under provision B.2.d: Other circumstances exist which in the determination of the Executive Officer requires such waiver in the best interest of the SCAQMD. This request for sole source award is made under provision B.2.d(1): Projects involving cost sharing by multiple sponsors, and provision B.2.d(3): Projects involving commitment to multiple project phases. Project partners include SoCalGas, U.S. EPA, Ports of Long Beach and Los Angeles, VeRail and PHL.

Section VIII.B.3 of the Procurement Policy and Procedure identifies four provisions by which sole source awards may be justified when contracts are funded in whole or in part by federal funds. This award is justified under the provision B.3.a: The item is available only from a single source. The VeRail locomotive is designed with a unique combination of multiple natural gas engines, high pressure CNG fuel storage, engine control system, and three-way catalyst aftertreatment system. This technology combination was selected by the project partners because it potentially has the lowest overall locomotive emissions. This technology combination is not available from other manufacturers.

Benefits to SCAQMD

The proposed project supports the implementation of advanced alternative fuel technology that could potentially be used to further reduce NOx emissions from locomotives. In addition, the development and successful deployment of these ultra-low emission switcher locomotives will promote their acceptance by railroads and facilitate their deployment at rail yards in the South Coast Air Basin and assist the SCAQMD to attain its clean air goals.

Resource Impacts

The proposed project budget is approximately \$5.1 million, with funding anticipated from the U.S. EPA, SoCalGas, the Ports of Long Beach and Los Angeles, PHL and VeRail. SCAQMD will execute the contract with VeRail upon receipt of funds, up to the amount of the funding received, and will add money to the contract as it becomes available. Of this \$5.1 million, SCAQMD’s cost-share shall not exceed \$1 million from the Clean Fuels Fund (31), which will be pass-through funds received from the U.S EPA and SoCalGas. The proposed budget for the project is summarized below:

Proposed Project Budget

Funding Source	Funding Amount	% of Project
SoCalGas*	\$500,000	10%
U.S. EPA*	\$500,000	10%
Port of Long Beach	\$300,000	6%
Port of Los Angeles	\$300,000	6%
VeRail	\$3,100,000	60%
PHL (<i>in-kind support</i>)	\$400,000	8%
Total	\$5,100,000	100%

*Funds to be recognized into the Clean Fuels Fund (31)

Sufficient funds are available from the Clean Fuels Program Fund, 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 9250.11, establishes mechanisms to collect revenues from mobile sources to support projects to increase the utilization of clean fuels, including the development of the necessary advanced 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.



BOARD MEETING DATE: June 3, 2016

AGENDA NO. 3

PROPOSAL: Execute Contracts for Technical Assistance for Advanced, Low and Zero Emission Mobile and Stationary Source Control Technologies and Implementation of Incentive Programs

SYNOPSIS: On February 5, 2016, the Board approved the release of an RFP to solicit proposals to provide technical assistance, implementation and outreach support for advanced, low and zero emission control technologies for the Clean Fuels Program and various incentive programs. Ten proposals were received in response to the solicitation. These actions are to execute contracts with four technical experts to provide technical assistance and outreach support at a total cost not to exceed \$760,000, comprised of \$250,000 from the Clean Fuels Fund (31); \$175,000 from the Carl Moyer Program AB 923 Fund (80); \$285,000 from the Proposition 1B-Goods Movement Program Fund (81); and \$50,000 from the AB 1318 Mitigation Fees Fund (58). Funding from the Carl Moyer, Proposition 1B and AB 1318 funds will be from the administrative portion of those funds.

COMMITTEE: Technology, May 20, 2016; Recommended for Approval

RECOMMENDED ACTIONS:

1. Authorize the Chairman to execute the following contracts for a total of \$250,000 from the Clean Fuels Program Fund (31):
 - a) AEE Solutions for technical assistance with heavy-duty vehicle emissions testing, analyses and engines development and applications in an amount not to exceed \$50,000;
 - b) Clean Fuel Connection, Inc. (CFCI) for technical assistance with alternative fuels, electric vehicles, charging and fueling infrastructure and renewable energy in an amount not to exceed \$50,000;
 - c) Gladstein, Neandross & Associates (GNA) for technical assistance with alternative fuels and fueling infrastructure, emissions analysis and on-road sources in an amount not to exceed \$100,000; and
 - d) Ricardo Solutions for technical assistance with heavy-duty vehicle emissions testing, analyses and engines development and applications in an amount not to exceed \$50,000.

2. Authorize the Chairman to execute a contract with CFCI for technical assistance, implementation and outreach support for the Carl Moyer Program (including the School Bus and the Voucher Incentive Programs) in an amount not to exceed \$175,000 from the administrative portion of the Carl Moyer Program AB 923 Fund (80).
3. Authorize the Chairman to execute the following contracts for technical assistance, implementation and outreach support of the Proposition 1B-Goods Movement Program for a total of \$285,000 from the administrative portion of the Proposition 1B-Goods Movement Program Fund (81):
 - a) CFCI in an amount not to exceed \$235,000; and
 - b) GNA in an amount not to exceed \$50,000.
4. Authorize the Chairman to execute a contract with CFCI for implementation and outreach support for the Coachella Valley CPV Sentinel Project in an amount not to exceed \$50,000 from the administrative portion of the AB 1318 Mitigation Fees Fund (58).

Wayne Natri
Acting Executive Officer

MMM:FM

Background

The AQMP is the comprehensive regional plan for attaining federal air quality standards in the South Coast Air Basin. In addition to full implementation of current technologies and control methods, there is a need to further develop and promote technological breakthroughs. Air quality projections indicate that the federal standards for PM_{2.5} and ozone are not expected to be met without aggressive implementation of commercial technologies and accelerated development of new technologies.

The Technology Advancement Office (TAO) administers two programs to accomplish these goals. The Clean Fuels Program supports projects to research, develop, demonstrate and deploy technologies to accelerate commercialization of clean, new technologies. The Carl Moyer, Proposition 1B-Goods Movement and School Bus Programs and other similar programs provide incentive funding to end-users to implement the cleanest available technologies for various heavy-duty on- and off-road applications. Due to constant and rapid changes in technologies and the sheer breadth of the potential projects, staff occasionally requires input from experts and in-the-field practitioners to aid in selecting and establishing projects for the Clean Fuels Program and to implement various incentive programs.

At its February 5, 2016 meeting, the Board approved RFP #P2016-15 to solicit proposals for technical assistance for the Clean Fuels Program and implementation of

various incentive funding programs. The RFP solicited statements of qualifications from individuals and organizations potentially capable of providing technical assistance in a variety of areas to support staff activities. The RFP sought companies or individuals to provide assistance in assessment of zero emission and goods movement technologies; technical assistance for feasibility studies of stationary and mobile emission control technologies; emissions assessment of new alternative fuel technologies; evaluation of innovative emissions control systems; assessment of economic, regulatory and technical barriers to the commercialization of clean fuels and advanced technologies; and to implement various incentive programs.

Outreach

In accordance with SCAQMD's Procurement Policy and Procedure, a public notice advertising the PA 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.

Additionally, potential bidders may have been notified utilizing SCAQMD's own electronic listing of certified minority vendors. Notice of the PA was emailed to the Black and Latino Legislative Caucuses and various minority chambers of commerce and business associations, and placed on the Internet at SCAQMD's website (<http://www.aqmd.gov>).

Proposal Evaluation

Ten proposals were received in response to RFP #P2016-15. The proposals were evaluated and scored by a three-member panel in accordance with established SCAQMD guidelines using the technical criteria outlined in the RFP. The panel consisted of one Assistant Deputy Executive Officer, one Technology Demonstration Manager and one Program Supervisor. The panel breakdown was as follows: two males and one female; two Caucasians and one Asian. The panel scores are shown in Table 1 of the attachment. The technical scores are based on the proponent's expertise and experience. Per the requirements of the RFP, proposals are required to receive a minimum of 56 points out of 70 technical points to qualify for an award.

For all of the proposals that qualified, staff added the cost effectiveness and additional points (a maximum of 15 points for small business or small business joint venture, disadvantaged veterans' business or DVBE joint venture, use of DVBE or small business subcontractors, use of low emission vehicles, local business and use of off-peak hours for delivery business). Based on these scores and current needs, staff is recommending funding levels for each of the proposers as shown in Table 2 of the attachment.

Proposal

Staff is recommending that level-of-effort contracts be executed as follows:

AEE Solutions will provide technical assistance with heavy-duty vehicles emissions testing, analyses and engine development and applications in an amount not to exceed \$50,000 from the Clean Fuels Fund (31). The team at AEE Solutions Institute has professional experience and proven expertise in the areas of alternative fuels, low and zero emission technologies, emission controls, federal policies and state regulations.

CFCI will provide technical assistance with alternative fuels, electric vehicles, charging and fueling infrastructure and renewable energy as well as technical assistance on continued implementation and reporting for the Carl Moyer Program, the Proposition 1B-Goods Movement Program and the Coachella Valley CPV Sentinel Project in an amount not to exceed \$510,000, comprised of \$50,000 from the Clean Fuels Fund (31), \$175,000 from the Carl Moyer Program AB 923 Fund (80), \$235,000 from the Proposition 1B-Goods Movement Program Fund (81) and \$50,000 from the AB 1318 Mitigation Fees Fund (58). Ms. Enid Joffe (principal) has more than 15 years of experience with low and zero emission technologies, electric vehicles and charging infrastructure and renewable energy.

GNA will provide technical expertise with alternative fuels and fueling infrastructure, emission analysis, on-road sources and outreach activities in an amount not to exceed \$150,000, comprised of \$100,000 from the Clean Fuels Fund (31) and \$50,000 from the Proposition 1B-Goods Movement Program Fund (81). GNA has partnered with energy, transit, waste management and goods movement companies to develop projects such as the use of LNG in cargo handling equipment at the Ports of Los Angeles and Long Beach, evaluation of the feasibility of utilizing LNG in the Ports' yard equipment and the development of strategies to reduce emissions from construction and operations of the proposed LNG import terminal.

Ricardo Solutions will provide technical assistance with heavy-duty vehicle emissions testing, analyses and engine development and applications in an amount not to exceed \$50,000 from the Clean Fuels Fund (31). The team at Ricardo has professional experience and proven expertise in the areas of alternative fuels, low and zero emission technologies, emission controls, federal policies and state regulations.

ICF Incorporated, Integra Environmental Consulting, Hydrogen Ventures, Tech Compass, Tetra Tech

These four entities are technically qualified and have provided technical assistance previously, but due to adequate funding balances in their respective contracts, they are not recommended for awards at this time.

ALTA Environmental has expertise that is outside of the targeted needs of the outlined programs. Thus, it did not reach the qualification threshold of 56 points for the outlined programs.

Benefits to SCAQMD

The proposed awards will support the implementation of TAO’s Clean Fuels, Carl Moyer and Proposition 1B Programs. In addition, outside expertise will provide an effective means of evaluating new technologies and assessing emission reductions.

Resource Impacts

Total amount of awards shall not exceed \$760,000, comprised of \$250,000 from the Clean Fuels Fund (31); \$175,000 from the Carl Moyer Program AB 923 Fund (80); \$285,000 from the Proposition 1B-Goods Movement Program Fund (81); and \$50,000 from the AB 1318 Mitigation Fees Fund (58).

Sufficient funds are available from the Clean Fuels Program Fund, established as a special revenue fund resulting from the state-mandated Clean Fuels Program to cover the proposed \$540,000 for outside technical assistance. The Clean Fuels Program, under Health and Safety Code Sections 40448.5 and 40512 and Vehicle Code Section 9250.11, establishes mechanisms to collect revenues from mobile sources to support projects to increase the utilization of clean fuels, including the development of the necessary advanced 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.

Funding from the Carl Moyer, the Proposition 1B and the AB 1318 Mitigation Fees funds will be from the administrative portion of those funds. Sufficient funds are available in the administrative portions of the Carl Moyer, the Proposition 1B and the AB 1318 Mitigation Fees funds.

Attachments

- Table 1 – Average Scores for Proposers
- Table 2 – Areas of Expertise and Awards

Table 1. Average Scores for Proposers

Proposer**	Technical Points*	Additional Points	Cost Points	Total Points
AEE Solutions	62	2	30	94
Alta Environmental	54	N/A	N/A	
Clean Fuel Connection Inc.	65	10	18	93
Gladstein, Neandross and Associates	69	15	10	94
Ricardo Solutions	64	0	9	73
ICF Incorporated	not rated			
Integra Environmental Consulting	not rated			
Hydrogen Ventures	not rated			
Tech Compass	not rated			
Tetra Tech	not rated			

* minimum of 56 out of 70 Technical Points is required to qualify for an award.


**All the not rated entities were technically qualified and have provided technical assistance throughout the years, but due to adequate funding balances in their respective contracts they have not been recommended for awards this time around.

Table 2. Areas of Expertise and Awards

Proposer	Clean Fuels Fund (31)	Carl Moyer (incl. School Bus & VIP) AB 923 Fund (80)	Prop 1B-Goods Movement Fund (81)	AB 1318 Fund (58)	Total
AEE Solutions	\$50,000				\$50,000
Clean Fuel Connection Inc.	\$50,000	\$175,000	\$235,000	\$50,000	\$510,000
Gladstein, Neandross and Associates	\$100,000		\$50,000		\$150,000
Ricardo Solutions	\$50,000				\$50,000
Total	\$250,000	\$175,000	\$285,000	\$50,000	\$760,000

BOARD MEETING DATE: June 3, 2016

AGENDA NO. 4

PROPOSAL: Issue Program Announcement for Heavy-Duty Diesel Trucks and Transport Refrigeration Units Under Proposition 1B-Goods Movement Program 

SYNOPSIS: In June 2015, CARB approved updates to the Proposition 1B–Goods Movement Emission Reduction Program Guidelines identifying new specifications and funding levels for eligible heavy-duty truck projects. The updates include funding for near-zero and zero emission truck projects for large fleets. This action is to issue, and if undersubscribed re-issue, a Program Announcement for heavy-duty diesel trucks and transport refrigeration units under the Proposition 1B-Goods Movement Program.

COMMITTEE: Technology, May 20, 2016; Recommended for Approval

RECOMMENDED ACTION:

Approve issuance, and if undersubscribed re-issuance, of a Program Announcement for the heavy-duty diesel trucks and transport refrigeration units under the Proposition 1B-Goods Movement Program.

Wayne Nastri
Acting Executive Officer

MMM:FM

Background

Proposition 1B authorizes \$1 billion to CARB for the Goods Movement Emission Reduction Program (Program). Projects funded by this Program must achieve early or extra emission reductions not otherwise required by law or regulations in four priority trade corridors of Los Angeles/Inland Empire, Central Valley, Bay Area and San Diego/Border. To date, CARB has granted close to \$740 million to local agencies for various goods movement projects. SCAQMD has received about \$400 million of these funds for projects involving heavy-duty diesel trucks, locomotives and ships at berth. The vast majority of these projects are currently operational providing significant emission reduction benefits to the region.

In September 2015, CARB approved new funding awards for the Program, including \$137.9 million for the Los Angeles/Inland Empire trade corridor. About \$100.9 million of these funds are set aside for heavy-duty diesel truck projects, zero emission

transportation refrigeration units (TRUs) and supporting infrastructure. For heavy-duty trucks, this includes funding for near-zero and zero emission technologies and electric truck refrigeration units. The remaining \$37 million is allocated for locomotives and ships at berth and cargo handling equipment projects.

A Program Announcement for heavy-duty trucks and TRUs closed on November 20, 2015. Staff completed the evaluation of the eligible projects, and on May 6, 2016, the Board approved the recommended projects in the amount of \$52 million. A new Program Announcement is necessary to solicit additional project applications for the remaining balance of the funds.

Proposal

This action is to issue a Program Announcement for heavy-duty trucks and TRUs under the Proposition 1B-Goods Movement Program. Following the solicitation and evaluation of the applications, staff will return to the Board for approval of the ranked list and specific awards for each project. If the Program is undersubscribed after the initial solicitation, this Program Announcement will be re-issued to solicit additional project applications for the remaining balance of the funds.

Outreach

In accordance with SCAQMD's Procurement Policy and Procedure, a public notice advertising the PA 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 SCAQMD's own electronic listing of certified minority vendors. Notice of the PA will be emailed to the Black and Latino Legislative Caucuses and various minority chambers of commerce and business associations, and placed on the Internet at SCAQMD's website (<http://www.aqmd.gov>) where it can be viewed by making the selection "Grants & Bids".

Benefits to SCAQMD

The successful implementation of the proposed projects will reduce NO_x and PM emissions in a cost-effective and expeditious manner to meet the goals of the AQMP. The proposed vehicles and equipment to be funded by the Proposition 1B Program will operate for many years in the South Coast region and provide long-term emission reductions.

Resource Impacts

Staff will seek the Board's approval of awards after completion of the evaluations and ranking of all the truck project applications received in response to this solicitation.

Attachment

Program Announcement #PA2016-10 for Heavy-Duty Diesel Trucks and TRUs



SCAQMD Program Announcement
For
Heavy-Duty Diesel Trucks and Transport Refrigeration Units
Proposition 1B - Goods Movement Emission Reduction Program
PA #2016-10

The South Coast Air Quality Management District (SCAQMD) is pleased to announce the availability of funds from the Proposition 1B - Goods Movement Emission Reduction Program (hereafter “Program”). The Program is administered by a partnership between the California Air Resources Board (CARB) and local agencies to quickly reduce air pollution emissions and health risk from freight movement along California’s trade corridors. Projects funded under this Program must achieve early or extra emission reductions not otherwise required by law or regulation. Approximately \$50 million in Program funding is expected to be available to SCAQMD for owners of heavy-duty diesel trucks and Transport Refrigeration Units (TRUs) used in freight movement to upgrade to cleaner technologies. Funding is also available for truck stop electrification infrastructure, electric charging stations, hydrogen fueling units, and infrastructure needed for zero-emission TRUs.

WHO: The following may apply for funding through this solicitation:

1. Owner of an on-road, heavy-duty diesel truck with a manufacturer’s gross vehicle weight rating (GVWR) of 19,501 lbs or greater (Class 6, 7 or 8 truck) used to move goods as part of a sales transaction for a majority of the time,
2. Any entity who plans to own and operate the Program-funded electrification infrastructure at a truck stop, rail yard or other freight facility, with agreement from the site owner, and
3. Owner of one or more TRUs.

WHAT: There are eight project options available as part of this solicitation.

- | | |
|--|--|
| 1. Truck Replacement | 6. Transport Refrigeration Unit (TRU) Replacement |
| 2. Three-Way Truck Transaction | 7. TRU Power Plug Installation |
| 3. Two-for-One Truck Replacement | 8. Cryogenic Refrigeration Fueling Infrastructure at Distribution Center |
| 4. Electrification Infrastructure at a Truck Stop, Rail Yard or Other Facility | |
| 5. Electric Charging Stations or Hydrogen Fueling Units | |

Equipment specifications for each of these project options can be found in Appendix A and F of the 2015 Program Guidelines at: www.arb.ca.gov/gmbond

HOW: The application forms with instructions are attached to this Program Announcement (PA). For guidance on which application forms are required for your project type, please see Section VII of this PA. A copy of the application forms can be found at: <http://www.aqmd.gov/Prop1B>

WHERE: Three (3) copies of a **completed application (with all required supporting documents and signatures)** must be submitted via mail delivery, or in person to:

South Coast Air Quality Management District
21865 Copley Dr., Diamond Bar, CA 91765
Attn: Procurement

NOTE: Facsimile or email submittals **will not be accepted.**



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WHEN: Applications must be received by no later than **4:00 PM on August 4, 2016 to be considered for funding.** If you submit an application in person to the SCAQMD, you must obtain a receipt from SCAQMD's Public Information Center located in the lobby that verifies the date and time of your submittal.

Schedule:

Solicitation Opens	June 3, 2016
Application Deadline	August 4, 2016 (no later than 4 pm)

Anticipated:

SCAQMD Evaluation Period	August – November 2016
CARB's Approval of Ranked List	December 2016
SCAQMD Board Approval of Awards	December 2016
SCAQMD to Issue Contracts	January – February 2017

Operational Deadline	18 months after contract execution if equipment is commercially available, or 3 years after contract execution if equipment is not commercially available. 3 years to verify project completion, obtain at least 1 year of data on actual use for the truck stop electrification infrastructure projects.
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For general information or questions about the SCAQMD Proposition 1B – Goods Movement Emission Reduction Program, please contact:

Mei Wang, Air Quality Specialist • (909) 396-3257 • mwang@aqmd.gov



SCAQMD Program Announcement

For

Heavy-Duty Diesel Trucks and Transport Refrigeration Units

Proposition 1B - Goods Movement Emission Reduction Program

PA #2016-10

I. SUMMARY

The purpose of this Program Announcement (PA) is to provide funding for projects under the State's Proposition 1B – Goods Movement Emission Reduction Program. This PA will include projects of the following equipment types:

- Heavy-duty trucks(advance technology only)
- Truck stop electrification infrastructure
- Electric charging stations in conjunction with truck replacement
- Hydrogen fueling infrastructure in conjunction with truck replacement
- Transport Refrigeration Units (TRUs)
- TRU electric charging stations
- TRU cryogenic refrigeration fueling stations in conjunction with TRU replacement

II. BACKGROUND

The diesel engines in trucks, locomotives, ships, harbor craft, and cargo handling equipment are major contributors to the State's pollution challenges. These sources account for nearly half of the statewide particulate matter (PM) emissions. Diesel PM is both a toxic air contaminant and a contributor to black carbon, a powerful short-lived climate pollutant. Near-source exposure to emissions of this particulate matter is associated with health risks, especially near distribution centers, railyards, and seaports, many of which impact disadvantaged communities. Emissions from freight transport also account for over one third of the statewide nitrogen oxides (NOx) that forms fine particles.

Proposition 1B (Prop. 1B), approved by voters in 2006, authorizes \$1 billion in bond funding to CARB to cut freight emissions in four priority trade corridors, including the Los Angeles/Inland Empire trade corridor in the South Coast Air Basin. To date, CARB has expended approximately \$760 million for the Program in the first four funding cycles (2008, 2010, 2011 and 2013). The project categories for the current cycle (Year 5) include heavy-duty diesel trucks, freight locomotives, ships at berth, commercial harbor craft, cargo handling equipment, transport refrigeration units (TRU), and infrastructure for electrification of truck stops, distribution centers and other places where trucks congregate.

The Program supplements existing regulations and may be combined with other funding programs to cut diesel emissions by funding projects “not otherwise required by law or regulation.” The Program funds provide an incentive to equipment owners to upgrade to cleaner equipment and achieve early or extra emission reductions beyond those required by applicable rules, regulations or enforceable agreements.

III. DEFINITIONS

a) Air Quality Improvement Program (AQIP)

AQIP is a voluntary incentive program administered by CARB to fund clean vehicle and equipment projects, research of biofuels production and the air quality impacts of alternative fuels, and workforce training. AQIP was created in 2007 by AB 118, the California Alternative and Renewable Fuel, Vehicle Technology, Clean Air, and Carbon Reduction Act of 2007 (Núñez,



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Chapter 750, Statutes of 2007). AB 8 (Perea, Chapter 401, Statutes of 2013) reauthorized the fees that support AQIP through 2023.

CARB has focused AQIP investments on technology advancing projects that support California's long-term air quality and climate change goals in addition to providing immediate emission benefits. AQIP investments have concentrated on three main categories: commercial deployment of clean vehicles, pre-commercial advanced technology demonstrations, and finance assistance to small trucking fleets. For the latest information on the AQIP, please visit:

<http://www.arb.ca.gov/msprog/aqip/aqip.htm>

b) Class 6 Truck (Weight Classification)

A heavy duty truck with a Gross Vehicle Weight Rating of 19,501 to 26,000 pounds, equipped with a medium-heavy duty engine.

c) Class 7 Truck (Weight Classification)

A heavy duty truck with a Gross Vehicle Weight Rating of 26,001 to 33,000 pounds, equipped with either a medium-heavy duty engine or a heavy-heavy duty engine.

d) Class 8 Truck (Weight Classification)

A heavy duty truck with a Gross Vehicle Weight Rating of 33,001 pounds or greater, equipped with a heavy-heavy duty engine.

e) Conversion

ARB-approved aftermarket replacement of the fueling system in a diesel powered truck to a natural gas, hybrid technology, or zero-emission fueling system. Engines must have CARB approval as an aftermarket conversion to be sold in California. The proposed engine in conversion projects are not fueled by diesel.

f) Cryogenic Refrigeration

An "alternative technology" that eliminates TRU diesel engine operation (and emissions) while at a facility. These systems commonly utilize either liquid nitrogen or CO₂.

g) Drayage or "Dray-off" truck

Drayage and "Dray-off" trucks are defined by Section C.15 of the Drayage Truck Regulation (13 CCR §2027) which states that any in-use on-road vehicle with a gross vehicle weight rating (GVWR) greater than 26,000 pounds that is used for transporting cargo, such as containerized, bulk, or break-bulk goods, that operates:

- A. On or transgresses through port or intermodal rail yard property for the purpose of loading, unloading or transporting cargo, including transporting empty containers and chassis; or
- B. Off port or intermodal rail yard property transporting cargo or empty containers or chassis that originated from or is destined to a port or intermodal rail yard property.



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h) Freight Facility

Distribution centers, warehouses, retail and wholesale outlets, and agricultural processing centers, and other places where trucks congregate (other than truck stops.)

i) “Goods”

Defined as having the same meaning in Commercial Code section 2105, which essentially requires that:

- A. The goods must be movable.
- B. The goods being moved must be part of a transaction that involves a contract for the sale of the goods.
- C. Rental equipment does not qualify as “Goods”.

j) Hybrid Truck

Vehicle with an electric drive system powered by an on-board generator and approved for funding by CARB’s AQIP.

k) Hybrid Zero Emission Mile Truck

Hybrid vehicle capable of zero emission miles.

l) Lease-to-Own

Truck project where the replacement truck is initially leased by the operator (owner of the existing truck). At the end of the lease, the operator will be able to take ownership of the truck with an amount listed in the lease agreement.

m) Middle-Aged Truck

A truck with a MY2007-2009 engine and an original equipment manufacturer (OEM) filter or a PM filter.

This is commonly referred to as “Truck A” in a Three-Way Truck Transaction. In this type of transaction, this middle-aged truck is replaced with a new truck. The middle-aged truck can then be reused by another truck fleet that has a truck with a 2006 MY or older engine that will be scrapped.

Note that this Truck A may not be used to expand another business or entity’s fleet size.

n) New Truck

Truck with a model year 2015 or newer engine that has not been previously owned.

o) Optional Low NOx Truck

Truck that utilizes a new Optional Reduced Emission Standard Heavy-Duty Engine that is certified/verified (as applicable) by CARB. The Optional Reduced Emission Standard is one of five separate but related regulatory actions that together will reduce GHG & NOx air emissions from medium- and heavy-duty vehicles and engines; harmonize State requirements with Federal



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requirements; establish new, optional provisions; and enhance enforcement and implementation of existing regulation.

Specifically, the optional low oxides of nitrogen (NO_x) standards for heavy-duty vehicle engines provide a mechanism to allow heavy-duty engine manufacturers to optionally certify engines to standards more stringent than the 2010 standards. Trucks equipped with new engines that are certified by the ARB to the optional low NO_x standard of 0.02 g/bhp-hr NO_x or lower will be considered for funding through this Program Announcement.

p) Three-Way Truck Transaction

The act of replacing a middle-aged truck with a new truck with an original equipment manufacturer (OEM) filter or a PM retrofit; using the middle-aged truck to replace an old truck; and scrapping the old truck.

q) Transport Refrigeration Unit (TRU)

Refrigeration systems powered by integral internal combustion engines designed to control the environment of temperature sensitive products that are transported in trucks and refrigerated trailers. TRUs may be capable of both cooling and heating.

r) Zero Emission Truck

Vehicle that emits no criteria pollutant, toxic or greenhouse gas emissions at the tailpipe.

IV. OWNERSHIP REQUIREMENTS

Applications shall be signed and submitted by the current legal owner of the existing equipment that will be upgraded or replaced. For infrastructure projects, if there is no existing equipment, the application must be signed and submitted by the future owner of the Program-funded equipment.

Non-owner applications are not eligible for funding.

Individuals or companies that operate the existing equipment under a lease agreement with the equipment owner are prohibited from applying for bond funding.

Individuals or companies that currently own the existing equipment but will operate the replacement equipment under a lease-to-own agreement may participate if a lease-to-own program is offered by the local agency according to the provisions described in Chapter IV of the Program Guidelines.

The owner of existing equipment applying for truck replacement under a lease-to-own program may apply jointly with the proposed lessor or lessee.

Third party applications are not allowed.



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V. FUNDING TABLES

For the funding tables below, please also reference the Definitions in Section III above for descriptions of each project type and/or replacement engine type.

Table 1: Heavy-Duty Trucks

Project Type ¹	Truck Class	Old Truck Engine Model Year	Replacement Engine Model Year	Maximum Funding Amounts
Replacement (2-for-1 also available)	Class 8	2009 or older	New MY2015+ engine zero emission truck ^{2,3}	\$200,000
			New MY2015+ engine hybrid zero emission mile truck ^{2,3}	\$150,000
			New MY2015+ engine optional low-NOx truck (0.02 g/bhp-hr NOx or less) ^{2,3}	\$100,000
			New MY2015+ engine hybrid truck ^{2,3}	\$80,000
			New MY 2015+ engine natural gas truck ^{2,3,4}	\$65,000
	Class 7	2009 or older	New MY2015+ engine zero emission truck ^{2,3}	\$200,000
			New MY2015+ engine hybrid zero emission mile truck ^{2,3}	\$150,000
			New MY2015+ engine optional low-NOx truck (0.02 g/bhp-hr NOx or less) ^{2,3}	\$100,000
			New MY2015+ engine hybrid truck ^{2,3}	\$80,000
			New MY 2015+ engine natural gas truck ^{2,3,4}	\$65,000
	Class 6	1998 – 2009	New MY2015+ engine zero emission truck ^{2,3}	\$100,000
			New MY2015+ engine hybrid zero emission mile truck ^{2,3}	\$65,000
			New MY2015+ engine optional low-NOx truck (0.02 g/bhp-hr NOx or less) ^{2,3}	\$50,000
			New MY2015+ engine hybrid truck ^{2,3}	\$45,000
			New MY 2015+ engine natural gas truck ^{2,3,4}	\$40,000
Three-way Truck Transaction	Class 6/7/8	<i>Truck A:</i> MY2007-2009 engine truck ^{5,6,7} <i>Truck B:</i> Truck with MY2006 or older engine <i>Truck C:</i> New MY 2015+ engine truck as described above	<ul style="list-style-type: none"> • Replace Truck A with Truck C^{2,3} • Scrap Truck B and replace with Truck A (reuse) • Truck A and B may be owned/operated by a different owner. 	<i>Contact SCAQMD</i>

Table 1 Notes:

1. Project life for replacement truck is 5 years.
2. Projects may be co-funded with CARB’s Air Quality Improvement Program, Low Carbon Transportation Program, or the California Energy Commission’s (CEC’s) Alternative Renewable Fuel Vehicle Technology Program funds as applicable.
3. Co-funded projects can only utilize one additional source of State funding and the combined funding may not exceed 90% of the total eligible project cost or any other funding restrictions of each respective program. Projects must meet the requirements of each program providing funding.
4. Engines must meet the 2010 emission level of 0.20 g/bhp-hr or less NOx (FEL and CERT values) and 0.01 g/bhp-hr or less PM (CERT value). All engines must be approved by CARB to be sold in California.
5. Truck A must have an original equipment manufacturer (OEM) filter or Level 3 PM retrofit.



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6. Owner of Truck A does not need to specify the business or entity that will accept this truck in the Three-Way Transaction at the time of application.
7. Truck A may not be used to expand another business or entity's fleet size.

Table 2: Truck Stop Electrification Infrastructure

Project Type	Project Description	Maximum Funding Amounts	Project Life (years)
Truck Stop Electrification	Landside electrification infrastructure at a truck stop, rail yard, or other freight facility.	<i>50% of eligible costs or the calculated funding amount at 0.10 lbs/State \$, whichever is lower</i>	10
Electric Charging Stations or Hydrogen Fueling Units	Infrastructure for an electric charging stations or hydrogen fueling units for 3 heavy duty trucks. Funding in addition to the funding for the replacement of a minimum of 3 trucks.	<i>50% of eligible costs or \$90,000, whichever is lower</i>	5

Table 3: Transport Refrigeration Units (TRUs)

Project Type	Project Description	Maximum Funding Amounts	Project Life (years)
TRU Replacement ¹	Replace existing diesel TRU with zero emission TRU (e.g. all-electric or fuel cell). Eligible costs include the transport refrigerator and an electric power plug.	<i>80% of eligible costs or \$50,000, whichever is lower</i>	<i>5 years or 10,000 hours, whichever comes first</i>
	Replace 5 existing TRUs with 5 zero emission cryogenic transport refrigerators. ²	<i>80% of eligible costs or \$100,000 for 5 units, whichever is lower</i>	<i>5 years or 10,000 hours, whichever comes first</i>
TRU Power Plug Installation ¹	Install 10 electric power plugs that are compatible with electrically powered TRUs (e.g. all-electric, hybrid electric, or electric standby-equipped TRUs) at a freight facility. ³	<i>50% of eligible costs or \$30,000 for 10 plugs, whichever is lower</i>	5
Cryogenic Refrigeration Fueling Infrastructure at Freight Facilities	Install infrastructure and equipment for cryogenic refrigeration fueling station at a freight facility.	<i>50% of eligible costs or \$100,000, whichever is lower</i>	5

Table 4 Notes:

1. TRU projects will be ranked separately from heavy-duty diesel truck projects.
2. Additional cryogenic transport refrigerators may be funded at 80% of eligible costs or \$20,000 per transport refrigerator, whichever is lower.
3. Additional single plugs may be funded at 50 percent of eligible costs or \$3,000 per plug, whichever is lower.



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IMPORTANT NOTES:

- Clear all outstanding CARB violations for vehicle and/or fleet, and maintain compliance with CARB's Truck and Bus Regulation and all other CARB regulations.
- If you do not have copies of registration records, visit your local DMV office and request a Vehicle Registration Information Record (INF 1125) for each truck in your application. To find your local DMV office, please visit <http://www.dmv.ca.gov>. You may also obtain and pay for the DMV printout online at: <http://www.dmv.ca.gov/online/vrr.htm>.
- Gather at least 2 records showing valid odometer readings at least 6 months apart for each truck in your application.
- Determine the manufacturer's Gross Vehicle Weight Rating (GVWR) as identified on a sticker/label most commonly found on the truck door jamb or on the inside of the door. If this tag is missing or cannot be read, please check with your local dealer.
- Maintain current registration for the old truck; keep it in legal operating condition until delivered to dismantler. Truck must continue to move goods for sale a majority of the time. Planned Non-Operation (PNO) is not allowed at any time.
- Applicants may request reduced funding amounts to improve cost-effectiveness and competitiveness of the project.
- Projects committing to 90% operation in California may be less competitive due to decreased emission reductions achieved within California
- Clear all old truck titles of any lien holders. A copy of the clean title for each old truck will be required for replacement projects before the grant payment can be made.
- Make sure your truck has a readable/legible VIN tag on the truck and engine tag on the engine prior to any inspection (project pre-inspection and post-inspection).

For complete Program requirements, please refer to the latest 2015 Update to the Program Guidelines and related supplemental materials listed on the CARB Program website at www.arb.ca.gov/gmbond or call Mei Wang at the South Coast Air Quality Management District for guidance at (909) 396-3257.

VI. ELIGIBILITY

Project eligibility will be based on the Program Guidelines which can be found at: www.arb.ca.gov/gmbond. Class 6, 7, and 8 are the only truck classifications that can be funded under this solicitation.

In order to be eligible for funding, the equipment owner must demonstrate:

- Existing truck used to move goods a majority of time for the past 2 years
- Fleet compliance with the Statewide Truck and Bus Rule
- California Operation:
 - At least 75% operation within California for the past 24 months.
 - Annual vehicle miles traveled (VMT) in California each year for the past 2 years:
 - At least 20,000 miles for each Class 7 or 8 truck.
 - At least 10,000 miles for each Class 6 truck.
- California Registration:
 - Current registration in California (California base-plated or California International Registration Plan (IRP), or Dual-plated registration (California based-plated/California IRP and Mexico only) for trucks carrying goods across the California-Mexico border, as they are required to be dual-plated, AND
 - Registration for the past 2 years:
 - California DMV registration cards verifying registration for the past 2 years, or
 - California DMV Vehicle Registration Information Record (DMV printout) showing:



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- 1) Registration in both the current and prior year with a minimum of 6 months of total registration, or
- 2) If the DMV printout only shows registration of 8 months in the current year and no registration in the prior year, then alternative documentation (insurance certificate or BIT inspection) will be required to verify registration in the prior year.

Ineligible Equipment

- Vehicles subject to CARB's Public and Utility Fleet Rule.
- Vehicles subject to CARB's Solid Waste Collection Vehicle Rule.
- Vehicles subject to CARB's Diesel Cargo Handling Equipment Rule.
- Trucks not in compliance with the Statewide Truck and Bus Rule and the Drayage Truck Regulation including Dray-Off.
- Trucks registered outside the State of California, including dual-plated registration, except for trucks that carry goods across the California-Mexico border, as they are required to be dual-plated, as described above.
- Trucks which are a salvage vehicle (see Chapter I, Table I.4) for which a minimum of 24 months of ownership and operation cannot be verified.
- Trucks constructed from a glider kit, unless allowed by the local agency for an old, existing truck to be replaced. Glider kit trucks may not be repowered or utilized as a replacement truck.
- Repowered trucks when used as a replacement truck.

General Requirements for Equipment Owners (applicable to all project options)

Selected applicants must sign a contract with SCAQMD including project milestone and completion deadlines and commit to the following:

- Certify that there are no outstanding CARB violations or non-compliance with CARB regulations associated with the equipment or the owner and provide a copy of the CARB compliance certificate from TRUCRs.
- Maintain fleet compliance with the Statewide Truck and Bus Rule without utilizing Program-funded equipment until the specified timeframe. CARB will post and update information on the Program website describing operational deadlines and when the Program-funded vehicle will become eligible to be included in the equipment owner's fleet compliance strategy for the applicable project option.
- Vehicle inspections by the SCAQMD at designated time & location.
- Destruction of the old truck (replacements) at an SCAQMD-approved Prop. 1B Program dismantling facility (the old truck must be kept in operating condition and registered as operational until it is delivered to the dismantler and must be able to be driven to the dismantler under its own power).
- Maintaining old truck eligibility for Program funds. This includes maintaining registration, keeping equipment in legal operating condition, correcting any air pollution citations, and reporting, repairing, or replacing equipment that has been damaged, destroyed, or stolen.
- Commit to the project life (contract term) specified with the applicable program-funded equipment project option.



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- Adhere to all Program requirements during the project life.
- Commit to move goods a majority of the time.
- Commit program-funded equipment to 100% California operation (or 90% California operation as selected by the equipment owner) and California base-plated registration or California IRP. **Out-of-state registrations, including out-of-state IRP, are prohibited.** Dual plates are only allowed for trucks that carry goods across the California/Mexico border and are required to be dual plated (California/Mexico - only for 90% California operation projects).
- Commit program-funded equipment to at least 50% travel within the four trade corridors for the duration of the project life.
- Maintain current California DMV registration for program-funded equipment at all times during the project life.
- Ownership of the old truck shall not change from the time an equipment project application is submitted to invoice payment.
- Agree to accept an on-board electronic monitoring unit on program-funded equipment at any time during the project life.
- Comply with record-keeping, reporting, and audit requirements.
- Properly maintain program-funded equipment in good operating condition and according to manufacturer's recommendations.
- Maintain collision/comprehensive insurance on the program-funded truck for replacement projects.
- Demonstrate proof of equipment warranty (a minimum of 1 year or 100,000 mile major component engine warranty for the program-funded equipment) that covers parts and labor to include the diesel particulate filter (if the equipment is no longer under warranty or has less than 1 year of warranty).
- Correct outstanding CARB equipment violations associated with the owner's **entire fleet of vehicles.**
- Program-funded projects must be purchased and operational prior to the CARB's Truck and Bus Regulation applicable compliance deadlines.
- Agree and acknowledge that the SCAQMD may release the information the application contains to third parties if required by state and federal public records laws;
- Program funding shall only be used to pay down the capital cost of the new equipment.
- Any tax obligation associated with the funding award is the responsibility of the equipment owner (grantee). Equipment owners receiving funding may be issued a 1099-G form by the SCAQMD for the awarded amount if required.
- Any other program provisions described in the Program Guidelines.
- Lease-to-own (LTO) projects must comply with all requirements listed in the Program Guidelines, Chapter IV.A.13. LTO applications must be signed and submitted by the owner of the old truck.
- The applicant must be the legal owner of the old truck at the time of application and must participate in the LTO program as either the lessor or lessee.



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Program Requirements for Engines for Replacement Projects:

- Engines eligible for funding must be certified/verified (as applicable) by a CARB Executive Order for on-road use with the following:
 - Alternative fuel engines must meet the 2010 emissions level of 0.20 grams per brake-horsepower hour (g/bhp-hr) or less NOx (FEL and CERT values) and 0.01 g/bhp-hr or less PM (CERT value).
 - Hybrid and zero emission engines must be 2015 or newer and certified/verified (as applicable) by CARB.
 - Low NOx engines must meet the optional low NOx standard of 0.02 g/bhp-hr or less NOx and be certified/verified (as applicable) by CARB.
 - Class 8 truck - intended service of Heavy Heavy Duty (HHD) for low-NOx and hybrid engines or Heavy Duty Otto (HDO) for applicable alternative fuel vehicles.
 - Class 7 truck - intended service of Medium Heavy Duty (MHD) or HHD for low-NOx and hybrid engines or HDO for applicable alternative fuel vehicles.
 - Class 6 truck - intended service of MHD for low-NOx and hybrid engines or HDO for applicable alternative fuel vehicles.
 - Class 6-8 trucks - all heavy duty hybrid or electric vehicles shall follow CARB's Heavy Duty Hybrid Electric Vehicle Certification Procedure.

Program Requirements for Trucks Purchased for Replacement Projects:

- All replacement trucks must have a manufacturer's GVWR of:
 - 19,501 lbs – 26,000 lbs (Class 6)
 - 26,001 – 33,000 lbs (Class 7)
 - 33,001 lbs or greater (Class 8)
- The existing truck must have a MHD or HHD engine (service class).
- The replacement truck must have the same weight classification range (Class 6, 7, or 8) and service class (HHD or MHD) as the existing truck, except for the following conditions (funding levels for trucks in different weight classification ranges are specified in Table 5 below):
 - The equipment owner chooses to replace 2 eligible trucks for 1 replacement truck (Two-for-One option). For 2 for 1 replacement projects, the funding amount is based on the highest weight classification of the two existing trucks, or the weight classification of the replacement truck, whichever is less.
 - Replacement required by the equipment owner in order to meet a vocational need, as approved by the SCAQMD.
 - Replacement of a Class 7 truck with a Class 8 truck or Class 8 with a Class 7 truck, as long as both trucks have a HHD engine. Please note that the funding amount would be at a Class 7 level for both scenarios.
- Original equipment manufacturer engine installed in a chassis of the same model year, make, and configuration as was originally provided from the truck manufacturer when the chassis and engine were both new.



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**Table 4: Heavy-Duty Trucks – Funding Examples for Weight Class Modifications
(Based on GVWR)**

Project Type	Old Truck	Replacement Truck	Funding Level
Replacement (1 for 1)	Class 7	Class 8	Class 7
Replacement (1 for 1)	Class 8	Class 7	Class 7
Replacement (2 for 1)	Class 7 and Class 8	Class 8	Class 8
Replacement (2 for 1)	Class 8 and Class 8	Class 7	Class 7
Replacement (2 for 1)	Class 6 and Class 6	Class 7	Class 6
Replacement (2 for 1)	Class 6 and Class 8	Class 7	Class 7

- Additional requirements specific to certain truck project options can be found in Appendix A of the Proposition 1B: Goods Movement Emission Reduction Program-Final 2015 Staff Report and Guidelines for Implementation available at: www.arb.ca.gov/gmbond.

Modifying an Application

Equipment owners are limited in what they can change after the application is submitted, as changes will affect a project’s competitive ranking. Equipment owners are encouraged to select the option that best suits their company as changes may not be possible at a later date. For program-funded projects, equipment owners are able to select any make/model vehicle or engine as long as it meets the required emission levels and is in the same vehicle class as the existing truck (with limited exceptions).

Equipment must meet all other program requirements, including, but not limited to, the maximum truck mileage limit as determined with odometer verification at the time of post-inspection. Please note that your funding amount may change. **Under no circumstances will an engine that is dirtier than the 2010 emission levels (0.20 grams/bhp-hr NOx and 0.01 grams/bhp-hr PM) be eligible for funding.**

Equipment owners may change the project option after the solicitation period has closed subject to the following requirements:

- The change must result in a funding amount equal to or less than the amount that was requested in the original application.
- The change must result in calculated project cost-effectiveness equal to or greater than the project listed in the original application.
- The change must result in the project remaining above the funding line on the ranked list.

Equipment owners **cannot** substitute a different vehicle or change the ownership of the existing truck identified on the application after the solicitation period has closed.

If a truck identified as a certain weight class in the application is later determined to be in a different weight class, the SCAQMD will reduce the amount of funding requested to the amount associated with the appropriate weight class or as specified above in Table 1.



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VII. APPLICATION SUBMITTAL REQUIREMENTS

An equipment owner **is not allowed to** submit a Proposition 1B application for the same vehicle to multiple local agencies. However, equipment owners may apply for co-funds from other funding programs up to 90% of the total project cost with the limitation that no more than one additional source of State funding is used. Co-funded projects may involve funds from CARB’s Air Quality Improvement Program (AQIP), including the Hybrid Voucher Incentive Program (HVIP), CARB’s Low Carbon Transportation Program, or CEC’s Alternative Renewable Fuel Vehicle Technology Program. Equipment owners who are found to have submitted multiple Prop. 1B applications for the same equipment project and not disclosed any other requested, or received financial incentive may be disqualified from funding for that engine or piece of equipment under this Program.

The following documentation must be completed, signed and submitted to SCAQMD by the due date:

Project Type	Require application forms, and attachments
Truck Replacement	Form A1, Form B1 for each truck included in the application, including all supplemental information, and Attachments 1 through 5.
Two-for-One Truck Replacement	Form A1, Form B1, and Form B2 for each two-for-one truck transaction, included in the application, including all supplemental information, and Attachments 1 through 5.
Three-Way Truck Transaction	Form A1, Form B3 for each 3-way truck transaction in the application, including all supplemental information, and Attachments 1 through 5.
Electrification Infrastructure at a Truck Stop, Rail Yard or Other Freight Facility	Form C1 for each project in the application, including all supplemental information, and Attachments 1 through 5.
Electric Charging Stations or Hydrogen Fueling Units	Form C2 for each project in the application, including all supplemental information, and Attachments 1 through 5.
TRU Replacement	Form D1 for each project in the application, including all supplemental information, and Attachments 1 through 5.
TRU Power Plug Installation	Form D2 for each project in the application, including all supplemental information, and Attachments 1 through 5.
Cryogenic Refrigeration Fueling Infrastructure at Distribution Center	Form E1 for each project in the application, including all supplemental information, and Attachments 1 through 5.

Below is a list of all application forms and attachments for the Prop 1B Program. Please refer to the above table for the specific application forms required for your project type.

- Form A1 – Application Information (this form is required for all applicants)
- Form B1 – Heavy-Duty Diesel Truck Replacement
- Form B2 – Second Truck in Two-for-One Truck Replacement
- Form B3 – Three-Way Truck Transaction
- Form C1 – Truck Stop Electrification Infrastructure



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- Form C2 – Electric Charging Stations or Hydrogen Fueling Units
- Form D1 – TRU Replacement
- Form D2 – TRU Power Plug Installation
- Form E1 – Cryogenic Refrigeration Fueling Infrastructure at Distribution Center

- Attachment 1 – Business Information Request
- Attachment 2 – Disadvantaged Business Certification
- Attachment 3 – W-9 - Request for Taxpayer Identification Number and Certification
- Attachment 4 – Withholding Exemption Certificate
- Attachment 5 – Campaign Contribution Disclosure

Note: Each Attachment (#s 1-5) should be completed and submitted with each set of projects. If your application is approved, an updated Attachment 5 may be requested by your assigned Project Officer at a later date.

VIII. EQUIPMENT PROJECT PURCHASE RESTRICTIONS

An equipment owner **may not** purchase, receive, install, pay for, or place into operation any engines, equipment, or vehicles, nor may work begin on a repower project or a project to install electrical infrastructure, until the project contract is fully executed. For all equipment except for TRUs, an equipment owner may pre-order prior to contract execution at the equipment owner's risk. For TRUs, the equipment funded by this Program can only be purchased or ordered once the existing equipment has been pre-inspected and the contract is signed between the equipment owner and SCAQMD. The SCAQMD **will not** reimburse grantees for orders or any payments on a new engine, piece of equipment, or vehicle that takes place prior to SCAQMD approval of the project through contract execution.

Dealers ordering engines, equipment, or vehicles prior to contract execution assume all financial risk, and are in no way assured grant funds.

Applicant has 18 months to verify project completion/close out payment for truck retrofit, repower, replacement, and three-way transaction projects, where the equipment is commercially available including CARB certification/verification as applicable.

Applicant has 3 years to verify project completion/close out payment for heavy duty truck and transportation refrigeration unit projects where engines or equipment are not commercially available including certification/verification as applicable.

Applicant has 3 years to verify project completion, obtain at least 1 year of data on actual use, and close out payment for truck stop electrification infrastructure projects.

IX. PAYMENT PROCESS

The SCAQMD shall expend Program funds through invoice payments after the satisfactory completion of a post-inspection by SCAQMD. Invoice payments provide Program funding to equipment owners on a reimbursement basis or to the vendor (or dealership) through a direct



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payment option provided the SCAQMD receives written instructions and approval from the grantee. For the direct payment option, an authorized representative of the dealership must have signed a Memorandum of Understanding agreement with the SCAQMD certifying their understanding of the program requirements. Grant funds shall only be used toward the capital cost of the equipment. In the case of a LTO project, the grant funds shall only be used to reduce the principal owed by the lessee to purchase the truck. For more information on the requirements affecting LTO projects, see Chapter IV of the Program Guidelines.

Note: Applicants must maintain compliance with all applicable CARB regulations throughout the Proposition 1B Program process and the life of the contract. Program-funded equipment may not be used by the equipment owner to comply with any applicable CARB regulations.

Invoice Payments

Payment of the grant funds will only be made after the replacement truck has passed a post-inspection by the SCAQMD and the SCAQMD has received a valid invoice package for the new engine, vehicle, or piece of equipment. The SCAQMD may issue the grant payment to the equipment owner upon submission of a valid invoice once the following requirements have been met:

- Equipment owner or dealer must deliver the old truck to an SCAQMD-approved, DMV-licensed dismantler within 30 calendar days after the replacement truck is placed into operation.
- The equipment owner shall submit proof of a minimum 1-year or 100,000 mile major component engine warranty covering parts and labor for the new or used replacement vehicle or repowered engine (if the truck is no longer under warranty or has less than 1 year of warranty). Warranty shall include the diesel particulate filter (if the truck is no longer under warranty or has less than 1 year of warranty).
- Equipment owner must submit proof of insurance on the replacement truck.
- Equipment owner must demonstrate compliance with the requirements of CARB's Truck and Bus Regulation with a valid compliance certificate for the current year with the Truck Regulation Upload, Compliance, and Reporting System (TRUCRS)¹ ID that matches the information on the application. **Equipment owners cannot use the replacement truck for demonstrating compliance with the regulation.**
- For the reimbursement option, the equipment owner must submit proof of payment and a copy of the original invoice from the vendor or dealership. Additional information may be required by the SCAQMD.
- For the reimbursement option, the SCAQMD will require verification from the dismantler that the old equipment has been delivered to the dismantling site and is in custody of the dismantler.
- The payment of grant funds will not exceed the amount directly paid by the equipment owner.

¹ CARB online reporting system for heavy-duty diesel trucks. https://ssl.arb.ca.gov/ssltrucr/stb/trucrs_reporting/reporting.php



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X. PROJECT EVALUATION AND COMPETITIVE RANKING

Complete applications will be evaluated by the SCAQMD and all eligible projects will be competitively ranked according to the procedures specified in the Program guidelines. The ranked list, once approved by CARB, will be posted on the SCAQMD website. SCAQMD will award grant funds to the top project on the ranked list and continue down the list until the Program funds are exhausted. If the Program funds are not exhausted, SCAQMD will seek CARB's approval to start funding the backup projects in the order they appear on the backup ranked list. For complete information regarding project evaluation and the competitive ranking process, please refer to Chapter IV of the Final 2015 Staff Report and Guidelines for Implementation found on the CARB Program website at: www.arb.ca.gov/gmbond.

Eligible zero emission truck projects, as well as any low-NOx or zero-mile trucks shall automatically be ranked above other competing equipment project options.

Note that TRUs will be competitively ranked separately from all other application types covered in this Program Announcement.

XI. ANNUAL REPORTING REQUIREMENTS

Heavy-Duty Diesel Truck Projects

Equipment owners that are awarded funding will be responsible for annual reporting to the SCAQMD. The equipment owner shall submit annual reports for the project life. The equipment owner's annual reports shall include, but is not limited to:

- Contact information (owner name, address, phone number, etc.).
- Proof of California DMV registration.
- Fleet size.
- Current odometer reading, including the date read (estimate total vehicle mileage if odometer is missing or broken).
- Annual VMT in California since last report.
- Certification of the required 90% or 100% California-only operation.
- Certification of at least 50% of travel within the four trade corridors as well as provide the percentage of annual vehicle miles of travel in:
 - Bay Area Trade Corridor
 - Central Valley Trade Corridor
 - Los Angeles/Inland Empire Trade Corridor
 - San Diego/Border Trade Corridor
- Proof of insurance coverage.
- Certification that the bond-funded project was operated in accordance with the signed contract, and that all information submitted to the SCAQMD is true and accurate.
- Other information as requested by the SCAQMD.

Truck Stop Electrification



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Equipment owners that are awarded funding will be responsible for annual reporting to the SCAQMD for the project life. The equipment owner annual reports shall include, but is not limited to:

- Contact information (owner name, company, address, phone number).
- Project completion date.
- Actual number of truck connections to equipment per unit (parking space) each month in the reporting period.
- Actual number of hours the equipment was used per unit (parking space) each month in the reporting period. Include only equipment hours that enabled usage of heating and cooling to the cab or electrical power to TRUs or auxiliary power systems.
- Actual electrical usage by trucks or equipment documented by electric utility billing statements, electric meter readings, equipment monitoring data or other approved method in the reporting period. Include only electrical power that enabled usage of heating and cooling to the cab or electrical power to TRUs or auxiliary power systems.
- Date, duration, and general description of any equipment failure or other event that prevented trucks from using the system for more than 1 week.
- Certification of insurance.
- Signed certification statement that the bond-funded project was installed and is operating as it was approved in the post-inspection and that all information submitted to the local agency is true and accurate.
- Other information as requested by the SCAQMD.

Electric Charging Stations/Hydrogen Fueling Units

Equipment owners that are awarded funding will be responsible for annual reporting to the SCAQMD for the project life. The equipment owner annual reports shall include, but is not limited to:

- Contact information (owner name, address, phone number, etc.).
- Actual number of truck connections to equipment per charging station/fueling unit each month in the reporting period.
- Actual number of hours the equipment was used per charging station/fueling unit each month in the reporting period.
- For electrical charging stations, actual electrical usage per charging station documented by electric utility billing statements, electric meter readings, equipment monitoring data or other approved method in the reporting period.
- For hydrogen fueling units, actual usage per unit documented by billing statements, meter readings, equipment monitoring data or other approved method in the reporting period.
- Description of any equipment failure or other event that prevented trucks from using the charging/fueling units more than one week.
- Proof of equipment warranty coverage.
- Certification that the bond-funded project was operated in accordance with the signed contract, and that all information submitted to the SCAQMD is true and accurate.
- Other information as requested by the SCAQMD.



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Zero Emission TRUs or Cryogenic Transport Refrigerator

Equipment owners that are awarded funding will be responsible for annual reporting to the SCAQMD for the project life. The equipment owner annual reports shall include, but is not limited to:

- Contact information (owner name, company, address, phone number).
- Project completion date.
- Equipment type.
- Infrastructure and or equipment utilization.
- Annual hours of operation.
- Description of any equipment failure or other event that prevented TRs from operating for more than one week.
- Certification of insurance.
- Signed certification statement that the bond-funded technology was installed on the equipment for which it was approved, and that all information submitted to the local agency is true and accurate.
- Other information as requested by the SCAQMD.

Electric or Cryogenic Infrastructure and Equipment

Equipment owners that are awarded funding will be responsible for annual reporting to the SCAQMD for the project life. The equipment owner annual reports shall include, but is not limited to:

- Contact information (owner name, company, address, phone number).
- Facility location.
- Project completion date.
- Actual number and duration of TRU/TR connections to equipment per unit in the reporting period.
- Electricity/fuel annual usage documentation.
- Summary of maintenance and inspections conducted.
- Description of any equipment failure or other event that prevented TRU/TRs from using the system for more than one week.
- Certification of insurance.
- Signed certification statement that the bond-funded project was installed and is operating as it was approved in the post-inspection and that all information submitted to the SCAQMD is true and accurate.
- Other information as requested by the SCAQMD.

XII. INFORMATION ON TRUCK EFFICIENCY UPGRADES

The Program does not provide funding for technologies that improve fuel efficiency for trucks, which may include devices that reduce aerodynamic drag and rolling resistance. Aerodynamic drag may be reduced by using devices such as cab roof fairings, cab side gap fairings, and cab side skirts. On the trailer side, aerodynamic drag may be reduced by using trailer side skirts, gap



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fairings, and trailer tails. Rolling resistance may be reduced by using single wide tires or low-rolling resistance tires and automatic tire inflation systems on both the tractor and the trailer. These upgrades offer the potential to cut emissions of greenhouse gases and criteria pollutants, with a two to three year payback period through lower fuel costs. The benefits are variable based on the type of truck operations.

On December 11, 2008, CARB adopted a *Regulation to Reduce Greenhouse Gas Emissions from Heavy-Duty Vehicles (CCR, title 17, section 95300)*. This regulation applies primarily to owners of 53-foot or longer box-type trailers requiring their trucks and trailers to become more fuel efficient. Truck owners may be responsible for replacing or retrofitting their affected vehicles with efficiency upgrades that fit their operating profile. While the Program does not provide funding for the efficiency upgrades, other incentive programs may help offset the purchase cost or help finance the purchase of the upgrades, including CARB's Providing Loan Assistance for California Equipment (PLACE) Program (<http://www.arb.ca.gov/ba/loan/on-road/on-road.htm>).

XIII. USEFUL RESOURCES

- CARB Goods Movement Emission Reduction Program:
<http://www.arb.ca.gov/bonds/gmbond/gmbond.htm>
- CARB Truck Stop website: <http://www.arb.ca.gov/msprog/truckstop/truckstop.htm>
- CARB TRUCRS: https://ssl.arb.ca.gov/ssltrucrsto/trucrs_reporting/reporting.php
- SCAQMD Prop. 1B Website (where a copy of the solicitation and application forms can be found) <http://www.aqmd.gov/home/programs/business/goods-movement-heavy-duty-truck-projects>
- Transport Refrigeration Unit (TRU or Reefer) Air Toxics Control Measure (ATCM):
<http://www.arb.ca.gov/diesel/tru/tru.htm>



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MAP OF THE TRADE CORRIDORS



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PROPOSITION 1B - GOODS MOVEMENT EMISSION REDUCTION PROGRAM APPLICATION

FORM A1: Applicant Information *(Complete one form per company)*

I. APPLICANT INFORMATION(Required Information)

Applicant Name/Registered Owner (Equipment Owner):		
Business Name (if any):	TRUCRS ID #:	
Primary Contact Full Name:	Email:	
Mailing Address:	Phone Number:	
City:	State:	Zip Code:
Fleet Size: _____	<i>"Fleet Size" means the number of diesel-fueled vehicles traveling in California that are registered to be driven on public highways and have a manufacturer's gross vehicle weight rating of 14,001 pounds or greater that are under common ownership or control [as defined in CCR section 2025 in title 13, article 4.5, Chapter 1] by a person, business, or government agency.</i>	

II. PROJECT INFORMATION

What type of project are you applying for?		
Project Type	Total Number of trucks included	Additional forms to complete
Truck Replacement	Number of trucks being replaced: _____	Form B1 for each truck included in the application
Two-for-One Truck Replacement	Number of trucks being replaced: _____	Form B1 and B2 for each two-for-one truck replacement included in the application
Three-Way Truck Transaction	Total trucks included: _____	Form B3 for each 3-way truck transaction in the application
Truck Stop Electrification Infrastructure	Not Applicable	Form C1
Electric Charging Stations or Hydrogen Fueling Units	Not Applicable	Form C2
Transport Refrigeration Unit (TRU) Replacement	Number of units being replaced: _____	Form D1 for each set of units in the application
TRU Power Plug Installation	Number of plugs being installed: _____	Form D2
Cryogenic Refrigeration Fueling Infrastructure	Not Applicable	Form E1

III. SUPPLEMENTAL INFORMATION- PLEASE ATTACH THE FOLLOWING DOCUMENTS TO COMPLETE YOUR APPLICATION

<input type="checkbox"/>	Attach one or more of the following forms to Form A1 , as required:	
<input type="checkbox"/>	Form B1- Truck Replacement Form B2- Two-for-One Truck Replacement Form B3- Three-Way Truck Transaction Form C1- Truck Stop Electrification Infrastructure	Form C2- Electric Charging Stations or Hydrogen Fueling Units Form D1- Transportation Refrigeration Unit (TRU) Replacement Form D2- TRU Power Plug Installation Form E1- Cryogenic Refrigeration Fueling Infrastructure
<input type="checkbox"/>	Attach a copy of the "Certificate of Compliance" from CARB's TRUCRS database, this certificate must show that your fleet is in compliance with CARB Truck and Bus Regulation at the time of application submittal. The TRUCRS website can be accessed at: https://ssl.arb.ca.gov/ssltru-crstb/trucrs_reporting/reporting.php . For the applicants applying for Transport Refrigeration Units (TRUs), please provide 100% Compliant Carrier status from ARB's Equipment Registration (ARBER) system.	

Submit the original completed application (with all required supporting documents and signatures) along with **two (2) copies** of **the entire application package** via mail delivery, or in person to:

South Coast Air Quality Management District
21865 Copley Dr., Diamond Bar, CA 91765
 Attn: **Procurement**

Application Deadline: August 4, 2016

NOTE: Facsimile or email submittals **will not be accepted**. You must submit total of 3 copies including the original application.



I am the owner of the existing vehicle(s), have the legal authority to apply for incentive funding for the entity described in this application, and agree to the following statement by signing below:

- I (equipment owner) have reviewed the information provided in this application, including all supporting documentation, and certify the application information is true and correct, and meet the minimum requirement of the proposition 1B –Good Movement Emission Reduction Program;
I agree to follow all requirements of the Proposition 1B - Goods Movement Emission Reduction Program- Final 2015 Staff Report and Guidelines for Implementation;
The program-funded equipment shall be placed into operation and post-inspected prior to the applicable operational deadline to remain eligible for funding;
I understand that the Program-funded equipment may not be used by the equipment owner to comply with any applicable CARB regulations,
Neither the owner nor equipment identified in the application has any outstanding violations or non-compliance with CARB regulations;
The purchase of this low-emission vehicle is NOT required by any local, state, and/or federal rule or regulation, including, but not limited to, the Drayage Truck Regulation (13 CCR §2027), Truck and Bus Regulation (13 CCR §2025), and/or Solid Waste Collection Vehicle Regulation (13 CCR §2021);
I have not and will not apply for additional grant funds from any other agency or program for the vehicle(s) included in this application, except the funding programs allowed by the Guideline.
I will disclose any other source(s) of funding that has been applied for and will be used for the same project, including the source of funds, amount, and the purpose for funding;
I will disclose the value of any existing financial incentive that directly reduces the project cost, including tax credits or deductions, grants, or other public financial assistance for the same equipment;
Grant funds shall only be used to offset the capital cost of the equipment and/or shall reduce the principal owed to purchase the equipment;
New equipment must not be purchased, received, installed, paid for, or placed into operation prior to contract execution unless specified by the Program Guidelines, and if allowed, equipment owner shall assume all financial risk and is in no way assured program funds;
New equipment purchased outside of California may be subject to California sales and/or use tax;
I have all the information needed to understand what must be done to maintain eligibility for Program funds. This includes maintaining registration and ownership; keeping equipment in legal operating condition within California; correcting any air pollution citations; complying with all CARB regulations; and reporting, repairing, or replacing equipment that has been damaged, destroyed, or stolen;
I understand that an incomplete or illegible application, including applications that are missing required documentation, may be rejected by the SCAQMD at their discretion;
I acknowledge that the SCAQMD may release the information the application contains to third parties if required by state and federal public records laws;
I understand that the Program-funded equipment will be required to operate at least 90% or 100% of its operating time within California for the project life;
Program funds were not used to previously upgrade the equipment identified in the equipment project application (except for funds that may have been received to retrofit a truck with a diesel PM filter);
Any additional non-Program funding needed to complete the equipment project according to the proposed timeframe is reasonably available; and
I understand as an applicant that incentive programs have limited funds and shall terminate upon depletion of program funding.

Printed Name of Owner: _____

Title: _____

Signature of Owner: _____

Date: _____



PROPOSITION 1B - GOODS MOVEMENT EMISSION REDUCTION PROGRAM APPLICATION

FORM B1: Equipment Information – Heavy-Duty Diesel Truck Replacement

(Complete one form per truck)

I. Required Truck Information

Equipment Registered Owner:		Equipment Fuel Type:
Vehicle Identification Number (VIN):		License Plate Number:
Truck Model Year:	Engine Model Year:	Engine Serial No.:
Annual Vehicle Miles Traveled in California:	Current Odometer Reading:	Date Recorded:
Power Take-off (PTO) Usage (if applicable):		Current PTO hour meter reading: _____ Date Recorded:
Does PTO operate while the main truck engine is operating? <input type="checkbox"/> Yes <input type="checkbox"/> No		
Manufacturer Gross Vehicle Weight Rating (GVWR): _____ lbs <i>(Refer to the label found in the door jamb of your truck for the correct GVWR. Please attach a photograph of this label. NOTE: This is NOT the number registered with the DMV.)</i>		
Port Trucks? <input type="checkbox"/> Yes <input type="checkbox"/> No	DPF installed? <input type="checkbox"/> Yes <input type="checkbox"/> No, if yes	
Vocation (Types of goods typically transported – Choose 1 box only) “Goods” are defined as having the same meaning in Commercial Code section 2105, which essentially requires that: 1) The goods must be movable, and 2) the goods being moved must be part of a transaction that involves a contract for the sale of the goods. <input type="checkbox"/> Agricultural <input type="checkbox"/> Concrete Mixer <input type="checkbox"/> Dry Bulk Blower <input type="checkbox"/> Vacuum Pneumatic <input type="checkbox"/> Trailer Aggregates <input type="checkbox"/> Container <input type="checkbox"/> Hazardous Materials <input type="checkbox"/> Wood/Paper Products <input type="checkbox"/> Bulk or Break Bulk <input type="checkbox"/> Dairy <input type="checkbox"/> Heavy Equipment/Metals <input type="checkbox"/> Restaurant/Grocery <input type="checkbox"/> Building/Construction <input type="checkbox"/> Dump Truck <input type="checkbox"/> Poultry <input type="checkbox"/> Other _____		
Estimated Percentage of Annual Vehicle Miles Traveled (VMT) in CA Trade Corridors (Total percentage cannot be over 100%) _____% Bay Area _____% Central Valley _____% LA/Inland Empire _____% San Diego/Border _____% Other in CA _____% Outside CA		

Proposed New Equipment and Funding Requested:

Existing Truck	Replacement Engine Emission Level (Please check only 1 Box Below)				
	New MY2015+ engine natural gas truck ^{1,2,3}	New MY2015+ engine Hybrid truck ^{1,2,4}	New MY2015+ Engine optional Low-NOx truck (0.02 only) ^{1,2}	New MY2015+ engine hybrid zero emission mile truck ^{1,2,5}	New MY2015+ engine zero emission truck ^{1,2,6}
Class 8 (33,001 lbs or greater GVWR, HHD engine)	<input type="checkbox"/> \$65,000	<input type="checkbox"/> \$80,000	<input type="checkbox"/> \$100,000	<input type="checkbox"/> \$150,000	<input type="checkbox"/> \$200,000
Class 7 (26,001 – 33,000 lbs GVWR, MHD or HHD engine)	<input type="checkbox"/> \$65,000	<input type="checkbox"/> \$80,000	<input type="checkbox"/> \$100,000	<input type="checkbox"/> \$150,000	<input type="checkbox"/> \$200,000
Class 6 (19,501 – 26,000 lbs GVWR, MHD engine)	<input type="checkbox"/> \$40,000	<input type="checkbox"/> \$45,000	<input type="checkbox"/> \$50,000	<input type="checkbox"/> \$65,000	<input type="checkbox"/> \$100,000

1. Projects may be co-funded with CARB’s Air Quality Improvement Program, Low Carbon Transportation Program, or the California Energy Commission’s (CEC’s) Alternative Renewable Fuel Vehicle Technology Program funds as applicable.
2. Co-funded projects can only utilize one additional source of State funding and the combined funding may not exceed 90% of the total eligible project cost or any other funding restrictions of each respective program. Projects must meet the requirements of each program providing funding.
3. Engines must meet the 2010 emission level of 0.20 g/bhp-hr or less NOx (FEL and CERT values) and 0.01 g/bhp-hr or less PM (CERT value). All engines must be approved by CARB to be sold in California.



PROPOSITION 1B - GOODS MOVEMENT EMISSION REDUCTION PROGRAM APPLICATION

FORM B1: Equipment Information – Heavy-Duty Diesel Truck Replacement

(Complete one form per truck)

- 4. Hybrid truck is defined as a vehicle with an electric drive system powered by an on-board generator and approved for funding by AQIP.
- 5. Hybrid zero emission mile truck is defined as a hybrid vehicle capable of zero emission miles.
- 6. Zero emission truck is defined as a vehicle that emits no criteria pollutant, toxic or greenhouse gas emissions at the tailpipe.

II. Additional Information

Purchasing Vehicle with a Lease-To-Own Program (LTO)? No Yes **If yes, complete the lessor information below.**

(LTO projects must comply with requirements listed in the Program Guidelines, Chapter IV.A.13. LTO application must be signed and submitted by the owner of the old truck. Applicant must be the legal owner of the old truck at the time of application and must participated in the LTO program as either the lessor or lessee)

Name of Lessor:

Contact Name and Phone Number of Lessor:

Lessot Address:

III. Supplemental Information- Please Attach the following Documents to Complete Your Application

Proof of Current and Prior Year Registration in CA:
 Acceptable records may include: CA based-plated registration, CA International Registration Plan (IRP), or dual-plated registration (CA based-plated/CA IRP and Mexico only) for trucks carrying goods across the CA-Mexico border.

Please provide registration documents to verify the following:

- 1) Current registration, AND
- 2) Registration for the past 2 years: Must show proof of registration in the current year (1-12 months prior to application date) and prior year (13-24 months prior to application date).

Two options:

- 1) CA DMV registration cards for the past 2 years, OR
- 2) CA DMV Vehicle Registration Information Record (DMV printout)
 - o The DMV printout must show registration in both the current year and prior year with a mini- mum of 6 months of total registration.
 - o If the DMV printout shows no registration in the prior year, then alternative documentation (insurance certificate or BIT inspection) must be used to verify operation in the prior year.

Note: The DMV printout may be obtained by submitting a Request for Driver Record Information form (INF 1125) to the DMV. To find your local DMV office, please visit <http://www.dmv.ca.gov>. You may also obtain and pay for the DMV printout online at:

<http://www.dmv.ca.gov/online/vrr.htm>

Copy of Existing Vehicle Title

(Note: Title may show a lienholder at the time of application however the title must be cleared of all liens prior to payment of any grant funds by SCAQMD.)

Vehicle Miles Traveled (VMT) in CA for the past 24 Months:

Acceptable documentation includes, but is not limited to: maintenance records, Biennial Inspection of Terminals (BIT inspection), International Fuel Tax Agreement (IFTA) records, daily logs, etc.) Documentation must clearly identify the truck by ID number, license plate, or VIN.

Two (2) mileage records showing odometer readings



If applicable, provide Power Take Off (PTO) activity for the past 24 months:

Acceptable documentation is subject to approval by the SCAQMD, but must clearly identify the truck by ID number, license plate, or VIN.

Two (2) PTO records showing hour meter

Proof of insurance for the past 24 months

Copy of 2016 Certificate of Compliance from CARB’s TRUCRS database

Photograph of the manufacturer’s labels found in the door jamb of the truck showing VIN and GVWR
(Legibly printed photos only)

I. IMPORTANT NOTES

- **SUBMIT** completed Forms A1, B1, and all required supplemental Information listed above to the SCAQMD by the requested due date.
- **DO NOT PURCHASE NEW EQUIPMENT!** New equipment funded by this program can only be purchased once the contract is signed between the equipment owner and the SCAQMD. An equipment owner may pre-order new equipment prior to contract execution and after posting of CARB’s approved rank list at the equipment owner’s risk.
- **KEEP EXISTING OLD TRUCK REGISTERED AND IN OPERATION!** Existing equipment must maintain continuous DMV registration and be in operation moving goods at a similar activity level to that listed in the application until the equipment has been relinquished to a SCAQMD-approved dismantler.
- **STAY COMPLIANT!** Applicants must maintain compliance with all applicable CARB regulations throughout the Proposition 1B Program process and the life of the contract. The Program-funded equipment may not be used by the equipment owner to comply with any applicable CARB regulations.



PROPOSITION 1B - GOODS MOVEMENT EMISSION REDUCTION PROGRAM APPLICATION

FORM B2: Two-for-One Truck Replacement – For Second Truck Only

(Complete one form per truck)

I. Second Truck Information

Equipment Registered Owner: Equipment Fuel Type:
Vehicle Identification Number (VIN): License Plate Number:
Truck Model Year: Engine Model Year: Engine Serial No.:
Annual Vehicle Miles Traveled in California: Current Odometer Reading: Date Recorded:
Power Take-off (PTO) Usage (if applicable): Current PTO hour meter reading: Date Recorded:
Does PTO operate while the main truck engine is operating? Yes No
Manufacturer Gross Vehicle Weight Rating (GVWR): lbs
(Refer to the label found in the door jamb of your truck for the correct GVWR. Please attach a photograph of this label. NOTE: This is NOT the number registered with the DMV)
Port Truck? Yes No DPF Installed? Yes No
Vocation (Types of goods typically transported – Choose 1 box only)
“Goods” are defined as having the same meaning in Commercial Code section 2105, which essentially requires that:
1) The goods must be movable, and 2) the goods being moved must be part of a transaction that involves a contract for the sale of the goods.
Agricultural Concrete Mixer Dry Bulk Blower Vacuum Pneumatic Trailer Ag-
gregates Container Hazardous Materials Wood/Paper Products
Bulk or Break Bulk Dairy Heavy Equipment/Metals Restaurant/Grocery
Building/Construction Dump Truck Poultry Other
Estimated Percentage of Annual Vehicle Miles Traveled (VMT) in CA Trade Corridors (Total percentage cannot be over 100%)
% Bay Area % Central Valley % LA/Inland Empire % San Diego/Border % Other in CA % Outside CA
Proposed future operation within CA during the contract term (choose one): At least 90% 100%

II. Supplemental Information – Please Attach the Following Documents to Complete Your Application

Proof of Current and Prior Year Registration in CA:
Acceptable records may include: CA based-plated registration, CA International Registration Plan (IRP), or dual-plated registration (CA based-plated/CA IRP and Mexico only) for trucks carrying goods across the CA-Mexico border.
Please provide registration documents to verify the following:
1) Current registration, AND
2) Registration for the past 2 years: Must show proof of registration in the current year (1-12 months prior to application date) and prior year (13-24 months prior to application date).
Two options:
1) CA DMV registration cards for the past 2 years, OR
2) CA DMV Vehicle Registration Information Record (DMV printout)
o The DMV printout must show registration in both the current year and prior year with a minimum of 6 months of total registration.
o If the DMV printout shows no registration in the prior year, then alternative documentation (insurance certificate or BIT inspection) must be used to verify operation in the prior year.
Note: The DMV printout may be obtained by submitting a Request for Driver Record Information form (INF 1125) to the DMV. To find your local DMV office, please visit http://www.dmv.ca.gov. You may also obtain and pay for the DMV printout online at: http://www.dmv.ca.gov/online/vrr.htm



- Copy of Existing Vehicle Title**
(Note: Title may show a lienholder at the time of application however the title must be cleared of all liens prior to the payment of any grant funds by SCAQMD.)

- Vehicle miles traveled (VMT) in California for the past 24 Months:**
Acceptable documentation includes, but is not limited to: maintenance records, Biennial Inspection of Terminals (BIT inspection), International Fuel Tax Agreement (IFTA) records, daily logs, etc.) Documentation
Two (2) mileage records that show odometer readings.

- If applicable, provide Power Take Off (PTO) activity for the past 24 months:**
Acceptable documentation is subject to approval by the SCAQMD, but must clearly identify the truck by ID number, license plate, or VIN.
Two (2) PTO records showing hour meter readings.

- Proof of insurance for the past 24 months**

- Copy of 2016 Certificate of Compliance from CARB’s TRUCRS database**

- Photograph of the manufacturer’s label found in the door jamb of the truck showing VIN and GVWR**
(Legibly printed photos only)

III. IMPORTANT NOTES

- **SUBMIT** completed Forms A1, B1, B2 and all required supplemental Information listed above to the SCAQMD by the requested due date.
- **DO NOT PURCHASE NEW EQUIPMENT!** New equipment funded by this program can only be purchased once the contract is signed between the equipment owner and the SCAQMD. An equipment owner may pre-order new equipment prior to contract execution and after posting of CARB’s approved rank list at the equipment owner’s risk.
- **KEEP EXISTING OLD TRUCK REGISTERED AND IN OPERATION!** Existing equipment must maintain continuous DMV registration and be in operation moving goods at a similar activity level to that listed in the application until the equipment has been relinquished to a SCAQMD-approved dismantler.
- **STAY COMPLIANT!** Applicants must maintain compliance with all applicable CARB regulations throughout the Proposition 1B Program process and the life of the contract. The Program-funded equipment may not be used by the equipment owner to comply with any applicable CARB regulations.



PROPOSITION 1B - GOODS MOVEMENT EMISSION REDUCTION PROGRAM APPLICATION

FORM B3: Three-Way Truck Transaction

(Complete one form per truck)

I. Truck A Information (Engine Model Year 2007-2009 with an OEM or Level 3 PM Filter Installed)

Equipment Registered Owner:		Equipment Fuel Type:
Vehicle Identification Number (VIN):		License Plate Number:
Truck Model Year:	Engine Model Year:	Engine Serial No.:
Annual Vehicle Miles Traveled:	Current Odometer Reading:	Date Recorded:
Power Take-off (PTO) Usage <i>(if applicable)</i> :		Current PTO hour meter reading: _____ Date Recorded: _____
Does PTO operate while the main truck engine is operating?		Yes No
Manufacturer Gross Vehicle Weight Rating (GVWR): _____ lbs		
<i>(Refer to the label found in the door jamb of your truck for the correct GVWR. Please attach a photograph of this label. NOTE: This is NOT the number registered with the DMV)</i>		
Vocation <i>(Types of goods typically transported – Choose 1 box only)</i>		
"Goods" are defined as having the same meaning in Commercial Code section 2105, which essentially requires that:		
1) The goods must be movable, and 2) the goods being moved must be part of a transaction that involves a contract for the sale of the goods.		
<input type="checkbox"/> Agricultural	<input type="checkbox"/> Concrete Mixer	<input type="checkbox"/> Dry Bulk Blower
<input type="checkbox"/> gates	<input type="checkbox"/> Container	<input type="checkbox"/> Hazardous Materials
<input type="checkbox"/> Bulk or Break Bulk	<input type="checkbox"/> Dairy	<input type="checkbox"/> Heavy Equipment/Metals
<input type="checkbox"/> Building/Construction	<input type="checkbox"/> Dump Truck	<input type="checkbox"/> Poultry
<input type="checkbox"/> Vacuum Pneumatic Trailer	Aggre-	
<input type="checkbox"/> Wood/Paper Products		
<input type="checkbox"/> Restaurant/Grocery		
<input type="checkbox"/> Other _____		
Estimated Percentage of Annual Vehicle Miles Traveled (VMT) in CA Trade Corridors <i>(Total percentage cannot be over 100%)</i>		
_____ % Bay Area _____ % Central Valley _____ % LA/Inland Empire _____ % San Diego/Border _____ % Other in CA _____ % Outside CA		
Proposed future operation within CA during the contract term <i>(choose one)</i> : <input type="checkbox"/> At least 90% <input type="checkbox"/> 100%		

II. Truck B Information (Engine Model Year 2006 or Older that has demonstrated compliance with the Statewide Truck and Bus Rule)

Equipment Registered Owner:		Equipment Fuel Type:
Vehicle Identification Number (VIN):		License Plate Number:
Truck Model Year:	Engine Model Year:	Engine Serial No.:
Annual Vehicle Miles Traveled:	Current Odometer Reading:	Date Recorded:
Power Take-off (PTO) Usage <i>(if applicable)</i> :		Current PTO hour meter reading: _____ Date Recorded: _____
Does PTO operate while the main truck engine is operating?		Yes No
Manufacturer Gross Vehicle Weight Rating (GVWR): _____ lbs		
<i>(Refer to the label found in the door jamb of your truck for the correct GVWR. Please attach a photograph of this label. NOTE: This is NOT the number registered with the DMV)</i>		
Vocation <i>(Types of goods typically transported – Choose 1 box only)</i>		
"Goods" are defined as having the same meaning in Commercial Code section 2105, which essentially requires that:		
1) The goods must be movable, and 2) the goods being moved must be part of a transaction that involves a contract for the sale of the goods.		
<input type="checkbox"/> Agricultural	<input type="checkbox"/> Concrete Mixer	<input type="checkbox"/> Dry Bulk Blower
<input type="checkbox"/> gates	<input type="checkbox"/> Container	<input type="checkbox"/> Hazardous Materials
<input type="checkbox"/> Bulk or Break Bulk	<input type="checkbox"/> Dairy	<input type="checkbox"/> Heavy Equipment/Metals
<input type="checkbox"/> Building/Construction	<input type="checkbox"/> Dump Truck	<input type="checkbox"/> Poultry
<input type="checkbox"/> Vacuum Pneumatic Trailer	Aggre-	
<input type="checkbox"/> Wood/Paper Products		
<input type="checkbox"/> Restaurant/Grocery		
<input type="checkbox"/> Other _____		
Estimated Percentage of Annual Vehicle Miles Traveled (VMT) in CA Trade Corridors <i>(Total percentage cannot be over 100%)</i>		
_____ % Bay Area _____ % Central Valley _____ % LA/Inland Empire _____ % San Diego/Border _____ % Other in CA _____ % Outside CA		
Proposed future operation within CA during the contract term <i>(choose one)</i> : <input type="checkbox"/> At least 90% <input type="checkbox"/> 100%		

Note: If owner of Truck B is different than owner of Truck A and has not yet been identified, Table II may be left blank. Ranking may be increased if Truck B information is provided at the time of application submittal.



III. Truck C Information – New Equipment And Funding Request (Must be the same vehicle class as Truck A)

Existing Truck	Replacement Engine Emission Level (Please check only 1 Box Below)				
	New MY2015+ engine natural gas truck ^{1,2,3}	New MY2015+ engine Hybrid truck ^{1,2,4}	New MY2015+ Engine optional Low-NOx truck (0.02 only) ^{1,2}	New MY2015+ engine hybrid zero emission mile truck ^{1,2,5}	New MY2015+ engine zero emission truck ^{1,2,6}
Class 8 <i>(33,001 lbs or greater GVWR, HHD engine)</i>	<input type="checkbox"/> \$65,000	<input type="checkbox"/> \$80,000	<input type="checkbox"/> \$100,000	<input type="checkbox"/> \$150,000	<input type="checkbox"/> \$200,000
Class 7 <i>(26,001 – 33,000 lbs GVWR, MHD or HHD engine)</i>	<input type="checkbox"/> \$65,000	<input type="checkbox"/> \$80,000	<input type="checkbox"/> \$100,000	<input type="checkbox"/> \$150,000	<input type="checkbox"/> \$200,000
Class 6 <i>(19,501 – 26,000 lbs GVWR, MHD engine)</i>	<input type="checkbox"/> \$40,000	<input type="checkbox"/> \$45,000	<input type="checkbox"/> \$50,000	<input type="checkbox"/> \$65,000	<input type="checkbox"/> \$100,000

1. Projects may be co-funded with CARB’s Air Quality Improvement Program, Low Carbon Transportation Program, or the California Energy Commission’s (CEC’s) Alternative Renewable Fuel Vehicle Technology Program funds as applicable.
2. Co-funded projects can only utilize one additional source of State funding and the combined funding may not exceed 90% of the total eligible project cost or any other funding restrictions of each respective program. Projects must meet the requirements of each program providing funding.
3. Engines must meet the 2010 emission level of 0.20 g/bhp-hr or less NOx (FEL and CERT values) and 0.01 g/bhp-hr or less PM (CERT value). All engines must be approved by CARB to be sold in California.
4. Hybrid truck is defined as a vehicle with an electric drive system powered by an on-board generator and approved for funding by AQIP.
5. Hybrid zero emission mile truck is defined as a hybrid vehicle capable of zero emission miles.
6. Zero emission truck is defined as a vehicle that emits no criteria pollutant, toxic or greenhouse gas emissions at the tailpipe.



I. Supplemental Information – Please Attach the Following Documents to Complete Your Application

Proof of Current and Prior Year Registration in CA:

Acceptable records may include: CA based-plated registration, CA International Registration Plan (IRP), or dual-plated registration (CA based-plated/CA IRP and Mexico only) for trucks carrying goods across the CA-Mexico border.

Please provide registration documents to verify the following:

Current registration, AND

Registration for the past 2 years: Must show proof of registration in the current year (1-12 months prior to application date) and prior year (13-24 months prior to application date).

Two options:

CA DMV registration cards for the past 2 years, OR

CA DMV Vehicle Registration Information Record (DMV printout)

The DMV printout must show registration in both the current year and prior year with a minimum of 6 months of total registration.

If the DMV printout shows no registration in the prior year, then alternative documentation (insurance certificate or BIT inspection) must be used to verify operation in the prior year.

Note: The DMV printout may be obtained by submitting a Request for Driver Record Information form (INF 1125) to the DMV. To find your local DMV office, please visit <http://www.dmv.ca.gov>. You may also obtain and pay for the DMV printout online at: <http://www.dmv.ca.gov/online/vrr.htm>

Copy of Existing Vehicle Title

(Note: Title may show a lienholder at the time of application however the title must be cleared of all liens prior to payment of any grant funds by SCAQMD.)

Vehicle Miles Traveled (VMT) in CA for the past 24 Months:

Acceptable documentation includes, but is not limited to: maintenance records, Biennial Inspection of Terminals (BIT inspection), International Fuel Tax Agreement (IFTA) records, daily logs, etc.) Documentation must clearly identify the truck by ID number, license plate, or VIN.

Two (2) mileage records that show odometer readings.

If applicable, provide Power Take Off (PTO) activity for the past 24 months:

Acceptable documentation is subject to approval by the SCAQMD, but must clearly identify the truck by ID number, license plate, or VIN.

Two (2) PTO records showing hour meter

Proof of insurance for the past 24 months

Copy of 2016 Certificate of Compliance from CARB's TRUCRS database

Photograph of the manufacturer's labels found in the door jamb of the truck showing VIN and GVWR (Legibly printed photos only)



III. IMPORTANT NOTES

- **SUBMIT** completed Forms A1, B1, and all required supplemental Information listed above to the SCAQMD by the requested due date.
- **DO NOT PURCHASE NEW EQUIPMENT!** New equipment funded by this program can only be purchased once the contract is signed between the equipment owner and the SCAQMD. An equipment owner may pre-order new equipment prior to contract execution and after posting of CARB's approved rank list at the equipment owner's risk.
- **KEEP EXISTING OLD TRUCK REGISTERED AND IN OPERATION!** Existing equipment must maintain continuous DMV registration and be in operation moving goods at a similar activity level to that listed in the application until the equipment has been relinquished to a SCAQMD-approved dismantler.
- **STAY COMPLIANT!** Applicants must maintain compliance with all applicable CARB regulations throughout the Proposition 1B Program process and the life of the contract. The Program-funded equipment may not be used by the equipment owner to comply with any applicable CARB regulations.



PROPOSITION 1B - GOODS MOVEMENT EMISSION REDUCTION PROGRAM APPLICATION

FORM C1: Truck Stop Electrification Infrastructure

I. APPLICANT INFORMATION

Name :		
Business Name (if any):		Fleet Size:
Primary Contact Name:		Email: Phone Number:
Mailing Address:		
City:	State:	Zip Code:
Person with contract signing authority (if different than above):		Title:
Have you applied for any other grant programs for this project? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, specify the grant program(s) that you applied to: _____		

II. LOCATION INFORMATION

Facility Name:	First Year of Operation?
Location/Project Site Address:	
Number of trucks that visit the freight facility and are capable of utilizing the infrastructure and equipment?	
Type of Project: <input type="checkbox"/> Truck Stop - Number of Existing Parking Spaces : _____ <input type="checkbox"/> Intermodal Facility – Number of Existing Spaces: _____ <input type="checkbox"/> Distribution Center - Number of Existing Docks: _____ <input type="checkbox"/> Other (please specify): _____	
Number of Spaces to be Electrified?	
Average daily time a parking space is used: _____ hr.	
How many heavy-duty diesel trucks are currently operated at this facility annually? _____	
Average daily time a refrigeration units (TRUs) operates while parked? _____ hr.	
Estimated Annual Usage by TRU that can connect to Grid for 10 Years (Annual Percent Occu- pancy per year)?	

III. PROJECT INFORMATION – PROJECTED ACTIVITIES WITH NEW EQUIPMENT AND EMISSIONS BENEFITS DATA*

Brief Description of Project (please include the detailed design plan with application):		
Number of electrification units to be installed: _____	Individual power required: _____	Total power required: _____



PROPOSITION 1B - GOODS MOVEMENT EMISSION REDUCTION PROGRAM APPLICATION

FORM C1: Truck Stop Electrification Infrastructure

Annual estimated of number of trucks connect to electric power : _____	Average connection time per truck: _____hrs.
Annual estimated of number of TRU connect to electric power : _____	Average connection time per TRU: _____hrs.
Projected annual usage in hours (expected percent occupancy):	
Year 1 : _____% Year 2 : _____% Year 3 : _____% Year 4 : _____% Year 5 : _____%	
Year 6 : _____% Year 7 : _____% Year 8 : _____% Year 9 : _____% Year 10 : _____%	
Projected power usage for TRU (expected percent occupancy):	
Year 1 : _____% Year 2 : _____% Year 3 : _____% Year 4 : _____% Year 5 : _____%	
Year 6 : _____% Year 7 : _____% Year 8 : _____% Year 9 : _____% Year 10 : _____%	
Baseline emission (without project) for the first 10-year of operation: NOx _____lb. and PM _____lb.	
Emission from the project during the first 10-year of operation: NOx _____lb. and PM _____lb.	
Emission reduction for the first 10-year of project operation: NOx _____lb. and PM _____lb.	
Cost Effectiveness : _____lb./State dollars	
Note: Cost-effectiveness should be equal to or greater than 0.10 lb./State dollars invested	

* Applicant must use CARB's 2015 Emissions Benefits Calculator to estimate the baseline and future emissions, the amount of emissions reduced, and the cost-effectiveness of the project together with the annual usage in hours. The calculator will be posted on CARB's website. Applicant must provide an electronic copy and a hardcopy of the completed calculator with the application.

IV. EQUIPMENT VENDOR INFORMATION

Vendor Name:	
Contact person:	Email:
	Phone Number:

V. EQUIPMENT PROJECT FUNDING REQUEST

Total project cost (\$):
Program dollar requested (\$):
Source of funds to pay for the balance of the project: <input type="checkbox"/> Private (cash/loan) <input type="checkbox"/> Local <input type="checkbox"/> Other state <input type="checkbox"/> Federal <input type="checkbox"/> Other(please specify): _____



VI. ATTACHMENTS-PLEASE ATTACH THE FOLLOWING DOCUMENTS TO COMPLETE YOUR APPLICATION

- Completed Form C1.
- Complete ARB's 2015 Emission Benefit Calculator. The calculator can be accessed at: <http://www.arb.ca.gov/bonds/gmbond/gmbond.htm>
- Truck electrification infrastructure detailed design plan.
- Itemized cost information by phase (design, environmental, construction).
- Written project acknowledgement form the site owner (if applicant does not own the site where the equipment will be installed) which acknowledge/agrees to the following, at a minimum, for the duration of the project life:
 - The equipment owner will be allowed to install and operate the Program-funded equipment at the site address.
 - Program-funded equipment will be the property of the applicant listed in the equipment project application.
 - The local agency, ARB, or their designees will be allowed to access the site, equipment, and associated records for inspection, Program reviews, or fiscal audits.



VII. Applicant Statement

I have the legal authority to apply for incentive funding for the entity described in this application, and agree to the following statements by signing below:

- I (applicant) have reviewed the information provided in this application, including all supporting documentation, and certify the application information is true and correct, and meets the minimum requirements of the Proposition 1B - Goods Movement Emission Reduction Program;
I agree to follow all requirements of the 2015 Proposition 1B - Goods Movement Emission Reduction Program Guidelines;
The program-funded equipment shall be placed into operation and post-inspected prior to the applicable operational deadline to remain eligible for funding;
I understand that the Program-funded equipment may not be used by the equipment owner to comply with any applicable CARB regulations
I have not and will not apply for additional grant funds from any other agency or program for this proposed project, except the funding programs allowed by the Guideline.
I will disclose any other source(s) of funding that has been applied for and will be used for the same project, including the source of funds, amount, and the purpose for funding;
I will disclose the value of any existing financial incentive that directly reduces the project cost, including tax credits or deductions, grants, or other public financial assistance for the same equipment;
Grant funds shall only be used to offset the capital cost of the equipment and/or shall reduce the principal owed to purchase the equipment;
New equipment must not be purchased, received, installed, paid for, or placed into operation prior to contract execution;
New equipment purchased outside of California may be subject to California sales and/or use tax;
I agree to properly maintain Program-funded equipment in good operating condition and according to manufacturer's recommendation during the project life;
I understand that an incomplete or illegible application, including applications that are missing required documentation, may be rejected by the SCAQMD at their discretion;
I acknowledge that the SCAQMD may release the information the application contains to third parties if required by state and federal public records laws; and
I understand that landside electrification infrastructure to reduce diesel engine idling and use of diesel-fueled internal combustion auxiliary power systems may be funded at the lower of 50% of eligible project costs or a level commensurate with a cost-effectiveness of 0.10 pounds of weighted emissions reduced per State dollars invested.
I understand that truck stop/distribution center electrification infrastructure projects shall be eligible to compete for funding only if the cost-effectiveness is equal to or greater than 0.10 pounds of weighted emissions reduced per State dollars invested.
I understand that eligible costs for the project include purchase and installation of electrical infrastructure to: enable heating, cooling, and the use of cab power for parked trucks at truck stops; and enable the use of power for transport refrigeration units and auxiliary power systems at distribution centers, intermodal facilities, and other places where trucks congregate. Reimbursement for the eligible costs shall be based on demonstrated use over the first year of operation. Ineligible costs include on-board auxiliary power units and other equipment installed on trucks, transport refrigeration units, electricity costs, and operation and maintenance costs.
I understand that the reimbursement for the eligible cost will be based on demonstrated use over the first year of operation.
Equipment project match funding is reasonably available to complete the equipment project according to the proposed timeframe.

Printed Name of Owner: _____ Title: _____

Signature of Owner: _____ Date: _____



PROPOSITION 1B - GOODS MOVEMENT EMISSION REDUCTION PROGRAM APPLICATION

FORM C2: Electric Charging Stations or Hydrogen Fueling Units

This funding option is only available if the equipment owner replaces a minimum of three vehicles through the Program (Form B1)

I. APPLICANT INFORMATION

Name :		
Business Name (if any):		Fleet Size:
Primary Contact Name:		Email: Phone Number:
Mailing Address:		
City:	State:	Zip Code:
Person with contract signing authority (if different than above):		Title:
Have you applied for any other grant programs for this project? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, specify the grant program(s) that you applied to:		

II. CHARGING/FUELING EQUIPMENT INFORMATION

Equipment/ Construction Location:	First Year of Operation:
Project type? <input type="checkbox"/> Electric charging station <input type="checkbox"/> Hydrogen Fueling Unit	
Number of trucks that visit the freight facility and are capable of utilizing the infrastructure and equipment?	
Equipment Manufacturer:	
Equipment Power Rating for Electric Charger Only (Voltage, Amperage, Wattage, Efficiency):	
Equipment Serial Number:	
Equipment Recharge Rate (Electric Charger Only):	
Anticipated Cost of Eligible Equipment:	
Description of Usage Monitoring System	
Estimated Annual Truck connections: _____ Trucks. Estimated connection time/Truck: _____ hours.	

III. EQUIPMENT PROJECT FUNDING REQUEST

Estimated Cost of Charging Stations/Fueling Units :\$_____
Program Dollars Requested:\$_____ (Partial funding of up to the lower of 50% or \$90,000 for 3 charging or fueling units)
Source of funds to pay for the balance of the project: <input type="checkbox"/> Private (cash/loan) <input type="checkbox"/> Local <input type="checkbox"/> Other state <input type="checkbox"/> Federal <input type="checkbox"/> Other(please specify): _____



PROPOSITION 1B - GOODS MOVEMENT EMISSION REDUCTION PROGRAM APPLICATION

FORM D1: Transport Refrigeration Unit (TRU) Replacement

I. APPLICANT INFORMATION

Name :		
Business Name (if any):		Fleet Size:
Primary Contact Name:	Email: Phone Number:	
Mailing Address:		
City:	State:	Zip Code:
Person with contract signing authority (if different than above):		Title:
Have you applied for any other grant programs for this project? <input type="checkbox"/> Yes <input type="checkbox"/> No		
If yes, specify the grant program(s) that you applied to: _____		
Are you applying for Prop1B infrastructure funding? <input type="checkbox"/> Yes <input type="checkbox"/> No		
Are you installing an electric plug with the TRU replacement? <input type="checkbox"/> Yes <input type="checkbox"/> No		
Vocation (Types of goods typically transported – Choose 1 box only) “Goods” are defined as having the same meaning in Commercial Code section 2105, which essentially requires that: 1) The goods must be movable, and 2) the goods being moved must be part of a transaction that involves a contract for the sale of the goods.		
<input type="checkbox"/> Agricultural	<input type="checkbox"/> Concrete Mixer	<input type="checkbox"/> Dry Bulk Blower
<input type="checkbox"/> Trailer Aggregates	<input type="checkbox"/> Container	<input type="checkbox"/> Hazardous Materials
<input type="checkbox"/> Bulk or Break Bulk	<input type="checkbox"/> Dairy	<input type="checkbox"/> Heavy Equipment/Metals
<input type="checkbox"/> Building/Construction	<input type="checkbox"/> Dump Truck	<input type="checkbox"/> Poultry
		<input type="checkbox"/> Vacuum Pneumatic
		<input type="checkbox"/> Wood/Paper Products
		<input type="checkbox"/> Restaurant/Grocery
		<input type="checkbox"/> Other _____

II. EXISTING TRU INFORMATION

a) For zero emission transport refrigerator replacement, eligible cost include the transport refrigerator unit and an electric power plug (minimum 1 replacement)

b) For cryogenic TRU replacement, a minimum of 5 replacement is required.

1 st Unit No:		
Make:	Model Year:	Horsepower:
Model:	ARBER identification number:	Engine Serial Number:
Existing TRU annual hours of operation (average over past 2 years) while on road:		
Estimated daily average number of operation hours while per TRU while parked at freight facility loading dock (average over past 2 years):		
Estimated daily average number of operation hours per TRU while parked at freight facility parking spot (average over past 2 years):		



The following information is only required for cryogenic TRU replacement or replacing with more than one zero emission TRU

2nd Unit No:		
Make:	Model Year:	Horsepower:
Model:	ARBER identification number:	Engine Serial Number:
Existing TRU annual hours of operation (average over past 2 years) while on road:		
Estimated daily average number of operation hours while per TRU while parked at freight facility loading dock (average over past 2 years):		
Estimated daily average number of operation hours per TRU while parked at freight facility parking spot (average over past 2 years):		
3rd Unit No:		
Make:	Model Year:	Horsepower:
Model:	ARBER identification number:	Engine Serial Number:
Existing TRU annual hours of operation (average over past 2 years) while on road:		
Estimated daily average number of operation hours while per TRU while parked at freight facility loading dock (average over past 2 years):		
Estimated daily average number of operation hours per TRU while parked at freight facility parking spot (average over past 2 years):		
4th Unit No:		
Make:	Model Year:	Horsepower:
Model:	ARBER identification number:	Engine Serial Number:
Existing TRU annual hours of operation (average over past 2 years) while on road:		
Estimated daily average number of operation hours while per TRU while parked at freight facility loading dock (average over past 2 years):		
Estimated daily average number of operation hours per TRU while parked at freight facility parking spot (average over past 2 years):		
5th Unit No:		
Make:	Model Year:	Horsepower:
Model:	ARBER identification number:	Engine Serial Number:
Existing TRU annual hours of operation (average over past 2 years) while on road:		
Estimated daily average number of operation hours while per TRU while parked at freight facility loading dock (average over past 2 years):		



PROPOSITION 1B - GOODS MOVEMENT EMISSION REDUCTION PROGRAM APPLICATION

FORM D1: Transport Refrigeration Unit (TRU) Replacement

Estimated daily average number of operation hours per TRU while parked at freight facility parking spot (average over past 2 years):

**Additional pages may be attached for additional units.*

III. REPLACEMENT EQUIPMENT INFORMATION AND PROJECT FUNDING REQUEST

Make:	Model Year:
Horsepower:	Fuel type:
Estimated future annual hours of TRU operation while on road:	
Estimated annual future number of operation hours per TRU while parked at freight facility loading dock:	
Estimated annual future number of operation while park at freight facility parking spot	
Estimated Project completion date:	
Total project cost (\$):	
Number of TRU to be replaced: _____ <input type="checkbox"/> Electric/Fuel Cell, Number of unit(s): _____ <input type="checkbox"/> Cryogenic, Number of Unit(s): _____	
Program dollar requested (\$):	
<ul style="list-style-type: none"> • Zero Emission Transport Refrigerator Units <input type="checkbox"/> Lower of 80% or \$50,000 per TRU replacement <input type="checkbox"/> Other: _____ (Replacement TRU must be CARB certified zero emissions, eligible cost include an electric power plug) • Cryogenic Transport Refrigerator Units <input type="checkbox"/> Lower of 50% of eligible cost or \$100,000 (\$20,000/TRU) <input type="checkbox"/> Other: _____ (Replacement TRU must be CARB certified zero emissions) 	
Source of funds to pay for the balance of the project: <input type="checkbox"/> Private (cash/loan) <input type="checkbox"/> Local <input type="checkbox"/> Other state <input type="checkbox"/> Federal <input type="checkbox"/> Other(please specify): _____ <u>Amount of Non-Bond Funding: \$ _____</u>	

*** New equipment shall not be ordered until the existing equipment has been pre-inspected and contract is signed between the equipment owner and SCAQMD.**



I. APPLICANT INFORMATION

Name :		Fleet Size:
Business Name (if any):		
Primary Contact Name:	Email:	Phone Number:
Mailing Address:		
City:	State:	Zip Code:
Person with contract signing authority (if different than above):		Title:
Have you applied for any other grant programs for this project? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, specify the grant program(s) that you applied to: _____		

II. LOCATION AND CHARGE EQUIPMENT INFORMATION

Facility Name:
Location/Project Site Address:
Number of truck and trailer equipped with TRU that visit the freight facility and are capable of utilizing the infrastructure and equipment:
Equipment power rating(voltage, amperage, wattage, efficiency):
Equipment serial number:
Equipment recharge rate:
Anticipated cost of eligible equipment:
Description of usage monitoring system:
Number of existing loading docks:
Number of existing parking spots:
Estimated daily number of truck equipped with TRUs operating at freight facility:
Estimated daily average number of operating hours per TRU while parked at facility loading dock:
Estimated daily average number of operating hours per TRU while parked at facility parking spot:

III. PROJECT FUNDING REQUEST

Total project cost (\$):
First Year of Operation:



PROPOSITION 1B - GOODS MOVEMENT EMISSION REDUCTION PROGRAM APPLICATION

FORM D2: Transport Refrigeration Unit (TRU) Power Plug Installation

Number of electric power plugs will be installed at loading docks: _____

Number of electric power plugs will be installed at parking spots: _____

*Install at least **10** or more electric power plugs that are compatible with electrically powered TRUs (e.g. all-electric, hybrid electric, or electric standby-equipped TRUs) at loading docks or parking area of freight facilities.*

Program dollar requested (\$): Lower of 50% or \$30,000 to install 10 electric power plugs. Other: _____

Additional electric power plugs may be funded at the lower of 50% or \$3,000 per additional plug.

Source of funds to pay for the balance of the project:

Private (cash/loan) Local Other state Federal Other (please specify): _____



IV. Applicant Statement

I have the legal authority to apply for incentive funding for the entity described in this application, and agree to the following statements by signing below:

- I (applicant) have reviewed the information provided in this application, including all supporting documentation, and certify the application information is true and correct, and meets the minimum requirements of the Proposition 1B - Goods Movement Emission Reduction Program;
I agree to follow all requirements of the 2015 Proposition 1B - Goods Movement Emission Reduction Program Guidelines;
The program-funded equipment shall be placed into operation and post-inspected prior to the applicable operational deadline to remain eligible for funding;
I understand that the Program-funded equipment may not be used by the equipment owner to comply with any applicable CARB regulations;
I have not and will not apply for additional grant funds from any other agency or program for this proposed project, except the funding programs allowed by the Guideline;
I will disclose any other source(s) of funding that has been applied for and will be used for the same project, including the source of funds, amount, and the purpose for funding;
I will disclose the value of any existing financial incentive that directly reduces the project cost, including tax credits or deductions, grants, or other public financial assistance for the same equipment;
Grant funds shall only be used to offset the capital cost of the equipment and/or shall reduce the principal owed to purchase the equipment;
New equipment must not be purchased, received, installed, paid for, or placed into operation prior to contract execution;
New equipment purchased outside of California may be subject to California sales and/or use tax;
I agree to properly maintain Program-funded equipment in good operating condition and according to manufacturer's recommendation during the project life;
I understand that an incomplete or illegible application, including applications that are missing required documentation, may be rejected by the SCAQMD at their discretion;
I acknowledge that the SCAQMD may release the information the application contains to third parties if required by state and federal public records laws;

Print Name of Owner: _____ Title: _____
Signature of Owner: _____ Date: _____

V. If the applicant does not own the site where the equipment will be installed, the applicant must obtain written project acknowledgement from the site owner which acknowledges/agrees to the following, at a minimum, for the duration of the project life:

- The equipment owner will be allowed to install and operate the Program-funded equipment at the site address.
Program-funded equipment will be the property of the applicant listed in the equipment project application.
The local agency, ARB, or their designees will be allowed to access the site, equipment, and associated records for inspections, Program reviews, or fiscal audits.



PROPOSITION 1B - GOODS MOVEMENT EMISSION REDUCTION PROGRAM APPLICATION

FORM E1: Cryogenic Refrigeration Fueling Infrastructure at Distribution Center

I. APPLICANT INFORMATION

Name :		
Business Name (if any):		Fleet Size:
Primary Contact Name:	Email:	Phone Number:
Mailing Address:		
City:	State:	Zip Code:
Person with contract signing authority (if different than above):		Title:
Have you applied for any other grant programs for this project? <input type="checkbox"/> Yes <input type="checkbox"/> No		
If yes, specify the grant program(s) that you applied to: _____		

II. LOCATION INFORMATION

Facility Name:
Location/Project Site Address:
Number of trucks and trailers equipped with TRU that visit the freight facility and are capable of utilizing the infrastructure and equipment:
Number of existing loading docks:
Number of existing parking spots:
Estimated daily number of truck equipped with TRUs operating at freight facility:
Estimated daily average number of operating hours per TRU while parked at facility loading dock:
Estimated daily average number of operating hours per TRU while parked at facility parking spot:

III. PROJECT FUNDING REQUEST

Total project cost (\$):
First Year of Operation:
Number of diesel TRUS to be replaced with cryogenic system at loading docks: _____
Number of diesel TRUS to be replaced with cryogenic system at parking spots: _____
Program dollar requested (\$): <input type="checkbox"/> lower of 50% or \$100,000 per freight facility <input type="checkbox"/> Other: _____
<i>Eligible costs include purchase and installation of cryogenic infrastructure or equipment.</i>
<i>Ineligible costs include design, engineering consulting, environmental review, legal fees, permits, licenses and associated fees, taxes, metered cost, insurance, operation, maintenance, and repair.</i>
Source of funds to pay for the balance of the project: <input type="checkbox"/> Private (cash/loan) <input type="checkbox"/> Local <input type="checkbox"/> Other state <input type="checkbox"/> Federal <input type="checkbox"/> Other(please specify): _____



IV. Applicant Statement

I have the legal authority to apply for incentive funding for the entity described in this application, and agree to the following statements by signing below:

- I (applicant) have reviewed the information provided in this application, including all supporting documentation, and certify the application information is true and correct, and meets the minimum requirements of the Proposition 1B - Goods Movement Emission Reduction Program;
- I agree to follow all requirements of the 2015 Proposition 1B - Goods Movement Emission Reduction Program Guidelines;
- The program-funded equipment shall be placed into operation and post-inspected prior to the applicable operational deadline to remain eligible for funding;
- I understand that the Program-funded equipment may not be used by the equipment owner to comply with any applicable CARB regulations;
- I have not and will not apply for additional grant funds from any other agency or program for this proposed project, except the funding programs allowed by the Guideline;
- I will disclose any other source(s) of funding that has been applied for and will be used for the same project, including the source of funds, amount, and the purpose for funding;
- I will disclose the value of any existing financial incentive that directly reduces the project cost, including tax credits or deductions, grants, or other public financial assistance for the same equipment;
- Grant funds shall only be used to offset the capital cost of the equipment and/or shall reduce the principal owed to purchase the equipment;
- New equipment must **not** be purchased, received, installed, paid for, or placed into operation prior to contract execution;
- New equipment purchased outside of California may be subject to California sales and/or use tax;
- I agree to properly maintain Program-funded equipment in good operating condition and according to manufacturer’s recommendation during the project life;
- I understand that an incomplete or illegible application, including applications that are missing required documentation, may be rejected by the SCAQMD at their discretion;
- I acknowledge that the SCAQMD may release the information the application contains to third parties if required by state and federal public records laws;

Print Name of Owner: _____ Title: _____
 Signature of Owner: _____ Date: _____

V. If the applicant does not own the site where the equipment will be installed, the applicant must obtain written project acknowledgement from the site owner which acknowledges/agrees to the following, at a minimum, for the duration of the project life:

- The equipment owner will be allowed to install and operate the Program-funded equipment at the site address.
- Program-funded equipment will be the property of the applicant listed in the equipment project application.
- The local agency, ARB, or their designees will be allowed to access the site, equipment, and associated records for inspections, Program reviews, or fiscal audits.



South Coast Air Quality Management District

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

Business Information Request

Dear SCAQMD Contractor/Supplier:

South Coast Air Quality Management District (SCAQMD) 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,

Michael B. O'Kelly
Chief Financial Officer

DH:tm

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

REV 9/15



South Coast Air Quality Management District

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

BUSINESS INFORMATION REQUEST

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

Attachment 2

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 SCAQMD, (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 SCAQMD 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

Attachment 2

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 SCAQMD at the time of bid application.
- performs 90 percent of the work within SCAQMD'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.

Attachment 2

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 SCAQMD will receive at least as favorable pricing, warranties, conditions, benefits and terms as other customers or clients making similar purchases or receiving similar services.

Attachment 3

Form **W-9**
 (Rev. December 2014)
 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.

Print or type See Specific Instructions on page 2.	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; check only one of the following seven boxes: <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 <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ _____ Note. For a single-member LLC that is disregarded, do not check LLC; check the appropriate box in the line above for the tax classification of the single-member owner. <input type="checkbox"/> Other (see instructions) ▶ _____		4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3): Exempt payee code (if any) _____ Exemption from FATCA reporting code (if any) _____ <small>(Applies to accounts maintained outside the U.S.)</small>
	5 Address (number, street, and apt. or suite no.)		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 Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see <i>How to get a TIN</i> on page 3.					
Note. If the account is in more than one name, see the instructions for line 1 and the chart on page 4 for guidelines on whose number to enter.	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="text-align: center;">Social security number</th> </tr> <tr> <td style="text-align: center;"> <div style="display: flex; justify-content: space-between;"> <div style="border: 1px solid black; width: 25px; height: 25px;"></div> <div style="border: 1px solid black; width: 25px; height: 25px;"></div> <div style="border: 1px solid black; width: 25px; height: 25px;"></div> <div style="border: 1px solid black; width: 25px; height: 25px;"></div> <div style="border: 1px solid black; width: 25px; height: 25px;"></div> <div style="border: 1px solid black; width: 25px; height: 25px;"></div> <div style="border: 1px solid black; width: 25px; height: 25px;"></div> <div style="border: 1px solid black; width: 25px; height: 25px;"></div> <div style="border: 1px solid black; width: 25px; 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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 on page 3.

Sign Here	Signature of U.S. person ▶	Date ▶
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General Instructions

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

Future developments. Information about developments affecting Form W-9 (such as legislation enacted after we release it) is at www.irs.gov/fw9.

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?* on page 2.

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?* on page 2 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 Publication 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 28% 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 Part II instructions on page 3 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* on page 3 and the separate Instructions for the Requester of Form W-9 for more information.

Also see *Special rules for partnerships* above.

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* on page 3 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, list first, and then circle, the name of the person or entity whose number you entered in Part I of 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.

Attachment 3

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

Limited Liability Company (LLC). If the name on line 1 is an LLC treated as a partnership for U.S. federal tax purposes, check the "Limited Liability Company" box and enter "P" in the space provided. If the LLC has filed Form 8832 or 2553 to be taxed as a corporation, check the "Limited Liability Company" box and in the space provided enter "C" for C corporation or "S" for S corporation. If it is a single-member LLC that is a disregarded entity, do not check the "Limited Liability Company" box; instead check the first box in line 3 "Individual/sole proprietor or single-member LLC."

Line 4, Exemptions

If you are exempt from backup withholding and/or FATCA reporting, enter in the appropriate space in 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 ¹	Generally, exempt payees 1 through 5 ²
Payments made in settlement of payment card or third party network transactions	Exempt payees 1 through 4

¹ See Form 1099-MISC, Miscellaneous Income, and its instructions.

² 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.

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. However, the IRS prefers that you use your SSN.

If you are a single-member LLC that is disregarded as an entity separate from its owner (see *Limited Liability Company (LLC)* on this page), 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 the chart on page 4 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. 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 and clicking on Employer Identification Number (EIN) under Starting a Business. You can get Forms W-7 and SS-4 from the IRS by visiting irs.gov or by calling 1-800-TAX-FORM (1-800-829-3676).

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 items 1, 4, or 5 below indicate 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), 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)	The actual owner of the account or, if combined funds, the first individual on the account ¹
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor ²
4. a. The usual revocable savings trust (grantor is also trustee) b. So-called trust account that is not a legal or valid trust under state law	The grantor-trustee ¹ The actual owner ¹
5. Sole proprietorship or disregarded entity owned by an individual	The owner ³
6. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulations section 1.671-4(b)(2)(i) (A))	The grantor ⁴
For this type of account:	Give name and EIN of:
7. Disregarded entity not owned by an individual	The owner
8. A valid trust, estate, or pension trust	Legal entity ⁴
9. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
10. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
11. Partnership or multi-member LLC	The partnership
12. A broker or registered nominee	The broker or nominee
13. 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
14. 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

¹ 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.
² Circle the minor's name and furnish the minor's SSN.

³ 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.

⁴ 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* on page 2.

***Note.** 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 Publication 4535, *Identity Theft Prevention and Victim Assistance*.

Victims of identity theft who are experiencing economic harm or a system 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. 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 or contact them at www.ftc.gov/idtheft or 1-877-IDTHEFT (1-877-438-4338).

Visit IRS.gov 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.

YEAR

CALIFORNIA FORM

2015 Withholding Exemption Certificate

590

The payee completes this form and submits it to the withholding agent.

Withholding Agent (Type or print)

Name

Payee

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 reason box below that applies to the payee.

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.

Under penalties of perjury, I hereby certify that the information provided in this document is, to the best of my knowledge, true and correct. If conditions change, I will promptly notify the withholding agent.

Payee's name and title (type or print) _____ Telephone (____) _____

Payee's signature ► _____ Date _____

2015 Instructions for Form 590

Withholding Exemption Certificate

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

General Information

Registered Domestic Partners (RDP) – For purposes of California income tax, references to a spouse, husband, or wife also refer to a Registered Domestic Partner (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 information on California backup withholding, go to 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 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-C, Real Estate Withholding Certificate, to claim an exemption from real estate withholding.

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

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.

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 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 certificate on the preprinted form, the withholding agent may accept as a substitute certificate a letter from the payee explaining why the payee is 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. The withholding agent must retain a copy of the certificate or substitute for at least four years after the last payment to which the certificate applies, and provide it upon request to the FTB.

For example, 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 non-wage 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, get 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 if it is a foreign corporation qualified to transact intrastate business by the CA SOS. 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.

Attachment 4

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 taxpayer identification number (TIN) and check the appropriate TIN box.

You must provide an acceptable 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 – Enter the information in the following order: City, Country, Province/Region, and Postal Code. Follow the country's practice for entering the postal code. **Do not** abbreviate the country's name.

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

Withholding Agent Instructions

Keep Form 590 for your records. **Do not** send this form to the FTB unless it has been specifically requested.

For more information, contact Withholding Services and Compliance, see Additional Information.

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, and Form 592-V, Payment Voucher for Resident and Nonresident Withholding.

Additional Information

For additional information or to speak to a representative regarding this form, call the Withholding Services and Compliance telephone service at:

Telephone: 888.792.4900
916.845.4900
Fax: 916.845.9512

OR write to:

WITHHOLDING SERVICES AND
COMPLIANCE MS F182
FRANCHISE TAX BOARD
PO BOX 942867
SACRAMENTO CA 94267-0651

You can download, view, and print California tax forms and publications at ftb.ca.gov.

OR to get forms by mail write to:

TAX FORMS REQUEST UNIT
FRANCHISE TAX BOARD
PO BOX 307
RANCHO CORDOVA CA 95741-0307

For all other questions unrelated to withholding or to access the TTY/TDD numbers, see the information below.

Internet and Telephone Assistance

Website: 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 impairments

Asistencia Por Internet y Teléfono

Sitio web: 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



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 MSRC, 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).

California law prohibits a party, or an agent, from making campaign contributions to SCAQMD Governing Board Members or members/alternates of the Mobile Source Air Pollution Reduction Review Committee (MSRC) of more than \$250 while their contract or permit is pending before SCAQMD; and further prohibits a campaign contribution from being made for three (3) months following the date of the final decision by the Governing Board or the MSRC 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 must abstain from voting on a contract or permit if they have received a campaign contribution from a party or participant 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 SCAQMD website (www.aqmd.gov). The list of current MSRC members/alternates can be found at the MSRC website (<http://www.cleantransportationfunding.org>).

SECTION I.

Contractor (Legal Name): _____

DBA, Name _____, County Filed in _____ Corporation, ID No. _____ LLC/LLP, ID No. _____
--

List any parent, subsidiaries, or otherwise affiliated business entities of Contractor:

(See definition below).

SECTION II.

Has Contractor and/or any parent, subsidiary, or affiliated company, or agent thereof, 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 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.**

Attachment 5

Campaign Contributions Disclosure, continued:

Name of Contributor _____

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

Name of Contributor _____

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

Name of Contributor _____

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

Name of Contributor _____

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

I declare the foregoing disclosures to be true and correct.

By: _____

Title: _____

Date: _____

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: June 3, 2016

AGENDA NO. 5

PROPOSAL: Recognize and Transfer Revenue and Appropriate Funds for Monitoring Programs and Lab Analysis, Issue Solicitations and Execute Contract and Purchase Orders for Field and Laboratory Equipment, and Transfer Funds for Enhanced Particulate Monitoring Program

SYNOPSIS: U.S. EPA has allocated Section 103 funds in the amount of \$731,010 for the PM2.5 Program. This action is to recognize revenue and appropriate funds into Science and Technology Advancement's FY 2015-16 Budget for the PM2.5 Monitoring Program (as well as carry over any unexpended funds into the FY 2016-17 Budget), issue an RFP, execute a contract, and issue purchase order for field and laboratory equipment. These actions are to also transfer and appropriate \$375,000 into Science and Technology Advancement's FY 2016-17 Budget, re-issue an RFQ and issue purchase orders for field and laboratory equipment. Finally, this action is to transfer \$175,000 into Science and Technology Advancement's FY 2015-16 Budget between Major Objects to realign expenditures for the FY 2015-16 Enhanced Particulate Monitoring Program.

COMMITTEE: Administrative, May 13, 2016; On the motion of Chairman Burke, the Committee unanimously approved all agenda items to be forwarded to the full Board.

RECOMMENDED ACTIONS:

1. Recognize and appropriate upon receipt up to \$270,010 awarded by U.S. EPA for the PM2.5 Monitoring Program into Science and Technology Advancement's FY 2015-16 Budget (\$461,000 was previously included in Salary and Employee Benefits within the FY 2015-16 Budget) as set forth in the attachment.
2. Appropriate any funds not expended by June 30, 2016, into Science and Technology Advancement's FY 2016-17 Budget, Services and Supplies and/or Capital Outlays Major Objects (Org 47).
3. Issue RFP #P2016-23 for Laboratory PM2.5 Weighing Room HVAC System Upgrade as part of the FY 2015-16 PM2.5 Monitoring Program.
4. Authorize the Executive Officer to execute a contract, based on the results of RFP #P2016-23, for up to \$65,000 for the Laboratory PM2.5 Weighing Room HVAC System Upgrade as budgeted in the attachment and described in this letter.

5. Authorize the Procurement Manager to issue a purchase order with Thermo Fisher Scientific, Inc. in an amount not to exceed \$60,000 for the purchase of three PM2.5 continuous Federal Equivalent Method (FEM) monitors as budgeted in the attachment and described in this letter.
6. Transfer and appropriate \$290,000 from the BP ARCO Settlements Projects Fund (46) and \$85,000 from the Rule 1309.1 Priority Reserve Fund (36) into Science and Technology Advancement's FY 2016-17 Budget (Org 44), Capital Outlays Major Object, for the purchase of field and laboratory equipment.
7. Authorize the Procurement Manager, in accordance with SCAQMD Procurement Policy and Procedure, to:
 - a. Issue a sole source purchase order in an amount not to exceed \$290,000 from Science and Technology Advancement's FY 2016-17 Budget (Org 44), Capital Outlays Major Object, for two multi-metal ambient monitors as part of the Air Toxics Monitoring Program;
 - b. Re-issue an RFQ for a thermogravimetric analyzer for the laboratory; and
 - c. Issue a purchase order, based on the results of the RFQ, for a thermogravimetric analyzer in an amount not to exceed \$85,000 from Science and Technology Advancement's FY 2016-17 Budget (Org 44), Capital Outlays Major Object.
8. Transfer \$175,000 into Science and Technology Advancement's FY 2015-16 Budget from Salaries and Employee Benefits Major Object (Org 44), Salaries Account, to Services and Supplies Major Object (Org 47), Temporary Agency Account, to realign expenditures for the FY 2015-16 Enhanced Particulate Monitoring Program.

Wayne Nastri
Acting Executive Officer

MMM:LT:JCL:cv

Background

PM2.5 Program

Since 1998, U.S. EPA has provided funds under a Section 103 Grant for a comprehensive PM2.5 Air Monitoring Program. To date, there are 21 ambient SCAQMD monitoring stations operating 23 Federal Reference Method (FRM) PM2.5 monitors under U.S. EPA funding and 14 Federal Equivalent Method (FEM) PM2.5 continuous monitors. In addition, U.S. EPA has supported the expansion of the network to collect continuous PM2.5 mass and chemical speciation at several sites within the South Coast Air Basin. This augmentation substantially adds to the fine particulate data which will help in the characterization of PM2.5 sources, current air quality conditions and health impacts.

Multi-Metal Ambient Monitors

In May 2014, the Board approved the acquisition of one ambient near real-time metals monitor for the Air Toxics Monitoring Program from Cooper Scientific Instruments using \$290,000 transferred from the BP ARCO Settlement Projects Fund (46) into that fiscal year's budget. This acquisition was subject to successful completion of a technology demonstration indicating satisfactory performance of the monitor. In 2014 and 2015, staff rented and deployed one of these multi-metal Xact 625 ambient monitors to conduct a six-month instrument evaluation at Quemetco, Inc. and TAMCO/Gerdau to assess its performance. Measurements from the rented Xact 625 multi-metal monitor were compared to measurements from FRM and established method measurements at the two facilities, and the Xact measurements compared well with the two techniques. Based on the performance results, staff had intended to move forward with the acquisition. However, subsequent to issuance of a purchase order but prior to equipment delivery, Cooper Environmental Services, LLC, submitted a revised quote for two (2) Xact 625 multi-metal ambient monitors at a discounted cost of \$289,567 including sales tax.

Thermogravimetric Analyzer

In July 2015, the Board approved issuance of RFQ #Q2016-10 for a new thermogravimetric analyzer for laboratory testing. The Board also approved the transfer and appropriation of \$85,000 from the Rule 1309.1 Priority Reserve Fund (36) into the current fiscal year budget to purchase the thermogravimetric analyzer based on the results of the RFQ. However, while three bids were received, all were deemed unresponsive because the proposers failed to provide requested technical details and/or necessary product references.

Enhanced Particulate Monitoring Program

SCAQMD has been providing enhanced particulate monitoring support including sample collection as part of a national monitoring program since 2003 and will continue for the foreseeable future.

Proposal

PM2.5 Program

SCAQMD staff anticipates a U.S. EPA award of \$731,010 in Section 103 Grant funds for the continuation of the PM2.5 Program through March 31, 2017. This action is to recognize revenue up to \$270,010 and appropriate funds, upon receipt, into Science and Technology Advancement's FY 2015-16 Budget (\$461,000 was previously included in Salary and Employee Benefits within the FY 2015-16 Budget) as set forth in the attachment. U.S. EPA concurs with staff's proposed allocation. Any funds not expended by June 30, 2016, will be appropriated into Science and Technology Advancement's FY 2016-17 Budget.

Issue RFP

The U.S. EPA Section 103 Grant award includes one-time funding of \$65,000 for the purchase of an HVAC upgrade to the SCAQMD laboratory's PM2.5 weighing room. Per 40 CFR Part 50, Appendix L, there are specific temperature and humidity criteria that are required for conducting PM2.5 pre- and post-weighing operations in an environmentally controlled room. In a continued effort to improve the reliability of SCAQMD's PM2.5 laboratory analysis, an upgrade to the HVAC system and humidifier will improve day-to-day stability of the environmental controlled weighing room and increase the cooling capacity of the HVAC system. This would provide longer term reliability and performance. This action is to issue RFP #P2016-23 to solicit formal bids, in accordance with SCAQMD Procurement Policy and Procedure, for the purchase of an HVAC upgrade.

Execute Contract

Laboratory PM2.5 Weighing Room HVAC System Upgrade

Based on the results of the above RFP, this action is to execute a contract for an HVAC system upgrade in an amount up to \$65,000 to help enhance existing analytical capabilities. U.S. EPA concurs with staff's proposed expenditure. This item is budgeted in the Proposed PM2.5 Program Expenditures for FY 2015-16 (attached).

Issue Purchase Order

Three PM2.5 Continuous FEM Monitors

The U.S. EPA Section 103 Grant award includes one-time funding of \$60,000 for the purchase of three FEM PM2.5 continuous monitors. Many of the FEM continuous monitors in SCAQMD's PM2.5 Air Monitoring Program have been in operation since 2001 and are in need of replacement. On October 4, 2013, RFQ #Q2014-02 was released in accordance with SCAQMD's Procurement Policy and Procedure, and Thermo Fisher Scientific, Inc. was chosen as the successful bidder at the conclusion of the evaluation process. Thermo Fisher Scientific, Inc. has agreed to honor the last price from that RFQ process. Since the SCAQMD's Procurement Policy and Procedure allows purchases based on a prior bid or last price, this action is to issue a purchase order with Thermo Fisher Scientific, Inc. for three FEM PM2.5 Monitors in an amount not to exceed \$60,000 as budgeted in the Proposed PM2.5 Program Expenditures for FY 2015-16 (attached).

Multi-Metals Ambient Monitors

In light of the revised substantially lower quote submitted by Cooper Environmental Services, LLC, staff proposes to issue a new purchase order to acquire two (2) Xact 625 multi-metal ambient monitors in an amount not to exceed \$290,000 including sales tax. This action would also include the transfer and appropriation of \$290,000 from the BP ARCO Settlement Projects Fund (46) into Science and Technology Advancement's FY 2016-17 Budget (Org 44) to facilitate this purchase out of next fiscal year's budget. The \$290,000 does not include the cost of the two mobile trailers that will be required to

house and deploy the multi-metal ambient monitors. An appropriation for the two mobile trailers will be requested in a separate Board action next fiscal year.

Thermogravimetric Analyzer

As a result of the nonresponsive bids, staff proposes to have the RFQ re-issued to seek new bids for the thermogravimetric analyzer. Thermogravimetric analysis (TGA) is used to determine compliance of metal working fluid and lubricant samples with Rule 1144. It is also useful in determining the volatility of various compounds and products. The lab has a TGA instrument; however, the instrument isn't functional for long periods of time. The current TGA instrument breaks down frequently and is costly to repair, often requiring that it be sent to Germany. The repairs, in addition to being costly, remove the instrument from the laboratory for months at a time. This action is to authorize the Procurement Manager, in accordance with SCAQMD Procurement Policy and Procedure, to re-issue the RFQ.

Furthermore, this action would include the transfer and appropriation of \$85,000 into the Science and Technology Advancement FY 2016-17 Budget (Org 44) from the Rule 1309.1 Priority Reserve Fund (36). And finally, based on the results of the above RFQ, this action is to issue a purchase order for a thermogravimetric analyzer in an amount up to \$85,000 from Science and Technology Advancement FY 2016-17 Budget (Org 44).

Enhanced Particulate Monitoring Program

The SCAQMD already received and recognized funding from the U.S. Government for the ongoing Enhanced Particulate Monitoring Program for FY 2015-16. Revenue in the amount of \$2,836,157 for this grant was previously included in the FY 2015-16 Budget. This action is to transfer \$175,000 in Science and Technology Advancement's FY 2015-16 Budget from Salaries and Employee Benefits Major Object (Org 44), Salaries Account, to Services and Supplies Major Object (Org 47), Temporary Agency Account, to realign expenditures for the FY 2015-16 Enhanced Particulate Monitoring Program.

Sole Source Justification

Section VIII.B.2 of the Procurement Policy and Procedure identifies four major provisions under which a sole source award may be justified. Cooper Environmental Services, LLC, is the only manufacturer of the Xact 625 multi-metal ambient monitor. Consequently, the request for sole source purchases through Cooper Environmental Services, LLC, is made under Section VIII.B.2.c(1): The unique experience and capabilities of the proposed contractor or contractor team. Additionally, Section VIII.B.2.d(6) of the SCAQMD's Procurement Policy and Procedure allows for sole source purchases in which: "Other circumstances exist which in the determination of the Executive Officer require such waiver in the best interests of the SCAQMD. Such circumstances may include but are not limited to: Projects requiring compatibility with existing specialized equipment."

Resource Impacts

The total U.S. EPA Section 103 Grant award expected is \$731,010, of which \$461,000 has already been included within Salaries and Benefits in the FY 2015-16 Budget. Therefore, the balance of \$270,010 in revenue will be appropriated as set forth in the attachment. U.S. EPA Section 103 Grant funding will support the continuation of the PM2.5 Monitoring Program, including equipment and services and supplies necessary to meet the objectives of the Program.

The purchase cost of the field and laboratory equipment will not exceed \$375,000 including sales tax from Science and Technology Advancement's FY 2016-17 Budget (Org 44), Capital Outlays Major Object.

The U.S. Government funding, previously recognized and appropriated, will fully support the Enhanced Particulate Monitoring Program. The \$175,000 transfer will simply realign expenditures for FY 2015-16 Program.

Attachments

Proposed PM2.5 Expenditures for FY 2015-16

RFP #P2016-23 - Upgrade of the Laboratory PM2.5 Weighing Room HVAC System

ATTACHMENT
Proposed PM 2.5 Expenditures FY 2015-16

Account Description	Account Number	Program Code	Estimated Expenditures
Services & Supplies Major Object:			
Travel (National Ambient Air Monitoring Training Conference)	67800	47500	\$6,000
Laboratory Supplies	68050	47500	54,510
Office Expense	68100	47500	5,000
Small Tools	68300	47500	10,000
Maintenance of Equipment	67600	47500	60,000
Rents and Leases Structure	67350	47500	4,500
Building Maintenance	67650	47500	5,000
Total Services & Supplies:			145,010
Capital Outlay Major Object:			
Upgrade Laboratory Weighing Room HVAC System	77000	47500	65,000
PM2.5 Continuous FEM Monitor (3)	77000	47500	60,000
Total Capital Outlay:			125,000
FY 2015-16 Appropriations			\$270,010
Salaries and Benefits*		44500	\$461,000
Total Award			\$ 731,010

*Salaries, Benefits, and Indirect Costs are already included in the adopted budget



SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

REQUEST FOR PROPOSALS

UPGRADE OF THE LABORATORY PM2.5 WEIGHING ROOM HVAC SYSTEM

#P2016-23

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

PURPOSE

The purpose of this Request for Proposals (RFP) is to solicit bids from qualified B or C-20, contractors for the upgrade of a 2 ton HVAC, to include electrical modifications and system configuration, in SCAQMD laboratory's PM2.5 room located at 21865 Copley Drive Diamond Bar, California 91765.

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 Requirements
Section VIII	Proposal Submission
Section IX	Proposal Evaluation/Contractor Selection Criteria
Section X	Funding
Section XI	Sample Contract

Attachment A – Participation in the Procurement Process
Attachment B – Certifications and Representations
Attachment C – Statement of Work

SECTION I: BACKGROUND/INFORMATION

The South Coast Air Quality Management (SCAQMD) is a regional governmental agency responsible for the regulation of sources of air contaminants in the South Coast Air Basin.

SCAQMD's District Headquarters located at 21865 Copley Drive, Diamond Bar, California 91765 consists of four interconnected buildings designated as the North Office Tower, South Office Tower, Laboratory and Conference Center/Cafeteria.

SECTION II: CONTACT PERSON:

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

Stephen Dutz
Senior Air Quality Chemist
 SCAQMD
 21865 Copley Drive
 Diamond Bar, CA 91765-4178
 (909) 396-2191
sdutz@aqmd.gov

SECTION III: SCHEDULE OF EVENTS

Date	Event
June 3, 2016	RFP Released
June 22, 2016	Bidder's Conference*
July 6, 2016	Proposals Due to SCAQMD - No Later Than 2:00 pm
July 13, 2016	Proposal Evaluations
August 2016	Anticipated Contract Execution

***Participation in the Bidder's Conference is mandatory.** The Bidder's Conference will be held in Room CC-3_5 at SCAQMD Headquarters in Diamond Bar, California at *10:00 am on Wednesday, June 22, 2016*. Please contact **Lindsay McElwain** at (909) 396-3247 by close of business on Friday, June 17, 2016 if you plan to attend.

SECTION IV: PARTICIPATION IN THE PROCUREMENT PROCESS

It is the policy of SCAQMD 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 SCAQMD contracts. Attachment A to this RFP contains definitions and further information.

SECTION V: STATEMENT OF WORK/SCHEDULE OF DELIVERABLES

See Statement of Work in Attachment C

SECTION VI: REQUIRED QUALIFICATIONS

SCAQMD will enter into a contract agreement with a prime B or C-20 contractor only. Contractor shall list all subcontractors on forms provided in this RFP. Should the prime contractor substitute any subcontractor(s) for any of the responsibilities or obligations covered under this agreement without SCAQMD's prior written approval, will result in termination of the prime contract.

The successful CONTRACTOR must furnish evidence of Workers Compensation insurance in accordance with California statutory requirements, general liability insurance, and automobile liability insurance in accordance with Clause 9 of the Sample Contract downloadable at <http://www.aqmd.gov/grants-bids>.

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. SCAQMD 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 SCAQMD.

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 Contractor should accompany the proposal submission. Contractor contact information as follows should also be included in the cover letter:

1. Address and telephone number of office in, or nearest to, Diamond Bar, California.
2. Name and title of Contractor'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. This project must be completed within 14 calendar days of the start date.

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 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 Contractor. Provide references of other similar 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 Contractor'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 SCAQMD.
2. Provide a spreadsheet of the labor hours proposed for each labor category at the task level.
3. 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 governmental practices and procedures, and technical matters.
4. Provide a summary of your general qualifications to meet required qualifications and fulfill statement of work, including additional 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 Contractor on behalf of SCAQMD. SCAQMD 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 Contractor will not be automatically disqualified by reason of work performed for such clients, SCAQMD 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 in the upper left-hand corner.

Cost Proposal – SCAQMD 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 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. Air Handler Cost – List the costs associated with the procurement of the air handler.

- D. Miscellaneous Costs – List the cost associated with the necessary supplies to complete this RFP.
- E. Trade-in Credit – The existing Data Aire CTAU-00732 unit (purchased Oct 2014) is being replaced as part of this project. Any credit applied for the potential trade-in of this handler to the CONTRACTOR should be presented here. *The final cost proposal should be reflective of this credit.*
- F. Extended Warranty Option – This should include the optional cost for an extended warranty for year 2 and 3 after acceptance testing has been completed.

2. It is the policy of the SCAQMD to receive at least as favorable pricing, warranties, conditions, benefits and terms as other customers or clients making similar purchases or receiving similar services. SCAQMD will give preference, where appropriate, to vendors who certify that they will provide “most favored customer” status to the SCAQMD. To receive preference points, Contractor shall certify that SCAQMD 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 Contractor.

Due Date - **All proposals are due no later than 2:00 p.m., July 6, 2016, and should be directed to:**

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

Submittal - Submit five (5) complete copies of the proposal in a sealed envelope, plainly marked in the upper left-hand corner with the name and address of the Contractor and the words "Request for Proposals #P2016-23."

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 Contractor.

Modification or Withdrawal - Once submitted, proposals cannot be altered without the prior written consent of SCAQMD. All proposals shall constitute Contractor 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 SCAQMD 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 SCAQMD 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.

1. Proposal Evaluation CriteriaPoints

Understanding of Requirements	15
Contractor Qualifications and Relevant Experience	35
References	20
Cost	<u>30</u>
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
Low-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, low-emission vehicle business, local business, and off-peak hours delivery business shall not exceed 15 points.

Self-Certification for Additional Points

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

2. 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 Contractor must submit a self-certification or certification from the State of California Office of Small Business Certification and Resources at the time of proposal submission certifying that the Contractor meets the requirements set forth in Section III. 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 Low-Emission Vehicle Business, the Contractor must demonstrate to the Executive Officer, or designee, that supplies and materials delivered to SCAQMD are delivered in vehicles that operate on either clean-fuels or if powered by diesel fuel, that the vehicles have particulate traps installed. To receive points as an Off-Peak Hours Delivery Business, the Contractor must submit, at proposal submission, certification of its commitment to delivering supplies and materials to SCAQMD between the hours of 10:00 a.m. and 3:00 p.m. To receive points for Most Favored Customer status, the Contractor must submit, at proposal submission, certification of its commitment to provide most favored customer status to the SCAQMD. The cumulative points awarded for small business, DVBE, use of Small Business or DVBE Subcontractors, Local Business, Low-Emission Vehicle Business and Off-Peak Hour Delivery Business shall not exceed 15 points.

The Procurement Section will be responsible for monitoring compliance of suppliers awarded purchase orders based upon use of low-emission vehicles or off-peak traffic hour delivery commitments through the use of vendor logs which will identify the contractor awarded the incentive. The purchase order shall incorporate terms which obligate the supplier to deliver materials in low-emission vehicles or deliver during off-peak traffic hours. The Receiving department will monitor those qualified supplier deliveries to ensure compliance to the purchase order requirements. Suppliers in non-compliance will be subject to a two percent of total purchase order value penalty. The Procurement Manager will adjudicate any disputes regarding either low-emission vehicle or off-peak hour deliveries.

3. 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.
4. 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 Contractors 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 Contractor of information presented in his/her proposal, upon request by SCAQMD.
- D. The Executive Officer or Governing Board may award the contract to a Contractor other than the Contractor receiving the highest rating in the event the Governing Board determines that another Contractor from among those technically qualified would provide the best value to SCAQMD considering cost and technical factors. The determination shall be based solely on the Evaluation Criteria contained in the Request for Proposal (RFP), on 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. Contractors 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 SCAQMD 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 SCAQMD Procurement Department.
- G. The Executive Officer or Governing Board may award contracts to more than one Contractor if in (his or their) sole judgment the purposes of the (contract or award) would best be served by selecting multiple Contractors.
- 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 Contractors for a grant or contract if additional funds become available.
- I. Disposition of Proposals – Pursuant to SCAQMD’s Procurement Policy and Procedure, SCAQMD reserves the right to reject any or all proposals. All proposals become the property of SCAQMD, and are subject to the California Public Records Act. One copy of the proposal shall be retained for SCAQMD files. Additional copies and materials will be returned only if requested and at the Contractor's expense.
- J. If proposal submittal is for a Public Works project as defined by State of California Labor Code Section 1720, Contractor 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. Contractor 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 and 1725.**
- K. PERFORMANCE BOND - Within fourteen days after execution of the Contract by SCAQMD and prior to performing any work under the Contract, the CONTRACTOR shall file with SCAQMD, a performance bond as specified below:
- A. The performance bond from a surety authorized to issue such bonds within the State of California shall be in an amount equal to one hundred (100) percent of the Contract amount to guaranty faithful performance of all work, within the time

- prescribed, in a manner satisfactory to SCAQMD, and that all materials and workmanship will be free from original or developed defects. The bond must remain in effect for the time period defined in Attachment 1 – Statement of Work. CONTRACTOR shall pay all bond premiums, costs and incidentals.
- B. SCAQMD has the right to review the terms and conditions of the performance bond and to request modifications thereto which will ensure that SCAQMD will be compensated in the event CONTRACTOR fails to perform and also provides SCAQMD with the opportunity to review the qualifications of the entity designated by the issuer of the performance bond to perform in CONTRACTOR's absence and, if necessary, the right to reject such entity.
 - C. Should any bond become insufficient, the CONTRACTOR shall renew the bond within ten (10) days after receiving notice from SCAQMD. Should any surety at any time be unsatisfactory to SCAQMD, notice to that effect will be given to the CONTRACTOR, and no further payments shall be deemed due or will be made under the Contract until a new surety qualifies and is accepted by SCAQMD. Changes in the Statement of Work or extensions of time, made pursuant to the Contract, shall in no way release the CONTRACTOR or surety from the obligation. Notice of such changes or extensions shall be waived by the surety.
- L. PAYMENT BOND (MATERIAL AND LABOR BOND) - Within fourteen days after execution of the Contract by SCAQMD and prior to performing any work under the Contract, the CONTRACTOR shall file with SCAQMD, a payment bond (material and labor bond) in an amount equal to one hundred (100) percent of the contract price, to satisfy claims of material suppliers and of mechanics and laborers employed by the Contractor to perform the work.
- A. UNSATISFACTORY SURETIES - Should any Surety, at any time, be deemed unsatisfactory by SCAQMD, notice will be given to the Contractor to that effect. No further payments shall be deemed due, or will be made under the Contract until a new Surety shall qualify and be accepted by SCAQMD.
 - B. EFFECT OF CHANGES IN THE WORK/EXTENSIONS OF TIME ON THE SURETY - Changes in the work, or extensions of time, made pursuant to the Contract, shall in no way release the Contractor or the Surety from their obligations under the bond. Notice of such changes or extensions shall be waived by the Surety.

SECTION X: FUNDING

The total funding for the work contemplated by this RFP will be a maximum of **\$65,000**.

SECTION XI: SAMPLE CONTRACT

A sample contract to carry out the work described in this RFP is available on SCAQMD's website at <http://www.agmd.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 (SCAQMD) 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 SCAQMD 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, low-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 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.
 - 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 Contractor, 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 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 of the following criteria:
 - a. is a sole proprietorship or partnership of which at least 51 percent is owned by one or more disabled veterans or, in the case of a publicly owned business, at least 51 percent 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 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.
 - 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.

ATTACHMENT A

PARTICIPATION IN THE PROCUREMENT PROCESS

- 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, Contractor, 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 SCAQMD at the time of bid or proposal submittal and performs 90% of the work related to the contract within the geographical boundaries of SCAQMD and satisfies the requirements of subparagraph H below.
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 of the joint venture.
7. "Low-Emission Vehicle Business" as used in this policy means a company or contractor that uses low-emission vehicles in conducting deliveries to SCAQMD. Low-emission vehicles include vehicles powered by electric, compressed natural gas (CNG), liquefied natural gas (LNG), liquefied petroleum gas (LPG), ethanol, methanol, hydrogen and diesel retrofitted with particulate matter (PM) traps.
8. "Off-Peak Hours Delivery Business" as used in this policy means a company or contractor that commits to conducting deliveries to SCAQMD during off-peak traffic hours defined as between 10:00 a.m. and 3:00 p.m.

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9. "Benefits Incentive Business" as used in this policy means a company or contractor that provides janitorial, security guard or landscaping services to SCAQMD 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 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 Contractor, 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 SCAQMD 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 Contractor (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% of the lowest cost responsive bid. Low-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 of the lowest cost responsive bid. Local businesses (if the procurement is not

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funded in whole or in part by federal grant funds) shall be granted a preference in an amount equal to 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 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 twenty-five (25%) of the total contract value to a DVBE and/or small business. Low-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. SCAQMD 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 SCAQMD contractual obligations.
- F. SCAQMD 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 of its status as a MBE or WBE, as applicable, at the time of contract execution. SCAQMD 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 Contractors 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.

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4. Encourage contracting with a consortium of DBEs when a contract is too large for one of these Contractors 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 SCAQMD. However, if the subject matter of the RFP or RFQ calls for the fabrication or manufacture of custom products, only companies performing 90% of the manufacturing or fabrication effort within the geographical boundaries of SCAQMD shall be entitled to the local business preference.
- J. In compliance with federal fair share requirements set forth in 40 CFR Part 33, SCAQMD 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

Business Information Request

Dear SCAQMD Contractor/Supplier:

South Coast Air Quality Management District (SCAQMD) is committed to ensuring that our contractor/supplier records are current and accurate. If your Contractor 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,

Michael B. O'Kelly
Chief Financial Officer

DH:tm

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

REV 9/15



South Coast Air Quality Management District

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

BUSINESS INFORMATION REQUEST

Business Name	
Division of	
Subsidiary of	
Website Address	
Type of Business <i>Check One:</i>	<input type="checkbox"/> Individual <input type="checkbox"/> DBA, Name _____, County Filed in _____ <input type="checkbox"/> Corporation, ID No. _____ <input type="checkbox"/> LLC/LLP, ID No. _____ <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 SCAQMD, (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 SCAQMD 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, Contractor, 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 SCAQMD at the time of bid application.
- performs 90 percent of the work within SCAQMD'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 Contractor, 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 Contractor, or other foreign business.

Most Favored Customer as used in this policy means that the SCAQMD 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.**

Print or type See Specific Instructions on page 2.	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; check only one of the following seven boxes: <input type="checkbox"/> Individual/sole proprietor or single-member LLC <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ _____ Note. For a single-member LLC that is disregarded, do not check LLC; check the appropriate box in the line above for the tax classification of the single-member owner. <input type="checkbox"/> Other (see instructions) ▶ _____		4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3): Exempt payee code (if any) _____ Exemption from FATCA reporting code (if any) _____ <i>(Applies to accounts maintained outside the U.S.)</i>
	5 Address (number, street, and apt. or suite no.)		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 Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Social security number									

Note. If the account is in more than one name, see the instructions for line 1 and the chart on page 4 for guidelines on whose number to enter.

or

Employer identification number									

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 on page 3.

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

General Instructions

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

Future developments. Information about developments affecting Form W-9 (such as legislation enacted after we release it) is at www.irs.gov/fw9.

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? on page 2.

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?* on page 2 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 Publication 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 28% 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 Part II instructions on page 3 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* on page 3 and the separate Instructions for the Requester of Form W-9 for more information.

Also see *Special rules for partnerships* above.

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* on page 3 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, list first, and then circle, the name of the person or entity whose number you entered in Part I of 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 in line 3 for the U.S. federal tax classification of the person whose name is entered on line 1. Check only one box in line 3.

Limited Liability Company (LLC). If the name on line 1 is an LLC treated as a partnership for U.S. federal tax purposes, check the "Limited Liability Company" box and enter "P" in the space provided. If the LLC has filed Form 8832 or 2553 to be taxed as a corporation, check the "Limited Liability Company" box and in the space provided enter "C" for C corporation or "S" for S corporation. If it is a single-member LLC that is a disregarded entity, do not check the "Limited Liability Company" box; instead check the first box in line 3 "Individual/sole proprietor or single-member LLC."

Line 4, Exemptions

If you are exempt from backup withholding and/or FATCA reporting, enter in the appropriate space in 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 ¹	Generally, exempt payees 1 through 5 ²
Payments made in settlement of payment card or third party network transactions	Exempt payees 1 through 4

¹ See Form 1099-MISC, Miscellaneous Income, and its instructions.

² 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.

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. However, the IRS prefers that you use your SSN.

If you are a single-member LLC that is disregarded as an entity separate from its owner (see *Limited Liability Company (LLC)* on this page), 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 the chart on page 4 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. 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 and clicking on Employer Identification Number (EIN) under Starting a Business. You can get Forms W-7 and SS-4 from the IRS by visiting IRS.gov or by calling 1-800-TAX-FORM (1-800-829-3676).

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 items 1, 4, or 5 below indicate 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), 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)	The actual owner of the account or, if combined funds, the first individual on the account ¹
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor ²
4. a. The usual revocable savings trust (grantor is also trustee) b. So-called trust account that is not a legal or valid trust under state law	The grantor-trustee ¹ The actual owner ¹
5. Sole proprietorship or disregarded entity owned by an individual	The owner ¹
6. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulations section 1.671-4(b)(2)(i)(A))	The grantor ¹
For this type of account:	Give name and EIN of:
7. Disregarded entity not owned by an individual	The owner
8. A valid trust, estate, or pension trust	Legal entity ¹
9. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
10. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
11. Partnership or multi-member LLC	The partnership
12. A broker or registered nominee	The broker or nominee
13. 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
14. 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

¹ 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.

² Circle the minor's name and furnish the minor's SSN.

³ 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.

⁴ 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* on page 2.

***Note.** 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 Publication 4535, Identity Theft Prevention and Victim Assistance.

Victims of identity theft who are experiencing economic harm or a system 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. 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 or contact them at www.ftc.gov/idtheft or 1-877-IDTHEFT (1-877-438-4338).

Visit IRS.gov 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.

2015 Withholding Exemption Certificate

590

The payee completes this form and submits it to the withholding agent.

Withholding Agent (Type or print)

Name _____

Payee

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 reason box below that applies to the payee.

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.

Under penalties of perjury, I hereby certify that the information provided in this document is, to the best of my knowledge, true and correct. If conditions change, I will promptly notify the withholding agent.

Payee's name and title (type or print) _____ Telephone (____) _____

Payee's signature ► _____ Date _____

2015 Instructions for Form 590

Withholding Exemption Certificate

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

General Information

Registered Domestic Partners (RDP) – For purposes of California income tax, references to a spouse, husband, or wife also refer to a Registered Domestic Partner (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 information on California backup withholding, go to 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 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-C, Real Estate Withholding Certificate, to claim an exemption from real estate withholding.

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

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.

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 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 certificate on the preprinted form, the withholding agent may accept as a substitute certificate a letter from the payee explaining why the payee is 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. The withholding agent must retain a copy of the certificate or substitute for at least four years after the last payment to which the certificate applies, and provide it upon request to the FTB.

For example, 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 non-wage 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, get 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 if it is a foreign corporation qualified to transact intrastate business by the CA SOS. 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 taxpayer identification number (TIN) and check the appropriate TIN box.

You must provide an acceptable 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 – Enter the information in the following order: City, Country, Province/Region, and Postal Code. Follow the country's practice for entering the postal code. **Do not** abbreviate the country's name.

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

Withholding Agent Instructions

Keep Form 590 for your records. **Do not** send this form to the FTB unless it has been specifically requested.

For more information, contact Withholding Services and Compliance, see Additional Information.

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, and Form 592-V, Payment Voucher for Resident and Nonresident Withholding.

Additional Information

For additional information or to speak to a representative regarding this form, call the Withholding Services and Compliance telephone service at:

Telephone: **888.792.4900**
916.845.4900
Fax: 916.845.9512

OR write to:

WITHHOLDING SERVICES AND
COMPLIANCE MS F182
FRANCHISE TAX BOARD
PO BOX 942867
SACRAMENTO CA 94267-0651

You can download, view, and print California tax forms and publications at ftb.ca.gov.

OR to get forms by mail write to:

TAX FORMS REQUEST UNIT
FRANCHISE TAX BOARD
PO BOX 307
RANCHO CORDOVA CA 95741-0307

For all other questions unrelated to withholding or to access the TTY/TDD numbers, see the information below.

Internet and Telephone Assistance

Website: 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 impairments

Asistencia Por Internet y Teléfono

Sitio web: 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



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 MSRC, 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).

California law prohibits a party, or an agent, from making campaign contributions to SCAQMD Governing Board Members or members/alternates of the Mobile Source Air Pollution Reduction Review Committee (MSRC) of more than \$250 while their contract or permit is pending before SCAQMD; and further prohibits a campaign contribution from being made for three (3) months following the date of the final decision by the Governing Board or the MSRC 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 must abstain from voting on a contract or permit if they have received a campaign contribution from a party or participant 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 SCAQMD website (www.aqmd.gov). The list of current MSRC members/alternates can be found at the MSRC website (<http://www.cleantransportationfunding.org>).

SECTION I.

Contractor (Legal Name): _____

DBA, Name _____, County Filed in _____ Corporation, ID No. _____ LLC/LLP, ID No. _____
--

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

SECTION II.

Has Contractor and/or any parent, subsidiary, or affiliated company, or agent thereof, 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 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.**

Campaign Contributions Disclosure, continued:

Name of Contributor _____

Governing Board Member or MSRC Member/Alternate Amount of Contribution Date of Contribution

Name of Contributor _____

Governing Board Member or MSRC Member/Alternate Amount of Contribution Date of Contribution

Name of Contributor _____

Governing Board Member or MSRC Member/Alternate Amount of Contribution Date of Contribution

Name of Contributor _____

Governing Board Member or MSRC Member/Alternate Amount of Contribution Date of Contribution

I declare the foregoing disclosures to be true and correct.

By: _____

Title: _____

Date: _____

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.



South Coast Air Quality Management District

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

Direct Deposit Authorization

STEP 1: Please check all the appropriate boxes

- | | |
|--|--|
| <input type="checkbox"/> Individual (Employee, Governing Board Member) | <input type="checkbox"/> New Request |
| <input type="checkbox"/> Vendor/Contractor | <input type="checkbox"/> Cancel Direct Deposit |
| <input type="checkbox"/> Changed Information | |

STEP 2: Payee Information

Last Name		First Name		Middle Initial	Title
Vendor/Contractor Business Name (if applicable)					
Address				Apartment or P.O. Box Number	
City		State	Zip	Country	
Taxpayer ID Number		Telephone Number		Email Address	

Authorization

- I authorize South Coast Air Quality Management District (SCAQMD) to direct deposit funds to my account in the financial institution as indicated below. I understand that the authorization may be rejected or discontinued by SCAQMD at any time. If any of the above information changes, I will promptly complete a new authorization agreement. If the direct deposit is not stopped before closing an account, funds payable to me will be returned to SCAQMD for distribution. This will delay my payment.
- This authorization remains in effect until SCAQMD receives written notification of changes or cancellation from you.
- I hereby release and hold harmless SCAQMD for any claims or liability to pay for any losses or costs related to insufficient fund transactions that result from failure within the Automated Clearing House network to correctly and timely deposit monies into my account.

STEP 3:

You must verify that your bank is a member of an Automated Clearing House (ACH). Failure to do so could delay the processing of your payment. You must attach a voided check or have your bank complete the bank information and the account holder must sign below.

To be Completed by your Bank

Staple Voided Check Here	Name of Bank/Institution		
	Account Holder Name(s)		
	<input type="checkbox"/> Saving <input type="checkbox"/> Checking	Account Number	Routing Number
	Bank Representative Printed Name	Bank Representative Signature	Date
	ACCOUNT HOLDER SIGNATURE:		Date

For SCAQMD Use Only

Input By _____

Date _____

ATTACHMENT C

STATEMENT OF WORK

1.00 General Requirements

1.01 **Scope of Work** – CONTRACTOR shall provide all labor, materials, permits, tools, equipment, and transportation required for the upgrade of the PM2.5 Room GTAU-00732 Data Aire HVAC unit (located at 21865 Copley Dr., Diamond Bar, California 91765), in accordance with the specifications outlined in Sections 2 and 3 of this attachment. *It is the responsibility of the CONTRACTOR to verify all quantities, measurements, and existing conditions before submitting a proposal.*

1.02 **Identification** – SCAQMD requires all CONTRACTOR and sub-contractor personnel working on SCAQMD's premises to wear uniforms or some type of identification. SCAQMD also requires all personnel to sign in and sign out in Contractor Log Book located at the Main Lobby Security Desk.

1.03 **System of Communication and Emergency Numbers** - CONTRACTOR shall provide and maintain for the duration of the project, a current list of emergency contact numbers for 24-hour emergency response. In case of emergency CONTRACTOR shall respond immediately upon notification. CONTRACTOR shall immediately notify the SCAQMD's Building Maintenance Manager or his designee of the emergency.

1.04 **Protection of property during inclement weather.** – During periods of storms, CONTRACTOR will provide supervisory inspections of the project during regular assigned hours to prevent possible damage from inclement weather. CONTRACTOR shall report any storm damage to SCAQMD's immediately.

1.05 **Contractor's Representative** – CONTRACTOR shall hereby designate a person to act as its representative for the performance of this Contract Agreement ("CONTRACTOR's Representative"). CONTRACTOR's Representative shall have full authority to represent and act on behalf of the CONTRACTOR for all purposes under this Contract Agreement. The CONTRACTOR's Representative shall supervise and direct the project, using his best skill, attention, and shall be responsible for all means, methods, techniques, sequences, procedures and for the satisfactory coordination of all portions of the project under this Contract Agreement.

1.06 **Project Inspections** – Periodically, CONTRACTOR's representative(s) will be requested to walk the project with SCAQMD's representative(s) for the purpose of determining compliance with the specifications listed in this Request for Proposal. SCAQMD will provide a list of corrections not in compliance with these specifications. Items on the list must be corrected by CONTRACTOR prior to the next requested SCAQMD inspection.

1.07 **Licensing** – CONTRACTOR and subcontractors shall be licensed by the State of California in the categories necessary to perform work under this contract in compliance with all governmental agencies.

1.08 **Construction Schedules** – The timeline for this project (including system configuration and testing) should not exceed two calendar weeks. Any on-site work should be performed between the hours of 6am and 6pm. The CONTRACTOR shall provide to the SCAQMD within five (5) days after receiving the executed contract, and prior to starting the project, a construction schedule in the format of a Gantt chart. Any change in the construction schedule will require the

CONTRACTOR to provide updated charts within two working days of the proposed change, for approval by SCAQMD.

1.09 **Project Completion** – Upon completion of the project, the CONTRACTOR shall provide the SCAQMD with a final written report. This report must include all project notes, corrections, manufacturer's warranty documents, submittals, parts diagrams, as built drawings, maintenance schedules and procedures.

1.10 **Prevailing Wages** – Contractor is aware of the requirements of California Labor Code Section 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Section 16000, et seq., (Prevailing Wage Laws), which require the payment of prevailing wage rates and performance of other requirements on “public works” and “maintenance” projects.

1.11 **Submittals** – Contractor shall provide a complete set of manufacturer's submittals and cut sheets with proposal for all equipment and materials specified in the RFP or to be used on the project.

1.12 **As Built Drawings** – Contractor shall provide to SCAQMD a complete and comprehensive set of as built drawings for the project.

1.13 **Acceptance Testing** – A testing period of 72 hours with normal occupancy load will be used. During this time in-room temperature and humidity monitoring should not show any exceedance of the specified criteria (RH $35 \pm 5\%$, T $21.5 \pm 1.5^{\circ}\text{C}$). Uniformity of temperature and humidity, positive pressure, and fresh air introduction will also be verified. The relative humidity must have a standard deviation of $< 5\%$ over 24 hours, temperature must have a standard deviation of $< 2^{\circ}\text{C}$ over 24 hours.

1.14 **Warranty** – All work for this project, as well as the ongoing operation of the system shall be warrantied for a period of one year from project completion (to include parts and labor).

2.00 Mechanical Equipment

Required Equipment: Data Aire Model GTAU-01132 (or SCAQMD approved equivalent)

Required Performance:

1. Power: 208 volt, 3 phase, 60 hertz
2. Entering air condition: 75-degrees DB; 62.5-degrees WB; 50% Relative Humidity
3. Total Gross Cooling Capacity (BTUH): 36,900
4. Sensible Cooling Capacity (BTUH): 28,700
5. Humidifier Capacity: 10 Lbs./Hr. (with modulating control)
6. Reheat Capacity: 20,490 BTUH (6.0 Kw with SCR modulating control)
7. Unit filter: MERV 11, 4-inch installed in the supply discharge duct
8. Electrical at 208-V/ 3-PH / 60-Hz.: 33 amps FLA; 40 amps MCA; 45 amps MOP

Additional Equipment Requirements:

1. System to be R-410a top supply air outlet; bottom horizontal return air inlet
2. Micro-processor control panel; unit mounted and wired
3. Discharge air temperature sensor (monitor only)
4. Panel to include BACnet IP interface communication card for BMS system, RS-485
5. Direct drive fan with factory installed on-board speed controller
6. Stainless steel drain pan
7. Expansion valve with external equalizer; filter drier and sight glass

8. Condensate pump unit mounted and wired
9. Micro-switch for condensate high level/overflow detection
10. Factory mounted and wired disconnect
11. Scroll compressor with:
 - a. High and low pressure switches
 - b. Crankcase heater
 - c. Anti-short cycle
 - d. Roto-lock service valves
12. Refrigerant liquid line to include solenoid valve, factory installed and wired
13. Hot gas bypass, factory installed and wired
14. Humidifier: replaceable cylinder type, electrode type
15. Reheat (electric type), factory installed and wired

3.00 New Work

Electrical Requirements

1. Supply and install all required conduit, junction boxes, and wire for any necessary modifications to the existing 40A, 3-pole supply breaker.

NOTE: All breakers feeding this equipment should be rated for AC equipment and GE brand only.

Mechanical Equipment Installation

1. Secure in place new Data Aire unit.
2. Connect existing refrigeration piping (to existing Data Aire DARC-03 roof mounted condenser).
3. Modify as necessary supply duct work in room plenum space, and connect to new Data Aire unit.
4. Connect existing Munters HC-300 CP dehumidifier to new Data Aire microprocessor control system.
5. Supply and install ducting from Munters dehumidification unit to new Data Aire unit, creating one continuous air stream. Modify as necessary return side ducting and mounting of Munters unit.

System Configuration

1. Air balance HVAC system (room must maintain a positive pressure, with approximately 5% fresh air)
2. Configure system to maintain specified set points (below), and demonstrate it is reliable and stable.
 - a. System must maintain a relative humidity of $35 \pm 5\%$ on a continuous basis, with a standard deviation of $<5\%$ over 24 hours. Additional points will be awarded to contractors who can exceed this specification.
 - b. System must maintain a temperature of $21.5 \pm 1.5^{\circ}\text{C}$ on a continuous basis, with a standard deviation of $<2^{\circ}\text{C}$ over 24 hours. Additional points will be awarded to contractors who can exceed this specification.

Miscellaneous

1. Patch/repair drywall as necessary. Paint to nearest corner.
2. Any damaged ceiling tiles should be replaced with like tiles.

BOARD MEETING DATE: June 3, 2016

AGENDA NO. 6

PROPOSAL: Execute Contract for Landscape Maintenance at Diamond Bar Headquarters

SYNOPSIS: The current contract for landscape maintenance at Diamond Bar headquarters expires June 30, 2016. On December 4, 2015, the Board approved release of an RFP to solicit proposals from landscape contractors interested in providing landscape and tree maintenance service at SCAQMD headquarters. This action is to execute a contract with So Cal Land Maintenance, Inc., through June 30, 2019, for an amount not to exceed \$182,821. Funding for this contract has been included in the FY 2016-17 Budget and will be requested in successive fiscal years.

COMMITTEE: Administrative, April 8 and May 13, 2016; On the motion of Chairman Burke, the Committee unanimously approved all agenda items to be forwarded to the full Board.

RECOMMENDED ACTION:

Authorize the Chairman to execute a three-year contract with So Cal Land Maintenance, Inc., for an amount not to exceed \$182,821.

Wayne Nastri
Acting Executive Officer

WJ:BJ

Background

SCAQMD contracts with a landscape maintenance contractor to provide routine landscape maintenance and tree trimming services at the Diamond Bar headquarters. The current contract expires June 30, 2016. On December 4, 2015, the Board approved release of RFP #2016-12 to solicit proposals from landscape maintenance contractors interested in providing these services through June 30, 2019.

Those responding to the RFP were asked to bid on both landscape maintenance and tree-trimming services. In addition to these routine services, SCAQMD typically has unanticipated landscape-related repairs and replacements that, based on past experience, cost approximately 25% of the routine maintenance cost.

These unanticipated costs result from such things as weather-related damage to plants and landscaped areas, loss of existing plants and sprinkler equipment repairs and

replacements. Since it is difficult to project what these non-routine costs might be, the contract amount includes the three-year cost as submitted by the contractor for routine landscape and tree-trimming services, plus an additional \$6,411 annually, as a contingency to cover unanticipated landscape-related repairs and replacements.

Outreach

In accordance with SCAQMD'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.

Additionally, potential bidders may have been notified utilizing SCAQMD's own electronic listing of certified minority vendors. Notice of the RFP has been emailed to the Black and Latino Legislative Caucuses and various minority chambers of commerce and business associations, and placed on the Internet at SCAQMD's website (<http://www.aqmd.gov>).

Bid Evaluation

Thirteen copies of the RFP were mailed out, and six vendors attended the mandatory bidders' conference on December 17, 2015. Four proposals were received when final bidding closed at 2:00 p.m. on January 14, 2016. Three of the proposals were complete and meet the RFP requirements.

The evaluation panel included a certified arborist consultant, SCAQMD's Building Supervisor, Business Services Manager and a Program Supervisor. Of these panel members, one is Hispanic and three are Caucasian; one female and three male.

Evaluation of the three responsive proposals was based on criteria specified in the RFP, which included cost, understanding of requirements, contractor qualifications, and small business and/or local business points. The attached evaluation summary lists responsive bidders and their scores. Staff recommends the contract be awarded to So Cal Land Maintenance, Inc., the contractor that submitted the highest-rated and lowest cost responsive bid. So Cal Land Maintenance has agreed to utilize only commercial quality cordless and/or electric lawn and garden equipment in the performance of this contract.

Resource Impacts

Annual costs, including the landscape and tree-trimming schedule, are \$57,736 for FY 2016-17; \$66,917 for FY 2017-18; and \$58,168 for FY 2018-19. Funding for this contract has been included in the FY 2016-17 Budget and will be requested in successive fiscal years.

Attachment

Bid Evaluation Summary, RFP #2016-12

ATTACHMENT

Landscape and Tree Maintenance Services Bid Evaluation Summary

RFP #2016-12

	Company Name	3-Year Cost	Cost Points	Technical Points	Understanding Of Requirements	Contractor Qualifications	Additional Points *	Total Points
1	So Cal Land Maintenance, Inc.	\$182,821	30	17	17	19	15	98
2	Mariposa Landscapes Inc.	\$255,825	18	18	18	20	0	74
3	Priority Landscaping Services	\$215,794	24	11	13	11	0	59

*Small Business = 10 points; DVBE = 10 points; Local = 5 points; Low-Emission Vehicle = 5 points; Off-Peak Hours Delivery = 2 points

BOARD MEETING DATE: June 3, 2016

AGENDA NO. 7

PROPOSAL: Issue RFP for Executive Search and Recruitment Services

SYNOPSIS: On April 1, 2016, the Board appointed Wayne Nastri as the Acting Executive Officer for a six-month period ending September 30, 2016. This action is to issue an RFP for an executive search and recruitment firm to conduct national and international search and recruitment efforts to solicit highly qualified candidates to fill the Executive Officer position on a permanent basis.

COMMITTEE Administrative, May 13, 2016; On the motion of Chairman Burke, the Committee unanimously approved all agenda items to be forwarded to the full Board.

RECOMMENDED ACTION:

Issue the attached RFP for executive search and recruitment services to conduct a national and international effort to fill the Executive Officer position.

Wayne Nastri
Acting Executive Officer

WJ:tc

Background

On April 1, 2016, the Board appointed Wayne Nastri as the Acting Executive Officer. An Executive Management Agreement with Mr. Nastri to perform the duties of the Acting Executive Officer position was approved by the Board. The appointment of Mr. Nastri and the specialized executive abilities and qualifications he possesses was deemed critically necessary to the ongoing duties and functions of SCAQMD while an executive search and recruitment was performed.

Proposal

This action is to issue an RFP for executive search and recruitment services and for the selected firm to conduct national and international searches and recruitment efforts to solicit highly qualified candidates for the permanent appointment of an Executive Officer.

Outreach

In accordance with SCAQMD's Procurement Policy and Procedure, a public notice advertising the RFP 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 SCAQMD's own electronic listing of certified minority vendors. Notice of the RFP will be mailed to the Black and Latino Legislative Caucuses and various minority chambers of commerce and business associations, including small businesses, and placed on the Internet at SCAQMD's website (<http://www.aqmd.gov>) where it can be viewed by making the selection "Grants & Bids."

Bid Evaluation

Proposals received in response to this RFP will be evaluated by a diverse panel of qualified individuals according to the criteria in the attached RFP. It is anticipated that the top ranked proposals will be brought before the Personnel and/or Administrative Committee for interviews and final selection.

Resource Impacts

Funding for a contract awarded under this RFP will be available in the FY 2016-17 Budget under District General – Professional & Specialized Services (01999-67450).

Attachment

RFP #2016-26



SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

REQUEST FOR PROPOSALS

EXECUTIVE SEARCH AND RECRUITMENT

#P2016-26

South Coast Air Quality Management District (SCAQMD) 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

The purpose of this RFP is to solicit qualified firms or sole practitioners to conduct a national and/or international search and recruitment for the executive management position of Executive Officer. Under policy guidance and general administrative direction of the Governing Board, the Executive Officer has full responsibility for planning, administering, directing and evaluating all of the agency's plans, programs and efforts towards achieving the attainment and maintenance of State and federal clean air standards within the South Coast Air Basin.

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 Requirements
Section VIII	Proposal Submission
Section IX	Proposal Evaluation/Contractor Selection Criteria
Section X	Funding
Section XI	Sample Contract

Attachment A - Participation in the Procurement Process

Attachment B - Certifications and Representations

SECTION I: BACKGROUND/INFORMATION

SCAQMD is a regional government agency established by the California Legislature pursuant to the Lewis Air Quality Management Act. SCAQMD encompasses all of Orange County and parts of Los Angeles, San Bernardino and Riverside Counties. SCAQMD's Governing Board is composed of 13 members, including four members appointed by the Boards of Supervisors of the four counties in SCAQMD's jurisdiction, six members appointed by cities in the SCAQMD's jurisdiction and three members appointed by the Governor, the Speaker of the State Assembly and the Rules Committee of the State Senate, respectively. The four-county Southern California region, designated for air quality purposes as the South Coast Air Basin, has some of the highest air pollution levels in the United States. The federal government has designated seven pollutants that are pervasive enough across the nation to warrant national health standards. In addition, the State of California, through the California Air Resources Board (CARB), sets ambient air quality standards for these same pollutants.

The Governing Board's adopted goals directed prioritization of projects and resources to the following: Ensure expeditious progress towards meeting clean air standards and protecting public health; enhance public education and ensure equitable treatment for all communities; and operate efficiently and in a manner sensitive to public agencies, businesses, the public and SCAQMD staff. SCAQMD has a FY 2015-16 Budget with proposed expenditures of \$137 million, and staffing of 803 full-time equivalent positions. SCAQMD employs scientific, technical, and administrative support staff, mostly housed at its headquarters in Diamond Bar, California.

SECTION II: CONTACT PERSON:

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

William J. Johnson
 Assistant Deputy Executive Officer/Administrative & Human Resources
 SCAQMD
 21865 Copley Drive
 Diamond Bar, CA 91765-4178
 (909) 396-3018
 e-mail: bjohnson@aqmd.gov

SECTION III: SCHEDULE OF EVENTS

Date	Event
June 3, 2016	RFP Released
August 2, 2016	Proposals Due to SCAQMD - No Later Than 2:00 pm
August 2016	Proposal Evaluations
September 9, 2016	Interviews, if required
October 7, 2016	Governing Board Approval
October 7, 2016	Anticipated Contract Execution

SECTION IV: PARTICIPATION IN THE PROCUREMENT PROCESS

It is the policy of SCAQMD 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 SCAQMD contracts. Attachment A to this RFP contains definitions and further information.

SECTION V: STATEMENT OF WORK/SCHEDULE OF DELIVERABLES

The work to be performed under this contract requires:

- 1) Working with the Governing Board Members to develop an ideal candidate profile for the Executive Officer position, including knowledge, skills and abilities required for the position;
- 2) Develop the strategy for an aggressive national and/or international search for the most highly qualified candidates through appropriate advertising and sensitive but persuasive personal contact;
- 3) Assisting the Governing Board in defining screening and selection criteria and procedures;
- 4) Screening applicants by reviewing resumes, determining minimum qualification fulfillment, and confirming information with follow-up interviews;
- 5) Conducting in-depth reference checks to verify candidates' prior employment and qualifications, attitudes and individual strengths and weaknesses;
- 6) Coordinating the final candidate pool and scheduling personal interviews with the Governing Board;
- 7) Assisting the Board by verifying the finalist's educational and professional achievements and conducting a background check;
- 8) Notifying candidates who were not selected;
- 9) Assist the Governing Board with compensation negotiations, if requested; and
- 10) Preparation of a final report detailing the specific work performed by the Contractor.

The Contractor is expected to perform all work in a timely manner, with sensitivity and responsiveness to the Governing Board, and with consideration and respect for confidentiality in dealing with potential candidates.

SECTION VI: REQUIRED QUALIFICATIONS

- A. Persons or firms proposing to bid on this proposal must be qualified and have considerable past experience in conducting executive level searches and recruitments.
- B. Proposer must submit the following:
 1. Names and resumes of personnel to be assigned to this executive search including their experience in conducting executive level searches for private and governmental entities.
 2. List of prior clients with contact names and telephone numbers from previous executive searches and recruitments.

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. SCAQMD 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 SCAQMD.

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:

1. Address and telephone number of office in, or nearest to, Diamond Bar, California.
2. 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 Statement 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 timelines for completing the executive search and recruitment tasks.

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 SCAQMD.
2. 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.
3. Provide a statement indicating whether or not 90% of the work will be performed within the geographical boundaries of SCAQMD.

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 SCAQMD. SCAQMD 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, SCAQMD 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 – SCAQMD 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 SCAQMD to receive at least as favorable pricing, warranties, conditions, benefits and terms as other customers or clients making similar purchases or receiving similar services. SCAQMD will give preference, where appropriate, to vendors who certify that they will provide "most favored customer" status to SCAQMD. To receive preference points, Proposer shall certify that SCAQMD 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 2:00 p.m., August 2, 2016, and should be directed to:**

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

Submittal - Submit five (5) 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 #P2016-26."

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 SCAQMD. 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 SCAQMD staff members familiar with the subject matter of the project. The panel shall be appointed by the Board Chair. In addition, the evaluation panel may include such outside public sector or academic community expertise as deemed desirable by the Governing Board. The panel will make a recommendation to the SCAQMD Personnel and/or Administrative Committee(s) for interviews and recommendation to the SCAQMD Governing Board for final selection of a contractor.
- 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.

1. Proposal Evaluation Criteria

Professional capability and specialized expertise	20
Experience and education of key personnel	20
Work plan and methodology	20
Quality of completed services for other clients	10
Cost	<u>30</u>
TOTAL	100

(c) Additional Points

Small Business or Small Business Joint Venture	10
DVBE or DVBE Joint Venture	10
Use of DVBE or Small Business Subcontractors	7
Low-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, low-emission vehicle business, local business and off-peak hours' delivery business shall not exceed 15 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.

2. 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 or certification from the State of California Office of Small Business Certification and Resources at the time of proposal submission certifying that the proposer meets the requirements set forth in Section III. 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 Low-Emission Vehicle Business, the proposer must demonstrate to the Executive Officer, or designee, that supplies and materials delivered to SCAQMD are delivered in vehicles that operate on either clean-fuels or if powered by diesel fuel, that the vehicles have particulate traps installed. 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 SCAQMD 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 SCAQMD. The cumulative points awarded for small business, DVBE, use of Small Business or DVBE Subcontractors, Local Business, Low-Emission Vehicle Business and Off-Peak Hour Delivery Business shall not exceed 15 points.

The Procurement Section will be responsible for monitoring compliance of suppliers awarded purchase orders based upon use of low-emission vehicles or off-peak traffic hour delivery commitments through the use of vendor logs which will identify the contractor awarded the incentive. The purchase order shall incorporate terms which obligate the supplier to deliver materials in low-emission vehicles or deliver during off-peak traffic hours. The Receiving department will monitor those qualified supplier deliveries to ensure compliance to the purchase order requirements. Suppliers in non-compliance will be subject to a two percent (2%) of total purchase order value penalty. The Procurement Manager will adjudicate any disputes regarding either low-emission vehicle or off-peak hour deliveries.

3. 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.
4. 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 SCAQMD.
- D. The 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 SCAQMD considering cost and technical factors. The determination shall be based solely on the Evaluation Criteria contained in the Request for Proposal (RFP) on 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 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 SCAQMD 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 SCAQMD Procurement Department.
- G. The 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 Governing Board may increase the amount awarded. The Governing Board may also select additional proposers for a grant or contract if additional funds become available.
- I. Disposition of Proposals – Pursuant to SCAQMD’s Procurement Policy and Procedure, SCAQMD reserves the right to reject any or all proposals. All proposals become the property of SCAQMD and are subject to the California Public Records Act. One copy of the proposal shall be retained for SCAQMD files. Additional copies and materials will be returned only if requested and at the proposer's expense.

SECTION X: FUNDING

The funding for the work contemplated by this RFP is available in the FY 2016-17 Budget.

SECTION XI: SAMPLE CONTRACT

A sample contract to carry out the work described in this RFP is available on SCAQMD’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 (SCAQMD) 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 SCAQMD 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, low-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 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.
 - 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 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 of the following criteria:
 - a. is a sole proprietorship or partnership of which at least 51 percent is owned by one or more disabled veterans or, in the case of a publicly owned business, at least 51 percent 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 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.

ATTACHMENT A

PARTICIPATION IN THE PROCUREMENT PROCESS

- 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 SCAQMD at the time of bid or proposal submittal and performs 90% of the work related to the contract within the geographical boundaries of SCAQMD and satisfies the requirements of subparagraph H below.
 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 of the joint venture.
 7. "Low-Emission Vehicle Business" as used in this policy means a company or contractor that uses low-emission vehicles in conducting deliveries to SCAQMD. Low-emission vehicles include vehicles powered by electric, compressed natural gas (CNG), liquefied natural gas (LNG), liquefied petroleum gas (LPG), ethanol, methanol, hydrogen and diesel retrofitted with particulate matter (PM) traps.

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PARTICIPATION IN THE PROCUREMENT PROCESS

8. “Off-Peak Hours Delivery Business” as used in this policy means a company or contractor that commits to conducting deliveries to SCAQMD 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 SCAQMD 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 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 SCAQMD 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.

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PARTICIPATION IN THE PROCUREMENT PROCESS

- 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% of the lowest-cost responsive bid. Low-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 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% of the lowest-cost responsive bid. Businesses offering Most Favored Customer status shall be granted a preference in an amount equal to 2 percent 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 twenty-five (25%) of the total contract value to a DVBE and/or small business. Low-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. SCAQMD 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 SCAQMD contractual obligations.
- F. SCAQMD 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. SCAQMD 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

ATTACHMENT A

PARTICIPATION IN THE PROCUREMENT PROCESS

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 SCAQMD. However, if the subject matter of the RFP or RFQ calls for the fabrication or manufacture of custom products, only companies performing 90% of the manufacturing or fabrication effort within the geographical boundaries of SCAQMD shall be entitled to the local business preference.
- J. In compliance with federal fair share requirements set forth in 40 CFR Part 33, SCAQMD 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

Business Information Request

Dear SCAQMD Contractor/Supplier:

South Coast Air Quality Management District (SCAQMD) 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,

Michael B. O'Kelly
Chief Financial Officer

DH:tm

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

REV 9/15



South Coast Air Quality Management District

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

BUSINESS INFORMATION REQUEST

Business Name	
Division of	
Subsidiary of	
Website Address	
Type of Business <i>Check One:</i>	<input type="checkbox"/> Individual <input type="checkbox"/> DBA, Name _____, County Filed in _____ <input type="checkbox"/> Corporation, ID No. _____ <input type="checkbox"/> LLC/LLP, ID No. _____ <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 SCAQMD, (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 SCAQMD 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 SCAQMD at the time of bid application.
- performs 90 percent of the work within SCAQMD'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 SCAQMD 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.**

Print or type See Specific Instructions on page 2.	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; check only one of the following seven boxes: <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 <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ _____ Note. For a single-member LLC that is disregarded, do not check LLC; check the appropriate box in the line above for the tax classification of the single-member owner. <input type="checkbox"/> Other (see instructions) ▶ _____		4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3): Exempt payee code (if any) _____ Exemption from FATCA reporting code (if any) _____ <i>(Applies to accounts maintained outside the U.S.)</i>
	5 Address (number, street, and apt. or suite no.)		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 Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Social security number	
[] [] [] []	- [] [] [] [] [] [] [] []
or	
Employer identification number	
[] [] [] [] [] [] [] []	- [] [] [] [] [] [] [] []

Note. If the account is in more than one name, see the instructions for line 1 and the chart on page 4 for guidelines on whose number to enter.

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 on page 3.

Sign Here	Signature of U.S. person ▶ _____	Date ▶ _____
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General Instructions

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

Future developments. Information about developments affecting Form W-9 (such as legislation enacted after we release it) is at www.irs.gov/fw9.

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? on page 2.

- 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?* on page 2 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 Publication 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 28% 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 Part II instructions on page 3 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* on page 3 and the separate Instructions for the Requester of Form W-9 for more information.

Also see *Special rules for partnerships* above.

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* on page 3 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, list first, and then circle, the name of the person or entity whose number you entered in Part I of 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 in line 3 for the U.S. federal tax classification of the person whose name is entered on line 1. Check only one box in line 3.

Limited Liability Company (LLC). If the name on line 1 is an LLC treated as a partnership for U.S. federal tax purposes, check the "Limited Liability Company" box and enter "P" in the space provided. If the LLC has filed Form 8832 or 2553 to be taxed as a corporation, check the "Limited Liability Company" box and in the space provided enter "C" for C corporation or "S" for S corporation. If it is a single-member LLC that is a disregarded entity, do not check the "Limited Liability Company" box; instead check the first box in line 3 "Individual/sole proprietor or single-member LLC."

Line 4, Exemptions

If you are exempt from backup withholding and/or FATCA reporting, enter in the appropriate space in 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 ¹	Generally, exempt payees 1 through 5 ²
Payments made in settlement of payment card or third party network transactions	Exempt payees 1 through 4

¹ See Form 1099-MISC, Miscellaneous Income, and its instructions.

² 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.

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. However, the IRS prefers that you use your SSN.

If you are a single-member LLC that is disregarded as an entity separate from its owner (see *Limited Liability Company (LLC)* on this page), 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 the chart on page 4 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. 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 and clicking on Employer Identification Number (EIN) under Starting a Business. You can get Forms W-7 and SS-4 from the IRS by visiting IRS.gov or by calling 1-800-TAX-FORM (1-800-829-3676).

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 items 1, 4, or 5 below indicate 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), 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)	The actual owner of the account or, if combined funds, the first individual on the account ¹
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor ²
4. a. The usual revocable savings trust (grantor is also trustee) b. So-called trust account that is not a legal or valid trust under state law	The grantor-trustee ¹ The actual owner ¹
5. Sole proprietorship or disregarded entity owned by an individual	The owner ¹
6. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulations section 1.671-4(b)(2)(i)(A))	The grantor ¹
For this type of account:	Give name and EIN of:
7. Disregarded entity not owned by an individual	The owner
8. A valid trust, estate, or pension trust	Legal entity ¹
9. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
10. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
11. Partnership or multi-member LLC	The partnership
12. A broker or registered nominee	The broker or nominee
13. 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
14. 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

¹ 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.

² Circle the minor's name and furnish the minor's SSN.

³ 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.

⁴ 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* on page 2.

***Note.** 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 Publication 4535, Identity Theft Prevention and Victim Assistance.

Victims of identity theft who are experiencing economic harm or a system 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. 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 or contact them at www.ftc.gov/idtheft or 1-877-IDTHEFT (1-877-438-4338).

Visit IRS.gov 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.

2015 Withholding Exemption Certificate

590

The payee completes this form and submits it to the withholding agent.

Withholding Agent (Type or print)

Name _____

Payee

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 reason box below that applies to the payee.

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.

Under penalties of perjury, I hereby certify that the information provided in this document is, to the best of my knowledge, true and correct. If conditions change, I will promptly notify the withholding agent.

Payee's name and title (type or print) _____ Telephone (____) _____

Payee's signature ► _____ Date _____

2015 Instructions for Form 590

Withholding Exemption Certificate

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

General Information

Registered Domestic Partners (RDP) – For purposes of California income tax, references to a spouse, husband, or wife also refer to a Registered Domestic Partner (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 information on California backup withholding, go to 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 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-C, Real Estate Withholding Certificate, to claim an exemption from real estate withholding.

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

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.

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 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 certificate on the preprinted form, the withholding agent may accept as a substitute certificate a letter from the payee explaining why the payee is 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. The withholding agent must retain a copy of the certificate or substitute for at least four years after the last payment to which the certificate applies, and provide it upon request to the FTB.

For example, 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 non-wage 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, get 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 if it is a foreign corporation qualified to transact intrastate business by the CA SOS. 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 taxpayer identification number (TIN) and check the appropriate TIN box.

You must provide an acceptable 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 – Enter the information in the following order: City, Country, Province/Region, and Postal Code. Follow the country's practice for entering the postal code. **Do not** abbreviate the country's name.

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

Withholding Agent Instructions

Keep Form 590 for your records. **Do not** send this form to the FTB unless it has been specifically requested.

For more information, contact Withholding Services and Compliance, see Additional Information.

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, and Form 592-V, Payment Voucher for Resident and Nonresident Withholding.

Additional Information

For additional information or to speak to a representative regarding this form, call the Withholding Services and Compliance telephone service at:

Telephone: **888.792.4900**
916.845.4900
Fax: 916.845.9512

OR write to:

WITHHOLDING SERVICES AND
COMPLIANCE MS F182
FRANCHISE TAX BOARD
PO BOX 942867
SACRAMENTO CA 94267-0651

You can download, view, and print California tax forms and publications at ftb.ca.gov.

OR to get forms by mail write to:

TAX FORMS REQUEST UNIT
FRANCHISE TAX BOARD
PO BOX 307
RANCHO CORDOVA CA 95741-0307

For all other questions unrelated to withholding or to access the TTY/TDD numbers, see the information below.

Internet and Telephone Assistance

Website: 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 impairments

Asistencia Por Internet y Teléfono

Sitio web: 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



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 MSRC, 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).

California law prohibits a party, or an agent, from making campaign contributions to SCAQMD Governing Board Members or members/alternates of the Mobile Source Air Pollution Reduction Review Committee (MSRC) of more than \$250 while their contract or permit is pending before SCAQMD; and further prohibits a campaign contribution from being made for three (3) months following the date of the final decision by the Governing Board or the MSRC 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 must abstain from voting on a contract or permit if they have received a campaign contribution from a party or participant 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 SCAQMD website (www.aqmd.gov). The list of current MSRC members/alternates can be found at the MSRC website (<http://www.cleantransportationfunding.org>).

SECTION I.

Contractor (Legal Name): _____

DBA, Name _____, County Filed in _____ Corporation, ID No. _____ LLC/LLP, ID No. _____
--

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

SECTION II.

Has Contractor and/or any parent, subsidiary, or affiliated company, or agent thereof, 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 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.**

Campaign Contributions Disclosure, continued:

Name of Contributor _____

Governing Board Member or MSRC Member/Alternate Amount of Contribution Date of Contribution

Name of Contributor _____

Governing Board Member or MSRC Member/Alternate Amount of Contribution Date of Contribution

Name of Contributor _____

Governing Board Member or MSRC Member/Alternate Amount of Contribution Date of Contribution

Name of Contributor _____

Governing Board Member or MSRC Member/Alternate Amount of Contribution Date of Contribution

I declare the foregoing disclosures to be true and correct.

By: _____

Title: _____

Date: _____

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.



South Coast Air Quality Management District

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

Direct Deposit Authorization

STEP 1: Please check all the appropriate boxes

- | | |
|--|--|
| <input type="checkbox"/> Individual (Employee, Governing Board Member) | <input type="checkbox"/> New Request |
| <input type="checkbox"/> Vendor/Contractor | <input type="checkbox"/> Cancel Direct Deposit |
| <input type="checkbox"/> Changed Information | |

STEP 2: Payee Information

Last Name		First Name		Middle Initial	Title
Vendor/Contractor Business Name (if applicable)					
Address				Apartment or P.O. Box Number	
City		State	Zip	Country	
Taxpayer ID Number		Telephone Number		Email Address	

Authorization

- I authorize South Coast Air Quality Management District (SCAQMD) to direct deposit funds to my account in the financial institution as indicated below. I understand that the authorization may be rejected or discontinued by SCAQMD at any time. If any of the above information changes, I will promptly complete a new authorization agreement. If the direct deposit is not stopped before closing an account, funds payable to me will be returned to SCAQMD for distribution. This will delay my payment.
- This authorization remains in effect until SCAQMD receives written notification of changes or cancellation from you.
- I hereby release and hold harmless SCAQMD for any claims or liability to pay for any losses or costs related to insufficient fund transactions that result from failure within the Automated Clearing House network to correctly and timely deposit monies into my account.

STEP 3:

You must verify that your bank is a member of an Automated Clearing House (ACH). Failure to do so could delay the processing of your payment. You must attach a voided check or have your bank complete the bank information and the account holder must sign below.

To be Completed by your Bank

Staple Voided Check Here	Name of Bank/Institution		
	Account Holder Name(s)		
	<input type="checkbox"/> Saving <input type="checkbox"/> Checking	Account Number	Routing Number
	Bank Representative Printed Name	Bank Representative Signature	Date
	ACCOUNT HOLDER SIGNATURE:		Date

For SCAQMD Use Only

Input By _____

Date _____

BOARD MEETING DATE: June 3, 2016

AGENDA NO. 8

PROPOSAL: Execute Contract for Deferred Compensation Plan Consultant Services

SYNOPSIS: On February 5, 2016, the Board authorized the release of an RFP for deferred compensation plan consultant services. This action is to execute a three-year contract with Benefit Financial Services Group (BFSG) to represent and advise SCAQMD on the administration of its 457 deferred compensation program to ensure optimal plan design and regulatory compliance. The consultant will also provide analysis of plan assets and investment options, employee education and administrative support. These consultant services will be funded on a cost reimbursement basis by SCAQMD's 457 plan vendor (MassMutual), for a fee of \$30,000 per year, as provided for under the Internal Revenue Code.

COMMITTEE Administrative, May 13, 2016; On the motion of Chairman Burke, the Committee unanimously approved all agenda items to be forwarded to the full Board.

RECOMMENDED ACTION:

Authorize the Acting Executive Officer to execute a three-year contract with Benefit Financial Services Group (BFSG) for a fee of \$30,000 per year, for continued 457 deferred compensation plan consultant services, funded on a cost reimbursement basis by MassMutual.

Wayne Nastri
Acting Executive Officer

MBO:WJJ:BR:tc

Background

On February 5, 2016, the Board authorized the release of RFP #2016-16 to request bids for deferred compensation plan consultant services to represent and advise SCAQMD on the administration of its 457 deferred compensation program. State law governs the

fiduciary requirement for the operation and investment of 457 plans sponsored by governmental entities. Subsections (a), (b) and (c) of Article XVI, Section 17, of the California Constitution contain the provisions governing the fiduciary duties for the administration of public pension and retirement systems. Since 457 plans are deferred compensation plans for state and local governments, a 457 plan satisfies the definition of public pension and retirement funds for purposes of the California Constitution.

To meet its fiduciary responsibilities, the Governing Board, at the time it established SCAQMD's 457 plan, also established a Deferred Compensation Committee to oversee the administration of the Plan. The current committee is composed of the General Counsel, Chief Financial Officer, Assistant Deputy Executive Officer/Administrative and Human Resources and a Human Resources Manager.

Outreach

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

Additionally, potential bidders were notified utilizing SCAQMD's own electronic listing of certified minority vendors. Notice of the RFP has been emailed to the Black and Latino Legislative Caucuses and various minority chambers of commerce and business associations, and placed on the Internet at SCAQMD's website (<http://www.aqmd.gov>).

Proposal Evaluation

Nine proposals were mailed and nine proposals were received when final bidding closed at 5:00 pm, March 8, 2016. Five of the nine submitted proposals were complete and met the RFP requirements.

The evaluation panel included SCAQMD's Controller, a SCAQMD Senior Deputy District Counsel and the Finance Director for a local municipality. Of these panel members, one is Asian-Pacific Islander, one is Hispanic, and one is Caucasian (not of Hispanic origin); all three are female.

Evaluation of the proposals was based on criteria specified in the RFP, which included a thorough understanding of the requirements and scope of work, demonstrated technical expertise regarding the fiduciary and legal requirements governing the operation and investment of 457 plans sponsored by governmental agencies, previous and recent experience in investment consulting, and cost. Three of the bidders each received 2 additional points for certification of Most Favorable Customer pricing. Staff recommends the contract be awarded to Benefit Financial Services Group (BFSG). In addition to providing a substantially lower bid, BFSG has provided first-rate consulting

services to SCAQMD over the last eight years, demonstrating a solid understanding of the scope and critical nature of this work, as well as outstanding technical expertise and excellence in customer service, which has allowed the Deferred Compensation Committee to act confidently in fulfilling its fiduciary responsibility of overseeing the approximately \$136 million deferred compensation program.

Proposal

This action is to issue a three-year contract with Benefit Financial Services Group (BFSG).

Resource Impacts

There is no cost to SCAQMD associated with this contract as the total annual fee of \$30,000 will be reimbursed to SCAQMD by its 457 deferred compensation plan administrator, MassMutual, as provided for under the Internal Revenue Code.

Attachment

Bid Evaluation Summary, RFP 2016-16

ATTACHMENT

**BID EVALUATION SUMMARY
RFP 2016-16
DEFERRED COMPENSATION PLAN CONSULTANT SERVICES**

Contractor	Scope Points	Tech'l Points	Prior Exp. Points	COST Points	Add'l Points	TOTAL Points	Proposed Fee
Hyas Group	30	20	20	17	2	89	\$42,000*
Heintzberger/Payne Advisors	29	18	20	20	2	89	\$40,000
Benefit Financial Services Group (BFSG)	21	17	18	30	2	88	\$30,000
UBS Institutional Consulting	26	20	12	0	0	58	\$70,000
Barney & Barney Retirement Services	26	18	12	0	0	56	\$84,500

* Plus a 3% annual cost adjustment for years two and three.

BOARD MEETING DATE: June 3, 2016

AGENDA NO. 9

PROPOSAL: Amend Contract for Website Evaluation and Improvement

SYNOPSIS: On November 6, 2015, the Board approved execution of a contract with Xivic Inc., the contractor selected by the Administrative Committee for the evaluation of the SCAQMD website and development of recommendations for improvement. The contractor has conducted an extensive evaluation and recommended a number of improvements to better organize content and make it easier for users to find the information they need, including revised site navigation and a redesigned home page. The recommendations have been presented to the Administrative Committee and approved for implementation. This action is to amend the contract with Xivic Inc. to add \$98,715 for implementing the approved recommendations for the SCAQMD website. Funds are available in the FY 2015-16 Budget.

COMMITTEE: Administrative Committee, May 13, 2016; On the motion of Chairman Burke, the Committee unanimously approved all agenda items to be forwarded to the full Board.

RECOMMENDED ACTION:

Authorize the Chairman to execute a contract amendment with Xivic Inc. to implement the recommended website improvements approved by the Administrative Committee at a cost not to exceed \$98,715.

Wayne Natri
Acting Executive Officer

JCM:RL:agg

Background

SCAQMD's Information Management division (IM) administers agency websites, both internal and external. SCAQMD's internet site, www.aqmd.gov, contains a wealth of information about SCAQMD programs, rules and regulations, permitting requirements, compliance and enforcement provisions, public notices, air quality data and analysis, air quality management plans, employment opportunities, and much more.

Following a major redesign effort, the current website was deployed May 28, 2014. That effort included the implementation of a web content management system (Telerik Sitefinity) and a reorganization of website content. A reevaluation of the website was initiated after one year to determine if further improvement could be identified and implemented to enhance the website and its role as a public communication tool.

On November 6, 2015, the Board approved execution of a contract with Xivic Inc., the contractor selected by the Administrative Committee for the evaluation of the SCAQMD website and development of recommendations for improvement. The objective of this evaluation and improvement effort was to obtain a detailed review of the website to determine if there are improvements or enhancements that can be made to maintain the website as a modern, 21st century communication tool. This project is part of the effort to overhaul SCAQMD's information technology systems which was identified as a priority project in the agency's FY 2015-16 goals and objectives.

Proposal

Xivic Inc. has conducted a thorough evaluation of SCAQMD's current website that included the following activities:

- One-on-one interviews with 11 stakeholders (consisting of internal staff, external power users, and Governing Board members) to capture site "pain points" that annoy or cause loss in productivity, new ideas, and recommendations;
- Review of cross-browser compatibility, accessibility, and basic web standards World Wide Web Consortium (W3C), search and general usability to highlight compatibility, compliance, and usability issues;
- Detailed usability audit to assess critical to low level issues;
- Survey of existing website users to better understand what information is sought;
- External user testing to identify specific usability issues;
- Review of existing metrics captured by Google Analytics to gain insight on site traffic; and
- Comparative/competitive website analysis to learn how other websites attracting a similar audience present information.

The results of the audit led to a number of suggestions, both short- and long-term:

- Refashion the on-line Calendar to serve as a gateway to additional information about meetings and events (such as agendas, webcasts, etc.) and simplify how critical information is accessed
- Reorganize the navigation structure and rename navigational elements to make it easier for users to get around the website and find information needed
- Redesign the home page to better display information that users need up front
- Update navigation placement throughout the site
- Address high-priority usability issues
- Clean up technical errors

- Update full site architecture
- Update site design
- Develop new templates
- Improve integration with FIND and other on-line applications to provide a smoother transition from the website to the applications
- Update technology on an ongoing basis

As recommended by the Administrative Committee, an Oversight Committee was established to provide an added layer of review and insight during the development of the improvement recommendations. Public outreach and web staff from several sister agencies were invited to serve on the Oversight Committee, including BAAQMD, Santa Barbara County APCD, Mojave Desert AQMD, Southern California Association of Governments (SCAG), and the County of San Bernardino. In addition, the DEO of Planning, Rule Development and Area Sources participated in the committee discussions to provide an internal management perspective. A total of three online meetings were held with the Oversight Committee and many useful comments and questions were received and incorporated in the design process.

The final recommendations and costs (Attachment) were presented to the Administrative Committee on May 13, 2016. All recommendations were approved for implementation at a cost not to exceed \$98,715.

Resource Impacts

Sufficient funding is available in Information Management's FY 2015-16 Budget for this effort.

Attachment

Website Recommendations (May 13, 2016)



SCAQMD Website Recommendations

Fri May 06 2016



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PURPOSE:

SCAQMD's website is the primary communication tool for connecting with various audiences within the South Coast air basin. A complete audit was ran on the website (Phase 1) which, with the UX best practices, has lead us to recommend a number of improvements that will enhance the website.

PROCESS:

Phase 1 of the project included a complete audit of the current website, user testing, interviews, surveys, metrics review, and competitive/comparative analysis.

With the data captured in phase 1, we were able to make best practice recommendations. Recommendations went through a vetting process with a website committee that was specifically formed for this purpose.

Post meetings with the website committee, appropriate changes were made.

We are currently presenting the final recommendations for the website.

Discovery

Includes Stakeholder Interviews, Performance Testings, Survey, User Testings, Comparative/Competitive Analysis and Full Site Audit

1. Stakeholder Interview

A total of 11 stakeholders were interviewed one-on-one, either in person or via phone calls. Purpose of the interviews was to capture pain points, along with, new ideas and recommendations.

Most stakeholders expressed a similar concern across the board - regardless of type of stakeholder or role

Has to be simpler - It's about function

Calendar is lacking information

The organization is broken

Getting to pages is difficult

Getting information you want is difficult

Searching doesn't yield results

Overwhelming menu

Downloadable full/part agendas

Need shorter steps to get anywhere

Where are the incentive programs?

Stakeholders

1. Dr. Bruke
2. Ben Benoit
3. Dr. Lyou
4. Roberta Lewis
5. Adrian Martinez
6. Lisha Smith
7. Bill LaMarr
8. Wendy Gutschow
9. Bill Quinn
10. Phil Fine
11. Mark Henninger

2. Performance Testing

A thorough analysis on how the website performs under Compatibility, Accessibility, W3C Standards and Search & Usability Analysis.

A. COMPATIBILITY

Site is compatible with up to date browsers

Browser Version	Internet Explorer					Firefox	Safari		Opera	Chrome	iOS			Android *	
	7.0	8.0	9.0	10.0	11.0	39	≤ 7.0	8.0	30	43	≤ 6.0	7.0	8.0	≤ 3.0	4.0
Critical Issues	●	●	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Major Issues	⚠	⚠	⚠	⚠	⚠	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Minor Issues	⚠	⚠	⚠			⚠	⚠	⚠	⚠	⚠	⚠	⚠	⚠	⚠	⚠

Key

- Missing content or functionality on some browsers
- ⚠ Major layout or performance problems on some browsers
- ⚠ Minor layout or performance problems on some browsers

* Most Android devices from 4.1 onwards use Chrome as the default browser, older versions use the original Android browser

B. ACCESSIBILITY

Some of the issues we found were

1. All ONCLICK handlers should have an equivalent ONKEYPRESS handler.
2. AREA tags must have an ALT attribute.
3. Decorative and spacer images must have a blank ALT attribute.
4. Document title must not be blank.
5. Each A tag must contain text or an IMG with an ALT attribute.
6. IMG tags must have an ALT attribute.
7. Identify row and column headers in data tables using TH elements, and mark layout tables with role='presentation'.

Accessibility results are based on standards set: **WCAG 2 Priority A & Section 508**

2. Performance Testing (cont.)

C. W3C STANDARDS

1. W3C HTML/XHTML Validation - **Some pages fail validation**
2. W3C CSS Validation - **Some pages fail validation**
3. W3C Deprecated Features - **Issues found**

Throughout the site, there are areas that do not comply with W3C standards.

EXAMPLE OF ISSUES

Character "(" is not allowed in the value of attribute "id".
<http://www.aqmd.gov/home/regulations/ceqa/frequently-asked-questions> line 261 262 268 269
<http://www.aqmd.gov/home/tools/air-quality> line 322
<http://www.aqmd.gov/home/tools/business> line 341 351
<http://www.aqmd.gov/home/tools/public> line 304 324

"html" not finished but document ended.
<http://www.aqmd.gov/contact> line 634
<http://www.aqmd.gov/home/about> line 639
<http://www.aqmd.gov/home/about/authority> line 562
<http://www.aqmd.gov/home/about/finance> line 588

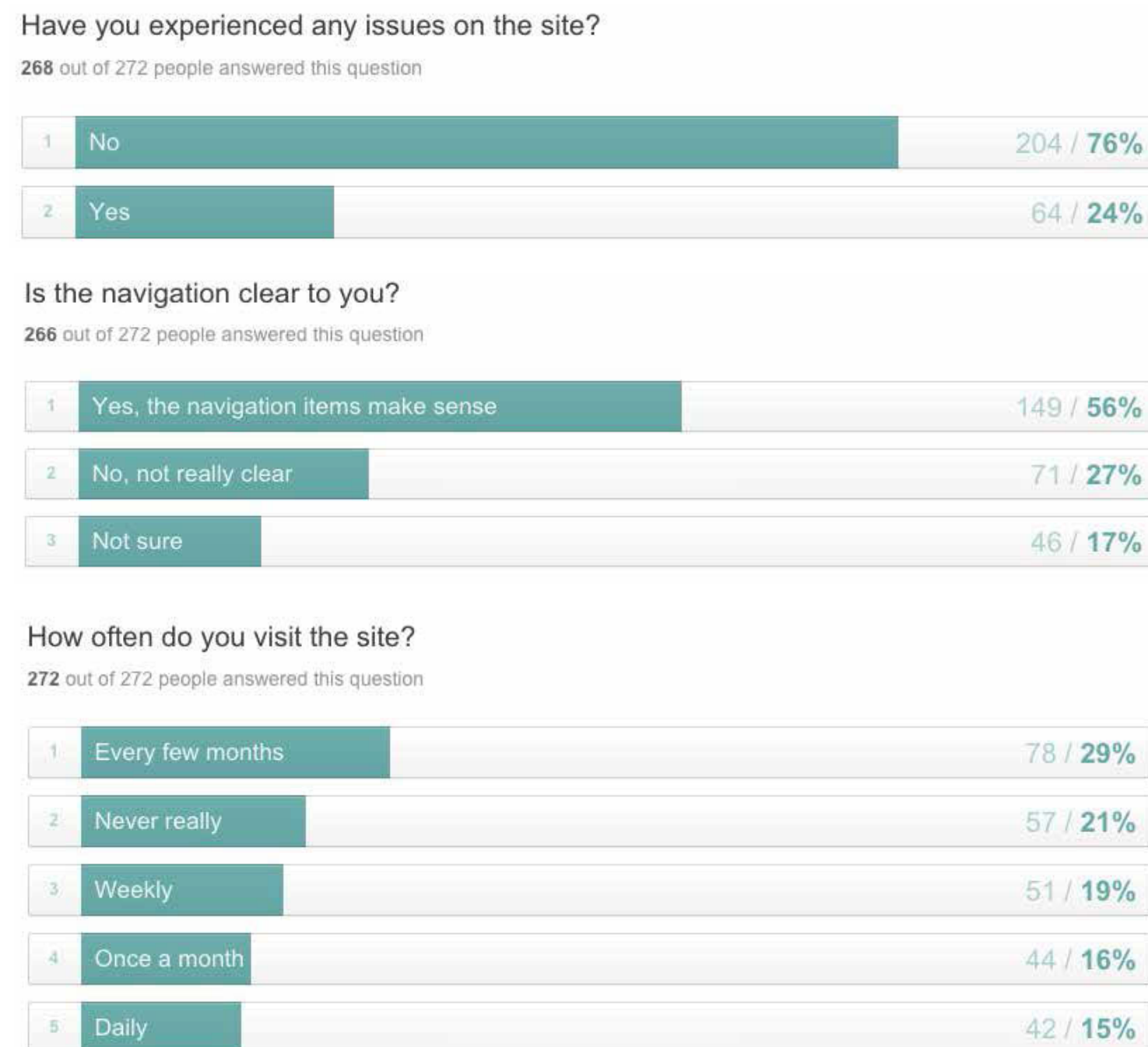
D. SEARCH & USABILITY ANALYSIS

Some of the issues we found were

1. Google and Bing recommend avoiding broken links - when a website contains broken links search engine web crawlers may miss important content.
2. Sitemap not found at <http://www.aqmd.gov/sitemap.xml> .
3. More than one H1 tag, violates Bing webmaster guidelines. Leave the title of the main content as H1 and change other H1 tags to a lower heading level.
4. No H1 tag, violates Bing webmaster guidelines. Add an H1 tag just before the main content describing the page.
5. Have a link labeled 'Home' on every page on the site, except for the home page.
6. Found pages that have no navigational options, no links out of these pages were found.

3. Existing User - Survey

Survey was sent to all email sign up members of SCAQMD website. Total of 272 respondents.

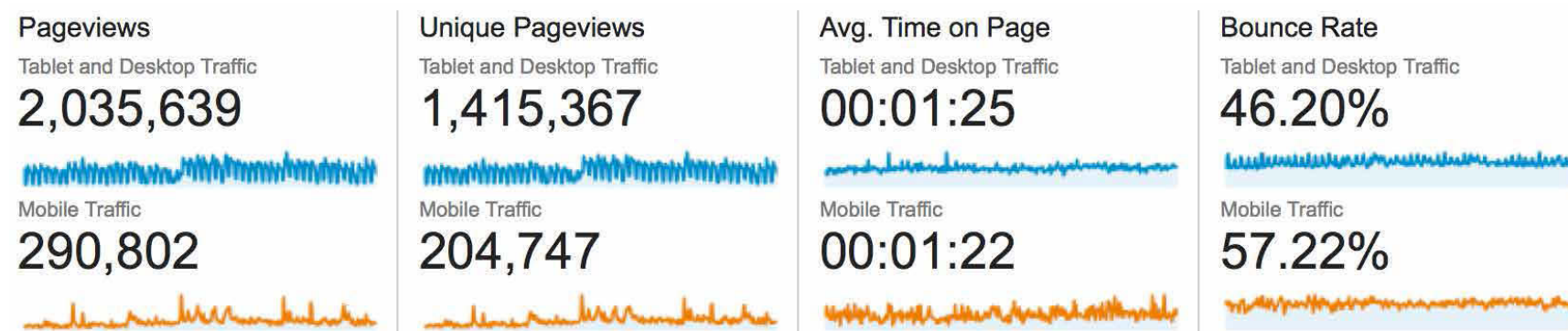


Notable Comments

- Very difficult to navigate and find the information needed.
- Hard to find meeting information.
- Search function doesn't work properly.
- Map works poorly.
- Incentives should be highlighted and easily located.
- Wish for a simpler way to verify dates of approval.
- More information on the website about green house gas progress.
- Separate content by its purpose - forms, documents, incentives, etc.
- Better distinguish between business and community.
- There is too much information on some pages.
- Missing an archive for past board meetings.
- Too much scrolling on the home page.

4. Website Analytics

A deep dive was conducted into Google Analytics. Traffic was analyzed for the past year - 7/24/2014-7/24/2015



Desktop & Tablet dominate traffic

Desktop & Tablet - 87.5% (2,035,639 page views)

Mobile - 12.5% (290,802 pageviews)

Sources on traffic:

Direct - 26%

Organic (from search) - 62%

Referral - 12%



Site navigation and homepage of new site should follow the hierarchy of the pages most visited - currently there is a disconnect on what users go to and how the site is structured

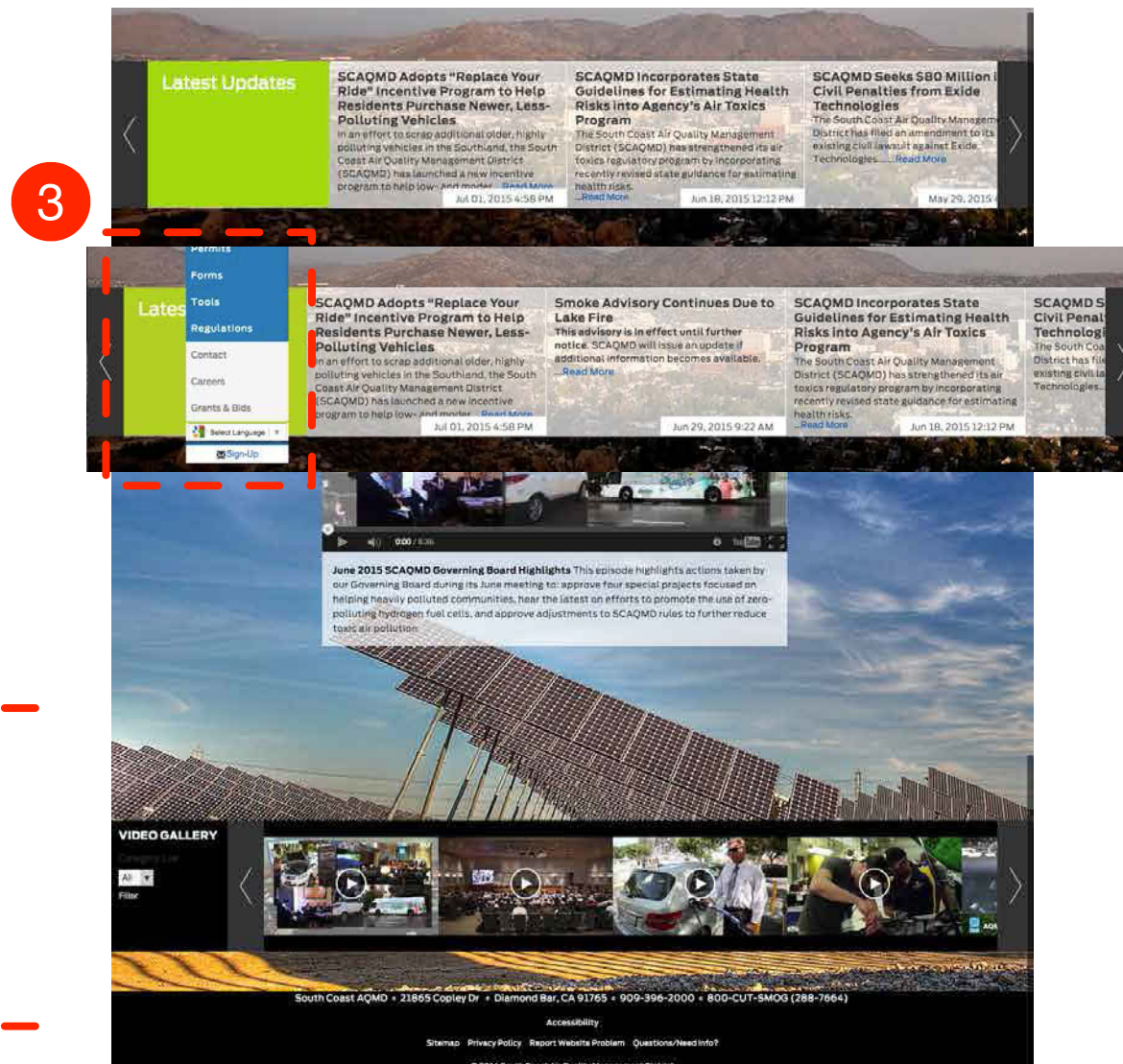
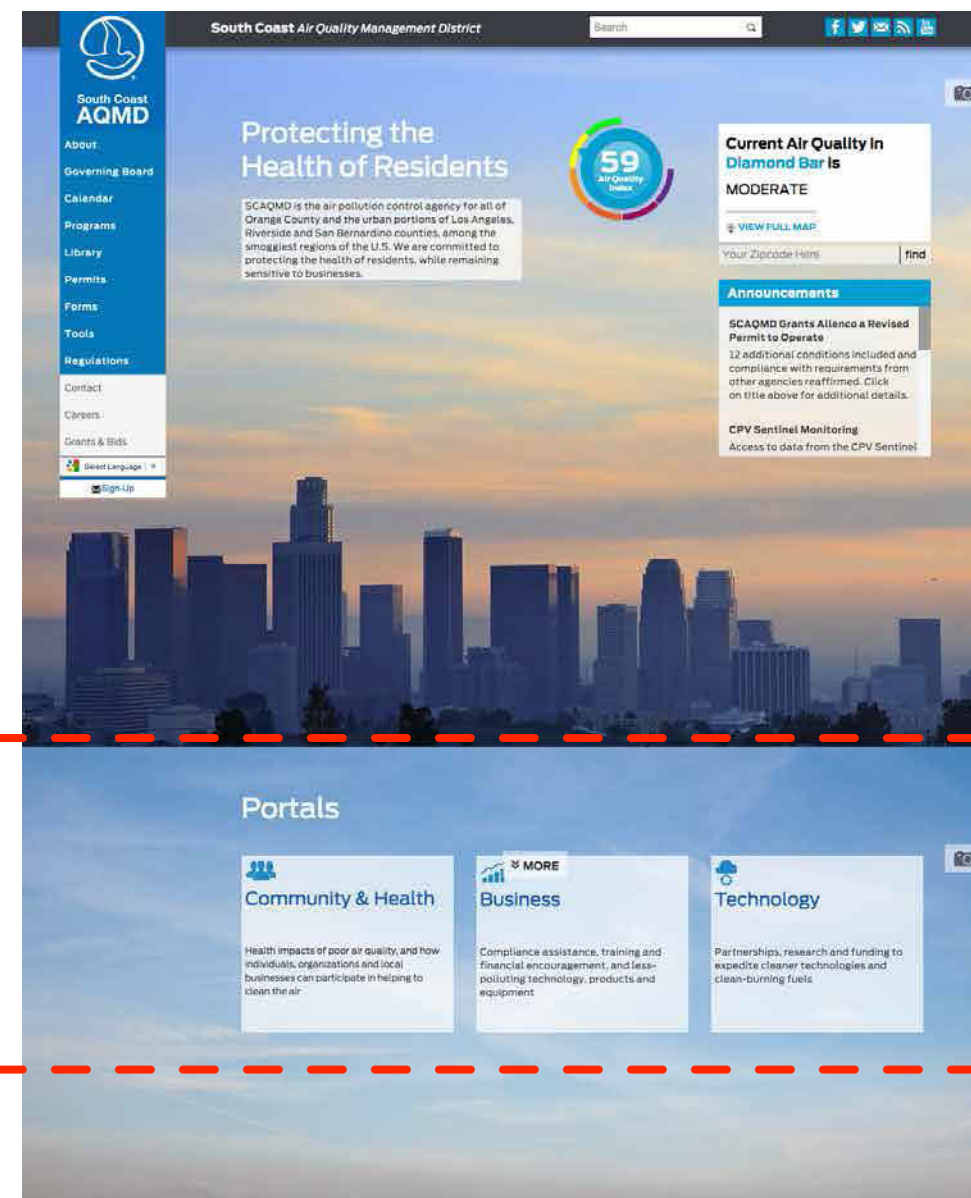
1	Home	396,957
2	Rules & Regulations	245,191
3	FIND main page	209,577
4	Main Map View	200,334
5	Permits & Permit Feeds	54,643
6	Lawn Mower Program	48,088
7	Map - no burn areas	46,524
8	Check Before You Burn Program for residents	42,209
9	Careers	38,457
10	Forms	32,272
11	Annual Emission Reports	29,886
12	RECLAIM programs	26,057
13	Business tools	24,518

Top 100 pages with highest traffic were analyzed and pulled into categories

5. User Testing Analysis

Through observing (external) users, a collection of usability information was gathered. This included positive and negative reactions. In general, users faced a lot of confusion.

Homepage Analysis



- 1 User said she was not aware you can scroll up/down the page past the fold
- 2 User said that the homepage looks like two pages stacked one on top of each other
 - User mentioned he doesn't think the homepage should go past portals, it makes it look chaotic
- 3 All users mentioned the menu covering content being a problem
 - Couple of the users suggested it would make more sense to have the menu at the top of the page
 - Vast majority thought by looking at the home page it's intended for the community (residential), as well as businesses, though more towards community
 - Few users mentioned they would like to see Air Quality Forecasts that span over a week or longer

6. Comparative/Competitive Analysis

Reviewed multiple websites that attracted a similar audience, some with similar content/purpose and others with different content/purpose.

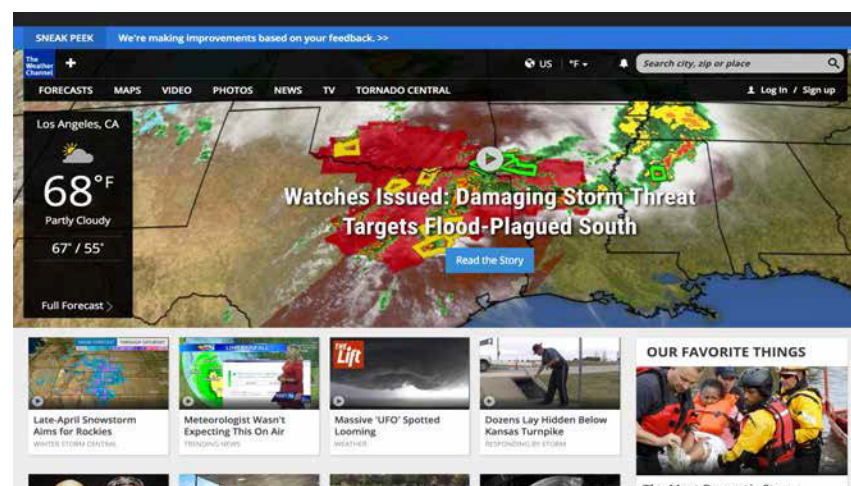
Bay Area Air Quality Management District
www.baaqmd.gov



Midwest Advocates
www.midwestadvocates.org



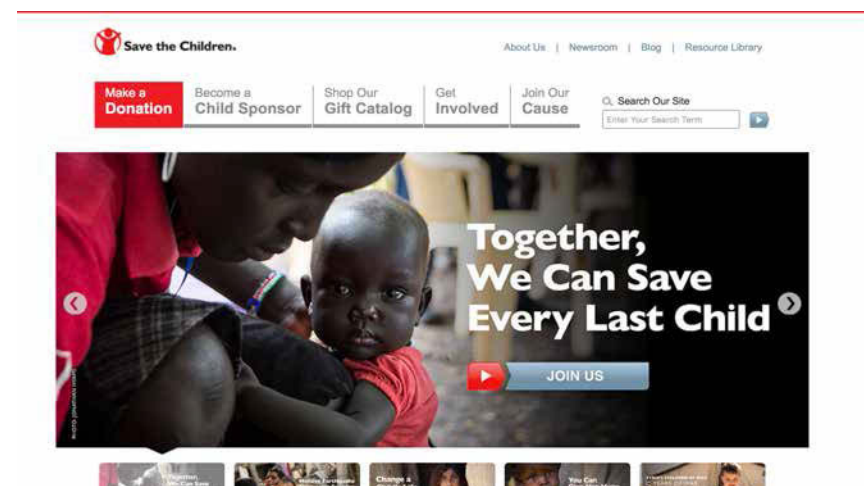
Weather Channel
www.weather.com



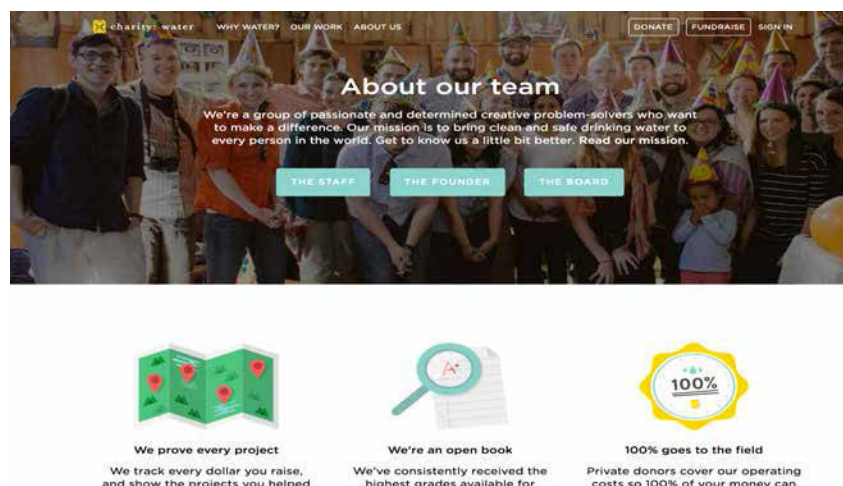
Unicef
www.unicef.org



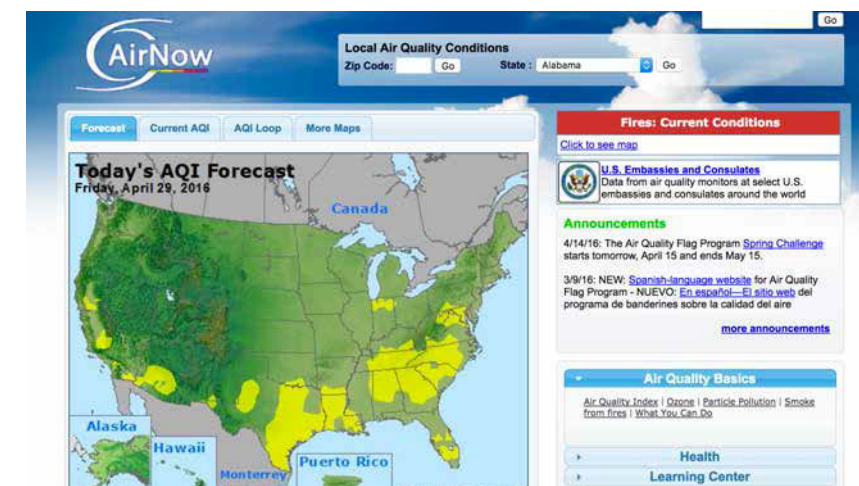
Save the Children
www.savethechildren.org



Charity Water
www.charitywater.org



Air Now
www.airnow.gov



7. Full Site Audit

A meticulous analysis of the SCAQMD website was conducted in order to assess critical to low-level issues.

FULL SITE AUDIT 1

Needs to get updated with new hierarchy - data lives in many areas without a clear path

Navigation naming needs to be clearer

The menu is floating and left aligned, therefore, when scrolling down it tends to block some of the content

Main message does not give enough information as to what users are looking for

This gives generic data, but doesn't entice users

This is graphically nice, but has no real function and isn't connected to the right side search

Overall - as a user - I have no direction, there is no flow of where I am going

During interviews, Google searched was brought up as more reliable than site search

Fun feature - although if never changed, point is defeated

Would be beneficial to have snippet of map on the homepage to begin with

No date or clear understanding of when the announcements were delivered

Email sign up should be near Announcements

Alerts box appears only when there are alerts, however a user that is coming to the website when there are no alerts will never know that feature exists

Great image, but takes up a lot of space where content can be presented

Good indicator there is more to come

FULL SITE AUDIT 2

Should be Up, not Back

FULL SITE AUDIT 3

FULL SITE AUDIT 4

FULL SITE AUDIT 5

Content page layout consists of side main navigation, title of page, and secondary sections that are small and round

Filter is rather small and round

They are low on the page making it difficult to find

They don't make sense, or many, it's confusing for users

Next to videos

7. Full Site Audit (cont.)

Main message does not give enough information as to what users are looking for

This is graphically nice, but has no real function and isn't connected to the right side search

During interviews, Google search was brought up as more reliable than site search

Fun feature - although if never changed, point is defeated

Needs to get updated with new hierarchy - data lives in many areas without a clear path

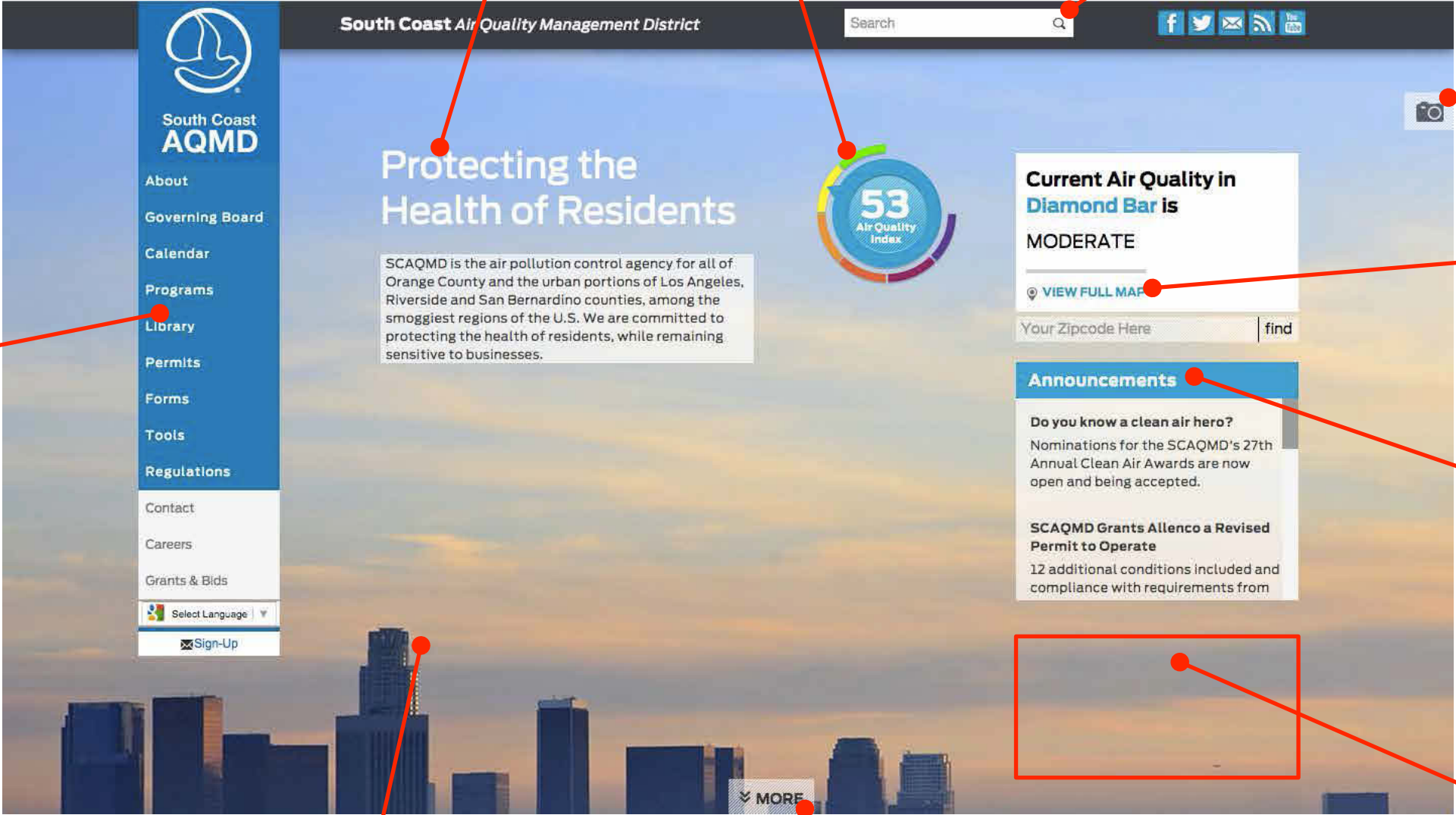
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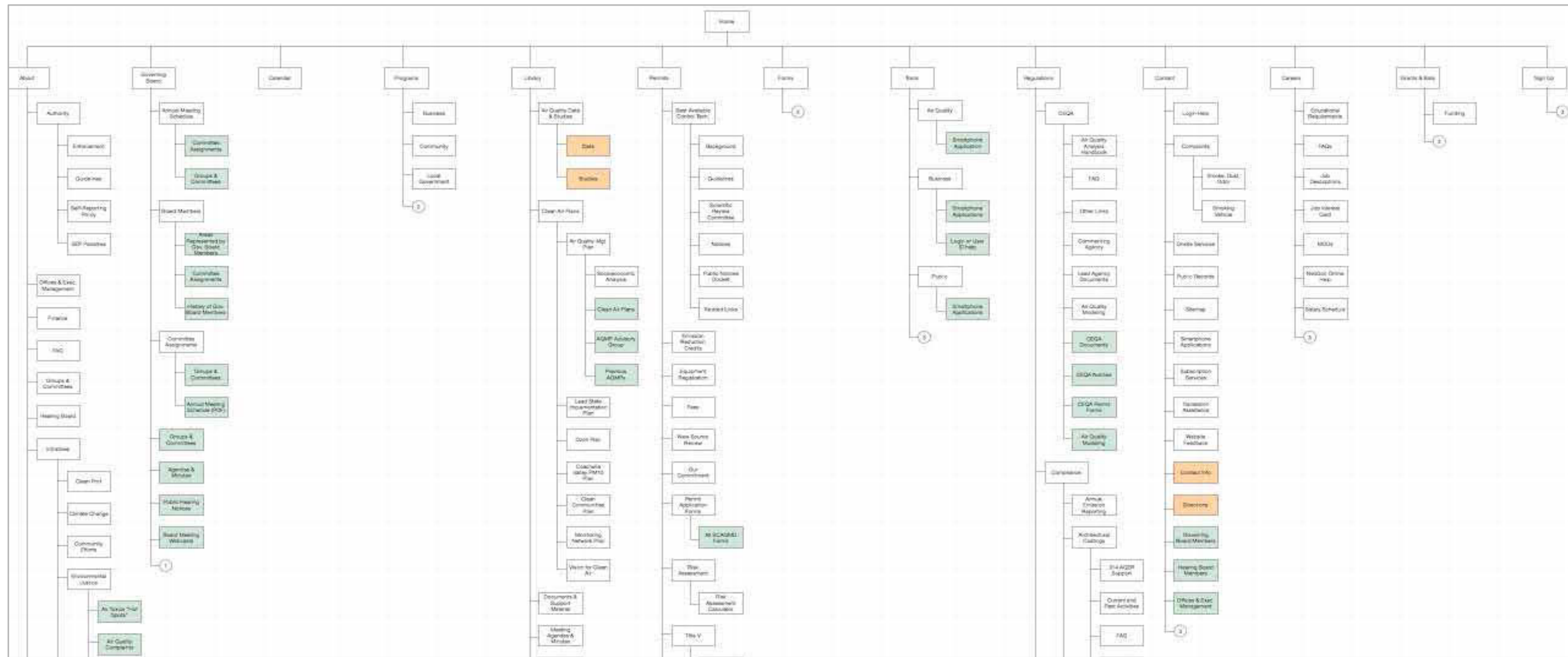
Alerts box appears only when there are alerts, however a user that is coming to the website when there are no alerts will never know that feature exists

Global Recommendations

Based on findings from the process, we recommend the following
Architecture and Navigation

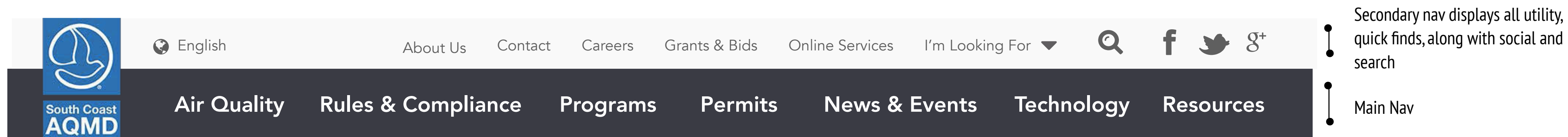
8. Recommendation - Architecture

Through research, pulling current sitemap, and review with internal team, we re-architected the website to improve navigational experience. Content was bucketed according to how users browse through the website and according to analytics data.



8. Recommendation - Navigation

A new, improved navigation system is recommended. This navigation follows a conventional horizontal layout, and includes a utility navigation for quick links.



Main navigation and utility navigation is ranked in order of page views from July 1, 2015 to March 22, 2016.

**Note: Air Quality in main navigation and FIND in utility navigation is second in rank for testing purpose.*

Main Nav (page views)

- Air Quality (pulled from library)
- Rules & Compliance (386,968)
- Programs (141,307)
- Permits (89,755)
- New & Events (12,009)
- Research (pulled from library)
- Resources (pulled from library)

**Library (164,888)*

Utility Nav (page views)

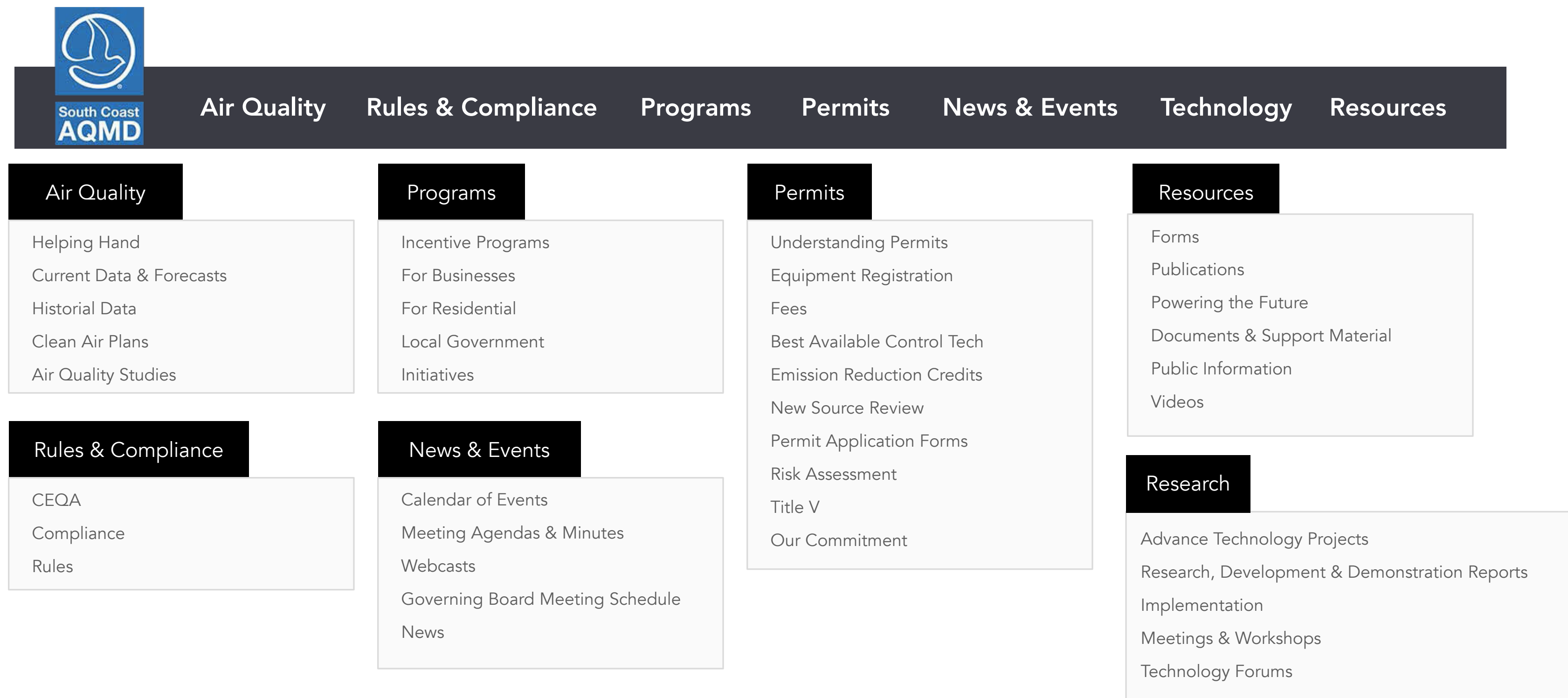
- FIND (pulled from search terms)
- About (67,490)
- Contact (47,880)
- Career (40,097)
- Grants & Bids (10,971)

“I am looking for” navigation has dropdown menu of most search terms from July 1, 2015 to March 22, 2016. Placement of this navigation is next to the search icon for user to take a look before searching for the term. It may contain full sentence if it was searched repetitively.

Menu (searched amount)

- | | |
|-----------------|-----------------------|
| AER (1172) | AQMP (265) |
| Rule 1403 (765) | VOC (253) |
| Rule 2202 (723) | Rule 1168 (216) |
| Asbestos (576) | CEQA (195) |
| Reclaim (445) | Staff directory (190) |
| BACT (311) | Webcast (133) |

8. Recommendation - Main Navigation



8. Recommendation - Utility Navigation

The screenshot shows the top navigation bar of the SCAQMD website. On the left is the SCAQMD logo. To its right are links for 'English', 'About Us', 'Contact', 'Careers', 'Grants & Bids', 'Online Services', and 'I'm Looking For'. Further right are search, Facebook, Twitter, and Google+ icons. Below the navigation bar, three dropdown menus are open:

- About Us**
 - Governing Board
 - Authority
 - Offices & Executive Management
 - Finance
 - Groups & Committees
 - Hearing Board
 - Jurisdiction
 - Policies
 - Public Information Center
 - Public Notices
 - Salary Information
- Online Services**
 - F.I.N.D.
 - Finance
 - Subscription Service
 - NeoGov Online Help
 - View Full List
- I'm Looking For**
 - FAQ
 - Public Notices
 - Annual Emission Reporting
 - Rule 1403
 - Rule 2202
 - Asbestos
 - Reclaim
 - BACT
 - air quality management plan
 - VOC
 - Rule 1168
 - California environmental quality act
 - Staff Directory
 - Webcast

Homepage Recommendations

Based on the findings, we recommend the following Homepage improvements

PROTECTING THE HEALTH OF RESIDENTS

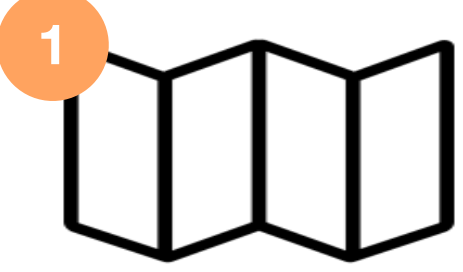
Nullam quis risus eget urna mollis ornare vel eu leo. Cum sociis natoque Nullam quis risus eget urna mollis ornare vel eu leo. Cum sociis natoque

[Learn More](#)

- [Air Quality](#)
- [Announcement 1](#)
- [Announcement 2](#)
- [Announcement 3](#)

Residential No-Burn Smoke Advisory Alert No-burn alert issued for 4/15/2016 midnight to midnight

Please enter your Zip code to check alert for your area [Find](#)



Air Quality Maps

Nullam quis risus eget urna mollis ornare vel eu leo. Cum sociis natoque penatibus. Nullam quis risus eget urna mollis ornare vel eu leo.

[View All Maps](#)



Current Air Quality in **Diamond Bar** is **GOOD**

Search your location

[Find](#)

SCAQMD is the air pollution control agency for all of Orange County and the urban portions of Los Angeles, Riverside and San Bernardino counties, among the smoggiest regions of the U.S. We are committed to protecting the health of residents, while remaining sensitive to businesses.

Upcoming Events

[View All Events >](#)

- 2016 AQMP Advisory Group Meeting #9**
April 16, 8:30am
- Public Workshop**
April 16, 8:30am

- 2016 AQMP Advisory Group Meeting #9**
April 16, 8:30am
- Public Workshop**
April 16, 8:30am



Residential Programs



Business Programs

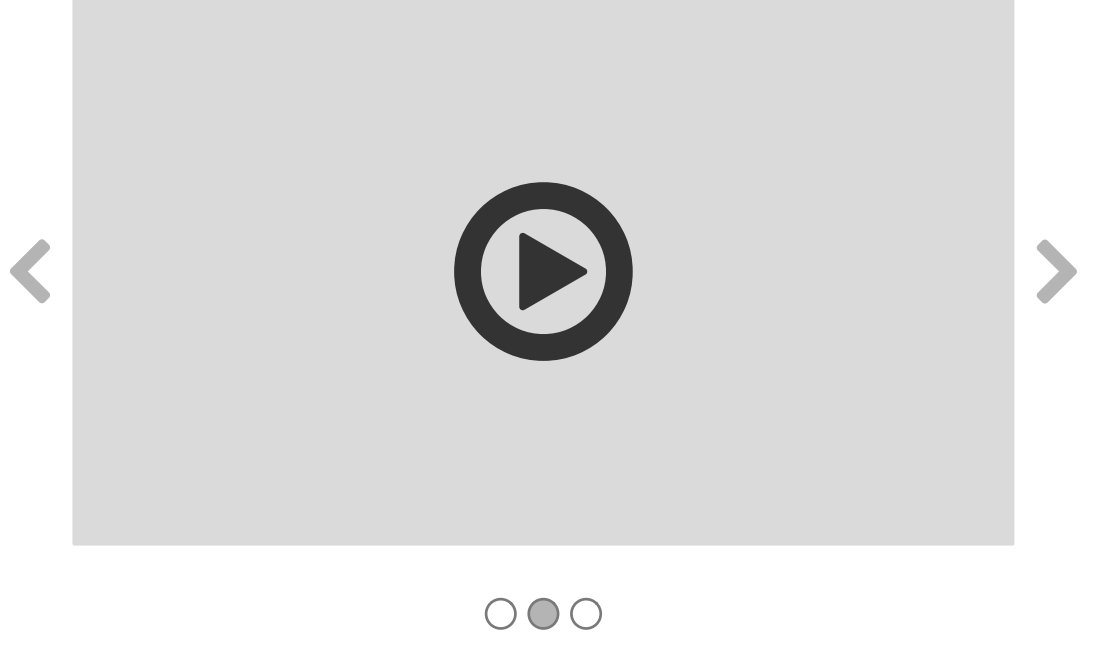


Local Government

Newsletter Sign Up Nullam quis risus eget urna mollis ornare vel eu leo. Cum sociis natoque

[Sign Up](#)

Video Gallery



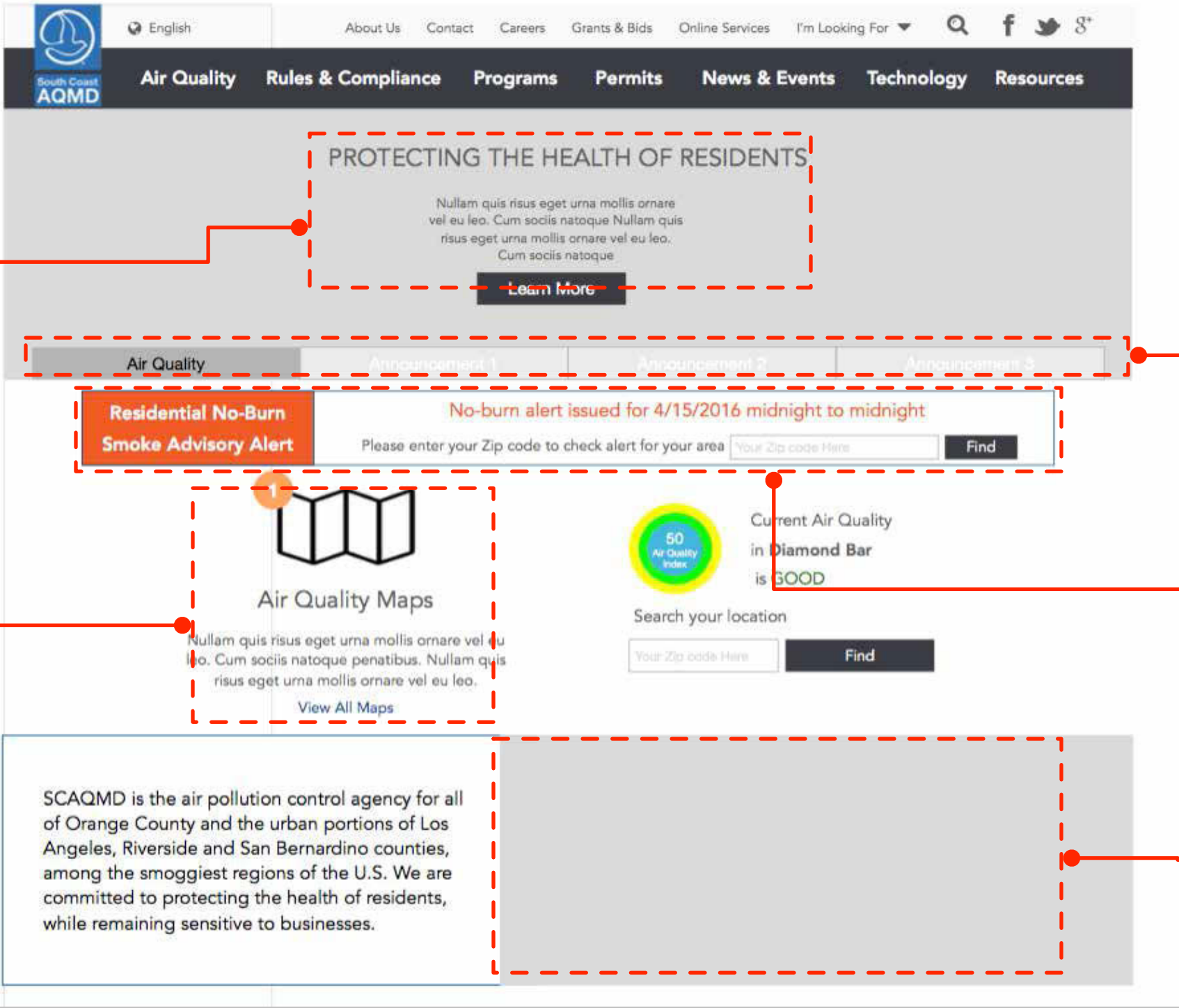
Latest News

- 04/01/16 SCAQMD Awards 600k for Phase 1 of Porter Ranch Health Study
- 04/01/16 SCAQMD Board Appoints Former Region IX EPA Administrator as Acting Executive Officer
- 03/31/16 SCAQMD, Others Prevail in Challenge of Environmental Review of BNSF's Rail Project Proposed at the Port of Los Angeles

[View More News >](#)

8. Recommendation - Homepage

Hero images with copy and CTA, users can click on CTA to find more information



User can click through tab to see different announcements displayed on Hero Images

Widget for air quality map; on click takes user to map page

Widget for Alert, if there is no alert it will still display on page showing users there is alert feature

Image placeholder; should contain image that conveys SCAQMD mission statement

8. Recommendation - Homepage

Widget to display upcoming events

User can quickly sign up for Newsletter by providing email on homepage; on click takes user to next process

Carousel of Videos, will display 4-5 videos at a time, has link to view all

Direct Links to Programs & Incentives

Information about Latest News; on click will go to details page and have the link to view all news

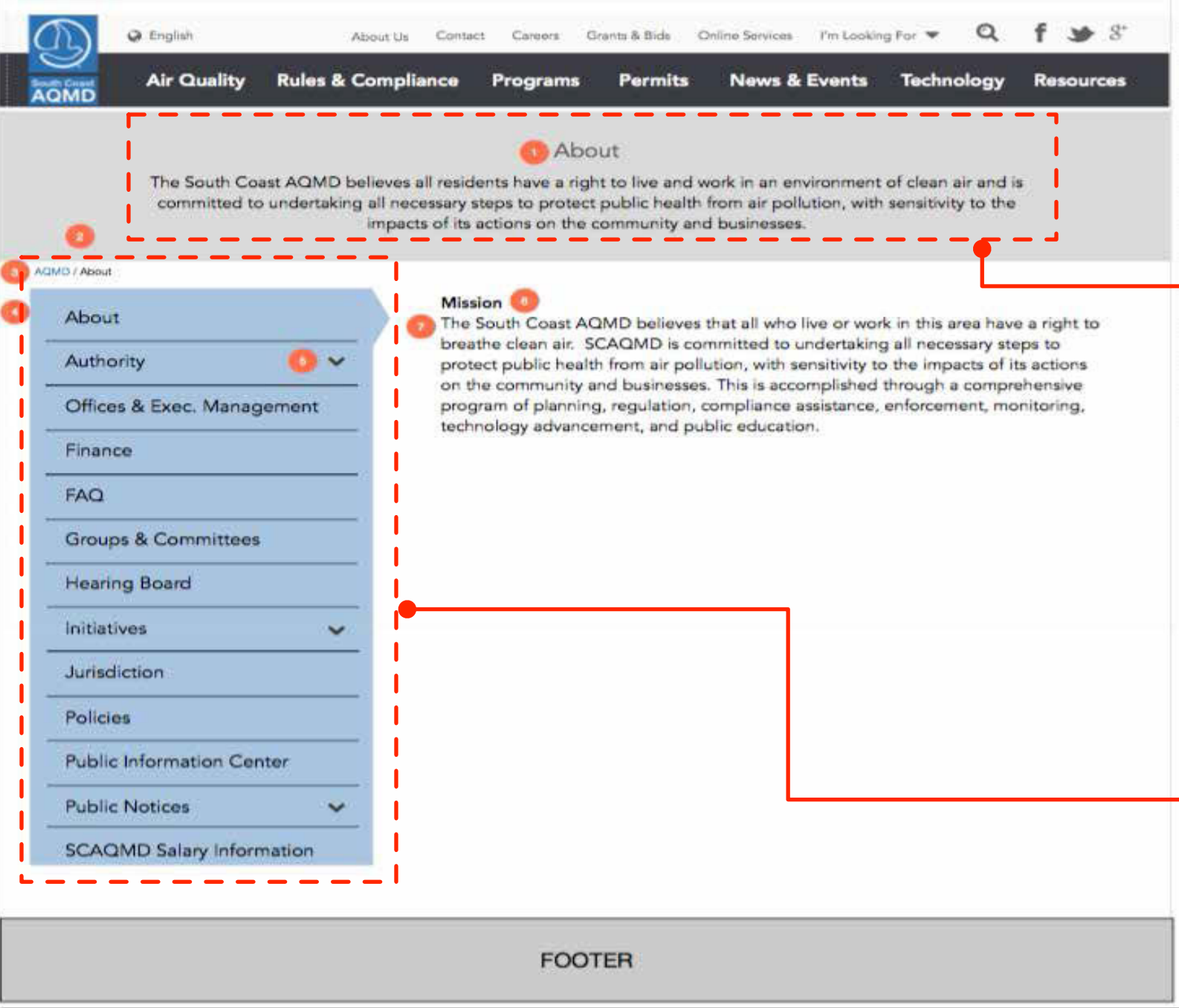
The wireframe shows a homepage layout with the following sections:

- Upcoming Events:** A grid of event cards. Each card includes the event title (e.g., "2016 AQMP Advisory Group Meeting #9"), the date and time (e.g., "April 16, 8:30am"), and the event type (e.g., "Public Workshop"). A "View All Events >" link is located at the top right of this section.
- Programs & Incentives:** Three large buttons with icons: a house for "Residential Programs", a briefcase for "Business Programs", and a clipboard for "Local Government".
- Newsletter Sign Up:** A form with a heading "Newsletter Sign Up", a placeholder text "Nullam quis risus eget urna mollis ornare vel eu leo. Cum sociis natoque", an "Email Here" input field, and a "Sign Up" button.
- Video Gallery:** A large video player area with a play button icon in the center and navigation arrows on the left and right sides.
- Latest News:** A list of news items with dates and titles. The items are:
 - 04/01/16 SCAQMD Awards 600k for Phase 1 of Porter Ranch Health Study
 - 04/01/16 SCAQMD Board Appoints Former Region IX EPA Administrator as Acting Executive Officer
 - 03/31/16 SCAQMD, Others Prevail in Challenge of Environmental Review of BNSF's Rail Project Proposed at the Port of Los Angeles
 A "View More News >" link is at the bottom right of this section.
- Footer:** Three links: "South Coast AQMD", "Accessibility", and "Report Website Problem".

Internal Pages & Widgets

Based on the findings from the process, these are improvements that we recommend for Internal Pages (Master Pages) and Widgets

8. Recommendation - Master Pages & Unique Pages

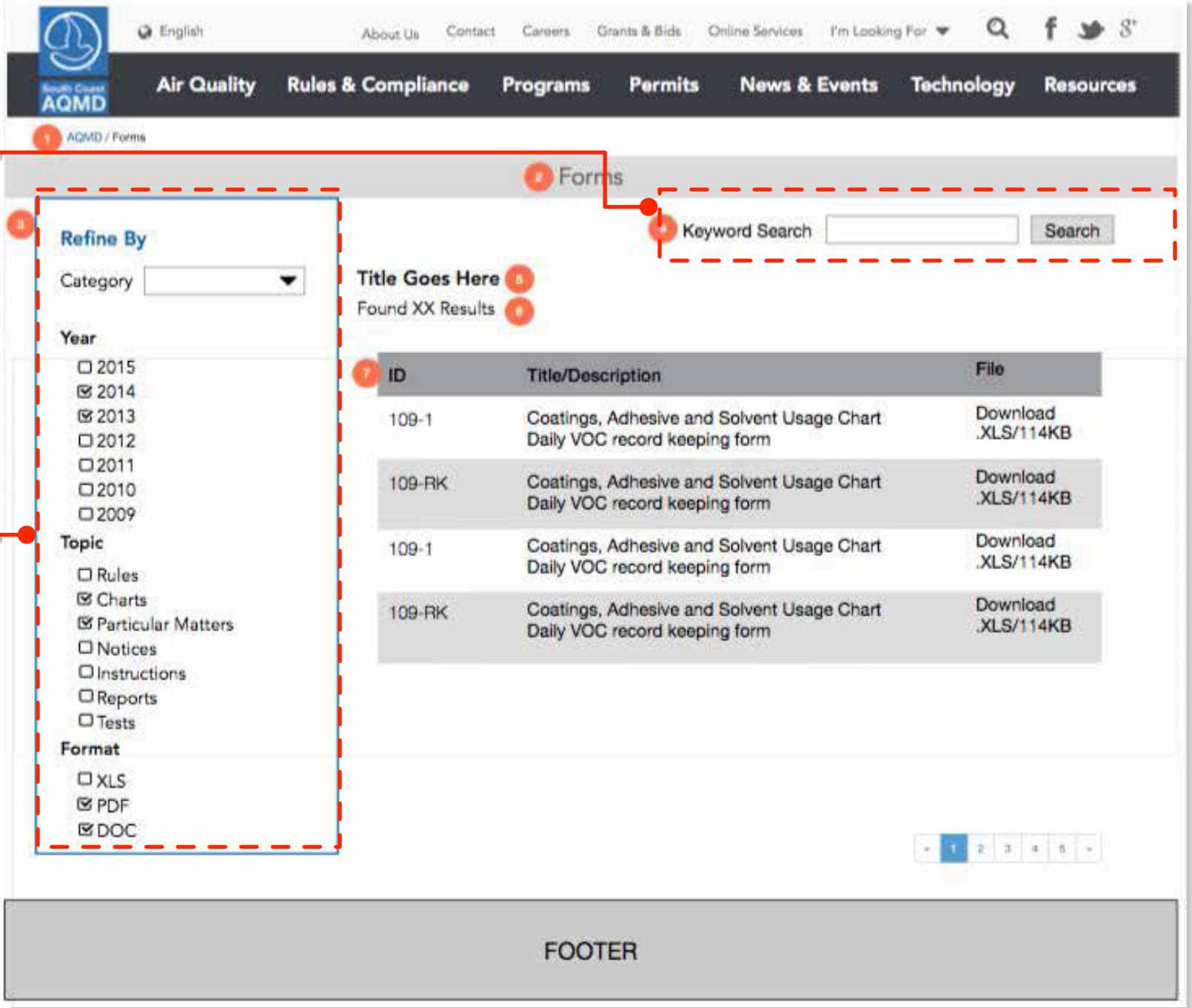


User can search files by searching keywords

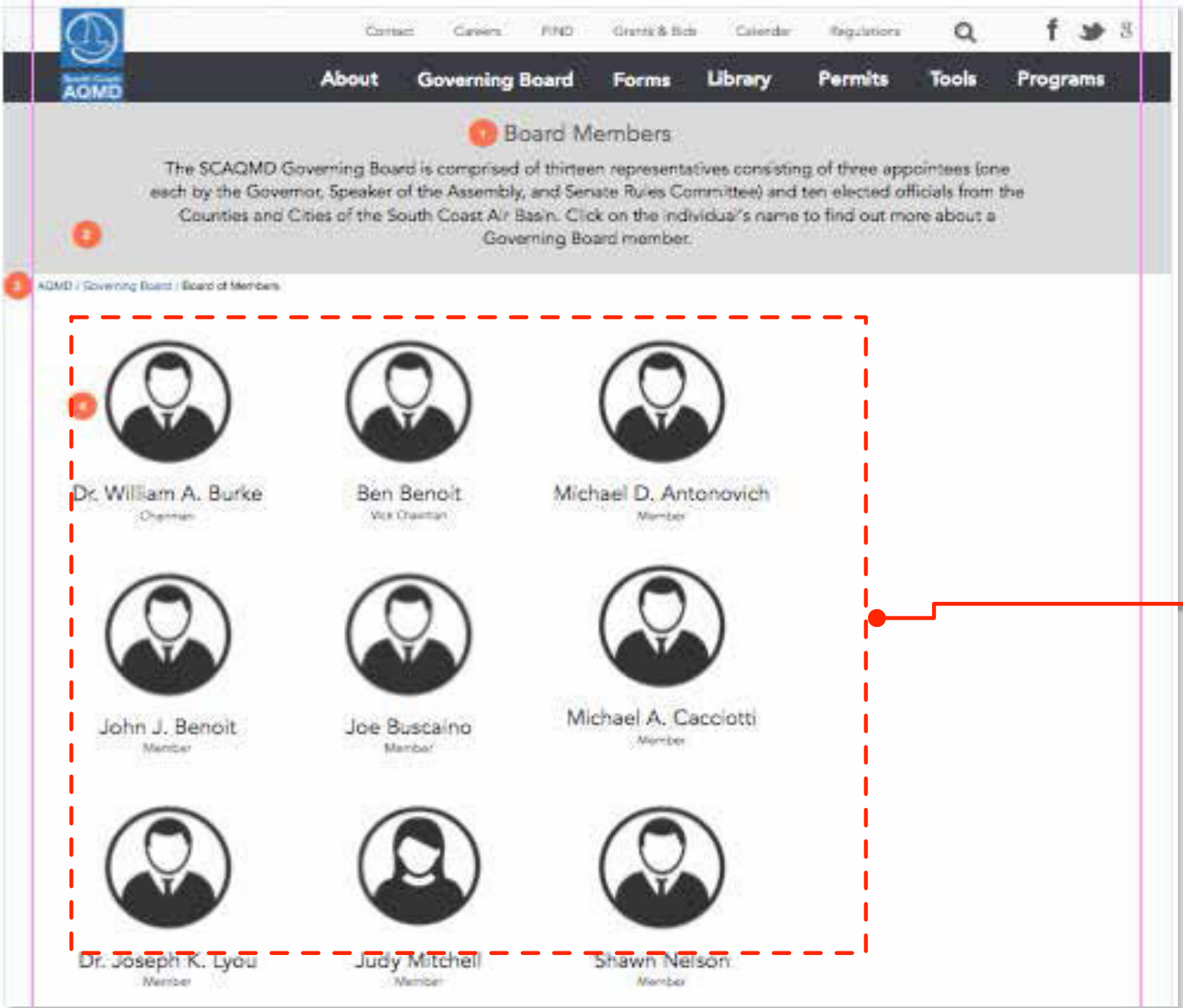
Title with copy - intro to page

Filter tool - contains a 'type' drop down selection as well as several multiple choice topic selections

Menu with arrow to indicate which section user is on



8. Recommendation - Unique Pages



Board members picture, name, and title; On click opens member details page

8. Recommendation - Widgets

What is the SCAQMD?
 The SCAQMD is the air pollution control agency for all of Orange County and the urban portions of Los Angeles, Riverside and San Bernardino counties. This area of 10,743 square miles is home to over 16.8 million people—about half the population of the whole state of California. It is the second most populated urban area in the United States and one of the smoggiest.

Different types and levels of air pollution can cause or contribute to everything from watery eyes and fatigue to respiratory disease, lung damage, cancer, birth defects and premature death. Because this area's smog problem is so severe, SCAQMD often finds itself at the forefront of the nation's emission reduction efforts.

What SCAQMD Does

How SCAQMD Controls Pollution

SCAQMD's Sources of Revenue

Progress So Far

The Job Ahead

How You Can Help

Drawer content. When drawer is closed, user sees only title with a plus icon to indicate expansion. When topic expanded a minus icon will be included in order to minimized.

Contact Us

Label detail Lorem ipsum dolor sit amet, consectetur adipiscing elit. Quisque rhoncus nunc nisl, nec egestas nulla elementum ut. Label detail Lorem ipsum dolor sit amet, consectetur adipiscing elit. Quisque rhoncus nunc nisl, nec egestas nulla elementum ut. Label detail Lorem ipsum dolor sit amet, consectetur adipiscing elit. Quisque rhoncus nunc nisl, nec egestas nulla elementum ut. Label detail Lorem ipsum.

Email
 info@aqmd.
SCAQMD Headquarters
 (909) 396-2000

Address
 21865 Copley Drive
 Diamond Bar, CA 91765

SCAQMD Branch Office
 (310) 233-7000

Address
 1500 W. Carson St. Suite 115
 Long Beach, CA 90810

First Name: [First] Last Name: [Last]

Phone: [955]555-5555 Email: [email@email.com]

Message
 Message

Map showing location with pins and social media icons (Facebook, Twitter, YouTube).

Contact form to email directly

Contact information

Sign Up to be the first to know about the latest programs

First Name: [First Name] Last Name: [Last Name]

Email Address: [Email Address]

I am interested in:
 Business Programs Community Programs Local Government Programs

Submit

Popup for sign up and it can also be used for newsletter sign up

Calendar

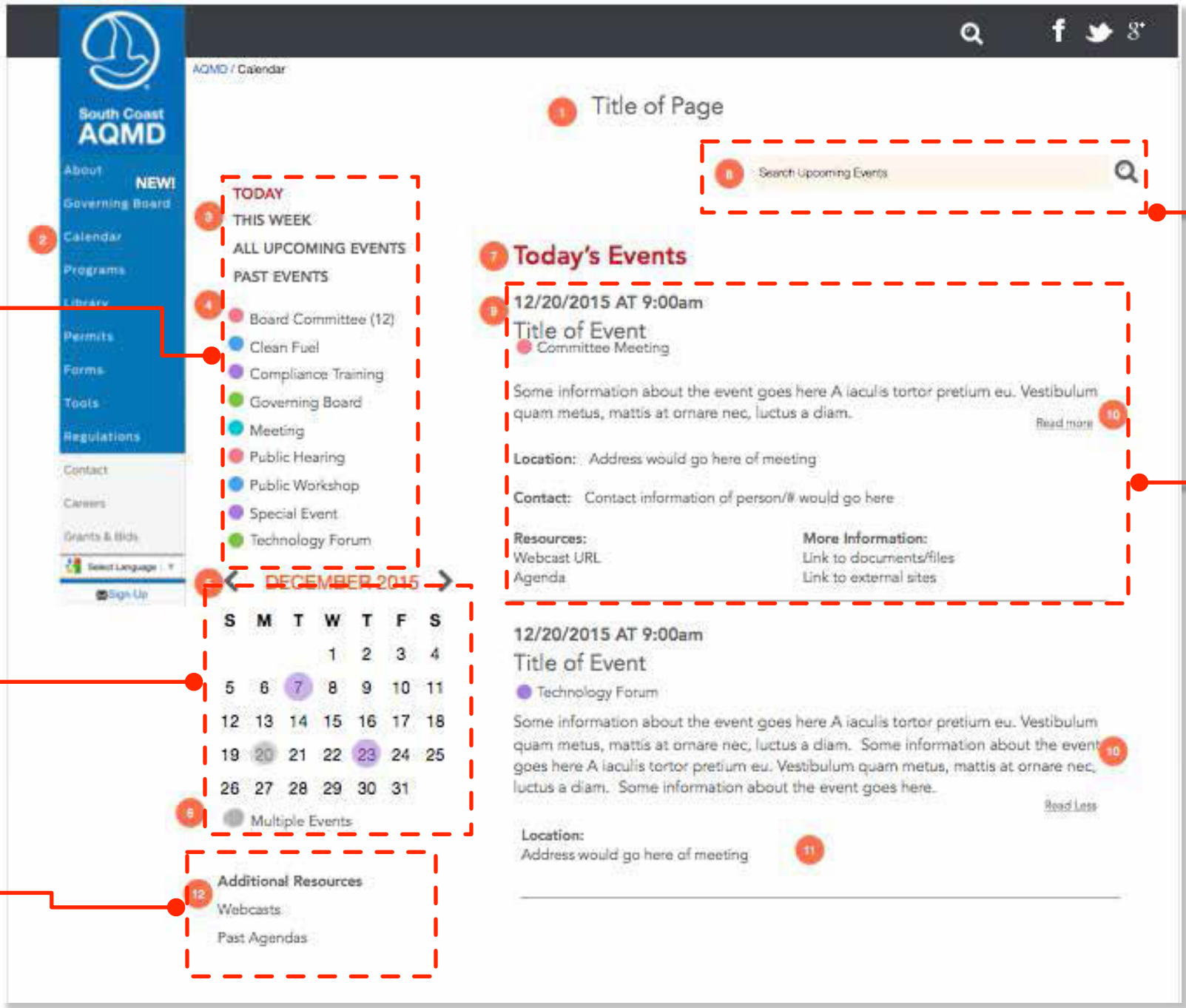
Calendar improvements have been completed given high priority need, and already on staging server

8. Recommendation - Calendar

Categories of evens with color legend; On click displays category events chosen

Calendar view - has color dots on dates; On click displays events for that day on right side

Webcast and Past Agendas will link to existing pages on website



Search upcoming events - this will search all future events, not just events in the tag selected

Event information - date/time and information, along with category
Titles will be standardized in CMS (there will be a dropdown list to select from OR users can select Other and free form type the event name)

9. Additional Recommendations/Needs for Development

A. Content Migration - Moving content from old site to new architecture

B. Designs - New designs for main screens, including: Homepage, Master Pages, Widgets & Unique pages

C. Contingency - Contingency hours and research hours on current Sitefinity site setup

Examples of items that need development review:

- i. Email Sign Up
- ii. Contact Form Flow
- iii. Other custom widgets, custom content types, and custom forms

D. Monthly Maintenance - Maintenance post all updates are live on the website, includes:

- i. Development
- ii. Quality Assurance
- iii. Project Management

10. Recommendation Pricing

Recommendations Site Development: \$68,715.00

Monthly Maintenance: \$30,000.00 (includes 3 months)

BOARD MEETING DATE: June 3, 2016

AGENDA NO. 10

PROPOSAL: Execute Contract for Protocol Development Support for Reconciling Air Quality Monitoring Data with Dispersion Modeling Results

SYNOPSIS: At its April 1, 2016 meeting, the Board approved the release of an RFP for Protocol Development for Reconciling Air Quality Monitoring Data with Dispersion Modeling Results to provide support to staff in developing a consistent methodology for facilities to use when preparing AB 2588 health risk assessments. Six proposals were received and scored considering both technical merit and costs. This action is to award a time and materials contract to EnviroComp Consulting, Inc. for an amount not to exceed \$97,627. Funds for this contract are included in the FY 2015-16 Budget.

COMMITTEE: Administrative, May 13, 2016; On the motion of Chairman Burke, the Committee unanimously approved all agenda items to be forwarded to the full Board.

RECOMMENDED ACTIONS:

Authorize the Chairman to execute a time and materials contract with EnviroComp Consulting, Inc. to develop a protocol subject to District approval for reconciliation of air quality monitoring data with dispersion modeling results for use in review of Health Risk Assessments for the AB 2588 Toxic Hot Spots Program and Rule 1402 in an amount not to exceed \$97,627.

Wayne Natri
Acting Executive Officer

PF:JW:IM:VM

Background

The Air Toxics "Hot Spots" Information and Assessment Act of 1987 (commonly known as AB 2588) established a statewide program for the inventory of air toxics emissions from individual facilities as well as requirements for Health Risk Assessment

(HRA) and public notification of potential health risks. An HRA includes a dispersion modeling analysis and an analysis of potential health impacts from predicted concentrations. Some HRAs also include air quality monitoring data collected onsite and from nearby locations. SCAQMD staff reviews and approves dispersion modeling and HRAs for facilities subject to the AB 2588 Program and Rule 1402. In recent years, these dispersion modeling analyses have been informed by local air quality monitoring efforts conducted at some facilities. Monitoring can be used for a variety of purposes such as compliance with specific rules and regulations, assessment of public exposure to pollutants, assessment of pollutant transport, monitoring of specific emissions sources, monitoring of background conditions, and evaluating models. Frequently, these monitoring efforts have revealed information about a facility's fugitive emissions that had previously not been included within dispersion modeling analyses. During the review of several recent AB 2588 HRAs, staff has identified a need to develop technical guidance to ensure a consistent approach for including monitoring data within dispersion modeling results.

At its April 1, 2016 meeting, the Board approved the release of an RFP for Protocol Development for Reconciling Air Quality Monitoring Data with Dispersion Modeling Results to provide support in developing a consistent methodology for facilities to use when preparing AB 2588 HRAs. The total amount of funding available for this RFP is \$100,000.

Outreach

In accordance with SCAQMD'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 the South Coast Basin. Notice was also provided to professional organizations such as the Association of Environmental Professionals, and to academic researchers in this field.

Additionally, potential bidders were notified utilizing SCAQMD'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, including small businesses, and placed on SCAQMD's website (www.aqmd.gov).

Proposal Evaluation

Seven participants representing six companies attended a bidder's conference held on April 15, 2016 at SCAQMD headquarters. In response to RFP #P2016-21, a total of six proposals were received by 1:00 p.m. on May 4, 2016, the closing date of the RFP solicitation. The proposals were reviewed by a five-member panel in accordance with established SCAQMD guidelines outlined in the RFP. The five-member panel was

comprised of four SCAQMD employees (one Planning and Rules Manager, one Program Supervisor, two Air Quality Specialists) and one retired Program Supervisor. The panel breakdown was one Asian/Pacific Islander, two of Middle Eastern descent, and two Caucasians; one female and four males.

The proposals were first evaluated according to the technical criteria in the RFP. To advance in the scoring process and be awarded points for cost, a proposal must be awarded a minimum score of 56 out of 70 points for technical merit, which is the standard minimum score used in the past for scoring similar types of proposals. The technical proposals were evaluated according to the criteria specified in the RFP, including the consultants' experience with AB 2588 HRAs, dispersion modeling, and air quality monitoring data.

Three bids met the minimum technical standards. The Attachment provides a summary of the proposal evaluations, ranked by the final scores from the evaluation panel. Staff is recommending the firm with the highest overall score be selected.

Proposal

This action is to award a time and materials contract to EnviroComp Consulting, Inc. for an amount not to exceed \$97,627.

Benefits to SCAQMD

The proposed work, if approved, will provide SCAQMD and others with a scientific and consistent methodology for reconciliation of model-predicted and field-measured pollutant concentrations when reviewing HRAs. This information will further our understanding of sources of fugitive emissions and will provide facility operators with useful information on designing effective control strategies.

This work will improve emission inventories by narrowing the gap between measured and reported fugitive emission levels from facilities. It will also serve as valuable input to improving future air quality model performance and refining future attainment/control strategies and environmental decision-making.

Resource Impacts

Funds for this contract in an amount not to exceed \$100,000 are included in the Planning, Rule Development and Area Sources FY 2015-16 Budget.

Attachment

Evaluation of Proposals for RFP #2016-21

Attachment

EVALUATION OF PROPOSALS FOR RFP #P2016-21

Proposer	Average Technical Points ²	Cost Points ³	<i>Potential Additional Points¹</i>							Final Score
			Small Business	DVBE Business	Use of DVBE Sub-contractor	Low Emission Vehicle Business	Local Business	Off-Peak Hrs Delivery Business	Most Favored Customer	
EnviroComp. Consulting, Inc.	64.4	26	10						2	102.4
Sullivan Environmental Consulting, Inc.	59.6	25	10		5				2	99.6
Ramboll Environ US Corp.	62.2	30			5				2	99.2
Air Sciences Inc.	43.6		10							
Enercon Services, Inc.	33.8								2	
Alta Environmental	43		10							

¹ A maximum of 15 additional points may be earned for any combination of categories under this header.

² A minimum technical score of 56 points is needed in order to proceed to the cost evaluation step.

³ A maximum of 30 points may be earned for the lowest bid cost. The remaining points are scaled relative to the lowest eligible bid.

[↑ Back to Agenda](#)

BOARD MEETING DATE: June 3, 2016

AGENDA NO. 11

PROPOSAL: Execute Contracts with Consultants to Provide CEQA Assistance

SYNOPSIS: At its April 1, 2016 meeting, the Board approved the release of an RFP for CEQA Consultant Assistance to provide support to staff in preparing CEQA documents when the SCAQMD is a lead agency on permit and rule projects. Four proposals were received and scored considering both technical merit and costs. This action is to award two time and materials contracts for an amount not to exceed \$50,000 each to Environmental Audit Inc. and PlaceWorks. Funds for this contract are included in the FY 2015-16 Budget.

COMMITTEE: Administrative, May 13, 2016; On the motion of Chairman Burke, the Committee unanimously approved all agenda items to be forwarded to the full Board.

RECOMMENDED ACTION:

Authorize the Chairman to execute two contracts with Environmental Audit Inc. and PlaceWorks for an amount not to exceed \$50,000 each, for a total of \$100,000. The contracts will be valid for a period of up to two years, with an option to extend for an additional year to assist with preparation of the CEQA documents for lead agency projects and other CEQA-related tasks.

Wayne Nastri
Acting Executive Officer

JW:IM:BR

Background

The California Environmental Quality Act (CEQA) applies to projects undertaken by, funded by, or requiring discretionary approval from public agencies. Consequently, CEQA analyses, documents, or notices are required for all SCAQMD rules, regulations, or plans prior to their adoption or modification by the Board. The SCAQMD can also be the CEQA lead agency for non-SCAQMD projects within the jurisdiction of the SCAQMD, where the SCAQMD has the primary discretionary permit authority (e.g., certain projects at power plants, refineries, etc.).

Moreover, Public Resources Code §21082.1 allows CEQA documents to be either directly prepared by a public agency or prepared under contract to a public agency. The public agency must retain independent review of all documents prepared by consultants. To augment current staff resources to prepare CEQA documents for SCAQMD rule and permit projects, staff recommends securing the services of two qualified consultants.

At its April 1, 2016 Board meeting, the Board authorized release of RFP #P2016-20 to solicit proposals from qualified consultants to assist or augment SCAQMD staff in preparing technical analyses to be included in CEQA documents for rule/regulation and permit projects. The total amount of funding available for this RFP is \$100,000.

Outreach

In accordance with SCAQMD'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. Notice was also provided to professional organizations such as the Association of Environmental Professionals.

Additionally, potential bidders were notified utilizing SCAQMD's electronic listing of certified minority vendors. Notice of the RFP has been emailed to the Black and Latino Legislative Caucuses and various minority chambers of commerce and business associations, including small businesses, and placed on the Internet at SCAQMD's website (www.aqmd.gov). In addition, Notice of the RFP was emailed to a list of CEQA consultants maintained by SCAQMD staff.

Proposal Evaluation

Four proposals were received by 5:00 p.m. on May 4, 2016, the closing date of the RFP solicitation. The proposals were evaluated by a diverse panel of technically qualified individuals according to the criteria described in the RFP. The evaluation panel consisted of three Planning and Rules Program Supervisors. The panel breakdown was one Asian/Pacific Islander, two Caucasian; two female and one male.

The proposals were first evaluated according to the technical criteria in the RFP. To advance in the scoring process and be awarded points for cost, as indicated in the RFP, a proposal must be awarded a minimum score of 56 out of 70 points for technical merit, which is the standard minimum score used in the past for scoring similar types of CEQA consultant assistance proposals. The technical proposals were evaluated according to the criteria specified in the RFP, including the consultants' experience preparing CEQA documents; knowledge of CEQA case law; technical expertise performing air quality modeling analyses; knowledge of mobile and stationary source air pollution control technologies; experience preparing analyses of environmental topics other than air quality; and organization of the proposal and writing skills.

Two bids met the minimum technical standards. The Attachment provides a summary of the proposal evaluations, ranked by the final scores from the evaluation panel. Staff is recommending the two firms with the highest overall scores be selected.

Proposal

This action is to execute two time and materials contracts for an amount not to exceed \$50,000 each to Environmental Audit Inc. and PlaceWorks, to assist staff primarily with preparing various CEQA documents for rule/regulation and permit application projects on a time and materials basis. Dividing the contracts between two consultants is necessary to distribute the workload and ensure timely completion of assigned tasks. The proposed contracts would be valid for up to two years with an option to extend up to one additional year.

Resource Impacts

Funds for this contract in an amount not to exceed \$100,000 are included in the Planning, Rule Development and Area Sources FY 2015-16 Budget.

Attachment

Evaluation of Proposals for RFP #P2016-20

Attachment

EVALUATION OF PROPOSALS FOR RFP #P2016-20

Proposer	Average Technical Points ²	Cost Points ³	Potential Additional Points ¹							Final Score
			Small Business	DVBE Business	Use of DVBE Sub-contractor	Low Emission Vehicle Business	Local Business	Off-Peak Hrs Delivery Business	Most Favored Customer	
Environmental Audit Inc.	66	30	10	--	--	--	5	--	--	111
Marine Research Specialists	26.7	--	--	--	--	--	--	--	--	--
Placeworks, Inc.	57.3	19.4	--	--	--	--	5	--	--	81.7
Sapphos Environmental, Inc.	39.7	--	--	--	--	--	--	--	--	--

¹ A maximum of 15 additional points may be earned for any combination of categories under this header.

² A minimum technical score of 56 points is needed in order to proceed to the cost evaluation step.

³ A maximum of 30 points may be earned for the lowest bid cost. The remaining points are scaled relative to the lowest eligible bid.



BOARD MEETING DATE: June 3, 2016

AGENDA NO. 12

PROPOSAL: Approve Transfer of Monies from General Fund to Health Effects Research Fund

SYNOPSIS: In 2008, the Board established a Health Effects Research Fund initially funded at \$1.5 million from the BP Arco Settlement Fund. The Board further authorized, upon annual Board approval, the transfer of 20% of annual penalty money received that exceeds \$4 million in receipts to the Health Effects Research Fund. This action is to transfer the monies received in FY 2014-15 to the Health Effects Research Fund.

COMMITTEE: Administrative, May 13, 2016, On the motion of Chairman Burke, the Committee unanimously approved all agenda items to be forwarded to the full Board.

RECOMMENDED ACTION:

Authorize the transfer of \$946,755 from the General Fund, Undesignated Fund Balance to the Health Effects Research Fund (Fund 48).

Wayne Natri
Acting Executive Officer

MO:lg

Background

At the June 2008 meeting, the Board established a Health Effects Research Fund and initially funded it with \$1.5 million from the BP Arco Settlement Fund. The Board further authorized, upon annual Board approval, the transfer of 20% of annual penalty money received that exceeds \$4 million in receipts to the Health Effects Research Fund. For FY 2014-15, this amount was \$946,755.

These monies have been used to fund a number of research projects at local universities and research institutions. The funding of the Health Effects Research Fund has been used to fund research through the Brain & Lung Tumor and Air Pollution Foundation. Findings from the Brain & Lung Tumor and Air Pollution Foundation funded research

indicated that fine particulate exposure is associated with biochemical changes in the brains of laboratory animals that are consistent with the biochemical pattern found in human brain tumors. Another funded project found preliminary associations of particulate matter levels and the risk of childhood brain tumors. These findings are being followed up with additional study to better understand the relation of pollution exposure to the risk of contracting brain tumors. In a current study laboratory animals were exposed to ambient particulate matter, including ultrafine particles, for investigation of potential stem cell activation into cancer precursor cells. The elucidation of molecular pathways involved in survival, proliferation, and differentiation of cancer stem cells may be fundamental information to help develop therapies for brain tumors and to develop potential preventive measures.

The requested Board action will provide funding to conduct additional health effects research, which may include follow-up on the results described above, and will provide information to better assess the health risks of exposure to air pollutants.

Results from these studies will provide scientific information to inform policy choices for reducing emissions and exposures to pollutants in the South Coast Air Basin.

Proposal

Staff is proposing that the Board authorize the transfer of 20% of annual penalty money received in FY 2014-15 that exceeds \$4 million in receipts, which is \$946,755, to the Health Effects Research Fund.

Resource Impacts

Funds are available from the General Fund, Unreserved (Unassigned) Fund Balance.

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BOARD MEETING DATE: June 3, 2016

AGENDA NO. 13

PROPOSAL: Establish ExxonMobil Settlement Projects Special Revenue Fund

SYNOPSIS: This item is to establish a Special Revenue Fund to receive and account for Supplemental Environmental Project monies received pursuant to a settlement agreement with ExxonMobil related to an explosion and restart of equipment at the Torrance Refinery. Further Board action will be required prior to any expenditures of these monies.

COMMITTEE: Administrative, May 13, 2016; On the motion of Chairman Burke, the Committee unanimously approved all agenda items to be forwarded to the full Board.

RECOMMENDED ACTION:

Establish an ExxonMobil Settlement Projects Special Revenue Fund and receive Supplemental Environmental Project monies pursuant to the settlement agreement with ExxonMobil.

Wayne Nastri
Acting Executive Officer

MBO:cv

Background

This item is to establish a Special Revenue Fund to receive and account for Supplemental Environmental Project (SEP) monies received pursuant to a settlement agreement with ExxonMobil. The settlement agreement requires ExxonMobil to pay \$2,356,250 into a SEP fund in consideration of violations related to the February 18, 2015 Torrance Refinery explosion. The settlement agreement further requires ExxonMobil make additional SEP fund payments related to the start-up activities of the Torrance Refinery.

Proposal

Staff proposes that the Board approve the establishment of a Special Revenue Fund to receive and account for Supplemental Environmental Project monies received pursuant to a settlement agreement with ExxonMobil related to the explosion and start-up of the

Torrance Refinery. A later request will be brought to the Board regarding the use of these funds.

Resource Impact

The monies received into the ExxonMobil Settlement Projects Special Revenue Fund will be \$2,356,250 in consideration of violations related to the February 18, 2015 Torrance Refinery explosion plus additional amounts related to the start-up activities, as required by the settlement agreement. Any use of these funds will require further Board approval.

BOARD MEETING DATE: June 3, 2016

AGENDA NO. 14

PROPOSAL: Appropriate Funds and Authorize Amending/Initiating Contracts with Outside Counsel and Specialized Legal Counsel and Services

SYNOPSIS: Legal is currently being assisted in environmental lawsuits by outside law firms and in other matters requiring specialized legal counsel and services, including ongoing litigation. This action is to appropriate \$500,000 from the Undesignated Fund Balance to Legal's FY 2015-16 Budget and amend or initiate contracts to expend these funds with prequalified counsel approved by the Board as well as specialized legal counsel and services.

COMMITTEE: Administrative, May 13, 2016; On the motion of Chairman Burke, the Committee unanimously approved all agenda items to be forwarded to the full Board.

RECOMMENDED ACTIONS:

1. Appropriate \$500,000 from Undesignated (Unassigned) Fund Balance to Legal's FY 2015-16 Budget, Services and Supplies Major Object, Professional and Special Services Account to be used to amend or initiate contracts to expend these funds with prequalified counsel approved by the Board as well as specialized legal counsel and services.
2. Authorize the Chairman or the Acting Executive Officer, depending on whether the amount exceeds \$75,000, to amend or initiate contracts with prequalified counsel approved by the Board, as well as specialized legal counsel and services, in a total amount not to exceed \$2,729,500 in FY 2015-16, as the need arises.

Wayne Natri
Acting Executive Officer

Background

The FY 2015-16 Budget for Legal included \$279,500 for litigation expenses in environmental law cases and specialized legal counsel and services; however, this will not cover current and anticipated costs of legal counsel and specialized counsel and services.

Due to the complexity of certain cases, particularly the Exide Technologies case bankruptcy court proceedings in Delaware, it is expected that expenses in these matters, and the other matters handled by specialized legal counsel and related services, will require an additional amount of up to \$500,000. Monies will be expended on other lawsuits and legal proceedings, including defending an appeal filed by Communities for a Better Environment to a CEQA challenge of a project by Phillips 66 at its Los Angeles/Carson Refinery that will reduce ship emissions; a challenge to the World Logistics Center warehouse project in Moreno Valley; and, most recently, defending approximately 8,200 claims against the District relating to the leak at Southern California Gas Company's (SoCalGas) Aliso Canyon facility, helping to prosecute the District's lawsuit against SoCalGas, and seeking to enforce SoCalGas' obligation under the Order for Abatement to fund a health study regarding health effects from the leak. In the Phillips 66 case we will be reimbursed for litigation costs once the case is closed. To date, litigation costs on the Phillips 66 matter have totaled \$177,618.88. Accordingly, Legal is requesting the transfer of funds in the amount of \$500,000, for a total expected expenditure of \$2,729,500 this fiscal year.

Proposal

In order to defend ongoing and threatened litigation, it is necessary to appropriate additional funds for expenditure by outside counsel. It is expected that ongoing lawsuits as well as matters requiring specialized legal counsel will require an additional \$500,000 to be appropriated to prequalified counsel approved by the Board and with specialized legal counsel and services, as the need arises.

Resource Impacts

Sufficient funds will be available in Legal's FY 2015-16 Budget upon approval of this Board letter.



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BOARD MEETING DATE: June 3, 2016

AGENDA NO. 15

PROPOSAL: Approve Contract Award and Issue Solicitation Approved by MSRC

SYNOPSIS: As part of their FYs 2014-16 AB 2766 Discretionary Fund Work Program, the MSRC approved a new contract under the Alternative Fuel Infrastructure Program, as well as the release of a Program Announcement for the Near-Zero Natural Gas Engine Incentive Program. At this time the MSRC seeks Board approval of the contract award and to release the solicitation.

COMMITTEE: Mobile Source Air Pollution Reduction Review, May 19, 2016, Recommended for Approval

RECOMMENDED ACTIONS:

1. Approve an award under the Alternative Fuel Infrastructure Program to Walnut Valley Unified School District in an amount not to exceed \$250,000 for the expansion of their existing limited access CNG station and modification of their vehicle maintenance facility, as part of approval of the FYs 2014-16 AB 2766 Discretionary Fund Work Program, as described in this letter;
2. Issue Program Announcement for the Near-Zero Natural Gas Engine Incentive Program, with a targeted funding level of \$10,000,000, as part of approval of the FYs 2014-16 Work Program, as described in this letter and in the attached; and
3. Authorize MSRC the authority to adjust contract awards up to five percent, as necessary and previously granted in prior work programs; and
4. Authorize the Chairman of the Board to execute new and modified contracts under FYs 2014-16 Work Program, as described above and in this letter.

Greg Pettis,
Chair, MSRC

Background

In September 1990 Assembly Bill 2766 was signed into law (Health & Safety Code Sections 44220-44247) authorizing the imposition of an annual \$4 motor vehicle registration fee to fund the implementation of programs exclusively to reduce air pollution from motor vehicles. AB 2766 provides that 30 percent of the annual \$4 vehicle registration fee subvented to the SCAQMD be placed into an account to be allocated pursuant to a work program developed and adopted by the MSRC and approved by the Board.

In November 2014, the MSRC selected initial categories for the FYs 2014-16 Work Program, with the understanding that additional project categories would continue to be developed and brought forward for consideration at a later date. At its May 19, 2016 meeting, the MSRC considered an award under the Alternative Fuel Infrastructure Program, as well as a recommended targeted funding amount and solicitation document to implement the final category of the FYs 2014-16 Work Program: Near-Zero Natural Gas Engine Incentives. Details are provided below in the Proposals section.

Outreach

In accordance with SCAQMD's Procurement Policy and Procedure, public notices advertising the Near-Zero Natural Gas Engine Incentives Program Announcement will be 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 the South Coast Basin. In addition, the Program Announcement will be advertised in the Desert Sun newspaper for expanded outreach in the Coachella Valley. A public notice advertising the Alternative Fuel Infrastructure Program Announcement was likewise published in the Los Angeles Times, the Orange County Register, the San Bernardino Sun, the Riverside County Press Enterprise, and Desert Sun newspapers.

Additionally, potential bidders may be and/or may have been notified utilizing SCAQMD's own electronic listing of certified minority vendors. Notice of the solicitation will be/was e-mailed to the Black and Latino Legislative Caucuses and various minority chambers of commerce and business associations, and placed on the Internet at SCAQMD's Website (<http://www.aqmd.gov>). Further, the solicitations will be/were posted on the MSRC's website at <http://www.cleantransportationfunding.org> and electronic notifications will be/were sent to those subscribing to this website's notification service.

Proposals

At its May 19, 2016 meeting, the MSRC considered recommendations from its MSRC-TAC and approved the following:

Alternative Fuel Infrastructure Program

As part of the FYs 2014-16 Work Program, the MSRC allocated \$5.0 million for the implementation of new and expanded CNG and LNG refueling stations and modification of maintenance facilities to accommodate gaseous-fueled vehicles. A Program Announcement, #PA2015-12, was developed and released on May 1, 2015, with an open application period commencing that day and closing July 29, 2016. To date, the MSRC has awarded a total of \$367,000. The MSRC approved one additional contract award to Walnut Valley Unified School District, in an amount not to exceed \$250,000, for the expansion of their limited access CNG station and modification of their maintenance facility as part of the FYs 2014-16 AB 2766 Discretionary Fund Work Program.

Near-Zero Natural Gas Engine Incentives Program

The MSRC approved release of Program Announcement #PA2016-11 under the FYs 2014-16 Work Program. The Program Announcement, with a total targeted funding level of \$10.0 million, provides funds towards the purchase cost of the Cummins Westport ISL G Near Zero natural gas engine. This engine is certified to the CARB Optional NO_x standard of 0.02 g/bhp-hr. Eligible vehicle types include urban transit buses and refuse collection trucks. For qualifying transit buses, the MSRC has allocated \$7.5 million, with a maximum per-entity award amount of \$1.875 million, and will award \$15,000 per vehicle for either new bus purchases or the re-power (engine replacement) of existing buses. For qualifying refuse trucks, the MSRC has allocated \$2.5 million, with a maximum per-entity award amount of \$625,000, and will award \$25,000 per vehicle, for re-powers only. Applications meeting requirements will be funded on a first-come, first-served basis in accordance with a geographic minimum of \$945,000 per county for transit buses and \$325,000 per county for refuse trucks. The Program Announcement includes an open application period commencing July 5, 2016 and closing January 6, 2017.

At this time, the MSRC requests the SCAQMD Board to approve the contract award, and approval to release the Program Announcement, as part of approval of the FYs 2014-16 AB 2766 Discretionary Fund Work Program as outlined above. The MSRC also requests the Board to authorize the SCAQMD Chairman of the Board the authority to execute all agreements described in this letter. The MSRC further requests authority to adjust the funds allocated to each project specified in this Board letter by up to five percent of the project's recommended funding. The Board has granted this authority to the MSRC for all past Work Programs.

Resource Impacts

The SCAQMD acts as fiscal administrator for the AB 2766 Discretionary Fund Program (Health & Safety Code Section 44243). Money received for this program is recorded in a special revenue fund (Fund 23) and the contracts specified herein, as well as any contracts awarded in response to the solicitation, will be drawn from this fund.

Attachment

Program Announcement #PA2016-11 – Near-Zero Natural Gas Engine Incentives Program



“NEAR ZERO” HEAVY-DUTY NATURAL GAS ENGINE INCENTIVE PROGRAM

**For Transit Buses & Refuse Collection Trucks Operating
in the South Coast Air Quality Management District**

2014-2016 MSRC Work Program

Program Announcement PA2016-11

June 3, 2016

SECTION 1 - INTRODUCTION

The Mobile Source Air Pollution Reduction Review Committee (MSRC) is pleased to announce the availability of funding incentives to buy down the purchase cost of the Cummins Westport ISL G Near Zero (ISL G NZ) natural gas engine, certified by the California Air Resources Board (CARB) below the Optional NOx emissions standard of 0.02 grams per brake-horsepower hour (g/bhp-hr). This newly commercialized heavy-duty natural gas engine offers “near-zero” emission levels for ozone precursor and particulate matter criteria air pollutants – *90% lower than the current EPA heavy-duty engine standards* - reductions that are of critical air quality importance to the South Coast Air Quality Management District (SCAQMD) region.

It is anticipated that this 8.9 liter heavy-duty engine will have future applicability to many heavy-duty vehicle applications. However, this MSRC **Clean Transportation Funding™** opportunity specifically targets, and is limited to:

- ✓ **Urban Transit Buses** Operated by Public Transit Agencies within the SCAQMD. This Funding Opportunity Includes Both New Bus Purchases and Bus Engine Re-Powers (i.e., Engine Replacements);
- ✓ **Refuse Collection Trucks**, including Public Agency or Business Enterprise-Owned Vehicles Domiciled and Operated in the SCAQMD. This Funding Opportunity Targets the Re-Power of Existing Natural Gas Refuse Collection Vehicles.

These heavy-duty vehicle classes have been targeted because they: 1) are compatible with the physical and performance characteristics of the Cummins Westport ISL G NZ engine; and 2) accrue high mileage and/or hours of operation within SCAQMD communities.

The following Sections describe the eligibility requirements to participate in the MSRC “Near Zero” Heavy-Duty Natural Gas Engine Incentive Program, limits on the amount of **Clean Transportation Funding™** available to Program participants, and guidelines for application preparation.

To reduce the need to photocopy, package, and physically submit paper applications, the near Zero Engine Incentive Program **requires that applications be submitted electronically in PDF format using the MSRC Website**. We believe this benefits the applicant, the MSRC staff, and the environment. A tutorial is available to walk applicants step by step through the electronic application submittal process. This tutorial is available on the MSRC Website at www.cleantransportationfunding.org. Look for the Proposal Upload Tutorial on the right-hand column of the Home Page.

Additionally, MSRC staff members are available to answer questions and provide technical and programmatic guidance as appropriate. Please refer to Section 8 of this document for a list of MSRC Staff contacts.

Please note that the source of MSRC **Clean Transportation Funding™** for projects submitted in response to this solicitation is motor vehicle registration fees collected by the California Department of Motor Vehicles (DMV) in accordance with the California Health and Safety Code. Thus, the availability of MSRC **Clean Transportation Funding™** is contingent upon the timely receipt of funds from the DMV. Neither the MSRC nor SCAQMD can guarantee the collection or remittance of registration fees by the DMV.

SECTION 2 – AVAILABLE FUNDING

The amount of MSRC **Clean Transportation Funding™** allocated for the Near Zero Engine Incentive Program is \$10.0M. Of this total funding allocation, \$7.5M is targeted for Transit Bus incentives; \$2.5M for Refuse Collection Truck incentives.

Note that these are targeted funding amounts – the MSRC reserves the right to increase the amount of total funding available and to reallocate funding between the Transit Bus and Refuse Truck categories. Similarly, should the MSRC receive proposals with total requests less than the amount allocated, or if proposals are deemed non-meritorious, the MSRC reserves the right to reduce the total funding available and reallocate funds to other Work Program categories. The MSRC also reserves the right to not fund any of the applications received, irrespective of the merits of the applications submitted.

For the purpose of this Near Zero Engine Incentive Program, all qualified project applications received electronically on the first day of the Application Acceptance Period, July 5, 2016, will be deemed received at the same time. In the event the Near Zero Engine Incentive Program is oversubscribed following receipt of first-day applications, MSRC funds will be distributed on a pro rata share basis to qualified project applications. Please note that the Geographic Funding Minimums discussed in Section 5, below, will take precedence in the event funding must be pro-rated. Qualifying applications received after July 5, 2016 will be funded in the order of receipt.

SECTION 3 – ELIGIBILITY REQUIREMENTS

For the purpose of this Program Announcement, the following eligibility requirements apply:

1. Eligible Applicants and Contracting Parties

- a. Transit Bus Incentives - Public Transit Agencies headquartered and whose transit operations are primarily within the SCAQMD jurisdiction are eligible to participate in this incentive program. This includes, but may not be limited to, County Transportation Commissions, municipal transit agencies, and Joint Powers Authority (JPA) Public Transit Agencies. The eligible Public Transit Agency must be the Contracting entity and Contract signatory.

Business enterprises that provide transportation services are not considered a Public Transit Agency under this Program and are not eligible to submit an application. Business enterprises that provide contract transportation services of behalf of an eligible Public Transit Agency are not considered a Public Transit Agency. Participation by business enterprises is allowable only in cases where a qualifying Public Transit Agency submits an application on behalf of their contract service provider and where the Public Transit Agency acts as Contract signatory.

- b. Refuse Collection Truck Incentives – Eligible applicants include public agency, municipal, and business enterprise owners and/or operators of eligible refuse collection vehicles. Participating refuse collection trucks must be domiciled and operate within the jurisdiction of the SCAQMD.

2. **Eligible Engine** – This program provides a buy-down incentive towards the purchase and installation of the Cummins Westport ISL G NZ 8.9 liter natural gas engine. The model year 2016 CARB Executive Orders for qualifying engines are as follows:

- Urban Bus: CARB EO # A-021-0629
- Heavy-Duty Refuse Trucks: CARB EO # A-021-0630 or A-021-0646 as applicable

Only the Cummins Westport 8.9 liter ISL G engine models certified to the CARB Optional NOx standard of 0.02 g/bhp-hr qualify under this incentive program. Cummins Westport ISL G natural gas engines certified to the current EPA 2010 NOx standard of 0.2 g/bhp-hr do not qualify for MSRC incentives.

3. **Qualifying Heavy-Duty Transit Buses and Refuse Collection Trucks** – Qualifying vehicles include transit buses and heavy-duty refuse collection trucks. The following vehicle eligibility requirements apply:

- a. **Transit Buses:** Eligible transit buses must meet the following specifications:

- Owned or operated by a Public Transit Agency;
- Powered by a heavy-duty engine, or of a type normally powered by a heavy-duty diesel engine;
- Intended primarily for intra-city operation;
- Length is 30 feet or longer;
- Qualifying transit buses must meet all Americans with Disabilities Act, US Department of Transportation, California Department of Motor Vehicles, and other applicable regulatory agency requirements.

- b. **Refuse Collection Vehicles:** Eligible refuse collection trucks must have the following characteristics:

- Owned or operated by a public agency, municipality, or business enterprise;
- Vehicle is currently configured to operate on dedicated natural gas;
- Gross Vehicle Weight Rating 26,001 pounds or greater;

4. **Earliest Date for an MSRC-Funded Project to Start (Project Start Date)** – The release date of this Program Announcement, June 3, 2016, is the earliest date an MSRC Near Zero Engine Incentive Project can start. For the purpose of this Program Announcement, the Project Start Date corresponds with the purchase order date for the new transit bus or, in the case of engine re-power, the purchase order date for the new replacement engine. Any expenditure made in anticipation of an award of MSRC Near Zero Engine Incentive funding and prior to execution of a Contract is solely at the applicant’s risk. If no Near Zero Engine Incentive Program Contract is executed, neither the MSRC nor SCAQMD is liable for payment of any funds expended in anticipation of a contract. Please note that in the event a contract is executed, reimbursement for any costs incurred by the proposer in anticipation of the contract is at the discretion of the MSRC and SCAQMD.

5. **Minimum Operations Period** – All vehicles that receive an MSRC Near Zero Engine Incentive under this Program must remain operational within the geographical jurisdiction of the SCAQMD for a period of no less than five (5) years from the date an MSRC co-funded engine enters service.

SECTION 4 – INCENTIVE LEVELS

The following incentive levels have been set by the MSRC for this Program:

Urban Transit Buses: The MSRC will award **\$15,000 per qualifying urban transit bus** in accordance with the limits set forth in Section 5, below. This incentive is available for new bus purchases or for the re-power (engine replacement) of an existing qualifying natural gas transit bus. A total funding allocation of \$7.5M has been established for the Program category.

Refuse Collection Trucks: The MSRC will award **\$25,000 per qualifying refuse collection truck** in accordance with the limits set forth in Section 5, below. This incentive is available for the re-power of an existing qualifying natural gas refuse truck only. A total funding allocation of \$2.5M has been established for this Program category.

SECTION 5 - PARTICIPATION GUIDELINES, CONDITIONS & RESTRICTIONS

The following guidelines, requirements, and conditions apply to all applicants:

1. **Maximum MSRC Funding Limits**– To ensure broad-based participation, the MSRC has established the following maximum funding parameters:
 - a. **Transit Bus Incentives:** The maximum total funding award to any Public Transit Agency under this solicitation shall not exceed 25% of the available funding. The total available funding currently allocated by the MSRC for this Program category is \$7.5M. Thus, the maximum total funding award for any single Public Transit Agency is currently set at \$1.875M. This maximum funding restriction can be waived by the MSRC in the event the MSRC does not receive meritorious applications from other applicants that meet or exceed 75% of the available funds, or if the MSRC allocates additional funds to the Program. The MSRC reserves the right to determine which projects, if any, are deemed meritorious and warrant a **Clean Transportation Funding™** award.
 - b. **Refuse Collection Vehicle Incentives:** The maximum total funding award to any agency, municipality, or business enterprise under this solicitation shall not exceed 25% of the available funding. The total available funding currently allocated by the MSRC for this Program category is \$2.5M. Thus, the maximum total funding award for any single entity is currently set at \$625,000. This maximum funding restriction can be waived by the MSRC in the event the MSRC does not receive meritorious applications from other applicants that meet or exceed 75% of the available funds, or if the MSRC allocates additional funds to the Program. The MSRC reserves the right to determine which projects, if any, are deemed meritorious and warrant a **Clean Transportation Funding™** award.
2. **Geographical Funding Minimum** - The MSRC has established a Geographical Funding Minimum for each county within the SCAQMD. The geographical funding minimum amount has been set at \$1.27M per county. This is apportioned as follows: a \$945,000 per county allocation for Transit Buses, and a \$325,000 per county allocation for Refuse Trucks. This funding set-aside guarantees a minimum level of funding within each county to participate in the Near Zero Engine Incentive Program. For the purpose of this Program Announcement, geographic location is based upon the location where the vehicle(s) equipped with the incentivized engine(s) are domiciled. At the end of the application submittal period, January 6, 2017, if any

county has funds remaining in its geographical minimum, these funds will be made available to qualifying applications from any other county in order of receipt.

3. **Eligible Uses of MSRC Funds** – MSRC funds may only be used to offset direct capital costs associated with the purchase and installation of the qualifying engine.
4. **Engine Scrapping Requirement for Re-Powers** – For projects re-powering existing transit buses and/or refuse collection vehicles, the existing vehicle engine must be scrapped following the re-power.
5. **Funding Award Outreach and Promotion** – All applicants that receive an MSRC **Clean Transportation Funding™** award must publicly acknowledge the funding award and conduct project outreach and promotion. This is a mandatory component of any MSRC-funded project. Types of acceptable outreach and promotion include, but are not limited to:
 - a. Press release;
 - b. Materials developed for incorporation into a website, electronic media, etc.;
 - c. Program kickoff events, ribbon cuttings, or news conferences, etc.
6. **MSRC Funds Remitted on a Reimbursement Basis** - MSRC funds will be distributed on a reimbursement basis only upon completion of approved project milestones and submission of all required reports and invoices.
7. **No “Double Dipping”** - Applicants accepting a Near Zero Engine funding incentive from the MSRC are not eligible to receive additional Near Zero Engine incentives for that engine from any other State or Federal agency except under the following conditions:
 - Public Transit Agencies can combine MSRC Near Zero Engine funding with other traditional transit bus funding sources, including but not limited to Federal Transit Administration (FTA), Congestion Mitigation/Air Quality (CMAQ), Local Transportation Funds (LTF), etc.
 - For Public Transit Agencies that are direct recipients of FTA funding for transit bus purchases or re-powers, additional funding potentially available through the Hybrid Truck & Bus Voucher Incentive Program (HVIP) and/or Natural Gas Vehicle Incentive Project (NGVIP) is not eligible to be combined with MSRC funding;
 - Public Transit Agencies that do not receive direct funding from the FTA for transit bus purchases are allowed to combine MSRC funding with funds potentially available through the HVIP and/or NGVIP;
 - Refuse Collection Truck owners are allowed to combine MSRC funding with funds potentially available through the HVIP and/or NGVIP;
 - MSRC Near Zero Engine funding can be combined with vehicle tax credit incentives if available;
 - In no case can MSRC Near Zero Engine incentives, when combined with other potentially available natural gas vehicle or engine incentives, exceed the incremental cost of the natural gas vehicle as compared to a comparable conventional diesel fuel vehicle.
8. **Additional Conditions on MSRC Funding**
 - Project Proposers are expected to provide a vehicle/engine procurement schedule as an element of their Proposal. In the event an application is awarded MSRC funds resulting in a contract, and subsequently requires additional time, the MSRC reserves the right to administratively authorize a one-time extension

to the period of performance, not to exceed an additional one (1) year. No additional project extensions will be allowed without the prior express consent of the MSRC.

- Use of Renewable Natural Gas – while not a participation requirement, the MSRC supports the use of renewable natural gas in vehicles benefiting from this engine incentive program. Applicants are asked to identify if the vehicles under this Program opportunity will utilize renewable natural gas and/or the percentage of renewable natural gas expected to be utilized. This does not have any impact on whether or not a vehicle receives an MSRC incentive.
- Certifications – All Proposers must complete and submit the included Attachment D forms as an element of their Proposal (unless specifically exempted below):
 - Internal Revenue Service Form W-9 – Request for Taxpayer Identification Number and Certification, and Franchise Tax Board Form 590 – Withholding Exemption Certificate. If you are selected for an award, you cannot be established as a vendor without this information.
 - Campaign Contributions Disclosure. This information must be provided at the time of application in accordance with California law. You may be asked for an update when awards are considered.
 - Business Status Certifications. The SCAQMD needs this information for their vendor database. It will not be considered in the determination of your MSRC funding award. Governmental entities do not need to complete this form.
- Finally, in accordance with state law, all projects awarded MSRC **Clean Transportation Funding™** are subject to audit. The provisions of the audit are discussed in the Sample Contract, included as an attachment to this Program Announcement. It is highly recommended that awardees employ government accepted accounting practices when administering their MSRC funded project.

SECTION 6 – PROGRAM ANNOUNCEMENT TIMETABLE

The MSRC understands that procuring or re-powering heavy-duty vehicles is subject to the procurement practices and internal schedules of participating agencies and businesses. To that end, the MSRC has established a 6-month window to prepare and submit applications for funding consideration, as shown in Table 6-1, below.

As shown in Table 6-1, the Program Announcement will be released on June 3, 2016. The earliest date to submit a Project Application – *which must be submitted electronically* – is July 5, 2016. This is to ensure that potential project applicants have sufficient notice between the Program Announcement release and the start of the Application acceptance period.

Table 6-1 - Key Near Zero Engine Incentive Program Dates

Program Event	Date
Program Announcement Release	June 3, 2016
Earliest Date to Submit Electronic Application	July 5, 2016
Application Submittal Period	July 5, 2016 – January 6, 2017
Latest Date/Time for Electronic Application Submittal	January 6, 2017 @ 11:59 p.m.

SECTION 7 - APPLICATION PREPARATION & SUBMITTAL INSTRUCTIONS

An application for Near Zero Engine Incentives must be completed and submitted for funding consideration under this Program. Applications must be prepared and submitted in accordance with the instructions outlined below.

1. **Application Preparation** – The following information must be included in all Applications seeking MSRC Clean Transportation Funding™ under the Near Zero Engine Incentive Programs Program:
 - a) **Attachments A-D** - Proposals must include the following completed Attachments, including all required supporting documentation as requested. Proposal Templates and Instructions are included in Section 10 of this Program Announcement:
 - Attachment A: Applicant Information & Funding Request
 - Attachment B: Vehicle Description
 - Attachment C: Project Procurement Schedule
 - Attachment D: Certifications
2. **Electronic Application Submittal Process** – To reduce the need to photocopy, package, and physically submit paper applications, the Near Zero Engine Incentive Program requires that applications be submitted electronically in PDF format using the MSRC Website. A tutorial is available to walk applicants step by step through the electronic application submittal process.

The application that will be submitted as a **PDF document** is comprised of four (4) primary sections – these correspond to the application Attachments A-D as described in the preceding section. Thus, a complete application will be comprised of the following elements:

1. Attachment A: Applicant Information & Funding Request
2. Attachment B: Vehicle Description
3. Attachment C: Project Procurement Schedule
4. Attachment D: Certifications
 - a. W-9 Form and Form 590

- b. Business Status Certifications Form
- c. Campaign Contribution Disclosure Form

These four sections, including Attachment D certifications, are to be compiled into a **single PDF document** for submittal to the MSRC Clean Transportation Funding Website. **Please note that ONLY PDF format can be accepted. Microsoft Word documents cannot be accepted by the MSRC Website.** Applicants will need to register on the MSRC Clean Transportation Funding website. The application submittal tutorial is available at www.cleantransportationfunding.org/proposal_process/upload_proposal.

Please note that the latest date and time to submit an application is January 6, 2017 at 11:59 pm!

- 3. **Addenda** – The Mobile Source Air Pollution Reduction Review Committee may modify the Program Announcement and/or issue supplementary information or guidelines relating to the Program Announcement during the Proposal preparation and acceptance period of June 3, 2016 to January 6, 2017. Amendments will be posted on the MSRC website at www.cleantransportationfunding.org.
- 4. **Application Modifications** - Once submitted, Proposals cannot be altered without the prior written consent of the Mobile Source Air Pollution Reduction Review Committee.
- 5. **Certificates of Insurance** - A certificate(s) of insurance naming SCAQMD as an additional insured will be required as a condition of the contract. Entities that are self-insured will be required to provide proof of self-insurance.

SECTION 8 - IF YOU NEED HELP...

This Program Announcement can be obtained by accessing the MSRC website at www.cleantransportationfunding.org or the SCAQMD website at <http://www.aqmd.gov/grants-bids>. MSRC staff members are available to answer questions during the application acceptance period. In order to help expedite assistance, please direct your inquiries to the applicable staff person, as follows:

- For **General or Technical Assistance**, please contact:
Ray Gorski
MSRC Technical Advisor
Phone: 909-396-2479
E-mail: Ray@CleanTransportationFunding.org
- For **Administrative Assistance**, please contact:
Cynthia Ravenstein
MSRC Contracts Administrator
Phone: 909-396-3269
E-mail: Cynthia@CleanTransportationFunding.org

- For **Contractual Assistance**, please contact:
Dean Hughbanks
SCAQMD Procurement Manager
Phone: 909-396-2808
E-mail: dhughbanks@aqmd.gov

SECTION 9- APPLICATION EVALUATION AND APPROVAL PROCESS

Applications will be screened upon receipt by MSRC staff members to determine compliance with all mandatory requirements. Applications deemed compliant will be forwarded to an Evaluation Subcommittee comprised of members of the MSRC Technical Advisory Committee (MSRC-TAC). Compliant applications will be evaluated and funded in order of receipt using criteria established by the MSRC and specified in Sections 3 – 5 of this Program Announcement. Please note that it is possible that all funding allocated to this Program could be fully expended prior to the close of the application submittal period, January 6, 2017.

SECTION 10 - PROPOSAL ATTACHMENTS – PA2016-11

ATTACHMENT A: APPLICATION INFORMATION & FUNDING REQUEST

A. Please provide the following applicant information in the space provided (This is information about the entity submitting the application):

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

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

B. Transit Bus **Clean Transportation Funding™** Request Summary:

- Number of New Purchase Transit Bus Incentives Requested: _____
- Number of Transit Bus Re-Power Incentives Requested: _____
- Total Number of Transit Bus Incentives Requested: _____
- Total Transit Bus **Clean Transportation Funding™** Requested: \$_____

C. Refuse Collection Truck **Clean Transportation Funding™** Request Summary:

- Number of Refuse Truck Re-Power Incentives Requested: _____
- Total Refuse Truck **Clean Transportation Funding™** Requested: \$_____

ATTACHMENT B: VEHICLE DESCRIPTION

A. **TRANSIT BUS DESCRIPTION** – for each Transit Bus Incentive applied for, please provide the following information:

New Purchase Transit Buses: If a multiple number of the same vehicle is being purchased, state the number of that type of transit bus to be purchased (double-click to open spreadsheet):

Number of This Bus Type	Bus Manufacturer	Bus Model	Bus Length	Estimated Annual Miles Per Bus

Transit Buses Engine Re-Powers: For each Transit Bus proposed for engine re-power, please provide the following information. Please expand the spreadsheet as needed to accommodate the number of transit bus engine re-powers for which MSRC funding is sought:

Bus Manufacturer	Bus Model	Bus Length	Existing Engine Make/Model	Existing Engine Model Year	Bus VIN	Estimated Annual Miles

- Will Renewable Natural Gas (RNG) be used? YES NO
- If “YES”, what is the estimated percentage of natural gas that will be RNG? _____%

B. **REFUSE COLLECTION TRUCK DESCRIPTION** – For each Refuse Truck proposed for engine re-power, please provide the following information. Please expand the spreadsheet as needed to accommodate the number of refuse truck engine re-powers for which MSRC funding is sought (double-click to open spreadsheet):

Refuse Truck Manufacturer	Truck Model	Existing Engine Make/Model	Existing Engine Model Year	Refuse Truck VIN	Estimated Annual Miles, Fuel Consumed, or Engine Hours of Operation (specify)

- Will Renewable Natural Gas (RNG) be used? YES NO
- If “YES”, what is the estimated percentage of natural gas that will be RNG? _____%

ATTACHMENT C: PROJECT PROCUREMENT SCHEDULE

FOR THE VEHICLES INCLUDED IN ATTACHEMENT B, PLEASE PROVIDE ESTIMATED DATES, AS FOLLOWS:

- FOR NEW TRANSIT BUS PURCHASES, PLEASE PROVIDE THE ANTICIPATED BUS ORDER DATES (MONTH/YEAR) AND ANTICIPATED NEW BUS DELIVERY DATES (MONTH/YEAR)
- FOR TRANSIT BUS RE-POWERS, PLEASE PROVIDE THE ANTICIPATED DATES FOR RE-POWER COMPLETION (MONTH/YEAR)
- FOR REFUSE COLLECTION TRUCK RE-POWERS, PLEASE PROVIDE THE ANTICIPATED DATES FOR RE-POWER COMPLETION (MONTH/YEAR)

ATTACHMENT D: CERTIFICATIONS

Form W-9 (Rev. December 2014) Department of the Treasury Internal Revenue Service	<h2 style="margin:0;">Request for Taxpayer Identification Number and Certification</h2>	Give Form to the requester. Do not send to the IRS.	
Print or type See Specific Instructions on page 2.	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; check only one of the following seven boxes: <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 <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ _____ Note. For a single-member LLC that is disregarded, do not check LLC; check the appropriate box in the line above for the tax classification of the single-member owner. <input type="checkbox"/> Other (see instructions) ▶ _____		
	4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3): Exempt payee code (if any) _____ Exemption from FATCA reporting code (if any) _____ <i>(Applies to accounts maintained outside the U.S.)</i>		
	5 Address (number, street, and apt. or suite no.)	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 Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see <i>How to get a TIN</i> on page 3.	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td colspan="2" style="text-align: center;">Social security number</td> </tr> <tr> <td style="text-align: center;"> <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:25%; height: 20px;"> </td> <td style="width:25%; height: 20px;"> </td> <td style="width:25%; height: 20px;"> </td> <td style="width:25%; height: 20px;"> </td> </tr> </table> </td> <td style="text-align: center;">-</td> <td style="text-align: center;"> <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:25%; height: 20px;"> </td> <td style="width:25%; height: 20px;"> </td> <td style="width:25%; height: 20px;"> </td> <td style="width:25%; height: 20px;"> </td> </tr> </table> </td> <td style="text-align: center;">-</td> <td style="text-align: center;"> <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:25%; height: 20px;"> </td> <td style="width:25%; height: 20px;"> </td> <td style="width:25%; height: 20px;"> </td> <td style="width:25%; height: 20px;"> </td> </tr> </table> </td> </tr> <tr> <td colspan="6" style="text-align: center;">OR</td> </tr> <tr> <td colspan="2" style="text-align: center;">Employer identification number</td> </tr> <tr> <td style="text-align: center;"> <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:25%; height: 20px;"> </td> <td style="width:25%; height: 20px;"> </td> <td style="width:25%; height: 20px;"> </td> <td style="width:25%; height: 20px;"> </td> </tr> </table> </td> <td style="text-align: center;">-</td> <td style="text-align: center;"> <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:25%; height: 20px;"> </td> <td style="width:25%; height: 20px;"> </td> <td style="width:25%; height: 20px;"> </td> <td style="width:25%; height: 20px;"> </td> </tr> </table> </td> <td style="text-align: center;">-</td> <td style="text-align: center;"> <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:25%; height: 20px;"> </td> <td style="width:25%; height: 20px;"> </td> <td style="width:25%; height: 20px;"> </td> <td style="width:25%; height: 20px;"> </td> </tr> </table> </td> </tr> </table>	Social security number		<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:25%; height: 20px;"> </td> <td style="width:25%; height: 20px;"> </td> <td style="width:25%; height: 20px;"> </td> <td style="width:25%; height: 20px;"> </td> </tr> </table>					-	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:25%; height: 20px;"> </td> <td style="width:25%; height: 20px;"> </td> <td style="width:25%; height: 20px;"> </td> <td style="width:25%; height: 20px;"> </td> </tr> </table>					-	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:25%; height: 20px;"> </td> <td style="width:25%; height: 20px;"> </td> <td style="width:25%; height: 20px;"> </td> <td style="width:25%; height: 20px;"> </td> </tr> </table>					OR						Employer identification number		<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:25%; height: 20px;"> </td> <td style="width:25%; height: 20px;"> </td> <td style="width:25%; height: 20px;"> </td> <td style="width:25%; height: 20px;"> </td> </tr> </table>					-	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:25%; height: 20px;"> </td> <td style="width:25%; height: 20px;"> </td> <td style="width:25%; height: 20px;"> </td> <td style="width:25%; height: 20px;"> </td> </tr> </table>					-	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:25%; height: 20px;"> </td> <td style="width:25%; height: 20px;"> </td> <td style="width:25%; height: 20px;"> </td> <td style="width:25%; height: 20px;"> </td> </tr> </table>				
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Note. If the account is in more than one name, see the instructions for line 1 and the chart on page 4 for guidelines on whose number to enter.																																													

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 on page 3.	

Sign Here	Signature of U.S. person ▶ _____	Date ▶ _____
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<h3>General Instructions</h3> <p>Section references are to the Internal Revenue Code unless otherwise noted.</p> <p>Future developments. Information about developments affecting Form W-9 (such as legislation enacted after we release it) is at www.irs.gov/fw9.</p> <h3>Purpose of Form</h3> <p>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:</p> <ul style="list-style-type: none"> • 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) 	<ul style="list-style-type: none"> • 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) <p>Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.</p> <p><i>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? on page 2.</i></p> <p>By signing the filled-out form, you:</p> <ol style="list-style-type: none"> 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 <i>What is FATCA reporting?</i> on page 2 for further information.
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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 Publication 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 28% 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 Part II instructions on page 3 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* on page 3 and the separate instructions for the Requester of Form W-9 for more information.

Also see *Special rules for partnerships* above.

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* on page 3 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, list first, and then circle, the name of the person or entity whose number you entered in Part I of 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 in line 3 for the U.S. federal tax classification of the person whose name is entered on line 1. Check only one box in line 3.

Limited Liability Company (LLC). If the name on line 1 is an LLC treated as a partnership for U.S. federal tax purposes, check the “Limited Liability Company” box and enter “P” in the space provided. If the LLC has filed Form 8832 or 2553 to be taxed as a corporation, check the “Limited Liability Company” box and in the space provided enter “C” for C corporation or “S” for S corporation. If it is a single-member LLC that is a disregarded entity, do not check the “Limited Liability Company” box; instead check the first box in line 3 “Individual/sole proprietor or single-member LLC.”

Line 4, Exemptions

If you are exempt from backup withholding and/or FATCA reporting, enter in the appropriate space in 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 ¹	Generally, exempt payees 1 through 5 ²
Payments made in settlement of payment card or third party network transactions	Exempt payees 1 through 4

¹ See Form 1099-MISC, Miscellaneous Income, and its instructions.

² 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.

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. However, the IRS prefers that you use your SSN.

If you are a single-member LLC that is disregarded as an entity separate from its owner (see *Limited Liability Company (LLC)* on this page), 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 the chart on page 4 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. 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 and clicking on Employer Identification Number (EIN) under Starting a Business. You can get Forms W-7 and SS-4 from the IRS by visiting IRS.gov or by calling 1-800-TAX-FORM (1-800-829-3676).

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 items 1, 4, or 5 below indicate 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), 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)	The actual owner of the account or, if combined funds, the first individual on the account
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor ²
4. a. The usual revocable savings trust (grantor is also trustee) b. So-called trust account that is not a legal or valid trust under state law	The grantor-trustee ¹ The actual owner ¹
5. Sole proprietorship or disregarded entity owned by an individual	The owner ¹
6. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulations section 1.671-4(b)(2)(i)(A))	The grantor ¹
For this type of account:	Give name and EIN of:
7. Disregarded entity not owned by an individual	The owner
8. A valid trust, estate, or pension trust	Legal entity ¹
9. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
10. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
11. Partnership or multi-member LLC	The partnership
12. A broker or registered nominee	The broker or nominee
13. 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
14. 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

¹ 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.

² Circle the minor’s name and furnish the minor’s SSN.

³ 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.

⁴ 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* on page 2.

***Note.** 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 Publication 4535, Identity Theft Prevention and Victim Assistance.

Victims of identity theft who are experiencing economic harm or a system 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. 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 or contact them at www.ftc.gov/idtheft or 1-877-IDTHEFT (1-877-438-4338).

Visit IRS.gov 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.

YEAR

CALIFORNIA FORM

2015 Withholding Exemption Certificate

590

The payee completes this form and submits it to the withholding agent.

Withholding Agent (Type or print)

Name

Payee

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 reason box below that applies to the payee.

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.

Under penalties of perjury, I hereby certify that the information provided in this document is, to the best of my knowledge, true and correct. If conditions change, I will promptly notify the withholding agent.

Payee's name and title (type or print) _____ Telephone (____) _____

Payee's signature ► _____ Date _____

2015 Instructions for Form 590

Withholding Exemption Certificate

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

General Information

Registered Domestic Partners (RDP) – For purposes of California income tax, references to a spouse, husband, or wife also refer to a Registered Domestic Partner (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 information on California backup withholding, go to 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 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-C, Real Estate Withholding Certificate, to claim an exemption from real estate withholding.

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

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.

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 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 certificate on the preprinted form, the withholding agent may accept as a substitute certificate a letter from the payee explaining why the payee is 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. The withholding agent must retain a copy of the certificate or substitute for at least four years after the last payment to which the certificate applies, and provide it upon request to the FTB.

For example, 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 non-wage 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, get 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 if it is a foreign corporation qualified to transact intrastate business by the CA SOS. 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 taxpayer identification number (TIN) and check the appropriate TIN box.

You must provide an acceptable 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 – Enter the information in the following order: City, Country, Province/Region, and Postal Code. Follow the country’s practice for entering the postal code. **Do not** abbreviate the country’s name.

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

Withholding Agent Instructions

Keep Form 590 for your records. **Do not** send this form to the FTB unless it has been specifically requested.

For more information, contact Withholding Services and Compliance, see Additional Information.

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, and Form 592-V, Payment Voucher for Resident and Nonresident Withholding.

Additional Information

For additional information or to speak to a representative regarding this form, call the Withholding Services and Compliance telephone service at:

Telephone: **888.792.4900**
916.845.4900

Fax: 916.845.9512

OR write to:

WITHHOLDING SERVICES AND
COMPLIANCE MS F182
FRANCHISE TAX BOARD
PO BOX 942867
SACRAMENTO CA 94267-0651

You can download, view, and print California tax forms and publications at ftb.ca.gov.

OR to get forms by mail write to:

TAX FORMS REQUEST UNIT
FRANCHISE TAX BOARD
PO BOX 307
RANCHO CORDOVA CA 95741-0307

For all other questions unrelated to withholding or to access the TTY/TDD numbers, see the information below.

Internet and Telephone Assistance

Website: 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 impairments

Asistencia Por Internet y Teléfono

Sitio web: 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

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 SCAQMD, (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 SCAQMD 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.

A. NAME

TITLE

B. 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 SCAQMD at the time of bid application.
- performs 90 percent of the work within SCAQMD’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 SCAQMD will receive at least as favorable pricing, warranties, conditions, benefits and terms as other customers or clients making similar purchases or receiving similar services.



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 MSRC, 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).

California law prohibits a party, or an agent, from making campaign contributions to SCAQMD Governing Board Members or members/alternates of the Mobile Source Air Pollution Reduction Review Committee (MSRC) of more than \$250 while their contract or permit is pending before SCAQMD; and further prohibits a campaign contribution from being made for three (3) months following the date of the final decision by the Governing Board or the MSRC 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 must abstain from voting on a contract or permit if they have received a campaign contribution from a party or participant 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 SCAQMD website (www.aqmd.gov). The list of current MSRC members/alternates can be found at the MSRC website (<http://www.cleantransportationfunding.org>).

SECTION I.

Contractor (Legal Name): _____

DBA, Name _____, County Filed in _____ Corporation, ID No. _____ LLC/LLP, ID No. _____
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List any parent, subsidiaries, or otherwise affiliated business entities of Contractor:
(See definition below).

SECTION II.

Has Contractor and/or any parent, subsidiary, or affiliated company, or agent thereof, 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 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.**

Campaign Contributions Disclosure, *continued*:

Name of Contributor _____

Governing Board Member or MSRC Member/Alternate	Amount of Contribution	Date of Contribution
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Name of Contributor _____

Governing Board Member or MSRC Member/Alternate	Amount of Contribution	Date of Contribution
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Name of Contributor _____

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

Name of Contributor _____

Governing Board Member or MSRC Member/Alternate	Amount of Contribution	Date of Contribution
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I declare the foregoing disclosures to be true and correct.

By: _____

Title: _____

Date: _____

DEFINITIONS
<p style="text-align: center;">Parent, Subsidiary, or Otherwise Related Business Entity (2 Cal. Code of Regs., §18703.1(d).)</p> <p>(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.</p> <p>(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:</p> <p style="margin-left: 20px;">(A) One business entity has a controlling ownership interest in the other business entity.</p> <p style="margin-left: 20px;">(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:</p> <p style="margin-left: 40px;">(i) The same person or substantially the same person owns and manages the two entities;</p> <p style="margin-left: 40px;">(ii) There are common or commingled funds or assets;</p> <p style="margin-left: 40px;">(iii) The business entities share the use of the same offices or employees, or otherwise share activities, resources or personnel on a regular basis;</p> <p style="margin-left: 40px;">(iv) There is otherwise a regular and close working relationship between the entities; or</p> <p style="margin-left: 20px;">(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.</p>



AB 2766/MSRC WORK PROGRAM CONTRACT

1. PARTIES - The parties to this Contract are the South Coast Air Quality Management District (hereinafter referred to as "SCAQMD") whose address is 21865 Copley Drive, Diamond Bar, California 91765-4178, and the *** (hereinafter referred to as "CONTRACTOR") whose address is ***.
2. RECITALS
 - A. SCAQMD is the local agency with primary responsibility for regulating stationary source air pollution within the geographical boundaries of the South Coast Air Quality Management District in the State of California (State). SCAQMD is authorized under State Health & Safety Code Section 44225 (AB 2766) to levy a fee on motor vehicles for the purpose of reducing air pollution from such vehicles and to implement the California Clean Air Act.
 - B. Under AB 2766, SCAQMD's Governing Board has authorized the imposition of the statutorily set motor vehicle fee. By taking such action, the State's Department of Motor Vehicles (DMV) is required to collect such fee and remit it periodically to SCAQMD.
 - C. AB 2766 further mandates that thirty (30) percent of such vehicle registration fees be placed by SCAQMD into a separate account for the sole purpose of implementing and monitoring programs to reduce air pollution from motor vehicles.
 - D. AB 2766 creates a regional Mobile Source Air Pollution Reduction Review Committee (MSRC) to develop a work program to fund projects from the separate account. Pursuant to approval of the work program by SCAQMD's Governing Board, SCAQMD authorized this Contract with CONTRACTOR for equipment or services described in Attachment 1 - Statement of Work, expressly incorporated herein by this reference and made a part hereof of this Contract.
 - E. CONTRACTOR has met the requirements for receipt of AB 2766 Discretionary Funds as set forth in CONTRACTOR's *** Program Application/Proposal dated ***.
 - F. CONTRACTOR is authorized to do business in the State of California and attests that it is in good tax standing with the California Franchise Tax Board.
 - G. All parties to this Contract have had the opportunity to have this Contract reviewed by their attorney.
3. DMV FEES - CONTRACTOR acknowledges that SCAQMD cannot guarantee that the amount of fees to be collected under AB 2766 will be sufficient to fund this Contract. CONTRACTOR further acknowledges that payment under this Contract is contingent upon SCAQMD receiving sufficient funds from the DMV, and that SCAQMD assumes no responsibility for the collection and remittance of motor vehicle registration fees.
4. AUDIT AND RECORDS RETENTION
 - A. CONTRACTOR shall, at least once every two years, or within two years of the termination of the Contract if the term is less than two years, be subject to an audit by SCAQMD or its authorized representative to determine if the revenues received by CONTRACTOR were spent for the reduction of pollution from motor vehicles pursuant to the Clean Air Act of 1988.
 - B. CONTRACTOR agrees to maintain records related to this Contract during the Contract term and continue to retain these records for a period of two years beyond the Contract term, except that in no case shall CONTRACTOR be required to retain more than the most recent five years' records. SCAQMD shall coordinate such audit through CONTRACTOR'S audit staff.

- C. If an amount is found to be inappropriately expended, SCAQMD may withhold funding, or seek reimbursement, from CONTRACTOR in the amount equal to the amount that was inappropriately expended. Such withholding shall not be construed as SCAQMD's sole remedy and shall not relieve CONTRACTOR of its obligation to perform under the terms of this Contract.
5. TERM - The term of this Contract is for *** (***) months from the date of execution by both parties, unless terminated earlier as provided for in the TERMINATION clause of this Contract, the EARLY TERMINATION clause, [OPTIONAL] or the term is extended by amendment of this Contract in writing. No work shall commence prior to the Contract start date, except at CONTRACTOR's cost and risk, and no charges are authorized until this Contract is fully executed, subject to the provisions stated in the PRE-CONTRACT COSTS clause of this Contract.
6. SUCCESSORS-IN-INTEREST - This Contract, and the obligations arising under the Contract, shall be binding on and inure to the benefit of CONTRACTOR and their executors, administrators, successors, and assigns.
7. REPORTING - CONTRACTOR shall submit reports to SCAQMD as outlined in Attachment 1 - Statement of Work. SCAQMD reserves the right to review, comment, and request changes to any report produced as a result of this Contract.
8. TERMINATION
- A. In the event any party fails to comply with any term or condition of this Contract, or fails to provide services in the manner agreed upon by the parties, including, but not limited to, the requirements of Attachment 1 – Statement of Work, this failure shall constitute a breach of this Contract. The non-breaching party shall notify the breaching party that it must cure this breach or provide written notification of its intention to terminate this contract. Notification shall be provided in the manner set forth in the NOTICES clause of this Contract. The non-breaching party reserves all rights under law and equity to enforce this Contract and recover damages.
- B. SCAQMD reserves the right to terminate this Contract, in whole or in part, without cause, upon thirty (30) days' written notice. Once such notice has been given, CONTRACTOR shall, except as and to the extent or directed otherwise by SCAQMD, discontinue any Work being performed under this Contract and cancel any of CONTRACTOR's orders for materials, facilities, and supplies in connection with such Work, and shall use its best efforts to procure termination of existing subcontracts upon terms satisfactory to SCAQMD. Thereafter, CONTRACTOR shall perform only such services as may be necessary to preserve and protect any Work already in progress and to dispose of any property as requested by SCAQMD.
- B. Either party may terminate this Contract upon thirty (30) days written notice to the other party.
- C. CONTRACTOR shall be paid in accordance with this Contract for all Work performed before the effective date of termination under section B of the TERMINATION clause of this Contract. Before expiration of the thirty (30) days' written notice, CONTRACTOR shall promptly deliver to SCAQMD all copies of documents and other information and data prepared or developed by CONTRACTOR under this Contract with the exception of a record copy of such materials, which may be retained by CONTRACTOR.
9. EARLY TERMINATION - This Contract may be terminated early due to the following circumstances: The infrastructure identified in Attachment 1, Statement of Work, becomes inoperable, and is either not technically able to be repaired, or is too costly to repair, and such failure is not caused by CONTRACTOR's negligence, misuse, or malfeasance. [OPTIONAL]
10. STOP WORK - SCAQMD may, at any time, by written notice to CONTRACTOR, require CONTRACTOR to stop all or any part of the Statement of Work tasks in this Contract. A stop work order may be issued for

reasons including, but not limited to, the project exceeding the budget, out of scope work, delay in project schedule, or misrepresentations. Upon receipt of the stop work order, CONTRACTOR shall immediately take all necessary steps to comply with the order. CONTRACTOR shall resume the work only upon receipt of written instructions from SCAQMD cancelling the stop work order. CONTRACTOR agrees and understands that CONTRACTOR will not be paid for performing work while the stop work order is in effect, unless SCAQMD agrees to do so in its written cancellation of the stop work order.

11. INSURANCE

- A. CONTRACTOR shall furnish evidence to SCAQMD of workers' compensation insurance for each of its employees, in accordance with either California or other states' applicable statutory requirements prior to commencement of any work on this Contract.
- B. CONTRACTOR shall furnish evidence to SCAQMD of general liability insurance with a limit of at least \$1,000,000 per occurrence, and \$2,000,000 in a general aggregate prior to commencement of any work on this Contract. SCAQMD shall be named as an additional insured on any such liability policy, and thirty (30) days written notice prior to cancellation of any such insurance shall be given by CONTRACTOR to SCAQMD.
- C. CONTRACTOR shall furnish evidence to SCAQMD of automobile liability insurance with limits of at least \$100,000 per person and \$300,000 per accident for bodily injuries, and \$50,000 in property damage, or \$1,000,000 combined single limit for bodily injury or property damage, prior to commencement of any work on this Contract. SCAQMD shall be named as an additional insured on any such liability policy, and thirty (30) days written notice prior to cancellation of any such insurance shall be given by CONTRACTOR to SCAQMD.
- D. CONTRACTOR shall furnish evidence to SCAQMD of Professional Liability Insurance with an aggregate limit of not less than \$5,000,000. [OPTIONAL]
- E. If CONTRACTOR fails to maintain the required insurance coverage set forth above, SCAQMD reserves the right either to purchase such additional insurance and to deduct the cost thereof from any payments owed to CONTRACTOR or terminate this Contract for breach.
- F. All insurance certificates shall be mailed to: SCAQMD, 21865 Copley Drive, Diamond Bar, CA 91765-4178, Attention: Cynthia Ravenstein, MSRC Contracts Administrator. **The SCAQMD Contract Number must be included on the face of the certificate.**
- G. CONTRACTOR must provide updates on the insurance coverage throughout the term of the Contract to ensure that there is no break in coverage during the period of contract performance. Failure to provide evidence of current coverage shall be grounds for termination for breach of Contract.

[USE ABOVE CLAUSE OR SELF INSURANCE CLAUSE BELOW]

Self Insurance Clause:

INSURANCE - CONTRACTOR represents that it is permissibly self-insured and will maintain such self-insurance in accordance with applicable provisions of California law throughout the term of this Contract. CONTRACTOR shall provide evidence of sufficient coverage during the term of this Contract and any extensions thereof that meet or exceed the minimum requirements set forth by the SCAQMD below. The certificate of self-insurance shall be mailed to: SCAQMD, 21865 Copley Drive, Diamond Bar, CA 91765-4178, Attention: Cynthia Ravenstein, MSRC Contracts Administrator. **The SCAQMD Contract Number must be included on the face of the certificate.** If CONTRACTOR fails to maintain the required insurance coverage, SCAQMD reserves the right to terminate the Contract or purchase such additional

insurance and bill CONTRACTOR or deduct the cost thereof from any payments owed to CONTRACTOR. Minimum insurance coverages are as follows:

- A. Worker's compensation insurance in accordance with either California or other state's applicable statutory requirements.
- B. General Liability insurance with a limit of at least \$1,000,000 per occurrence, and \$2,000,000 in general aggregate.
- C. Automobile Liability insurance with limits of at least \$100,000 per person and \$300,000 per accident for bodily injuries and \$50,000 in property damage, or \$1,000,000 combined single limit for bodily injury or property damage.

12. INDEMNIFICATION - CONTRACTOR agrees to hold harmless, defend and indemnify SCAQMD, its officers, employees, agents, representatives, and successors-in-interest against any and all loss, damage, costs, lawsuits, claims, demands, causes of action, judgments, attorney's fees, or any other expenses arising from or related to any third party claim against SCAQMD, its officers, employees, agents, representatives, or successors in interest that arise or result in whole or in part, from any actual or alleged act or omission of CONTRACTOR, its employees, subcontractors, agents or representatives in the performance of this Contract. This Indemnification Clause shall survive the expiration or termination (for any reason) of the Contract and shall remain in full force and effect.

13. DISCLAIMER OF WARRANTY - The purchase or lease of funded vehicles/equipment is the CONTRACTOR's decision. The SCAQMD does not make any express or implied warranty of merchantability, fitness for a particular purpose or otherwise, quality or usefulness of the technology or product. Without limiting the foregoing, the SCAQMD will not be financially responsible, or otherwise liable, for the installation or performance of the vehicle/equipment. [OPTIONAL]

14. PAYMENT

- A. SCAQMD shall reimburse CONTRACTOR up to a total amount of *** Dollars (\$***) in accordance with Attachment 2 – Payment/Cost Schedule expressly incorporated herein by this reference and made a part hereof of the Contract.
- B. A withhold amount or percentage (if any) shall be identified in the Payment/Cost Schedule, and such amount shall be withheld from each invoice. Upon satisfactory completion of project and final acceptance of work and the final report, CONTRACTOR's invoice for the withheld amount shall be released. Proof of project completion shall include a Final Report detailing the project goals and accomplishments, data collected during project performance, if any, documentation of significant results, and emissions reduction input data needed for calculation of emissions reductions.
- C. Any funds not expended upon early Contract termination or Contract completion shall revert to the AB 2766 Discretionary Fund. Payment of charges shall be made by SCAQMD to CONTRACTOR within thirty (30) days after approval by SCAQMD of an itemized invoice prepared and furnished by CONTRACTOR.
- D. An invoice submitted to SCAQMD for payment must be prepared in duplicate, on company letterhead, and list SCAQMD's contract number, period covered by invoice, and CONTRACTOR's social security number or Employer Identification Number and submitted to:

South Coast Air Quality Management District
21865 Copley Drive

Diamond Bar, CA 91765-4178
Attn: Cynthia Ravenstein, MSRC Contracts Administrator

1. Charges for equipment, material, and supply costs, travel expenses, subcontractors, and other charges, as applicable, must be itemized by CONTRACTOR. Reimbursement for equipment, material, supplies, subcontractors, and other charges, as applicable, shall be made at actual cost. Supporting documentation must be provided for all individual charges (with the exception of direct labor charges provided by CONTRACTOR).
 2. SCAQMD shall pay CONTRACTOR for travel-related expenses only if such travel is expressly set forth in Attachment 2 – **Payment**/Cost Schedule of this Contract or pre-authorized by SCAQMD in writing.
 3. CONTRACTOR's failure to provide receipts shall be grounds for SCAQMD's non-reimbursement of such charges. CONTRACTOR may reduce payments on invoices by those charges for which receipts were not provided.
 4. CONTRACTOR must submit final invoice no later than ninety (90) days after the termination date of this Contract or invoice may not be paid.
15. COMPLIANCE WITH APPLICABLE LAWS - CONTRACTOR agrees to comply with all federal, state, and local laws, ordinances, codes and regulations and orders of public authorities in the performance of this Contract. CONTRACTOR must also ensure that the vehicles and/or equipment to be purchased, leased or installed is in compliance with all applicable federal, state, and local air quality rules and regulations, and that it will maintain compliance for the full Contract term. CONTRACTOR shall ensure that the provisions of this clause are included in all subcontracts.
16. MOBILE SOURCE EMISSION REDUCTION CREDITS (MSERCs)
- A. The MSRC has adopted a policy that no MSERCs resulting from AB 2766 Discretionary Funds may be generated and/or sold.
 - B. CONTRACTOR has the opportunity to generate MSERCs as a by-product of the project if a portion of the air quality benefits attributable to the project resulted from funding sources other than AB2766. These MSERCs, which are issued by SCAQMD, are based upon the quantified vehicle miles traveled (VMT) by project vehicles or other activity data as appropriate. Therefore, a portion of prospective MSERCs, generated as a result of AB 2766 Funds, must be retired. The portion of prospective credits funded by the AB 2766 program, and which are subject to retirement, shall be referred to as "AB 2766-MSERCs."
 - C. The determination of AB 2766-MSERC's is to be prorated based upon the AB 2766 program's contribution to the cost associated with the air quality benefits. In the case where AB 2766 Discretionary Funds are used to pay for the full differential cost of a new alternative fuel vehicle or for the retrofitting or repowering of an existing vehicle, all MSERCs attributable to AB 2766 Discretionary Funds must be retired. The determination of AB 2766-MSERCs for infrastructure and other ancillary items is to be prorated based upon the AB 2766 program's contribution to the associated air quality benefits. Determination of the project's overall cost will be on a case-by-case basis at the time an MSERC application is submitted. SCAQMD staff, at the time an MSERC application is submitted, will calculate total MSERCs and retire the AB 2766-MSERCs. CONTRACTOR would then receive the balance of the MSERCs not associated with AB 2766 funding.
17. NOTICES - All notices that are required under this Contract shall be provided in the manner set forth herein, unless specified otherwise. Notice to a party shall be delivered to the attention of the person listed below, or to such other person or persons as may hereafter be designated by that party in writing. Notice shall be in writing sent by email, U.S. Mail, express, certified, return receipt requested, or a nationally recognized

overnight courier service. In the case of email communications, valid notice shall be deemed to have been delivered upon sending, provided the sender obtained an electronic confirmation of delivery. Email communications shall be deemed to have been received on the date of such transmission, provided such date was a business day (Tuesday-Friday) and delivered prior to 5:30pm Pacific Standard Time. Otherwise, receipt of email communications shall be deemed to have occurred on the following business day. In the case of U.S. Mail notice, notice shall be deemed to be received when delivered or five (5) business days after deposit in the U. S. Mail. In the case of a nationally recognized overnight courier service, notice shall be deemed received when delivered (written receipt of delivery).

SCAQMD:
South Coast Air Quality Management District
21865 Copley Drive
Diamond Bar, CA 91765-4178
Attn: Cynthia Ravenstein, MSRC Contracts Administrator, email: cravenstein@aqmd.gov

CONTRACTOR:

Attn: ***, email: ***

18. INDEPENDENT CONTRACTOR - CONTRACTOR is an independent contractor. CONTRACTOR, its officers, employees, agents, representatives, or subcontractors shall in no sense be considered employees or agents of SCAQMD, nor shall CONTRACTOR, its officers, employees, agents, representatives, or subcontractors be entitled to or eligible to participate in any benefits, privileges, or plans, given or extended by SCAQMD to its employees. SCAQMD will not supervise, direct, or have control over, or be responsible for, CONTRACTOR's or subcontractor's means, methods, techniques, work sequences or procedures, or for the safety precautions and programs incident thereto, or for any failure by them to comply with any local, state, or federal laws, or rules or regulations, including state minimum wage laws and OSHA requirements.
19. SUBCONTRACTOR APPROVAL - If CONTRACTOR intends to subcontract all or a portion of the work under this Contract, then CONTRACTOR must first obtain written approval from SCAQMD's Executive Officer or designee prior to subcontracting any work. Any material changes to the subcontract(s) that affect the scope of work, deliverable schedule, and/or payment/cost schedule shall also require the prior written approval of the SCAQMD Executive Officer or designee. No subcontract charges will be reimbursed unless the required approvals have been obtained from SCAQMD.
20. OWNERSHIP - Title and full ownership rights to any equipment purchased under this Contract shall at all times remain with CONTRACTOR.

USE ABOVE CLAUSE, OR USE CLAUSE BELOW FOR PROFESSIONAL SERVICES

OWNERSHIP - Title and full ownership rights to any products purchased or developed under this Contract shall at all time remain with CONTRACTOR. CONTRACTOR shall also retain title and full ownership rights to any documents or reports developed under this Contract. All of the above shall be subject to the following limitations:

- A. PATENT RIGHTS - CONTRACTOR shall have patent rights, as well as title and full ownership rights, for invention(s) developed under this Contract, subject to SCAQMD retaining a no-cost, nonexclusive, nontransferable, irrevocable license to use or test such invention(s) for SCAQMD purposes. CONTRACTOR must obtain agreements to effectuate this clause with all persons or entities obtaining an ownership interest in the patented subject invention(s). Previously documented (whether patented or unpatented under the patent laws of the United States, 35 U.S.C. 1 et seq., or any foreign country) inventions are exempt from this provision. CONTRACTOR shall submit a written report to SCAQMD's Agent disclosing each subject invention and specifying patents applied for, patents issued, and patent application(s) abandoned and/or cosponsored participants on subject invention(s).
- B. RIGHTS OF TECHNICAL DATA - SCAQMD shall have unlimited right to use technical data resulting from performance of CONTRACTOR under this Contract. CONTRACTOR shall have the right to use data for its own benefit.
- C. COPYRIGHT - CONTRACTOR agrees to grant SCAQMD a royalty free, nonexclusive, irrevocable, nontransferable license to produce, translate, publish, use, and dispose of all copyrightable material first produced or composed in the performance of this Contract.
- D. SOFTWARE RIGHTS - CONTRACTOR agrees to grant SCAQMD a worldwide, royalty free, nonexclusive, irrevocable, nontransferable license in perpetuity to use any software developed by CONTRACTOR in performing its obligations under this Contract. CONTRACTOR further agrees to obtain the rights required from any third party for SCAQMD to have a worldwide, royalty free, nonexclusive, irrevocable license in perpetuity to use any other software essential to performance of CONTRACTOR'S obligations under this Contract or necessary to the operation of the software developed by CONTRACTOR. CONTRACTOR shall provide SCAQMD with documentation confirming CONTRACTOR'S right to assign the use of such software. CONTRACTOR shall also provide SCAQMD with all documentation and manuals required to operate the software developed by it or third parties.
- E. CONTRACTOR'S INSOLVENCY OR BANKRUPTCY, or PROJECT'S DISCONTINUATION - CONTRACTOR agrees that in the event that CONTRACTOR becomes insolvent or files for bankruptcy during the term of the Contract or does not complete the intent of the Contract, title to goods, services software, and equipment purchased for the performance of this Contract with AB 2766 Discretionary Funds shall revert to the SCAQMD.
21. SECURITY INTEREST - CONTRACTOR hereby grants SCAQMD a security interest in any and all equipment purchased, in whole or in part, with funding provided by SCAQMD pursuant to this Contract. CONTRACTOR acknowledges and agrees that SCAQMD shall have all lien rights as a secured creditor on any and all equipment purchased in whole or in part by the CONTRACTOR, under this Contract or any amendments thereto. The SCAQMD shall have lien rights in effect until the CONTRACTOR satisfies all terms under the Contract, including but not limited to, the use and reporting requirements. **Accordingly, CONTRACTOR further agrees that SCAQMD is authorized to file a UCC filing statement or similar security instrument to secure its interests in the equipment that is the subject of the Contract.** In the event CONTRACTOR files for bankruptcy protection, CONTRACTOR shall notify SCAQMD within 10 business days of such filing. [\[OPTIONAL\]](#)
22. NON-DISCRIMINATION - In the performance of this Contract, CONTRACTOR shall not discriminate in recruiting, hiring, promotion, demotion, or termination practices on the basis of race, religious creed, color, national origin, ancestry, sex, age, or physical handicap and shall comply with the provisions of the California Fair Employment & Housing Act (Government Code Section 12900, *et seq.*), the Federal Civil Rights Act of 1964 (P.L. 88-352) and all amendments thereto, Executive Order No. 11246 (30 Federal Register 12319), and all administrative rules and regulations issued pursuant to said Acts and Order. CONTRACTOR shall likewise

require each subcontractor to comply with this clause and shall include in each such subcontract language similar to this clause.

23. CITIZENSHIP AND ALIEN STATUS

- A. CONTRACTOR warrants that it fully complies with all laws regarding the employment of aliens and others, and that its employees performing services hereunder meet the citizenship or alien status requirements contained in federal and state statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986 (P.L. 99-603). CONTRACTOR shall obtain from all covered employees performing services hereunder all verification and other documentation of employees' eligibility status required by federal statutes and regulations as they currently exist and as they may be hereafter amended. CONTRACTOR shall have a continuing obligation to verify and document the continuing employment authorization and authorized alien status of employees performing services under this Contract to insure continued compliance with all federal statutes and regulations. Notwithstanding the above, CONTRACTOR, in the performance of this Contract, shall not discriminate against any person in violation of 8 USC Section 1324b.
- B. CONTRACTOR shall retain such documentation for all covered employees for the period described by law. CONTRACTOR shall indemnify, defend, and hold harmless SCAQMD, its officers and employees from employer sanctions and other liability which may be assessed against CONTRACTOR or SCAQMD, or both in connection with any alleged violation of federal statutes or regulations pertaining to the eligibility for employment of persons performing services under this Contract.

24. ASSIGNMENT AND TRANSFER OF EQUIPMENT

- A. The rights and responsibilities granted hereby may not be assigned, sold, licensed, or otherwise transferred by CONTRACTOR without the prior written consent of SCAQMD, and any attempt by CONTRACTOR to do so shall be void upon inception.
- B. CONTRACTOR agrees to obtain SCAQMD's written consent to any assignment, sale, license or transfer of Equipment, if any, prior to completing the transaction. CONTRACTOR shall inform the proposed assignee, buyer, licensee or transferee (collectively referred to here as "Buyer") of the terms of this Contract. CONTRACTOR is responsible for establishing contact between SCAQMD and the Buyer and shall assist SCAQMD in facilitating the transfer of this Contract's terms and conditions to the Buyer. **CONTRACTOR will not be relieved of the legal obligation to fulfill the terms and conditions of this Contract until and unless the Buyer has assumed responsibility of this Contract's terms and conditions through an executed contract with SCAQMD. [OPTIONAL]**

25. NON-EFFECT OF WAIVER - The failure of CONTRACTOR or SCAQMD to insist upon the performance of any or all of the terms, covenants, or conditions of this Contract, or failure to exercise any rights or remedies hereunder, shall not be construed as a waiver or relinquishment of the future performance of any such terms, covenants, or conditions, or of the future exercise of such rights or remedies, unless otherwise provided for herein.

26. PROPOSAL INCORPORATION – CONTRACTOR's Technical Proposal dated *** submitted in response to Request for Proposal (RFP) #***, is expressly incorporated herein by this reference and made a part hereof of this Contract. In the event of any conflict between the terms and conditions of this Contract and CONTRACTOR's Technical Proposal, this Contract shall govern and control. [OPTIONAL]

27. KEY PERSONNEL - [OPTIONAL]insert person's name is deemed critical to the successful performance of this Contract. Any changes in key personnel by CONTRACTOR must be approved by SCAQMD. All substitute personnel must possess qualifications/experience equal to the original named key personnel and must be

approved by SCAQMD. SCAQMD reserves the right to interview proposed substitute key personnel.
[\[OPTIONAL\]](#)

28. TAX IMPLICATIONS FROM RECEIPT OF MSRC FUNDS - CONTRACTOR is advised to consult a tax attorney regarding potential tax implications from receipt of MSRC funds.
29. ATTORNEYS' FEES - In the event any action is filed in connection with the enforcement or interpretation of this Contract, each party in said action shall pay its own attorneys' fees and costs.
30. FORCE MAJEURE - Neither SCAQMD nor CONTRACTOR shall be liable or deemed to be in default for any delay or failure in performance under this Contract or interruption of services resulting, directly or indirectly, from acts of God, civil or military authority, acts of public enemy, war, strikes, labor disputes, shortages of suitable parts, materials, labor or transportation, or any similar cause beyond the reasonable control of SCAQMD or CONTRACTOR.
31. SEVERABILITY - In the event that any one or more of the provisions contained in this Contract shall for any reason be held to be unenforceable in any respect by a court of competent jurisdiction, such holding shall not affect any other provisions of this Contract, and the Contract shall then be construed as if such unenforceable provisions are not a part hereof.
32. HEADINGS - Headings on the clauses of this Contract are for convenience and reference only, and the words contained therein shall in no way be held to explain, modify, amplify, or aid in the interpretation, construction, or meaning of the provisions of this Contract.
33. DUPLICATE EXECUTION - This Contract is executed in duplicate. Each signed copy shall have the force and effect of an original.
34. GOVERNING LAW - This Contract shall be construed and interpreted and the legal relations created thereby shall be determined in accordance with the laws of the State of California. Venue for resolution of any disputes under this Contract shall be Los Angeles County, California.
35. PRE-CONTRACT COSTS - Any costs incurred by CONTRACTOR prior to CONTRACTOR receipt of a fully executed Contract shall be incurred solely at the risk of the CONTRACTOR. In the event that a formal Contract is not executed, neither the MSRC nor the SCAQMD shall be liable for any amounts expended in anticipation of a formal Contract. If a formal Contract does result, pre-contract cost expenditures authorized by the Contract will be reimbursed in accordance with the [Payment/Cost](#) Schedule and payment provision of the Contract.
36. CHANGE TERMS - Changes to any part of this Contract must be requested in writing by CONTRACTOR and approved by MSRC in accordance with MSRC policies and procedures. CONTRACTOR must make requests a minimum of 90 days prior to desired effective date of change. All modifications to this Contract shall be in writing and signed by the authorized representatives of the parties. Fueling station location changes shall not be approved under any circumstances.
37. PREVAILING WAGES - CONTRACTOR is alerted to the prevailing wage requirements of California Labor Code section 1770 et seq., and the compliance monitoring and enforcement of such requirements by the Department of Industrial Relations ("DIR"). CONTRACTOR and all of CONTRACTOR's subcontractors must comply with the California Public Works Contractor Registration Program and, where applicable, must be registered with the DIR to participate in public works projects. CONTRACTOR shall be responsible for

determining the applicability of the provisions of California Labor Code and complying with the same, including, without limitation, obtaining from the Director of the Department of Industrial Relations the general prevailing rate of per diem wages and the general prevailing rate for holiday and overtime work, making the same available to any interested party upon request, paying any applicable prevailing rates, posting copies thereof at the job site and flowing all applicable prevailing wage rate requirements to its subcontractors. Proof of compliance with these requirements must be provided to SCAQMD upon request. CONTRACTOR shall indemnify, defend and hold harmless the South Coast Air Quality Management District against any and all claims, demands, damages, defense costs or liabilities based on failure to adhere to the above referenced statutes. [OPTIONAL]

38. ENTIRE CONTRACT - This Contract represents the entire agreement between CONTRACTOR and SCAQMD. There are no understandings, representations, or warranties of any kind except as expressly set forth herein. No waiver, alteration, or modification of any of the provisions herein shall be binding on any party unless in writing and signed by the authorized representative of the party against whom enforcement of such waiver, alteration, or modification is sought.
39. AUTHORITY - The signator hereto represents and warrants that he or she is authorized and empowered and has the legal capacity to execute this Contract and to legally bind CONTRACTOR both in an operational and financial capacity and that the requirements and obligations under this Contract are legally enforceable and binding on CONTRACTOR.

(THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK)

IN WITNESS WHEREOF, the parties to this Contract have caused this Contract to be duly executed on their behalf by their authorized representatives.

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

By: _____
Dr. William A. Burke, Chairman, Governing Board

By: _____
Name:
Title:

Date: _____

Date: _____

ATTEST:
Saundra McDaniel, Clerk of the Board

By: _____

APPROVED AS TO FORM:
Kurt R. Wiese, General Counsel

By: _____

//MSRC Master Boilerplate
Revised January 27, 2016



BOARD MEETING DATE: June 3, 2016

AGENDA NO. 16

REPORT: Legislative and Public Affairs Report

SYNOPSIS: This report highlights April 2016 outreach activities of Legislative and Public Affairs, which include: an Environmental Justice Update, Community Events/Public Meetings, Business Assistance, and Outreach to Business and Federal, State, and Local Government.

COMMITTEE: No Committee Review

RECOMMENDED ACTION:
Receive and file.

Wayne Natri
Acting Executive Officer

LBS:DJA:MC:DM

BACKGROUND

This report summarizes the activities of Legislative and Public Affairs for April 2016. The report includes four major areas: Environmental Justice Update; Community Events/Public Meetings (including the Speakers Bureau/Visitor Services, Communications Center, and Public Information Center); Business Assistance; and Outreach to Business and Federal, State and Local Governments.

ENVIRONMENTAL JUSTICE UPDATE

The following are key environmental justice-related activities in which SCAQMD staff participated during the month of April 2016. These events involve communities that may suffer disproportionately from adverse air quality impacts.

April 2

- Staff worked with the City of Torrance staff to organize and implement logistics for the offsite Hearing Board public meeting related to ExxonMobil Refinery in Torrance, CA. Staff also conducted extensive outreach to provide information on the public hearing to the affected stakeholders including elected officials and their staff, non-profit organizations, and individuals.

April 8

- City of San Fernando Councilmember Sylvia Ballin and Deputy City Manager/Public Works Director Chris Marcarello visited SCAQMD headquarters where staff presented on a wide range of SCAQMD programs, rules and other clean air program opportunities including the Environmental Justice Community Partnership, and escorted the visitors on a tour of the lab and demonstration of AQ-SPEC, and to view the Agency's fleet of clean air vehicles. Subsequently, a followup meeting occurred in the City of San Fernando to provide an overview of fleet rules and transportation-related incentive funding programs.

April 13

- Staff represented SCAQMD at the American Lung Association's Inland Empire Air Quality Committee in San Bernardino to provide information on clean air vehicles and incentives. The California Fuel Cell Partnership staff worked with SCAQMD to demonstrate the Toyota Mirai and Hyundai Tucson after the meeting for interested participants.

April 14

- Staff attended a workshop in Long Beach for Tesoro's Los Angeles Refinery Integration and Compliance Project. While there, staff gathered information, viewed stakeholder participation and listened to comments, and met Tesoro outreach staff working on the project.

April 21

- Staff met with Pacoima Beautiful, Cosmetic Enterprises, and Pacoima Charter Elementary School, to address the community's concern on how Cosmetic Enterprises' operations may affect the community's health. SCAQMD staff participated in a tour of the Cosmetic Enterprises facility, and then shared with the group SCAQMD's process for issuing permits.

April 21

- Staff attended the U.S. Environmental Protection Agency's (EPA) "Reporting Back to Pacoima" event at Pacoima City Hall, and learned how EPA is cofunding environmental justice initiatives in Pacoima, and is partnering with community groups to make those initiatives more successful.

April 22

- Staff organized, implemented, and participated in the Environmental Justice Advisory Group (EJAG) meeting. EJAG members heard updates on SCAQMD's EJ efforts, Aliso Canyon, and the Clean Communities Plan; they then provided their thoughts and recommendations on these programs.

April 27

- Staff organized, implemented, and participated in the first Environmental Justice Community Partnership Advisory Council meeting. The Advisory Council includes individuals from community organizations, non-profits, and academic institutions across SCAQMD's four-county region. Staff provided members with an overview of SCAQMD and the Environmental Justice Community Partnership. Throughout the meeting Advisory Council members shared their expressed their concerns about local EJ issues.

April 27

- Staff assisted with and attended the Department of Toxic Substances Control (DTSC) and SCAQMD Exide Technologies Advisory Group meeting, which was followed directly by a meeting for the general public on the same issues. Board Member Dr. Joseph Lyou participated in the public meeting as the co-chair with DTSC Director Barbara Lee and East Yards Communities for Environmental Justice Executive Director Mark Lopez.

COMMUNITY EVENTS/PUBLIC MEETINGS

Each year SCAQMD staff engage with thousands of residents, providing valuable information about the agency, incentive programs, and ways individuals can help reduce air pollution through events and meetings sponsored solely by SCAQMD or in partnership with others. Attendees typically receive the following information:

- Tips on reducing their exposure to smog and its health effects;
- Clean air technologies and their deployment;
- Invitations or notices of conferences, seminars, workshops and other public events;
- SCAQMD incentive programs;
- Ways to participate in SCAQMD's rule and policy development; and
- Assistance in resolving air pollution-related problems.

SCAQMD staff attended and/or provided information and updates at the following events:

April 9

- 2016 Chino Corn Feed Run Event, Chino.

April 15

- Chino Basin Water Conservation District Earth Day Event, Montclair.

April 16

- Earth Day Festival and Centennial Bike Ride Event, Monterey Park.
- Bolsa Chica Earth Day Festival, Huntington Beach.

April 17

- St. Jerome Church Earth Fair, Parish Hall, Los Angeles.

April 21

- Sunshine Canyon Landfill Town Hall Meeting, Van Gogh Charter School, Granada Hills.
- Environmental Science Engineering & Technology (ESET) Academy Board, Carson High School Alternative Fuel Car Show.

April 22

- Alternative Fuel Car Show, Los Angeles
- Earth Day Expo 2016, Bear Valley Electric Service, Big Bear
- Redlands Earth Day Event, Ed Hales Park.

April 23

- Artesia Earth Day Event, Artesia Park.

April 30

- Manhattan Beach/Voices Earth Day Event, Polliwog Park.

SPEAKERS BUREAU/VISITOR SERVICES

SCAQMD 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. SCAQMD also hosts visitors from around the world who meet with staff on a wide range of air quality issues.

April 8

- Fifteen students and staff from the University of California, Los Angeles School of Law visited SCAQMD. The visit included a presentation on SCAQMD's compliance, enforcement policy, and planning procedures as well as a tour of the SCAQMD facility.

April 13

- Staff presented information on air monitoring and the District's station network, and local sources of air pollution, and responded to questions from 100 members of the Riverside County Temescal Valley Municipal Advisory Council, at the Council's meeting in Corona.

April 21

- Staff presented an overview on SCAQMD, air quality, local area alternative fueling stations and vehicles to 20 members of the Moreno Valley Chamber of Commerce’s Leadership Council at their meeting in Moreno Valley.

April 21

- Staff presented information on asbestos demolition & removal forms under Rule 1403, construction issues, and updates on air pollution to 50 members of the Orange Empire Chapter of the International Code Council at their meeting in Brea.

April 28

- Staff presented information on air quality issues and activities related to the recent Aliso Canyon Porter Ranch gas leak to 32 students and teachers at Ontario High School.

COMMUNICATION CENTER STATISTICS

The Communication Center handles calls on SCAQMD’s main line, 1-800-CUT-SMOG® line, the Spanish line, and after-hours calls to each of those lines. Calls received in the month of April 2016 were:

Calls to SCAQMD’s Main Line and 1-800-CUT-SMOG® Line	3,935
Calls to SCAQMD’s Spanish-language Line	<u>34</u>
Total Calls	3,969

PUBLIC INFORMATION CENTER STATISTICS

The Public Information Center (PIC) handles phone calls and walk-in requests for general information. Information for the month of February is summarized below:

Calls Received by PIC Staff	161
<u>Calls to Automated System</u>	<u>1,057</u>
Total Calls	1,218
Visitor Transactions	266
E-Mail Advisories Sent	3,213

BUSINESS ASSISTANCE

SCAQMD notifies local businesses of proposed regulations so they can participate in the agency’s rule development process. SCAQMD also works with other agencies and governments to identify efficient, cost-effective ways to reduce air pollution and shares

that information broadly. Staff provides personalized assistance to small businesses both over the telephone and via on-site consultation. The information is summarized below:

- Provided permit application assistance to 125 companies
- Conducted one free on-site consultation
- Issued 28 clearance letters

Types of businesses assisted

Auto Body Shops	Dry Cleaners	Furniture Refinishing Facilities
Engineering Firm	Gas Stations	Coffee Roasting Facilities
Construction Firm	Restaurants	Printing Facilities
Architecture Firm	Auto Repair Centers	Manufacturing Facilities

OUTREACH TO COMMUNITY GROUPS AND FEDERAL, STATE, AND LOCAL GOVERNMENTS

Field visits and/or communications were conducted with elected officials or staff from the following cities:

Alhambra	Hemet	Rosemead
Arcadia	Huntington Beach	Riverside
Azusa	Indio	Santa Ana
Bear Valley	Jurupa Valley	San Bernardino
Banning	La Cañada Flintridge	San Dimas
Baldwin Park	Lake Elsinore	San Gabriel
Beaumont	Laguna Woods	San Marino
Buena Park	La Palma	San Jacinto
Canyon Lake	La Quinta	Sierra Madre
Claremont	Long Beach	South El Monte
Corona	Moreno Valley	South Pasadena
Colton	Norco	Temecula
Covina	Menifee	Temple City
Coachella	Monrovia	Torrance
Diamond Bar	Monterey Park	Tustin
Duarte	Mission Viejo	Upland
Eastvale	Murrieta	Walnut
El Monte	Pasadena	West Covina
Fontana	Perris	Wildomar
Garden Grove	Redlands	Yorba Linda

Visits and/or communications were conducted with elected officials or staff from the following state and federal offices:

- U.S., Congressman Ken Calvert
- U.S. Congressman Duncan Hunter
- U.S. Congressman Ed Royce
- U.S. Congressman Raul Ruiz
- U.S. Congressman Mark Takano
- U.S. Congresswoman Mimi Walters
- State Senator Ed Hernandez
- State Senator Carol Liu
- State Senator Mike Morrell
- State Senator John Moorlach
- State Senator Janet Nguyen
- State Senator Richard Roth
- State Senator Jeff Stone
- Assembly Member Tom Daly
- Assembly Member Eduardo Garcia
- Assembly Member Chris Holden
- Assembly Member Young Kim
- Assembly Member Eric Linder
- Assembly Member Chad Mayes
- Assembly Member Jose Medina
- Assembly Member Melissa Melendez
- Assembly Member Don Wagner
- Assembly Member Marie Waldron

Staff represented SCAQMD and/or provided updates or a presentation to the following governmental agencies and business organizations:

Arcadia Chamber of Commerce
Anaheim Chamber of Commerce
Association of California Cities, Orange County
Banning Pass Transit Agency
Beaumont Chamber of Commerce
Chino Basin Water Conservation District
Chino Valley Chamber of Commerce
Corona Chamber of Commerce
Coachella Chamber of Commerce
Greater Riverside Chamber of Commerce
Hemet/San Jacinto Valley Chamber of Commerce
Indio Chamber of Commerce
La Quinta Chamber of Commerce
League of California Cities, Los Angeles Division
Los Angeles County
Long Beach Chamber of Commerce
Moreno Valley Chamber of Commerce
Murrieta Chamber of Commerce
Orange County Council of Governments (OC-COG)
Orange County Transportation Authority (OCTA)
Orange County Business Council (OCBC)
Omnitrans Public Transit Agency, San Bernardino Valley
Redlands Chamber of Commerce
Riverside Transit Agency (RTA)
San Bernardino Associated Governments
San Bernardino Chamber of Commerce
San Jacinto Chamber of Commerce

San Gabriel Valley Council of Governments
San Gabriel Valley Economic Partnership
South Orange County Economic Council
Southern California Association of Governments (SCAG)
South Pasadena Chamber of Commerce
Temecula Valley Chamber of Commerce
Temescal Valley (MAC) Municipal Advisory Council
Southwest California Legislative Council
U.S. National Forest Headquarters, Arcadia
Western Riverside Council of Governments (WRCOG)
Western Riverside County Transportation NOW (RTA)

- Greater Riverside Chapter
- Northwest Chapter
- San Geronio Pass Chapter
- Southwest Chapter

Wilmington Chamber of Commerce
Yucaipa Chamber of Commerce

Staff represented SCAQMD and/or provided updates or a presentation to the following community and educational groups and organizations:

American Lung Association in California, Inland Empire

- Air Quality Committee

Arleta High School
Beaumont Unified School District
Carson High School
Carson Senior Center
California State University, San Bernardino
Healthy Jurupa Valley Group
Hemet Valley Medical Center
Mayfair Middle/High School, Lakewood
Moreno Valley College
Moreno Valley Unified School District
Mount San Jacinto Community College
Murrieta Valley School District
Ontario High School
Riverside Better Breathers Club
Riverside County Health Coalition
Soboba Band of Luiseno Indians, San Jacinto
University of California, Riverside
Van Gogh Elementary School, Granada Hills
Wilmington Library
Wilmington Neighborhood Council
Wilmington Senior Center

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BOARD MEETING DATE: June 3, 2016

AGENDA NO. 17

REPORT: Hearing Board Report

SYNOPSIS: This reports the actions taken by the Hearing Board during the period of April 1 through April 30, 2016.

COMMITTEE: No Committee Review

RECOMMENDED ACTION:
Receive and file this report.

Edward Camarena
Chairman of Hearing Board

SM

Two summaries are attached: **Rules From Which Variances and Orders for Abatement Were Requested in 2016** and **April 2016 Hearing Board Cases**.

The total number of appeals filed during the period April 1 to April 30, 2016 is 1; and total number of appeals filed during the period of January 1 to April 30, 2016 is 2.

Rules from which Variances and Order for Abatements were Requested in 2016														
	2016	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total Actions
# of HB Actions Involving Rules														
109														0
109(c)														0
109(c)(1)														0
201														0
201.1														0
202														0
202(a)														0
202(b)														0
202(c)		1												1
203				1										1
203(a)			1											1
203(b)		4	3	4	5									16
204														0
208														0
218(c)(1)(B)(i)														0
218.1														0
218.1(b)(4)(C)														0
218(b)(2)														0
218(c)(1)(A)														0
218(d)(1)(A)														0
218(d)(1)(B)														0
219														0
219(s)(2)														0
221(b)			1											1
221(c)														0
221(d)			1											1
222														1
222(d)(1)(C)														0
222(e)(1)														0
401														0
401(b)														0
401(b)(1)														0
401(b)(1)(A)					1									1
401(b)(1)(B)														0
402		1	1		2									4
403														0
403(d)(1)														0
403(d)(1)(A)														0
404														0
404(a)					1									1
405														0
405(a)					1									1
405(b)														0
405(c)														0
407					1									1
407(a)(1)														0
409														0

Rules from which Variances and Order for Abatements were Requested in 2016														
	2016	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total Actions
410					1									1
430(b)(3)(A)(iv)														0
431.1														0
431.1														0
431.1(c)(1)														0
431.1(c)(2)														0
431.1(c)(3)(C)														0
431.1(d)(1)														0
431.1(d)(1), Att A(1)														0
442														0
444														0
444(a)														0
444(c)														0
444(d)														0
461														0
461(c)(1)														0
461(c)(1)(A)														0
461(c)(1)(B)														0
461(c)(1)(C)														0
461(c)(1)(E)														0
461(c)(1)(F)(i)														0
461(c)(1)(F)(iv)														0
461(c)(1)(F)(v)														0
461(c)(1)(H)														0
461(c)(2)														0
461(c)(2)(A)														0
461(c)(2)(B)														0
461(c)(2)(C)														0
461(c)(3)														0
461(c)(3)(A)														0
461(c)(3)(B)														0
461(c)(3)(C)														0
461(c)(3)(D)(ii)														0
461(c)(3)(E)														0
461(c)(3)(H)														0
461(c)(3)(M)														0
461(c)(4)(B)														0
461(c)(4)(B)(ii)														0
461(d)(5)(A)														0
461(e)(1)														0
461(e)(2)					1									1
461(e)(2)(A)														0
461(e)(2)(A)(i)														0
461(e)(2)(B)(i)														0
461(e)(2)(C)														0
461(e)(3)														0
461(e)(3)(A)														0
461(e)(3)(C)(i)(l)														0

Rules from which Variances and Order for Abatements were Requested in 2016														
	2016	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total Actions
461(e)(3)(D)														0
461(e)(3)(E)														0
461(e)(5)		1		3	1									5
461(e)(7)														0
462														0
462(c)(4)(B)(i)														0
462(c)(7)(A)(ii)														0
462(d)														0
462(d)(1)														0
462(d)(1)(A)														0
462(d)(1)(A)(i)														0
462(d)(1)(B)														0
462(d)(1)(C)														0
462(d)(1)(E)(ii)														0
462(d)(1)(F)														0
462(d)(1)(G)														0
462(d)(5)														0
462(e)(1)														0
462(e)(1)(E)														0
462(e)(1)(E)(ii)														0
462(e)(1)(E)(i)(II)														0
462(e)(2)(A)(i)														0
462(e)(4)														0
462(h)(1)														0
463														0
463(c)														0
463(c)(1)														0
463(c)(1)(A)(I)-(iv)														0
463(c)(1)(B)														0
463(c)(1)(C)														0
463(c)(1)(D)														0
463(c)(1)(E)														0
463(c)(2)														0
463(c)(2)(B)														0
463(c)(2)(C)														0
463(c)(3)														0
463(c)(3)(A)														0
463(c)(3)(B)														0
463(c)(3)(C)														0
463(d)														0
463(d)(2)														0
463(e)(3)(C)														0
463(e)(4)														0
463(e)(5)(C)														0
464(b)(1)(A)					1									1
464(b)(3)					1									1
468														0
468(a)														0

Rules from which Variances and Order for Abatements were Requested in 2016														
	2016	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total Actions
468(b)														0
1102														0
1102(c)(2)														0
1102(e)(1)														0
1102(f)(1)														1
1105.1														0
1105.1(d)(1)														0
1105.1(d)(1)(A)(iii)														0
1106(c)(1)														0
1106.1(c)(1)														0
1106.1(c)(1)(A)														0
1107(c)(1)														0
1107(c)(2)														0
1107(c)(7)														0
1107														0
1110.1														0
1110.2				1	1									2
1110.2(c)(14)														0
1110.2(d)														0
1110.2(d)(1)(A)														0
1110.2(d)(1)(B)						1								1
1110.2(d)(1)(B)(ii)														0
1110.2(d)(1)(D)														0
1110.2(d)(1)(E)														0
1110.2(e)(1)(A)														0
1110.2(e)(1)(B)(i)(II)														0
1110.2(e)(1)(B)(i)(III)														0
1110.2(e)(4)(B)														0
1110.2(f)														0
1110.2(f)(1)(A)														0
1110.2(f)(1)(c)														0
1113(c)(2)														0
1113(d)(3)														0
1118(c)(4)														0
1118(c)(5)														0
1118(d)(1)(2)														0
1118(d)(1)(2)														0
1118(d)(2)														0
1118(d)(3)														0
1118(d)(4)(B)														0
1118(d)(5)(A)														0
1118(d)(5)(B)														0
1118(d)(10)														0
1118(d)(12)														0
1118(e)														0
1118(f)(1)(C)														0
1118(g)(1)													1	0
1118(g)(3)														0

Rules from which Variances and Order for Abatements were Requested in 2016														
	2016	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total Actions
1118(g)(5)			1											1
1118(g)(5)(A)														0
1118(i)(5)(B)(i)														0
1118(i)(5)(B)(ii)														0
1118(j)(1)(A)(ii)														0
1118(j)(1)(B)(ii)														0
1118(j)(1)(C)														0
1121(c)(2)(C)														0
1121(c)(3)														0
1121(c)(6)														0
1121(c)(7)														0
1121(c)(8)														0
1121(e)(3)														0
1121(h)														0
1121(h)(1)														0
1121(h)(2)														0
1121(h)(3)														0
1122(c)(2)(A)														0
1122(c)(2)(E)														0
1122(d)(1)(A)														0
1122(d)(1)(B)														0
1122(d)(3)														0
1122(e)(2)(A)														0
1122(e)(2)(B)														0
1122(e)(2)(C)														0
1122(e)(2)(D)														0
1122(e)(3)														0
1122(e)(4)(A)														0
1122(e)(4)(B)														0
1122(g)(3)														0
1122(j)														0
1124														0
1124(c)(1)(A)														0
1124(c)(1)(E)														0
1124(c)(4)(A)														0
1125(c)(1)														0
1125(c)(1)(C)														0
1125(d)(1)														0
1128(c)(1)														0
1128(c)(2)														0
1130														0
1130(c)(1)														0
1130(c)(4)														0
1131														0
1131(d)														0
1132(d)(2)														0
1132(d)(3)														0
1133(d)(8)														0

Rules from which Variances and Order for Abatements were Requested in 2016														
	2016	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total Actions
1133.2(d)(8)														0
1134(c)														0
1134(c)(1)														0
1134(d)														0
1134(d)(1)														0
1134(d)(2)(B)(ii)														0
1134(f)														0
1134(g)(2)														0
1135(c)(3)														0
1135(c)(3)(B)														0
1135(c)(3)(C)														0
1135(c)(4)														0
1135(c)(4)(D)														0
1136														0
1136(c)(1)(A)(i)														0
1137(d)(2)														0
1145														0
1145(c)(1)														0
1145(c)(2)														0
1145(g)(2)														0
1145(h)(1)(E)														0
1146														1
1146(c)(1)(A)														0
1146(c)(1)(G)														2
1146(c)(1)(I)														1
1146(c)(2)														0
1146(c)(2)(A)														0
1146(d)(8)														0
1146.1														0
1146.1(a)(2)														0
1146.1(a)(8)														0
1146.1(b)(3)														0
1146.1(c)(1)														0
1146.1(c)(2)														0
1146.1(d)(4)														0
1146.1(d)(6)														0
1146.1(e)(1)														0
1146.1(e)(1)(B)														0
1146.1(e)(2)														0
1146.2														0
1146.2(c)(1)														0
1146.2(c)(4)														0
1146.2(c)(5)														0
1146.2(e)														0
1147														0
1147(c)(1)														0
1147(c)(10)														0
1147(c)(14)(A)														0

Rules from which Variances and Order for Abatements were Requested in 2016														
	2016	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total Actions
1147(c)(14)(B)														0
1150.1(d)(1)(C)(i)														0
1150.1(d)(4)														0
1150.1(d)(5)														0
1150.1(d)(10)														0
1150.1(d)(11)														0
1150.1(d)(12)														0
1150.1(d)(13)														0
1150.1(d)(14)														0
1150.1(e)(1)														0
1150.1(e)(2)														0
1150.1(e)(3)														0
1150.1(e)(1)(B)(C)														0
1150.1(e)(1)(C)														0
1151.1(e)(2)(B)(C)														0
1150.1(e)(2)(C)														0
1150.1(e)(3)(B)														0
1150.1(e)(3)(B)(C)														0
1150.1(e)(3)(C)														0
1150.1(e)(4)														0
1150.1(e)(6)(A)(I)														0
1150.1(e)(6)(A)(ii)														0
1150.1(f)(1)(A)(iii)(I)														0
1150.1(f)(1)(H)(i)														0
1151														0
1151(c)(8)														0
1151(2)														0
1151(5)														0
1151(d)(1)														0
1151(e)(1)														0
1151(e)(2)														0
1151(f)(1)														0
1153(c)(1)														0
1153(c)(1)(B)														0
1156(d)(5)(C)(i)														0
1158														0
1158(d)(2)														0
1158(d)(5)														0
1158(d)(7)														0
1158(d)(7)(A)(ii)														0
1158(d)(10)														0
1164(c)(1)(B)														0
1164(c)(2)														0
1166(c)(2)														0
1166(c)(2)(F)														0
1166, Part 12														0
1168														0
1168(c)(1)														0

Rules from which Variances and Order for Abatements were Requested in 2016														
	2016	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total Actions
1169(c)(13)(ii)														0
1171														0
1171(c)														0
1171(c)(1)														0
1171(c)(1)(A)(i)														0
1171(c)(1)(b)(i)														0
1171(c)(4)														0
1171(c)(5)														0
1171(c)(5)(A)(i)														0
1171(c)(6)														0
1173														0
1173(c)														0
1173(d)														0
1173(e)(1)														0
1173(f)(1)(B)														0
1173(g)(1)		1	1		1									3
1175														0
1175(c)(2)														0
1175(c)(4)(B)														0
1175(c)(4)(B)(i)														0
1175(c)(4)(B)(ii)														0
1175(c)(4)(B)(ii)(I)														0
1175(b)(1) (C)														0
1175(d)(4)(ii)(II)														0
1176														0
1176(e)														0
1176(e)(1)														0
1176(e)(2)						1								1
1176(e)(2)(A)														0
1176(e)(2)(A)(i)														0
1176(e)(2)(B)(v)														0
1176(f)(3)														0
1177(d)(2)(D)														0
1178(d)(1)(A)(xiii)														0
1178(d)(1)(A)(xiv)														0
1178(d)(1)(B)														0
1178(d)(1)(C)														0
1178(d)(3)(C)														0
1178(d)(3)(D)														0
1178(d)(3)(E)														0
1178(d)(4)(A)(i)														0
1178(g)														0
1186.1														0
1186.1														0
1189(c)(3)														0
1195														0
1195(d)(1)(D)														0
1303(a)														0

Rules from which Variances and Order for Abatements were Requested in 2016														
	2016	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total Actions
1303(a)(1)														0
1303(b)(1)														0
1401														0
1401(d)														0
1401(d)(1)(A)														0
1401(d)(1)(B)														0
1405(d)(3)(C)														0
1407(d)														0
1407(d)(1)														0
1407(d)(2)														0
1407(d)(5)														0
1407(f)(1)														0
1415(d)(3)														0
1418(d)(2)(A)														0
1420(d)(1)														0
1420.1(d)				1										1
1420.1(f)(3)														0
1420.1(g)(4)														0
1420.1(k)(13)(B)														0
1420.2(e)(1)(A)		1												1
1420.2(f)(1)		1												1
1420.2(f)(3)		1												1
1420.2(j)(2)		1												1
1421(d)(3)(A)														0
1421(e)(2)(c)														0
1421(e)(1)(A)(vii)														0
1421(e)(3)(B)														0
1421(h)(1)(A)														0
1421(h)(1)(B)														0
1421(h)(1)(C)														0
1421(h)(1)(E)														0
1421(h)(3)														0
1421(i)(1)(C)														0
1425(d)(1)(A)														0
1469														0
1469(c)														0
1469(c)(8)														0
1469(c)(11)(A)														0
1469(c)(13)(ii)														0
1469(d)(5)														0
1469(e)(1)														0
1469(e)(7)														0
1469(g)(2)														0
1469(h)														0
1469(l)														0
1469(j)(4)(A)														0
1469(j)(4)(D)														0
1469(k)(3)(A)														0

Rules from which Variances and Order for Abatements were Requested in 2016														
	2016	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total Actions
1470														0
1470(c)(2)(C)(i)(I)														0
1470(c)(2)(C)(iv)														0
1470(c)(3)(B)(ii)														0
1470(c)(3)(C)(iii)														0
1470(c)(4)														0
1470(c)(4)(B)				1										1
1470(c)(5)														0
1470(d)(2)(B)														0
1470(e)(2)(A)														0
2004(c)(1)														0
2004(c)(1)(C)														0
2004(f)(1)		2	2		5									9
2004(f)(2)														0
2004(k)														0
2005														0
2009(b)(2)														0
2009(c)														0
2009(f)(1)														0
2009(f)(2)														0
2009.1														0
2009.1(c)														0
2009.1(f)(1)														0
2009.1(f)(2)														0
2009.1(f)(3)														0
2011														0
2011 Attachment C														0
2011(c)(2)														0
2011(c)(2)(A)					2									2
2011(c)(2)(B)														0
2011(c)(3)(A)					2									2
2011(e)(1)					2									2
2011(f)(3)														0
2011(g)														0
2011(g)(1)														0
2011(k)														0
2011(k) Appen. A, Chap. 2, except E & Attach C														0
2011(k) Appen. A, Chap. 2, Section A.3 a-c, A.5 and B. 1-4 and Appen. A, Chap. 2, Section C.2.a, c & d														0
2011, Appen. A, Attach. C, Section B.2.a.														0
2012 Chapter 2														0
2012 Attach. C, B.2.a														0
2012 Appen. A, Attach. C, Section B.2.														0
2012 Appen. A, Attach. C, Section B.2.a. & b.														0
2012 Appen. A														0
2012 Appen. A, Chap. 2														0
2012 Appen A, Chap. 2, Sec. A														0
2012 Appen A. Chap. 2. Sec. A(1)														0

Rules from which Variances and Order for Abatements were Requested in 2016														
	2016	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total Actions
2012 Appen A, Chap. 2, Sec. B														0
2012, Appen. A, Protocol 2012, Chap. 2, B.5.														0
2012, Appen A, Chap. 2, B.5.a														0
2012, Appen A, Chap. 2, B.10														0
2012, Appen A, Chap. 2, B.11														0
2012, Appen A, Chap. 2, B.12														0
2012, Appen A, Chap. 2, B.17														0
2012, Appen A, Chap.2, B.18														0
2012, Appen A, Chap.2, B.20														0
2012, Chapter 2, E.2.b.i.														0
2012, Chapter 2, E.2.b.ii.														0
2012 Appen A, Chap. 4.A.4														0
2012(B)(5)(e)														0
2012(c)(2)(A)		1			2									3
2012(c)(2)														0
2012(c)(3)														0
2012(c)(3)(A)					2									2
2012(c)(3)(B)														0
2012(c)(10)														0
2012(d)(2)														0
2012(d)(2)(A)														0
2012(d)(2)(D)														0
2012(f)(2)(A)														0
2012(g)(1)		1			2									3
2012(g)(3)														0
2012(g)(7)														0
2012(h)(3)														0
2012(h)(4)														0
2012(h)(5)														0
2012(h)(6)														0
2012(i)														0
2012(j)(1)														0
2012(j)(2)														0
2012, Protocol (Appen. A) Chap. 2, Part A.1.a														0
2012, Protocol (Appen. A) Chap. 2, Part B.4														0
2012, Protocol, (Appen A) Chap. 2, Part B.5.e														0
2012 Chapter 2, B.5.f														0
2012(m)														0
2012(m) Table 2012-1, and Appen. A, Chp 2, & Attachment C														0
2012(m) Appen. A, Attach. C														0
2012(m) Appen. A, Chap. 2, Sections 2.A.1 a-c, e.g, and B. 1-4 and Appendix A, Chapter 3, Section C.2 a, c & d														0
2012(m) Appen. A, Chap 3, Section (A)(6)														0
2012(m) Appen. A, Chap 5, Para G, Table 5B and Att. D														0
2202														0
3002														0
3002(c)														0
3002(c)(1)		2	3	1	4									10

Rules from which Variances and Order for Abatements were Requested in 2016														
	2016	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total Actions
3002(c)(2)														0
3004														0
Regulation II														0
Regulation IX														0
Regulation IX, 40 CFR Part 60, Subpart J														0
Regulation XI														0
Regulation XIII														0
H&S 39152(b)														0
H&S 41510														0
H&S 41700		1	1		1									3
H&S 41701					1									1
H&S 93115.6(c)(2)(C)(1)														0
H&S 42303														0
Title 13 Code of Regulations §2452														0

Report of April 2016 Hearing Board Cases

Case Name and Case No.	Rules	Reason for Petition	District Position/ Hearing Board Action	Type and Length of Variance or Order	Excess Emissions
1. Air Liquide Large Industries US L.P. Case No. 5705-4 (N. Sanchez)	203(b) 1173(g)(1) 2004(f)(1) 3002(c)(1)	Additional time required for repair of leaking pressure safety valve.	Not Opposed/Granted	RV granted commencing 4/5/16 and continuing through 9/30/16, the FCD.	VOC & CO: TBD by 9/20/16
2. Beta Offshore Case No. 5855-4 (M. Reichert)	203(b) 1110.2 2004(f)(1)	ICEs serving offshore platform cranes failed source test on VOC limit.	Not Opposed/Granted	Ex Parte/EV granted commencing 4/14/16 and continuing for 30 days or until the IV hearing currently scheduled for 5/3/16, whichever comes first.	VOC: .3128 lb/day
3. Chevron Product Company Case No. 831-380 (K. Manwaring)	203(b) 464(b)(1)(A) 464(b)(3) 1176(e)(2) 2004(f)(1) 3002(c)(1)	Power outage resulted in petitioner diverting waste water to uncovered temporary storage area.	Not Opposed/Granted	Ex Parte/EV granted commencing 4/27/16 and continuing for 30 days or until the EV hearing currently scheduled for 5/3/16, whichever comes first.	None
4. County of Los Angeles Department of Public Works Case No. 6044-1 (T. Barrera)	1110.2(d)(1)(B)	Hoist ICE serving Santa Anita Dam exceeds VOC, NOx and CO limits.	Not Opposed/Granted	RV granted. The variance coverage shall be for 800 nonconsecutive hours between 11/1/16 and 10/31/17, the FCD.	NOx: 1188 lbs/total CO: 751.7 lbs/total VOC: 2331.8 lbs/total
5. SCAQMD vs. ExxonMobil Oil Corporation Case No. 1183-494 (B. Gilchrist)	203(b) 401(b)(1)(A) 404(a) 405(a) 407 2004(f)(1) 2011(c)(2)(A) 2011(c)(3)(A) 2011(e)(1) 2012(c)(2)(A) 2012(c)(3)(A) 2012(g)(1) 3002(c)(1) H&S Code §41701	Respondent seeks to restart refinery equipment with alternate startup sequence.	Stipulated/Issued	O/A issued commencing 4/2/16 and continuing through 7/29/16. The Hearing Board shall retain jurisdiction over this matter until 7/29/16.	N/A

Case Name and Case No.	Rules	Reason for Petition	District Position/ Hearing Board Action	Type and Length of Variance or Order	Excess Emissions
6. SCAQMD vs. Rainbow Transfer/Recycling, Inc. Case No. 4394-2 (K. Manwaring)	402 410 H&S Code §41700	Status report on progress to abate nuisance odors.	Stipulated/Issued	Mod. O/A issued commencing 4/13/16 and continuing through 2/1/18. The Hearing Board shall retain jurisdiction over this matter until 2/1/18.	N/A
7. SCAQMD vs. Western Riverside County Regional Wastewater Authority Case No. 6033-1 (N. Sanchez)	402	Additional time required due to unexpected delays in major expansion and odor abatement project.	Stipulated/Issued	Mod. O/A issued commencing 4/27/16 and continuing through 4/30/17. The Hearing Board shall retain jurisdiction over this matter until 4/30/17.	N/A
8. Tesoro Refining & Marketing Co., LLC Case No. 4982-101 (M. Reichert)	203(b) 2004(f)(1) 2011(c)(2)(A) 2011 (c)(3)(A) 2011(e)(1) 2012(c)(2)(A) 2012(c)(3)(A) 2012(g)(1) 3002(c)(1)	CEMS will be taken out of service for maintenance/repair during refinery turnaround.	Not Opposed/Granted	SV and AOC granted commencing on the date notice is given pursuant to Condition Nos. 2(b) and 3 of the Order and shall continue for 28 days, terminating on the day Petitioner provides records in accordance with Condition Nos. 4, 5 and 6. The variance and AOC period shall occur between 4/5/16 and 7/3/16.	None
9. World Auto Service Case No. 6050-1 (T. Barrera)	461(e)(5)	GDF failed vent blockage test.	Not Opposed/Granted	Ex Parte/EV granted commencing 4/22/16 and continuing for 30 days or until the SV currently scheduled for 5/19/16, whichever comes first.	None

Acronyms

AOC: Alternative Operating Condition(s)
CEMS: Continuous Emissions Monitoring System
CO: Carbon Monoxide
EV: Emergency Variance
FCD: Final Compliance Date
GDF: Gasoline Dispensing Facility
H&S: Health and Safety
IV: Interim Variance
ICE: Internal Combustion Engine
MFCD/EXT: Modification of Final Compliance Date and Extension of a Variance
Mod. O/A: Modification of an Order for Abatement

N/A: Not Applicable
NOx: Oxides of Nitrogen
O/A: Order for Abatement
RV: Regular Variance
SOx: Oxides of Sulfur
SV: Short Variance
TBD: To Be Determined
VOC: Volatile Organic Compounds

[↑ Back to Agenda](#)

BOARD MEETING DATE: June 3, 2016

AGENDA NO. 18

REPORT: Civil Filings and Civil Penalties Report

SYNOPSIS: This reports the monthly penalties from April 1 through April 30, 2016, and legal actions filed by the General Counsel's Office from April 1 through April 30, 2016. An Index of District Rules is attached with the penalty report.

COMMITTEE: Stationary Source, May 20, 2016, Reviewed

RECOMMENDED ACTION:
Receive and file this report.

Kurt R. Wiese
General Counsel

KRW:lc

Violations

Civil Actions Filed

- | | |
|---|--|
| 1 | OCCIDENTAL TOWER APARTMENTS
Los Angeles County Superior Court
Case Number: 16K04021; Filed: 4.1.16 (NAS)
P58191
R. 1146.2 - Emissions of Oxides of Nitrogen from Large Water Heaters and Small Boilers |
| 1 | SHAATH and OUDEH ENTERPRISES dba ARCO AM/PM
Superior Court of Riverside
Case Number: R1604299; Filed: 4.13.16 (NSF)
P60923
R. 203 – Permit to Operate
R.461 – Gasoline Transfer and Dispensing |

1 NELCO PRODUCTS, INC.
County of Orange Superior Court
Case Number: 30-2016-008-46497-CU-MC-CJC; Filed: 4.15.16 (BB)
P56315
R. 203 – Permit to Operate
R. 2004 – RECLAIM Requirements

3 Cases

3 Violations

Attachments

April 2016 Penalty Report

Index of District Rules and Regulations

**SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
General Counsel's Office**

April 2016 Settlement Penalty Report

Total Penalties

Civil Settlements:	\$460,250.00
SRV Settlements:	\$500.00
MSPAP Settlements:	\$32,260.00
Total Cash Settlements:	\$493,010.00
Total SEP Value:	\$42,555.00
Fiscal Year through April 2016 Cash Total:	\$2,763,548.17
Fiscal Year through April 2016 SEP Value Only Total:	\$42,555.00

FAC ID	COMPANY NAME	RULE NUMBER	SETTLED DATE	ATTY INT	NOTICE NO.	TOTAL SETTLEMENT
CIVIL SETTLEMENTS:						
119907	BERRY PETROLEUM COMPANY	2004(b)(1), 2004(b)(4) 2004(d)(1)	4/12/2016	BTG	P62054	\$25,000.00
70481	CITY OF GLENDALE, FIRE STATION #24	1470	4/12/2016	LN	P60853	\$500.00
174248	CITY OF SEAL BEACH Facility representative must attend a Rule 1403 Class by June 22, 2016 and provide proof of attendance.	1403	4/7/2016	BTG	P53078	\$500.00
177691	GALICIA'S PAINTING	1403	4/19/2016	NAS	P33594	\$1,000.00
178165	HEIDARI CONSTRUCTION	1403	4/15/2016	RRF	P53085	\$2,500.00
147371	INLAND EMPIRE UTILITIES AGENCY	3002	4/20/2016	NSF	P64500	\$1,500.00
48522	INTERNATIONAL RECTIFIER HEXFET AMERIC	203(B)	4/21/2016	MJR	P59508	\$2,000.00
45709	IPS CORPORATION	1168(C)(1), 1171(c)(1)	4/1/2016	KCM	P60331	\$25,000.00
174245	JEFFREY SCOTT FICKS	1403	4/12/2016	BTG	P61355	\$1,500.00
177448	KLATCH COFFEE	1147 201, 203(A), 1147	4/1/2016	WBW	P62020 P62016	\$250.00
157928	LIFEGUARD WATERPROOFING PRODUCTS, INC	1113(C)(1)	4/21/2016	WBW	P60345	\$1,500.00
177590	MANN LIVING TRUST/JULIE GABBETT	1403, 40 CFR	4/19/2016	NAS	P33593	\$1,000.00

FAC ID	COMPANY NAME	RULE NUMBER	SETTLED DATE	ATTY INT	NOTICE NO.	TOTAL SETTLEMENT
159291	MIKE BUBALO CONSTRUCTION Facility representative must attend a Rule 1403 Class by June 22, 2016 and provide proof of attendance.	1403	4/7/2016	BTG	P53077	\$500.00
154233	MP AUTO BODY SHOP	109, 203 (A)	4/20/2016	MJR	P56898	\$500.00
40483	NELCO PROD. INC	REGXX	4/19/2016	BBB	P56315	\$9,000.00
144089	NEW CINGULAR WIRELESS PCS, AT&T MOBIL	1470	4/15/2016	NSF	P61802	\$97,500.00
112853	NP COGEN INC	2004, 2012	4/7/2016	VKT	P57375	\$300.00
158910	RANCHO LPG HOLDINGS, LLC	1173	4/1/2016	NSF	P61509	\$3,500.00
172857	ROOP CORPORATION	203(b), 461(c), 461(c)(2)(B) 203(b), 461(c), 461(c)(2)(B) 461, 461(c), 461(c)(1)(A) 203(b), 461, 461(c)(2)(B) 203(b), 461	4/1/2016	NSF	P60841 P60847 P60849 P59323	\$6,500.00
117227	SHCI SM BCH HOTEL LLC, LOEWS SM BCH H	2004(F)(1), 2012 2004	4/21/2016	NSF	P62800 P14151	\$15,000.00
114801	SOLVAY USA, INC.	402, 3002(C)(1), 41700	4/27/2016	BTG	P57744	\$115,000.00
11119	THE GAS CO./ SEMPRA ENERGY Includes self-reported violation.	2004, 2012 2012 2004 2004	4/15/2016	KCM	P51982 P37233 P55534 P51980 SRV 114*	\$150,000.00

FAC ID	COMPANY NAME	RULE NUMBER	SETTLED DATE	ATTY INT	NOTICE NO.	TOTAL SETTLEMENT
154445	WILMINGTON PARK INC	461(c), 461(c)(B), 41960.2	4/21/2016	PH	P60840	\$200.00

TOTAL CIVIL PENALTIES: \$460,250.00

SELF-REPORTED VIOLATION SETTLEMENTS:

12155	ARMSTRONG WORLD INDUSTRIES Under reporting emissions.		4/12/2016	MJR		\$500.00
11119	THE GAS CO./ SEMPRA ENERGY* Included as part of civil settlement of four NOV's		4/15/2016	KCM		

TOTAL SRV SETTLEMENT: \$500.00

SUPPLEMENTAL ENVIRONMENTAL PROJECTS:

2812	LA CO.,DEPT OF PUBLIC WORKS, EL MONTE AIRPORT Cash: \$0.00; SEP: \$42,555.00 Facility purchased a commercial grade electric lawnmower with a mulching deck for \$22,615 and retrofitted the airport's emergency generator's diesel engine with a diesel filter at a cost of \$19,940. Facility must also submit quarterly reports for two years beginning April 5, 2016 through April 5, 2018.	1470	4/21/2016	WBW	P57292	\$42,555.00
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TOTAL SEP SETTLEMENTS: \$42,555.00

MSPAP SETTLEMENTS:

FAC ID	COMPANY NAME	RULE NUMBER	SETTLED DATE	ATTY INT	NOTICE NO.	TOTAL SETTLEMENT
179498	AMERICAN INTEGRATED SERVICES, INC	221, 1166	4/28/2016		P63551	\$1,925.00
179498	AMERICAN INTEGRATED SERVICES, INC	403	4/28/2016		P63553	\$785.00
151081	ARCO #06502, SAINI, INC.	203 (B)	4/28/2016		P63202	\$1,500.00
74094	ARCO DLR, D VERDI & S YASHARIM	461(c), 41954, 41960.2 461(C)(2)(B)	4/28/2016		P61274	\$300.00
107944	ARCO DLR, MOHAMMAD AMIN, H&M INC, DBA	461(c), 41960.2	4/28/2016		P61691	\$1,450.00
181419	CRAIG DEVELOPMENT CORPORATION	403(D)(1), 403(D)(2)	4/28/2016		P61566	\$2,200.00
109236	DOSHI'S ALCO INC	203(B), 461(c), 41960.2	4/28/2016		P63103	\$300.00
151118	IBR INC.	203(B), 461(c), 461(c)(2) 461(C)(2)(B), 41960.2	4/7/2016		P63019	\$750.00
147772	KEROMINA MARKET PLACE INC	461(C)(2)(B), 41960.2	4/28/2016		P63208	\$450.00
127621	LA CO, FIRE DEPT #187	41960.2 461(c), 461(C)(2)(B)	4/28/2016		P63703	\$1,000.00
25649	LA CO., FIRE STA #3	461	4/28/2016		P64106	\$1,500.00
177549	MARINA SHELL #1	461(c), 41954, 41960.2 461(C)(2)(B)	4/28/2016		P61982	\$550.00
171315	MASTER CUSTOM CABINETS	109, 203(B)	4/28/2016		P64101	\$1,750.00

FAC ID	COMPANY NAME	RULE NUMBER	SETTLED DATE	ATTY INT	NOTICE NO.	TOTAL SETTLEMENT
181319	MOOREFIELD CONSTRUCTION, INC	403(D)(1), 403(D)(2)	4/28/2016		P56043	\$500.00
156658	O.M.S.R. INVESTMENT LLC	461(C)(2)(A)	4/28/2016		P63010	\$600.00
148579	SAMMY'S SHELL, HANI QAMMOUH	461(c), 41954, 41960.2	4/28/2016		P61276	\$3,750.00
72512	SAN BERN. CO, OFF OF MGMT SERVICE	203	4/28/2016		P61564	\$700.00
108687	SEACLIFF COUNTRY CLUB/AMERICAN GOLF CLUB	222	4/28/2016		P63851	\$4,000.00
127043	SPECTRUM HOTEL GROUP LLC/DOUBLETREE HOTEL	1146.2	4/28/2016		P63601	\$1,600.00
169441	STAR CLEANERS, TERESA ALVAREZ	203(A), 1102	4/28/2016		P64053	\$800.00
171669	TESORO (USA) 63306	461(C)(2)(B), 41960.2	4/28/2016		P64252	\$550.00
171690	TESORO 63264	461(c), 41960.2	4/28/2016		P64301	\$1,100.00
181065	TIMBERLINE CONSTRUCTION INC.	403(D)(1), 403(D)(2)	4/28/2016		P64057	\$1,600.00
143205	US PETRO, INC/CHEVRON FONTANA	461(C)	4/28/2016		P63109	\$1,800.00
133145	ZIBA INVESTMENT CORP	461(E)(2)(C)	4/28/2016		P58288	\$800.00

TOTAL MSPAP SETTLEMENTS: \$32,260.00

DISTRICT RULES AND REGULATIONS INDEX FOR APRIL 2016 PENALTY REPORTS

REGULATION I - GENERAL PROVISIONS

Rule 109 Recordkeeping for Volatile Organic Compound Emissions (*Amended 8/18/00*)

REGULATION II – PERMITS

List and Criteria Identifying Information Required of Applicants Seeking A Permit to Construct from the South Coast Air Quality Management - District (*Amended 4/10/98*)

Rule 201 Permit to Construct (*Amended 1/5/90*)

Rule 203 Permit to Operate (*Amended 1/5/90*)

Rule 221 Plans (*Adopted 1/4/85*)

Rule 222 Filing Requirements for Specific Emission Sources Not Requiring a Written permit Pursuant to Regulation II. (*Amended 5/19/00*)

REGULATION IV - PROHIBITIONS

Rule 402 Nuisance (*Adopted 5/7/76*)

Rule 403 Fugitive Dust (*Amended 12/11/98*) *Pertains to solid particulate matter emitted from man-made activities.*

Rule 461 Gasoline Transfer and Dispensing (*Amended 6/15/01*)

REGULATION XI - SOURCE SPECIFIC STANDARDS

Rule 1102 Petroleum Solvent Dry Cleaners (*Amended 11/17/00*)

Rule 1113 Architectural Coatings (*Amended 6/20/01*)

Rule 1146.2 Emissions of Oxides of Nitrogen from Large Water Heaters and Small Boilers (*Adopted 1/9/98*)

Rule 1147 Nox Reductions From Miscellaneous Sources

Rule 1166 Volatile Organic Compound Emissions from Decontamination of Soil (*Amended 5/11/01*)

Rule 1168 Adhesive and Sealant Applications (*Amended 9/15/00*)

Rule 1171 Solvent Cleaning Operations (*Amended 10/8/99*)

Rule 1173 Fugitive Emissions of Volatile Organic Compounds (*Amended 5/13/94*)

REGULATION XIV – TOXICS

- Rule 1403 Asbestos Emissions from Demolition/Renovation Activities (*Amended 4/8/94*)
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 (*Amended 5/11/01*)
Rule 2012 Requirements for Monitoring, Reporting, and Recordkeeping for Oxides of Nitrogen (NO_x) Emissions
(*Amended 5/11/01*)

REGULATION XXX - TITLE V PERMITS

- Rule 3002 Requirements (*Amended 11/14/97*)

CALIFORNIA HEALTH AND SAFETY CODE § 41700

- 41700 Violation of General Limitations
41954 Compliance for Control of Gasoline Vapor Emissions
41960.2 Gasoline Vapor Recovery

CODE OF FEDERAL REGULATIONS

40 CFR – Protection of the Environment

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BOARD MEETING DATE: June 3, 2016

AGENDA NO. 24

REPORT: Administrative Committee

SYNOPSIS: The Administrative Committee met on Friday, May 13, 2016. The Committee discussed various issues detailed in the Committee report. The next Administrative Committee meeting is scheduled for Friday, June 10, 2016 at 10:00 a.m.

RECOMMENDED ACTION:
Receive and file.

Dr. William A. Burke, Chair
Administrative Committee

nv

Attendance: Attending the May 13, 2016 meeting were Committee Vice Chair Ben Benoit at SCAQMD headquarters, and Committee Chair Dr. William A. Burke, Committee Member Dr. Clark E. Parker, Sr. and Committee Member Judith Mitchell via videoconference.

On the motion of Chairman Burke, moved by Parker, seconded by Mitchell, the Committee unanimously approved all agenda items to be forwarded to the full Board.

ACTION/DISCUSSION ITEMS:

1. **Board Members' Concerns:** None to report.
2. **Chairman's Report of Approved Travel:** As noted on the travel report, Dr. Burke met with members of the State Legislature, April 11, 2016, and Councilmember Mitchell will be attending the monthly CARB Board meeting in Sacramento, May 18-19, 2016.
3. **Approval of Compensation for Board Member Assistant(s)/Consultant(s):** Compensation for consideration was included for all current Board Assistants and Consultants for FY 2016-17. In addition, Mayor Pro Tem Michael Cacciotti

added two new Board Consultants, Ben Wong and Bill Glazier, for the remaining FY 2015-16.

4. **Report of Approved Out-of-Country Travel:** As noted on the Out-of-Country travel report, Dr. Laki Tisopulos will meet with experts and stakeholders from India representing Indian Federal, State and Local Government agencies, industries, citizen groups and environmental advocacy organizations, May 14-28, 2016.
5. **Receive Public Input on Acting Executive Officer's Draft Goals and Priority Objectives for FY 2016-17:** Vice Chair Ben Benoit noted his concerns to get SCAQMD's website operational with more data than what is currently included on the website, including monitoring data which doesn't get into a discussion of GIS and opening up data; he inquired is that the intent? Acting Executive Officer Wayne Nastri responded the intent was to incorporate the data, but it can be made into its own item to highlight its importance. Vice Chair Benoit said he would like to place more emphasis on it since GIS is being used for the entire permitting process and monitoring data, which will ultimately make it easier for the average user. With respect to transparency in rulemaking, Vice Chair Benoit added it needs to be expanded other than just in rulemaking; it should be expanded to getting Board minutes and agenda items out earlier, getting meetings broadcasted, transparency should be a larger part of all of the goals. Mr. Nastri responded a lot of changes have already been made and those very things are being done now, but it can be highlighted in the Priority Goals and Objectives so that it is more recognizable. Dr. Burke commented that the website is immeasurably better. Vice Chair Benoit commented that the background material for Board committee meetings is currently not included online and recommended adding supporting material to each Committee meeting agenda online. Mr. Nastri responded that additional assistance will be utilized toward achieving that goal.
6. **Execute Contract for Deferred Compensation Plan Consultant Services:** Dr. Burke waived the staff presentation on this item.
7. **Issue RFP for Executive Search and Recruitment Services:** Dr. Burke waived the staff presentation on this item.
8. **Execute Contract for Landscape Maintenance at Diamond Bar Headquarters:** Dr. Burke waived the staff presentation on this item.
9. **Amend Contract for Website Evaluation and Improvement:** Dr. Burke waived the staff presentation on this item.

10. **Recognize and Transfer Revenue and Appropriate Funds for Monitoring Programs and Lab Analysis, Issue Solicitations and Execute Contract and Purchase Orders for Field and Laboratory Equipment, and Transfer Funds for Enhanced Particulate Monitoring Program:** Dr. Burke waived the staff presentation on this item.
11. **Execute Contract for Protocol Development Support for Reconciling Air Quality Monitoring Data with Dispersion Modeling Results:** Dr. Burke waived the staff presentation on this item.
12. **Execute Contracts with Consultants to Provide CEQA Assistance:** Dr. Burke waived the staff presentation on this item.
13. **Approve Transfer of Monies from General Fund to Health Effects Research Fund:** Dr. Burke waived the staff presentation on this item.
14. **Establish ExxonMobil Settlement Projects Special Revenue Fund:** Dr. Burke waived the staff presentation on this item.
15. **Report of RFPs/RFQs Scheduled for Release in June:** Dr. Burke waived the staff presentation on this item.
16. **Appropriate Funds and Authorize Amending/Initiating Contracts with Outside Counsel and Specialized Legal Counsel and Services:** Dr. Burke waived the staff presentation on this item.
17. **Review June 3, 2016 Governing Board Agenda:** Dr. Burke waived the staff presentation on this item.
18. **Other Business:** None.
19. **Public Comment:** None.

Meeting adjourned at 10:45 a.m.

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BOARD MEETING DATE: June 3, 2016

AGENDA NO. 19

REPORT: Lead Agency Projects and Environmental Documents Received By SCAQMD

SYNOPSIS: This report provides, for the Board's consideration, a listing of CEQA documents received by the SCAQMD between April 1, 2016 and April 30, 2016, and those projects for which the SCAQMD is acting as lead agency pursuant to CEQA.

COMMITTEE: Mobile Source, May 20, 2016, Reviewed

RECOMMENDED ACTION:
Receive and file.

Wayne Nastri
Acting Executive Officer

PF:JW:IM:JW:AK

CEQA Document Receipt and Review Logs (Attachments A and B) – Each month, the SCAQMD receives numerous CEQA documents from other public agencies on projects that could adversely affect air quality. A listing of all documents received and reviewed during the reporting period of between April 1, 2016 and April 30, 2016 is included in Attachment A. A list of active projects from previous reporting periods for which SCAQMD staff is continuing to evaluate or has prepared comments is included in Attachment B. 110 CEQA documents were received during this reporting period and 36 comment letters were sent. Notable projects in this report include Shell Marine Oil Terminal Improvements and Irwindale Material Recovery Facility and Transfer Station.

The Intergovernmental Review function, which consists of reviewing and commenting on the adequacy of the air quality analysis in CEQA documents prepared by other lead agencies, is consistent with the Board's 1997 Environmental Justice Guiding Principles and Environmental Justice Initiative #4. Furthermore, as required by the Environmental Justice Program Enhancements for FY 2002-03 approved by the Board in October 2002, each of the attachments notes those proposed projects where the SCAQMD has been contacted regarding potential air quality-related environmental justice concerns. The SCAQMD has established an internal central contact to receive information on projects

with potential air quality-related environmental justice concerns. The public may contact the SCAQMD about projects of concern by the following means: in writing via fax, email, or standard letters; through telephone communication; as part of oral comments at SCAQMD meetings or other meetings where SCAQMD staff is present; or by submitting newspaper articles. The attachments also identify for each project the dates of the public comment period and the public hearing date, if applicable, as reported at the time the CEQA document is received by the SCAQMD. Interested parties should rely on the lead agencies themselves for definitive information regarding public comment periods and hearings as these dates are occasionally modified by the lead agency.

At the January 6, 2006 Board meeting, the Board approved the Workplan for the Chairman's Clean Port Initiatives. One action item of the Chairman's Initiatives 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 response to describing goods movement, CEQA documents (Attachments A and B) are organized to group projects of interest into the following categories: goods movement projects; schools; landfills and wastewater projects; airports; and general land use projects, etc. In response to the mitigation component, guidance information on mitigation measures were compiled into a series of tables relative to: off-road engines; on-road engines; harbor craft; ocean-going vessels; locomotives; fugitive dust; and greenhouse gases. These mitigation measure tables are on the CEQA webpages portion of the SCAQMD's website. Staff will continue compiling tables of mitigation measures for other emission sources, including airport ground support equipment, etc.

As resources permit, staff focuses on reviewing and preparing comments for projects: where the SCAQMD is a responsible agency; that may have significant adverse regional air quality impacts (e.g., special event centers, landfills, goods movement, etc.); that may have localized or toxic air quality impacts (e.g., warehouse and distribution centers); where environmental justice concerns have been raised; and those projects for which a lead or responsible agency has specifically requested SCAQMD review. If the SCAQMD staff provided written comments to the lead agency as noted in the column "Comment Status," there is a link to the "SCAQMD Letter" under the Project Description. In addition, if the SCAQMD staff testified at a hearing for the proposed project, a notation is provided under the "Comment Status." If there is no notation, then SCAQMD staff did not provide testimony at a hearing for the proposed project.

During the period April 1, 2016 through April 30, 2016, the SCAQMD received 110 CEQA documents. Of the total of 129 documents* listed in Attachments A and B:

- 36 comment letters were sent;
- 39 documents were reviewed, but no comments were made;
- 36 documents are currently under review;
- 0 documents did not require comments (e.g., public notices, plot plans, Final Environmental Impact Reports);
- 0 documents were not reviewed; and
- 18 documents were screened without additional review.

* These statistics are from April 1, 2016 to April 30, 2016 and may not include the most recent “Comment Status” updates in Attachments A and B.

Copies of all comment letters sent to lead agencies can be found on the SCAQMD’s CEQA webpage at the following internet address:

<http://www.aqmd.gov/home/regulations/ceqa/commenting-agency>.

SCAQMD Lead Agency Projects (Attachment C) – Pursuant to CEQA, the SCAQMD periodically acts as lead agency for stationary source permit projects. Under CEQA, the lead agency is responsible for determining the type of CEQA document to be prepared if the proposal is considered to be a “project” as defined by CEQA. For example, an Environmental Impact Report (EIR) is prepared when the SCAQMD, as lead agency, finds substantial evidence that the proposed project may have significant adverse effects on the environment. Similarly, a Negative Declaration (ND) or Mitigated Negative Declaration (MND) may be prepared if the SCAQMD determines that the proposed project will not generate significant adverse environmental impacts, or the impacts can be mitigated to less than significance. The ND and MND are written statements describing the reasons why proposed projects will not have a significant adverse effect on the environment and, therefore, do not require the preparation of an EIR.

Attachment C to this report summarizes the active projects for which the SCAQMD is lead agency and is currently preparing or has prepared environmental documentation. As noted in Attachment C, the SCAQMD continued working on the CEQA documents for five active projects during April.

Attachments

- A. Incoming CEQA Documents Log
- B. Ongoing Active Projects for Which SCAQMD Has or Will Conduct a CEQA Review
- C. Active SCAQMD Lead Agency Projects

ATTACHMENT A*
INCOMING CEQA DOCUMENTS LOG
APRIL 1, 2016 TO APRIL 30, 2016

<u>SCAQMD LOG-IN NUMBER</u> PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<i>Goods Movement</i> LAC160415-02 Berths 167-169 Shell Marine Oil Terminal Wharf Improvements Project	The proposed project consists of various seismic and ground improvements to Shell Oil Company's marine oil terminal at Berths 167-169 on Mormon Island that are required in order to comply with the Marine Oil Terminal Engineering and Maintenance Standards. Comment Period: 4/15/2016 - 5/16/2016 Public Hearing: N/A	Revised Notice of Preparation	Port of Los Angeles	Document reviewed - No comments
<i>Goods Movement</i> ORC160407-07 Naval Weapons Station Seal Beach Ammunition Pier and Turning Basin	The proposed project consists of constructing a 1,100-foot by 125-foot replacement ammunition pier and associated waterfront facilities at Naval Weapons Station Seal Beach. The new pier would be built to current earthquake standards, able to support future fleet requirements, and provide greater separation between Navy operations and civilian boat traffic. The project is located at the Naval Weapons Station in Seal Beach. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2016/april/NOPsbnavel.pdf Comment Period: 3/18/2016 - 4/18/2016 Public Hearing: 4/7/2016	Notice of Public Hearing	United States Department of the Navy	SCAQMD staff commented on 4/14/2016
<i>Warehouse & Distribution Centers</i> SBC160408-01 270 E. Central Avenue Distribution Center	The proposed project consists of the construction and operation of one building containing 127,327 square feet of ground-floor warehouse operations and supporting office space. The project is located on the north side of Central Avenue and west of Waterman Avenue. Comment Period: 4/11/2016 - 5/2/2016 Public Hearing: N/A	Draft Mitigated Negative Declaration	City of San Bernardino	Document reviewed - No comments
<i>Warehouse & Distribution Centers</i> SBC160413-01 Hallmark at Shenandoah Warehouse	The proposed project consists of the demolition of an existing asphalt parking lot and construction of a 340,080-square-foot high-cube warehouse on 14.42 acres of which 10,000 square feet is proposed to be used for office space. The project is located at the northwest corner of Hallmark Parkway and Shenandoah Way. Comment Period: 4/11/2016 - 5/2/2016 Public Hearing: 5/5/2016	Notice of Intent to Adopt a Mitigated Negative Declaration	City of San Bernardino	Document reviewed - No comments

*Sorted by Land Use Type (in order of land uses most commonly associated with air quality impacts), followed by County, then date received.

- Project has potential environmental justice concerns due to the nature and/or location of the project.

Documents received by the CEQA Intergovernmental Review program but not requiring review are not included in this report.

**ATTACHMENT A
INCOMING CEQA DOCUMENTS LOG
APRIL 1, 2016 TO APRIL 30, 2016**

<u>SCAQMD LOG-IN NUMBER</u> PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
Warehouse & Distribution Centers SBC160413-05 PL14-0203 (Master Site Approval), PL14-1001 (Vesting Tentative Parcel Map No. 19633), PL14-1002 (Site Approval), and PL14-1020 (Special Conditional Use Permit)	The proposed project consists of a request for approval of a Master Site Plan and Vesting Tentative Parcel Map for the Watson Industrial Park. The Final EIR for the Watson Industrial Park was certified on January 19, 2016. Reference SBC151215-05 Comment Period: 4/13/2016 - 4/18/2016 Public Hearing: 4/18/2016	Notice of Public Hearing	City of Chino	Document reviewed - No comments
Warehouse & Distribution Centers SBC160421-01 Orange Show Logistics Center	The proposed project proposes to consolidate the project site's existing 15 parcels into one legal parcel and to develop the subject property with a logistics warehouse building containing 318,989 square feet of floor area. The proposed project site is located north of Orange Show Avenue and south of Norman Road. Comment Period: 4/20/2016 - 5/9/2016 Public Hearing: N/A	Notice of Intent to Adopt A Mitigated Negative Declaration	City of San Bernardino	Document reviewed - No comments
Warehouse & Distribution Centers SBC160426-07 DRC2015-00797 CRP Oakmont Santa Anita	The proposed project consists of construction of a 339,000-square-foot industrial building on a 696,465-square-foot parcel. The project is located north of 6th Street and north of terminus of Santa Anita Avenue. Comment Period: 4/20/2016 - 5/25/2016 Public Hearing: N/A	Notice of Intent to Adopt a Draft Mitigated Negative Declaration	City of Rancho Cucamonga	Under review, may submit written comments
Warehouse & Distribution Centers SBC160429-08 I-210 Logistics Center V	The proposed project consists of the development of a 204,450-square-foot industrial/warehouse/distribution building on approximately 9.3 acres of vacant land and a proposal to consolidated eight parcels of land into one new parcel. The project is located at the northwest corner of Alder Avenue and Walnut Avenue. Comment Period: 4/29/2016 - 5/18/2016 Public Hearing: 5/25/2016	Notice of Availability of a Draft Negative Declaration	City of Rialto	Under review, may submit written comments

- Project has potential environmental justice concerns due to the nature and/or location of the project.

Documents received by the CEQA Intergovernmental Review program but not requiring review are not included in this report.

**ATTACHMENT A
INCOMING CEQA DOCUMENTS LOG
APRIL 1, 2016 TO APRIL 30, 2016**

<u>SCAQMD LOG-IN NUMBER</u> PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
Industrial and Commercial LAC160401-01 Conditional Use Permit Case No. 771 and Modification Permit Case No. 1264	The proposed project consists of the establishment, operation, and maintenance of a tire recycling facility and open storage of trailers and a 14-foot high fence within the front setback area along Cornet Street. The Project is located at 15605 Cornet Street. Comment Period: N/A Public Hearing: 4/11/2016	Notice of a Public Hearing	City of Santa Fe Springs	Document reviewed - No comments
Industrial and Commercial LAC160415-06 Auto Zone Starbucks Development (Planning Master Project)	The proposed project consists of a Conditional Use Permit, Minor Conditional Use Permit and Lot Merger to allow the construction of two new commercial buildings. The project is located at 202-216 West Route 66. The project is located at 202-216 West Route 66. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2016/april/MNDautozone.pdf Comment Period: 4/15/2016 - 5/3/2016 Public Hearing: N/A	Notice of Intent to Adopt a Draft Mitigated Negative Declaration	City of Glendora	SCAQMD staff commented on 4/30/2016
Industrial and Commercial ORC160420-02 Savi Ranch Planned Development Zone Change	The proposed project would add vehicle sales with ancillary service use as a conditionally permitted use in the Support-Commercial sub-area of the Savi Ranch Planned Development. The project site is located south of Old Canal Road and east of Oakcrest Circle. Comment Period: 4/20/2016 - 5/10/2016 Public Hearing: 5/11/2016	Notice of Intent to Adopt a Mitigated Negative Declaration	City of Yorba Linda	Document reviewed - No comments
Industrial and Commercial RVC160406-06 Conditional Use Permit No. 2016-078	The proposed project consists of the development of a 14,000-square-foot warehouse and office facility with a gravel yard on a 3.86 acre site. The project is located on Zeiders Road near Scott Road. Comment Period: 4/6/2016 - 4/28/2016 Public Hearing: N/A	Initial Project Consultation	City of Menifee	Document reviewed - No comments
Industrial and Commercial SBC160421-05 Design Review DRC2015-00782, Tentative Tract SUBTT19969, and Master Plan Amendment DR C2015-01018	The proposed project consists of the construction of six industrial buildings totaling 171,322 square feet on 9.6 acres of land in the Rancho Cucamonga Corporate Park, located on the south side of Foothill Boulevard at Mayten Avenue. Comment Period: 4/18/2016 - 5/25/2016 Public Hearing: 5/11/2016	Notice of Intent to Adopt A Mitigated Negative Declaration	City of Rancho Cucamonga	Document reviewed - No comments

- Project has potential environmental justice concerns due to the nature and/or location of the project.

Documents received by the CEQA Intergovernmental Review program but not requiring review are not included in this report.

ATTACHMENT A
INCOMING CEQA DOCUMENTS LOG
APRIL 1, 2016 TO APRIL 30, 2016

<u>SCAQMD LOG-IN NUMBER</u> PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<i>Waste and Water-related</i> LAC160401-03 Graves Reservoir Replacement Project	The proposed project consists of the removal of the existing Graves Reservoir, pumps, and support facilities and replacement with a new cast-in-place concrete reservoir, attached pump station and support facilities. The Graves Reservoir project site is located in the City of San Marino at the southwest corner of Pasqualito Drive and El Molino Avenue. Comment Period: 4/4/2016 - 5/3/2016 Public Hearing: N/A	Notice of Intent to Adopt a Mitigated Negative Declaration	City of South Pasadena	Document reviewed - No comments
<i>Waste and Water-related</i> LAC160401-08 Proposed Interim Cleanup Plan for the Former Southwest Marine Property	This document consists of a Remedial Action Plan for the treatment and control of chemical contamination resulting from historic operations at the former Southwest Marine Property, located at 985 Seaside Avenue, Terminal Island, Port of Los Angeles. Reference LAC130619-03 Comment Period: 4/4/2016 - 5/5/2016 Public Hearing: 4/13/2016	Notice of Availability of a Draft Negative Declaration	Department of Toxic Substances Control	Document reviewed - No comments
<i>Waste and Water-related</i> LAC160406-04 Response Plan for Mobil Gasoline Station Site, Pacific Palisades	The proposed project consists of a plan to clean up groundwater contaminated with petroleum fuel hydrocarbons, primarily benzene. The project is located at the corner of Sunset Boulevard and Swarthmore Avenue in the City of Pacific Palisades. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2016/may/OtherMobil.pdf Comment Period: 4/4/2016 - 5/6/2016 Public Hearing: N/A	Community Notice	Department of Toxic Substances Control	SCAQMD staff commented on 5/6/2016
<i>Waste and Water-related</i> LAC160407-02 ENV-2014-3286/ 1000, 1004 & 1008 W. Lomita Blvd & 25013 S. Broadwell Ave; Wilmington-Harbor City	The proposed project consists of the change of use for an existing auto repair facility to a recycling collection facility within two existing buildings that will house offices, recycling containers and the storage of mechanized equipment including a metal baler with a total floor area of 4,752 square feet. Comment Period: 4/4/2016 - 4/27/2016 Public Hearing: N/A	Notice of Availability of a Draft Mitigated Negative Declaration	City of Los Angeles	Document reviewed - No comments
<i>Waste and Water-related</i> LAC160407-11 Chatsworth Park South	The proposed project consists of a Remedial Action Plan to clean up the Park property that has remnants of lead shot and clay pigeons. The project is located at 22360 Devonshire Street in Chatsworth. Comment Period: N/A Public Hearing: N/A	Community Notice	Department of Toxic Substances Control	Document reviewed - No comments

- Project has potential environmental justice concerns due to the nature and/or location of the project.

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<i>Waste and Water-related</i>	The proposed project consists of the modification of the GRIP Recycled Water Project. The Project will construct a new Advanced Water Treatment Facility to produce up to 11.5 million gallons per day of Full Advanced Treated recycled water for groundwater recharge in the Central Groundwater Basin. The project includes three supplemental recharge wells and three monitoring wells. The project is located at 4320, 4330, and 4334 San Gabriel River Parkway in the City of Pico Rivera. Reference LAC160301-03 Comment Period: 4/13/2016 - 5/27/2016 Public Hearing: N/A	Supplemental Environmental Impact Report	Water Replenishment District of Southern California	Document reviewed - No comments
LAC160414-07 Groundwater Reliability Improvement Program (GRIP) Supplemental Recharge Wells Project				
<i>Waste and Water-related</i>	The proposed project consists of constructing and operating a materials recovery facility and transfer station, with a fueling facility/convenience store. The facility would be designed to receive, process and transfer up to 6,000 tons per day (tpd) based upon estimated averages of 3,000 tpd of municipal solid waste, 1,000 tpd of green waste, 1,000 tpd of construction & demolition materials: per day amounts will depend on market factors and seasonal variations. Reference LAC141022-03 and LAC140808-02 Comment Period: N/A Public Hearing: 4/27/2016	Final Environmental Impact Report	City of Irwindale	Document reviewed - No comments
LAC160419-04 Irwindale Material Recovery Facility Transfer Station				
<i>Waste and Water-related</i>	The proposed project consists of implementing a comprehensive wetlands restoration project which will restore a privately-owned oil field in the City of Long Beach through creation of a wetlands mitigation bank. The project includes the relocation of certain oil facilities currently located on the Synergy Oil Field and City-owned property to two off-site properties (Los Cerritos Wetland Authority Site and Pumpkin Patch site). http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2016/may/NOPlascerritos.pdf Comment Period: 4/28/2016 - 5/27/2016 Public Hearing: 5/11/2016	Notice of Preparation of an Environmental Impact Report	City of Long Beach	SCAQMD staff commented on 5/3/2016
LAC160429-05 Los Cerritos Wetlands Restoration and Oil Project				
<i>Waste and Water-related</i>	The proposed project consists of replacing the deteriorating metal roof of the existing westerly 4.0 million gallon (MG) reservoir with a new aluminum roof, installing additional structural support to the reservoir, installing a hypalon liner, replacing the existing booster pump station and its five pumps with a new pump station with four pumps, installing a surge tank and piping, demolishing the existing 3.0 MG reservoir, and abandoning the inactive water production well. The project is located at 1016 Northwest Street. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2016/april/MNDlapalma.pdf Comment Period: 4/1/2016 - 5/1/2016 Public Hearing: N/A	Notice of Availability of a Draft Negative Declaration	City of Anaheim	SCAQMD staff commented on 4/28/2016
ORC160406-02 La Palma Complex Reservoir Rehabilitation and Pump Station Replacement				

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<p>Waste and Water-related</p> <p>SBC160420-01 Fontana Water Company Recycled Water Improvement Project</p>	<p>The proposed project consists of the expanded delivery of recycled water produced by Inland Empire Utilities Agency Water Reclamation Facilities to Fontana Water Company at its Regional Plant No. 3 recharge basin location. The proposed project consists of installation of a reservoir, pump station, and recycled water delivery pipeline.</p> <p>http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2016/may/MNDfontanawater.pdf</p> <p style="text-align: center;">Comment Period: 4/19/2016 - 5/18/2016 Public Hearing: 5/18/2016</p>	Notice of Intent to Adopt a Mitigated Negative Declaration	Inland Empire Utilities Agency	SCAQMD staff commented on 5/4/2016
<p>Utilities</p> <p>LAC160413-07 Master Case No. 15-216</p>	<p>The proposed project consists of a Conditional Use Permit and Development Review for the construction of a wireless communications facility located at 20660 Plum Canyon Road, in the community of Saugus. Reference LAC160210-04</p> <p style="text-align: center;">Comment Period: N/A Public Hearing: N/A</p>	Response to Comments	City of Santa Clarita	Document reviewed - No comments
<p>Utilities</p> <p>ORC160426-03 California Public Utilities Commission South Orange County Reliability Enhancement Project</p>	<p>The proposed project consists of rebuilding and upgrading a portion of the transmission infrastructure in South Orange County. The project is located within the cities of San Juan Capistrano and San Clemente as well as unincorporated Orange County. Reference ORC150820-10</p> <p style="text-align: center;">Comment Period: N/A Public Hearing: N/A</p>	Final Environmental Impact Report	Public Utilities Commission	Document reviewed - No comments
<p>Utilities</p> <p>RVC160413-08 Southern California Edison's Alberhill System Project and Valley-Ivyglen Subtransmission Line Project</p>	<p>The proposed project consists of the Alberhill System Project and the Ivyglen Subtransmission Line Project. The Alberhill project would be built on approximately 34 acres of a 124-acre property on the northwest corner of the intersection of Temescal Canyon Road and Corcordia Ranch Road. Two 500 kilovolt (kV) transmission lines would extend approximately one mile northeast to connect to the existing Serrano-Valley 500kV transmission line. The Valley-Ivyglen project would construct a new, single-circuit 115-kV subtransmission line and fiber optic line. The route would be approximately 27 miles long and constructed within approximately 23 miles of new right-of-way. The line would traverse unincorporated Riverside County and cities of Menifee, Perris, and Lake Elsinore. Reference RVC150507-10</p> <p style="text-align: center;">Comment Period: 4/14/2016 - 5/31/2016 Public Hearing: 5/11/2016</p>	Draft Environmental Impact Report	California Public Utilities Commission	Document reviewed - No comments

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<i>Utilities</i> RVC160419-08 Foghorn Monopine Wireless Communication Facility	The proposed project consists of the construction and operation of an unmanned 70-foot-tall monopine cell tower, two equipment cabinets, and backup generator. The project is located south of Shadel Road, west of Meniffee Road and east of Packard Street. Comment Period: 4/19/2016 - 5/11/2016 Public Hearing: 5/11/2016	Notice of Intent to Adopt a Mitigated Negative Declaration	City of Meniffee	Document reviewed - No comments
<i>Utilities</i> RVC160429-07 IE515 SCE Devers-Vista M22-T3 (Case No. 16-CUP-03)	The proposed project consists of the temporary relocation of a T-Mobile wireless telecommunications facility that includes the installation of a 60-foot flower-pot monopole to include nine panel antennas. All associated ground equipment will be placed in cabinets adjacent to the proposed monopole. The project is located at 1447 Cherry Avenue. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2016/may/NOC1447cherry.pdf Comment Period: 4/26/2016 - 5/10/2016 Public Hearing: N/A	Initial Project Consultation	City of Beaumont	SCAQMD staff commented on 5/4/2016
<i>Utilities</i> SBC160419-03 Southern California Edison West of Devers Upgrade Project	The proposed project consists of upgrading the West of Devers 220 kilovolt transmission lines between Devers, El Casco, Vista, and San Bernardino substations to increase system deliverability by at least 2,200 megawatts. The project also includes upgrading of equipment, removal and relocation of existing subtransmission and electric distribution lines. Reference SBC150818-03, SBC151215-01 and RVCSBC140516-07 Comment Period: N/A Public Hearing: N/A	Addendum Final Environmental Impact Report	Southern California Edison	Document reviewed - No comments
<i>Transportation</i> LAC160407-08 Shoemaker Bridge Replacement Project	The proposed project consists of an Early Action project of the Interstate 710 Corridor Improvement Project. The project is located at the southern end of Interstate 710. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2016/april/NOPshoemaker.pdf Comment Period: 4/7/2016 - 5/2/2016 Public Hearing: N/A	Notice of Preparation	City of Long Beach	SCAQMD staff commented on 4/26/2016
<i>Transportation</i> LAC160419-12 Proposed Roadway Improvements Beneath the SR-91 Overpass and Along the West Side of Bellflower Boulevard	The proposed project consists of improvements that will widen the right-of-way of Bellflower Boulevard to the west, create a new right-turn lane in the southerly direction, and provide other sidewalk and traffic signal improvements. Reference LAC160302-03 Comment Period: N/A Public Hearing: N/A	Response to Comments	City of Bellflower	Document reviewed - No comments

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<i>Transportation</i> RVC160426-01 Holland Road/Interstate 215 Overcrossing Project	The proposed project consists of the construction of a new overcrossing at Holland Road over the Interstate 215 (I-215) freeway. The proposed project will construct a new four-lane overcrossing at Holland Road that will span the I-215 freeway and Antelope Road within the limits of Menifee. Comment Period: 4/26/2016 - 5/24/2016 Public Hearing: N/A	Notice of Intent to Adopt a Draft Mitigated Negative Declaration	City of Menifee	Under review, may submit written comments
<i>Transportation</i> SBC160426-08 Interstate 10 Corridor Project	The proposed project consists of constructing freeway lanes and other improvements through all or a portion of the 33-mile long segment of the I-10 from the Los Angeles/San Bernardino County line to Ford Street in San Bernardino County. Comment Period: 4/25/2016 - 6/8/2016 Public Hearing: N/A	Draft Environmental Impact Report	California Department of Transportation	Preparing written comments
<i>Institutional (schools, government, etc.)</i> LAC160401-04 Richardson Middle School Gymnasium Project	The proposed project consists of the construction and operation of a new 8,260-square-foot gymnasium. Comment Period: 4/1/2016 - 5/2/2016 Public Hearing: 5/16/2016	Notice of Availability of a Draft Mitigated Negative Declaration	Torrance Unified School District	Document reviewed - No comments
<i>Institutional (schools, government, etc.)</i> LAC160414-03 ENV-2015-2290/ 1915, 1921, 1925, 1929 W. Pico Blvd., 1238 Westlake Avenue; Westlake	The proposed project consists of converting an existing vacant warehouse into a public charter high school. The project proposes to maintain the existing, two-story, approximately 29-foot tall building and construct 22 new classrooms, a multi-purpose/lunch area, teacher's lounge, and administration offices. The project will have a total gross building floor area of 34,214 square feet with a maximum enrollment of 480 students, grades 9-12, on a 31,625-square-foot site. Comment Period: 4/14/2016 - 5/4/2016 Public Hearing: N/A	Notice of Availability of a Draft Mitigated Negative Declaration	City of Los Angeles	Document reviewed - No comments
<i>Institutional (schools, government, etc.)</i> LAC160415-03 Fireboat Station Number 20 Project	The proposed project consists of relocating the fireboat station to the proposed permanent location at Berths D-51 and D-52. Landside improvements include construction of a 9,416-square-foot two-story building. Waterside improvements include demolition of the existing 7,060-square-foot relieving platform and removal of existing landside wooden support piles. The project would include construction of an approximately 18,700-square-foot boat bay with an approximately 13,860-square-foot covered roof enclosure. Comment Period: 4/15/2016 - 5/16/2016 Public Hearing: 5/4/2016	Draft Mitigated Negative Declaration	Port of Long Beach	Document reviewed - No comments

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Retail LAC160407-04 ENV-2015-3167/ 1400, 1414 Cahuenga, 6407, 6414 DeLongpre Ave, 1403, 1405, 1408, 1413 Ivar Ave; Hollywood	The proposed project consists of removal of all existing buildings and the development of an approximately 175-room hotel. The project includes approximately 5,043 square feet of restaurant space, and 600 square feet of retail space in a seven-story above-grade building, with two levels of subterranean parking. Comment Period: 4/4/2016 - 4/27/2016 Public Hearing: N/A	Notice of Availability of a Draft Mitigated Negative Declaration	City of Los Angeles	Document reviewed - No comments
Retail LAC160421-08 Arts Club	The proposed project consists of the development of the Arts club, an approximately 132,000-square-foot, nine-story building that would house a private membership club with retail spaces and an art gallery, creative office space and club amenities. The project is located at the southeastern corner of West Sunset Boulevard and North Hilldale Avenue. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2016/april/NOPartsclub.pdf Comment Period: 4/21/2016 - 5/31/2016 Public Hearing: N/A	Notice of Preparation	City of West Hollywood	SCAQMD staff commented on 4/28/2016
Retail LAC160428-01 ENV-2016-563/830 S. Olive Street, Central City	The proposed project consists of a 5,340-square-foot restaurant/brewery including an 851-square-foot ancillary brewery and a 172-square-foot patio in the public right-of-way. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2016/may/MND2016563.pdf Comment Period: 4/28/2016 - 5/18/2016 Public Hearing: N/A	Notice of Availability of a Draft Mitigated Negative Declaration	City of Los Angeles	SCAQMD staff commented on 5/13/2016
Retail LAC160429-04 Arts Club	The proposed project consists of the development of the Arts club, an approximately 132,000 square-foot, nine-story building that would house a private membership club with retail spaces and an art gallery, creative office space and club amenities. The project is located at the southeastern corner of West Sunset Boulevard and North Hilldale Avenue. Reference LAC160421-08 http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2016/may/NOPrevisedartsclub.pdf Comment Period: 4/28/2016 - 5/31/2016 Public Hearing: 5/11/2016	Revised Notice to Prepare an Environmental Impact Statement	City of West Hollywood	SCAQMD staff commented on 5/3/2016

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General Land Use (residential, etc.) LAC160401-07 Academy Square	The proposed project consists of the demolition of the existing buildings and construction of an approximately 498,599-square-foot mixed-use project containing offices, residences, retail/restaurant space, a grocery store and possible hotel rooms, with associated parking. The project is located at 1335-1357 N. Vine Street; 1338-1352 N. Ivar Avenue; 6331-6355 Homewood Avenue; and 6314-6372 De Longpre Avenue. Reference LAC141106-10 Comment Period: 3/31/2016 - 5/16/2016 Public Hearing: N/A	Draft Environmental Impact Report	City of Los Angeles	Document reviewed - No comments
General Land Use (residential, etc.) LAC160401-09 ENV-2012-3063-EIR	The proposed project consists of a mixed-use project consisting of 516 residential units, a 50,000-square-foot grocery store, 40,000 square feet of general retail uses, 9,000 square feet of restaurant uses, 200,000 square feet of creative office floor area, and subterranean parking with a total of 1,548 spaces for the project. The existing buildings will be removed and replaced with two buildings. The project is located at 12101 W. Olympic Boulevard. Reference: LAC160202-04 Comment Period: N/A Public Hearing: 4/28/2016	Notice of a Public Hearing	City of Los Angeles	Document reviewed - No comments
General Land Use (residential, etc.) LAC160405-02 First Street Village	The proposed project consists of the development of three five-story buildings, to provide a combined total of 261 apartments; up to 21,265 square feet of retail/commercial space on the ground floor; and a total of 673 parking spaces in three subterranean garages. The project would require the demolition of an existing commercial building on-site. The project is located at First Street and Magnolia Boulevard. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2016/april/MNDfirststreet.pdf Comment Period: 4/4/2016 - 5/4/2016 Public Hearing: N/A	Draft Mitigated Negative Declaration	City of Burbank	SCAQMD staff commented on 4/22/2016
General Land Use (residential, etc.) LAC160407-01 ENV-2014-2580/ 4503-4561 W. Hollywood Blvd; 1513-1559 N Hill Hurst Ave; 4510-4514 W. Clayton Ave; 1562-1566 N. Lyman Pl; Hollywood	The proposed project consists of the demolition of the existing surface parking lot, former auto dealership and retail auto parts store on a 2.29-acre site; and construction of an approximately 215,091-square-foot mixed-use residential building containing 202 apartment units and approximately 14,725 square feet of ground-floor commercial space, including a 5,050-square-foot restaurant. Comment Period: 4/4/2016 - 4/27/2016 Public Hearing: N/A	Notice of Availability of a Draft Mitigated Negative Declaration	City of Los Angeles	Document reviewed - No comments

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General Land Use (residential, etc.) LAC160407-03 ENV-2015-2878/ 11724 W. Culver Blvd; Palms-Mar Vista-Del Rey	The proposed project consists of demolition of an existing sign shop and open vehicle storage structure and the construction of 12-unit detached condominiums on a 22,587-square-foot lot. <p style="text-align: center;">Comment Period: 4/4/2016 - 4/27/2016 Public Hearing: N/A</p>	Notice of Availability of a Draft Mitigated Negative Declaration	City of Los Angeles	Document reviewed - No comments
General Land Use (residential, etc.) LAC160407-05 ENV-2015-2636/ 11549 W. Rochester Ave, 1330 Federal Ave; West Los Angeles	The proposed project consists of demolition of two apartment buildings and the construction, use and maintenance of one condominium building with 36 units. <p style="text-align: center;">Comment Period: 4/4/2016 - 4/27/2016 Public Hearing: N/A</p>	Notice of Availability of a Draft Mitigated Negative Declaration	City of Los Angeles	Document reviewed - No comments
General Land Use (residential, etc.) LAC160407-06 ENV-2016-121/ 5137-5149 1/2 N. Colfax Ave; North Hollywood-Valley Village	The proposed project consists of demolition of an existing office building, restaurant, and three residential structures and the subdivision of two lots into 12 lots for the new construction, use and maintenance of 12 single-family homes. <p style="text-align: center;">Comment Period: 4/4/2016 - 4/27/2016 Public Hearing: N/A</p>	Notice of Availability of a Draft Mitigated Negative Declaration	City of Los Angeles	Document reviewed - No comments
General Land Use (residential, etc.) LAC160413-10 Belmont Pool Revitalization Project	The proposed project consists of replacing the Belmont pool facility with an approximately 125,500-square-foot pool complex that includes indoor and outdoor pool components and an approximately 1,500-square-foot café. The project is located at 4000 E. Olympic Plaza. Reference LAC130423-06 and LAC140409-03 <p style="text-align: center;">Comment Period: 4/13/2016 - 6/6/2016 Public Hearing: N/A</p>	Notice of Availability of a Draft Environmental Impact Report	City of Long Beach	Under review, may submit written comments

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<i>General Land Use (residential, etc.)</i> LAC160414-01 ENV-2014-4607/ 11837 & 11841 W. Mayfield Ave; Brentwood-Pacific Palisades	The proposed project consists of demolishing two, two-story residential structures containing a total of 17 dwelling units. The project includes the construction of a five-story, 26-unit residential structure. Two units are restricted for Very Low Income households. The proposed project requires the export of 6,000 cubic yards of dirt. Reference LAC150423-08 Comment Period: 4/14/2016 - 5/4/2016 Public Hearing: N/A	Notice of Availability of a Draft Mitigated Negative Declaration	City of Los Angeles	Document reviewed - No comments
<i>General Land Use (residential, etc.)</i> LAC160414-02 ENV-2015-4124/ 11106-11118 W. Hartsook St; North Hollywood-Valley Village	The proposed project consist of the construction, use, and maintenance of a five-story, 56-foot high apartment building containing 61 residential units. The project will involve the export of approximately 9,818 cubic yards of soil to accommodate one and one-half subterranean levels of parking. The existing seven residential units, a single-family house and three duplexes, contained within four structures will be demolished. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2016/april/MND2015-4124.pdf Comment Period: 4/14/2016 - 5/4/2016 Public Hearing: N/A	Notice of Availability of a Draft Mitigated Negative Declaration	City of Los Angeles	SCAQMD staff commented on 4/30/2016
<i>General Land Use (residential, etc.)</i> LAC160414-04 ENV-2015-4523/ 11612 W. Culver Blvd; Palms-Mar Vista-Del Rey	The proposed project consists of the construction of a five-story mixed-use building consisting of 47 residential units and 1,700 square feet of commercial space with a total of 62 parking spaces and 66 bicycle stalls on a 12,740-square-foot site. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2016/april/mnd2015-4523.pdf Comment Period: 4/14/2016 - 5/4/2016 Public Hearing: N/A	Notice of Availability of a Draft Mitigated Negative Declaration	City of Los Angeles	SCAQMD staff commented on 4/30/2016
<i>General Land Use (residential, etc.)</i> LAC160414-05 ENV-2016-849 / 3501-3515 S. Central Avenue; 1036-1060 E. 35th Street and 1037-1047 E. Martin Luther King Jr Blvd; Southeast Los Angeles	The proposed project consists of the demolition of two existing residential buildings consisting of a total of 11 dwelling units, and the construction, use, and maintenance of a four-story, approximately 127,620-square-foot mixed-use development with 74 dwelling units and approximately 5,000 square feet of commercial/retail floor area. Comment Period: 4/14/2016 - 5/4/2016 Public Hearing: N/A	Notice of Availability of a Draft Mitigated Negative Declaration	City of Los Angeles	Document reviewed - No comments

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General Land Use (residential, etc.) LAC160420-04 9900 Wilshire Boulevard (One Beverly Hills) Project	The proposed project consists of development of 901,514 square feet of floor area, up to 193 condominiums and up to a 134-room luxury hotel. Reference LAC160419-01 and LAC151201-09 http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2016/may/DEIR9900wilshire.pdf Comment Period: 4/15/2016 - 5/31/2016 Public Hearing: 5/12/2016	Notice of Availability of Draft Supplemental Environmental Impact Report	City of Beverly Hills	SCAQMD staff commented on 5/11/2016
General Land Use (residential, etc.) LAC160421-02 ENV-2014-4918/10534 W. Santa Monica Boulevard	The proposed project consists of the demolition of an approximate 5,311-square-foot, two-story residential building, and the construction of an approximately 28,694-square-foot, five-story residential building and three levels of subterranean parking. The proposed project requires approval of a haul route to permit the export of 10,667 cubic yards of soil. Comment Period: 4/21/2016 - 5/11/2016 Public Hearing: N/A	Notice of Availability of a Draft Mitigated Negative Declaration	City of Los Angeles	Document reviewed - No comments
General Land Use (residential, etc.) LAC160421-04 ENV-2015-3498/11009-11019 Otsega Street and 11002-11014 1/2 W. Hartsook Street	The proposed project consists of a new 144 unit apartment building on a 52,182-square-foot site. The proposed project includes 50,000 cubic yards of grading for two subterranean parking levels. Comment Period: 4/21/2016 - 5/11/2016 Public Hearing: N/A	Notice of Availability of a Draft Mitigated Negative Declaration	City of Los Angeles	Document reviewed - No comments
General Land Use (residential, etc.) LAC160426-05 Seaboard Road Extension, New Single-family Residence Construction and Lot Line Reconfiguration Project	The proposed project consists of a lot line adjustment to reconfigure the property lines of four existing legal lots. The project proposes to build a 10,517-square-foot, single-family residence on Lot A. The project is located at Seaboard Road near Rockpoint Way. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2016/may/NOPseaboard.pdf Comment Period: 4/21/2016 - 5/20/2016 Public Hearing: N/A	Notice of Preparation	City of Malibu	SCAQMD staff commented on 5/6/2016

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<u>SCAQMD LOG-IN NUMBER</u> PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<i>General Land Use (residential, etc.)</i> LAC160428-02 ENV-2016-457/526, 536 S. Barrington Avenue; 11600 W. Dunstan Way, Pacific Palisades	The proposed project consists of the demolition of three multi-family structures totaling 87,404 square feet and the construction of a new 54-unit, four-story, multi-family structure. The project will require the approval of a haul route to permit the export of 33,210 cubic yards of dirt. Comment Period: 4/28/2016 - 5/31/2016 Public Hearing: N/A	Notice of Availability of a Draft Mitigated Negative Declaration	City of Los Angeles	Document reviewed - No comments
<i>General Land Use (residential, etc.)</i> LAC160428-03 ENV-2016-249/13200 W. Mindanao Way, Palms-Mar Vista-Del Rey	The proposed project consists of the construction, use and maintenance of a 308-car surface parking lot, including a six-foot tall fence along three sides of the parking lot and a nine-foot-three-inch tall wall on one side. The project includes the removal of 95 non-protected trees. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2016/may/MND2016249.pdf Comment Period: 4/28/2016 - 5/18/2016 Public Hearing: N/A	Notice of Availability of a Draft Mitigated Negative Declaration	City of Los Angeles	SCAQMD staff commented on 5/13/2016
<i>General Land Use (residential, etc.)</i> LAC160428-04 ENV-2015-4312/1492 N. Blue Jay Way, Hollywood	The proposed project consists of the demolition of a 2,413-square-foot, single-family dwelling and the construction of a 12,230-square-foot single family dwelling with a total area of 10,553 square feet. The proposed project requires an approval of a haul route to permit the import/export of 6,600 cubic yards of soil. Comment Period: 4/28/2016 - 5/18/2016 Public Hearing: N/A	Notice of Availability of a Draft Mitigated Negative Declaration	City of Los Angeles	Document reviewed - No comments
<i>General Land Use (residential, etc.)</i> LAC160428-05 ENV-2015-580/1806 N. Gramercy Pl, Hollywood	The proposed project consists of the construction, use, and maintenance of a four-story multi-family residential building on an approximately 10,400-square-foot site. The project proposes 12 dwelling units and one unit restricted for Very Low Income households. Comment Period: 4/28/2016 - 5/18/2016 Public Hearing: N/A	Notice of Availability of a Draft Mitigated Negative Declaration	City of Los Angeles	Document reviewed - No comments
<i>General Land Use (residential, etc.)</i> LAC160428-06 ENV-2013-2594/1143 1/2 S. Glenville Dr., West Los Angeles	The proposed project consists of the demolition of an existing two-story, four-unit apartment building and construction of a five-story, 13-unit apartment building over a subterranean garage. The project will export approximately 2,300 cubic yards of soil. Comment Period: 4/28/2016 - 5/18/2016 Public Hearing: N/A	Notice of Availability of a Draft Mitigated Negative Declaration	City of Los Angeles	SCAQMD staff commented on

- Project has potential environmental justice concerns due to the nature and/or location of the project.

Documents received by the CEQA Intergovernmental Review program but not requiring review are not included in this report.

**ATTACHMENT A
INCOMING CEQA DOCUMENTS LOG
APRIL 1, 2016 TO APRIL 30, 2016**

<u>SCAQMD LOG-IN NUMBER</u> PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
General Land Use (residential, etc.) LAC160429-03 Landmark Apartments Project	The proposed project consists of constructing a 34-story residential building containing up to 376 multi-family dwelling units and a single-story, approximately 4,700-square-foot, community-serving commercial building on a 2.8 acre site. Reference LAC140307-04 Comment Period: 4/28/2016 - 6/13/2016 Public Hearing: 6/13/2016	Notice of Availability of a Draft Environmental Impact Report	City of Los Angeles	Document reviewed - No comments
General Land Use (residential, etc.) ORC160429-01 Santa Ana Civic Center Building 16 Demolition; File Number IP 16-097	The proposed project consists of the demolition of an inefficient and outdated building space and the presence of asbestos-containing materials and lead-based paint contamination. The project involves the excavation of the building's basement. After the demolition and excavation the area may be developed as part of Civic Center Master Plan or be brought up to grade level with engineered fill. Comment Period: 4/25/2016 - 5/25/2016 Public Hearing: 6/28/2016	Notice of Availability of a Draft Mitigated Negative Declaration	Orange County Public Works	Document reviewed - No comments
General Land Use (residential, etc.) ORC160429-06 Cielo Vista Project	The proposed project consists of developing a maximum of 112 single-family homes and associated infrastructure within two Planning Areas on 47.6 acres of the 84-acre project site located north of Via Del Agua and east of San Antonio Road. Reference ORC131108-05, ORC151006-10 and ORC151120-03 Comment Period: N/A Public Hearing: 5/10/2016	Final Environmental Impact Report	County of Orange	Document reviewed - No comments
General Land Use (residential, etc.) RVC160406-07 Emerald Ridge Residential Project	The proposed project consists of two development applications. MA15072 consists of 121 townhomes and 97 single-family lots on approximately 24.9 acres. MA15148 consists of 187 single-family lots on approximately 43.5 acres. In total, the project would involve 402 dwelling units on approximately 68.4 acres along the north and south sides of Canal Street. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2016/april/NOPEmerald.pdf Comment Period: 4/4/2016 - 5/4/2016 Public Hearing: N/A	Notice of Preparation	City of Jurupa Valley	SCAQMD staff commented on 4/13/2016
General Land Use (residential, etc.) RVC160406-08 PP16-002, CUP16-002	The proposed project consists of a Precise Plan application for a 37,500-square-foot, nine-building commercial plaza on approximately 7.31 acres and a 276-unit apartment project that includes eight four-story buildings, 27 two- and three-story buildings on approximately 13.3 acres. The project is located on the corner of Dos Lagos Drive and Temescal Canyon Road. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2016/april/PCpp16002.pdf Comment Period: 4/7/2016 - 4/14/2016 Public Hearing: N/A	Initial Project Consultation	City of Corona	SCAQMD staff commented on 4/14/2016

- Project has potential environmental justice concerns due to the nature and/or location of the project.

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General Land Use (residential, etc.) RVC160407-10 Calvary Chapel Bible Fellowship (Plot Plan No. 24883 & Change of Zone No. 07782)	The proposed project consists of the construction of a 2,480-square-foot special occasions facility and restroom building, a 68,389-square-foot open air wedding ceremony assembly area, a 768 square-foot residence (Phase I), a 31,496 square-foot church building comprised of classrooms, offices, assembly areas, and porches (Phase II), and a 49,379 square-foot church building for the sanctuary, offices, restrooms, and porches (Phase III). The project is located on the east side of Calle Contento, southwesterly of Newton Avenue. Comment Period: 4/11/2016 - 5/20/2016 Public Hearing: N/A	Draft Environmental Impact Report	Riverside County Planning	Document reviewed - No comments
General Land Use (residential, etc.) RVC160420-05 Adobe Springs	The proposed project consists of reconfiguring and changing existing residential and business park land use designations and dedication for approximately 64 acres as permanent open space on a 122 acre site that is located west of Winchester Road (Highway 79) and north of Via Mira Mosa. Reference RVC150527-01 Comment Period: 4/18/2016 - 6/2/2016 Public Hearing: N/A	Draft Environmental Impact Report	City of Murrieta	Document reviewed - No comments
General Land Use (residential, etc.) RVC160421-07 Bundy Canyon Apartment Project	The proposed project consists of the development of a 140-unit apartment project on 28.8 acres. The project is located on the south side of Bundy Canyon Road. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2016/april/NOPbundy.pdf Comment Period: 4/21/2016 - 5/20/2016 Public Hearing: 5/9/2016	Notice of Preparation	City of Wildomar	SCAQMD staff commented on 4/28/2016
General Land Use (residential, etc.) SBC160426-06 Las Terrazas Mixed-Use Affordable Apartments and Childcare Project - P201500538/PDP	The proposed project consists of a lot merger to combine three parcels into one 5.92-acre parcel and a Planned Development Permit to construct a 112-unit affordable housing project with community and childcare buildings. The project is located at Valley Boulevard and Cypress Avenue. Reference SBC160211-08 and SBC160322-05 Comment Period: N/A Public Hearing: 5/5/2016	Notice of a Public Hearing and Response to Comments	County of San Bernardino	Document reviewed - No comments
Plans and Regulations LAC160405-03 Walt Disney Studios Master Plan Project	The proposed project consists of an extension of time for the existing Development Agreement by 18 years. The project would complete implementation of the Master Plan and construct the already entitled and remaining 681,632 office equivalent gross square feet on the Project site. The project is located at 500 South Buena Vista Street. Comment Period: 4/6/2016 - 5/19/2016 Public Hearing: 5/19/2016	Draft Supplemental Environmental Impact Report	City of Burbank	Document reviewed - No comments

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<u>SCAQMD LOG-IN NUMBER</u> PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<p><i>Plans and Regulations</i></p> <p>LAC160407-12 Olive View-UCLA Medical Center Campus Master Plan</p>	<p>The proposed project consists of a Master Plan for the future development of the campus and the delivery of health care services and health related community programs. The project is located at 14445 Olive View Drive in the Sylmar community.</p> <p>http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2016/april/MNDucla.pdf</p> <p style="text-align: center;">Comment Period: 4/7/2016 - 5/2/2016 Public Hearing: 4/14/2016</p>	Notice of Preparation	County of Los Angeles	SCAQMD staff commented on 4/14/2016
<p><i>Plans and Regulations</i></p> <p>LAC160414-06 Downtown Inglewood and Fairview Heights Transit Oriented Development Plan</p>	<p>The proposed project would amend the Inglewood General Plan to recognize the enhanced accessibility that the completion of the Metro Crenshaw/LAX light rail line will bring, and to capture resulting land use and economic development opportunities. The proposed project will also modify existing zoning to provide form-based development regulations aimed at maximizing use of transit, bicycling, and walking within Downtown Inglewood and Fairview Heights.</p> <p>http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2016/april/NOPinglewoodfairview.pdf</p> <p style="text-align: center;">Comment Period: 4/5/2016 - 5/4/2016 Public Hearing: N/A</p>	Draft Environmental Impact Report	City of Inglewood	SCAQMD staff commented on 4/28/2016
<p><i>Plans and Regulations</i></p> <p>LAC160414-08 Paramount Pictures Master Plan Project; City Case No. ENV-2011-2460-EIR</p>	<p>The proposed project consists of improvements to the Paramount Studios and implementation actions that include a Specific Plan. The project site comprises the main studio property of approximately 56 acres and six surrounding properties of approximately six acres. The project proposes the removal of approximately 536,600 square feet of existing stage, production office, support, office, and retail uses, this would result in a net increase of approximately 1,385,700 square feet of floor area with the project site upon completion.</p> <p>Reference LAC150910-01</p> <p style="text-align: center;">Comment Period: N/A Public Hearing: 5/16/2016</p>	Final Environmental Impact Report	City of Los Angeles	Document reviewed - No comments
<p><i>Plans and Regulations</i></p> <p>LAC160419-06 The Park at Ladyface Mountain Senior Apartment Project</p>	<p>The proposed project consists of the construction of a 71,206-square-foot apartment complex with 46 housing units for senior citizens on an undeveloped 7.1-acre parcel located in the Ladyface Mountain Specific Plan area. The project is located on the south side of Agoura Road, approximately 2,700 feet west of Reyes Adobe Road.</p> <p>Reference LAC160413-04 and LAC121011-02</p> <p>http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2016/may/MNDladyface.pdf</p> <p style="text-align: center;">Comment Period: 4/14/2016 - 5/16/2016 Public Hearing: N/A</p>	Revised Notice of Intent to Adopt a Mitigated Negative Declaration	City of Agoura Hills	SCAQMD staff commented on 5/6/2016

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SCAQMD LOG-IN NUMBER PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
Plans and Regulations LAC160429-02 ENV-2015-4365-EIR/Fox Studios Master Plan	The proposed project consists of the Fox Studios Master Plan which has been designed to accommodate Fox's forecasted increase in on-site employment. Twentieth Century Fox Film is proposing to amend the Century City South Specific Plan to permit the development of up to 1,099,300 square feet of net new development. As part of the proposed project, approximately 353,400 square feet of existing floor area would be removed and replaced. The proposed project is guided by the Fox Studios Historic Preservation Plan. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2016/may/NOPfoxstudios.pdf Comment Period: 4/28/2016 - 5/27/2106 Public Hearing: 5/11/2016	Notice of Preparation of Environmental Impact Report	City of Los Angeles	SCAQMD staff commented on 5/3/2016
Plans and Regulations ORC160407-09 Cypress College Facilities Master Plan	The proposed project consists of the construction of a new Science Engineering and Math building, construction of a new Veterans Center, expansion of the Learning Resource Center building, renovation of the Fine Arts buildings, renovation of the Humanities Building lecture halls, construction of a new restroom building and renovation of Gymnasium 1 and 2, renovation of the Aquatic Center, construction of a new surface parking lot, installation of a new perimeter fencing, construction of a new cination enclosure, and the construction of a new modular Baseball Club House with restrooms. The project is bounded by Lincoln Avenue to the north and Holder Street to the east. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2016/april/NOPcypresscollege.pdf Comment Period: 4/7/2016 - 5/7/2016 Public Hearing: 4/27/2016	Notice of Preparation	North Orange County Community College	SCAQMD staff commented on 4/26/2016
Plans and Regulations ORC160408-02 AGORA Arts District Downtown Project	The proposed project consists of creating a downtown environment that features specialty retail, restaurants, community-oriented event space, integrated residential homes, and extensive walkable open space plazas and square. The proposed mixed-use project would allow development of approximately 279,500 square feet of commercial uses and up to 200 multifamily residential units. The project is bounded by Pacific Island Drive to the north and Alicia Parkway to the east. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2016/april/NOPagora.pdf Comment Period: 4/8/2016 - 5/9/2016 Public Hearing: N/A	Notice of Preparation	City of Laguna Niguel	SCAQMD staff commented on 4/14/2016
Plans and Regulations ORC160415-05 2015-2035 General Plan	The proposed project consists of the adoption of updated Land Use, Circulation, Growth Management, Conservation, Noise, Safety, Historic & Cultural Resources, Community Design, and Open Space and Recreation Elements of the City of Costa Mesa General Plan. Reference ORC160311-06 Comment Period: N/A Public Hearing: 4/25/2016	Notice of a Public Hearing	City of Costa Mesa	Document reviewed - No comments

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ATTACHMENT B*
ONGOING ACTIVE PROJECTS FOR WHICH SCAQMD HAS
OR IS CONTINUING TO CONDUCT A CEQA REVIEW

<u>SCAQMD LOG-IN NUMBER</u> PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
Warehouse & Distribution Centers SBC160223-01 Kimball Business Park	The proposed project consists of the construction and operation of approximately 1,203,050 square feet of warehouse and light industrial/business park uses on approximately 70-acres. The project is located at Kimball Avenue and Hellman Avenue. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2016/april/DEIRkimball.pdf Comment Period: 2/23/2016 - 4/7/2016 Public Hearing: N/A	Draft Environmental Impact Report	City of Chino	SCAQMD staff commented on 4/7/2016
Warehouse & Distribution Centers SBC160325-02 Western Realco Bloomington Facility	The proposed project consists of the construction of a single 676,986-square-foot distribution building within an approximately 34.54-acre property, with associated facilities and improvements such as a guard booth, parking, bicycle racks, landscaping and detention basins. The project is located on Cedar Avenue and Jurupa Avenue. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2016/april/NOPwesternrealco.pdf Comment Period: 3/24/2016 - 4/22/2016 Public Hearing: 4/13/2016	Notice of Preparation	San Bernardino County	SCAQMD staff commented on 4/13/2016
Waste and Water-related LAC160318-06 Redmont Pump Station and Tank Project	The proposed project involves the replacement of LADWP's aging water storage and pump facilities that have had maintenance and operational issues. The proposed project will be located at the existing Redmont Pump Station and Reservoir site, at the intersection of North Tujunga Canyon Boulevard and Summitrose Street. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2016/april/NOPredmont.pdf Comment Period: 3/16/2016 - 4/16/2016 Public Hearing: N/A	Notice of Preparation	Los Angeles Department of Water and Power	SCAQMD staff commented on 4/15/2016
Transportation LAC160302-03 Proposed Roadway Improvements Beneath the SR-91 Overpass and Along the West Side of Bellflower Boulevard	The proposed project consists of improvements that will widen the right-of-way of Bellflower Boulevard to the west, create a new right-turn lane in the southerly direction, and provide other sidewalk and traffic signal improvements. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2016/april/MNDsr91overpass.pdf Comment Period: 3/3/2016 - 4/4/2016 Public Hearing: N/A	Draft Mitigated Negative Declaration	City of Bellflower	SCAQMD staff commented on 4/1/2016
Institutional (schools, government, etc.) LAC160331-01 ENV-2015-1437/ENV-2015-1437APP 11627 1/2 W. Magnolia Blvd; North Hollywood-Valley Village	The proposed project consists of a phased expansion of the Oakwood Secondary School that would occur over an estimated 20-year timeframe. The project would remove existing structures on the additional properties, including single-family residences and a building previously used as a church for the construction of new school facilities. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2016/april/MNDoakwood.pdf Comment Period: 3/31/2016 - 4/20/2016 Public Hearing: N/A	Notice of Availability of a Draft Mitigated Negative Declaration	City of Los Angeles	SCAQMD staff commented on 4/19/2016

**Sorted by Comment Status, followed by Land Use, then County, then date received.*
- Project has potential environmental justice concerns due to the nature and/or location of the project.

ATTACHMENT B
ONGOING ACTIVE PROJECTS FOR WHICH SCAQMD HAS
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<u>SCAQMD LOG-IN NUMBER</u> PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<i>Institutional (schools, government, etc.)</i> ORC160329-02 Corona del Mar High School Sports Field Project	The proposed project consists of the replacement and reconfiguration of the existing natural-turf field and synthetic track with synthetic-turf field and track and construction of new 1,000-seat capacity bleachers, press box, public address system, and nighttime lighting with six 80-foot poles. The project is located at 2101 Eastbluff Drive in Newport Beach. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2016/april/NOPcoronahs.pdf Comment Period: 3/25/2016 - 5/23/2016 Public Hearing: 3/28/2016	Notice of Preparation	Newport-Mesa Unified School District	SCAQMD staff commented on 4/17/2016
<i>Retail</i> LAC160331-06 ENV-2015-3879/ 8258-8286 N. Sunland Blvd; Sun Valley - La Tuna Canyon	The proposed project consists of the demolition of a one-story, approximately 6,275-square-foot restaurant building and the construction of a new 2,200-square-foot Starbucks coffee shop building. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2016/april/MNDsunland.pdf Comment Period: 3/31/2016 - 4/20/2016 Public Hearing: N/A	Notice of Availability of a Draft Mitigated Negative Declaration	City of Los Angeles	SCAQMD staff commented on 4/14/2016
<i>Retail</i> RVC160311-05 MA15160 Jurupa Valley Market Place Project	The proposed project consists of the construction of a 212,500-square-foot commercial shopping center on approximately 0.20 acres of land. The project is located at 10008 Limonite Avenue. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2016/april/PCjurupa.pdf Comment Period: 3/11/2016 - 4/8/2016 Public Hearing: N/A	Initial Project Consultation	City of Jurupa Valley	SCAQMD staff commented on 4/8/2016
<i>General Land Use (residential, etc.)</i> LAC160311-07 ENV-2015-3033-EIR (Sapphire Project)	The proposed project consists of demolition of the existing structures on-site, which includes a three-level parking structure, one four-story and one five-story commercial office and medical office building, for the development of a residential and commercial mixed-use project. The project will have a total of 369 residential apartment units and approximately 22,000 square feet of ground floor commercial space. The project is located at the corner of Sixth Street and Lucas Avenue. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2016/april/NOPsapphire.pdf Comment Period: 3/11/2016 - 4/11/2016 Public Hearing: N/A	Notice of Preparation	City of Los Angeles	SCAQMD staff commented on 4/8/2016

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SCAQMD LOG-IN NUMBER PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
General Land Use (residential, etc.) LAC160318-04 Los Valles Project No. 98-034-(5)	The Recirculated DEIR corrects the review period listed in Chapter 1. The proposed project consists of a single-family residential development of 497 dwelling units on a 430.4 acre site. The project is located in the Castaic community of unincorporated Los Angeles County, north of Hasley Canyon Road near its intersection with Del Valle Road. Reference LAC160309-04 http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2016/april/DEIRlosvalles.pdf Comment Period: 3/15/2016 - 4/29/2016 Public Hearing: 4/14/2016	Recirculated Draft Environmental Impact Report	City of Los Angeles	SCAQMD staff commented on 4/28/2016
General Land Use (residential, etc.) LAC160323-01 ENV-2015-4495/1010 E. Jefferson Blvd., Southeast Los Angeles	The proposed project consists of the preservation and reuse of the historic Angelus Funeral Home and includes the addition of four new stories to the existing two-story funeral home, and the construction of three new four-story residential buildings consisting of 41,660 square feet of floor area on a 30,100 square-foot project site. The project is proposing to export approximately 50,000 cubic yards of dirt. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2016/april/MND20154495.pdf Comment Period: 3/24/2016 - 4/13/2016 Public Hearing: N/A	Notice of Availability of a Draft Mitigated Negative Declaration	City of Los Angeles	SCAQMD staff commented on 4/5/2016
General Land Use (residential, etc.) LAC160323-02 ENV-2015-1276/5842 W. Carlton Way, Hollywood	The proposed project consists of the construction, use, and maintenance of a new five-story, 21-unit residential condominium building and two-levels of subterranean parking with 31 parking spaces on a 17,924 square-foot site. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2016/april/MNDenv20151276.pdf Comment Period: 3/24/2016 - 4/25/2016 Public Hearing: N/A	Notice of Availability of a Draft Mitigated Negative Declaration	City of Los Angeles	SCAQMD staff commented on 4/5/2016
General Land Use (residential, etc.) LAC160331-03 ENV-2015-4689/ 4725 N. Radford Ave; North Hollywood-Valley Village	The proposed project consists of the construction, use, and maintenance of a four-story residential building containing 21 apartment units, comprised of approximately 27,929 square feet of floor area on a 12,000-square-foot site. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2016/april/MNDradford.pdf Comment Period: 3/31/2016 - 4/20/2016 Public Hearing: N/A	Notice of Availability of a Draft Mitigated Negative Declaration	City of Los Angeles	SCAQMD staff commented on 4/20/2016
General Land Use (residential, etc.) LAC160331-04 ENV-2015-2229/ 15530 W. San Fernando Mission Blvd; Mission Hills- Panorama City-North Hills	The proposed project consists of the construction, use and maintenance of a four-story, approximately 82,700-square-foot Eldercare Facility with 119-rooms and 65 subterranean parking spaces. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2016/april/MND20150490SF.pdf Comment Period: 3/31/2016 - 4/20/2016 Public Hearing: N/A	Notice of Availability of a Draft Mitigated Negative Declaration	City of Los Angeles	SCAQMD staff commented on 4/12/2016

- Project has potential environmental justice concerns due to the nature and/or location of the project.

**ATTACHMENT B
ONGOING ACTIVE PROJECTS FOR WHICH SCAQMD HAS
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SCAQMD LOG-IN NUMBER PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<p><i>General Land Use (residential, etc.)</i></p> <p>SBC160325-06 Tentative Tract SUBTT19968, Design Review DRC2015-00589 and Certificate of Appropriateness DRC2016-00180</p>	<p>The proposed project consists of the subdivision of five acres into 11 single-family home lots and the design review for the development of 10 homes. The project is located at East Avenue and Fisher Drive directly south of the 210 Freeway.</p> <p>http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2016/april/MNDsubtt19968.pdf Comment Period: 3/24/2016 - 4/27/2016 Public Hearing: N/A</p>	Draft Mitigated Negative Declaration	City of Rancho Cucamonga	SCAQMD staff commented on 4/27/2016
<p><i>General Land Use (residential, etc.)</i></p> <p>SBC160329-01 Rancho Palma Project</p>	<p>The proposed Specific Plan will allow the future development of up to 120 single-family residential dwelling units and up to 98,000 square feet of commercial uses. The project is located north of West Little League Drive and west of Palm Avenue in the Verdemon Heights area.</p> <p>http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2016/april/NOPranchopalma.pdf Comment Period: 3/29/2016 - 4/28/2016 Public Hearing: 4/5/2016</p>	Notice of Preparation	City of San Bernardino	SCAQMD staff commented on 4/13/2016
<p><i>Plans and Regulations</i></p> <p>LAC160322-01 Los Angeles County Waterworks District No. 29 Water System Master Plan</p>	<p>The proposed project consists of a Water System Master Plan (Plan) to meet the water infrastructure needs of the District through the year 2035. The Plan identifies system facilities needed to overcome existing deficiencies and to meet anticipated system requirements through the target planning year. Reference LAC141128-14</p> <p>http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2016/april/DEIRlacounty.pdf Comment Period: 3/21/2016 - 5/4/2016 Public Hearing: 5/4/2016</p>	Draft Program Environmental Impact Report	County of Los Angeles	SCAQMD staff commented on 4/29/2016
<p><i>Plans and Regulations</i></p> <p>ORC160311-03 Doheny Village Plan</p>	<p>The proposed project consists of a General Plan Amendment, Zone Code Amendment, and Local Coastal Program Amendment to implement the proposed Doheny Village Plan. The project is proposing 736 residential units and 381,650 retail and commercial space. The project is approximately 80 acres and is bounded by the border of San Juan Capistrano and Interstate 5 on the north, and on the east by the I-5 off-ramp to Pacific Coast Highway.</p> <p>http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2016/april/NOPdoheny.pdf Comment Period: 3/9/2016 - 4/8/2016 Public Hearing: 3/16/2016</p>	Notice of Preparation	City of Dana Point	SCAQMD staff commented on 4/8/2016

- Project has potential environmental justice concerns due to the nature and/or location of the project.

**ATTACHMENT C
ACTIVE SCAQMD LEAD AGENCY PROJECTS
THROUGH APRIL 30, 2016**

PROJECT DESCRIPTION	PROPONENT	TYPE OF DOCUMENT	STATUS	CONSULTANT
Tesoro Refinery proposes to integrate the Tesoro Wilmington Operations with the Tesoro Carson Operations (former BP Refinery). The proposed project also includes modifications of storage tanks at both facilities, new interconnecting pipelines, and new electrical connections. In addition, Carson's Liquid Gas Rail Unloading facilities will be modified. The proposed project will be designed to comply with the federally mandated Tier 3 gasoline specifications and with State and local regulations mandating emission reductions.	Tesoro Refining and Marketing Company Los Angeles Refinery	Environmental Impact Report (EIR)	The Draft Environmental Impact Report is currently out for public review for a 77-day period. Comments are due May 24, 2016.	Environmental Audit, Inc.
The Phillips 66 (formerly ConocoPhillips) Los Angeles Refinery Ultra Low Sulfur Diesel project was originally proposed to comply with federal, state and SCAQMD requirements to limit the sulfur content of diesel fuels. Litigation against the CEQA document was filed. Ultimately, the California Supreme Court concluded that the SCAQMD had used an inappropriate baseline and directed the SCAQMD to prepare an EIR, even though the project has been built and has been in operation since 2006. The purpose of this CEQA document is to comply with the Supreme Court's direction to prepare an EIR.	Phillips 66 (formerly ConocoPhillips), Los Angeles Refinery	Environmental Impact Report (EIR)	The Notice of Preparation/ Initial Study (NOP/IS) was circulated for a 30-day public comment period on March 26, 2012 to April 26, 2012. The consultant submitted the administrative Draft EIR to SCAQMD in late July 2013. The Draft EIR was circulated for a 45-day public review and comment period from September 30, 2014 to November 13, 2014. Two comment letters were received and responses to comments are being prepared.	Environmental Audit, Inc.
Quemetco is proposing an increase in the daily furnace feed rate.	Quemetco	Environmental Impact Report (EIR)	An Initial Study has been prepared by the consultant and is under review by SCAQMD staff.	Trinity Consultants
Sunshine Gas Producers proposes to increase the permitted heat input rating in the five landfill gas (LFG) turbines utilized to generate electricity. The five LFG turbines will not undergo any physical modifications. As a result of the increase in permitted heat rating of the LFG-fired turbines, less gas will be sent to the existing flares. No other changes to the project analyzed in the April 2012 Final SEIR will be made.	Sunshine Gas Producers Renewable Energy Project	Addendum to Final Subsequent Environmental Impact Report	A preliminary Draft Addendum to the Final SEIR has been prepared by the consultant and is under review by SCAQMD staff.	Ramboll Environ US Corporation

A shaded row indicates a new project.

BOARD MEETING DATE: June 3, 2016

AGENDA NO. 20

REPORT: Rule and Control Measure Forecast

SYNOPSIS: This report highlights SCAQMD rulemaking activities and public workshops potentially scheduled for the year 2016.

COMMITTEE: No Committee Review

RECOMMENDED ACTION:
Receive and file.

Wayne Natri
Acting Executive Officer

PMF:JW:afm:la

The tables below summarize changes to the schedule since the April Rule and Control Measure Forecast Report. Staff will continue to work with all stakeholders as these projects move forward.

Rule 219 – Equipment Not Requiring a Written Permit Pursuant to Regulation II Rule 222 – Filing Requirements for Specific Emission Sources Not Requiring a Written Permit Pursuant to Regulation II - are being moved from June to December.
Rule 415 – Odors from Animal Rendering Facilities - is moved from October to TBD. Rule 416 – Odors from Kitchen Grease Processing - is moved from September to TBD.
Rule 430 – Breakdown provisions - is being moved from July to TBD, pending guidance from EPA relative to start-up, shutdown, and malfunction requirements.
Rule 1136 – Wood Products Coatings (CTS-02) - is being moved from November to second quarter 2017.
Rule 1138 – Control of Emissions from Restaurant Operations (BCM-01) - is being moved from December to third quarter 2017.
Rule 1142 – Marine Tank Vessel Operations - is being moved from September to fourth quarter 2017.
Rule 1147 – Nox Reductions from Miscellaneous Sources - is being moved from October to second quarter 2017.

Rule 1148.1 – Oil and Gas Production Wells - is being deleted from the rule forecast report. Proposed requirements for natural gas storage facilities will be included in Rule 1148.3 which is added to the calendar in February 2017.
Rule 1148.2 – Notification and Reporting Requirements for Oil and Gas Wells and Chemical Suppliers - is being moved from July to March 2017.
Rule 1148.3 – Requirements for Oil and Gas Wells and Commercial Suppliers - is moved from July to February 2017.
Rule 1153.1 – Emissions of Oxides of Nitrogen from Commercial Food Ovens – is moved to fourth quarter 2017.
Rule 1304.2 – Greenfield or Existing Electrical Generating Facility Fee for Use of Offsets for Load Serving Entities Rule 1304.3 - Greenfield or Existing Electrical Generating Facility Fee for Use of Offsets for Municipalities - are being moved from October to January 2017.
Rule 1402 – Control of Toxic Air Containments from Existing Sources - are being moved from July to October.
Rule 1407 – Control of Emissions of Arsenic, Cadmium and Nickel from Non-Ferrous Metal Operations - is being moved from December to second quarter 2017.
Rule 1420 – Emissions Standard for Lead - is being moved from September to second quarter 2017.
Rule 1426 – Emissions from Metal Finishing Operations - is being moved from October to third quarter 2017.
Rule 1430.1 – Control of Toxic Air Contaminants from Grinding Operations at Metal Forging Facilities - is being moved from June to November.
Rule 1450 – Control of Methylene Chloride Emissions - is being moved from November to TBD 2016.
Rule 1466 – Toxic Air Contaminant Emissions from Decontamination of Soil - is being moved from September to April 2017.
Rule 1469 – Hexavalent Chromium Emissions from Chromium Electroplating and Chromic Acid Anodizing Operations - is being moved from October to December.
Rule 1470.1 - is being added to the rule forecast report for January 2017.
Reg XX – RECLAIM-Shutdown Credits - is moved from July to September.
Rule 2202 – On-road Motor Vehicle Mitigation Options - is being moved from November to March 2017.

The following rules are being incorporated into the 2016 AQMP and are no longer included in the Rule and Control Measure Forecast:

Rule 1111.1 – Reduction of NOx Emissions from Natural Gas Fired Commercial Furnaces (CMB-01)
Rule 1168 - Adhesive and Sealant Applications (CTS-02)
Reg. XXIII – Emissions Growth Management of Various Emissions Sources
Reg. XL – Ensure AQMP Emissions Reduction Targets are Met at Commercial Marine Ports

2016 MASTER CALENDAR

Below is a list of all rulemaking activity scheduled for the year 2016. The last three columns refer to the type of rule adoption or amendment. A more detailed description of the proposed rule adoption or amendment is located in the Attachments (A through C) under the type of rule adoption or amendment (i.e. AQMP, Toxics, or Other).

**An asterisk indicates that the rulemaking is a potentially significant hearing.*

+This proposed rule will reduce criteria air contaminants and assist toward attainment of ambient air quality standards.

2016

September	Title	AQMP	Toxics	Other
Reg. XX	RECLAIM	√		
October				
1402	Control of Toxic Air Contaminants from Existing Sources		√ √	
Reg. IX	Standards of Performance for New Stationary Sources (NSPS)	√		
Reg. X	National Emission Standards for Hazardous Air Pollutants (NESHAPS)		√	
November				
1325	Federal PM _{2.5} New Source Review Program			√
1430.1	Control of Toxic Air Contaminants from Grinding Operations at Metal Forging Facilities		√	
December				
219	Equipment Not Requiring a Written Permit Pursuant to Regulation II			√
222	Filing Requirements for Specific Emission Sources Not Requiring a Written Permit Pursuant to Regulation II			√
1469*	Hexavalent Chromium Emissions from Chromium Electroplating and Chromic Acid Anodizing Operations		√	

2016 MASTER CALENDAR (continued)

2017

January	Title	AQMP	Toxics	Other
1304.2	Greenfield or Existing Electrical Generating Facility Fee for Use of Offsets for Load Serving Entities			√
1304.3	Greenfield or Existing Electrical Generating Facility Fee for Use of Offsets for Municipalities			√
1470.1	Requirement for Stationary Diesel-Fueled Internal Combustion and Other Compression Ignition Engines at Sensitive Receptors		√	
February				
1148.3	Requirements for Oil and Gas Wells and Commercial Suppliers			√
March				
1148.2	Notification and Reporting Requirements for Oil and Gas Wells and Chemical Suppliers			√
2202	On-Road Motor Vehicle Mitigation Options			√

April		AQMP	Toxics	Other
1466	Toxic Air Contaminant Emissions from Decontamination of Soil		√	
Quarter 2				
1136* ⁺	Wood Products Coatings (CTS-02)	√		
1147	NOx Reductions from Miscellaneous Sources	√		
1407	Control of Emissions of Arsenic, Cadmium and Nickel from Non-Ferrous Metal Operations		√	
1420	Emissions Standards for Lead		√	

2016 MASTER CALENDAR (continued)

2017 (Continued)

Quarter 3		AQMP	Toxics	Other
1138	Control of Emissions from Restaurant Operations (BCM-01)	√		
1426	Emissions from Metal Finishing Operations		√	

Quarter 4		AQMP	Toxics	Other
1142	Marine Tank Vessel Operations	√		
1153.1	Emissions of Oxides of Nitrogen from Commercial Food Ovens	√		

2016 TO BE DETERMINED

TBD	Title	AQMP	Toxics	Other
Reg. II	Permits			√
224	Incentives for Super-Compliant Technologies			√
415*	Odors from Animal Rendering Facilities			√
416	Odors from Kitchen Grease Processing			√
430	Breakdown Provisions	√		
1106	Marine Coating Operations			√
1106.1	Pleasure Craft Coating Operations			√
1107+	Coating of Metal Parts and Products (CTS-02)	√		
1118+	Control of Emissions from Refinery Flares	√		
1123+	Refinery Process Turnarounds (MCS-03)	√		
1133 Series	Composting and Related Operations	√		
1146 Series*,+	Emissions of Oxides of Nitrogen	√		
1150.1	Control of Gaseous Emissions from Municipal Solid Waste Landfills			√

2016 MASTER CALENDAR (continued)

2016 TO BE DETERMINED (continued)

TBD	Title	AQMP	Toxics	Other
1161 ⁺	VOC Reductions from Mold Release Agents (CTS-03)	√		
1171 ⁺	Solvent Cleaning Operations (CTS-02)	√		
1173 ⁺	Control of Volatile Organic Compound Leaks and Releases from Components at Petroleum Facilities and Chemical Plants	√		
1177 ⁺	Liquefied Petroleum Gas Transfer and Dispensing (FUG-02)	√		
1188 ⁺	VOC Reductions from Vacuum Trucks (FUG-01)	√		
1190 Series ^{*,+}	Fleet Vehicle Requirements	√		
Reg. XIII	New Source Review			√
1403	Asbestos Emissions from Demolition/Renovation Activities		√	
1411	Recovery or Recycling of Refrigerants from Motor Vehicle Air Conditioners			√
1430*	Control of Toxic Air Contaminants from Metal Forging, Shredding, Grinding and Other Metal Processing Operations		√	
1450*	Control of Methylene Chloride Emissions		√	
Reg. XVI	Mobile Source Offset Programs			√
1902	Transportation Conformity	√		
Reg. XXV	On-Road and Off-Road Mobile Source Credit Generation Program			√
Reg. XXVII	Climate Change			√

2016 MASTER CALENDAR (continued)

2016 TO BE DETERMINED (continued)

TBD	Title	AQMP	Toxics	Other
Reg. III, IV, IX, X, XI, XIV, XX, XXIII, XXX and XXXV Rules	Various rule amendments may be needed to meet the requirements of state and federal laws, implement OEHHA revised risk assessment guidance, address variance issues/ technology-forcing limits, to abate a substantial endangerment to public health or welfare, or to seek additional reductions to meet the SIP short-term measure commitment. The associated rule development or amendments include, but are not limited to, SCAQMD existing rules listed in Table 1 of the December 4, 2015 Rule and Control Measure Forecast and new or amended rules to implement the 2012 AQMP measures in Table 2 of the December 4, 2015 Rule and Control Measure Forecast. The Clean Communities Plan (CCP) has been updated to include new measures to address toxic emissions in the Basin. The CCP includes a variety of measures that will reduce exposure to air toxics from stationary, mobile, and area sources (Table 3 of the December 4, 2015 Rule and Control Measure Forecast). Rule amendments may include updates to provide consistency with CARB Statewide Air Toxic Control Measures.	√	√	√
---	Mobile and Indirect Source Measures	√	√	
---	SIP Implementation	√		

ATTACHMENT A

AQMP Rule Activity Schedule

This attachment lists those rule or rule amendments for Board consideration that are designed to reduce air toxics.

2016

September	
Reg. XX	<p>RECLAIM <i>[Projected Emission Reduction TBD]</i> At the December 4, 2015 Board meeting, the Board directed staff to further analyze shutdown credits and bring a proposal for the Board's consideration. <i>Philip Fine 909.396.2239 CEQA MacMillan 909.396.3244 Socio Elaine Shen 909.396.2715</i></p>
October	
Reg. IX	<p>Standards of Performance for New Stationary Sources (NSPS) <i>[Projected Emission Reduction N/A]</i> Proposed amendments will reflect all amendments by U.S. EPA to 40 CFR, Parts 60 and 61 from January 1, 2015 to June 30, 2016. <i>Carol Gomez 909.396.3264 CEQA MacMillan 909.396.3244 Socio Elaine Shen 909.396.2715</i></p>

To-Be Determined

To-Be Determined	
430	<p>Breakdown Provisions <i>[Projected Emission Reduction N/A]</i> This rule will be amended or replaced to address specific issues raised by U.S. EPA regarding start-ups or shutdowns associated with breakdowns. <i>Tracy Goss 909.396.3106 CEQA MacMillan 909.396.3244 Socio Elaine Shen 909.396.2715</i></p>
1107	<p>Coating of Metal Parts and Products (CTS-02) <i>[Projected Emission Reduction TBD]</i> Potential amendments to Rule 1107 would further reduce VOC emissions and improve rule clarity and enforceability. <i>Philip Fine 909.396.2239 CEQA MacMillan 909.396.3244 Socio Cassmassi 909.396.3155</i></p>
1118	<p>Control of Emissions from Refinery Flares <i>[Projected Emission Reduction TBD]</i> Amendments may be necessary to address findings from the additional analysis required by the adopting resolution for the last amendment. Amendments may also be necessary to implement an AB 32 measure. <i>Susan Nakamura 909.396.3105 CEQA MacMillan 909.396.3244 Socio Cassmassi 909.396.3155</i></p>

ATTACHMENT A (Continued)

To-Be Determined (Continued)

To-Be Determined	
1123	<p>Refinery Process Turnarounds (MCS-03) <i>[Projected Emission Reduction N/A]</i> Proposed amendments will implement Control Measure MSC-03 of the 2007 AQMP by establishing procedures that better quantify emission impacts from start-up, shutdown or turnaround activities. <i>Susan Nakamura 909.396.3105 CEQA MacMillan 909.396.3244 Socio Cassmassi 909.396.3155</i></p>
1133 Series	<p>Composting and Related Operations (BCM-10) <i>[Projected Emission Reduction TBD]</i> Amendments may be proposed in conjunction with the 2016 AQMP. <i>Tracy Goss 909.396.3106 CEQA MacMillan 909.396.3244 Socio Cassmassi 909.396.3155</i></p>
1146 Series	<p>Emissions of Oxides of Nitrogen <i>[Projected Emission Reduction TBD]</i> Amendments to Rules 1146, 1146.1, and 1146.2 may be necessary to respond to advancements in ultra-low NOx burner technology and selective catalytic reduction (SCR) applicability. <i>Tracy Goss 909.396.3106 CEQA MacMillan 909.396.3244 Socio Cassmassi 909.396.3155</i></p>
1161	<p>VOC Reductions from Mold Release Agents (CTS-03) <i>[Projected Emission Reduction TBD]</i> The proposed rule will establish requirements for mold release products used in composite, fiberglass, metal and plastic manufacturing, and concrete stamping operations. <i>Philip Fine 909.396.2239 CEQA MacMillan 909.396.3244 Socio Cassmassi 909.396.3155</i></p>
1171	<p>Solvent Cleaning Operations (CTS-02) <i>[Projected Emission Reduction TBD]</i> The proposed amendments will review existing exemptions and include clarifications that may arise due to compliance verification activities or manufacturer and public input, including the sales prohibition clause. <i>Philip Fine 909.396.2239 CEQA MacMillan 909.396.3244 Socio Cassmassi 909.396.3155</i></p>

ATTACHMENT A (Continued)

To-Be Determined (Continued)

To-Be Determined	
1173	<p>Control of Volatile Organic Compound Leaks and Releases from Components at Petroleum Facilities and Chemical Plants <i>[Projected Emission Reduction TBD]</i> Proposed revisions to Rule 1173 are being considered based on recent U.S. EPA Regulations. <i>Susan Nakamura 909.396.3104 CEQA MacMillan 909.396.3244 Socio Cassmassi 909.396.3155</i></p>
1177	<p>Liquefied Petroleum Gas Transfer and Dispensing (FUG-02) <i>[Projected Emission Reduction TBD]</i> Potential amendments may be proposed to include additional sources of emissions from the dispensing and transfer of LPG. <i>Philip Fine 909.396.2239 CEQA MacMillan 909.396.3244 Socio Cassmassi 909.396.3155</i></p>
1188	<p>VOC Reductions from Vacuum Trucks (FUG-01) <i>[Projected Emission Reduction TBD]</i> The proposed rule will establish VOC emission standards and other requirements associated with the operation of vacuum trucks not covered by Rule 1149 – Storage Tank and Pipeline Cleaning and Degassing. <i>Susan Nakamura 909.396.3105 CEQA MacMillan 909.396.3244 Socio Cassmassi 909.396.3155</i></p>
1190 Series	<p>Fleet Vehicle Requirements <i>[Projected Emission Reduction TBD]</i> Amendments to Rule 1190 series fleet rules may be necessary to address remaining outstanding implementation issues and in the event the court’s future action requires amendments. In addition, the current fleet rules may be expanded to achieve additional air quality and air toxic benefits. <i>Dean Saito 909.396.2647 CEQA MacMillan 909.396.3244 Socio Cassmassi 909.396.3155</i></p>
1902	<p>Transportation Conformity <i>[Projected Emission Reduction TBD]</i> Amendments to Rule 1902 may be necessary to bring the District’s Transportation Conformity rule in line with current U.S. EPA requirements. <i>MacMillan 909.396.3244 CEQA MacMillan 909.396.3244 Socio Cassmassi 909.396.3155</i></p>

ATTACHMENT A (Continued)

To-Be Determined (Continued)

To-Be Determined	
Reg. IV, XI, XIV, XIV, XXX AND XXXV Rules	<p>Various rule amendments may be needed to meet the requirements of state and federal laws, implement OEHHA revised risk assessment guidance, address variance issues/ technology-forcing limits, to abate a substantial endangerment to public health or welfare, or to seek additional reductions to meet the SIP short-term measure commitments and/or long-term emission reduction commitments. The associated rule development or amendments include, but are not limited to, SCAQMD existing rules listed in Table 1 of the December 4, 2015 Rule and Control Measure Forecast and new or amended rules to implement the 2012 AQMP measures in Table 2 of the December 4, 2015 Rule and Control Measure Forecast.</p>
---	<p>Mobile and Indirect Source Measures <i>[Projected Emission Reduction TBD]</i></p> <p>The District may adopt measures to limit emissions from mobile sources, both on-road and off-road (nonroad) sources, consistent with the Board's direction to counsel at the October 2014 meeting to explore the District's regulatory authority over mobile sources. These measures may include but are not limited to, transportation control measures, operational limits, fleet rules, credit generation rules, and indirect source rules, such as an indirect source rule for railyards and/or other sources which attract mobile sources.</p> <p><i>Henry Hogo 909.396.3184 CEQA MacMillan 909.396.3244 Socio Cassmassi 909.396.3155</i></p>
---	<p>SIP Implementation <i>[Projected Emission Reduction TBD]</i></p> <p>The District may adopt additional measures to carry out the State Implementation Plan for PM2.5 or ozone, or other pollutants if required, as deemed necessary to meet commitments and federal requirements.</p> <p><i>Philip Fine 909.396.2239 CEQA MacMillan 909.396.3244 Socio Cassmassi 909.396.3155</i></p>

ATTACHMENT A (Continued)

2017

Quarter 2	
1136	<p>Wood Products Coatings (CTS-02) <i>[Projected Emission Reduction TBD]</i> Amendments to existing rule limits and other provisions. <i>Philip Fine 909.396.2239 CEQA MacMillan 909.396.3244 Socio Elaine Shen 909.396.2715</i></p>
1147	<p>NOx Reductions from Miscellaneous Sources <i>[Projected Emission Reduction N/A]</i> Amendments may be necessary to address findings of ongoing technology assessment. <i>Tracy Goss 909.396.3106 CEQA MacMillan 909.396.3244 Socio Elaine Shen 909.396.2715</i></p>
Quarter 3	
1138	<p>Control of Emissions from Restaurant Operations (BCM-01) <i>[Projected Emission Reduction TBD]</i> Proposed amendments will seek to reduce PM2.5 and related emissions from under-fired charbroilers. <i>Tracy Goss 909.396.3106 CEQA MacMillan 909.396.3244 Socio Elaine Shen 909.396.2715</i></p>
1426	<p>Emissions from Metal Finishing Operations Proposed amendments to Rule 1426 will establish requirements to reduce nickel, cadmium and other air toxics from plating operations. <i>Susan Nakamura 909.396.3105 CEQA MacMillan 909.396.3244 Socio Elaine Shen 909.396.2715</i></p>
Quarter 4	
1142	<p>Marine Tank Vessel Operations <i>[Projected Emission Reduction N/A]</i> Revisions to Rule 1142 are proposed to address VOC emissions from marine tank vessel operations and provide clarifications. <i>Susan Nakamura 909.396.3104 CEQA MacMillan 909.396.3244 Socio Elaine Shen 909.396.2715</i></p>
1153.1	<p>Emissions of Oxides of Nitrogen from Commercial Food Ovens <i>[Projected Emission Reduction N/A]</i> Rule 1153.1 was adopted in November 2014 and established NOx emission limits for various types of existing commercial food ovens on a specified compliance schedule. Amendments may be necessary to address applicability and technological feasibility of low NOx burner technologies for new commercial food ovens. <i>Tracy Goss 909.396.3106 CEQA MacMillan 909.396.3244 Socio Elaine Shen 909.396.2715</i></p>

ATTACHMENT B

Toxic Rule Activity Schedule

This attachment lists those rule or rule amendments for Board consideration that are designed to reduce air toxics.

2016

October	
1402	<p>Control of Toxic Air Contaminants from Existing Sources Revisions to Rule 1402 are proposed to add a voluntary risk reduction program for certain AB 2588 core facilities and other amendments to streamline and clarify provisions.</p> <p><i>Susan Nakamura 909.396.3105 CEQA MacMillan 909.396.3244 Socio Elaine Shen 909.396.2715</i></p>
Reg. X	<p>National Emissions Standards for Hazardous Air Pollutants (NESHAPS) Proposed amendments will reflect all amendments by U.S. EPA to 40 CFR, Parts 60 and 61 from January 1, 2015 to June 30, 2016.</p> <p><i>Carol Gomez 909.396.3264 CEQA MacMillan 909.396.3244 Socio Elaine Shen 909.396.2715</i></p>
November	
1430.1	<p>Control of Toxic Air Contaminants from Grinding Operations at Metal Forging Facilities Proposed Rule 1430.1 will establish emission reduction requirements to control emissions from grinding operations at forging facilities.</p> <p><i>Susan Nakamura 909.396.3105 CEQA MacMillan 909.396.3244 Socio Elaine Shen 909.396.2715</i></p>
December	
1469	<p>Hexavalent Chromium Emissions from Chromium Electroplating and Chromic Acid Anodizing Operations Proposed Amended Rule 1469 will strengthen requirements to address potential fugitive emissions from hexavalent chrome plating and anodizing operations. Provisions to address changes to the U.S. EPA NESHAP may be needed to address use of perfluorooctane sulfonate (PFOS) in fume suppressants.</p> <p><i>Susan Nakamura 909.396.3104 CEQA MacMillan 909.396.3244 Socio Elaine Shen 909.396.2715</i></p>

ATTACHMENT B (Continued)

2016 (Continued)

Quarter 3	
1426	<p>Emissions from Metal Finishing Operations Proposed amendments to Rule 1426 will establish requirements to reduce nickel, cadmium and other air toxics from plating operations. <i>Susan Nakamura 909.396.3105 CEQA MacMillan 909.396.3244 Socio Elaine Shen 909.396.2715</i></p>

To-Be Determined (Continued)

To-Be Determined	
1403	<p>Asbestos Emissions from Demolition/Renovation Activities Amendments to Rule 1403 will include specific requirements when conducting asbestos-emitting demolition/renovation activities at schools, daycares, and possibly establishments that have sensitive populations. Amendments may include other provisions to improve the implementation of the rule. <i>Susan Nakamura 909.396.3105 CEQA MacMillan 909.396.3244 Socio Cassmassi 909.396.3155</i></p>
1430	<p>Control of Toxic Air Contaminants from Metal Forging, Shredding, Grinding and Other Metal Processing Operations Proposed Rule 1430 will establish emission reduction requirements for metal grinding operations. <i>Susan Nakamura 909.396.3105 CEQA MacMillan 909.396.3244 Socio Cassmassi 909.396.3155</i></p>
1450	<p>Control of Methylene Chloride Emissions The proposed amendment is to reduce exposure to methylene chloride from furniture stripping, remove potential regulatory loopholes, achieve emission reductions where possible and cost effective, include reporting requirements, and clarify the rule language to improve consistency with other SCAQMD VOC rules. <i>Philip Fine 909.396.2239 CEQA MacMillan 909.396.3244 Socio Elaine Shen 909.396.2715</i></p>
Reg. IV, XI, XIV, XIV, XXX and XXXV Rules	<p>The Clean Communities Plan (CCP) has been updated to include new measures to address toxic emissions in the Basin. The CCP includes a variety of measures that will reduce exposure to air toxics from stationary, mobile, and area sources (Table 3 of the December 4, 2015 Rule and Control Measure Forecast). Rule amendments may include updates to provide consistency with CARB Statewide Air Toxic Control Measures. In addition, rule developments/amendments may be needed to address revisions to the 2015 OEHHA Health Risk Guidelines.</p>

ATTACHMENT B (Continued)

---	<p>Mobile and Indirect Source Measures</p> <p>The District may adopt measures to limit emissions from mobile and indirect sources, both on-road and off-road (non-road) sources, consistent with the Board's direction to counsel at the October 2014 meeting to explore the District's regulatory authority over mobile sources. These measures may include but are not limited to, transportation control measures, operational limits, fleet rules, credit generation rules, and indirect source rules, such as an indirect source rule for railyards and/or other sources which attract mobile sources.</p> <p><i>Henry Hogo 909.396.3184 CEQA MacMillan 909.396.3244 Socio Cassmassi 909.396.3155</i></p>
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ATTACHMENT B (Continued)

2017

January	
1470.1	<p>Requirement for Stationary Diesel-Fueled Internal Combustion and Other Compression Ignition Engines at Sensitive Receptors</p> <p>The proposal would address new and existing small (≤ 50 brake horsepower) diesel engine emissions located near sensitive receptors such as schools, preschools, daycare centers and health care facilities.</p> <p><i>Susan Nakamura 909.396.3104 CEQA MacMillan 909.396.3244 Socio Elaine Shen 909.396.2715</i></p>
April	
1466	<p>Toxic Air Contaminant Emissions from Decontamination Soil</p> <p>Proposed Rule 1466 would establish requirements to control toxic metal emissions from activities involving storing, handling and transporting soils with metals.</p> <p><i>Tracy Goss 909.396.3106 CEQA MacMillan 909.396.3244 Socio Elaine Shen 909.396.2715</i></p>

Quarter 2	
1407	<p>Control of Emissions of Arsenic, Cadmium and Nickel from Non-Ferrous Metal Operations</p> <p>Proposed Rule 1407 will establish additional requirements to minimize air toxics from metal operations.</p> <p><i>Susan Nakamura 909.396.3105 CEQA MacMillan 909.396.3244 Socio Elaine Shen 909.396.2715</i></p>
1420	<p>Emissions Standard for Lead</p> <p>In October 2008, U.S. EPA lowered the National Ambient Air Quality Standard (NAAQS) for lead from 1.5 to 0.15 ug/m³. Proposed Rule 1420 will establish requirements for lead-emitting sources that are not covered under Rules 1420.1 and Rule 1420.2 to ensure compliance with the lead NAAQS.</p> <p><i>Susan Nakamura 909.396.3105 CEQA MacMillan 909.396.3244 Socio Elaine Shen 909.396.2715</i></p>

ATTACHMENT C

Other Rule Activity Schedule

This attachment lists rules or rule amendments for Board consideration that are designed to improve rule enforceability, SIP corrections, or implanting state or federal regulations.

2016

November	
1325	<p>Federal PM2.5 New Source Review Program Amendments may be necessary to address U.S. EPA's Final Ruling to reclassify the Los Angeles South Coast Air Basin (South Coast) from Moderate PM2.5 nonattainment area to Serious PM2.5 nonattainment for the 2006 National Ambient Air Quality Standards.</p> <p><i>Tracy Goss 909.396.3106 CEQA MacMillan 909.396.3244 Socio Elaine Shen 909.396.2715</i></p>
December	
219	<p>Equipment Not Requiring a Written Permit Pursuant to Regulation II</p>
222	<p>Filing Requirements for Specific Emission Sources Not Requiring a Written Permit Pursuant to Regulation II Amendments to Rules 219 and 222 may be proposed in tandem to exclude equipment with de minimis emissions from the requirement to obtain written permits by adding additional equipment categories to the streamlined file/registration program of Rule 222.</p> <p><i>Tracy Goss 909.396.3106 CEQA MacMillan 909.396.3244 Socio Elaine Shen 909.396.2715</i></p>

ATTACHMENT C (Continued)

To-Be Determined (Continued)

To-Be Determined	
Reg. II 224	<p>Permits Incentives for Super-Compliant Technologies</p> <p>This regulatory effort will outline strategies and requirements to incentivize the development, establishment and use of super-compliant technologies. It may be considered as a part of Rule 219 amendments or proposed as a separate incentive Rule 224.</p> <p><i>Tracy Goss 909.396.3106 CEQA MacMillan 909.396.3244 Socio Cassmassi 909.396.3155</i></p>
416	<p>Odors from Kitchen Grease Processing</p> <p>Proposed Rule 416 will provide protection to the public from odors created during kitchen grease processing operations. The proposed rule will establish Best Management Practices to address odors created during delivery and processing of trap grease to affected facilities. In addition, the proposed rule will examine enclosure for wastewater treatment operations and filter cake storage. The proposed rule may also contain requirements for an Odor Mitigation Plan for continuing odor issues at facilities subject to the rule.</p> <p><i>Tracy Goss 909.396.3106 CEQA MacMillan 909.396.3244 Socio Elaine Shen 909.396.2715</i></p>
1106 1106.1	<p>Marine Coating Operations Pleasure Craft Coating Operations</p> <p>(This item was previously submitted to the Board, but rejected. It will be brought back for Board direction.)</p> <p>The proposed amendment is two-fold: first, Rule 1106.1 is proposed to be rescinded and second, Rule 1106 will subsume the requirements of 1106.1, and revise VOC content limits for pretreatment wash primers, antenna, repair and maintenance thermoplastic, inorganic zinc, and specialty marking coatings in order to align limits with U.S. EPA Control Techniques Guidelines and other California air districts, and adds new categories for marine aluminum antifoulant, mist, nonskid and organic zinc coatings and marine deck primer sealant. The proposed amendment also adds provisions for pollution prevention measures, enhanced enforceability, and to promote clarity and consistency.</p> <p><i>Philip Fine 909.396.2239 CEQA MacMillan 909.396.3244 Socio Cassmassi 909.396.3155</i></p>

ATTACHMENT C (Continued)

To-Be Determined (Continued)

To-Be Determined	
1150.1	<p>Control of Gaseous Emissions from Municipal Solid Waste Landfills Proposed amendments will address U.S. EPA revisions to the Standards of Performance for Municipal Solid Waste Landfills (NSPS) and Existing Guidelines and Compliance Timelines (EG) for Municipal Solid Waste Landfills, as well as CARB GHG requirements.</p> <p><i>Tracy Goss 909.396.3106 CEQA MacMillan 909.396.3244 Socio Cassmassi 909.396.3155</i></p>
Reg. XIII	<p>New Source Review Amendments may be necessary to implement newly approved requirements or to address U.S. EPA comments on SIP approvability issues and/or requirements. Amendments may also be proposed for clarity and improved enforceability.</p> <p><i>Tracy Goss 909.396.3106 CEQA MacMillan 909.396.3244 Socio Cassmassi 909.396.3155</i></p>
Reg. XVI	<p>Mobile Source Offset Programs Amendments to various Regulation XVI rules will be proposed to address the recent U.S. EPA proposed disapproval of such rules including Rule 1610.</p> <p><i>Henry Hogo 909.396.3184 CEQA MacMillan 909.396.3244 Socio Cassmassi 909.396.3155</i></p>
Reg. XXV	<p>On-Road and Off-Road Mobile Source Credit Generation Programs Regulation XXV will contain rules to allow generation of criteria pollutant mobile source emission reduction credits from various on-road and off-road sources, such as on-road heavy-duty trucks, off-road equipment, locomotives, and marine vessels. Credits will be generated by retrofitting existing engines or replacing the engines with new lower-emitting or zero-emission engines.</p> <p><i>Henry Hogo 909.396.3184 CEQA MacMillan 909.396.3244 Socio Cassmassi 909.396.3155</i></p>
Reg. XXVII	<p>Climate Change Changes may be needed for Regulation XXVII to add or update protocols for GHG reductions, and other changes may be needed.</p> <p><i>Jill Whynot 909.396.3104 CEQA MacMillan 909.396.3244 Socio Cassmassi 909.396.3155</i></p>

ATTACHMENT C (Continued)

To-Be Determined (Continued)

To-Be Determined	
Reg. IV, XI, XIV, XXX and XXXV Rules	<p>Various rule amendments may be needed to meet the requirements of state and federal laws, implement OEHHA revised risk assessment guidance, address variance issues/ technology-forcing limits, to abate a substantial endangerment to public health or welfare, or to seek additional reductions to meet the SIP short-term measure commitment. The associated rule development or amendments include, but are not limited to, SCAQMD existing rules listed in Table 1 of the December 4, 2015 Rule and Control Measure Forecast and new or amended rules to implement the 2012 AQMP measures in Table 2 of the December 4, 2015 Rule and Control Measure Forecast. The CCP has been updated to include new measures to address toxic emissions in the Basin. The CCP includes a variety of measures that will reduce exposure to air toxics from stationary, mobile, and area sources (Table 3 of the December 4, 2015 Rule and Control Measure Forecast). Rule amendments may include updates to provide consistency with CARB Statewide Air Toxic Control Measures.</p>

2017

January	
1304.2	<p>Greenfield or Existing Electrical Generating Facility Fee for Use of Offsets for Load Serving Entities</p>
1304.3	
	<p>Greenfield or Existing Electrical Generating Facility Fee for Use of Offsets for Municipalities</p> <p>Proposed Rules 1304.2 and 1304.3 would provide for new, greenfield or additions at existing electrical generating facilities to access the SCAQMD’s internal offset account, subject to qualifying conditions, eligibility, and the payment of a fee to invest in air quality improvement projects consistent with the AQMP. These rules are a companion to Rule 1304.1. Proposed Rule 1304.2 will provide offsets so that new, proposed and other existing electrical generating facilities can compete on a level playing field with existing generating facilities with utility steam boilers, and implement the State’s plan to maintain grid reliability.</p> <p>Proposed Rule 1304.3 will provide offsets so that new, proposed and other existing electrical generating facilities run by local municipalities can meet the electricity reliability needs of their customers.</p> <p><i>Tracy Goss 909.396.3106 CEQA MacMillan 909.396.3244 Socio Elaine Shen 909.396.2715</i></p>

ATTACHMENT C (Continued)

2017 (Continued)

February	
1148.3	<p>Requirements for Oil and Gas Wells and Commercial Suppliers Proposed Rule 1148.3 will establish best management practices during specific well stimulation activities. Additional revisions to Rule 1148.2 may also be needed.</p> <p><i>Susan Nakamura 909.396.3104 CEQA MacMillan 909.396.3244 Socio Elaine Shen 909.396.2715</i></p>
March	
1148.2	<p>Notification and Reporting Requirements for Oil and Gas Wells and Chemical Suppliers</p> <p><i>Susan Nakamura 909.396.3104 CEQA MacMillan 909.396.3244 Socio Elaine Shen 909.396.2715</i></p>
2202	<p>On-Road Motor Vehicle Mitigation Options Rule 2202 will be amended to streamline implementation while achieving the Rule’s target emission reductions.</p> <p><i>Carol Gomez 909.396.3264 CEQA MacMillan 909.396.3244 Socio Elaine Shen 909.396.2715</i></p>

 Back to Agenda

BOARD MEETING DATE: June 3, 2016

AGENDA NO. 21

PROPOSAL: Report of RFPs/RFQs Scheduled for Release in June

SYNOPSIS: This report summarizes the RFPs/RFQs for budgeted services over \$75,000 scheduled to be released for advertisement for the month of June.

COMMITTEE: Administrative, May 13, 2016; On the motion of Chairman Burke, the Committee unanimously approved all agenda items to be forwarded to the full Board.

RECOMMENDED ACTION:

Approve the release of RFPs/RFQs for the month of June.

Wayne Nastri
Acting Executive Officer

MBO:lg

Background

At its January 8, 2010 meeting, the Board approved a revised Procurement Policy and Procedure. Under the revised policy, RFPs/RFQs for budgeted items over \$75,000, which follow the Procurement Policy and Procedure, no longer require individual Board approval. However, a monthly report of all RFPs/RFQs over \$75,000 is included as part of the Board agenda package and the Board may, if desired, take individual action on any item. The report provides the title and synopsis of the RFP/RFQ, the budgeted funds available, and the name of the Deputy Executive Officer/Asst. 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 June 3, 2016.

Outreach

In accordance with SCAQMD's Procurement Policy and Procedure, a public notice advertising the RFPs/RFQs 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 SCAQMD's own electronic listing of certified minority vendors. Notice of the RFPs/RFQs will be emailed to the Black and Latino Legislative Caucuses and various minority chambers of commerce and business associations, and placed on the Internet at SCAQMD'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 RFPs/RFQs Scheduled for Release in June 2016

June 3, 2016 Board Meeting
Report on RFPs/RFQs Scheduled for Release on June 3, 2016

(For detailed information visit SCAQMD's website at <http://www.aqmd.gov/grants-bids> following Board approval on June 3, 2016)

STANDARDIZED SERVICES

RFP #P2016-24 Issue RFP to Lease Printing Equipment and Copiers JOHNSON/3018

SCAQMD leases high-volume printing and copying equipment for the print shop and 28 walk-up floor copiers. The leases for both the print shop equipment and walk-up copiers are due to expire in December 2016. The existing printing and copying equipment is beyond industry's standard life for reliability, resulting in significant operational inefficiency. This action is to issue an RFP to solicit lease proposals to replace both print shop equipment and walk-up floor copiers. Funding for this item are being included in the FY 2016-17 Budget and will be requested in subsequent fiscal years.

RFP #P2016-25 Issue RFP to Audit AB 2766 Fee Revenue Recipients O'KELLY/2828
for FYs 2013-14 and 2014-15

AB 2766 requires any agency that receives fee revenues subvned to SCAQMD from the Department of Motor Vehicles to be audited once every two years. This action is to issue an RFP for an independent Certified Public Accountant to conduct the audits for FYs 2013-14 and 2014-15. Funds for this expense are included in the FY 2016-17 Budget.

REQUESTS FOR QUALIFICATIONS - Prequalified Vendor List

RFQ #Q2016-12 Issue RFQ to Purchase Compressed Pure Gases and Cryogenic Liquids

MIYASATO/3240

SCAQMD expects to spend approximately \$130,000 to purchase compressed pure gases and cryogenic liquids in fiscal year 2016-17. These gases are used in a wide variety of analytical and monitoring needs. The laboratory uses compressed gases as carrier gases and purging agents, and cryogenic liquids are used to concentrate samples for gas chromatographic analysis for PAMS, NATTS, Environmental Justice, compliance, special studies and other network samples. Ambient monitoring stations also use compressed gases for normal and special monitoring operations. This action is to issue an RFQ to purchase compressed pure gases and cryogenic liquids in fiscal year 2016-2017.

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BOARD MEETING DATE: June 3, 2016

AGENDA NO. 22

PROPOSAL: Status Report on Major Projects for Information Management
Scheduled to Start During Last Six Months of FY 2015-16

SYNOPSIS: Information Management is responsible for data systems management services in support of all SCAQMD operations. This action is to provide the monthly status report on major automation contracts and projects to be initiated by Information Management during the last six months of FY 2015-16.

COMMITTEE: No Committee Review

RECOMMENDED ACTION:
Receive and file.

Wayne Nastri
Acting Executive Officer

JCM:MAH:OSM:agg

Background

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

Summary of Report

The attached report identifies each of the major projects/contracts or purchases that are expected to come before the Board between January 1 and June 30, 2016. Information provided for each project includes a brief project description, FY 2015-16 Budget, and the schedule associated with known major milestones (issue RFP/RFQ, execute contract, etc.).

Attachment

Information Management Major Projects for Period January 1 through June 30, 2016

ATTACHMENT
June 3, 2016 Board Meeting
Information Management Major Projects
for the Period January 1 through June 30, 2016

Item	Brief Description	Budgeted Funds	Schedule of Board Actions	Status
SCAQMD Cross-Media Electronic Reporting Regulation (CROMERR) Application Package Submission to U.S. EPA	Seek approval for submission of the SCAQMD consolidated application package to U.S. EPA for review and approval.	Not Applicable	Approve CROMERR application package, January 8, 2016)	Completed
Prequalify Vendor List for PCs, Network Hardware, etc.	Establish list of prequalified vendors to provide customer, network, and printer hardware and software, and to purchase desktop computer hardware upgrades	\$300,000	Release RFQQ November 6, 2015; Approve Vendors List and Award Purchase February 5, 2016	Completed
Systems Development, Maintenance, and Support	Provide development, maintenance and support for: <ul style="list-style-type: none"> • Web application system development • CLASS systems enhancements • CLASS systems maintenance 	\$571,050	February 5, 2016	Completed
Enterprise Content Management System	Select vendor to provide a high quality ECM solution to capture, store and manage a robust workflow; and deliver documents and electronic files related to the organizational processes.	\$231,383	Release RFP December 4, 2015; Award Contract April 1, 2016	Completed
SCAQMD Website Evaluation and Improvements	Amend contract with Xivic, Inc. to implement recommendations for SCAQMD website improvements	\$98,715	June 3, 2016	On Schedule

Double-lined Rows - Board Agenda items current for this month

Shaded Rows - activities completed

BOARD MEETING DATE: June 3, 2016

AGENDA NO. 25

REPORT: Investment Oversight Committee

SYNOPSIS: The Investment Oversight Committee met Friday, May 20, 2016 and discussed various issues detailed in the Committee report. The next Investment Oversight Committee meeting is scheduled for Friday, November 18, 2016 at 12:00 noon in Conference Room CC2.

RECOMMENDED ACTION:
Receive and file this report.

Michael Antonovich, Chair
Investment Oversight Committee

MBO:lg

Attendance: Present at SCAQMD were Committee members Dr. Joseph K. Lyou and Brent Mason. Supervisor Michael Antonovich, Mayor Pro Tem Michael Cacciotti, and Supervisor Shawn Nelson attended by teleconference. Absent were Vice Chair Dr. William Burke, Gary Burton, and Richard Dixon.

Investment Committee Action Items:

Quarterly Report of Investments: The Committee reviewed the quarterly investment report that was provided to the Board. For the month of March 2016, the SCAQMD's weighted average yield on total investments of \$547,200,764 from all sources was .85%. The allocation by investment type was 89.18% in the Los Angeles County Pooled Surplus Investment Fund (PSI) and 10.82% in the State of California Local Agency Investment Fund (LAIF) and Special Purpose Investments (SPI). The one-year Treasury Bill rate as of March 31, 2016 was .59%.

Moved by Lyou; seconded by Cacciotti; unanimously approved.

Ayes: Antonovich, Cacciotti, Dixon, Lyou, Mason, Nelson

Noes: None

Absent: Burke, Burton, Dixon

Investment Committee Discussion Item:

Cash Flow Forecast: Michael O’Kelly reported on the cash flows for the current year and projected for the next three years. SCAQMD Investment Policy limits its Special Purpose Investments to 75% of the minimum amount of funds available for investment during the Cash Flow Horizon. That limit, which includes all funds (General, MSRC, Clean Fuels), is \$162.2 million. Current Special Purpose Investments are well below the maximum limit.

Financial Market Update: Sarah Meacham from PFM Asset Management provided the Committee with information on current investment markets, economic conditions, and the overall outlook. She presented market information on the decreased Treasury yields, flattening of the Treasury yield curve, market volatility, Fed funds target rate outlook, international interest rate comparisons, and modest increases in yields since the end of the March 2016. Economic indicators were also presented showing slowing first quarter economic growth, better than expected growth in the labor market, national unemployment rate of five percent, increasing inflation, and expected moderate economic growth.

Other Business: None

Public Comment: None

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BOARD MEETING DATE: June 3, 2016

AGENDA NO. 26

REPORT: Legislative Committee

SYNOPSIS: The Legislative Committee held a meeting on Friday, May 13, 2016. The next Legislative Committee meeting is scheduled for Friday, June 10, 2016 at 9 a.m. in Conference Room CC8.

Agenda Item	Staff Recommendation
AB 1691 (Gipson, Garcia) Vehicular Air Pollution: Vehicle Retirement	SUPPORT WITH AMENDMENTS
AB 1965 (Cooper) Vehicle Retirement and Replacement	SUPPORT WITH AMENDMENTS
AB 2293 (Garcia) California Green Business Program and Green Assistance Program	SUPPORT
AB 2415 (Garcia) California Clean Truck, Bus, and Off-Road Vehicle and Equipment Technology Program	SUPPORT WITH AMENDMENTS
SB 1043 (Allen) Biogas and Biomethane	SUPPORT
SB 1387 (De Leon) Nonvehicular Air Pollution: Market-based Incentive Programs: South Coast Air Quality Management District Board	WATCH AND EXPRESS CONCERNS AND/OR SEEK AMENDMENTS TO OVERSIGHT PORTION OF BILL

RECOMMENDED ACTION:

Receive, file this report, and approve agenda items as specified in this letter.

Judith Mitchell
Chair
Legislative Committee

Attendance [Attachment 1]

The Legislative Committee met on May 13, 2016. Committee Chair Judith Mitchell, and Committee Members Michael D. Antonovich, Joe Buscaino, Dr. William A. Burke, Dr. Clark E. Parker, Sr. and Janice Rutherford all attended via videoconference.

Update on Federal Legislative Issues [Attachment 2]

SCAQMD's federal legislative consultants (Carmen Group, Cassidy & Associates, and Kadesh & Associates) each provided a written report on various key Washington, D.C. issues.

Update on State Legislative Issues [Attachment 3]

SCAQMD's state legislative consultants (Joe A. Gonsalves & Son and Gonzalez, Quintana, Hunter & Cruz, LLC) also provided written reports on various key issues.

Committee Member Burke inquired about SB 1387 (de León) regarding the SCAQMD Board and market-based incentive programs. SCAQMD's state legislative consultant, Paul Gonsalves of Joe A. Gonsalves & Son, reported that on May 9 the Senate Appropriations Committee heard this bill and sent it to the Suspense File due to unknown state costs to the California Air Resources Board (CARB). In the ensuing discussion, Mr. Gonsalves further explained that the bill was all but certain to pass the Senate, but would face challenges in the Assembly.

Recommend Position on State Bills [Attachment 4]

AB 1657 (O'Donnell) Air Pollution: Public Ports and Intermodal Terminals

Mr. Philip Crabbe, Community Relations Manager in SCAQMD's Legislative & Public Affairs (LPA) Office, presented AB 1657 to the Committee. This bill would establish the Zero- and Near-Zero Emission Intermodal Terminals Program, administered by CARB, to fund equipment upgrades and investments at intermodal terminals to help transition the state's freight system to zero- and near-zero emission operation. The bill would also establish the Port Building and Lighting Efficiency Greenhouse Gas Reduction Fund Program, administered by the California Energy Commission, to fund energy efficiency upgrades and investments at public ports that help reduce electrical load and increase on-site renewable generation. Staff recommended a position of SUPPORT WITH AMENDMENTS to prioritize criteria and toxic pollution co-benefits.

Due to this bill's author expressing his intent to amend the bill in the near future, Committee Member Buscaino moved that this bill be continued to the June Legislative Committee agenda for consideration.

Moved by Buscaino; seconded by Parker; unanimously approved.

Ayes: Antonovich, Burke, Buscaino, Parker, Rutherford, Mitchell

Noes: None

AB 1691 (Gipson, Garcia) Vehicular Air Pollution: Vehicle Retirement

Presented to the Committee by Mr. Guillermo Sanchez, Sr. Public Affairs Manager of SCAQMD’s LPA Office, AB 1691 would place additional provisions into the Enhanced Fleet Modernization Program (EFMP). The bill would require the state board to update the EFMP guidelines by June 30, 2017 and would remain operative until July 1, 2022. Mr. Sanchez further explained the need for amendments that would make reporting requirements more efficient and that would, consistent with the bills intent for an effective program, focus funding in areas at risk of being designated as federal extreme nonattainment areas and which would ensure the necessary commensurate funding for the EFMP “base” component.

Staff recommended a position of SUPPORT WITH AMENDMENTS

Moved by Burke; seconded by Parker; unanimously approved.

Ayes: Antonovich, Burke, Buscaino, Parker, Rutherford, Mitchell

Noes: None

AB 1965 (Cooper) Vehicle Retirement and Replacement

Mr. Sanchez presented AB 1965, which would require CARB, in consultation with the California Bureau of Automotive Repair (BAR), to set specific, measurable goals for the retirement and replacement of passenger vehicles and light-duty and medium-duty trucks that are high polluters. The bill would ensure that those goals are met by updating the program’s guidelines no later than July 1, 2017. The bill would also: require CARB, no later than July 1, 2018, and every other year thereafter, to collect and post on the program’s Internet website information on the program; and authorize CARB to allocate moneys, from specified funds, to expand the vehicle replacement component of the program statewide. Similarly to AB 1691, Mr. Sanchez explained, there is a need for amendments that would provide necessary commensurate funding for the EFMP “base” component.

Staff recommended a position of SUPPORT WITH AMENDMENTS

Moved by Burke; seconded by Parker; unanimously approved.

Ayes: Antonovich, Burke, Buscaino, Parker, Rutherford, Mitchell

Noes: None

AB 2293 (Garcia) California Green Business Program and Green Assistance Program

Ms. Lisha Smith, Deputy Executive Officer of SCAQMD’s LPA Office, presented AB 2293, which would create the Green Assistance Program (GAP) to provide technical assistance to small businesses and small non-profit organizations to access programs funded by the Greenhouse Gas Reduction Fund (GGRF). This bill would also establish the California Green Business Program (CGBP) to provide assistance to green business certification programs by local governments that certify small- and medium-sized businesses that voluntarily adopt environmentally preferable business practices.

Staff recommended a position of SUPPORT

Moved by Parker; seconded by Burke; unanimously approved.

Ayes: Antonovich, Burke, Buscaino, Parker, Rutherford, Mitchell

Noes: None

AB 2415 (Garcia) California Clean Truck, Bus, and Off-Road Vehicle and Equipment Technology Program

Mr. Sanchez presented this bill which would revise the Clean Truck Program to require the greater of 50% or \$100 million of the funds allocated each year, from 2018 to 2023, for development of a broad range of medium- and heavy-duty truck technology, to be allocated instead to support commercial deployment of existing heavy-duty truck technologies that meet low-NOx emission standards. Given local air districts' expertise in implementing such programs, Mr. Sanchez explained the need for an amendment that CARB implement the Clean Truck Program through the local air districts as it does the Carl Moyer Program.

Staff recommended a position of SUPPORT WITH AMENDMENTS

Moved by Buscaino; seconded by Burke; unanimously approved.

Ayes: Antonovich, Burke, Buscaino, Parker, Rutherford, Mitchell

Noes: None

AB 2673 (Harper) Sales and Use Tax Exemption: Income Tax Credits: Hydrogen Refueling Station Equipment

AB 2673 had failed in the Assembly Revenue & Tax Committee on May 9 and will not move this legislative session. Consequently, the Committee did not consider a position on this bill.

SB 1043 (Allen) Biogas and Biomethane

Mr. Crabbe presented on this bill, which would require CARB to consider and, as appropriate, adopt policies to significantly increase the sustainable production and use of biogas, and, in so doing, require CARB to: 1) ensure that the production and use of biogas provide direct environmental benefits and 2) identify barriers to the rapid development and use of biogas and potential sources of funding.

Committee Members and SCAQMD staff discussed the potential benefits of increasing the production and use of renewable biogas as a transportation fuel to help reduce criteria pollutant emissions within the South Coast region.

Staff recommended a position of SUPPORT

Moved by Burke; seconded by Parker; unanimously approved.

Ayes: Antonovich, Burke, Buscaino, Parker, Rutherford, Mitchell

Noes: None

SB 1387 (De León) Nonvehicular Air Pollution: Market-based Incentive Programs: South Coast Air Quality Management District Board

Ms. Smith presented this bill, which would expand the SCAQMD Governing Board by three additional members intended to represent environmental justice communities; one appointed by the Governor, one by the Speaker of the Assembly, and one by the Senate Rules Committee. In addition, the bill would alter requirements for any revisions to the SCAQMD's Regional Clean Air Incentives Market (RECLAIM) program and grant CARB greater oversight authority.

Staff recommended a position of WATCH

Committee members discussed whether or not the staff recommended WATCH position should be adopted or if a more active position should be taken. SCAQMD Chief Deputy District Counsel Barbara Baird explained that this bill would specify that CARB shall have oversight authority over local air districts' ability to create certain market-based stationary source rules. Updates were provided on the status of the bill and the likely upcoming committee assignments for the bill. Committee members discussed the poor precedent this bill would set by infringing upon local control.

Committee Member Parker inquired whether the bill had been amended since it had been introduced. In response SCAQMD staff clarified that the bill language has not been amended since SB 1387 became the vehicle for Senator de León's legislative proposal through a "gut and amend" on April 7, 2016.

Committee Member Parker suggested taking a position of Support with Amendments so SCAQMD can be 'at the table' to discuss our concerns. The Committee immediately ensued in a deeper conversation about the bill. ***Committee Member Buscaino made a motion to accept staff's recommendation for a WATCH position on this bill.***

Committee Chair Mitchell seconded the motion. Committee Member Burke inquired about the possibility of whether the content of this bill could be included and passed within the Budget bill. SCAQMD's state legislative consultant, Will Gonzalez of Gonzalez, Quintana, Hunter & Cruz, responded in the affirmative. Committee Member Burke indicated that he wanted to have SCAQMD's position on this bill communicated as soon as possible. Committee Member Rutherford emphasized that the bill would do nothing to improve air quality as it is a mere political exercise predicated on the false assumption that the RECLAIM vote and personnel actions indicate that the Agency may be rolling back air quality gains.

Committee Member Parker inquired as to whether Committee Member Buscaino would accept an amendment to his motion to WATCH the bill and work with the Legislature to share our concerns in regards to the provisions on RECLAIM and CARB's oversight authority, directing staff to work on amendments to address these concerns. Committee Member Buscaino accepted this as a friendly amendment.

*Moved by Buscaino; seconded by Mitchell; passed by a 4-2 vote.
Ayes: Burke, Buscaino, Parker, Mitchell
Noes: Antonovich, Rutherford*

Reports from SCAQMD Home Rule Advisory Group [Attachment 5]

Please refer to Attachment 5 for written report.

Other Business:

None

Recommended Position on Federal Bills

The consideration of the three agenda federal bills (S. 2012, H.R. 4675, and H.R. 4775) was postponed until the June 10, 2016 Legislative Committee meeting.

Public Comment Period:

Mr. Peter Herzog inquired about the content of the Legislative Committee's amended position motion relating to SB 1387 (De León) and as to whether it applied to the portion of the bill involving the expansion of the SCAQMD Governing Board. The amended motion and position were clarified that there was no request to seek amendments or express concerns regarding the Board expansion portion of the bill.

Attachments

1. Attendance Record
2. Update on Federal Legislative Issues – Written Reports
3. Update on State Legislative Issues – Written Reports
4. Recommend Position on State Bills
5. SCAQMD Home Rule Advisory Group Report

Attachment 1

ATTENDANCE RECORD –May 13, 2016

SCAQMD BOARD MEMBERS:

Councilmember Judith Mitchell, Chair (Videoconference)
Supervisor Michael D. Antonovich (Videoconference)
Dr. William A. Burke (Videoconference)
Councilmember Joe Buscaino (Videoconference)
Dr. Clark E. Parker, Sr. (Videoconference)
Supervisor Janice Rutherford (Videoconference)

STAFF TO COMMITTEE:

Lisha B. Smith, Deputy Executive Officer
Derrick Alatorre, Assistant Deputy Executive Officer/ Public Advisor
Guillermo Sanchez, Senior Public Affairs Manager
Julie Franco, Senior Administrative Secretary

SCAQMD STAFF:

Leeor Alpern, Senior Public Information Specialist (Videoconference)
Barbara Baird, Chief Deputy Counsel
Marc Carrel, Program Supervisor
Philip Crabbe, Community Relations Manager
Phil Fine, Deputy Executive Officer
Bayron Gilchrist, Assistant Chief Deputy Counsel
Henry Hogo, Assistant Deputy Executive Officer
Chris Marlia, Assistant Deputy Executive Officer
Fred Minassian, Assistant Deputy Executive Officer
Matt Miyasato, Deputy Executive Officer
Wayne Nastri, Acting Executive Officer (Videoconference)
Mohsen Nazemi, Deputy Executive Officer
Robert Paud, Telecommunications Supervisor
Rainbow Yeung, Senior Public Information Specialist (Videoconference)
Todd Warden, Senior Public Information Specialist (Videoconference)
Kim White, Public Affairs Specialist
Patti Whiting, Staff Specialist

OTHERS PRESENT:

Mark Abramowitz, Governing Board Member Consultant (Lyou/Videoconference)
Kaleb Froehlich, Cassidy & Associates (teleconference)
Paul Gonsalves, Joe A. Gonsalves & Son (teleconference)
Will Gonzalez, Gonzalez, Quintana, Hunter & Cruz (teleconference)
Sue Gornick, WSPA
Tom Gross, SCE
Jacob Haik, Governing Board Member Consultant (Buscaino/Videoconference)
Stewart Harris, The Carmen Group
Gary Hoitsma, The Carmen Group
Amelia Jenkins, (Cassidy & Associates (teleconference)
Mark Kadesh, Kadesh & Associates
Chris Kierig, Kadesh & Associates
Bill LaMarr, California Small Business Alliance
Chung Liu, Governing Board Member Consultant (Mitchell)
Rita Loof, RadTech
Erick Martell, Port of Los Angeles (Videoconference)
Debra Mendelsohn, Governing Board Member Consultant (Antonovich)
Dr. Wayne Miller, University of California, Riverside
Peggy Nguyen, Bureau of Sanitation, City of Los Angeles
David Rothbart, Los Angeles County Sanitation District
Susan Stark, Tesoro
Tara Tisopolous, Orange County Transportation Authority (OCTA)
Lee Wallace, SoCalGas
Warren Weinstein, Kadesh & Associates

ATTACHMENT 2



MEMORANDUM

To: Members of the South Coast Air Quality Management District Legislative Committee

From: Gary Hoitsma and Stewart Harris, Carmen Group

Date: May 13, 2016

Subj: Updated on Federal Legislative Issues

Please find the following information regarding Carmen Group's Federal Legislative update for the District's Legislative Committee. We would be pleased to answer any questions from you or the Committee regarding these items.

- 1) **EPA Budget:** The House Appropriations Subcommittee on Interior, Environment, and Related Agencies continues to develop its FY17 appropriations bill to fund EPA among other federal agencies. We continue to work with Chairman Calvert's office to including funding for the Targeted Airshed Grant Program and increased funding for the Diesel Emission Reduction Act (DERA) program, as well as the including of language to direct EPA to focus some of the DERA funding on projects in non-attainment areas such as the South Coast Air Basin.
- 2) **H.R. 4675 - No Lead in the Air Act of 2016:** As a carry-over item from last month, we continued to stay in touch with Delegate Norton's (D-DC) office regarding the legislation. The House continues to struggle to identify a clear pathway for passage of its FAA Reauthorization bill, due to several controversial provisions in the bill. Delegate Norton continues to seek to include her legislation in the House FAA Reauthorization bill as an amendment on the House floor, once the FAA bill moves forward.
- 3) **FAST Act Implementation:** FHWA released the dates for two national webinars to solicit comments from stakeholders and the public regarding the implementation of Section 1413 of the FAST Act, which calls for the designation of National Corridors that will provide for Electric Vehicle Charging and Hydrogen, Propane and Natural Gas Fueling Infrastructure. The webinars are scheduled for Thursday, May 12th and Monday, May 16th. We are registered to attend and have provided registration information to AQMD staff regarding the sessions. We will continue to work with FHWA on the designation of National Corridors, including positioning the District as an expert in the area.
- 4) **FHWA Proposed Rule:** On April 22, FHWA published a major, long-awaited Notice of Proposed Rulemaking (NPRM) entitled: National Performance Management Measures; Assessing Performance of the National Highway System, Freight Movement on the Interstate System, and Congestion Mitigation and Air Quality Improvement Program. FHWA is accepting comments until August 20th. This proposed rule represents the third in a series of three sets of "Performance Measure" rules required by MAP-21, the surface transportation

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law passed in 2012. The purpose of these rules is to establish performance measures (standards) for State DOTs and MPOs to use in carrying out their work to implement the nation's highway transportation programs, and thus provide better accountability in the use of federal highway funds. The performance measures regarding CMAQ were included in CMAQ as a result of language approved by the SCAQMD Governing Board in 2011. They require the largest MPO's to not only estimate the amount of emission reductions CMAQ-funded projects are projected to achieve during the planning phase, but to go back and measure actual emission reductions after each project is completed. We are working with AQMD staff to review the proposed rule.

CASSIDY&ASSOCIATES

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To: South Coast Air Quality Management District

From: Cassidy & Associates

Date: May 4, 2016

Re: May Legislative Update

General Congressional Outlook

Staffers worked through recess the first week of May, to prepare for fiscal year 2017 spending bills and Puerto Rico's debt when members return the week of May 9th. As the July summer recess fast approaches, and the Presidential convention looms for both parties, lawmakers are tempering expectations. The House will be in session for 32 more days, while the Senate will be in session for 42 days before adjourning for recess.

Congress' unfinished business rests on three major issues: spending measures, energy legislation, and Puerto Rico.

Spending bill: House action has been delayed by the inability of Republicans to muster the votes to adopt a fiscal 2017 budget resolution. Fights over emergency funding for Flint, Mich. and the Zika virus are expected, among other issues.

Issues of Interest to SCAQMD

Energy Legislation

Both the Senate and the House have passed their respective energy packages. The Senate's approval of a sprawling energy policy bill is far from done and faces significant obstacles before reaching the president's desk. The energy bill must be reconciled with a House version that includes far fewer incentives for renewable energy. While the current timeframe remains uncertain, Senate Energy and Natural Resources Committee Chairwoman Lisa Murkowski is strongly advocating for a conference to occur prior to the Congressional recess commencing in late July. The conference is expected to be difficult and time consuming as the two pieces of legislation vary widely. While both bills include an emphasis on boosting energy efficiency, speeding natural gas exports and streamlining permitting for pipelines and other projects, the House package (H.R. 8) is much more narrowly tailored and does not include the Vehicle Innovation Act.

The House legislation was passed on a much more partisan basis, and many believe that in order to get to a final package that could pass Congress, the final bill will have to resemble the Senate passed version. It will be

important for SCAQMD, and others, to advocate for the Vehicle Innovation Act and ensure other efficiency programs are included in the final package. The more controversial fights will likely be over sections that do not impact SCAQMD. At this time, conferees have not yet been named in either chamber of Congress or either political party.

Senate Interior, Environment and Related Agencies Appropriations

The Senate Interior-EPA appropriations bill has historically been one of the final appropriations bill to make its way through the process and according to subcommittee Chairwoman Lisa Murkowski, this year's Interior-Environment bill is going to "come through late in the process." The bill covers the funding for the Department of the Interior, Environmental Protection Agency and the U.S. Forest Service. According to the Senate Appropriations Committee staff, they are expecting to move on the bill in late June. This timeframe will allow for SCAQMD to ensure that their priorities are understood by Chairwoman Murkowski and Ranking Member Tom Udall.

Memo

To: Members of the South Coast Air Quality Management District Legislative Committee

From: Kadesh & Associates

Date: May 6, 2016

Subj: Update on Federal Legislative Issues

- 1) We have been working with Senate Energy and Water Appropriations staff on a new \$10 million zero emissions goods movement program for the 2017 Energy and Water appropriations bill. As Ranking Member of the Senate Energy and Water Appropriations subcommittee, Senator Feinstein made this a priority and was able to push for its inclusion. The overall bill and the appropriations process have been bogged down by an unrelated amendment having to do with the Iran nuclear deal. So we continue to expect that there will be a Continuing Resolution or omnibus bill come October 1st and that the 2017 appropriations won't be completed until the lame duck session, if not next year.
- 2) We monitored the April 14th Energy and Commerce Committee hearing on the Ozone Standards Implementation Act, HR 4775 (Rep. Pete Olson). The hearing focused heavily on California. The Committee Chair, Rep. Ed Whitfield (R. KY) in his opening statement mentioned that the new Ozone standards set up the San Joaquin Valley for failure and also stated that it is impossible for LA to meet the new standards. The California witness, Seyed Sadredin (Executive Director of the San Joaquin Valley Air Pollution Control District) argued that the Clean Air Act needed to be streamlined and asserted that it currently was costly and adverse to public health. On a question from Rep. McNerney (D. CA) about what San Joaquin has done to reduce past pollution, Mr. Sadredin replied that all the low hanging fruit was picked a long time ago so there were not many new options.

We continue to track HR 4775 as well as other related bills.

- 3) We are working with SCAQMD staff on the upcoming trip to Washington, D.C. during the week of June 13th. We wrote a strategy memo laying out our recommendations for the necessary preparation work in order to ensure that the Board's June D.C. visit is successful.

ATTACHMENT 3



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Legislative Report, May 13, 2016

Exide Clean up:

On April 20, 2016 Governor Brown Jr. signed AB 118 and SB 93, both which direct \$176.6 million in loan funds to expedite and expand testing and cleanup of residential properties, schools, daycare centers and parks around the former Exide Technologies facility in Vernon, California.

AB 118, by Assemblymember Miguel Santiago and SB 93, by Senate President pro Tempore Kevin de León and Senator Ricardo Lara, implement the Administration's plan, which was released in February 2016.

The \$176.6 million appropriation of loan funds will ensure all residential properties, schools, daycare centers and parks within the 1.7-mile radius of the Exide Technologies facility are tested and contaminated soil removed where lead levels are the highest and potential exposure the greatest.

In an effort to avoid potentially lengthy delays in getting the expanded testing and cleanup started, the Administration's proposal initially included an exemption to the California Environmental Quality Act (CEQA). However, in response to community and legislative concerns, the Administration is now planning for a CEQA review of the cleanup.

The appropriation is from the Toxic Substances Control Account and will be supported by a loan from the General Fund. Repayment of these cleanup costs will ultimately be sought from Exide and any other parties responsible for the lead contamination.

SB 1387 (DeLeon)

SB 1387 (DeLeon) proposes the following:

- Would require the District Board to submit to the State Air Resources Board for review and approval the district's plan for attainment or a revision to that plan.
- Would require the District Board to submit to the State Board for review and approval the district's market-based incentive program and any revisions to that program
- Would add 3 members to the district board: with the additional members appointed by the Governor, the Senate Committee on Rules, and the Speaker of the Assembly.

On April 20, 2016, The Senate Committee on Environmental Quality approved SB 1387 by Senate President Pro Tempore Kevin de León on a vote of 5-2.

The bill is now set to be heard in the Senate Appropriations Committee on May 9, 2016.

31st Assembly District Special Election

After the resignation of Assemblymember Henry Perea on December 31, 2015, the State held a special election on April 5, 2016 to fill the 31st Assembly District (Fresno).

Dr. Joaquin Arambula received more than 50% of the vote and, by doing so, avoided a general election runoff that was scheduled for June 7, 2016.

Assemblymember Arambula will focus on efforts to increase access to healthcare for low-income Californians, fight for increased water supplies for the Central Valley, and improve air quality.

Assemblymember Arambula took the oath of office to serve as the Assemblymember of the 31st District On April 14, 2016.

UC ITS funding augmentation

On May 4, 2016, the Assembly Budget Sub-Committee #3 on State Transportation and Resources held a hearing regarding a \$9 million augmentation (over 3 years) to the UC Institute of Transportation Studies at the Berkeley, Davis, Irvine and UCLA campuses.

Our firm was present at the hearing and testified on behalf of the SCAQMD in support of the augmentation. In addition to our support, the Committee received 41 letters of support from clean transportation stakeholders. At the end of the hearing, the Committee decided to a one-year, \$3 million augmentation with direction to re-evaluate the item during next year's budget.

The Senate has not taken action on this item. When the Senate does take action, we will be sure to provide this Committee with an update.

Legislative Deadlines

- **May 6** Last day for **policy committees** to hear and report to the Floor **nonfiscal** bills introduced in their house.
- **May 13** Last day for **policy committees** to meet prior to June 6.
- **May 27** 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 6.
- **May 31-June 3 Floor Session only.** No committee may meet for any purpose.
- **June 3** Last day for each house to pass bills introduced in that house.
- **June 6** Committee meetings may resume.
- **June 15** Budget Bill must be passed by midnight.
- **June 30** Last day for a legislative measure to qualify for the Nov. 8 General Election ballot.



SCAQMD Report

Gonzalez, Quintana, Hunter & Cruz, LLC

May 13, 2016

General Update:

The month of April was consumed by lengthy, policy committee hearings in both the Senate and Assembly, as April 22nd was the deadline for fiscal bills in the first house to be passed out of their respective policy committees. Consequently, there was a rush for all of the newly introduced bills from this year to advance out of committee.

Now that the deadline has passed, these bills will be headed to the Appropriations Committee in each house. In this committee, bills without a significant fiscal impact will be heard in the next few weeks before moving to the Assembly or Senate Floor. Bills that have a larger price tag will be placed on the suspense file and will be taken up for a hearing near the end of May.

As will be discussed in more detail below, the State Budget process is also heating up, as the Governor's May Revise is set to be released on May 13. This will contain updates to funding allocations, but may also contain new items and proposed programs. This will also fuel the process within the Legislature to consider the various items and develop the Legislature's proposed Budget, which they can then use in negotiations with the Governor.

Below are specific updates to policy issues being tracked by SCAQMD's legislative team.

Aliso Canyon Response:

While Aliso Canyon is no longer dominating Capitol discussions like it was to start the year, it is still a high priority issue garnering significant legislative and regulatory attention. The specific bill imposing a moratorium on pumping at Aliso Canyon – SB 380 (Pavley) – passed on May 3rd from the Legislature and is now awaiting signature by the Governor.

SB 888 (Allen) establishes the Office of Emergency Services (OES) as the lead agency in response to gas leaks. It also establishes a fund for any penalties levied after a leak to be submitted which will be used for GHG reduction purposes.

Additionally, AB 1903 (Wilk) would authorize a study by the Office of Environmental Health Hazard Assessment of the long-term health impacts of the natural gas leak from the Aliso Canyon natural gas storage facility.

SB 888 and AB 1903 are both in their respective Appropriations Committees and are expected to continue moving.

There has also been a lot of attention on the potential for rolling blackouts this summer in Southern California due to natural gas shortages. This has spurred numerous hearings and presentations in the Capitol.

State Budget:

The May Revise is scheduled to be released on May 13th. The allocations of the GGRF continue to attract a lot of debate. The Governor's Budget currently allocated funds left over from last Fiscal Year, as well as those expected in the upcoming Fiscal Year. As part of the effort to reach a 50% reduction in petroleum use, the budget allocates \$500 million to CARB for low carbon transportation programs.

Two other budget items that we have focused on are funding for UC Institute of Transportation Studies and GGRF funding for woodsmoke grant programs. The Legislature is leaving the woodsmoke funding issue open until the Governor's May Revise is released.

CVRP/EFMP Related Issues:

Three moderate Democrats in the Assembly continue to push legislation in this arena. The discussion is very much ongoing, as the authors continue to work with stakeholders on the bills. The bills are also closely tied to the Budget, so we may learn more when the May Revise is released. Finally, all three of these bills reflect one of the primary goals of the Legislature, which is to help low income Californians participate directly in the state's GHG reduction efforts.

AB 1710 (Calderon) is looking towards creating more long-term programs at CARB alongside CVRP. It also creates a credit and a deduction for Personal Income Taxes and an exemption on Sales and Use Taxes up to \$40,000 for low income purchasers.

AB 1851 (Gray) increases the CVRP incentives, with larger increases for low income purchasers. It also creates an incentive for any businesses that purchase charging infrastructure and provides a sales tax benefit if you trade in a high-emitting car.

AB 2564 (Cooper) increases CVRP incentives for low income purchasers and lowers the household income threshold for eligibility.

Natural Gas:

Along with SB 380 discussed above, Senator Pavley is also carrying SB 887, one of several bills in a comprehensive package to address natural gas well safety. It would comprehensively reform well standards at natural gas storage facilities by requiring continuous monitoring and regular inspection by DOGGR, limiting gas injection to the internal tubing rather than the entire well casing, and imposing other needed safety standards.

The Natural Gas and storage conversation is also heating up with regards to electricity reliability. Reports continue to be released about the possibility that Southern California could experience blackouts this summer due to a lack of natural gas for peaker plants.

Some bills are focused on incentive programs to increase renewable natural gas use, such as AB 2460 (Irwin) to extend a program at the CPUC to incentivize solar thermal projects, and AB 2313 (Williams) to increase a program at the CPUC to incentivize biomethane projects. Similarly, some would add regulations to account for and reduce natural gas, such as SB 1441 (Leno) to account for methane leaks from natural gas pipelines.

Short Lived Climate Pollutants:

The Legislative Analyst's Office (LAO) recently recommended that the Legislature reject the Governor's proposed Budget items that would support efforts to reduce SLCPs as part of post-2020 targets. The LAO stated that they are not aware of any statutory authority for taking on those efforts, so recommended rejecting. SB 1383 (Lara) would mandate reductions in black carbon and methane in a way that's very similar to CARB's proposed strategy to reduce SLCPs, which would likely resolve any legal concerns in this area.

AB 1691 (Gipson/Garcia)
Vehicular Air Pollution: Vehicle Retirement

Summary:

AB 1691 as proposed would place additional provisions to the Enhanced Fleet Modernization Program (EFMP). The bill would require the state board to update the EFMP guidelines by June 30, 2017 and would remain operative until July 1, 2022.

Background:

Existing law creates an enhanced fleet modernization program for the retirement of high polluting vehicles to be administered by the Bureau of Automotive Repair pursuant to guidelines adopted by the State Air Resources Board. The program's guidelines were updated June 2015. Existing law requires the updated guidelines to ensure vehicle replacement be an option for all motor vehicle owners and may be in addition to compensation for vehicles retired, as specified.

The EFMP is funded under AB 118 with funding from the Bureau of Automotive Repair that is administered by CARB. In addition, CARB has established the EFMP Plus-Up Project to provide financial assistance to low-income individuals to replace older polluting vehicles with cleaner more fuel efficient vehicles. The combined funding of EFMP and EFMP Plus-Up can be as much as \$9,500 for a resident meeting the lowest income eligibility level and lives in a disadvantaged community as defined by CARB.

Status: 4/21/16 Assembly Appropriations to be heard on May 11, 2016

Specific Provisions:

The bill would add a new section 44125.5 to direct CARB to update the EFMP guidelines to ensure that:

- 1) Each air district implementing the EFMP that has a backlog or a waiting list for applicants shall develop a plan with recommendations to CARB on how to eliminate the backlog or waiting list.
- 2) Specific steps are taken, including, but not limited to, random income eligibility verification and contact with program participants at least once after their vehicles are replaced, to ensure the program is not being misused.
- 3) For programs operating pursuant to Section 2627 of Title 13 of the CCR, mandatory partnerships with, and a mandatory minimum amount of overall funding allocated to outreach for, community-based organizations to ensure program accessibility for the lowest income disadvantaged communities in the state, with an outreach and partnership report to be submitted to CARB by the District every six months.
- 4) Enhancement of prescreening of applicants to the programs operating pursuant to Section 2627 of Title 13 of the CCR, if determined by CARB to be appropriate.
- 5) For the portion of the program operating pursuant to Section 2622 of Title 13 of the CCR focused on disadvantaged communities and programs operating pursuant to

Section 2627 of Title 13 of the CCR, priority is given to the retirement of vehicles that are 15 years or older and with more than 75,000 miles.

Section 44125.5 shall be inoperative as of July 1, 2022 and is repealed as of January 1, 2023 unless a later enacted statute, that becomes effective on or before January 1, 2023, deletes or extends the dates on which it becomes inoperative and is repealed.

Section 44274.1 is added to the Health and Safety Code for the EFMP Plus-Up with the intent that the EFMP Plus-Up is focused on disadvantaged communities and the number of vehicles replaced is increased annually. The provisions proposed under Section 44125.5 above are the same for Section 44274.1

Impacts on AQMD's Mission, Operations or Initiatives:

The SCAQMD is currently implementing the EFMP and EFMP Plus-Up. The EFMP is a very successful program in that with minimal outreach, the program was quickly oversubscribed. New applicants are placed on waiting list until new funding allocations are provided (currently, most likely with the new fiscal year allocation). Due to the overwhelming interest in the program over a few short weeks, a backlog occurred. The SCAQMD staff and the EFMP contractors have been processing applications and anticipates eliminating the backlog by mid-June 2016. Depending on the funding level to be allocated by CARB, SCAQMD staff will have a better estimate as to how many applications can be covered by the funding provided. SCAQMD staff does not anticipate having a waiting list beyond Fiscal Year 2016-17. The funding is primarily for the EFMP Plus-Up and the EFMP base funding is at a much smaller level. As such, the SCAQMD and the MSRC have been providing funds to serve as a local match to the EFMP Plus-Up. In the longer term, sustainable funding must be identified to match the EFMP Plus-Up. SCAQMD staff will pursue funding from the state or federal government.

Relative to the other provisions proposed in AB 1691, SCAQMD staff believes that the provisions are appropriate.

Recommended Position: SUPPORT WITH AMENDMENTS

1) Suggested amendment to Section 44125.5(a)(1) and 44274.1(b)(1)

The provisions to develop a plan for districts implementing the EFMP and have a backlog or waiting list is recommended to be revised that a formal plan is not necessary if the district provides in its quarterly reports on the program progress discuss the backlog and actions taken to reduce the backlog.

2) Suggested amendments consistent with the intent that the program successfully focus on disadvantaged communities and those areas most impacted by poor air quality, the updated guidelines shall ensure:

- Specific steps are taken to ensure the vehicle replacement component of the program is available in areas at risk of being designated as federal extreme nonattainment.
- Specific steps are taken to ensure the vehicle replacement component of the program is available in all districts containing disadvantaged communities.
- Funding for targeted outreach in low-income and disadvantaged communities for the program is increased from the amounts allocated in the 2015-2016 fiscal year.
- For air districts implementing the Enhanced Fleet Modernization Program pursuant to Section 44125 of the Health and Safety Code and the Enhanced Fleet Modernization Program Plus-Up project element of the Greenhouse Gas Reduction Fund, the moneys allocated for the Enhanced Fleet Modernization Program shall be at levels commensurate to the moneys allocated from the Greenhouse Gas Reduction Fund for the Enhanced Fleet Modernization Program Plus-Up project.

No Registered Support or Opposition

AMENDED IN ASSEMBLY APRIL 20, 2016

AMENDED IN ASSEMBLY APRIL 12, 2016

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 1691

Introduced by Assembly Members Gipson and Cristina Garcia

January 21, 2016

An act to add ~~Section 44125.5 to~~ *and repeal Sections 44125.5 and 44274.1 of the Health and Safety Code, relating to vehicular air pollution.*

LEGISLATIVE COUNSEL'S DIGEST

AB 1691, as amended, Gipson. Vehicular air pollution: vehicle retirement.

Existing law creates an enhanced fleet modernization program for the retirement of high polluting vehicles to be administered by the Bureau of Automotive Repair pursuant to guidelines adopted by the State Air Resources Board. Existing law requires the program's guidelines to be updated no later than June 30, 2015. Existing law requires the updated guidelines to ensure vehicle replacement be an option for all motor vehicle owners and may be in addition to compensation for vehicles retired, as specified

This bill would require the state board, by June 30, 2017, to update the guidelines, ~~as specified~~ *as specified, that would be operative until July 1, 2022.*

Existing law establishes the Air Quality Improvement Program that is administered by the State Air Resources Board for the purposes of funding projects related to, among other things, the reduction of criteria air pollutants and improvement of air quality. Pursuant to its existing

statutory authority, the state board has established the Plus Up Project, as a part of the Air Quality Improvement Program, to provide financial assistance to low-income individuals to replace older polluting vehicles with cleaner more fuel efficient vehicles

This bill would require the state board, by June 30, 2017, to adopt guidelines that would be operative until July 1, 2022, for the purposes of the pilot project.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. ~~It is the intent of the Legislature that the efforts~~
2 ~~of the Plus-Up Pilot Project developed by the State Air Resources~~
3 ~~Board are focused on disadvantaged communities, as identified~~
4 ~~pursuant to Section 39711 of the Health and Safety Code and that~~
5 ~~the program increases the number of vehicles replaced annually.~~

6 ~~SEC. 2.~~

7 SECTION 1. Section 44125.5 is added to the Health and Safety
8 Code, to read:

9 44125.5. (a) No later than June 30, 2017, the state board shall
10 update the guidelines adopted pursuant to Section 44125 to ensure
11 all of the following:

12 (a)

13 (1) Each district implementing a ~~vehicle retirement program~~
14 ~~funded by the state board's Plus-Up Pilot Project program pursuant~~
15 ~~to Section 2627 of Title 13 of the California Code of Regulations~~
16 with a backlog or a waiting list for applicants shall develop a plan
17 with recommendations to the state board on how to eliminate the
18 backlog or waiting list.

19 (b)

20 (2) Specific steps are ~~taken~~ taken, including, but not limited to,
21 random income eligibility verification and contact with program
22 participants at least once after their vehicles are replaced, to
23 ensure the program operating pursuant to Section 2627 of Title 13
24 of the California Code of Regulations is not being misused. ~~The~~
25 ~~steps shall include, but are not limited to, random income eligibility~~
26 ~~verification and contact with program participants at least once~~
27 ~~after their vehicles are replaced.~~

1 ~~(e) Evaluation of whether prescreening of applicants for the~~
2 ~~program can be enhanced.~~

3 (3) *For programs operating pursuant to Section 2627 of Title*
4 *13 of the California Code of Regulations, mandatory partnerships*
5 *with, and a mandatory minimum amount of overall funding*
6 *allocated to outreach for, community-based organizations to ensure*
7 *program accessibility for the lowest income disadvantaged*
8 *communities in the state, with an outreach and partnership report*
9 *to be submitted to the state board by the district every six months*
10 *after July 1, 2017.*

11 (4) *Enhancement of prescreening of applicants to the programs*
12 *operating pursuant to Section 2627 of Title 13 of the California*
13 *Code of Regulations, if determined by the state board to be*
14 *appropriate.*

15 ~~(d)~~

16 (5) *For the portion of the program operating pursuant to Section*
17 *2622 of Title 13 of the California Code of Regulations focused on*
18 *disadvantaged communities, as identified pursuant to Section*
19 *39711, and for a district's program funded by the Plus-Up Pilot*
20 *Project, programs operating pursuant to Section 2627 of Title 13*
21 *of the California Code of Regulations, priority is given to the*
22 *retirement of vehicles that are 15 years or older and vehicles with*
23 *more than 75,000 miles.*

24 (b) *This section shall become inoperative on July 1, 2022, and,*
25 *as of January 1, 2023, is repealed, unless a later enacted statute,*
26 *that becomes operative on or before January 1, 2023, deletes or*
27 *extends the dates on which it becomes inoperative and is repealed.*

28 SEC. 2. *Section 44274.1 is added to the Health and Safety*
29 *Code, to read:*

30 44274.1. (a) *It is the intent of the Legislature that the efforts*
31 *of the Plus-Up Pilot Project developed by the state board pursuant*
32 *to Section 44274 are focused on disadvantaged communities, as*
33 *identified pursuant to Section 39711 of the Health and Safety Code,*
34 *and that the number of vehicles replaced is increased annually.*

35 (b) *Not later than June 30, 2017, the state board shall develop*
36 *guidelines for the Plus Up Pilot Project that include all of the*
37 *following:*

38 (1) *Each district implementing a program funded by the Plus*
39 *Up Pilot Project with a backlog or a waiting list for applicants*

1 shall develop a plan with recommendations to the state board on
2 how to eliminate the backlog or waiting list.

3 (2) Specific steps are taken, including, but not limited to, random
4 income eligibility verification and contact with program
5 participants at least once after their vehicles are replaced, to
6 ensure that the program is not being misused.

7 (3) Mandatory partnerships with, and a mandatory minimum
8 amount of overall funding allocated to outreach for,
9 community-based organizations to ensure program accessibility
10 for the lowest income disadvantaged communities in the state, with
11 an outreach and partnership report to be submitted to the state
12 board by the district every six months after July 1, 2017.

13 (4) Enhancement of prescreening of applicants to the program,
14 if determined by the state board to be appropriate.

15 (5) Priority is given to the replacement of vehicles that are 15
16 years or older and with more than 75,000 miles usage.

17 (c) This section shall become inoperative on July 1, 2022, and,
18 as of January 1, 2023, is repealed, unless a later enacted statute,
19 that becomes operative on or before January 1, 2023, deletes or
20 extends the dates on which it becomes inoperative and is repealed.

AB 1965 (Cooper) Vehicle Retirement and Replacement

Summary:

AB 1965 would require the Air Resources Board (CARB), in consultation with the Bureau of Automotive Repair (BAR), to set specific, measurable goals for the retirement and replacement of passenger vehicles and light-duty and medium-duty trucks that are high polluters and to ensure those goals are met by updating the program's guidelines no later than July 1, 2017, as specified. The bill would require CARB, no later than July 1, 2018, and every other year thereafter, to collect and post on the program's Internet Web site specified information on the program. The bill would authorize CARB to allocate moneys, upon appropriation, from specified funds to expand the vehicle replacement component of the program.

Background:

Existing law creates an enhanced fleet modernization program for the retirement of high polluting vehicles to be administered by the Bureau of Automotive Repair pursuant to guidelines adopted by the State Air Resources Board. The program's guidelines were updated June 2015. Existing law requires the updated guidelines to ensure vehicle replacement be an option for all motor vehicle owners and may be in addition to compensation for vehicles retired, as specified.

The EFMP is funded under AB 118 with funding from BAR that is administered by CARB. In addition, CARB has established the EFMP Plus-Up Project to provide financial assistance to low-income individuals to replace older polluting vehicles with cleaner more fuel efficient vehicles. The combined funding of EFMP and EFMP Plus-Up can be as much as \$9,500 for a resident meeting the lowest income eligibility level and lives in a disadvantaged community as defined by CARB.

Status: 5/4/16 Assembly Appropriations Suspense File

Specific Provisions:

The bill would add a new section 44127 to the Health and Safety Code to direct CARB to:

- 1) Beginning in the 2016-17 fiscal year, and every fiscal year thereafter, CARB, in consultation with BAR, shall set specific goals for the retirement and replacement of passenger vehicles and light-duty and medium-duty trucks that are high polluters.
- 2) CARB, in consultation with BAR, shall meet the goals by updating the guidelines of the program no later than July 1, 2017. The updated guidelines shall ensure all of the following:
 - (1) Specific steps are taken to ensure the vehicle replacement component of the program is available in areas at risk of being designated as federal extreme nonattainment.
 - (2) Specific steps are taken to ensure the vehicle replacement component of the program is available in all districts containing disadvantaged communities.

- (3) Funding for targeted outreach in low-income and disadvantaged communities for the program is increased from the amounts allocated in the 2015-16 fiscal year.
 - (4) There is improved coordination, integration, and partnerships with other programs that target disadvantaged communities and receive moneys from the Greenhouse Gas Reduction Fund, created pursuant to Section 16428.8 of the Government Code.
- 3) Upon appropriation by the Legislature, the state board may allocate moneys for the expansion of the vehicle replacement component of the program from any of the following:
- (1) The Enhanced Fleet Modernization Subaccount, created pursuant to Section 44126.
 - (2) The High Polluter Repair or Removal Account, created pursuant to Section 44091.
 - (3) The Vehicle Inspection and Repair Fund, created pursuant to Section 9886 of the Business and Professions Code.

Impacts on SCAQMD’s Mission, Operations or Initiatives:

The SCAQMD is currently implementing the EFMP and EFMP Plus-Up. The EFMP is a very successful program in that with minimal outreach, the program was quickly oversubscribed. New applicants are placed on waiting list until new funding allocations are provided (currently, most likely with the new fiscal year allocation). The funding is primarily for the EFMP Plus-Up (Greenhouse Gas Reduction Fund) and the EFMP base funding (the focus of AB 1965) is at a much smaller level. As such, the SCAQMD and the MSRC have been providing funds to serve as a local match to the EFMP Plus-Up. In the longer term, sustainable funding must be identified to match the EFMP Plus-Up. SCAQMD staff will pursue funding from the state or federal government.

Recommended Position:

Support with suggested amendment to add Section 44127(f)

To address the gap in funding between the EFMP Base and EFMP Plus-Up, the following section is recommended to be added as follows:

(f) For air districts implementing the Enhanced Fleet Modernization Program Plus-Up project element of the Greenhouse Gas Reduction Fund, the moneys allocated pursuant to subdivision (e) shall be at levels commensurate to the moneys allocated from the Greenhouse Gas Reduction Fund for the Enhanced Fleet Modernization Program Plus-Up project.

AMENDED IN ASSEMBLY MARCH 16, 2016

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 1965

**Introduced by Assembly Member Cooper
(Coauthors: Assembly Members Alejo, Cooley, Dodd, and McCarty)**

February 12, 2016

An act to add Section 44127 to the Health and Safety Code, relating to vehicular air pollution.

LEGISLATIVE COUNSEL'S DIGEST

AB 1965, as amended, Cooper. Vehicle retirement and replacement.

Existing law creates an enhanced fleet modernization program for the retirement of high polluting vehicles to be administered by the Bureau of Automotive Repair pursuant to guidelines adopted by the State Air Resources Board.

This bill, beginning in the 2016–17 fiscal year, and every year thereafter, would require the state board, in consultation with the bureau, to set ~~specific~~ *specific, measurable* goals for the retirement and replacement of passenger vehicles and light-duty and medium-duty trucks that are high polluters and to ensure those goals are met by updating the program's guidelines no later than July 1, 2017, as specified *The bill would require the state board, no later than July 1, 2018, and every other year thereafter, to collect and post on the program's Internet Web site specified information on the program.* The bill would authorize the state board to allocate moneys, upon appropriation, from specified funds to expand the vehicle replacement component of the program.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

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) The State Air Resources Board estimates that the state is
 4 home to five times more cars over 20 years old than the national
 5 average.
 6 (b) At present, at least 2,000,000 cars in the state, about nine
 7 percent of the state’s 23,000,000 light- and medium-duty vehicles,
 8 are over 20 years old.
 9 (c) In 2011, the nine percent of the fleet that was model year
 10 1992 or older produced a full 40 percent of the smog-forming
 11 emissions from passenger vehicles.
 12 (d) Furthermore, according to state and local agency estimates,
 13 a mere 10 percent to 15 percent of the state’s motor vehicles, the
 14 subset known as gross polluters, are responsible for more than half
 15 of the light-duty vehicle smog in the state.
 16 (e) An upgrade in fuel efficiency from 15 miles per gallon to
 17 30 miles per gallon would save a typical household over \$1,200
 18 per year in gasoline expenditures.
 19 (f) The enhanced fleet modernization program (Article 11
 20 (commencing with Section 44125) of Chapter 5 of Part 5 of
 21 Division 26 of the Health and Safety Code) provides a significant
 22 opportunity to improve air quality, reduce fuel costs for the state’s
 23 low-income residents, and contribute to the state’s greenhouse gas
 24 emissions reduction goals.
 25 (g) It is the intent of the Legislature that the enhanced fleet
 26 modernization program (Article 11 (commencing with Section
 27 44125) of Chapter 5 of Part 5 of Division 26 of the Health and
 28 Safety Code) be expanded to assist in meeting the state’s
 29 environmental goals and maximize benefits for disadvantaged
 30 communities, as identified pursuant to Section 39711 of the Health
 31 and Safety Code.
 32 SEC. 2. Section 44127 is added to the Health and Safety Code,
 33 to read:
 34 44127. (a) For purposes of this section, the following terms
 35 have the following meanings:
 36 (1) “Disadvantaged community” means a community identified
 37 pursuant to Section 39711.

1 (2) “Program” means the program established pursuant to
2 Section 44125.

3 (b) Beginning in the 2016–17 fiscal year, and every fiscal year
4 thereafter, the state board, in consultation with the bureau, shall
5 set ~~specifi~~ *specific, measurable* goals for the retirement and
6 replacement of passenger vehicles and light-duty and medium-duty
7 trucks that are high polluters.

8 (c) The state board, in consultation with the bureau, shall meet
9 the goals set pursuant to subdivision (b) by updating the guidelines
10 of the program no later than July 1, 2017. The updated guidelines
11 shall ensure all of the following:

12 (1) Specific steps are taken to ensure the vehicle replacement
13 component of the program is available in areas at risk of being
14 designated as federal extreme nonattainment.

15 (2) Specific steps are taken to ensure the vehicle replacement
16 component of the program is available in all districts containing
17 disadvantaged communities.

18 (3) Funding for targeted outreach in low-income and
19 disadvantaged communities for the program is increased from the
20 amounts allocated in the 2015–16 fiscal year .

21 (4) There is improved coordination, integration, and partnerships
22 with other programs that target disadvantaged communities and
23 receive moneys from the Greenhouse Gas Reduction Fund, created
24 pursuant to Section 16428.8 of the Government Code.

25 (d) *No later than July 1, 2018, and every other year thereafter,*
26 *the state board shall collect and post on the program’s Internet*
27 *Web site all of the following:*

28 (1) *Program performance relative to the goals adopted pursuant*
29 *to subdivision (b).*

30 (2) *An accounting that includes, but need not be limited to,*
31 *funding allocated to the program, funding sources, and program*
32 *expenditures by region.*

33 (3) *A comment on the overall success of the program, or lack*
34 *thereof, including, but not limited to, recommendations to improve*
35 *the overall performance of the program if the state board*
36 *determines the program needs improvement.*

37 (d)

38 (e) Upon appropriation by the Legislature, the state board may
39 allocate moneys for the expansion of the vehicle replacement
40 component of the program from any of the following:

- 1 (1) The Enhanced Fleet Modernization Subaccount, created
- 2 pursuant to Section 44126.
- 3 (2) The High Polluter Repair or Removal Account, created
- 4 pursuant to Section 44091.
- 5 (3) The Vehicle Inspection and Repair Fund, created pursuant
- 6 to Section 9886 of the Business and Professions Code.

O

AB 2293 (Garcia) **California Green Business Program and Green Assistance Program.**

Summary: This bill would create the Green Assistance Program (GAP) to provide technical assistance to small businesses and small non-profit organizations to access programs funded by the Greenhouse Gas Reduction Fund (GGRF). This bill would also establish the California Green Business Program (CGBP) to provide assistance to green business certification programs by local governments that certify small- and medium-sized businesses that adopt environmentally preferable business practices.

Background:

Existing Law

Under the California Global Warming Solutions Act of 2006, existing law requires the California Air Resources Board (ARB) to determine the 1990 statewide greenhouse gas (GHG) emissions level, to approve a statewide GHG emissions limit equivalent to that level that will be achieved by 2020, and to adopt GHG emissions reductions measures by regulation. ARB is authorized to use market-based mechanisms to comply with the regulations, which have been implemented as its greenhouse gas cap and trade program. All moneys collected under this program are to be deposited in the GGRF.

Under the GGRF Investment Plan and Communities Revitalization Act, GGRF moneys must be used to facilitate GHG emission reductions consistent with the Global Warming Solutions Act of 2006. Appropriations of the GGRF funds in the annual budget are required to be consistent with the three-year investment plans developed by the Department of Finance in consultation with ARB and other relevant state agencies. Pursuant to SB 535 (De Leon), the GGRF investment plan is to allocate a minimum of 25% of the funds to projects that benefit disadvantaged communities and to allocate 10% of the funds to projects located within disadvantaged communities.

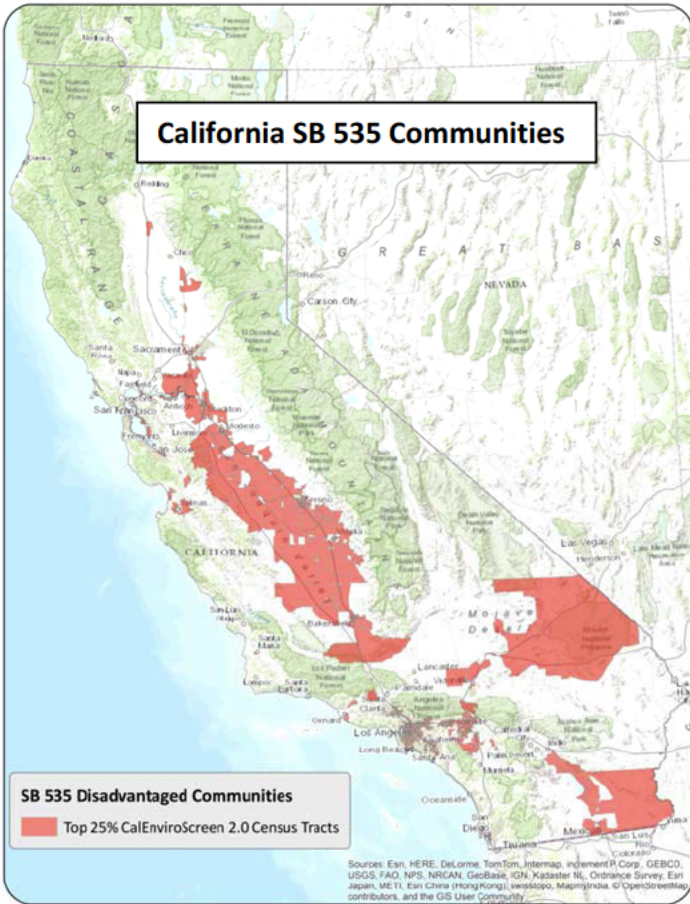
Cap-and-Trade Expenditure Plan in the Annual Budget

The 2014-15 Budget Act allocates cap-and-trade revenues for the 2014-15 fiscal year and established a long-term plan for the allocation of cap-and-trade revenues beginning in fiscal year 2015-16. The Budget continuously appropriates 35% of cap-and-trade funds for investments in transit, affordable housing, and sustainable communities. Twenty-five percent of the revenues are continuously appropriated to continue the construction of high-speed rail. The remaining 40% will be appropriated annually by the Legislature for investments in programs that include low-carbon transportation, energy efficiency and renewable energy, and natural resources and waste diversion.

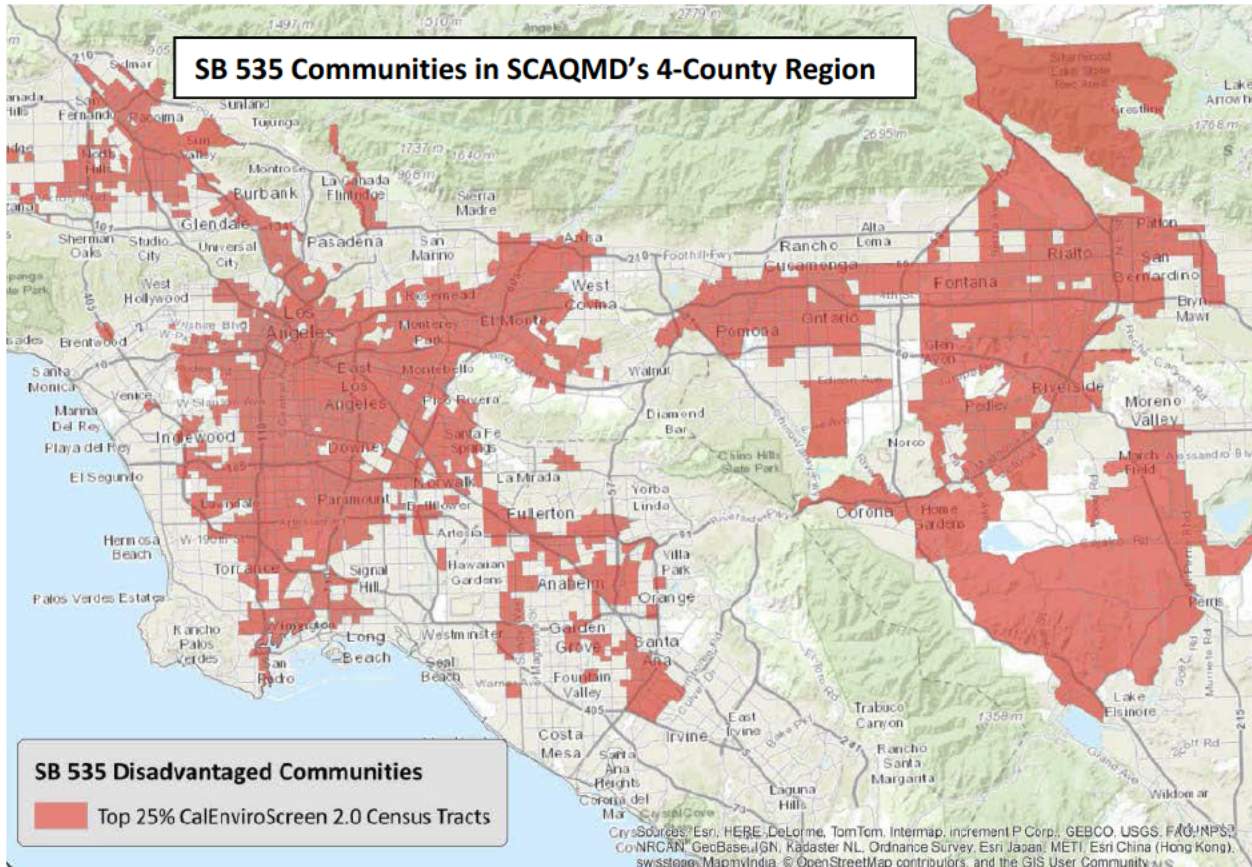
The GGRF fund currently has over three billion dollars in unallocated funding from 2015 and continues to grow with this year's auction revenues.

Disadvantaged Communities

CalEnviroScreen, a tool developed by the Office of Environmental Health Hazard Assessment as directed by SB 535, determined a list of disadvantaged communities throughout California in October 2014. The areas within which the majority of disadvantaged communities were identified included the San Joaquin Valley, parts of Los Angeles and the Inland Empire, and large portions of the Coachella Valley and Mojave Desert.



1,368 of the 1,993 most disadvantaged census tracts in the state are within the SCAQMD region.



Prior related legislation:

This bill is virtually identical to SB 398 (Leyva) which was introduced in 2015, had no opposition, and had a wide range of support from environmental, health, and urban planning organizations. SCAQMD adopted a position of support for the bill, but it was held in appropriations along with almost every other GGRF-related legislation.

Bill Status: April 28, 2016 - Re-referred to Assembly Comm. on Appropriations.

Specific Provisions: Specifically, this bill would:

- 1) Establish the GAP to be administered by the Secretary for Environmental Protection to:
 - a) Provide technical assistance to small businesses and nonprofit organizations when applying for GGRF funding;
 - b) Assist small businesses in applying for funding for energy upgrades to meet and exceed the required greenhouse gas emission reductions;
 - c) Assist small businesses in complying with all applicable federal, state, and local air quality laws; and
 - d) Coordinate existing local programs to reduce greenhouse gas emissions with new programs receiving moneys from the GGRF.
- 2) Establish the CGBP to be administered by the Secretary for Environmental Protection to:
 - a) Provide support and assistance to green business certification programs operated by local governments that certify small- and medium-sized businesses that voluntarily adopt environmentally preferable business practices, including, but not limited to, increased energy efficiency, reduced greenhouse gas emissions, water conservation, and waste reduction.
- 3) Appropriate an unspecified amount annually to each program from the GGRF.

Impacts on SCAQMD’s Mission, Operations or Initiatives:

Southern California is home to some of the worst air quality in the nation, particularly those communities along the primary corridors for transporting goods from the Ports of Long Beach and Los Angeles through the Inland Empire to other parts of the nation. Unfortunately, many of California’s and our region’s most polluted areas include disadvantaged communities with higher rates of poverty and incidences of asthma and cancer. These communities, as well as small non-profits and businesses, typically do not have the technical expertise or marketing capabilities to develop and pursue grant and financing options, leaving them at a clear disadvantage to apply for green assistance funds.

GGRF investments have the promise of supporting local businesses and jobs while addressing the negative impacts on air quality from greenhouse gas emissions and providing a cobenefit of criteria pollutant and toxic emission reductions. AB 2293 will help ensure that GGRF investments are made

equitably and include investments within the SCAQMD as consistent with our population and pollution burden. Pursuant to SB 535, CalEnviroScreen identifies the top 25% most disadvantaged communities, which total 1,993 census tracts throughout the state. Of these 1,368, or 69%, are within SCAQMD’s jurisdictional boundaries.

AB 2293 will help address an ongoing gap between green funding resources currently available at the state level and the ability of small businesses and non-profits located within disadvantaged communities in the South Coast region to access those funds.

Recommended Position: SUPPORT

AMENDED IN ASSEMBLY APRIL 27, 2016

AMENDED IN ASSEMBLY APRIL 11, 2016

AMENDED IN ASSEMBLY MARCH 29, 2016

AMENDED IN ASSEMBLY MARCH 10, 2016

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 2293

**Introduced by Assembly Members Cristina Garcia, Alejo, Eggman,
Eduardo Garcia, and Gomez**
(Principal coauthor: Senator Leyva)

February 18, 2016

An act to add ~~Part 10 (commencing with Section 44480)~~ to Division 26 Sections 12812.7 and 12812.8 to the Government Code, and to amend Section 25244.17.2 of the Health and Safety Code, relating to greenhouse ~~gases~~: *gases*, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

AB 2293, as amended, Cristina Garcia. ~~Greenhouse Gas Reduction Fund~~: *California Green Business Program and Green Assistance Program.*

Existing law creates the California Environmental Protection Agency, consisting of various boards, offices, and departments, including the State Air Resources Board and the Department of Toxic Substances Control.

The California Global Warming Solutions Act of 2006 designates the State Air Resources Board as the state agency charged with monitoring and regulating sources of emissions of greenhouse gases. The act authorizes the state board to include the use of market-based

compliance mechanisms. Existing law requires all moneys, except for fines and penalties, collected by the state board as part of a market-based compliance mechanism to be deposited in the Greenhouse Gas Reduction Fund and to be available upon appropriation. Existing law requires the California Environmental Protection Agency to identify disadvantaged communities and requires the Department of Finance, in consultation with the state board and any other relevant state agency, to develop, as specified, a 3-year investment plan for the moneys deposited in the Greenhouse Gas Reduction Fund.

This bill would establish the Green Assistance Program within the California Environmental Protection Agency to, among other things, assist small businesses and small nonprofit organizations in applying for moneys from the Greenhouse Gas Reduction Fund.

This bill would also establish the California Green Business Program within the California Environmental Protection Agency to provide support and assistance to green business certification programs operated by local governments that certify small- and medium-sized businesses that voluntarily adopt environmentally preferable business practices, including, but not limited to, increased energy efficiency, reduced greenhouse gas emissions, water conservation, and waste reduction, as specified. The bill would delete an existing authorization for the Department of Toxic Substances Control to create a similar program.

The bill would appropriate an unspecified amount annually to each program from the Greenhouse Gas Reduction Fund.

~~This bill would establish the Green Assistance Program, to be administered by the Secretary for Environmental Protection to, among other things, assist small businesses and small nonprofit organizations in applying for moneys from programs using moneys from the fund, as specified.~~

Vote: majority. Appropriation: ~~no~~-yes. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. The Legislature finds and declares both of the
- 2 following:
- 3 (a) Small businesses and small nonprofit organizations often
- 4 lack the technical expertise to develop grant and financing options.

1 (b) For the state to meet its air quality goals, every business and
2 community must have the same opportunity to compete for funding
3 that is available to meet those air quality goals.

4 *SEC. 2. Section 12812.7 is added to the Government Code, to*
5 *read:*

6 *12812.7. (a) For purposes of this section, the following*
7 *definitions apply*

8 *(1) "Fund" means the Greenhouse Gas Reduction Fund*
9 *established pursuant to Section 16428.8.*

10 *(2) "Secretary" means the Secretary for Environmental*
11 *Protection.*

12 *(3) "Small business" shall have the same meaning as define*
13 *in Section 14837.*

14 *(b) The Green Assistance Program is hereby established within*
15 *the California Environmental Protection Agency to be administered*
16 *by the secretary. The program shall do all of the following:*

17 *(1) Provide technical assistance, including assistance with the*
18 *development of competitive project proposals, to small businesses*
19 *and small nonprofit organizations applying for an allocation of*
20 *moneys from the fund.*

21 *(2) Assist small businesses in applying for funding for energy*
22 *upgrades to meet and exceed the greenhouse gas emission*
23 *reductions established pursuant to Section 38560 of the Health*
24 *and Safety Code.*

25 *(3) Advise small businesses in complying with all applicable*
26 *federal, state, and local air quality laws.*

27 *(4) Identify state agencies with appropriate grant programs.*

28 *(5) Coordinate existing local programs to reduce greenhouse*
29 *gas emissions with new programs receiving moneys from the fund.*

30 *(c) Notwithstanding Section 13340, the sum of _____ million*
31 *dollars (\$ _____) is hereby appropriated annually, without regard*
32 *to fiscal years, from the fund to the secretary for purposes of the*
33 *Green Assistance Program. Notwithstanding this appropriation,*
34 *the Department of Finance may elect to fund the program instead*
35 *from moneys made available to the Affordable Housing and*
36 *Sustainable Communities Program pursuant to subparagraph (C)*
37 *of paragraph (1) of subdivision (b) of Section 39719 of the Health*
38 *and Safety Code.*

39 *SEC. 3. Section 12812.8 is added to the Government Code, to*
40 *read:*

1 12812.8. (a) *The California Green Business Program is hereby*
2 *established within the California Environmental Protection Agency*
3 *to be administered by the Secretary for Environmental Protection.*
4 *The program shall provide support and assistance to green*
5 *business certification programs operated by local governments*
6 *that certify small- and medium-sized businesses that voluntarily*
7 *adopt environmentally preferable business practices, including,*
8 *but not limited to, increased energy efficiency, reduced greenhouse*
9 *gas emissions, water conservation, and waste reduction.*

10 (b) *The California Green Business Program, pursuant to*
11 *subdivision (a), may do any of the following:*

12 (1) *Assist local governments in the development and*
13 *implementation of guidelines and structures that establish and*
14 *promote a level of consistency among green business certification*
15 *programs throughout the state.*

16 (2) *Promote early adoption of environmental initiatives at*
17 *participating businesses and provide a publicly recognizable*
18 *incentive for participating businesses to make their operations*
19 *more sustainable and profitable in order to gain measurable*
20 *environmental outcomes.*

21 (3) *Develop technical guidance on greenhouse gas emissions*
22 *reduction measures, conduct industry studies and pilot projects,*
23 *establish metrics, and provide policy coordination for the green*
24 *business certification programs operated by local governments.*

25 (4) *Develop tools, templates, and outreach campaigns on behalf*
26 *of the green business certification programs operated by local*
27 *governments to encourage business participation and public*
28 *recognition of the certification as a reliable indicator of*
29 *sustainability.*

30 (5) *Support, through staffing and contacts, the funding for*
31 *on-the-ground professionals specializing in technical assistance*
32 *for small- and medium-sized businesses seeking green business*
33 *certification and for public involvement to recruit additional*
34 *participating businesses.*

35 (6) *Support, in collaboration with the Green Assistance Program*
36 *established pursuant to Section 12812.7, the provision of technical*
37 *assistance to small businesses and small nonprofit organizations*
38 *to develop project proposals for grant programs funded by the*
39 *Greenhouse Gas Reduction Fund.*

1 (7) Provide for collaboration between the green business
2 certification programs operated by local governments and state
3 agencies that operate small business efficiency and economic
4 development programs, including the Governor's Office of Business
5 and Economic Development and the Department of Community
6 Services and Development, and with the Public Utilities
7 Commission, the State Energy Resources Conservation and
8 Development Commission, the Department of Water Resources,
9 and the boards, offices, and departments within the California
10 Environmental Protection Agency pursuant to Section 12812. The
11 nature of the collaboration may include attempting to meet and
12 measure state-mandated conservation efforts at small- and
13 medium-sized businesses, developing methods to collect, measure,
14 and report on environmental outcomes, and using green businesses
15 as the early adopters of environmental initiatives that lead to
16 greenhouse gas emissions reductions.

17 (8) Maintain and enhance a common network database
18 integrating measurable pollution reductions and cost savings to
19 businesses seeking green business certification through the local
20 government programs and add participating businesses that receive
21 the certification to a directory of certified green businesses, that
22 would be used to promote the certified businesses both to other
23 businesses that are seeking to green their supply chain and to
24 consumers seeking to support sustainable businesses.

25 (9) Position certified green businesses as supply-chain partners
26 for state, national, and international companies seeking green
27 supply-chain partners.

28 (10) Solicit participation of additional local government
29 programs and facilitate the startup of new local programs,
30 including extra support and a specific prioritized focus on
31 assistance for disadvantaged communities that lack local funding
32 and resources to develop a program.

33 (11) Provide funding to local government programs for staff
34 support and provide additional resources and funding for direct
35 rebates and grants to certified green businesses.

36 (c) Notwithstanding Section 13340, the sum of _____ dollars
37 (\$_____) is hereby appropriated annually, without regard to fisca
38 years, from the Greenhouse Gas Reduction Fund established
39 pursuant to Section 16428.8 to the Secretary for Environmental
40 Protection for purposes of the California Green Business Program.

1 *Notwithstanding this appropriation, the Department of Finance*
2 *may elect to fund the program instead from moneys made available*
3 *to the Affordable Housing and Sustainable Communities Program*
4 *pursuant to subparagraph (C) of paragraph (1) of subdivision (b)*
5 *of Section 39719 of the Health and Safety Code. Of the amount*
6 *made available to the California Green Business Program, a*
7 *minimum of 25 percent shall be used for local government*
8 *programs benefitting disadvantaged communities pursuant to*
9 *Section 39713 of the Health and Safety Code.*

10 *SEC. 4. Section 25244.17.2 of the Health and Safety Code is*
11 *amended to read:*

12 25244.17.2. (a) ~~(1)~~—The department may provide pollution
13 prevention training and resources to CUPAs, small business
14 development corporations, business environmental assistance
15 centers, and other regional and local government environmental
16 programs so that they can provide technical assistance to businesses
17 in identifying and applying methods of pollution prevention.

18 ~~(2)~~

19 ~~(b)~~ The activities conducted pursuant to ~~paragraph (1)~~
20 ~~subdivision (a)~~ shall emphasize activities necessary to implement
21 Sections 25244.17 and 25244.17.1.

22 ~~(b)~~ As part of implementing the program authorized by this
23 section, the department may develop a California Green Business
24 Program that provides support and assistance to programs operated
25 by local governments to meet the requirement of subdivision ~~(c)~~
26 and that would voluntarily certify small businesses that adopt
27 environmentally preferable business practices, including, but not
28 limited to, increased energy efficiency, reduced greenhouse gas
29 emissions, promotion of water conservation, and reduced waste
30 generation. The department's California Green Business Program
31 may do any or all of the following:

32 ~~(1)~~ Assist the network of statewide local government programs
33 in implementing guidelines and structures that establish and
34 promote a level of consistency among green business programs
35 across the state.

36 ~~(2)~~ Support, through staffing and contracts, the development
37 and maintenance of a statewide database to register small
38 businesses granted green business certification, or its equivalent,
39 pursuant to a local government program, and track measurable
40 pollution reductions and cost savings.

1 ~~(3) Solicit participation of additional local programs and~~
2 ~~facilitate the startup of new local programs.~~

3 ~~(4) Develop technical guidance on pollution prevention~~
4 ~~measures, conduct industry studies and pilot projects, and provide~~
5 ~~policy coordination for the participating local programs.~~

6 ~~(5) Collaborate with relevant state agencies that operate small~~
7 ~~business efficiency and economic development programs,~~
8 ~~including, but not limited to, the Department of Resources~~
9 ~~Recycling and Recovery, the Public Utilities Commission, the~~
10 ~~State Energy Resources Conservation and Development~~
11 ~~Commission, the State Air Resources Board, and the Department~~
12 ~~of Water Resources.~~

13 ~~(e) The department may provide support and assistance to a~~
14 ~~local government program to enable the program to meet all of~~
15 ~~the following requirements:~~

16 ~~(1) The program will be operated by a local government or its~~
17 ~~designee.~~

18 ~~(2) The program will adopt industry-specific standards for green~~
19 ~~business certification, or its equivalent, in consultation with the~~
20 ~~other participants in the California Green Business Program.~~

21 ~~(3) The program will grant a small business that voluntarily~~
22 ~~applies to the program a green business certification or its~~
23 ~~equivalent, only upon a determination by the program operator or~~
24 ~~designee that the business is a small business, as determined by~~
25 ~~the program, and complies with the industry-specific standards for~~
26 ~~green business certification adopted pursuant to paragraph (2).~~

27 ~~(4) The program will grant a green business certification, or its~~
28 ~~equivalent, to small businesses, as determined by the program, in~~
29 ~~accordance with all of the following requirements:~~

30 ~~(A) Before the program grants green business certification or~~
31 ~~its equivalent, the program conducts an evaluation to verify~~
32 ~~compliance with the appropriate green business certification~~
33 ~~standards adopted pursuant to paragraph (2).~~

34 ~~(B) A green business certification or its equivalent is granted~~
35 ~~only to an individual location of a small business.~~

36 ~~(C) A green business certification or its equivalent is granted~~
37 ~~to an individual small business only for a limited time period, and,~~
38 ~~after the elapse of that time period, the small business is required~~
39 ~~to reapply for that certification.~~

1 ~~(D) Compliance with applicable federal, state, and local~~
2 ~~environmental laws and regulations is required as a condition of~~
3 ~~receiving a green business certification or its equivalent.~~

4 ~~(d) The department may determine, in consultation with the~~
5 ~~advisory committee, the most effective methods to promote~~
6 ~~implementation of pollution prevention education programs by~~
7 ~~CUPAs, small business development corporations, business~~
8 ~~environmental assistance centers, and other regional and local~~
9 ~~government environmental programs. Program elements may~~
10 ~~include, but are not limited to, all of the following:~~

11 ~~(1) Sponsoring workshops, conferences, technology fairs, and~~
12 ~~other training events.~~

13 ~~(2) Sponsoring regional training groups, such as the regional~~
14 ~~hazardous waste reduction committees.~~

15 ~~(3) Developing and distributing educational materials, such as~~
16 ~~short descriptions of successful pollution prevention projects and~~
17 ~~materials explaining how pollution prevention has been used by~~
18 ~~businesses to achieve compliance with environmental laws~~
19 ~~enforced by local governments.~~

20 ~~(4) Developing site review checklists, training manuals, and~~
21 ~~technical resource manuals and using those resources to train~~
22 ~~CUPAs, small business development corporations, business~~
23 ~~environmental assistance centers, and other regional and local~~
24 ~~government environmental programs.~~

25 ~~(5) Preparing and distributing resource lists such as lists of~~
26 ~~vendors, consultants, or providers of financial assistance for~~
27 ~~pollution prevention projects.~~

28 ~~(6) Serving as an information clearinghouse to support telephone~~
29 ~~and onsite consultants with local governments.~~

30 ~~SEC. 2. Part 10 (commencing with Section 44480) is added to~~
31 ~~Division 26 of the Health and Safety Code, to read:~~

32

33 **PART 10. GREEN ASSISTANCE PROGRAM**

34

35 ~~44480. For purposes of this part, the following definition~~
36 ~~apply:~~

37 ~~(a) "Fund" means the Greenhouse Gas Reduction Fund,~~
38 ~~established pursuant to Section 16428.8 of the Government Code.~~

39 ~~(b) "Secretary" means the Secretary for Environmental~~
40 ~~Protection.~~

- 1 ~~44481. The Green Assistance Program is hereby established~~
2 ~~and shall be administered by the secretary. The program shall do~~
3 ~~all of the following:~~
- 4 ~~(a) Provide technical assistance, including the development of~~
5 ~~competitive project proposals, to small businesses and small~~
6 ~~nonprofit organizations when applying for an allocation of moneys~~
7 ~~from the fund.~~
 - 8 ~~(b) Assist small businesses in applying for funding for energy~~
9 ~~efficiency upgrades to meet and exceed the greenhouse gas~~
10 ~~emission reductions established pursuant to Section 38560.~~
 - 11 ~~(c) Advise small businesses in complying with all applicable~~
12 ~~federal, state, and local air quality laws.~~
 - 13 ~~(d) Identify state agencies with appropriate grant programs.~~
 - 14 ~~(e) Coordinate existing local programs to reduce greenhouse~~
15 ~~gas emissions with new programs receiving moneys from the fund.~~

AB 2415 (Garcia)

California Clean Truck, Bus, and Off-Road Vehicle and Equipment Technology Program

Summary: Revises the Clean Truck Program to require the greater of 50% or \$100 million, of the funds allocated each year from 2018 to 2023 for development of a broad range of medium- and heavy-duty truck technology, to be allocated instead to support commercial deployment of existing heavy-duty truck technologies that meet low NOx emission standards.

Background:

Mobile sources are responsible for over 80% of airborne pollution, and trucks operating in the goods movement sector are among the largest contributors. Trucking is vital to California's economy - the world's 7th largest - but is also the single largest source of pollution for the San Joaquin and South Coast Air Basins. Poor air quality creates a cost to everyone, and all too frequently, it is the most vulnerable who are at risk. Particularly impacted are those living in communities situated near transportation corridors. This bill is intended “to allow the trucking industry to continue work uninterrupted yet become cleaner, offering the greatest opportunity to improve air quality.” The Author further argues that “by sending market signals that all cost-effective solutions will be considered, California can accelerate the development of even cleaner, affordable technologies that help drive down the cost of new heavy duty engines.”

Under existing law, the Clean Truck Program pursuant to SB 1204 (Lara), Chapter 524, Statutes of 2014, uses Greenhouse Gas Reduction Fund (GGRF) monies for development, demonstration, pre-commercial pilot, and early commercial deployment of zero- and near-zero-emission truck, bus, and off-road vehicle and equipment technologies including, but not necessarily limited to, medium- and heavy-duty trucks, vocational trucks, short-haul and long-haul trucks, buses, and off-road vehicles and equipment, port equipment, agricultural equipment, marine equipment, and rail equipment. Until January 1, 2018, that no less than 20% of funding for the Clean Truck Program support commercial deployment of existing zero- and near-zero-emission heavy-duty trucks.

Existing GGRF funding and programs. The 2014-15 Budget Act allocated GGRF revenues for the 2014-15 fiscal year and established a long-term plan for the allocation of GGRF revenues beginning in fiscal year 2015-16. Thirty-five percent of GGRF is continuously appropriated for investments in transit, affordable housing, and sustainable communities. Twenty-five percent is continuously appropriated to continue the construction of the high-speed rail project. The remaining 40% is subject to annual appropriation by the Legislature for investments in programs that include low-carbon transportation, energy efficiency and renewable energy, and natural resources and waste diversion.

An expenditure plan for the 40% was not included in the 2015-16 Budget Act, with the exception of \$227 million appropriated to continue funding for specified existing programs. The remaining 2015-16 revenues, along with 2016-17 revenues, are available for appropriation this year.

ARB's low-carbon transportation program is among the largest GGRF program areas, with \$325 million appropriated to date. The Governor's 2016-17 Budget proposes to appropriate approximately \$3.1 billion from the GGRF, with \$500 million to ARB for low-carbon transportation and fuels.

Status: 5/4/16 Assembly Appropriations to be heard on May 11, 2016

Specific Provisions: Specifically, this bill:

- Revises the Clean Truck Program to require the greater of 50% or \$100 million of the funds allocated each year from 2018 to 2023 for development of a broad range of medium- and heavy-duty truck technology be allocated instead to support commercial deployment of existing heavy-duty (>26,000 lbs gross vehicle weight rating (GVWR)) truck and bus technology that meets specified low NOx emission standards (thereby limiting funds to Class 7 and 8 trucks and excluding buses and lower weight class trucks that are currently eligible under SB 1204).
- Two-thirds of the 50% allocated for this purpose shall be made available for heavy-duty truck deployment.
- Requires a heavy-duty truck with an internal combustion engine receiving incentives to "use" the following percentages of renewable fuel:
 - Not less than 30% between January 2, 2018 and January 1, 2020.
 - Not less than 50% beginning January 2, 2020.
- Defines "heavy-duty truck" as having a manufacturer's maximum GVWR of 26,001 or more pounds, for purposes of the Clean Truck Program, effective January 2, 2018.

Impacts on SCAQMD's mission, operations or initiatives:

Funding allocations for technology development, pilot demonstration, and early commercial deployment of zero and near-zero emission technologies are not only useful, but necessary to help SCAQMD reduce emissions from mobile sources and help achieve the goals of the AQMP. However, the bill should be clarified to state that ARB is to implement the projects through the air districts, like the Carl Moyer Program. Air districts have decades of experience administering efficient, accountable, and effective grant and voucher programs.

They administer local funding sources that could supplement Greenhouse Gas Reduction Funds (GGRF). They also have local community and industry knowledge with established outreach processes and connections to disadvantaged communities and local stakeholder networks. Consequently, Staff recommends that the bill be amended to require that ARB implement projects through the local air districts, much like the Carl Moyer Program.

Recommended Position: SUPPORT WITH AMENDMENTS

Registered Support:

Agility Fuel Systems; Antelope Valley Boys and Girls Club; Bioenergy Association of California; Brotherhood Crusade; California Natural Gas Vehicle Coalition; Charter Oak Unified School; City of Buena Park; City of Los Alamitos; City of Monterey Park; City of Murrieta; City of Tulare; City of South Gate; Clean Energy; Congress of California Seniors; County of Kings; County of Tulare; Cummins Westport Inc.; Dignity Health; Duarte Chamber of Commerce; El Concilio; Foothill Workforce Development Board; Industry Manufacturers Council; Kern Economic Development Foundation; Kheir Clinics; Los Angeles County Business Federation; Orange County Business Council; Southern California Association of Governments; Southern California Gas Company; The East Los Angeles Community Union; The Valley Economic Alliance; United Chambers of Commerce; UPS; Valley Family Center; Ventura Hillside Conservancy; VNG.co, LLC; Los Angeles County Chamber of Commerce; Los Angeles County Economic Development Corporation; Mojave Desert Air Quality Management District; Mothers of East Los Angeles.

Registered Opposition:

Alameda-Contra Costa Transit District; American Lung Association in California; Center for Transportation and the Environment; Environment California; First Priority Global GreenFleet; Motiv Power Systems; Natural Resources Defense Council; Physicians for Social Responsibility - Los Angeles; Proterra; Regional Asthma Management & Prevention; Sierra Club California; Union of Concerned Scientists.

AMENDED IN ASSEMBLY MAY 3, 2016

AMENDED IN ASSEMBLY APRIL 25, 2016

AMENDED IN ASSEMBLY APRIL 6, 2016

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 2415

Introduced by Assembly Member Eduardo Garcia

February 19, 2016

An act to amend Section 39719.2 of the Health and Safety Code, relating to greenhouse gases.

LEGISLATIVE COUNSEL'S DIGEST

AB 2415, as amended, Eduardo Garcia. California Clean Truck, Bus, and Off-Road Vehicle and Equipment Technology Program.

The California Global Warming Solutions Act of 2006 designates the State Air Resources Board as the state agency charged with monitoring and regulating sources of emissions of greenhouse gases. The act authorizes the state board to include the use of market-based compliance mechanisms. Existing law requires all moneys, except for fines and penalties, collected by the state board as part of a market-based compliance mechanism to be deposited in the Greenhouse Gas Reduction Fund and to be available upon appropriation by the Legislature.

The California Clean Truck, Bus, and Off-Road Vehicle and Equipment Technology Program, upon appropriation from the Greenhouse Gas Reduction Fund, funds zero- and near-zero-emission truck, bus, and off-road vehicle and equipment technologies and related projects, as specified, with priority given to certain projects, including projects that benefit disadvantaged communities, as defined. The

program, until January 1, 2018, requires no less than 20% of the funding made available for the purposes of technology development, demonstration, precommercial pilots, and early commercial deployments of zero- and near-zero-emission medium- and heavy-duty truck technology support early commercial deployment of existing zero- and near-zero-emission heavy-duty truck technology. The program requires the state board to ensure that the results of emissions reductions or benefits can be measured or quantified

This bill, between January 2, 2018, and January 1, 2023, would require no less than 50% of the moneys allocated each year for technology development, demonstration, precommercial pilots, and early commercial deployments of zero- and near-zero-emission medium- and heavy-duty truck ~~and bus~~ technology be allocated and spent to support the commercial deployment of existing zero- and near-zero-emission heavy-duty truck and heavy-duty bus technology that meets or exceeds a specified emission standard, with at least $\frac{2}{3}$ of these funds to be allocated to heavy-duty truck projects. The bill would authorize the state board to increase those emission standards based on specific findings. The bill would require the state board to limit the incentives that may be allocated to any one vehicle or engine manufacturer in each year under these provisions to 49% of the moneys available for allocation in that year. The bill would require allocations under these provisions to be made for projects that are shown to achieve the greatest greenhouse gas emissions reductions, as specified. The bill also would require the state board to post on its Internet Web site the results of emissions reductions or benefits

Vote: majority. Appropriation: no. Fiscal committee: yes.
 State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 39719.2 of the Health and Safety Code
- 2 is amended to read:
- 3 39719.2. (a) The California Clean Truck, Bus, and Off-Road
- 4 Vehicle and Equipment Technology Program is hereby created,
- 5 to be administered by the state board in conjunction with the State
- 6 Energy Resources Conservation and Development Commission.
- 7 The program, from moneys appropriated from the fund for the
- 8 purposes of the program, shall fund development, demonstration,
- 9 precommercial pilot, and early commercial deployment of zero-

1 and near-zero-emission truck, bus, and off-road vehicle and
2 equipment technologies. Priority shall be given to projects
3 benefiting disadvantaged communities pursuant to the requirements
4 of Sections 39711 and 39713.

5 (b) Projects eligible for funding pursuant to this section include,
6 but are not limited to, the following:

7 (1) Technology development, demonstration, precommercial
8 pilots, and early commercial deployments of zero- and
9 near-zero-emission medium- and heavy-duty truck ~~and bus~~
10 technology, including projects that help to facilitate clean
11 goods-movement corridors.

12 (A) Until January 1, 2018, no less than 20 percent of funding
13 made available for the purposes of this paragraph shall support
14 early commercial deployment of existing zero- and
15 near-zero-emission heavy-duty truck technology.

16 (B) (i) Between January 2, 2018, and January 1, 2023, no less
17 than 50 percent of the moneys allocated each year for the purposes
18 of this paragraph shall be allocated and spent to support the
19 commercial deployment of existing zero- and near-zero-emission
20 heavy-duty truck and heavy-duty bus technology that meets or
21 exceeds an emission standard of 0.02 grams per brake
22 horsepower-hour oxides of nitrogen, as described in the optional
23 low oxides of nitrogen emission standards in Section 1956.8 of
24 Title 13 of the California Code of Regulations. The state board
25 shall allocate at least two-thirds of the amount available for
26 allocation pursuant to this subparagraph to heavy-duty truck
27 projects.

28 (ii) (I) Between January 2, 2018, and January 1, 2020, a
29 heavy-duty truck or heavy-duty bus with an internal combustion
30 engine receiving moneys allocated pursuant to this subparagraph
31 shall use not less than 30 percent renewable fuel.

32 (II) Beginning January 2, 2020, a heavy-duty truck or
33 heavy-duty bus with an internal combustion engine receiving
34 moneys allocated pursuant to this subparagraph shall use not less
35 than 50 percent renewable fuel.

36 (III) The state board may increase the minimum percentage of
37 renewable fuel required for the allocation of moneys pursuant to
38 this subparagraph in subsequent years if the state board makes a
39 finding that a higher percentage is commercially feasible and the
40 State Energy Resources Conservation and Development

1 Commission makes a finding that there is a sufficient supply of
2 renewable energy fuel available. An increase adopted pursuant to
3 this subclause shall apply prospectively to moneys allocated after
4 the increase is adopted by the state board.

5 (IV) The percentage in effect at the time the moneys are awarded
6 to a heavy-duty truck or heavy-duty bus with an internal
7 combustion engine pursuant to this subparagraph shall not change
8 that award.

9 (V) This subparagraph does not alter or affect in any way the
10 amount of credit or grants for which a low-carbon-fuel provider
11 or truck or bus operator is eligible pursuant to law.

12 (iii) The state board shall limit the amount of incentives that
13 may be allocated for any one vehicle or engine manufacturer in
14 each year to 49 percent of the moneys allocated in that year for
15 the purposes of this subparagraph.

16 (iv) The state board shall ensure that available moneys are
17 allocated on a competitive basis to projects that are shown to
18 achieve the greatest greenhouse gas emissions reductions not
19 otherwise required by statute or regulation.

20 (2) Zero- and near-zero-emission bus technology development,
21 demonstration, precommercial pilots, and early commercial
22 deployments, including pilots of multiple vehicles at one site or
23 region.

24 (3) Zero- and near-zero-emission off-road vehicle and equipment
25 technology development, demonstration, precommercial pilots,
26 and early commercial deployments, including vehicles and
27 equipment in the port, agricultural, marine, construction, and rail
28 sectors.

29 (4) Purchase incentives, which may include point-of-sale, for
30 commercially available zero- and near-zero-emission truck, bus,
31 and off-road vehicle and equipment technologies and fueling
32 infrastructure to support early market deployments of alternative
33 technologies and to increase manufacturer volumes and accelerate
34 market acceptance.

35 (5) Projects that support greater commercial motor vehicle and
36 equipment freight efficiency and greenhouse gas emissions
37 reductions, including, but not limited to, advanced intelligent
38 transportation systems, autonomous vehicles, and other freight
39 information and operations technologies.

1 (c) The state board, in consultation with the State Energy
2 Resources Conservation and Development Commission, shall
3 develop guidance through the existing Air Quality Improvement
4 Program funding plan process for the implementation of this
5 section that is consistent with the California Global Warming
6 Solutions Act of 2006 (Division 25.5 (commencing with Section
7 38500)) and this chapter.

8 (d) The guidance developed pursuant to subdivision (c) shall
9 do all of the following:

10 (1) Outline performance criteria and metrics for deployment
11 incentives. The goal shall be to design a simple and predictable
12 structure that provides incentives for truck, bus, and off-road
13 vehicle and equipment technologies that provide significant
14 greenhouse gas reduction and air quality benefits

15 (2) Ensure that program investments are coordinated with
16 funding programs developed pursuant to the California Alternative
17 and Renewable Fuel, Vehicle Technology, Clean Air, and Carbon
18 Reduction Act of 2007 (Chapter 8.9 (commencing with Section
19 44270) of Part 5).

20 (3) Promote projects that assist the state in reaching its climate
21 goals beyond 2020, consistent with Sections 38550 and 38551.

22 (4) Promote investments in medium- and heavy-duty trucking,
23 including, but not limited to, vocational trucks, short-haul and
24 long-haul trucks, buses, and off-road vehicles and equipment,
25 including, but not limited to, port equipment, agricultural
26 equipment, marine equipment, and rail equipment.

27 (5) Implement purchase incentives for eligible technologies to
28 increase the use of the cleanest vehicles in disadvantaged
29 communities.

30 (6) Allow for remanufactured and retrofitted vehicles to qualify
31 for purchase incentives if those vehicles meet warranty and
32 emissions requirements, as determined by the state board.

33 (7) Establish a competitive process for the allocation of moneys
34 for projects funded pursuant to this section.

35 (8) Leverage, to the maximum extent feasible, federal or private
36 funding.

37 (9) Ensure that the results of emissions reductions or benefit
38 can be measured or quantified. The state board shall post on its
39 Internet Web site every two years the results of those measurements
40 or quantifications

1 (10) Ensure that activities undertaken pursuant to this section
2 complement, and do not interfere with, efforts to achieve and
3 maintain federal and state ambient air quality standards and to
4 reduce toxic air contaminants.

5 (e) In evaluating potential projects to be funded pursuant to this
6 section, the state board shall give priority to projects that
7 demonstrate one or more of the following characteristics:

8 (1) Benefit disadvantaged communities pursuant to Sections
9 39711 and 39713.

10 (2) The ability to leverage additional public and private funding.

11 (3) The potential for cobenefits or multiple-benefit attributes.

12 (4) The potential for the project to be replicated.

13 (5) Regional benefit, with focus on collaboration between
14 multiple entities.

15 (6) Support for technologies with broad market and emissions
16 reduction potential.

17 (7) Support for projects addressing technology and market
18 barriers not addressed by other programs.

19 (8) Support for enabling technologies that benefit multiple
20 technology pathways.

21 (f) In the implementation of this section, the state board, in
22 consultation with the State Energy Resources Conservation and
23 Development Commission, shall create an annual framework and
24 plan. The framework and plan shall be developed with public input
25 and may utilize existing investment plan processes and workshops
26 as well as existing state and third-party research and technology
27 roadmaps. The framework and plan shall do all of the following:

28 (1) Articulate an overarching vision for technology development,
29 demonstration, precommercial pilot, and early commercial
30 deployments, with a focus on moving technologies through the
31 commercialization process.

32 (2) Outline technology categories, performance criteria, and
33 required mandates for technologies and applications that may be
34 considered for funding pursuant to this section. This shall include
35 technologies and low-carbon-fuel requirements for medium- and
36 heavy-duty trucking, including, but not limited to, vocational
37 trucks, short-haul and long-haul trucks, buses, and off-road vehicles
38 and equipment, including, but not limited to, port equipment,
39 agricultural equipment, construction equipment, marine equipment,
40 and rail equipment.

1 (3) Describe the roles of the relevant agencies and the process
2 for coordination among agencies, program participants, and
3 low-carbon-fuel providers.

4 (g) For purposes of this section, the following terms have the
5 following meanings:

6 (1) Effective January 2, 2018, “heavy-duty truck” means a truck
7 that has a gross vehicle weight rating (GVWR) of 26,001 pounds
8 or more.

9 (2) Effective January 2, 2018, “heavy-duty bus” means a bus
10 that has a gross vehicle weight rating (GVWR) of 19,501 pounds
11 or more.

12 (3) “Zero- and near-zero-emission” means vehicles, fuels, and
13 related technologies that reduce greenhouse gas emissions and
14 improve air quality when compared with conventional or fully
15 commercialized alternatives, as defined by the state board in
16 consultation with the State Energy Resources Conservation and
17 Development Commission. “Zero- and near-zero-emission” may
18 include, but is not limited to, zero-emission technology, enabling
19 technologies that provide a pathway to emissions reductions,
20 advanced or alternative fuel engines for long-haul trucks, and
21 hybrid or alternative fuel technologies for trucks and off-road
22 equipment.

SB 1043 (Allen)
Biogas and biomethane.

Summary: This bill would require the California Air Resources Board (CARB) to consider and, as appropriate, adopt policies to significantly increase the sustainable production and use of biogas, and, in so doing, require CARB to: 1) ensure that the production and use of biogas provides direct environmental benefits and 2) identify barriers to the rapid development and use of biogas and potential sources of funding for incentives.

Background: California uses more than 2 trillion cubic feet of natural gas per year and that amount is going up. Natural gas from fossil sources is used to generate more than half of the state's electricity, the majority of its home heating and hot water, and a growing share of transportation fuels. Although cleaner and cheaper than other fossil fuels, natural gas is a major source of greenhouse gas (GHG) emissions, and air and water pollution. Natural gas causes more than one-quarter of all emissions of GHG's in California. Methane emissions from a variety of sources, including wastewater treatment facilities, landfills, dairies, agricultural production, and oil and gas, represent up to 15% of California's total climate change emissions. Wildfires cause two-thirds of all black carbon emissions, which accounts for approximately 10% of California's total climate change emissions.

In addition, California imports 91% of its gas, making the state vulnerable to supply and price fluctuations. This reliance on imported gas also costs more than \$9 billion per year in lost revenues to California since the jobs to produce that gas are in other states and Canada.

Renewable gas made from organic waste can significantly cut GHG emissions and landfilling. Increasing the use of renewable gas will create jobs and economic productivity, and strengthen California's energy security. Renewable gas can improve forest health and prevent wildfires by providing a cost-effective end use for thinned forest material. Replacing just 10% of California's natural gas with renewable gas would reduce GHG emissions by 12.6 million metric tons from fossil fuel displacement alone. The actual emissions reduction would be much greater due to upstream reductions in black carbon (from reduced wildfire) and methane emissions from dairies and other uncapped sources.

California has adopted several policies to promote biogas development, reduce landfilling of organic waste, and increase renewable fuels. To date, these policies have achieved mixed results. Recent funding programs are helping to spur new biogas projects, but many of the recent regulatory policies have yet to be implemented, are prohibitively expensive, or do not provide enough certainty to attract the investment necessary to expand the biogas market.

Status: 4/25/16 - Read second time and amended. Re-referred to Sen. Comm. on APPR.

Specific Provisions: Specifically, this bill would:

- 1) Require CARB to consider, and as appropriate, adopt policies to significantly increase the sustainable production and use of in-state renewable gas. Any policy adopted by CARB would need to be coordinated and consistent with existing state laws and policies to do the following:
 - a) Promote renewable fuels and electricity;
 - b) Reduce lifecycle GHG and short-lived climate pollutant emissions and increase carbon sequestration;
 - c) Divert organic waste from landfills pursuant to the Short Lived Climate Pollutant Strategy and other state policies, recognizing that landfill gas will decline in the future to meet the targets of the Short Lived Climate Pollutant Strategy and other state organic waste reduction efforts;
 - d) Reduce air and water pollution;
 - e) Reduce wildfires; and
 - f) Promote resilient and sustainable forests.
- 2) Ensure that the production and use of biogas provides direct benefits to the state's environment by avoiding or reducing emissions of criteria pollutants, of short-lived climate pollutants and GHG's within the state.
- 3) Require CARB to identify barriers to the rapid development and use of renewable gas and potential sources of funding to incentivize the renewable gas market in California.

Impacts on SCAQMD's mission, operations or initiatives: Currently, California's gas sector causes one-quarter of the state's GHG emissions, and is a major contributor to global warming. SB 1043 seeks to lower the harmful impact of the gas sector by requiring CARB to consider adopting policies to increase the production and use of renewable, less carbon intensive gas. The bill language ensures that CARB's policies relating to the production and use of biogas provide direct benefits to the state's environment by avoiding or reducing emissions of criteria pollutants, of short-lived climate pollutants and GHG's within the state. For example, the bill also mentions that increasing the use of biogas in heavy-duty vehicles in California can help protect disadvantaged communities in the state by reducing toxic air contaminants and smog-forming emissions. Such actions can help achieve attainment of federal ambient air quality rules and protect public health within the South Coast region.

In communications with the Author, Staff will ensure that this bill does not preclude the promotion, development and deployment of other types of renewable fuels; and will discuss prioritizing the usage of renewable biogas in zero and near-zero emission heavy-duty

vehicles to maximize the reduction of emissions of toxic air contaminants and criteria pollutants.

Recommended Position: SUPPORT

SUPPORT:

Bioenergy Association of California (Sponsor)
American Biogas Council
Atlas ReFuel
City of Fresno
Clean Energy
Climate Resolve
Coalition for Clean Air
CR&R
Environmental Defense Fund
Inland Empire Disposal Association
Kern Refuse Disposal, Inc.
Los Angeles County Waste Management Association
Pacific Forest Trust
Sanitation Districts of Los Angeles County
Solid Waste Association of Orange County
TSS Consultants
Victor Valley Wastewater Reclamation Authority
West Biofuels

OPPOSITION:

Agricultural Energy Consumers Association
Agricultural Council of California
Association of California Egg Farmers
California Dairies Inc.
California Farm Bureau Federation
California Forestry Association
California Grain & Feed Association
California Poultry Federation
Center for Biological Diversity
Dairy Farmers of America
Dairy Institute of California
Milk Producers Council
Western United Dairymen

AMENDED IN SENATE APRIL 25, 2016
AMENDED IN SENATE APRIL 7, 2016
AMENDED IN SENATE MARCH 30, 2016

SENATE BILL

No. 1043

Introduced by Senator Allen
(Principal coauthor: Assembly Member Williams)

February 12, 2016

An act to amend Section 25420 of, and to add Section 39735 to, the Health and Safety Code, ~~and to amend Section 40106 of the Public Resources Code,~~ relating to biogas.

LEGISLATIVE COUNSEL'S DIGEST

SB 1043, as amended, Allen. ~~Renewable gas: biogas~~ *Biogas* and biomethane.

(1) The California Global Warming Solutions Act of 2006 establishes the State Air Resources Board as the state agency responsible for monitoring and regulating sources emitting greenhouse gases. The act requires the state board to adopt regulations to require the reporting and verification of statewide greenhouse gas emissions and to monitor and enforce compliance with this program. The act requires the state board to adopt a statewide greenhouse gas emissions limit, as defined, to be achieved by 2020 equivalent to the statewide greenhouse gas emissions level in 1990. Existing law requires the state board to complete a comprehensive strategy to reduce emissions of short-lived climate pollutants, as defined, in the state

This bill would require the state board to consider and, as appropriate, adopt policies to significantly increase the sustainable production and use of ~~renewable gas, biogas~~, as defined, and, in so doing, would require

the state board, among other things, to ensure the production and use of ~~renewable gas~~ *biogas* provides direct environmental benefits and identify barriers to the rapid development and use of ~~renewable gas~~ *biogas* and potential sources of funding. The bill would require the state board to develop and adopt a life-cycle accounting method for ~~greenhouse gas~~ *gases* and emissions of short-lived climate pollutants associated with biogas produced from forest biomass, as specified

(2) Existing law requires the Office of Environmental Health Hazard Assessment, in consultation with the state board, the Department of Toxic Substances Control, the Department of Resources Recycling and Recovery, and the California Environmental Protection Agency, to compile a list of constituents of concern that could pose risks to human health and that are found in biogas, as defined, at concentrations that significantly exceed the concentrations of those constituents in natural gas. Existing law requires the office to determine the health protective levels for that list, as specified, and requires the state board to identify realistic exposure scenarios and the health risks associated with those scenarios, as specified

Existing law requires the Public Utilities Commission to adopt, by rule or order, standards for biomethane, as defined, that specify the concentrations of constituents of concern that are reasonably necessary to protect public health and ensure pipeline integrity and safety, as specified, and requirements for monitoring, testing, reporting, and recordkeeping, as specified. Existing law requires a gas corporation to comply with those standards and requirements and requires the commission to require gas corporation tariffs to condition access to common carrier pipelines on the applicable customer meeting those standards and requirements.

This bill would revise the definitions of biogas and biomethane for these purposes.

~~(3) The California Integrated Waste Management Act of 1989, which is administered by the Department of Resources Recycling and Recovery, requires each city, county, and regional agency, if any, to develop a source reduction and recycling element of an integrated waste management plan. With certain exceptions, the source reduction and recycling element of that plan is required to divert 50% of all solid waste, through source reduction, recycling, and composting activities. Existing law allows the 50% diversion requirement to include not more than 10% through transformation or “biomass conversion,” as defined if specified conditions are met. Existing law defines “biomass~~

conversion” for purposes of the waste management laws to mean the production of heat, fuels, or electricity by the controlled combustion of, or the use of other noncombustion thermal conversion technologies on, certain listed materials.

This bill would revise that definition to add to those listed materials byproducts or residue from composting.

Existing law specifies that “biomass conversion” does not include the controlled combustion of recyclable pulp or recyclable paper materials, or materials that contain sewage sludge, industrial sludge, medical waste, hazardous waste, or either high-level or low-level radioactive waste.

This bill would delete from that exclusion the controlled combustion of materials that contain sewage sludge.

Vote: majority. Appropriation: no. Fiscal committee: yes.

State-mandated local program: no.

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 enacted numerous policies to reduce emissions
4 of greenhouse gases and to increase the use of renewable energy
5 resources and renewable fuels, including the California Global
6 Warming Solutions Act of 2006 (Division 25.5 (commencing with
7 Section 38500) of the Health and Safety Code), the California
8 Renewables Portfolio Standard Program (Article 16 (commencing
9 with Section 399.11) of Chapter 2.3 of Part 1 of Division 1 of the
10 Public Utilities Code), the Low Carbon Fuel Standard regulation
11 (Executive Order S-01-07 (January 19, 2007), Sections 95480 to
12 95490, inclusive, of Title 17 of the California Code of Regulations),
13 an energy storage portfolio requirement (Chapter 469 of the
14 Statutes of 2010), emissions goals for 2030 and 2050 (Executive
15 Order B-30-15), and the state’s comprehensive strategy to reduce
16 emissions of short-lived climate pollutants (Section 39730 of the
17 Health and Safety Code).

18 (b) Natural gas, which is used for a wide variety of purposes,
19 including the generation of electricity, heating, cooling, *and*
20 industrial, commercial, residential, and transportation ~~fuel~~, *fuels*,
21 causes more than one-quarter of all emissions of greenhouse gases
22 in California. Methane emissions from a variety of sources,

1 including wastewater treatment facilities, landfills, dairies,
2 agricultural production, and oil and gas, represent up to 15 percent
3 of California's total climate change emissions. Wildfires cause
4 two-thirds of all black carbon emissions, which accounts for
5 approximately 10 percent of California's total climate change
6 emissions.

7 (c) Reducing emissions of methane, black carbon, and other
8 short-lived climate pollutants is the most effective way to
9 immediately slow global warming and reduce the impacts of
10 climate change. Capturing and using methane-~~(renewable gas)~~ (*the*
11 *primary chemical component of biogas*) can significantly reduce
12 emissions of greenhouse gases from fossil fuel use, organic waste,
13 and petroleum-based fertilizers. Increasing the production and use
14 of ~~renewable gas~~ *biogas* could reduce emissions of greenhouse
15 gases by tens of millions of metric tons of carbon dioxide
16 equivalent emissions per year.

17 (d) ~~Renewable gas~~-*Biogas* generated from organic waste can
18 be used to produce the lowest carbon transportation fuel. It can
19 also be used to produce flexible generation renewable power,
20 energy storage, and a low-carbon gas supply for heating, cooling,
21 and other purposes.

22 (e) Using forest biomass collected as part of a sustainable
23 forestry plan can significantly reduce the risks and impacts of
24 catastrophic wildfires, including black carbon emissions and air
25 pollution, impacts on water supply and quality, impacts on utility
26 and other infrastructure, threats to public safety and communities,
27 impacts on fisheries and wildlife, and effects on precipitation.

28 (f) Increasing the use of ~~renewable gas~~ *biogas* in heavy-duty
29 vehicles in California can help protect disadvantaged communities
30 in the state by reducing toxic air contaminants and smog-forming
31 emissions.

32 (g) ~~Renewable gas~~-*Biogas* can provide significant economic
33 benefits to California, including job creation, an in-state source of
34 gas, increased energy security, revenue and energy for public
35 agencies, and revenue for dairies, farms, rural forest communities,
36 and other areas.

37 (h) Increasing the use of ~~renewable gas~~ *biogas* will diversify
38 and decarbonize California's gas supply.

39 (i) Increasing the use of ~~renewable gas~~ *biogas* can help
40 California to meet the waste diversion requirements of Section

1 41781.3, Article 1 (commencing with Section 41780) of Chapter
2 6 of Part 2 of, and Chapter 12.9 (commencing with Section
3 42649.8) of Part 3 of, Division 30 of, the Public Resources Code,
4 and *the goals of* the Short-Lived Climate Pollutant Reduction
5 Strategy being developed by the State Air Resources Board
6 pursuant to Section 39730 of the Health and Safety Code by using
7 diverted organic waste to produce ~~renewable gas~~: *biogas*.

8 SEC. 2. Section 25420 of the Health and Safety Code is
9 amended to read:

10 25420. For purposes of this chapter, the following definition
11 apply:

12 (a) “Biogas” means gas that is produced from organic waste
13 through anaerobic digestion or eligible *noncombustion thermal*
14 conversion technologies, consistent with Section 40106 of the
15 Public Resources Code.

16 (b) “Biomethane” means the methane derived from biogas.

17 (c) “Board” means the State Air Resources Board.

18 (d) “CalRecycle” means the Department of Resources Recycling
19 and Recovery.

20 (e) “Commission” means the Public Utilities Commission.

21 (f) “Common carrier pipeline” means a gas conveyance pipeline
22 located in California that is owned or operated by a utility or gas
23 corporation, excluding a dedicated pipeline.

24 (g) “Dedicated pipeline” means a conveyance of biogas or
25 biomethane that is not part of a common carrier pipeline system
26 and that conveys biogas from a biogas producer to a conditioning
27 facility or an electrical generation facility.

28 (h) “Department” means the Department of Toxic Substances
29 Control.

30 (i) “Gas corporation” has the same meaning as defined in Section
31 222 of the Public Utilities Code and is subject to rate regulation
32 by the commission.

33 (j) “Hazardous waste landfill” means a landfill that is a
34 hazardous waste facility, as defined in Section 25117.1

35 (k) “Office” means the Office of Environmental Health Hazard
36 Assessment.

37 (l) “Organic waste” means waste of biological origins, including
38 organic waste, as defined in Section 42649.8 of the Public
39 Resources Code; biomass feedstock, consistent with Section 40106
40 of the Public Resources Code; and livestock waste.

1 (m) “Person” means an individual, trust, firm, joint stock
2 company, partnership, association, business concern, limited
3 liability company, or corporation. “Person” also includes any city,
4 county, district, and the state or any department or agency thereof,
5 or the federal government or any department or agency thereof to
6 the extent permitted by law.

7 SEC. 3. Section 39735 is added to the Health and Safety Code,
8 to read:

9 39735. (a) For purposes of this section, the following terms
10 have the following meanings:

11 (1) “Biogas” has the same meaning as defined in Section 25420,
12 except that it does not include gas produced from forest biomass
13 unless it is produced from forest waste remaining after all other
14 reasonable forest products have been produced and it meets one
15 or more of the following conditions:

16 (A) The waste was generated pursuant to the Governor’s state
17 of emergency proclamation issued on October 30, 2015.

18 (B) The waste was generated as a result of activities necessary
19 to clear defensible space within 300 feet of a legally permitted
20 structure.

21 (C) The waste was produced pursuant to an approved timber
22 harvest plan, nonindustrial timber management plan, or working
23 forest management plan that will increase the average stand
24 diameter of residual crop trees, and the biogas produced from the
25 waste will provide long-term reductions in greenhouse gas and
26 emissions of short-lived climate pollutants pursuant to the life-cycle
27 accounting method specified in subd vision (c).

28 (D) The waste was generated from fuel reduction or ecological
29 forest restoration thinning activities on national forest land that
30 increase stand heterogeneity, create openings of less than one acre,
31 and increase the average stand diameter of residual trees.

32 ~~(2) “Renewable gas” means biogas or synthetic gas generated~~
33 ~~by an eligible renewable energy resource meeting the requirements~~
34 ~~of the California Renewables Portfolio Standard Program (Article~~
35 ~~16 (commencing with Section 399.11) of Chapter 2.3 of Part 1 of~~
36 ~~Division 1 of the Public Utilities Code). For purposes of this~~
37 ~~paragraph, “eligible renewable energy resource” does not include~~
38 ~~organic waste, as defined in subd vision (l) of Section 25420.~~

39 (3)

1 (2) “Short-lived climate pollutant” has the same meaning as
2 defined in Section 39730

3 (b) In order to meet the state’s climate change, low-carbon fuel,
4 renewable energy, landfill diversion, and wildfire reduction goals,
5 the state board shall consider and, as appropriate, adopt policies
6 to significantly increase the sustainable production and use of
7 ~~renewable gas~~ *biogas*. In doing so, the state board shall do all the
8 following:

9 (1) Ensure that any policy is coordinated and consistent with
10 existing state policies to accomplish the following:

11 (A) Promote renewable fuels and eligible renewable energy
12 resources, as defined in the California Renewables Portfolio
13 Standard Program (Article 16 (commencing with Section 399.11)
14 of Chapter 2.3 of Part 1 of Division 1 of the Public Utilities Code).

15 (B) Reduce life-cycle emissions of greenhouse gases and
16 short-lived climate pollutants and increase carbon sequestration.

17 (C) Divert organic waste from landfills, consistent with Section
18 39730 and other state policies.

19 (D) Reduce air and water pollution.

20 (E) Reduce wildfires

21 (F) Promote resilient and sustainable forests.

22 (G) Protect the environmental quality of natural and working
23 lands through sustainable cultivation, use, and application of
24 biological materials.

25 (2) *Ensure that any adopted biogas policy is protective of public*
26 *health and safety.*

27 ~~(2)~~

28 (3) Ensure, in consultation with the Department of Resources
29 Recycling and Recovery, that any policy recognizes that the amount
30 of landfill gas will decline in the future due to increased organic
31 waste diversion to meet the targets of the state board’s strategy to
32 reduce emissions of short-lived climate pollutants and other state
33 organic waste reduction efforts.

34 ~~(3)~~

35 (4) Ensure that the production and use of ~~renewable gas~~ *biogas*
36 provides direct benefits to the state’s environment by avoiding or
37 reducing the emission of criteria pollutants, avoiding or reducing
38 emissions of short-lived climate pollutants and greenhouse gases
39 within the state, avoiding or reducing emissions that adversely
40 affect the waters of the state, avoiding or reducing nuisances

1 associated with the emission of odors, or helping the state to meet
2 its landfill diversion requirements.

3 ~~(4)~~

4 ~~(5) Identify barriers to the rapid development and use of~~
5 ~~renewable gas biogas and make specific recommendations to~~
6 ~~remove those barriers.~~

7 ~~(5)~~

8 ~~(6) Coordinate with the Public Utilities Commission, the State~~
9 ~~Energy Resources Conservation and Development Commission,~~
10 ~~publicly owned utilities, the Department of Resources Recycling~~
11 ~~and Recovery, and the Department of Forestry and Fire Protection.~~

12 ~~(6)~~

13 ~~(7) Identify potential sources of funding to provide incentives~~
14 ~~for renewable gas biogas production and use.~~

15 (c) The state board shall develop and adopt a life-cycle
16 accounting method for greenhouse gas and emissions of short-lived
17 climate pollutants associated with biogas produced from forest
18 biomass that meets the requirements specified in paragraph (1) of
19 subdivision (a). The method shall include upstream accounting of
20 forest carbon and shall avoid double counting of emission
21 reductions.

22 (d) Nothing in this section is intended to affect standards adopted
23 pursuant to Section 25421 before January 1, 2016, for biomethane
24 that is to be injected into a common carrier pipeline.

25 ~~SEC. 4. Section 40106 of the Public Resources Code is~~
26 ~~amended to read:~~

27 ~~40106. (a) "Biomass conversion" means the production of~~
28 ~~heat, fuels, or electricity by the controlled combustion of, or the~~
29 ~~use of other noncombustion thermal conversion technologies on,~~
30 ~~the following materials, when separated from other solid waste:~~

31 ~~(1) Agricultural crop residues.~~

32 ~~(2) Bark, lawn, yard, and garden clippings.~~

33 ~~(3) Leaves, silvicultural residue, and tree and brush pruning.~~

34 ~~(4) Wood, wood chips, and wood waste.~~

35 ~~(5) Nonrecyclable pulp or nonrecyclable paper materials.~~

36 ~~(6) Byproducts or residue from composting.~~

37 ~~(b) "Biomass conversion" does not include the controlled~~
38 ~~combustion of recyclable pulp or recyclable paper materials, or~~
39 ~~materials that contain industrial sludge, medical waste, hazardous~~
40 ~~waste, or either high-level or low-level radioactive waste.~~

1 ~~(e) For purposes of this section, “nonrecyclable pulp or~~
2 ~~nonrecyclable paper materials” means either of the following, as~~
3 ~~determined by the department:~~

4 ~~(1) Paper products or fibrous materials that cannot be~~
5 ~~technically, feasibly, or legally recycled because of the manner in~~
6 ~~which the product or material has been manufactured, treated,~~
7 ~~coated, or constructed.~~

8 ~~(2) Paper products or fibrous materials that have become soiled~~
9 ~~or contaminated and as a result cannot be technically, feasibly, or~~
10 ~~legally recycled.~~

SB 1387 (DeLeon)

Nonvehicular air pollution: market-based incentive programs: SCAQMD Board

Summary: This bill expands the SCAQMD Governing Board by three additional members intended to represent environmental justice communities; one appointed by the Governor, one by the Speaker of the Assembly, and one by the Senate Rules Committee. In addition, the bill revises requirements for any revisions to the Agency’s Regional Clean Air Incentives Market (RECLAIM) program and grants the California Air Resources Board (CARB) greater oversight authority.

Background:

AB 1054 (Sher, Chapter 1160, Statutes of 1992) authorizes local air districts to adopt a market-based incentive program as an element of a local air district’s air quality management plan for attainment of the state or federal ambient air quality standards and is authorized as a substitute for command and control regulations and future air quality measures that would otherwise have been adopted as part of the district’s plan for attainment.

The authorization to implement a market-based program in lieu of other regulations and programs is contingent on specified findings made by the district board, including, among other things, that the program: 1) will result in an equivalent or greater reduction in emissions at equivalent or less cost compared with regulations that would otherwise have been adopted as part of the air district's plan for attainment, and 2) will not delay or hinder the air district’s compliance with expeditiously achieving and maintaining air quality standards.

Pursuant to AB 1054 the SCAQMD adopted the Regional Clean Air Incentives Market, or RECLAIM in 1993, which went into effect January 1994. The program is unique in California, as no other air districts to date have implemented a market-based program pursuant to authority granted them under AB 1054.

RECLAIM was designed and adopted amidst an economic recession in the region with widespread industry and electrical utility support. The program replaced a series of existing command and control rules and was designed to allow for the most efficient emission reduction projects within the sector to achieve the desired emissions reductions with the lowest economic cost to industry.

Status: 4/29/16 – In Senate Appropriations Suspense file. Set for hearing May 9th.
4/20/16 – Passed Senate Environmental Quality Committee 5-2.

Specific Provisions: This bill contains two parts.

Governing Board Composition

- SB1387 would add three new members to the SCAQMD Governing Board, one appointed by the Governor, one by the Speaker of the Assembly, and one by the Senate Rules Committee. Each must be “a representative of a bona fide nonprofit environmental justice organization that advocates for clean air and pollution reductions in one or more communities within the South Coast Air Basin.”

- The bill provides that nine members shall constitute a quorum, and no action shall be taken except upon the affirmative vote of nine members of the Board. (Revised Section 40424).

Requirements to Revise Market-based Incentive Programs

- 39616(a)(2) is amended to provide that, instead of finding that the program achieves equivalent reductions while expending fewer resources and maintains or enhances the state's economy, the program ensures greater reductions and also ensures that disadvantaged communities, as identified pursuant to Section 38711, are not disproportionately impacted by pollution.
- Prohibits a district from implementing any revisions to an adopted market-based incentive program, unless CARB determines the plan or plan revision complies with the revised requirements.
- If CARB determines a plan or plan revision does not meet the specified requirements for a market-based incentive program, within 60 days CARB shall:
 - Notify the district;
 - Revise the plan or plan revision so that it complies with specified requirements; and
 - Approve the plan or plan revision;
- Specifies that the above plan or plan revision approved by CARB shall take effect immediately and is binding on the district.

Recommended Position: Watch

Support:

American Lung Association, Audubon CA, Bicycle Coalition, California Environmental Justice Alliance, Center for Community Action, Clean Power Campaign, Coalition for Clean Air, Environment CA, Natural Resources Defense Council, NextGen, Sierra Club

Opposition:

American Coating Association and Paint Council; California Chamber of Commerce; California Council for Environmental and Economic Balance; California Independent Oil Marketers; CA Independent Petroleum Association; California Manufacturers and Technology Association; California Metals Coalition; Chemical Industry Association; Los Angeles County Division of the League of California Cities; National Federation of Independent Businesses; United Steelworkers; Western States Petroleum Association

AMENDED IN SENATE APRIL 7, 2016

SENATE BILL

No. 1387

Introduced by ~~Senator De León~~ *Senators De León, Allen, and Lara*

February 19, 2016

An act to amend ~~Section 13104 of the Probate Code, relating to probate. Sections 39616, 40420, and 40424 of the Health and Safety Code, relating to nonvehicular air pollution.~~

LEGISLATIVE COUNSEL'S DIGEST

SB 1387, as amended, De León. ~~Collection or transfer of personal property: affidavit procedure. Nonvehicular air pollution: market-based incentive programs: South Coast Air Quality Management District board.~~

(1) Existing law authorizes the board of an air pollution control or air quality management district to adopt a market-based incentive program as an element of a district's plan for the attainment of the state or federal ambient air quality standards. Existing law requires a district board, within 5 years from the date of the adoption of a market-based incentive program, to commence public hearings to reassess the program and, within 7 years from the date of the air district's initial adoption of the program, to ratify specified findings with the concurrence of the State Air Resources Board.

This bill instead would require a district board to submit to the State Air Resources Board for review and approval the district's plan for attainment or a revision to that plan, as specified. The bill also would require a district board to submit to the state board for review and approval the district's market-based incentive program and any revisions to that program, as specified. The bill would prescribe specified actions for the state board to take if the state board determines

that a plan for attainment, a revision of a plan for attainment, a market-based incentive program, or a revision to a market-based incentive program do not comply with law. By adding to the duties of air districts, this bill would impose a state-mandated local program.

(2) Existing law establishes the South Coast Air Quality Management District vested with the authority to regulate air emissions from stationary sources located in the South Coast Air Basin and establishes a district board, consisting of 13 members.

This bill would add 3 members to the district board, as specified. The bill would make various conforming changes.

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 no reimbursement is required by this act for a specified reason.

~~Existing law requires, in order to collect money, receive tangible personal property, or have evidences of a debt, obligation, interest, right, security, or chose in action transferred under specified provisions, an affidavit or a declaration under penalty of perjury to be furnished to the holder of the decedent's property stating certain information. Existing law requires reasonable proof of the identity of each person executing the affidavit or declaration to be provided to the holder of the decedent's property, and authorizes the holder to, if the affidavit or declaration is executed in the presence of the holder, reasonably rely on specified information as reasonable proof of identity, including a passport issued by a foreign government that has been stamped by the United States Immigration and Naturalization Service, as specified.~~

~~This bill would make nonsubstantive, technical changes to those provisions.~~

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~-yes.
State-mandated local program: ~~no~~-yes.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 39616 of the Health and Safety Code is
- 2 amended to read:
- 3 39616. (a) The Legislature hereby finds and declares all of
- 4 the following:

1 (1) Several regions in California suffer from some of the worst
2 air quality in the United States.

3 (2) While traditional command and control air quality regulatory
4 programs are effective in cleaning up the air, other options for
5 improvement in air quality, such as market-based incentive
6 programs, ~~should~~ *may* be explored, provided that those programs
7 result in ~~equivalent~~ *greater* emission reductions while ~~expending~~
8 ~~fewer resources and while maintaining or enhancing the state's~~
9 ~~economy.~~ *ensuring disadvantaged communities, as identified*
10 *pursuant to Section 39711, are not disproportionately impacted*
11 *by pollution.*

12 (3) The purpose of this section is to establish requirements
13 under which a district board may adopt market-based incentive
14 programs in a manner ~~which~~ *that* achieves the greatest air quality
15 improvement while strengthening the state's economy and
16 preserving jobs.

17 (b) (1) A district board may adopt a market-based incentive
18 program as an element of the district's plan for *the* attainment of
19 the state or federal ambient air quality standards.

20 (2) A market-based incentive program that satisfies the
21 conditions in this section may substitute for current command and
22 control regulations and future air quality measures that would
23 otherwise have been adopted as part of the district's plan for
24 attainment, and may be implemented in lieu of some or all of the
25 control measures adopted by the district pursuant to Chapter 10
26 (commencing with Section 40910) of Part 3.

27 (c) In adopting rules ~~and regulations~~ to implement a
28 market-based incentive program, a district board shall, at the time
29 that the rules ~~and regulations~~ are adopted, make express findings
30 and shall, at the time that the rules ~~and regulations~~ are submitted
31 to the state board, submit appropriate ~~information,~~ *information* to
32 substantiate the basis for making the findings that each of the
33 following conditions is met on an overall districtwide basis:

34 (1) The program will result in an equivalent or greater reduction
35 in emissions at equivalent or less cost compared with current
36 command and control regulations and future air quality measures
37 that would otherwise have been adopted as part of the district's
38 plan for attainment.

39 (2) The program will provide a level of enforcement and
40 monitoring, to ensure compliance with emission reduction

1 requirements, comparable with command and control air quality
2 measures that would otherwise have been adopted by the district
3 for inclusion in the district's plan for attainment.

4 (3) The program will establish a baseline methodology that
5 provides appropriate credit so that stationary sources of air
6 pollution ~~which~~ *that* have been modified prior to implementation
7 of the program to reduce stationary source emissions are treated
8 equitably.

9 (4) The program will not result in a greater loss of jobs or more
10 significant shifts from higher to lower skilled jobs, on an overall
11 districtwide basis, than that which would exist under command
12 and control air quality measures that would otherwise have been
13 adopted as part of the district's plan for attainment. A finding of
14 compliance with this requirement may be made in the same manner
15 as the analyses made by the district to meet the requirements of
16 Section 40728.5.

17 (5) The program will promote the privatization of compliance
18 and the availability of data in computer format. The district shall
19 endeavor to provide sources with the option to keep records by
20 way of electronic or computer data storage systems, rather than
21 mechanical ~~devices~~ *devices*, such as strip chart recorders.

22 (6) The program will not in any manner delay, postpone, or
23 otherwise hinder district compliance with Chapter 10 (commencing
24 with Section 40910) of Part 3.

25 (7) The program will not result in disproportionate impacts,
26 measured on an aggregate basis, on those stationary sources
27 included in the program compared to other permitted stationary
28 sources in the district's plan for attainment.

29 (d) (1) A district's plan for attainment or plan revision
30 submitted to the state board ~~prior to January 1, 1993~~, shall ~~be~~
31 ~~designed to~~ achieve equivalent emission reductions and reduced
32 cost and job impacts compared to current command and control
33 regulations and future air quality measures that would otherwise
34 have been adopted as part of the district's plan for attainment. A
35 district shall not implement a market-based incentive program *or*
36 *any revisions to an adopted market-based incentive program* unless
37 the state board has determined that the plan or plan revision
38 complies with this paragraph.

39 (2) (A) A plan or plan revision ~~submitted on or after January~~
40 ~~1, 1993~~, shall ~~be designed to~~ meet the provisions of subdivision

1 (c) and Section 40440.1 if applicable. The state board shall ~~approve~~
2 *review, approve, disapprove, or amend and approve* the plan or
3 plan revision prior to program implementation, and shall make its
4 determination not later than ~~90~~ 60 days from the date of ~~submittal~~
5 *submission* of the plan or plan revision.

6 (B) (i) *If the state board determines that a plan or plan revision*
7 *submitted pursuant to this paragraph does not comply with this*
8 *section, the state board within 60 days of the date of the submission*
9 *of the plan or plan revision, shall do all of the following:*

10 (I) *Notify the district.*

11 (II) *Revise the plan or plan revision so that the plan or plan*
12 *revision complies with this section.*

13 (III) *Approve the plan or plan revision.*

14 (ii) *If the state board approves a plan or plan revision pursuant*
15 *to this subparagraph, the plan or plan revision shall take effect*
16 *immediately and be binding on the district.*

17 (3) (A) Upon the adoption of ~~rules and regulations~~ to
18 implement the program in accordance with subdivision (c), the
19 district shall submit the ~~rules and regulations~~ to the state board.
20 The state board shall, within 90 days from the date of ~~submittal~~,
21 *submission*, determine whether the ~~rules and regulations~~ meet the
22 requirements of this section and Section 40440.1, if applicable.
23 This paragraph does not prohibit the district from implementing
24 the program upon the approval of the plan or plan revision and
25 prior to ~~submittal~~ *submission* of the ~~rules and regulations~~. *rules.*

26 (B) (i) *If the state board determines that a district rule does*
27 *not comply with this section, the state board, within 60 days of the*
28 *date of the submission of the rule, shall do all of the following:*

29 (I) *Notify the district.*

30 (II) *Revise the rule so that the rule complies with this section.*

31 (III) *Adopt the rule.*

32 (ii) *If the state board approves a rule pursuant to this*
33 *subparagraph, the rule shall take effect immediately and have the*
34 *same legal force and effect as a district rule.*

35 (e) Within ~~fi~~ e years from the date of *the* adoption of a
36 market-based incentive program, the district board shall commence
37 public hearings to reassess the program and shall, not later than
38 seven years from the date of the district's initial adoption of the
39 program, ratify the findings required pursuant to paragraphs (1),
40 (2), (5), and (6) of subdivision (c) and the district's compliance

1 with Section 40440.1, if applicable, with the concurrence of the
 2 state board. If the district board fails to ratify the findings within
 3 the seven-year period, the district board shall make appropriate
 4 revisions to the district's plan for attainment.

5 (f) The district board shall reassess a market-based incentive
 6 program if the market price of emission trading units exceeds a
 7 predetermined level set by the district board. The district board
 8 may take action to revise the program. A predetermined market
 9 price review level shall be set in a public hearing in consideration
 10 of the costs of command and control air quality measures that
 11 would otherwise have been adopted as part of the district's plan
 12 for attainment, costs and factors submitted by interested parties,
 13 and any other factors considered appropriate by the district board.
 14 The district board may revise the market price review level for
 15 emission trading units every three years during attainment plan
 16 updates required under Section 40925. In revising the market price
 17 review level, the district board shall consider the factors used in
 18 setting the initial market price review level as well as other
 19 economic impacts, including the overall impact of the program on
 20 job loss, rate of business formation, and rate of business closure.

21 (g) For sources not included in market-based incentive
 22 programs, this section does not apply to, and shall in no way limit,
 23 existing district authority to facilitate compliance with particular
 24 emission control measures by imposing or authorizing sourcewide
 25 emission caps, alternative emission control plans, stationary for
 26 mobile source emission trades, mobile for mobile source emission
 27 trades, and similar measures, whether imposed or authorized by
 28 rule or permit condition.

29 (h) This section does not apply to the implementation of
 30 market-based transportation control measures ~~which~~ *that* do not
 31 involve emissions trading.

32 *SEC. 2. Section 40420 of the Health and Safety Code is*
 33 *amended to read:*

34 40420. (a) The south coast district shall be governed by a
 35 district board consisting of ~~13~~ *16* members appointed as follows:

36 (1) ~~One member~~ *(A) Two members* appointed by the Governor,
 37 with the advice and consent of the Senate.

38 *(B) One member appointed pursuant to this paragraph shall be*
 39 *a representative of a bona fide nonprofit environmental justice*

1 *organization that advocates for clean air and pollution reductions*
2 *in one or more communities within the South Coast Air Basin.*

3 (2) ~~One member~~—(A) Two members appointed by the Senate
4 Committee on Rules.

5 (B) *One member appointed pursuant to this paragraph shall be*
6 *a representative of a bona fide nonprofit environmental justice*
7 *organization that advocates for clean air and pollution reductions*
8 *in one or more communities within the South Coast Air Basin.*

9 (3) ~~One member~~—(A) Two members appointed by the Speaker
10 of the Assembly.

11 (B) *One member appointed pursuant to this paragraph shall be*
12 *a representative of a bona fide nonprofit environmental justice*
13 *organization that advocates for clean air and pollution reductions*
14 *in one or more communities within the South Coast Air Basin.*

15 (4) Four members appointed by the boards of supervisors of the
16 counties in the south coast district. Each board of supervisors shall
17 appoint one of these members, who shall be one of the following:

18 (A) A member of the board of supervisors of the county making
19 the appointment.

20 (B) A mayor or member of a city council from a city in the
21 portion of the county making the appointment that is included in
22 the south coast district.

23 (5) Three members appointed by cities in the south coast district.
24 The city selection committee of Orange, Riverside, and San
25 Bernardino Counties shall each appoint one of these members,
26 who shall be either a mayor or a member of the city council of a
27 city in the portion of the county included in the south coast district.

28 (6) A member appointed by the cities of the western region of
29 Los Angeles County, consisting of the Cities of Agoura Hills,
30 Artesia, Avalon, Bell, Bellflower, Bell Gardens, Beverly Hills,
31 Calabasas, Carson, Cerritos, Commerce, Compton, Cudahy, Culver
32 City, Downey, El Segundo, Gardena, Hawaiian Gardens,
33 Hawthorne, Hermosa Beach, Hidden Hills, Huntington Park,
34 Inglewood, La Habra Heights, La Mirada, Lakewood, Lawndale,
35 Lomita, Long Beach, Lynwood, Malibu, Manhattan Beach,
36 Maywood, Montebello, Norwalk, Palos Verdes Estates, Paramount,
37 Pico Rivera, Rancho Palos Verdes, Redondo Beach, Rolling Hills,
38 Rolling Hills Estates, Santa Fe Springs, Santa Monica, Signal Hill,
39 South Gate, Torrance, Vernon, West Hollywood, Westlake Village,
40 and Whittier. These cities shall organize as a city selection

1 committee for the purposes of subdivision (f), and shall be known
2 as the city selection committee of the western region of Los
3 Angeles County. The member appointed shall be either a mayor
4 or a member of the city council of a city in the western region.

5 (7) A member appointed by the cities of the eastern region of
6 Los Angeles County, consisting of the cities in Los Angeles County
7 that are not listed in paragraph (6) or (8), and excluding the Cities
8 of Lancaster, Los Angeles, and Palmdale. These cities shall
9 organize as a city selection committee for the purposes of
10 subdivision (f), and shall be known as the city selection committee
11 of the eastern region of Los Angeles County. The member
12 appointed shall be either a mayor or a member of the city council
13 of a city in the eastern region.

14 (8) A member appointed by the Mayor of the City of Los
15 Angeles from among the members of the Los Angeles City
16 Council.

17 (b) All members shall be appointed on the basis of their
18 demonstrated interest and proven ability in the field of air pollution
19 control and their understanding of the needs of the general public
20 in connection with air pollution problems of the South Coast Air
21 Basin.

22 (c) The member appointed by the Governor *who is not the*
23 *member appointed pursuant to subparagraph (B) of paragraph*
24 *(1) of subdivision (a)* shall be either a physician who has training
25 and experience in the health effects of air pollution, an
26 environmental engineer, a chemist, a meteorologist, or a specialist
27 in air pollution control.

28 (d) Each member shall be appointed on the basis of his or her
29 ability to attend substantially all meetings of the south coast district
30 board, to discharge all duties and responsibilities of a member of
31 the south coast district board on a regular basis, and to participate
32 actively in the affairs of the south coast district. ~~No A member may~~
33 *shall not* designate an alternate for any purpose or otherwise be
34 represented by another in his or her capacity as a member of the
35 south coast district board.

36 (e) Each appointment by a board of supervisors shall be
37 considered and acted on at a duly noticed, regularly scheduled
38 hearing of the board of supervisors, which shall provide an
39 opportunity for testimony on the qualifications of the candidates
40 for appointment.

1 (f) The appointments by cities in the south coast district shall
2 be considered and acted on at a duly noticed meeting of the city
3 selection committee, which shall meet in a government building
4 and provide an opportunity for testimony on the qualifications of
5 the candidates for appointment. Each appointment shall be made
6 by not less than a majority of all the cities in the portion of the
7 county included in the south coast district having not less than a
8 majority of the population of all the cities in the portion of the
9 county included in the south coast district. Population shall be
10 determined on the basis of the most recent verifiable census data
11 developed by the Department of Finance. Persons residing in
12 unincorporated areas or areas of a county outside the south coast
13 district shall not be considered for the purposes of this subdivision.

14 (g) The members appointed by the Senate Committee on Rules
15 and the Speaker of the Assembly *who are not the members*
16 *appointed pursuant to subparagraph (B) of paragraph (2) or*
17 *subparagraph (B) of paragraph (3) of subdivision (a)* shall have
18 one or more of the qualifications specified in subdivision (c) or
19 shall be a public member. None of those appointed members may
20 be a locally elected official

21 (h) All members shall be residents of the district.

22 (i) (1) The member who was serving on the district board as
23 of June 1, 2007, who had been appointed to represent the eastern
24 region of Los Angeles County shall be deemed on January 1, 2008,
25 to be the member appointed to represent the western region of Los
26 Angeles County pursuant to paragraph (6) of subdivision (a) and
27 shall serve from January 1, 2008, until the end of the term of offic
28 for the member who had been appointed to represent the western
29 region of Los Angeles County. At the end of that term, the city
30 selection committee of the western region of Los Angeles County
31 shall make an appointment pursuant to paragraph (6) of subdivision
32 (a).

33 (2) The member who was serving on the district board as of
34 June 1, 2007, who had been appointed to represent the western
35 region of Los Angeles County shall be deemed on January 1, 2008,
36 to be the member appointed pursuant to paragraph (8) of
37 subdivision (a) until the end of that member's term. At the end of
38 that term, the Mayor of the City of Los Angeles shall make an
39 appointment pursuant to paragraph (8) of subdivision (a).

1 (3) On or after January 1, 2008, the city selection committee of
2 the eastern region of Los Angeles County shall convene promptly
3 to make an appointment pursuant to paragraph (7) of subdivision
4 (a).

5 *SEC. 3. Section 40424 of the Health and Safety Code is*
6 *amended to read:*

7 40424. (a) Except as provided in subdivision (b), ~~seven nine~~
8 members of the south coast district board shall constitute a quorum,
9 and no official action shall be taken by the south coast district
10 board except in the presence of a quorum and upon the affirmative
11 votes of a majority of the members of the south coast district board.

12 (b) Notwithstanding subdivision (a), whenever there are two
13 or more vacancies on the south coast district board, ~~six eight~~
14 members shall constitute a quorum, and the two vacant positions
15 shall not be counted toward the majority required for official action
16 by the south coast district board. Thereafter, whenever at least one
17 of those vacancies is filled, the quorum and voting requirements
18 of subdivision (a) shall apply.

19 *SEC. 4. No reimbursement is required by this act pursuant to*
20 *Section 6 of Article XIII B of the California Constitution because*
21 *a local agency or school district has the authority to levy service*
22 *charges, fees, or assessments sufficient to pay for the program or*
23 *level of service mandated by this act, within the meaning of Section*
24 *17556 of the Government Code.*

25 ~~SECTION 1. Section 13104 of the Probate Code is amended~~
26 ~~to read:~~

27 ~~13104. (a) Reasonable proof of the identity of each person~~
28 ~~executing the affidavit or declaration shall be provided to the holder~~
29 ~~of the decedent's property.~~

30 ~~(b) Reasonable proof of identity is provided for the purposes of~~
31 ~~this section if both of the following requirements are satisfied:~~

32 ~~(1) The person executing the affidavit or declaration is~~
33 ~~personally known to the holder.~~

34 ~~(2) The person executes the affidavit or declaration in the~~
35 ~~presence of the holder.~~

36 ~~(c) If the affidavit or declaration is executed in the presence of~~
37 ~~the holder, a written statement under penalty of perjury by a person~~
38 ~~personally known to the holder affirming the identity of the person~~
39 ~~executing the affidavit or declaration is reasonable proof of identity~~
40 ~~for the purposes of this section.~~

- 1 ~~(d) If the affidavit or declaration is executed in the presence of~~
2 ~~the holder, the holder may reasonably rely on any of the following~~
3 ~~as reasonable proof of identity for the purposes of this section:~~
4 ~~(1) An identification card or driver's license issued by the~~
5 ~~Department of Motor Vehicles that is current or was issued during~~
6 ~~the preceding five years.~~
7 ~~(2) A passport issued by the United States Department of State~~
8 ~~that is current or was issued during the preceding five years.~~
9 ~~(3) Any of the following documents if the document is current~~
10 ~~or was issued during the preceding five years and contains a~~
11 ~~photograph and description of the person named on it, is signed~~
12 ~~by the person, and bears a serial or other identifying number:~~
13 ~~(A) A passport issued by a foreign government that has been~~
14 ~~stamped by the United States Customs and Border Protection.~~
15 ~~(B) A driver's license issued by a state other than California.~~
16 ~~(C) An identification card issued by a state other than California.~~
17 ~~(D) An identification card issued by any branch of the armed~~
18 ~~forces of the United States.~~
19 ~~(e) For the purposes of this section, a notary public's certificat-~~
20 ~~of acknowledgment identifying the person executing the affidavit~~
21 ~~or declaration is reasonable proof of identity of the person~~
22 ~~executing the affidavit or declaration.~~
23 ~~(f) Unless the affidavit or declaration contains a notary public's~~
24 ~~certificate of acknowledgment of the identity of the person, the~~
25 ~~holder shall note on the affidavit or declaration either that the~~
26 ~~person executing the affidavit or declaration is personally known~~
27 ~~or a description of the identification provided by the person~~
28 ~~executing the affidavit or declaration.~~

BACKGROUND: The Home Rule Advisory Group (HRAG) usually meets on the third Wednesday of each month and is Chaired by Governing Board Member Dr. Joseph Lyou. As required by Governing Board Resolution, the following is a summary of the Legislative Report presented at the April 20, 2016 HRAG meeting.

REPORT CONTENT

TOPIC	DESCRIPTION
Legislative Update	<p><i>Federal</i></p> <p>Congress returned from break and will begin the negotiations over the proposed budget resolution. Just before the recess, the U.S. House Budget Committee passed a budget resolution. It's unlikely that there will be enough votes for it to pass on the House floor by the deadline. The appropriations will likely be completed through an omnibus bill in a lame duck session, after the election.</p> <p>The House Appropriations Sub-committee, Interior Environment and Related Agencies, chaired by Congressman Ken Calvert, held a budget oversight hearing on the Administrations FY 2017 Budget proposal for U.S. EPA. SCAQMD staff provided Chairman Calvert suggested questions to ask U.S. EPA Administrator Gina McCarthy, which were submitted for the record. U.S. EPA will provide written responses to those questions.</p> <p>An update on the bill introduced by Delegate Eleanor Holmes Norton (D-DC) was provided; No Lead in the Air Act of 2016 (HR 4675). Delegate Norton seeks to include her legislation, as an amendment, into the Federal Aviation Administration authorization legislation, which a longer term bill is still being negotiated.</p> <p>The Administration announced that it will launch a new inter-agency task force on natural gas storage safety to address issues raised by the Aliso Canyon natural gas leak. The task force will be co-chaired by the Department of Energy's Undersecretary for Energy and Science, and the Administrator of the Pipeline Safety and Materials Safety Administration at the Department of Transportation. A number of other Federal agencies will be part of the task force, including the U.S. EPA, Department of Health and Human Services and the Federal Energy Regulatory Commission. The task force will work with industry, state and local leaders, and stakeholders to support development of best practices for insuring well integrity, proper response plans and safe operations of storage facilities. It intends to publish its findings later this year. The task force intends to coordinate with state and local agencies in California as part of its work. Recommendations will be forthcoming on how SCAQMD can best contribute to the task force's mission.</p> <p>A U.S. District Court Judge has given Volkswagen (VW) until April 21, 2016 to develop a plan to bring the nearly 500,000 diesel vehicles in the United States into compliance. The Judge declared that if VW does not meet the April 21, 2016 deadline, he would consider going ahead with a trial this summer. All other penalties, including punitive damages, FTC complaints, U.S. EPA penalties, class action lawsuits, etc., are to be determined later and are not part of this negotiation. At this time, there is only speculation concerning the level of penalties to be levied against VW, but it ranges from the low to high \$20 billion levels.</p>

Although a Continuing Resolution or possibly an omnibus appropriations bill are still the most likely outcomes, Appropriation committees are beginning to move forward on the FY 2017 appropriation bills. In the Senate, the Energy and Water Appropriations bill is expected to be one of the first bills out of committee. In connection with that bill, SCAQMD is working with Senator Feinstein's staff on report language to direct the Department of Energy to fund zero emission projects. This would be a continuation of past successful efforts working with Senator Feinstein, to receive similar zero-emission project funds.

The House Energy and Commerce Committee is planning to hold a hearing on H.R. 4775 (Olson) – Ozone Standards Implementation Act. This bill would change the review and implementation schedule for ozone standards, and would also include technological feasibility as a criteria for establishing and revising the National Ambient Air Quality Standards. It stipulates that prior to establishing or revising a national standard, the Administrator shall take into account adverse public health welfare, social, economic or energy effects. This bill includes the Majority Leader Kevin McCarthy, as one of the co-sponsors. If the legislation were to pass the House, it is anticipated that it would face opposition in the Senate and given the short legislative year due to the election, it could face an uphill battle.

State

The new Assembly Speaker Anthony Rendon has the rare opportunity to potentially serve as Speaker for nine years. No one has done this since Willie Brown. Having a long term Speaker would bring a sense of stability back to Legislature. Further, the current Speaker is shifting power back to the committee chairs by allowing them to be "strong" chairs that could impact what bills and policy issues are coming out of their committee.

We are seeing a culture change at the top. The Speaker did make many changes to the committee chair assignments, however not much change was made to the committees that SCAQMD deals with most. In particular, Assemblymember Louis Alejo remains Chair of Assembly Environmental Safety and Toxic Materials Committee; Assemblymember Das Williams remains Chair of Assembly Natural Resources Committee; and Assemblymember Mike Gatto becomes Chair of the Assembly Utilities and Commerce Committee. However, all three Chairs are termed out in November, so there will be new chairs for these committees early next year.

In August 2015, \$7M of emergency funding was allocated for testing soil at 1,500 properties around Exide plant; development of a comprehensive cleanup plan; and also to begin cleanup and the highest priority sites. To date, the Department of Toxic Substances Control (DTSC) has removed more than 10,000 tons of contaminated soil and analyzed more than 20,000 soil samples from hundreds of properties in the area. Governor Brown is now proposing a \$176.6M General Fund loan to expedite and expand testing of all properties within a 1.7 mile radius of the Exide facility. The focus is to remove the contaminated soil where lead levels are the highest and exposure is the greatest. In addition to cleaning up the properties, DTSC would do further testing and analysis to identify the responsible parties for the contamination. Those identified would be held responsible to reimburse the \$176.6M loan. The plan also provides

resources to expand community engagement in the testing and cleanup process; enhancement of job coordination and training for community; and promotion of the use of local business labor for contracting purposes. The bills to accomplish this proposal are SB 93 and AB 118, both of which are budget trailer bills and will most likely be adopted as part of the State's budget in June. The Senate's Budget Sub-committee recently heard and passed SB 93 and the Assembly Budget Subcommittee heard and passed AB 118. Both bills still need to be heard in their respective second house.

Other bills reported on at Legislative Committee include SB 380 (Pavley), which would place a moratorium on activity at the Aliso Canyon gas storage facility until it is determined safe. This bill is moving rather quickly and is in the Assembly Appropriations Committee. It is very close to passing through the Legislature and then going to the Governor. This bill has no opposition and is an urgency bill.

SB 887 (Pavley), would cover all natural gas storage facilities and require the retirement of substandard wells and enhance the public's right to know and transparency. There is no registered opposition to this bill. SCAQMD, Porter Ranch neighborhood groups and environmentalists support this bill.

SB 888 (Allen), establishes the Office of Emergency Services as the lead agency in emergency responses for future gas leaks. It also establishes a fund that will receive any penalties levied after a leak.

The final bill in the package is AB 1903 (Wilk). This bill is pending in the Assembly Health Committee and addresses health impacts by requiring a long-term study of health impacts of the Aliso Canyon leak for residents within a 12 mile radius of the accident.

The Aliso Canyon leak has sparked numerous bills targeted at natural gas storage. It has also brought significant attention to natural gas in the State. Environmental groups have increasingly turned their focus to reducing natural gas use. However the California Energy Commission recently released a report about the possibility that Southern California could experience rolling blackouts this summer due to a lack of readily accessible natural gas.

Some related bills focused on the overall energy issue include: SB 1441 (Leno), which targets methane leaks from natural gas pipelines and would require those emissions to be accounted for under the cap and trade program. Also SB 1383 (Lara) would mandate reductions in methane emissions.

There is a big picture conversation in the Capitol regarding low carbon transportation. Two bills that focus on zero and near zero emission transportation are: AB 1710 (Calderon) and AB 1851 (Gray). AB 1710 directs CARB to create new incentive programs in addition to the existing Clean Vehicle Rebate Project (CVRP). It also creates additional tax incentives to facilitate the purchase of zero emission vehicles. This bill is to be funded by the Greenhouse Gas Reduction Fund (GGRF). AB 1851 increases the CVRP incentives, with larger increases for low-income purchasers. This bill also limits the value of a qualifying car to \$60,000. It also creates an incentive for

businesses that purchase charging infra-structures and is to be funded by the GGRF.

Overall, the Governor proposed \$500M in funding from the GGRF to fund low carbon transportation programs. This amount is derived from both FY 2015-16 and 2016-17 monies and is not as much as some would like. For example the California Electric Transportation Coalition, which is made up of stakeholders in both the electricity and transportation industry, is proposing \$670M/year over three years to go to CARB for the Low Carbon and Transportation Program.

Discussion

David Rothbart inquired if there are more VW vehicle emissions than what were accounted for in the AQMP, and how is this dealt with as far as with the emissions inventory? Dr. Fine responded that SCAQMD is still looking at what the excess emissions were and indicated that it is probably not going to be enough to change the SIP in a significant way, but it is significant in terms being from one set of vehicles emitting a lot more. It's difficult to say at this time what the impact will be.

Bill LaMarr inquired about the impact the Aliso Canyon/Porter Ranch incident will have on our attainment, climate change or greenhouse gas rules? Dr. Fine responded that the priority impact was GHGS, methane, which has a small impact on ozone. There were also some VOC emissions, and this may have had a small impact on ozone too. There were short term impacts relative to odor nuisances. The climate change impact could be significant, and CARB has been directed to mitigate the climate impacts. There should be no lasting impact on ozone levels, since the leak was only for a short period of time. If a future AQMP has a 2016 base year, there could be an impact and we would then need to account for the leak in the emissions data.

Art Montez inquired if the Aliso Canyon gas leaks impacted any environmental justice communities? Dr. Fine responded that perhaps if the impact extended out more than five miles, but the impact was much closer in the Porter Ranch area. Mr. Montez expressed that communities close to refineries did not get the response that this incident received.

Art Montez asked if there has been any change from the Governor on the allocation of the cap and trade money. Mr. Crabbe responded that there is an ongoing debate in Sacramento as to how to spend this type of funding. There is a budget plan and there are hundreds of bills, each proposing how to spend the GGRF money. This may be resolved with this year's Budget or could be carried over into future years.

Dr. Lyou inquired about funding for community engagement with regards to Exide. Is there money to cover consultant costs over the next two years? Mr. Crabbe responded that the current program is a \$176M general fund loan to DTSC. They are responsible for administering the money. They would have to be willing to allocate a portion of this money. Dr. Lyou responded that he wanted to see if there is anything that could be done to access these funds for such a purpose.

Dr. Lyou expressed his concern about the possibility of rolling blackouts due to diminished gas storage capacity. Companies may go to on-demand response, their

	<p>plant will not shut down and send everyone home, but instead run on back-up power. There is also a possibility of homeowners purchasing back-up generators to generate electricity, and this could have a tremendous impact on emissions. Is it being analyzed. Bill LaMarr remarked that this agency should have records on similar issues that occurred in 2001, and how it was handled. Dr. Fine indicated that we are developing measures and now might be a good time to talk about alternatives to diesel back-up generators.</p>
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BOARD MEETING DATE: June 3, 2016

AGENDA NO. 27

REPORT: Mobile Source Committee

SYNOPSIS: The Mobile Source Committee met on Friday, May 20, 2016. Following is a summary of that meeting. The next Mobile Source Committee meeting is scheduled for Friday, June 17, 2016 at 9:00 a.m.

RECOMMENDED ACTION:
Receive and file.

Dr. Clark E. Parker, Sr., Chair
Mobile Source Committee

PMF:afm

Attendance

Committee Chair Dr. Clark E. Parker, Sr. and Supervisor Shawn Nelson attended via videoconference; Committee Members Dr. Joseph Lyou and Judith Mitchell attended at SCAQMD headquarters. Dr. Parker appointed Councilmember Ben Benoit to participate as a Committee member for the day. Supervisor Janice Rutherford attended the meeting as a non-participant. Dr. Parker called the meeting to order at 9:02 a.m.

INFORMATIONAL ITEMS:

1) Overview of CARB's Proposed 2016 State Strategy for the State Implementation Plan

Ms. Karen Magliano, Chief of the Air Quality Planning and Science Division at the California Air Resources Board (CARB), provided an overview of CARB's proposed Mobile Source Strategy, including the 2016 state strategy for the State Implementation Plan (SIP), released to the public this week. The strategy is an integrated planning approach to reduce criteria pollutants, greenhouse gases (GHG) and diesel particulate matter (PM). The reductions from the proposed 25 measures in the SIP strategy are needed to assist South Coast in meeting federal ozone

standards. It was noted that current programs achieve two-thirds of necessary reductions. Ms. Magliano provided details on the measures categorized as enhancements in engine standards, introduction of zero emission vehicle (ZEV) technologies for on-road vehicles and off-road equipment, performance requirements to ensure engine durability, and expanded use of renewable fuels. She added that additional actions include incentive programs for early deployment of cleaner technologies, operational efficiency strategies, and the use of intelligent vehicles and systems. The estimated vehicle population to achieve the emission reductions by 2031 is comprised of 2.9 million ZEVs, 1.2 million plug-in hybrid electric vehicles, 430,000 low-NOx trucks and 11,000 “last-mile delivery” ZEV trucks. Next steps include the identification of funding needs, mechanisms to pursue funding, and approvability of the incentive measures in the SIP.

Dr. Clark E. Parker inquired on the status of the vehicle stickers awarded to cleaner vehicles and the impact of the end to incentives such as single-occupant use of high occupancy vehicle (HOV) lanes. Staff clarified the distribution of green clean air vehicle decals has reached the designated limit, but white clean air vehicle decals are still available. The state legislature would have to authorize the extension of the green clean air vehicle decal program. Mayor Larry McCallon expressed concern with single-occupant use of HOV lanes that conflicts with regional public policy to reduce traffic congestion and does not promote vehicle-sharing that would reduce the number of vehicles on the road. Dr. Joe Lyou added use of public transit would also reduce congestion and should also be encouraged.

Dr. Parker received clarification that fuel cell vehicles are considered part of the projected ZEV population in 2031. Ms. Magliano highlighted the increased number of hydrogen fuel (*needed for fuel cells*) stations including a recent installation in Santa Barbara.

Councilmember Judith Mitchell attended a conference hosted by the Manufacturers of Emission Controls Association (MECA) and was encouraged by preliminary test results of inexpensive retrofits for 2010 or newer heavy-duty diesel engines. Staff noted the technology is currently primarily in a research and testing phase, but was producing low NOx emissions. Councilmember Mitchell added the importance to seek incentive funding especially since this is the last year for the Proposition 1B and there is uncertainty if the state legislature would seek a new referendum for continuation.

Dr. Parker continued that topic by inquiring about the assumptions used to determine incentives allocation particularly since 49 percent of emissions are in the South Coast but the region does not receive 49 percent of funding (e.g., GHG Reduction Fund). Ms. Magliano replied that 80 percent of the needed emission reductions

would result from regulations and fleet turnover, and 20 percent of the needed emission reductions would be incentive-based.

Acting Executive Officer Wayne Nastri asked about existing allocation of the GHG funds and CARB noted a number of agencies are vying for the funding but equitable allocation could be part of the consideration during distribution. Mr. Nastri confirmed the link between the reductions achieved by GHG goals provides a criteria pollutant co-benefit. He plans to highlight this point when meeting with key committee members in Sacramento. Councilmember Mitchell added these budget decisions are made by state officials and Dr. Parker requested CARB's assistance in securing equitable funding for the South Coast region.

Dr. Lyou was also encouraged by the news of the retrofit technology for heavy-duty diesel trucks introduced by Councilmember Mitchell and wanted to learn more. He questioned if lower NOx emissions were actually being achieved by renewable fuels, such as alternative diesel. It was explained the renewable fuels being discussed reduce PM, carbon and NOx emissions, and had a different composition than traditional biodiesel based on fatty-acids. Dr. Lyou sought to understand why the strategy did not include off-road equipment at the Ports as a captive fleet in a limited area similar to "last-mile" delivery. While CARB staff is looking into all options for the strategy, Councilmember Mitchell highlighted reduction of emissions from these sources are included in the goals of the state's Sustainable Freight Strategy. Finally, Dr. Lyou wanted to know if CARB's emission reduction strategy in concert with the SCAQMD's proposed strategy would achieve attainment of the federal standards. Staff confirmed the combined strategies would reduce enough NOx emissions to meet the ozone standards, but emphasized the need for substantial incentive money to meet standards by 2023.

Councilmember Ben Benoit inquired about location of charging stations and storage capabilities. CARB staff sought the most cost effective locations, but would expect to expand in the future. Councilmember Mitchell noted CARB's Short-Lived Climate Pollutants Reduction Strategy will target refrigerants and Ms. Magliano noted the need to look at all the state's polices together to implement effectively and achieve the most co-benefits.

Councilmember Benoit followed up inquiring whether CARB is pursuing future technologies and ideas such as drones for delivery. While difficult to implement, the CARB staff will continue to explore all feasible ideas. Councilmember Mitchell concluded by commending the staff at CARB and SCAQMD for collaborating successfully during the development of the Draft2016 SIP.

Dr. Parker thanked Ms. Magliano for her excellent presentation and noted the arduous task ahead to meet the standards particularly when the SCAQMD has a lot

of responsibility but limited authority. He highlighted the example of past challenging goals, such as the planned installation of 68 hydrogen fueling stations in the region, that were not achieved and only 16 were eventually installed.

Mr. Lee Wallace, a consultant for the SoCal Gas Company agreed with the vehicle estimates presented by CARB and supported a low NOx gaseous fuel option. He noted the use of natural gas renewable fuel will assist heavy-duty trucks in achieving a future 0.02 grams/bhp-hr engine standard and referenced the E3 PATHWAYS feasibility study sponsored by several state agencies.

Mr. Bill LaMarr wanted to know if the amount of incentive money needed and the anticipated source of the funding for both mobile and stationary source control measures would be known before the SIP submittal. Staff is seeking to provide that information at the time of the release of the Draft Plan and is also relying on reasonable funding sources to assure SIP approvability.

Ms. Susan Stark sought clarification on the comment period being provided for the State's Mobile Source Strategy. CARB is accepting comments throughout the process up to the hearing in September, but noted the CEQA Environmental Impact Report (EIR) has been circulated for the required 45-day public review and comment period.

2) Overview of the Draft California Sustainable Freight Action Plan

Mr. Henry Hogo, Assistant Deputy Executive Officer, provided an overview of the draft California Sustainable Freight Action Plan released on May 3, 2016. The Draft Action Plan was developed as part of the Governor's Executive Order B-32-15 which directed the Secretaries of the California State Transportation Agency, California Environmental Protection Agency, and California Natural Resources Agency along with their respective departments (Caltrans, CARB, and CEC) and the Governor's Office of Business and Economic Development to work cooperatively in developing an integrated action plan that establishes clear targets to: 1) improve freight efficiency; 2) transition to zero-emission technologies; and 3) increase competitiveness of California's freight system. The Plan is to identify state policies, programs, and investments to achieve the targets. In addition to the Plan development, work is to be initiated in 2015 on freight corridor-level pilot projects integrating advanced technologies, alternative fuels, freight and fuel infrastructure, and local economic development opportunities. Lastly, the public and private stakeholders are requested to assist in the development and implementation of the Plan.

The draft Action Plan contains a vision statement for 2050, which includes: "... Transporting freight reliably and efficiently by zero emission equipment everywhere

feasible, and near-zero emission equipment powered by clean low-carbon renewable fuels everywhere else.” There are ten guiding principles (of which one is on the environment) proposed to be used to characterize and prioritize future transportation project proposals. An efficiency target of 25 percent improvement by 2030 from 2014 has been proposed. A zero-emission vehicle and equipment target of 100,000 or more vehicles and equipment is proposed to be fully implemented by 2030. The lead agencies are evaluating potential costs across various freight sectors and examining ways to minimize negative impacts to the freight industry as part of the competitiveness element of the Plan.

The draft Action Plan contains nine state actions including actions to work with the state legislature on funding programs, investments in infrastructure to modernize freight corridors, accelerate use of advanced technologies and renewable fuels, developing the necessary tools to quantify efficiency, strategies to promote competitiveness, and steps to meet existing and future workforce needs.

There have been various informal meetings regarding the draft Action Plan. In addition, workshops are being scheduled and one is tentatively scheduled for June 1, 2016 in the Los Angeles area. Written comments will be taken until July 6, 2016. The final plan will be submitted to the Governor in July 2016.

Staff discussed some initial evaluation of the draft Plan and areas of potential comment. Areas for potential comment include the need for a significantly larger number of zero- and near-zero emission vehicles than the 100,000 target that will be needed to demonstrate attainment by 2031; the need to ensure that the “environment” principle be given equal weight as projects are being prioritized; and further discussion on the co-benefits of reducing criteria pollutant, air toxics, and greenhouse gas emissions.

Dr. Lyou commented that “Health” be added as a parameter to the guiding principles when projects are evaluated and prioritized.

Mayor McCallon indicated that there should be at least one public meeting on the draft Action Plan held in the Inland Empire given the significant amount of goods flowing through the Inland Empire. Staff will contact the state staff to see if additional meetings can be set up.

WRITTEN REPORTS:

3) Rule 2202 Activity Report

The report was received as submitted.

4) Monthly Report on Environmental Justice Initiatives – CEQA Document Commenting Update

The report was received as submitted.

OTHER BUSINESS:

None.

PUBLIC COMMENT:

None.

The meeting was adjourned at approximately 10:32 a.m.

Attachment

Attendance Roster

**SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
MOBILE SOURCE COMMITTEE MEETING
Attendance Roster – May 20, 2016**

NAME	AFFILIATION
Dr. Clark E. Parker (videoconference)	SCAQMD Governing Board
Dr. Joseph Lyou	SCAQMD Governing Board
Mayor Ben Benoit	SCAQMD Governing Board
Councilmember Judith Mitchell	SCAQMD Governing Board
Supervisor Janice Rutherford	SCAQMD Governing Board
Board Consultant David Czamanski	SCAQMD Governing Board (Cacciotti)
Board Consultant Ron Ketcham	SCAQMD Governing Board (McCallon)
Board Consultant Ruthanne Taylor Berger	SCAQMD Governing Board (Benoit)
Curtis Coleman	SoCal Air Quality Alliance
Tom Gross	SCE
Bill LaMarr	CA Small Business Alliance
Noel Muyco	SoCal Gas
David Rothbart	LACSD
Susan Stark	Tesoro
Lee Wallace	SoCal Gas
Peter Whittingham	CP&A
Karen Magliano	CARB
Wayne Nastri	SCAQMD Staff
Philip Fine	SCAQMD Staff
Barbara Baird	SCAQMD Staff
Kurt Wiese	SCAQMD Staff
Joe Cassmassi	SCAQMD Staff
Henry Hogo	SCAQMD Staff
Matt Miyasato	SCAQMD Staff
Lisha Smith	SCAQMD Staff
Kurt Wiese	SCAQMD Staff
Jill Whynot	SCAQMD Staff
Arlene Farol	SCAQMD Staff
Lane Garcia	SCAQMD Staff

**SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
MOBILE SOURCE COMMITTEE MEETING
Attendance Roster – May 20, 2016**

Michael Krause	SCAQMD Staff
Sang-Mi Lee	SCAQMD Staff
Chris Marlia	SCAQMD Staff
Dean Saito	SCAQMD Staff
Ryan Stromar	SCAQMD Staff
Kim White	SCAQMD Staff
Patti Whiting	SCAQMD Staff
Jillian Wong	SCAQMD Staff

[↑ Back to Agenda](#)

BOARD MEETING DATE: June 3, 2016

AGENDA NO. 28

REPORT: Stationary Source Committee

SYNOPSIS: The Stationary Source Committee met Friday, May 20, 2016. Following is a summary of that meeting.

RECOMMENDED ACTION:
Receive and file.

Ben Benoit, Chair
Stationary Source Committee

MN:am

Attendance

The meeting began at 10:45 a.m. In attendance at SCAQMD Headquarters were Committee Chair Ben Benoit and Committee Members Dr. Joseph Lyou, Judith Mitchell, Larry McCallon and Janice Rutherford. Shawn Nelson attended via videoconference.

INFORMATIONAL ITEMS

- 1. Status Update of the Southern California Gas Company's (SoCalGas) Underground Natural Gas Storage Facilities Operating in SCAQMD**
Mohsen Nazemi, Deputy Executive Officer for Engineering and Compliance, gave this presentation. Mr. Nazemi indicated that in response to a request made by Supervisor Antonovich at the April 2016 Governing Board meeting, staff is reporting on compliance-related activities at the four natural gas underground storage facilities – Aliso Canyon, Montebello, Playa del Rey, and Honor Rancho – operated by SoCalGas in the South Coast Air Basin. Mr. Nazemi indicated that this will also be presented to the full Governing Board at the June 3 Board meeting. All of SoCalGas' natural gas underground storage facilities were operated historically as

oil fields; once oil reserves began to be depleted, these facilities were acquired and repurposed by SoCalGas for underground natural gas storage. All four SoCalGas facilities are in the RECLAIM NOx program and all but Montebello are also Title V facilities, subject to at least annual inspections, but most often inspected multiple times a year. Compliance staff recently revisited each of these facilities in the last couple of months for the specific purpose of performing well inspections using handheld portable vapor analyzers and portable Forward Looking Infrared (FLIR) camera to detect emissions of Total Organic Compounds (TOC) from the wells and associated components. Numerous minor leaks were observed and reported to SoCalGas for repair. Mr. Nazemi indicated that other than the over 2,300 air quality complaints received due to the natural gas leak at Aliso Canyon facility, which lasted for about 3 ½ months, SCAQMD has not received any significant number of air quality complaints from the public relative to these facilities. However, due to the concerns expressed by a public member at our Governing Board meeting about natural gas leaks in the community surrounding the SoCalGas' Montebello facility, in addition to a full inspection of this facility, SCAQMD staff also used our mobile methane monitor (LI-COR) unit to drive around the neighborhoods surrounding the Montebello facility. The result of our monitoring did not reveal any higher levels of methane in those communities compared to typical background methane concentrations.

Although emissions from natural gas wells at facilities solely used for underground natural gas storage are subject to SCAQMD and state public nuisance provisions, they are not presently in general subject to leak detection and repair (LDAR), fugitive emissions control or registration requirements under SCAQMD Rules 1173, 1148.1 and 222. SCAQMD is considering rulemaking activities to complement those being presently developed by CARB and DOGGR for regulating oil and gas and underground natural gas storage facilities, as well as just underground natural gas storage facilities, respectively. Councilwoman Mitchell asked what the difference between the 2 7/8" diameter tubing and 7" diameter casing is and Mr. Nazemi explained that the tubing was originally designed to be the only means to inject and withdraw natural gas, but as a common practice both the tubing and casing have been used for injection and withdrawal to increase the transfer rate of natural gas into and out of the underground storage reservoirs. She also asked if the well and component fugitive leaks observed at SoCalGas facilities will be part of the new rule that SCAQMD is working on and Mr. Nazemi responded that it is staff's intention to address that in the proposed rule being developed.

WRITTEN REPORTS

All written reports were acknowledged by the Committee.

PUBLIC COMMENTS

There were no Public Comments.

The next Stationary Source Committee meeting is scheduled for June 17, 2016. The meeting was adjourned at 11:25 a.m.

Attachments

Attendance Roster

**SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
STATIONARY SOURCE COMMITTEE
May 20, 2016
ATTENDANCE ROSTER (Voluntary)**

NAME	AFFILIATION
Supervisor Ben Benoit	SCAQMD Governing Board Member
Councilmember Judith Mitchell	SCAQMD Governing Board Member
Mayor Larry McCallon	SCAQMD Governing Board Member
Supervisor Shawn Nelson	SCAQMD Governing Board Member
Dr. Joseph Lyou	SCAQMD Governing Board Member
Supervisor Janice Rutherford	SCAQMD Governing Board Member
Board Consultant David Czamanske	SCAQMD Governing Board (Cacciotti)
Board Consultant Ron Ketcham	SCAQMD Governing Board (McCallon)
Wayne Nastri	SCAQMD staff
Kurt Wiese	SCAQMD staff
Barbara Baird	SCAQMD staff
Philip Fine	SCAQMD staff
Mohsen Nazemi	SCAQMD staff
Jill Whynot	SCAQMD staff
Matt Miyasato	SCAQMD staff
Kim White	SCAQMD staff
Noel Muyco	So Cal Gas
Bill Lamarr	California Small Business Alliance
David Rothbart	LA County Sanitation Districts
Susan Stark	Tesoro
Rita Loof	RadTech
Curtis Coleman	So Cal Alliance
Peter Whittingham	Curt Pringle & Assoc.

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BOARD MEETING DATE: June 3, 2016

AGENDA NO. 29

REPORT: Technology Committee

SYNOPSIS: The Technology Committee met on May 20, 2016. Major topics included Technology Advancement items reflected in the regular Board Agenda for the June Board meeting. A summary of these topics with the Committee's comments is provided. The next Technology Committee meeting will be held on June 17, 2016.

RECOMMENDED ACTION:

Receive and file.

John J. Benoit
Technology Committee Chair

MMM:pmk

Attendance: Supervisor John Benoit and Councilmember Joe Buscaino participated by videoconference. Mayor Larry McCallon, Councilmember Judith Mitchell, Councilmember Dwight Robinson, and Supervisor Janice Rutherford were in attendance at SCAQMD headquarters.

JUNE BOARD AGENDA ITEMS

1. Issue Program Announcement for Heavy-Duty Diesel Trucks and Transport Refrigeration Units Under Proposition 1B-Goods Movement Program

In June 2015, CARB approved updates to the Proposition 1B-Goods Movement Emission Reduction Program Guidelines identifying new specifications and funding levels for eligible heavy-duty truck projects. The updates include funding for near-zero and zero emission truck projects for large fleets. This action is to issue, and if undersubscribed re-issue, a Program Announcement for heavy-duty diesel trucks and transport refrigeration units under the Proposition 1B-Goods Movement Program.

Councilmember Robinson commented the Prop 1B minimum mileage requirement of 20,000 miles per year is too high for short-haul drayage trucks. Staff responded that

this is a program/guideline requirement set by CARB, but staff committed to bring this to their attention to see if any flexibility can be given for drayage trucks. Staff also mentioned there is a two-for-one option where the mileage of two older trucks can be combined to meet the minimum mileage requirement.

Councilmember Robinson asked why the first solicitation was undersubscribed. Staff responded that many drayage fleets have already replaced their older trucks with cleaner models and also the technologies are not currently available, which discourages some fleets from applying. With this Program Announcement, staff is proposing additional outreach.

Moved by Robinson; seconded by Rutherford; unanimously approved.

Ayes: Benoit, Buscaino, McCallon, Mitchell, Robinson, Rutherford

Noes: None

Absent: None

2. Execute Contracts for Technical Assistance for Advanced, Low and Zero Emission Mobile and Stationary Source Control Technologies and Implementation of Incentive Programs

On February 5, 2016, the Board approved the release of an RFP to solicit proposals to provide technical assistance, implementation and outreach support for advanced, low and zero emission control technologies for the Clean Fuels Program and various incentive programs. Ten proposals were received in response to the solicitation. These actions are to execute contracts with four technical experts to provide technical assistance and outreach support at a total cost not to exceed \$760,000, comprised of \$250,000 from the Clean Fuels Fund (31); \$175,000 from the Carl Moyer Program AB 923 Fund (80); \$285,000 from the Proposition 1B-Goods Movement Program Fund (81); and \$50,000 from the AB 1318 Mitigation Fees Fund (58). Funding from the Carl Moyer, Proposition 1B and AB 1318 funds will be from the administrative portion of those funds.

Councilmember Buscaino asked why there was a large difference in the amount of awards to the proposed recipients, while the difference in the technical scores was very small. Staff responded that the award amounts are based on staff projections of anticipated work load in particular technical areas, which are not uniformly distributed. In addition, the recommended consulting services do not overlap each other and complement in-house resources.

Moved by Robinson; seconded by McCallon; unanimously approved.

Ayes: Benoit, Buscaino, McCallon, Mitchell, Robinson, Rutherford

Noes: None

Absent: None

Supervisor Rutherford left the meeting at 12:25 p.m.

3. Recognize Revenue and Execute Contract for Development and Demonstration of Ultra-Low Emission Natural Gas Switcher Locomotive 

Emissions from locomotives are projected to increase over the next decade, and development and early commercialization of ultra-low NOx emission locomotive technologies is a critical component for achieving the federal ambient air quality standards. VeRail Technologies, Inc. (VeRail) is currently developing ultra-low emission natural gas locomotives that are 90% cleaner than the current Tier 4 NOx emissions standard. The Ports of Long Beach and Los Angeles, as well as U.S. EPA and Southern California Gas Company, have partnered to fund the development and demonstration of the ultra-low NOx natural gas locomotive with Pacific Harbor Line. This action is to recognize revenues of up to \$1 million from U.S. EPA and Southern California Gas Company and execute a contract with VeRail for the development and demonstration of an ultra-low NOx emission natural gas switcher locomotive in an amount not to exceed \$1 million from the Clean Fuels Fund (31).

Councilmember Mitchell asked the purpose of the two 600 horsepower diesel engines if the project is to develop and demonstrate four 600 horsepower natural gas engines. Staff responded the two diesel engine module facilitates comparisons of emissions between natural gas and diesel fuels, provides peak power if needed, and backup power in the event the natural gas engines are inoperable.

Councilmember Buscaino commented the proposed project is exactly the type of project needed to help clean up the Ports, that the Ports were actively participating, and that SCAQMD should support the project.

Chairman Benoit asked for clarification of the different levels of emissions from different types of engines and directed staff to provide a slide illustrating emission standards for on-road heavy-duty vehicles and locomotives. Chairman Benoit also asked what prevents operators from using diesel rather than natural gas engines since they are familiar with diesel. Staff responded that a chart comparing emission standards for on-road vehicles and locomotives will be prepared. Additionally, the multi-engine control system, not the operator, selects which and how many engines are used to meet the work load.

Board Member McCallon commented that the drive power on locomotives is electric and the engines, whether diesel or natural gas, produce electricity for the drive motors.

Moved by Buscaino; seconded by Mitchell; unanimously approved.

Ayes: Benoit, Buscaino, McCallon, Mitchell, Robinson

Noes: None

Absent: Rutherford

4. Other Business

There was no other business.

5. Public Comment Period

There was no public comment.

Next Meeting: June 17, 2016

Attachment

Attendance

Attachment – Attendance

Supervisor John J. Benoit (via videoconference).....	SCAQMD Governing Board
Councilmember Joe Buscaino (via videoconference).....	SCAQMD Governing Board
Mayor Larry McCallon	SCAQMD Governing Board
Councilmember Judith Mitchell.....	SCAQMD Governing Board
Councilmember Dwight Robinson.....	SCAQMD Governing Board
Supervisor Janice Rutherford	SCAQMD Governing Board
Mark Abramowitz	Board Consultant (Lyou)
Ron Ketcham.....	Board Consultant (McCallon)
Marisa Perez.....	Board Consultant (Mitchell)
Wayne Nastri, Acting Executive Officer	SCAQMD
John Olvera, Principal Deputy District Counsel	SCAQMD
Matt Miyasato, STA.....	SCAQMD
Henry Hogo, STA.....	SCAQMD
Fred Minassian, STA.....	SCAQMD
Dean Saito, STA.....	SCAQMD
Richard Carlson, STA	SCAQMD
Adewale Oshinuga, STA.....	SCAQMD
Mei Wang, STA	SCAQMD
Vicki White, STA.....	SCAQMD
Drue Hargis, STA.....	SCAQMD
Monika Kim, Media-temporary employee.....	SCAQMD
Laura Garrett, IM	SCAQMD
Robert Paul, IM	SCAQMD
Donna Vernon, STA.....	SCAQMD
Pat Krayser, STA.....	SCAQMD
Tom Gross	SCE
Laura Renger	SCE
Jordan Smith.....	SCE

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BOARD MEETING DATE: June 3, 2016

AGENDA NO. 30

REPORT: Mobile Source Air Pollution Reduction Review Committee

SYNOPSIS: Below is a summary of key issues addressed at the MSRC's meeting on May 19, 2016. The next meeting is scheduled for Thursday, June 16, 2016, at 2:00 p.m., in Conference Room CC8.

RECOMMENDED ACTION:
Receive and file.

Michael D. Antonovich
SCAQMD Representative on MSRC

MMM:HH:AP

Meeting Minutes Approved

The MSRC unanimously approved the minutes of its February 18, 2016 meeting. Those approved minutes are attached for your information (*Attachment 1*).

Alternative Fuel Infrastructure Program

As part of the FYs 2014-16 Work Program, the MSRC allocated \$5.0 million for the implementation of new and expanded CNG and LNG refueling stations and modification of maintenance facilities to accommodate gaseous-fueled vehicles. A Program Announcement, #PA2015-12, was developed and released on May 1, 2015, with an open application period commencing that day and closing July 29, 2016. To date, the MSRC has awarded a total of \$367,000. The MSRC approved one additional contract award to Walnut Valley Unified School District, in an amount not to exceed \$250,000, for the expansion of their limited access CNG station and modification of their maintenance facility as part of the FYs 2014-16 AB 2766 Discretionary Fund Work Program. This contract award will be considered by the SCAQMD Board at its June 3, 2016 meeting.

Near-Zero Natural Gas Engine Incentives Program

The MSRC approved release of Program Announcement #PA2016-11 under the FYs 2014-16 Work Program. The Program Announcement, with a total targeted funding

level of \$10.0 million, provides funds towards the purchase cost of the Cummins Westport ISL G Near Zero natural gas engine. This engine is certified to the CARB Optional NO_x standard of 0.02 g/bhp-hr. Eligible vehicle types include urban transit buses and refuse collection trucks. For qualifying transit buses, the MSRC has allocated \$7.5 million, with a maximum per-entity award amount of \$1.875 million, and will award \$15,000 per vehicle for either new bus purchases or the re-power (engine replacement) of existing buses. For qualifying refuse trucks, the MSRC has allocated \$2.5 million, with a maximum per-entity award amount of \$625,000, and will award \$25,000 per vehicle, for re-powers only. Applications meeting requirements will be funded on a first-come, first-served basis in accordance with a geographic minimum of \$945,000 per county for transit buses and \$325,000 per county for refuse trucks. The Program Announcement includes an open application period commencing July 5, 2016 and closing January 6, 2017. Approval to release the Program Announcement will be considered by the SCAQMD Board at its June 3, 2016 meeting.

Outreach Strategy

The MSRC contracted with The Better World Group, under Contract #MS16030, to perform Programmatic Outreach Services. One of their tasks is the development of an Outreach Strategy outlining supplemental activities to be undertaken under the current contract, as well as activities which might be undertaken in subsequent years. The proposed Outreach Strategy was presented for MSRC review, which included the following goals: 1) To expand the pool of applicants for MSRC funding; 2) seek opportunities to leverage MSRC funding; 3) recognize the achievements of MSRC funding recipients; 4) acknowledge the leadership of MSRC members; 5) highlight MSRC as a model air quality funder; and 6) ensure that MSRC has the latest information on clean transportation policy activities, research and trends. The Better World Group outlined their proposed target audiences; key messages, and new and innovate communications strategies. The MSRC approved the proposed Outreach Strategy presented by The Better World Group.

New MSRC Website and Maintenance Services

The MSRC-TAC Administrative Subcommittee identified additional desired functionality not supported by the current MSRC website. Additionally, while it is still possible to achieve required outcomes, many of the current website features have become cumbersome to operate and should be upgraded. Lastly, a refresh of the site's appearance is warranted. Refinement of features and costs is ongoing, and a targeted funding amount will be brought back as an element of a draft RFP. The MSRC approved the development of an RFP for website and maintenance services.

Contract Modification Requests

The MSRC considered four contract modification requests and took the following actions:

1. For City of Santa Ana, Contract #ML11041, which provides \$265,000 for the purchase of 7 heavy-duty liquefied petroleum gas (propane) vehicles and to retrofit 6 heavy-duty diesel vehicles, approval of an 8-month contract term extension.
2. For City of Santa Ana, Contract #ML11029, which provides \$262,500 to install a propane station and to expand a CNG station, approval to modify the accessibility of the propane station to commercial fleets/accounts, Monday through Friday from 6 a.m. to 9 p.m.; and a three-year contract term extension to complete the CNG station expansion.
3. For the City of South Pasadena, Contract #ML14068, which provides \$10,183 to install an EV charging station, approval of a 6-month term extension, plus an additional 36 months for a total term extension of 42 months.
4. For Ontario CNG, Contract #MS14046, which provides \$150,000 to expand their public access CNG station, approval of a six-month contract term extension.

Contracts Administrator's Report

The MSRC's AB 2766 Contracts Administrator provides a written status report on all open contracts from FY 2004-05 through the present. The Contracts Administrator's Report for May, 2016 is attached for your information. (*Attachment 2*)

Attachments

Attachment 1 – Approved February 18, 2016 Meeting Minutes

Attachment 2 – May 2016 Contracts Administrator's Report



MOBILE SOURCE AIR POLLUTION REDUCTION REVIEW COMMITTEE
THURSDAY, FEBRUARY 18, 2016 MEETING MINUTES
21865 Copley Drive, Diamond, Bar, CA 91765- Conference Room CC-8

MEMBERS PRESENT:

(Vice Chair) Larry McCallon, representing SANBAG
Michael Antonovich, representing SCAQMD (via v/c)
Ben Benoit (Alt.), representing SCAQMD
Dolores Roybal Saltarelli, representing Regional Rideshare Agency (via v/c)
Adam Rush (Alt.) representing RCTC
Steve Veres, representing LA County MTA (via v/c)
Greg Winterbottom, representing OCTA

MEMBERS ABSENT:

(Chair) Greg Pettis, representing RCTC
Michele Martinez, representing SCAG

MSRC-TAC MEMBERS PRESENT:

MSRC-TAC Chair Gretchen Hardison, representing City of Los Angeles (via v/c)
MSRC-TAC Vice Chair Tanya Love, representing RCTC
Kelly Lynn, representing San Bernardino Associated Governments
Dean Saito, representing SCAQMD

OTHERS PRESENT:

David Czamanske, SCAQMD Board Assistant (Cacciotti)
Lauren Dunlap, Southern California Gas Company
Ric Teano, OCTA
Jane White, P.E., County of Los Angeles Dept. of Public Works

SCAQMD STAFF & CONTRACTORS

Ray Gorski, MSRC Technical Advisor-Contractor
Henry Hogo, Asst. DEO/Science & Technology Advancement
John Kampa, Financial Analyst
Christina Kusnandar, Contracts Assistant
Matt MacKenzie, MSRC Contracts Assistant
Ana Ponce, MSRC Administrative Liaison
Cynthia Ravenstein, MSRC Contracts Administrator
Ruby Fernandez, Senior Deputy District Counsel
Rachel Valenzuela, MSRC Contracts Assistant

CALL TO ORDER

- Call to Order

MSRC Vice Chair Larry McCallon called the meeting to order at 2 p.m. Roll call was taken and the following Members were present: BENOIT, ROYBAL-SALTARELLI, VERES, WINTERBOTTOM, MCCALLON; RUSH.

- Opening Comments

There were no opening comments.

PUBLIC COMMENT PERIOD

- Public comments were allowed during the discussion of each agenda item. No comments were made on non-agenda items.

STATUS REPORT

- **Clean Transportation Policy Update**

Cynthia Ravenstein reported on this item for MSRC-TAC Chair Gretchen Hardison. Ms. Ravenstein indicated that she sent a link to the MSRC Members. This is the regular update provided by The Better World Group. She pointed out that there are proposed updates to the CEQA guidelines for transportation impacts going to focus more on VMT, rather than the old Level of Service metric, which should be helpful for the bicycle and pedestrian projects. There was an Advanced Clean Transit Technology Symposium held, looking at the potential for bringing in more of the advanced technologies in transit. The Active Transportation Program Cycle 3 call for projects is due to be released on March 30; approximately \$230 million available state-wide.

Before moving on to the consent calendar, MSRC Vice-Chair Larry McCallon noted, for Agenda Item #7, that he has no financial interest in SANBAG, however, he is on the Board and needs to disclose that for public record.

MSRC Member Greg Winterbottom noted for the record that, for Agenda Item #2, he has no financial interest, but he is on the OCTA Board.

CONSENT CALENDAR (Items 1 through 7)**Receive and Approve Items****Agenda Item #1 – Minutes of the September 17 and October 15, 2015 MSRC Meetings**

The MSRC minutes of the September 17 and October 15, 2015 MSRC meetings were included in the agenda package.

ON MOTION BY MSRC ALTERNATE ADAM RUSH, AND SECONDED BY MSRC MEMBER GREG WINTERBOTTOM, UNDER APPROVAL OF CONSENT CALENDAR ITEMS 1 THROUGH 7, THE MSRC UNANIMOUSLY APPROVED THE SEPTEMBER 17 AND OCTOBER 15, 2015 MEETING MINUTES.

AYES: BENOIT, ROYBAL SALTARELLI, VERES, WINTERBOTTOM, MCCALLON, RUSH.

NOES: NONE.

ACTION: Staff will place the minutes on the MSRC's website.

Agenda Item #2 – Summary of Final Reports by MSRC Contractors

The MSRC received and unanimously approved three final report summaries this month as follows:

1. Final Assembly, Inc., Contract #MS12031, which provided \$50,000 for the purchase of two medium-heavy duty vehicles;
2. Orange County Transportation Authority, Contract #MS12088, which provided \$125,000 to implement a Rideshare Incentives Program; and
3. Midway City Sanitary District, Contract #MS14074, which provided \$250,000 to construct a CNG station and facility modifications.

ON MOTION BY MSRC ALTERNATE ADAM RUSH, AND SECONDED BY MSRC MEMBER GREG WINTERBOTTOM, UNDER APPROVAL OF CONSENT CALENDAR ITEMS 1 THROUGH 7, THE MSRC UNANIMOUSLY VOTED TO APPROVE THE FINAL REPORTS ABOVE.
AYES: BENOIT, ROYBAL SALTARELLI, VERES, WINTERBOTTOM, MCCALLON, RUSH.
NOES: NONE.

ACTION: MSRC staff will file the final reports and release any retention on the contracts.

Receive and File Items

Agenda Item #3 – MSRC Contracts Administrator's Report

The MSRC AB 2766 Contracts Administrator's Report for December 3, 2015 through January 27, 2016 was included in the agenda package.

ON MOTION BY MSRC ALTERNATE ADAM RUSH, AND SECONDED BY MSRC MEMBER GREG WINTERBOTTOM, UNDER APPROVAL OF CONSENT CALENDAR ITEMS 1 THROUGH 7, THE MSRC UNANIMOUSLY VOTED TO RECEIVE AND FILE THE CONTRACTS ADMINISTRATOR'S REPORT FOR DECEMBER 3, 2015 THROUGH JANUARY 27, 2016.
AYES: BENOIT, ROYBAL SALTARELLI, VERES, WINTERBOTTOM, MCCALLON, RUSH.
NOES: NONE.

ACTION: SCAQMD staff will include the MSRC Contracts Administrator's Report in the MSRC Committee Report for the March 4, 2016 SCAQMD Board meeting.

Agenda Item #4 – Financial Report on AB 2766 Discretionary Fund

A financial report on the AB 2766 Discretionary Fund for the period ending January 31, 2016 was included in the agenda package.

ON MOTION BY MSRC ALTERNATE ADAM RUSH, AND SECONDED BY MSRC MEMBER GREG WINTERBOTTOM, UNDER APPROVAL OF CONSENT CALENDAR ITEMS 1 THROUGH 7, THE MSRC UNANIMOUSLY VOTED TO RECEIVE AND FILE THE FINANCIAL REPORT FOR THE PERIOD ENDING JANUARY 31, 2016.

AYES: BENOIT, ROYBAL SALTARELLI, VERES, WINTERBOTTOM, MCCALLON, RUSH.

NOES: NONE.

ACTION: No further action is required.

For Approval – As Recommended

Agenda Item #5 – Consider Modified Scope by City of Monterey Park, Contract #ML14090 (\$225,000 – Expand CNG Station)

This contract allows for reimbursement of fueling station compression equipment and installation pursuant to the City's Compression Services Tariff (CST) agreement with Southern California Gas Company (Gas Company), and reimbursement for dispensing equipment to be purchased and installed by the City. In order to speed installation, the City and the Gas Company modified their CST agreement to include electrical upgrades and installation of the City-purchased dispensing equipment in addition to the compression equipment. The City requests modification of the contract to reflect this change. The MSRC-TAC unanimously recommends approval.

ON MOTION BY MSRC ALTERNATE ADAM RUSH, AND SECONDED BY MSRC MEMBER GREG WINTERBOTTOM, UNDER APPROVAL OF CONSENT CALENDAR ITEMS 1 THROUGH 7, THE MSRC UNANIMOUSLY VOTED TO APPROVE MODIFICATION OF THE CITY OF MONTEREY PARK'S CONTRACT TO REFLECT AN AMENDMENT TO THE COMPRESSION SERVICES TARIFF AGREEMENT WITH SOUTHERN CALIFORNIA GAS COMPANY TO INCLUDE ELECTRICAL UPGRADES AND THE INSTALLATION OF THE CITY-PURCHASED DISPENSING EQUIPMENT IN ADDITION TO THE COMPRESSION EQUIPMENT.

AYES: BENOIT, ROYBAL SALTARELLI, VERES, WINTERBOTTOM, MCCALLON, RUSH.

NOES: NONE.

ACTION: MSRC staff will amend the above contract accordingly.

Agenda Item #6 Consider Substitution of CNG for LNG Vehicles and Two-Year Term Extension by City of Long Beach, Contract #ML09036 (\$875,000 – Purchase 35 Heavy-Duty Natural Gas Vehicles)

The City has determined to switch from LNG to CNG from this point forward, and requests to substitute the purchase of CNG vehicles for the final 14 vehicles under the contract. The City also requests a two-year no-cost term extension due to delays associated with the shift from LNG to CNG and departmental reorganization. The MSRC-TAC unanimously recommends approval.

ON MOTION BY MSRC ALTERNATE ADAM RUSH, AND SECONDED BY MSRC MEMBER GREG WINTERBOTTOM, UNDER APPROVAL OF CONSENT CALENDAR ITEMS 1 THROUGH 7, THE MSRC UNANIMOUSLY VOTED TO SUBSTITUTE THE PURCHASE OF CNG VEHICLES FOR THE FINAL 14 VEHICLES IN THE CONTRACT, IN ADDITION TO A TWO-YEAR NO-COST TERM EXTENSION.

AYES: BENOIT, ROYBAL SALTARELLI, VERES, WINTERBOTTOM, MCCALLON, RUSH.

NOES: NONE.

ACTION: MSRC staff will amend the above contract accordingly.

Agenda Item #7 – Consider Modified Scope by San Bernardino Associated Governments (SANBAG), Contract #MS16086 (proposed) (\$800,625 – Implement New Freeway Service Patrol (FSP) Beat)

SANBAG requests to modify the FSP beat endpoints, extending the beat by approximately one and a half miles, in order to establish safer drop point locations and turnaround points. The MSRC-TAC unanimously recommends approval.

ON MOTION BY MSRC ALTERNATE ADAM RUSH, AND SECONDED BY MSRC MEMBER GREG WINTERBOTTOM, UNDER APPROVAL OF CONSENT CALENDAR ITEMS 1 THROUGH 7, THE MSRC UNANIMOUSLY VOTED TO MODIFY THE FSP BEAT ENDPOINTS, EXTENDING THE BEAT BY APPROXIMATELY ONE AND A HALF MILES, IN ORDER TO ESTABLISH SAFER DROP POINT LOCATIONS AND TURNAROUND POINTS.

AYES: BENOIT, ROYBAL SALTARELLI, VERES, WINTERBOTTOM, MCCALLON, RUSH.

NOES: NONE.

ACTION: MSRC staff will amend the above contract accordingly.

ACTION CALENDAR (Items 8 through 10)

Agenda Item #8 – Consider Two-Year Term Extension by County of Los Angeles, Department of Public Works, Contract #ML05014 (\$204,221 – Florence/Mills Avenue Signal Synchronization Project)

The County requests a two-year no-cost term extension due to extensive design modifications for a few intersections because of utility conflicts. In an eight to one vote, with members Lee and Washington abstaining, the MSRC TAC recommends denial.

PUBLIC COMMENT: Jane White of L.A. County Department of Public Works, indicated that the plans are being developed right now, so the funds are ready to be assigned. The suggestion that they may need even longer is not true. They are very close to the end of this. She understands that it has taken a long time, and she was apologetic. With respect to whether the project would move forward whether there is MSRC funding or not, the MSRC is providing local match to MTA funds. By denying this it is not only denying \$200,000 of MSRC funds, it is also going to restrict \$600,000 in MTA funds; so basically they would lose about \$800,000, if the MSRC funds are taken away. There was a comment made at the TAC meeting that said that they were probably going to move forward, but a lot of things have happened in the last couple of days

at Public Works. Gas tax funds have gone down the drain. They get almost nothing any more. They have actually had to shift staff away from doing gas-tax-funded things into other programs. Coming up with another \$200,000 is just not in the same position as it would have been had this happened a year or two ago. There are a couple of things that are coming into play, so she is hoping that they can keep the \$200,000 to not only save this \$200,000, but \$800,000 overall.

MSRC Member Greg Winterbottom asked how she came up with the \$600,000 figure, if it's a match.

PUBLIC COMMENT: Ms. White said that this is actually matched through an MTA grant. She forgets what the exact percentage is. It is something like 29 percent match and 70 or 80 percent is MTA grant fund. So if the match is pulled away, the grant money gets pulled away, as well. She was not present at the TAC meeting; her subordinate was present.

Mr. Winterbottom said he cannot support this. The MSRC has always tried to bend over backwards. He cannot support any more extensions. If the MSRC did, they would never have the ability to deny a request in the future. It has been going on 15 years, roughly. Is there any way they can go to another term? Can they reapply for these funds? Ray Gorski, MSRC Technical Advisor, replied that the MSRC could include a similar item in their next work program. He cannot speak on behalf of an agency like Metro. The only thing that the MSRC currently has available today that would allow signal synchronization to be included is the TCM/CTC match program in which each County Transportation Commission has been awarded \$2.5 million in MSRC money. If Metro would agree to, out of their CTC set aside; allocate \$200,000 towards this program, that would work. MSRC Chair Pettis asked if they have already allocated all of that money. Ms. Ravenstein indicated that they have a proposal in that is pending review by the Subcommittee, so they would probably have to be willing to modify that proposal. It is for a single project.

MSRC-TAC Chair Gretchen Hardison reiterated that the discussion at the TAC centered around the length of time since the award of the contract, not that they doubt the County's ability to proceed with the project; they are hopeful to be able to get things going. There have been several multi-year extensions in the past. It really came down to the point, as Mr. Winterbottom said, from a technical standpoint at this stage to stretch the reasonableness test in terms of length of extensions and tying up that funding in a project. We didn't feel we had 100 percent certainty that the project would go forward in the timeline that was stated.

PUBLIC COMMENT: Ms. White added that she thinks she is familiar with what staff is referring to with respect to Metro. She is working with Metro on potentially moving forward with signal synchronization projects using some MSRC funds. Those are being allocated to other routes in other locations. However, she could be talking about a completely different pot of money. Part of the reason for the delay also, was that there was a three or four year time period where Metro deferred the grant funds, so it took them a while to get this kick started. While she does not disagree that it has been a long time, part of this was because Metro actually deferred some of their grant funds. She would be happy moving forward and if it were not advertised by September, then it would be deobligated. She would be happy to do some sort of interim approach to prove that they are going to be done very shortly.

MSRC Alternate Ben Benoit agreed that it has taken a long time to get this money out and asked if the MSRC were to pull this money back, between now and September, do we think we would spend it on another program or project somewhere else; do we go into the next Work Program and it would be another year before we could allocate it again? If we did say okay, and September is the end date, and then it comes back, and then can we spend it that way? If they can

actually spend it in September, at least we know it is going to go out the door sooner than later; but right now if we take it all back, it is going to be a lot later than if we could actually get it out the door in September. MSRC Alternate Adam Rush concurred.

Mr. Winterbottom said the MSRC has always strived to get money out quickly, and this has gone on forever, but he could support the September issue. MSRC Alternate Ben Benoit suggested, as Ms. White brought up, to allow until September. If they do not have it advertised by September, at that point then we are done and we could bring it back and be part of the next Work Program as excess money from previous years.

ON MOTION BY MSRC ALTERNATE BEN BENOIT, AND SECONDED BY MSRC MEMBER GREG WINTERBOTTOM, THE MSRC UNANIMOUSLY VOTED TO APPROVE A 21-MONTH NO-COST TERM EXTENSION, CONTINGENT UPON ADVERTISING OF THE PROJECT FOR CONSTRUCTION NO LATER THAN SEPTEMBER 2016. IF CONDITION IS NOT MET, THE CONTRACT WILL TERMINATE, AND FUNDS WILL REVERT BACK TO THE UNALLOCATED BUDGET AND BECOME PART OF THE NEXT WORK PROGRAM.

AYES: BENOIT, ROYBAL SALTARELLI, VERES, WINTERBOTTOM, RUSH, MCCALLON.

NOES: NONE.

FYs 2014-16 WORK PROGRAM

Agenda Item #9 – Consider Modified Schedule by Riverside County Transportation Commission (RCTC), Contract #MS16080 (proposed) (\$1,200,000 – Implement Rail and Shuttle Service for Coachella and Stagecoach Festivals)

MSRC Vice Chair Larry McCallon indicated that there is a request to continue this item to the next meeting. It will be up to the MSRC to decide.

Cynthia Ravenstein, MSRC Contracts Administrator reported on this item. Because the shuttle service provider cannot secure the appropriate number of qualifying buses by April 2016, and the event promoter cannot fully accommodate the ticketing and marketing required for the time frame, RCTC requests to modify the time frame for the Festivals' service to provide service for two years beginning in April 2017. In a nine to two vote, the MSRC-TAC recommends that shuttle service be provided for 2017 only, and award value reduced to \$600,000.

PUBLIC COMMENT: Robert Yates, of RCTC, provided quick background. A major corridor investment study, funded by federal railroad administration funds, is underway. The ultimate goal is to put two roundtrip daily trains in Amtrak service to the Coachella Valley. The proposed major event center service was intended to provide a demonstration not only to the people of Coachella Valley, but to the people of the region, that this train service is imminent and that it is a good way to travel and get cars off the road. The I-10 is very congested. It has been subject to numerous closures resulting in 25-mile and 5-hour backups. That has happened numerous times since 2009. RCTC believes that this service is vitally important. There is a lot of political support in the Coachella Valley to provide this service. The difference here on the major event project is that RCTC has to work with a number of different parties. That has proved somewhat cumbersome in terms of being able to get all the parties to the table at the same place at the same time, and to move forward with some sort of an agreement. RCTC has asked for a one year extension. The problem with just providing one year of funding means that obtaining commitment from Golden Voice, Valley Music Travel, and even Amtrak is proving to be difficult. RCTC had originally applied for a three-year term which was knocked back to a two-

year term at TAC and so knocking it back to one year is just going to make all the more difficult the job of gaining the support that is needed to demonstrate this service. RCTC would appreciate the MSRC's consideration to leave the full funding grant that was originally awarded in place and provide them with the one-year extension.

MSRC Member Greg Winterbottom heard that this may be a request to table for one month to let the Chairman be involved. MSRC Vice Chair McCallon stated that the request from RCTC is to table it and send it back to TAC. Mr. Winterbottom indicated that he does not know that it needs to go back to TAC. Ray Gorski, MSRC Technical Advisor, indicated that he can't think of a case in which an item hasn't been adjudicated by the MSRC but has been sent back to TAC. It is, of course, something that we would be happy to do. It is the absolutely the prerogative of this Committee as to what the process is. Mr. Winterbottom stated that he likes to defer to Chair people and electeds, since he does not hold elected office. He knows how difficult it is to work in that area. He doesn't think it needs to go back to TAC, but he thinks, to give the Chairman a chance to have some input on it, he would move to table it to one month.

Before moving forward, MSRC Alternate Ben Benoit and MSRC Alternate Adam Rush disclosed for the record that they do not have a financial interest in this item, but that they are on the County Transportation Commission.

MSRC Member Steve Veres indicated that he wanted to make sure that none of the funds are being expended for 2016. He knows that the festivals are coming up pretty soon. He is fine with tabling it, but there are costs in planning that gets going and, not that we are making the decision today, but he thinks the sentiment of the conversation indicates some level of concern with not meeting the requirements here. He want to be sure that the awardee understands and recognizes that this is a concern for us.

PUBLIC COMMENT: Robert Yates indicated that they are not expending any MSRC funds at all.

ON MOTION BY MSRC MEMBER GREG WINTERBOTTOM, AND
SECONDED BY MSRC ALTERNATE ADAM RUSH, THE MSRC
UNANIMOUSLY VOTED TO CONTINUE THIS ITEM TO THE MARCH 17,
2016 MSRC MEETING TO ALLOW FOR MSRC CHAIR'S INPUT.

AYES: BENOIT, ROYBAL SALTARELLI, VERES, WINTERBOTTOM,
RUSH, MCCALLON.

NOES: NONE.

ACTION: This item will be continued to the March 17, 2016 MSRC meeting.

Agenda Item #10 – Consider Funding for Applications Received under the Alternative Fuel Infrastructure Program

Cynthia Ravenstein, MSRC Contracts Administrator, reported on this item. As an element of their FYs 2014-16 Work Program, the MSRC allocated \$5 million to fund new and expanded CNG and LNG refueling stations, as well as modifications to vehicle maintenance facilities. A Program Announcement was released on May 1, 2015. The MSRC previously awarded \$250,000 to two projects. Two additional applications, requesting a total of \$117,000, have been received. The MSRC-TAC unanimously recommends approval of an award to Burrtec Waste and Recycling Services in an amount not to exceed \$100,000 and an award to Transit Systems Unlimited in an amount not to exceed \$17,000.

ON MOTION BY MSRC ALTERNATE ADAM RUSH, AND SECONDED BY MSRC ALTERNATE BEN BENOIT, THE MSRC UNANIMOUSLY VOTED TO APPROVE AN AWARD TO BURRTEC WASTE & RECYCLING SERVICES IN AN AMOUNT NOT TO EXCEED \$100,000 FOR INSTALLATION OF A NEW LIMITED ACCESS CNG FUELING STATION; AND AN AWARD TO TRANSIT SYSTEMS UNLIMITED IN AN AMOUNT NOT TO EXCEED \$17,000 FOR EXPANSION OF THEIR EXISTING LIMITED ACCESS CNG FUELING STATION.

AYES: BENOIT, ROYBAL SALTARELLI, VERES, WINTERBOTTOM, RUSH, MCCALLON.

NOES: NONE.

ACTION: Staff will include these contract awards for consideration by the SCAQMD Board at its March 4, 2016 meeting.

OTHER BUSINESS

Agenda Item #11 – Other Business

- MSRC Member Greg Winterbottom indicated that there is a discussion about some new really great engines around that we could use to help reduce air pollution even further, and he suggested working together with Henry Hogo, Assistant DEO/Science and Technology Advancement, and MSRC staff to put something together to see how we could best work on that. Ray Gorski, MSRC Technical Advisor, indicated that this is a recently certified and soon to become commercially available new type of natural gas engine, the Cummins Westport near-zero emission engine. This engine is an 8.9 liter engine. It is certified at 90 percent below the current EPA standard for NOx. It meets the 0.02 g/bhp-hr standard. It actually certifies at 0.01, so it is extremely clean.

Mr. Winterbottom asked if a team can be put together to work on it to see how we can get it in the process to spend some money on it.

Mr. Hogo said that he and Ray Gorski have been discussing this item and at the recent ARB Advanced Clean Transit Advisory Committee meeting, that the SCAQMD is part of, bus manufacturer New Flyer indicated that they have already started to incorporate this engine into their product line. ARB is evaluating amendments to the transit bus regulation to look at ultimately in the 2040 time frame to have almost pretty much 100 percent zero emission buses. In the meantime, they would like to see these near zero engines be used. The discussion would be about the phase in. Staff has talked to Burrtec and CR&R and they both are going to be buying 0.02 gram engines.

Mr. Winterbottom asked what is needed to proceed. Mr. Gorski indicated that the MSRC could direct staff to coordinate with South Coast AQMD and bring back options for how to utilize the current unallocated balance from the 2014-16 Work Program next month. It won't be a definitive program, but some options for consideration. The MSRC could give direction at that meeting to put together necessary materials for MSRC review in the following months. As Mr. Hogo said, we have been talking about this not only at this Committee but with the ARB for probably a year now in anticipation of this happening. Mr. Winterbottom said if this is acceptable to the rest of the Board, he suggested to work together to expend whatever funds the MSRC has available to make it work.

[MSRC Member Michael Antonovich arrived at the meeting, via videoconference at 2:30 p.m.]

ADJOURNMENT

THERE BEING NO FURTHER BUSINESS, THE MSRC MEETING
ADJOURNED AT 2:30 P.M.

NEXT MEETING:

Thursday, March 17, 2016, at 2 p.m., Room CC-8.

[Prepared by Ana Ponce]



MSRC Agenda Item No. 2

DATE: May 19, 2016

FROM: Cynthia Ravenstein

SUBJECT: AB 2766 Contracts Administrator's Report

SYNOPSIS: This report covers key issues addressed by MSRC staff, status of open contracts, and administrative scope changes from March 31 to April 27, 2016.

RECOMMENDATION: Receive and file report

WORK PROGRAM IMPACT: None

Contract Execution Status

2014-16 Work Program

On December 5, 2014, the SCAQMD Governing Board approved an award under the AB118 Enhanced Fleet Maintenance Program. This contract is executed.

On June 5, 2015, the SCAQMD Governing Board approved two awards under the Event Center Transportation Program and one award to provide low-emission transportation services to the Special Olympics World Games. These contracts are executed.

On September 4, 2015, the SCAQMD Governing Board approved 25 awards under the Local Government Match Program and one award under the Transportation Control Measure Partnership Program. These contracts are under development, with the prospective contractor for signature, with the SCAQMD Board Chair for signature, or executed.

On October 2, 2015, the SCAQMD Governing Board approved 11 awards under the Local Government Match Program and one award under the Alternative Fuel Infrastructure Program. These contracts are with the prospective contractor for signature, with the SCAQMD Board Chair for signature, or executed.

On November 6, 2015, the SCAQMD Governing Board approved 37 awards under the Local Government Match Program. These contracts are under development, undergoing internal review, with the prospective contractor for signature, with the SCAQMD Board Chair for signature, or executed.

On December 4, 2015, the SCAQMD Governing Board approved one award under the Major Event Center Transportation Program, one award under the Alternative Fuel Infrastructure Program, and one award under the Transportation Control Measure Partnership Program. These contracts are under development, awaiting approval of modifications, or executed.

On January 8, 2016, the SCAQMD Governing Board approved two awards under the Major Event Center Transportation Program, one award under the Local Government Match Program, and one award under the Transportation Control Measure Partnership Program. These contracts are with the prospective contractor for signature or executed.

On March 4, 2016, the SCAQMD Governing Board approved two awards under the Alternative Fuel Infrastructure Program. These contracts are undergoing internal review.

2012-14 Work Program

On April 5, 2013, the SCAQMD Governing Board approved three awards under the Event Center Transportation Program. These contracts are executed.

On July 5, 2013, the SCAQMD Governing Board approved an additional award to Orange County Transportation Authority under the Event Center Transportation Program. This contract is executed.

On September 6, 2013, the SCAQMD Governing Board approved an award to Transit Systems Unlimited under the Event Center Transportation Program. This contract is executed.

On November 1, 2013, the SCAQMD Governing Board approved two awards under the Event Center Transportation Program. These contracts are executed.

On December 6, 2013, the SCAQMD Governing Board approved 25 awards under the Local Government Match Program, 12 awards under the Alternative Fuel Infrastructure Program, one award under the Alternative Fuel School Bus Incentives Program, and one award under the Event Center Transportation Program. These contracts are with the prospective contractor for signature or executed.

On January 10, 2014, the SCAQMD Governing Board approved three awards under the Local Government Match Program, one award under the Alternative Fuel Infrastructure Program, and one award under the Alternative Fuel School Bus Incentives Program. These contracts are executed.

On February 7, 2014, the SCAQMD Governing Board approved two awards under the Local Government Match Program and one award under the Alternative Fuel Infrastructure Program. These contracts are executed.

On April 4, 2014, the SCAQMD Governing Board approved two awards under the Local Government Match Program and three awards under the Traffic Signal Synchronization Partnership Program. These contracts are executed.

On May 2, 2014, the SCAQMD Governing Board approved 12 awards under the Local Government Match Program. These contracts are undergoing internal review, with the prospective contractor for signature, with the SCAQMD Board Chair for signature, or executed.

On June 6, 2014, the SCAQMD Governing Board approved an award under the Traffic Signal Synchronization Partnership Program. This contract is executed.

On July 11, 2014, the SCAQMD Governing Board approved an award under the Traffic Signal Synchronization Partnership Program. This contract is executed.

On September 5, 2014, the SCAQMD Governing Board approved an award under the Event Center Transportation Program. This contract is executed.

On October 3, 2014, the SCAQMD Governing Board approved an award under the Alternative Fuel Infrastructure Program. This contract is executed.

On December 5, 2014, the SCAQMD Governing Board approved 12 awards under the Alternative Fuel Infrastructure Program and two awards under the Event Center Transportation Program. These contracts undergoing internal review, with the prospective contractor for signature, or executed.

On February 6, 2015, the SCAQMD Governing Board approved 3 awards under the Alternative Fuel Infrastructure Program. These contracts are awaiting responses from the prospective contractor or executed.

Work Program Status

Contract Status Reports for work program years with open (including “Open/Complete”) and/or pending contracts are attached. MSRC or MSRC-TAC members may request spreadsheets covering any other work program year.

FY 2004-05 Work Program Contracts

One contract from this work program year is open.

FY 2004-05 Invoices Paid

No invoices were paid during this period.

FY 2005-06 Work Program Contracts

No contracts from this work program year are open; and 3 are in “Open/Complete” status, having completed all obligations save ongoing operation.

FY 2005-06 Work Program Invoices Paid

No invoices were paid during this period.

FY 2006-07 Work Program Contracts

One contract from this work program year is open; and 8 are in “Open/Complete” status. One contract closed during this period: City of Los Angeles, Contract #MS07080 – Showcase Off-Road Retrofit Program.

FY 2006-07 Invoices Paid

No invoices were paid during this period.

FY 2007-08 Work Program Contracts

7 contracts from this work program year are open; and 14 are in “Open/Complete” status.

FY 2007-08 Invoices Paid

No invoices were paid during this period.

FY 2008-09 Work Program Contracts

2 contracts from this work program year are open; and 15 are in “Open/Complete” status. One contract closed during this period: City of Whittier, Contract #ML09029 – Purchase One Heavy-Duty Natural Gas Vehicle.

FY 2008-09 Invoices Paid

No invoices were paid during this period.

FY 2010-11 Work Program Contracts

15 contracts from this work program year are open; and 32 are in “Open/Complete” status.

FY 2010-11 Invoices Paid

No invoices were paid during this period.

FY 2011-12 Work Program Contracts

29 contracts from this work program year are open, and 24 are in “Open/Complete” status. One contract passed into “Open/Complete” status during this period: Final Assembly, Inc., Contract #MS12031 – Purchase 2 Medium-Heavy-Duty CNG Vehicles. One contract closed during this period: Orange County Transportation Authority, Contract #MS12088 – Implement Rideshare Incentives Program.

FY 2011-12 Invoices Paid

No invoices were paid during this period.

FYs 2012-14 Work Program Contracts

50 contracts from this work program year are open, and 9 are in “Open/Complete” status. Three contracts passed into “Open/Complete” status during this period: USA Waste of California, Contract #MS14041 – Install CNG Station and Modify Vehicle Maintenance Facility; Grand Central Recycling & Transfer, Contract #MS14042 – Expansion of Existing CNG Station; Midway City Sanitary District, Contract #MS14074 – Install CNG Station and Modify Vehicle Maintenance Facility. Two contracts closed during this period: Waste Management Collection & Recycling, Contract #MS14039 – Modify Vehicle Maintenance Facility, Irvine; Waste Management Collection & Recycling, Contract #MS14040 – Modify Vehicle Maintenance Facility, Santa Ana.

FYs 2012-14 Invoices Paid

5 invoices totaling \$135,035.09 were paid during this period.

FYs 2014-16 Work Program Contracts

37 contracts from this work program year are open.

FYs 2014-16 Invoices Paid

One invoice in the amount of \$300.00 was paid during this period.

Administrative Scope Changes

Two administrative scope changes were initiated during the period of March 31 to April 27, 2016:

- County of Los Angeles, Department of Public Works, Contract #ML14022, Purchase 10 Heavy-Duty CNG Vehicles – Reduce vehicles to 9 and funding from \$300,000 to \$270,000
- City of Torrance, Contract #ML14054, Modify Maintenance Facility – Modify Scope to entire facility, rather than just three bays, for same MSRC investment

Attachments

- FY 2004-05 through FYs 2014-16 (except FY 2009-10) Contract Status Reports



AB2766 Discretionary Fund Program Invoices

March 31, 2016 to April 27, 2016

Contract Admin.	MSRC Chair	MSRC Liaison	Finance	Contract #	Contractor	Invoice #	Amount
<i>2012-2014 Work Program</i>							
4/19/2016	4/21/2016	4/22/2016	4/22/2016	MS14084	US Air Conditioning Distributors	CNG00004	\$90,000.00
4/15/2016	4/21/2016	4/22/2016	4/22/2016	MS16030	The Better World Group	1503	\$18,701.25
4/13/2016	4/21/2016	4/22/2016	4/22/2016	MS14073	Anaheim Transportation Network	53775	\$6,534.32
4/13/2016	4/21/2016	4/22/2016	4/22/2016	MS14073	Anaheim Transportation Network	53774	\$8,676.72
4/13/2016	4/21/2016	4/22/2016	4/22/2016	MS14073	Anaheim Transportation Network	53773	\$11,122.80
Total: \$135,035.09							
<i>2014-2016 Work Program</i>							
4/13/2016	4/21/2016	4/22/2016	4/22/2016	MS16004	Mineral LLC	101430	\$300.00
Total: \$300.00							

Total This Period: \$135,335.09

FYs 2004-05 Through 2014-16 AB2766 Contract Status Report

5/12/2016

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
FY 2004-2005 Contracts									
Open Contracts									
ML05014	Los Angeles County Department of P	5/21/2007	11/20/2008	6/20/2016	\$204,221.00	\$0.00	Traffic Signal Synchronization	\$204,221.00	No
Total: 1									
Declined/Cancelled Contracts									
ML05005	City of Highland				\$20,000.00	\$0.00	2 Medium Duty CNG Vehicles	\$20,000.00	No
ML05008	Los Angeles County Department of P				\$140,000.00	\$0.00	7 Heavy Duty LPG Street Sweepers	\$140,000.00	No
ML05010	Los Angeles County Department of P				\$20,000.00	\$0.00	1 Heavy Duty CNG Bus	\$20,000.00	No
MS05030	City of Inglewood				\$31,662.00	\$0.00	2 CNG Street Sweepers	\$31,662.00	No
MS05032	H&C Disposal				\$34,068.00	\$0.00	2 CNG Waste Haulers	\$34,068.00	No
MS05044	City of Colton				\$78,720.00	\$0.00	CNG Station Upgrade	\$78,720.00	No
Total: 6									
Closed Contracts									
ML05006	City of Colton Public Works	7/27/2005	7/26/2006		\$30,000.00	\$30,000.00	3 Medium Duty CNG Vehicles	\$0.00	Yes
ML05011	Los Angeles County Department of P	8/10/2006	12/9/2007	6/9/2008	\$52,409.00	\$51,048.46	3 Heavy Duty LPG Shuttle Vans	\$1,360.54	Yes
ML05013	Los Angeles County Department of P	1/5/2007	7/4/2008	1/4/2013	\$313,000.00	\$313,000.00	Traffic Signal Synchronization	\$0.00	Yes
ML05015	City of Lawndale	7/27/2005	7/26/2006		\$10,000.00	\$10,000.00	1 Medium Duty CNG Vehicle	\$0.00	Yes
ML05016	City of Santa Monica	9/23/2005	9/22/2006	9/22/2007	\$350,000.00	\$350,000.00	6 MD CNG Vehicles, 1 LPG Sweep, 13 CNG	\$0.00	Yes
ML05017	City of Signal Hill	1/16/2006	7/15/2007		\$126,000.00	\$126,000.00	Traffic Signal Synchronization	\$0.00	Yes
ML05018	City of San Bernardino	4/19/2005	4/18/2006		\$40,000.00	\$40,000.00	4 M.D. CNG Vehicles	\$0.00	Yes
ML05019	City of Lakewood	5/6/2005	5/5/2006		\$10,000.00	\$10,000.00	1 M.D. CNG Vehicle	\$0.00	Yes
ML05020	City of Pomona	6/24/2005	6/23/2006		\$10,000.00	\$10,000.00	1 M.D. CNG Vehicle	\$0.00	Yes
ML05021	City of Whittier	7/7/2005	7/6/2006	4/6/2008	\$100,000.00	\$80,000.00	Sweeper, Aerial Truck, & 3 Refuse Trucks	\$20,000.00	Yes
ML05022	City of Claremont	9/23/2005	9/22/2006		\$20,000.00	\$20,000.00	2 M.D. CNG Vehicles	\$0.00	Yes
ML05024	City of Cerritos	4/18/2005	3/17/2006		\$10,000.00	\$10,000.00	1 M.D. CNG Vehicle	\$0.00	Yes
ML05025	City of Malibu	5/6/2005	3/5/2006		\$10,000.00	\$10,000.00	1 Medium-Duty CNG Vehicle	\$0.00	Yes
ML05026	City of Inglewood	1/6/2006	1/5/2007	2/5/2009	\$60,000.00	\$60,000.00	2 CNG Transit Buses, 1 CNG Pothole Patch	\$0.00	Yes
ML05027	City of Beaumont	2/23/2006	4/22/2007	6/22/2010	\$20,000.00	\$20,000.00	1 H.D. CNG Bus	\$0.00	Yes
ML05028	City of Anaheim	9/8/2006	9/7/2007	5/7/2008	\$85,331.00	\$85,331.00	Traffic signal coordination & synchronization	\$0.00	Yes
ML05029	Los Angeles World Airports	5/5/2006	9/4/2007		\$140,000.00	\$140,000.00	Seven CNG Buses	\$0.00	Yes
ML05071	City of La Canada Flintridge	1/30/2009	1/29/2011		\$20,000.00	\$20,000.00	1 CNG Bus	\$0.00	Yes

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
ML05072	Los Angeles County Department of P	8/24/2009	5/23/2010	1/23/2011	\$349,000.00	\$349,000.00	Traffic Signal Synchronization (LADOT)	\$0.00	Yes
MS05001	A-Z Bus Sales, Inc.	2/4/2005	12/31/2005	12/31/2006	\$1,385,000.00	\$1,385,000.00	CNG School Bus Buydown	\$0.00	Yes
MS05002	California Bus Sales	2/4/2005	12/31/2005	12/31/2006	\$1,800,000.00	\$1,800,000.00	CNG School Bus Buydown	\$0.00	Yes
MS05003	BusWest	1/28/2005	12/31/2005	12/31/2006	\$2,100,000.00	\$1,620,000.00	CNG School Bus Buydown	\$480,000.00	Yes
MS05004	Johnson/Ukropina Creative Marketin	11/27/2004	1/18/2006	4/18/2006	\$1,000,000.00	\$994,612.56	Implement "Rideshare Thursday" Campaign	\$5,387.44	Yes
MS05031	City of Ontario, Housing & Municipal	7/22/2005	3/21/2007		\$191,268.00	\$191,268.00	11 CNG Waste Haulers	\$0.00	Yes
MS05033	Waste Management of the Desert	9/26/2005	5/25/2007		\$202,900.00	\$202,900.00	10 CNG Waste Haulers	\$0.00	Yes
MS05034	Sukut Equipment, Inc.	9/9/2005	5/8/2007		\$1,151,136.00	\$1,151,136.00	Repower 12 Scrapers	\$0.00	Yes
MS05035	Varner Construction Inc.	11/28/2005	4/27/2007	2/27/2008	\$334,624.00	\$334,624.00	Repower 5 Off-Road H.D. Vehicles	\$0.00	Yes
MS05036	Camarillo Engineering	8/18/2005	1/17/2007		\$1,167,276.00	\$1,167,276.00	Repower 12 Scrapers	\$0.00	Yes
MS05037	Road Builders, Inc.	11/21/2005	4/20/2007	6/20/2008	\$229,302.00	\$229,302.00	Repower 2 Scrapers	\$0.00	Yes
MS05038	SunLine Transit Agency	3/30/2006	9/29/2007		\$135,000.00	\$135,000.00	15 CNG Buses	\$0.00	Yes
MS05039	Los Angeles County MTA	4/28/2006	4/27/2008		\$405,000.00	\$405,000.00	75 CNG Buses	\$0.00	Yes
MS05040	Orange County Transportation Autho	3/23/2006	12/22/2007	6/22/2008	\$200,000.00	\$200,000.00	25 CNG Buses	\$0.00	Yes
MS05041	The Regents of the University of Cali	9/5/2006	8/4/2007	9/4/2008	\$15,921.00	\$15,921.00	CNG Station Upgrade	\$0.00	Yes
MS05042	City of Ontario, Housing & Municipal	11/21/2005	9/20/2006	7/20/2007	\$117,832.00	\$74,531.27	CNG Station Upgrade	\$43,300.73	Yes
MS05043	Whittier Union High School District	9/23/2005	7/22/2006		\$15,921.00	\$15,921.00	CNG Station Upgrade	\$0.00	Yes
MS05045	City of Covina	9/9/2005	7/8/2006		\$10,000.00	\$7,435.61	CNG Station Upgrade	\$2,564.39	Yes
MS05046	City of Inglewood	1/6/2006	5/5/2007		\$139,150.00	\$56,150.27	CNG Station Upgrade	\$82,999.73	Yes
MS05047	Orange County Transportation Autho	10/20/2005	10/19/2006	1/19/2007	\$75,563.00	\$75,563.00	CNG Station Upgrade	\$0.00	Yes
MS05048	City of Santa Monica	7/24/2006	11/23/2007		\$150,000.00	\$150,000.00	CNG Station Upgrade	\$0.00	Yes
MS05049	Omnitrans	9/23/2005	2/22/2007		\$25,000.00	\$7,250.00	CNG Station Upgrade	\$17,750.00	Yes
MS05050	Gateway Cities Council of Governme	12/21/2005	4/20/2010		\$1,464,839.00	\$1,464,838.12	Truck Fleet Modernization Program	\$0.88	Yes
MS05051	Jagur Tractor	1/16/2006	4/15/2007	10/15/2007	\$660,928.00	\$660,928.00	Repower 6 Scrapers	\$0.00	Yes
MS05052	Caufield Equipment, Inc.	8/3/2005	1/2/2007		\$478,000.00	\$478,000.00	Repower 4 Scrapers	\$0.00	Yes
MS05070	Haaland Internet Productions (HIP D	6/24/2005	5/31/2007	11/30/2011	\$100,715.00	\$92,458.24	Design, Host & Maintain MSRC Website	\$8,256.76	Yes

Total: 44

Closed/Incomplete Contracts

ML05007	Los Angeles County Dept of Beache	6/23/2006	6/22/2007	12/22/2007	\$50,000.00	\$0.00	5 Medium Duty CNG Vehicles	\$50,000.00	No
ML05009	Los Angeles County Department of P	6/22/2006	12/21/2007	9/30/2011	\$56,666.00	\$0.00	2 Propane Refueling Stations	\$56,666.00	No
ML05012	Los Angeles County Department of P	11/10/2006	5/9/2008	1/9/2009	\$349,000.00	\$0.00	Traffic Signal Synchronization (LADOT)	\$349,000.00	No
ML05023	City of La Canada Flintridge	3/30/2005	2/28/2006	8/28/2008	\$20,000.00	\$0.00	1 CNG Bus	\$20,000.00	No

Total: 4

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
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FY 2005-2006 Contracts

Declined/Cancelled Contracts

ML06018	Los Angeles County Dept of Beache				\$375,000.00	\$0.00	New CNG Station & 2 CNG Dump Trucks	\$375,000.00	No
ML06019	Los Angeles County Dept of Beache				\$250,000.00	\$0.00	New CNG Station & 2 CNG Dump Trucks	\$250,000.00	No
ML06023	City of Baldwin Park	6/16/2006	9/15/2012		\$20,000.00	\$0.00	CNG Dump Truck	\$20,000.00	No
ML06024	City of Pomona	8/3/2007	7/2/2013	7/2/2014	\$286,450.00	\$0.00	New CNG Station	\$286,450.00	No
ML06030	City of Burbank	3/19/2007	9/18/2011		\$287,700.00	\$0.00	New CNG Fueling Station	\$287,700.00	No
ML06037	City of Lynwood				\$25,000.00	\$0.00	1 Nat Gas Dump Truck	\$25,000.00	No
ML06039	City of Inglewood	2/9/2007	2/8/2008	4/8/2011	\$50,000.00	\$0.00	Modify Maintenance Facility for CNG Vehicle	\$50,000.00	No
ML06055	City of Los Angeles, Dept. of Genera				\$125,000.00	\$0.00	5 Gas-Electric Hybrid Buses	\$125,000.00	No
ML06059	City of Fountain Valley				\$25,000.00	\$0.00	One H.D. CNG Truck	\$25,000.00	No

Total: 9

Closed Contracts

ML06016	City of Whittier	5/25/2006	5/24/2012	11/24/2012	\$50,000.00	\$50,000.00	2 CNG Refuse Trucks	\$0.00	Yes
ML06017	City of Claremont	8/2/2006	4/1/2012		\$50,000.00	\$50,000.00	2 CNG Refuse Trucks	\$0.00	Yes
ML06020	Los Angeles Department of Water an	3/19/2007	9/18/2013	4/18/2014	\$25,000.00	\$25,000.00	CNG Aerial Truck	\$0.00	Yes
ML06021	Los Angeles World Airports	9/13/2006	5/12/2013		\$150,000.00	\$150,000.00	6 CNG Buses	\$0.00	Yes
ML06022	City of Los Angeles, Bureau of Sanit	5/4/2007	1/3/2014		\$1,250,000.00	\$1,250,000.00	50 LNG Refuse Trucks	\$0.00	Yes
ML06025	City of Santa Monica	1/5/2007	11/4/2012	12/14/2014	\$300,000.00	\$300,000.00	12 H.D. CNG Vehicles	\$0.00	Yes
ML06026	City of Cerritos	10/27/2006	9/26/2010		\$60,500.00	\$60,500.00	CNG Station Upgrade	\$0.00	Yes
ML06027	City of Redondo Beach	9/5/2006	5/4/2012	10/4/2012	\$50,000.00	\$50,000.00	2 Heavy-Duty CNG Trucks	\$0.00	Yes
ML06028	City of Pasadena	9/29/2006	11/28/2012	3/28/2014	\$245,000.00	\$245,000.00	New CNG Station & Maint. Fac. Upgrades	\$0.00	Yes
ML06029	City of Culver City Transportation De	9/29/2006	8/28/2012	12/28/2012	\$50,000.00	\$50,000.00	2 CNG Heavy-Duty Trucks	\$0.00	Yes
ML06031	City of Inglewood	4/4/2007	6/3/2013	9/3/2015	\$150,000.00	\$65,602.40	Purchase 4 H-D LPG Vehicles & Install LPG	\$84,397.60	Yes
ML06032	City of Rancho Cucamonga	2/13/2007	3/12/2013	2/12/2014	\$237,079.00	\$237,079.00	New CNG Station & 2 CNG Dump Trucks	\$0.00	Yes
ML06033	City of Cathedral City	11/17/2006	12/16/2012	12/16/2013	\$125,000.00	\$125,000.00	5 Heavy-Duty CNG Trucks	\$0.00	Yes
ML06034	City of South Pasadena	9/25/2006	9/24/2012		\$16,422.42	\$16,422.42	2 Nat. Gas Transit Buses	\$0.00	Yes
ML06036	City of Riverside	3/23/2007	3/22/2013		\$200,000.00	\$200,000.00	8 Heavy-Duty Nat Gas Vehicles	\$0.00	Yes
ML06038	City of Los Angeles, Department of	5/21/2007	1/20/2014		\$625,000.00	\$625,000.00	25 CNG Street Sweepers	\$0.00	Yes
ML06044	City of Pomona	12/15/2006	3/14/2013		\$50,000.00	\$50,000.00	2 CNG Street Sweepers	\$0.00	Yes
ML06052	City of Hemet, Public Works	4/20/2007	2/19/2013		\$25,000.00	\$25,000.00	Purchase One CNG Dump Truck	\$0.00	Yes
ML06053	City of Burbank	5/4/2007	7/3/2013		\$125,000.00	\$125,000.00	Five Nat. Gas Refuse Trucks	\$0.00	Yes
ML06056	City of Los Angeles, Dept. of Genera	11/30/2007	11/29/2008		\$350,000.00	\$350,000.00	Maintenance Facility Mods.	\$0.00	Yes
ML06057	City of Rancho Cucamonga	8/28/2007	6/27/2013	8/27/2014	\$100,000.00	\$100,000.00	4 H.D. Nat. Gas Vehicles	\$0.00	Yes
ML06058	City of Santa Monica	7/12/2007	7/11/2013		\$149,925.00	\$0.00	3 H.D. CNG Trucks & CNG Fueling Station	\$149,925.00	No
ML06060	City of Temple City	6/12/2007	6/11/2013		\$31,885.00	\$0.00	Upgrade existing CNG infrastructure	\$31,885.00	No

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
ML06061	City of Chino Hills	4/30/2007	4/29/2013		\$25,000.00	\$25,000.00	One H.D. CNG Vehicle	\$0.00	Yes
ML06062	City of Redlands	5/11/2007	5/10/2013		\$100,000.00	\$100,000.00	4 H.D. LNG Vehicles	\$0.00	Yes
ML06063	City of Moreno Valley	3/23/2007	11/22/2012		\$25,000.00	\$25,000.00	One H.D. CNG Vehicle	\$0.00	Yes
ML06064	City of South Pasadena	1/25/2008	11/24/2013	11/24/2014	\$50,000.00	\$50,000.00	2 H.D. CNG Vehicles	\$0.00	Yes
ML06065	City of Walnut	6/29/2007	6/28/2013		\$44,203.00	\$44,203.00	Upgrade Existing CNG Infrastructure	\$0.00	Yes
ML06066	City of Ontario, Housing & Municipal	5/30/2007	1/29/2013		\$125,000.00	\$125,000.00	5 H.D. CNG Vehicles	\$0.00	Yes
ML06067	City of El Monte	3/17/2008	5/16/2014	11/16/2014	\$157,957.00	\$157,957.00	Upgrade existing CNG infrastructure	\$0.00	Yes
ML06068	City of Claremont	8/28/2007	6/27/2013		\$60,000.00	\$60,000.00	Expand existing CNG infrastructure	\$0.00	Yes
ML06069	City of Palos Verdes Estates	11/19/2007	11/18/2013		\$25,000.00	\$25,000.00	One H.D. CNG Vehicle	\$0.00	Yes
ML06070	City of Colton	4/30/2008	2/28/2015	4/30/2015	\$50,000.00	\$0.00	Two CNG Pickups	\$50,000.00	No

Total: 33

Open/Complete Contracts

ML06035	City of Hemet, Public Works	11/10/2006	12/9/2012	1/9/2017	\$338,107.00	\$323,107.00	7 Nat Gas Trucks & New Nat Gas Infrastruct	\$15,000.00	Yes
ML06054	Los Angeles County Department of P	6/17/2009	6/16/2016		\$125,000.00	\$125,000.00	3 CNG & 2 LPG HD Trucks	\$0.00	Yes
ML06071	City of Santa Monica	6/13/2014		11/30/2016	\$149,925.00	\$149,925.00	3 H.D. CNG Trucks & CNG Fueling Station	\$0.00	Yes

Total: 3

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
FY 2006-2007 Contracts									
Open Contracts									
ML07044	City of Santa Monica	9/8/2008	3/7/2015	3/7/2017	\$600,000.00	\$50,000.00	24 H.D. Nat. Gas Vehicles	\$550,000.00	No
Total: 1									
Declined/Cancelled Contracts									
ML07031	City of Santa Monica				\$180,000.00	\$0.00	Upgrade N.G. Station to Add Hythane	\$180,000.00	No
ML07032	City of Huntington Beach Public Wor				\$25,000.00	\$0.00	One H.D. CNG Vehicle	\$25,000.00	No
ML07035	City of Los Angeles, General Service				\$350,000.00	\$0.00	New CNG Refueling Station/Southeast Yard	\$350,000.00	No
ML07038	City of Palos Verdes Estates				\$25,000.00	\$0.00	One H.D. LPG Vehicle	\$25,000.00	No
MS07010	Palos Verdes Peninsula Transit Auth				\$80,000.00	\$0.00	Repower 4 Transit Buses	\$80,000.00	No
MS07014	Clean Energy Fuels Corp.				\$350,000.00	\$0.00	New L/CNG Station - SERRF	\$350,000.00	No
MS07015	Baldwin Park Unified School District				\$57,500.00	\$0.00	New CNG Station	\$57,500.00	No
MS07016	County of Riverside Fleet Services D				\$36,359.00	\$0.00	New CNG Station - Rubidoux	\$36,359.00	No
MS07017	County of Riverside Fleet Services D				\$33,829.00	\$0.00	New CNG Station - Indio	\$33,829.00	No
MS07018	City of Cathedral City				\$350,000.00	\$0.00	New CNG Station	\$350,000.00	No
MS07021	City of Riverside				\$350,000.00	\$0.00	New CNG Station	\$350,000.00	No
MS07050	Southern California Disposal Co.				\$320,000.00	\$0.00	Ten Nat. Gas Refuse Trucks	\$320,000.00	No
MS07062	Caltrans Division of Equipment				\$1,081,818.00	\$0.00	Off-Road Diesel Equipment Retrofit Program	\$1,081,818.00	No
MS07065	ECCO Equipment Corp.				\$174,525.00	\$0.00	Off-Road Diesel Equipment Retrofit Program	\$174,525.00	No
MS07067	Recycled Materials Company of Calif				\$99,900.00	\$0.00	Off-Road Diesel Equipment Retrofit Program	\$99,900.00	No
MS07069	City of Burbank	5/9/2008	3/8/2010	9/8/2011	\$8,895.00	\$0.00	Off-Road Diesel Equipment Retrofit Program	\$8,895.00	No
MS07074	Albert W. Davies, Inc.	1/25/2008	11/24/2009		\$39,200.00	\$0.00	Off-Road Diesel Equipment Retrofit Program	\$39,200.00	No
MS07081	Clean Diesel Technologies, Inc.				\$240,347.00	\$0.00	Off-Road Diesel Equipment Retrofit Program	\$240,347.00	No
MS07082	DCL International, Inc.				\$153,010.00	\$0.00	Off-Road Diesel Equipment Retrofit Program	\$153,010.00	No
MS07083	Dinex Exhausts, Inc.				\$52,381.00	\$0.00	Off-Road Diesel Equipment Retrofit Program	\$52,381.00	No
MS07084	Donaldson Company, Inc.				\$42,416.00	\$0.00	Off-Road Diesel Equipment Retrofit Program	\$42,416.00	No
MS07085	Engine Control Systems Limited				\$155,746.00	\$0.00	Off-Road Diesel Equipment Retrofit Program	\$155,746.00	No
MS07086	Huss, LLC				\$84,871.00	\$0.00	Off-Road Diesel Equipment Retrofit Program	\$84,871.00	No
MS07087	Mann+Hummel GmbH				\$189,361.00	\$0.00	Off-Road Diesel Equipment Retrofit Program	\$189,361.00	No
MS07088	Nett Technologies, Inc.				\$118,760.00	\$0.00	Off-Road Diesel Equipment Retrofit Program	\$118,760.00	No
MS07089	Rypos, Inc.				\$68,055.00	\$0.00	Off-Road Diesel Equipment Retrofit Program	\$68,055.00	No
MS07090	Sud-Chemie				\$27,345.00	\$0.00	Off-Road Diesel Equipment Retrofit Program	\$27,345.00	No
Total: 27									
Closed Contracts									
ML07025	City of San Bernardino	8/12/2008	7/11/2010		\$350,000.00	\$350,000.00	Maintenance Facility Modifications	\$0.00	Yes
ML07026	City of South Pasadena	6/13/2008	6/12/2014		\$25,000.00	\$25,000.00	One H.D. CNG Vehicle	\$0.00	Yes

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
ML07027	Los Angeles World Airports	6/3/2008	7/2/2014		\$25,000.00	\$25,000.00	One H.D. LNG Vehicle	\$0.00	Yes
ML07028	City of Los Angeles, General Service	3/13/2009	3/12/2014		\$350,000.00	\$350,000.00	New CNG Refueling Station/Hollywood Yard	\$0.00	Yes
ML07029	City of Los Angeles, General Service	3/13/2009	3/12/2014		\$350,000.00	\$350,000.00	New CNG Refueling Station/Venice Yard	\$0.00	Yes
ML07030	County of San Bernardino Public Wo	7/11/2008	9/10/2015		\$200,000.00	\$200,000.00	8 Natural Gas H.D. Vehicles	\$0.00	Yes
ML07033	City of La Habra	5/21/2008	6/20/2014	11/30/2013	\$25,000.00	\$25,000.00	One H.D. Nat Gas Vehicle	\$0.00	Yes
ML07034	City of Los Angeles, General Service	3/13/2009	3/12/2014		\$350,000.00	\$350,000.00	New CNG Refueling Station/Van Nuys Yard	\$0.00	Yes
ML07036	City of Alhambra	1/23/2009	2/22/2015		\$50,000.00	\$50,000.00	2 H.D. CNG Vehicles	\$0.00	Yes
ML07037	City of Los Angeles, General Service	10/8/2008	10/7/2015		\$255,222.00	\$255,222.00	Upgrade LNG/LCNG Station/East Valley Yar	\$0.00	Yes
ML07039	City of Baldwin Park	6/6/2008	6/5/2014	8/5/2015	\$50,000.00	\$50,000.00	Two N.G. H.D. Vehicles	\$0.00	Yes
ML07040	City of Moreno Valley	6/3/2008	9/2/2014		\$25,000.00	\$25,000.00	One Heavy-Duty CNG Vehicle	\$0.00	Yes
ML07041	City of La Quinta	6/6/2008	6/5/2014		\$25,000.00	\$25,000.00	One CNG Street Sweeper	\$0.00	Yes
ML07042	City of La Quinta	8/15/2008	9/14/2010		\$100,000.00	\$100,000.00	Street Sweeping Operations	\$0.00	Yes
ML07046	City of Culver City Transportation De	5/2/2008	5/1/2014		\$25,000.00	\$25,000.00	One H.D. Nat. Gas Vehicle	\$0.00	Yes
ML07047	City of Cathedral City	6/16/2008	9/15/2014	3/15/2015	\$225,000.00	\$225,000.00	Two H.D. Nat. Gas Vehicles/New CNG Fueli	\$0.00	Yes
ML07048	City of Cathedral City	9/19/2008	10/18/2010		\$100,000.00	\$84,972.45	Street Sweeping Operations	\$15,027.55	Yes
MS07001	A-Z Bus Sales, Inc.	12/28/2006	12/31/2007	2/29/2008	\$1,920,000.00	\$1,380,000.00	CNG School Bus Buydown	\$540,000.00	Yes
MS07002	BusWest	1/19/2007	12/31/2007	3/31/2008	\$840,000.00	\$840,000.00	CNG School Bus Buydown	\$0.00	Yes
MS07003	Westport Fuel Systems, Inc.	11/2/2007	12/31/2011	6/30/2013	\$1,500,000.00	\$1,499,990.00	Advanced Nat. Gas Engine Incentive Progra	\$10.00	Yes
MS07005	S-W Compressors	3/17/2008	3/16/2010		\$60,000.00	\$7,500.00	Mountain CNG School Bus Demo Program-	\$52,500.00	Yes
MS07006	Coachella Valley Association of Gov	2/28/2008	10/27/2008		\$400,000.00	\$400,000.00	Coachella Valley PM10 Reduction Street Sw	\$0.00	Yes
MS07007	Los Angeles World Airports	5/2/2008	11/1/2014		\$420,000.00	\$420,000.00	Purchase CNG 21 Transit Buses	\$0.00	Yes
MS07009	Orange County Transportation Autho	5/14/2008	4/13/2016		\$800,000.00	\$800,000.00	Purchase 40 Transit Buses	\$0.00	Yes
MS07011	L A Service Authority for Freeway E	3/12/2010	5/31/2011	9/30/2011	\$700,000.00	\$700,000.00	"511" Commuter Services Campaign	\$0.00	Yes
MS07012	City of Los Angeles, General Service	6/13/2008	6/12/2009	6/12/2010	\$50,000.00	\$50,000.00	Maintenance Facility Modifications	\$0.00	Yes
MS07013	Rainbow Disposal Company, Inc.	1/25/2008	3/24/2014	9/24/2014	\$350,000.00	\$350,000.00	New High-Volume CNG Station	\$0.00	Yes
MS07019	City of Cathedral City	1/9/2009	6/8/2010		\$32,500.00	\$32,500.00	Maintenance Facility Modifications	\$0.00	Yes
MS07020	Avery Petroleum	5/20/2009	7/19/2015		\$250,000.00	\$250,000.00	New CNG Station	\$0.00	Yes
MS07051	City of San Bernardino	8/12/2008	12/11/2014		\$480,000.00	\$480,000.00	15 Nat. Gas Refuse Trucks	\$0.00	Yes
MS07052	City of Redlands	7/30/2008	11/29/2014		\$160,000.00	\$160,000.00	Five Nat. Gas Refuse Trucks	\$0.00	Yes
MS07053	City of Claremont	7/31/2008	12/30/2014		\$96,000.00	\$96,000.00	Three Nat. Gas Refuse Trucks	\$0.00	Yes
MS07055	City of Culver City Transportation De	7/8/2008	9/7/2014		\$192,000.00	\$192,000.00	Six Nat. Gas Refuse Trucks	\$0.00	Yes
MS07056	City of Whittier	9/5/2008	3/4/2015		\$32,000.00	\$32,000.00	One Nat. Gas Refuse Trucks	\$0.00	Yes
MS07057	CR&R, Inc.	7/31/2008	8/30/2014	6/30/2015	\$896,000.00	\$896,000.00	28 Nat. Gas Refuse Trucks	\$0.00	Yes
MS07058	The Better World Group	11/17/2007	11/16/2009	11/16/2011	\$247,690.00	\$201,946.21	MSRC Programmatic Outreach Services	\$45,743.79	Yes
MS07059	County Sanitation Districts of L.A. Co	9/5/2008	9/4/2010	7/14/2012	\$231,500.00	\$231,500.00	Off-Road Diesel Equipment Retrofit Program	\$0.00	Yes
MS07060	Community Recycling & Resource R	3/7/2008	1/6/2010	7/6/2011	\$177,460.00	\$98,471.00	Off-Road Diesel Equipment Retrofit Program	\$78,989.00	Yes
MS07061	City of Los Angeles, Department of	10/31/2008	8/30/2010	2/28/2013	\$40,626.00	\$40,626.00	Off-Road Diesel Equipment Retrofit Program	\$0.00	Yes

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
MS07063	Shimmick Construction Company, In	4/26/2008	2/25/2010	8/25/2011	\$80,800.00	\$11,956.37	Off-Road Diesel Equipment Retrofit Program	\$68,843.63	Yes
MS07064	Altfillisch Contractors, Inc.	9/19/2008	7/18/2010	1/18/2011	\$160,000.00	\$155,667.14	Off-Road Diesel Equipment Retrofit Program	\$4,332.86	Yes
MS07068	Sukut Equipment Inc.	1/23/2009	11/22/2010	5/22/2012	\$26,900.00	\$26,900.00	Off-Road Diesel Equipment Retrofit Program	\$0.00	Yes
MS07070	Griffith Company	4/30/2008	2/28/2010	8/28/2012	\$168,434.00	\$125,504.00	Off-Road Diesel Equipment Retrofit Program	\$42,930.00	Yes
MS07071	Tiger 4 Equipment Leasing	9/19/2008	7/18/2010	1/18/2013	\$210,937.00	\$108,808.97	Off-Road Diesel Equipment Retrofit Program	\$102,128.03	Yes
MS07072	City of Culver City Transportation De	4/4/2008	2/3/2010	8/3/2011	\$72,865.00	\$72,865.00	Off-Road Diesel Equipment Retrofit Program	\$0.00	Yes
MS07075	Dan Copp Crushing	9/17/2008	7/16/2010	1/16/2012	\$73,600.00	\$40,200.00	Off-Road Diesel Equipment Retrofit Program	\$33,400.00	Yes
MS07076	Reed Thomas Company, Inc.	8/15/2008	6/14/2010	3/14/2012	\$339,073.00	\$100,540.00	Off-Road Diesel Equipment Retrofit Program	\$238,533.00	Yes
MS07077	USA Waste of California, Inc.	5/1/2009	12/31/2014		\$160,000.00	\$160,000.00	Five Nat. Gas Refuse Trucks (Santa Ana)	\$0.00	Yes
MS07078	USA Waste of California, Inc.	5/1/2009	12/31/2014	12/31/2015	\$256,000.00	\$256,000.00	Eight Nat. Gas Refuse Trucks (Dewey's)	\$0.00	Yes
MS07079	Riverside County Transportation Co	1/30/2009	7/29/2013	12/31/2011	\$20,000.00	\$15,165.45	B keMetro Website Migration	\$4,834.55	Yes
MS07080	City of Los Angeles, Bureau of Sanit	10/31/2008	8/30/2010	8/28/2016	\$63,192.00	\$62,692.00	Off-Road Diesel Equipment Retrofit Program	\$500.00	No
MS07091	BusWest	10/16/2009	3/15/2010		\$33,660.00	\$33,660.00	Provide Lease for 2 CNG School Buses	\$0.00	Yes
MS07092	Riverside County Transportation Co	9/1/2010	10/31/2011		\$350,000.00	\$350,000.00	"511" Commuter Services Campaign	\$0.00	Yes

Total: 53

Closed/Incomplete Contracts

ML07045	City of Inglewood	2/6/2009	4/5/2015		\$75,000.00	\$25,000.00	3 H.D. Nat. Gas Vehicles	\$50,000.00	No
MS07004	BusWest	7/2/2007	7/1/2009		\$90,928.00	\$68,196.00	Provide Lease for 2 CNG School Buses	\$22,732.00	No
MS07066	Skanska USA Civil West California D	6/28/2008	4/27/2010	10/27/2010	\$111,700.00	\$36,128.19	Off-Road Diesel Equipment Retrofit Program	\$75,571.81	No
MS07073	PEED Equipment Co.	10/31/2008	8/30/2010		\$11,600.00	\$0.00	Off-Road Diesel Equipment Retrofit Program	\$11,600.00	No

Total: 4

Open/Complete Contracts

ML07023	City of Riverside	6/20/2008	10/19/2014	7/19/2016	\$462,500.00	\$461,476.42	CNG Station Expansion/Purch. 14 H.D. Vehi	\$1,023.58	Yes
ML07024	City of Garden Grove	3/7/2008	9/6/2014	7/6/2016	\$75,000.00	\$75,000.00	Three H.D. CNG Vehicles	\$0.00	Yes
ML07043	City of Redondo Beach	9/28/2008	7/27/2014	10/27/2016	\$125,000.00	\$125,000.00	Five H.D. CNG Transit Vehicles	\$0.00	Yes
MS07008	City of Los Angeles, Department of T	9/18/2009	5/17/2020	9/17/2017	\$1,900,000.00	\$1,900,000.00	Purchase 95 Transit Buses	\$0.00	Yes
MS07022	CSULA Hydrogen Station and Resea	10/30/2009	12/29/2015	10/29/2019	\$250,000.00	\$250,000.00	New Hydrogen Fueling Station	\$0.00	Yes
MS07049	Palm Springs Disposal Services	10/23/2008	11/22/2014	9/22/2016	\$96,000.00	\$96,000.00	Three Nat. Gas Refuse Trucks	\$0.00	Yes
MS07054	Republic Services, Inc.	3/7/2008	9/6/2014	9/6/2016	\$1,280,000.00	\$1,280,000.00	40 Nat. Gas Refuse Trucks	\$0.00	Yes

Total: 7

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
FY 2007-2008 Contracts									
Open Contracts									
ML08028	City of Santa Monica	9/11/2009	9/10/2016	5/10/2019	\$600,000.00	\$0.00	24 CNG Heavy-Duty Vehicles	\$600,000.00	No
ML08030	City of Azusa	5/14/2010	3/13/2016		\$25,000.00	\$0.00	1 CNG Heavy-Duty Vehicle	\$25,000.00	No
ML08043	City of Desert Hot Springs	9/25/2009	3/24/2016	3/24/2021	\$25,000.00	\$0.00	1 CNG Heavy-Duty Vehicle	\$25,000.00	No
MS08007	United Parcel Service West Region	12/10/2008	10/9/2014	4/9/2019	\$300,000.00	\$0.00	10 H.D. Nat. Gas Vehicles	\$300,000.00	No
MS08013	United Parcel Service West Region	12/10/2008	10/9/2014	3/9/2019	\$480,000.00	\$216,000.00	12 H.D. Nat. Gas Yard Tractors	\$264,000.00	No
MS08068	Regents of the University of Californi	11/5/2010	11/4/2017	11/4/2019	\$400,000.00	\$0.00	Hydrogen Station	\$400,000.00	No
Total: 6									
Declined/Cancelled Contracts									
ML08032	City of Irvine	5/1/2009	8/31/2010		\$9,000.00	\$0.00	36 Vehicles (Diagnostic)	\$9,000.00	No
ML08041	City of Los Angeles, Dept of Transpo	8/6/2010	7/5/2011	12/5/2011	\$8,800.00	\$0.00	73 Vehicles (Diagnostic)	\$8,800.00	No
ML08049	City of Cerritos	3/20/2009	1/19/2015	2/19/2017	\$25,000.00	\$0.00	1 CNG Heavy-Duty Vehicle	\$25,000.00	No
ML08051	City of Colton				\$75,000.00	\$0.00	3 CNG Heavy-Duty Vehicles	\$75,000.00	No
ML08080	City of Irvine	5/1/2009	5/31/2015		\$50,000.00	\$0.00	Two Heavy-Duty Nat. Gas Vehicles	\$50,000.00	No
MS08002	Orange County Transportation Autho				\$1,500,000.00	\$0.00	Big Rig Freeway Service Patrol	\$1,500,000.00	No
MS08008	Diversified Truck Rental & Leasing				\$300,000.00	\$0.00	10 H.D. Nat. Gas Vehicles	\$300,000.00	No
MS08010	Orange County Transportation Autho				\$10,000.00	\$0.00	20 H.D. Nat. Gas Vehicles	\$10,000.00	No
MS08011	Green Fleet Systems, LLC				\$10,000.00	\$0.00	30 H.D. Nat. Gas Vehicles	\$10,000.00	No
MS08052	Burrtec Waste Industries, Inc.	12/24/2008	11/23/2014	11/23/2015	\$100,000.00	\$0.00	New CNG Station - Fontana	\$100,000.00	No
MS08054	Clean Energy Fuels Corp.				\$400,000.00	\$0.00	New LNG Station - Fontana	\$400,000.00	No
MS08055	Clean Energy Fuels Corp.	11/26/2009	3/25/2016	3/25/2017	\$400,000.00	\$0.00	New LNG Station - Long Beach-Pier S	\$400,000.00	No
MS08059	Burrtec Waste Industries, Inc.	12/24/2008	11/23/2014		\$100,000.00	\$0.00	New CNG Station - San Bernardino	\$100,000.00	No
MS08060	Burrtec Waste Industries, Inc.	12/24/2008	11/23/2014		\$100,000.00	\$0.00	New CNG Station - Azusa	\$100,000.00	No
MS08062	Go Natural Gas	9/25/2009	1/24/2016	1/24/2017	\$400,000.00	\$0.00	New CNG Station - Rialto	\$400,000.00	No
MS08074	Fontana Unified School District	11/14/2008	12/13/2014		\$200,000.00	\$0.00	Expansion of Existing CNG station	\$200,000.00	No
MS08077	Hythane Company, LLC				\$144,000.00	\$0.00	Upgrade Station to Hythane	\$144,000.00	No
Total: 17									
Closed Contracts									
ML08023	City of Villa Park	11/7/2008	10/6/2012		\$6,500.00	\$5,102.50	Upgrade of Existing Refueling Facility	\$1,397.50	Yes
ML08027	Los Angeles County Department of P	7/20/2009	1/19/2011	1/19/2012	\$6,901.00	\$5,124.00	34 Vehicles (Diagnostic)	\$1,777.00	Yes
ML08029	City of Gardena	3/19/2009	1/18/2015		\$25,000.00	\$25,000.00	1 Propane Heavy-Duty Vehicle	\$0.00	Yes
ML08031	City of Claremont	3/27/2009	3/26/2013	3/26/2015	\$97,500.00	\$97,500.00	Upgrade of Existing CNG Station, Purchase	\$0.00	Yes
ML08033	County of San Bernardino Public Wo	4/3/2009	2/2/2010		\$14,875.00	\$14,875.00	70 Vehicles (Diagnostic)	\$0.00	Yes
ML08034	County of San Bernardino Public Wo	3/27/2009	7/26/2015		\$150,000.00	\$150,000.00	8 CNG Heavy-Duty Vehicles	\$0.00	Yes
ML08035	City of La Verne	3/6/2009	11/5/2009		\$11,925.00	\$11,925.00	53 Vehicles (Diagnostic)	\$0.00	Yes

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
ML08036	City of South Pasadena	5/12/2009	7/11/2013		\$169,421.00	\$169,421.00	New CNG Station	\$0.00	Yes
ML08037	City of Glendale	5/20/2009	5/19/2015		\$325,000.00	\$325,000.00	13 CNG Heavy-Duty Vehicles	\$0.00	Yes
ML08039	City of Rancho Palos Verdes	6/5/2009	8/4/2015		\$50,000.00	\$50,000.00	2 LPG Transit Buses	\$0.00	Yes
ML08042	City of Ontario, Housing & Municipal	5/1/2009	1/31/2016		\$175,000.00	\$175,000.00	7 CNG Heavy-Duty Vehicles	\$0.00	Yes
ML08044	City of Chino	3/19/2009	3/18/2015		\$25,000.00	\$25,000.00	1 CNG Heavy-Duty Vehicle	\$0.00	Yes
ML08045	City of Santa Clarita	2/20/2009	6/19/2010		\$3,213.00	\$3,150.00	14 Vehicles (Diagnostic)	\$63.00	Yes
ML08046	City of Paramount	2/20/2009	2/19/2015		\$25,000.00	\$25,000.00	1 CNG Heavy-Duty Vehicle	\$0.00	Yes
ML08047	City of Culver City Transportation De	5/12/2009	8/11/2015		\$150,000.00	\$150,000.00	6 CNG Heavy-Duty Vehicles	\$0.00	Yes
ML08048	City of Santa Clarita	2/20/2009	6/19/2015		\$25,000.00	\$25,000.00	1 CNG Heavy-Duty Vehicle	\$0.00	Yes
MS08001	Los Angeles County MTA	12/10/2010	6/9/2014		\$1,500,000.00	\$1,499,999.66	Big Rig Freeway Service Patrol	\$0.34	Yes
MS08003	A-Z Bus Sales, Inc.	5/2/2008	12/31/2008	2/28/2009	\$1,480,000.00	\$1,400,000.00	Alternative Fuel School Bus Incentive Progra	\$80,000.00	Yes
MS08004	BusWest	5/2/2008	12/31/2008		\$1,440,000.00	\$1,440,000.00	Alternative Fuel School Bus Incentive Progra	\$0.00	Yes
MS08005	Burrtec Waste Industries, Inc.	10/23/2008	11/22/2014	10/22/2015	\$450,000.00	\$450,000.00	15 H.D. Nat. Gas Vehicles - Azusa	\$0.00	Yes
MS08006	Burrtec Waste Industries, Inc.	10/23/2008	11/22/2014	10/22/2015	\$450,000.00	\$450,000.00	15 H.D. Nat. Gas Vehicles - Saugus	\$0.00	Yes
MS08009	Los Angeles World Airports	12/24/2008	12/23/2014		\$870,000.00	\$870,000.00	29 H.D. Nat. Gas Vehicles	\$0.00	Yes
MS08012	California Cartage Company, LLC	12/21/2009	10/20/2015	4/20/2016	\$480,000.00	\$480,000.00	12 H.D. Nat. Gas Yard Tractors	\$0.00	Yes
MS08014	City of San Bernardino	12/5/2008	6/4/2015		\$390,000.00	\$360,000.00	13 H.D. Nat. Gas Vehicles	\$30,000.00	Yes
MS08015	Yosemite Waters	5/12/2009	5/11/2015		\$180,000.00	\$117,813.60	11 H.D. Propane Vehicles	\$62,186.40	Yes
MS08016	TransVironmental Solutions, Inc.	1/23/2009	12/31/2010	9/30/2011	\$227,198.00	\$80,351.34	Rideshare 2 School Program	\$146,846.66	Yes
MS08020	Ware Disposal Company, Inc.	11/25/2008	2/24/2016		\$900,000.00	\$900,000.00	30 CNG Vehicles	\$0.00	Yes
MS08022	SunLine Transit Agency	12/18/2008	3/17/2015		\$311,625.00	\$311,625.00	15 CNG Buses	\$0.00	Yes
MS08053	City of Los Angeles, Bureau of Sanit	2/18/2009	12/17/2015		\$400,000.00	\$400,000.00	New LNG/CNG Station	\$0.00	Yes
MS08056	Clean Energy Fuels Corp.	11/26/2009	2/25/2015		\$400,000.00	\$400,000.00	New LNG Station - POLB-Anah. & I	\$0.00	Yes
MS08057	Orange County Transportation Autho	5/14/2009	7/13/2015		\$400,000.00	\$400,000.00	New CNG Station - Garden Grove	\$0.00	Yes
MS08061	Clean Energy Fuels Corp.	12/4/2009	3/3/2015		\$400,000.00	\$400,000.00	New CNG Station - L.A.-La Cienega	\$0.00	Yes
MS08064	Hemet Unified School District	1/9/2009	3/8/2015		\$75,000.00	\$75,000.00	Expansion of Existing Infrastructure	\$0.00	Yes
MS08065	Pupil Transportation Cooperative	11/20/2008	7/19/2014		\$10,500.00	\$10,500.00	Existing CNG Station Modifications	\$0.00	Yes
MS08066	Clean Energy Fuels Corp.	11/26/2009	2/25/2015		\$400,000.00	\$400,000.00	New CNG Station - Palm Spring Airport	\$0.00	Yes
MS08070	Clean Energy Fuels Corp.	11/26/2009	2/25/2015		\$400,000.00	\$400,000.00	New CNG Station - Paramount	\$0.00	Yes
MS08071	ABC Unified School District	1/16/2009	1/15/2015		\$63,000.00	\$63,000.00	New CNG Station	\$0.00	Yes
MS08072	Clean Energy Fuels Corp.	12/4/2009	3/3/2015		\$400,000.00	\$354,243.38	New CNG Station - Burbank	\$45,756.62	Yes
MS08073	Clean Energy Fuels Corp.	11/26/2009	2/25/2015		\$400,000.00	\$400,000.00	New CNG Station - Norwa k	\$0.00	Yes
MS08075	Disneyland Resort	12/10/2008	2/1/2015		\$200,000.00	\$200,000.00	Expansion of Existing CNG Infrastructure	\$0.00	Yes
MS08078	SunLine Transit Agency	12/10/2008	6/9/2015	2/9/2016	\$189,000.00	\$189,000.00	CNG Station Upgrade	\$0.00	Yes
MS09002	A-Z Bus Sales, Inc.	11/7/2008	12/31/2009	12/31/2010	\$2,520,000.00	\$2,460,000.00	Alternative Fuel School Bus Incentive Progra	\$60,000.00	Yes
MS09004	A-Z Bus Sales, Inc.	1/30/2009	3/31/2009		\$156,000.00	\$156,000.00	Alternative Fuel School Bus Incentive Progra	\$0.00	Yes
MS09047	BusWest	7/9/2010	12/31/2010	4/30/2011	\$480,000.00	\$480,000.00	Alternative Fuel School Bus Incentive Progra	\$0.00	Yes

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
Total: 44									
Closed/Incomplete Contracts									
ML08025	Los Angeles County Department of P	10/30/2009	3/29/2011		\$75,000.00	\$0.00	150 Vehicles (Diagnostic)	\$75,000.00	No
MS08079	ABC Unified School District	1/16/2009	12/15/2009	12/15/2010	\$50,000.00	\$0.00	Maintenance Facility Modifications	\$50,000.00	No
Total: 2									
Open/Complete Contracts									
ML08024	City of Anaheim	7/9/2010	7/8/2017	1/8/2018	\$425,000.00	\$425,000.00	9 LPG Buses and 8 CNG Buses	\$0.00	Yes
ML08026	Los Angeles County Department of P	7/20/2009	7/19/2016		\$250,000.00	\$250,000.00	10 LPG Heavy-Duty Vehicles	\$0.00	Yes
ML08038	Los Angeles Department of Water an	7/16/2010	7/15/2017		\$1,050,000.00	\$1,050,000.00	42 CNG Heavy-Duty Vehicles	\$0.00	Yes
ML08040	City of Riverside	9/11/2009	9/10/2016	3/10/2019	\$455,500.00	\$455,500.00	16 CNG Vehicles, Expand CNG Station & M	\$0.00	Yes
ML08050	City of Laguna Beach Public Works	8/12/2009	4/11/2016	10/11/2016	\$75,000.00	\$75,000.00	3 LPG Trolleys	\$0.00	Yes
MS08017	Omnitrans	12/13/2008	12/12/2015	12/12/2016	\$900,000.00	\$900,000.00	30 CNG Buses	\$0.00	Yes
MS08018	Los Angeles County Department of P	8/7/2009	10/6/2016	4/6/2018	\$60,000.00	\$60,000.00	2 CNG Vehicles	\$0.00	Yes
MS08019	Enterprise Rent-A-Car Company of L	2/12/2010	7/11/2016		\$300,000.00	\$300,000.00	10 CNG Vehicles	\$0.00	Yes
MS08021	CalMet Services, Inc.	1/9/2009	1/8/2016	7/8/2016	\$900,000.00	\$900,000.00	30 CNG Vehicles	\$0.00	Yes
MS08058	Clean Energy Fuels Corp.	11/26/2009	3/25/2016	3/25/2017	\$400,000.00	\$400,000.00	New CNG Station - Ontario Airport	\$0.00	Yes
MS08063	Go Natural Gas	9/25/2009	1/24/2016	1/24/2017	\$400,000.00	\$400,000.00	New CNG Station - Moreno Valley	\$0.00	Yes
MS08067	Trillium CNG	3/19/2009	6/18/2015	6/18/2016	\$311,600.00	\$254,330.00	New CNG Station	\$57,270.00	Yes
MS08069	Perris Union High School District	6/5/2009	8/4/2015	8/4/2016	\$225,000.00	\$225,000.00	New CNG Station	\$0.00	Yes
MS08076	Azusa Unified School District	10/17/2008	11/16/2014	1/31/2017	\$172,500.00	\$172,500.00	New CNG station and maint. Fac. Modificati	\$0.00	Yes
Total: 14									

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
FY 2008-2009 Contracts									
Open Contracts									
ML09033	City of Beverly Hills	3/4/2011	5/3/2017	5/3/2018	\$550,000.00	\$100,000.00	10 Nat. Gas Heavy-Duty Vehicles & CNG St	\$450,000.00	No
ML09036	City of Long Beach Fleet Services B	5/7/2010	5/6/2017	5/6/2020	\$875,000.00	\$525,000.00	Purchase 35 LNG Refuse Trucks	\$350,000.00	No
Total: 2									
Declined/Cancelled Contracts									
ML09017	County of San Bernardino Public Wo	1/28/2010	7/27/2016		\$200,000.00	\$0.00	8 Nat. Gas Heavy-Duty Vehicles	\$200,000.00	No
ML09018	Los Angeles Department of Water an	7/16/2010	9/15/2012		\$850,000.00	\$0.00	Retrofit 85 Off-Road Vehicles w/DECS	\$850,000.00	No
ML09019	City of San Juan Capistrano Public	12/4/2009	11/3/2010		\$10,125.00	\$0.00	Remote Vehicle Diagnostics/45 Vehicles	\$10,125.00	No
ML09022	Los Angeles County Department of P				\$8,250.00	\$0.00	Remote Vehicle Diagnostics/15 Vehicles	\$8,250.00	No
ML09025	Los Angeles County Department of P	10/15/2010	12/14/2012	6/14/2013	\$50,000.00	\$0.00	Remote Vehicle Diagnostics/85 Vehicles	\$50,000.00	No
ML09028	Riverside County Waste Manageme				\$140,000.00	\$0.00	Retrofit 7 Off-Road Vehicles w/DECS	\$140,000.00	No
ML09039	City of Inglewood				\$310,000.00	\$0.00	Purchase 12 H.D. CNG Vehicles and Remot	\$310,000.00	No
ML09040	City of Cathedral City				\$83,125.00	\$0.00	Purchase 3 H.D. CNG Vehicles and Remote	\$83,125.00	No
ML09044	City of San Dimas				\$425,000.00	\$0.00	Install CNG Station and Purchase 1 CNG S	\$425,000.00	No
ML09045	City of Orange				\$125,000.00	\$0.00	Purchase 5 CNG Sweepers	\$125,000.00	No
MS09003	FuelMaker Corporation				\$296,000.00	\$0.00	Home Refueling Apparatus Incentives	\$296,000.00	No
Total: 11									
Closed Contracts									
ML09007	City of Rancho Cucamonga	2/26/2010	4/25/2012		\$117,500.00	\$62,452.57	Maintenance Facility Modification	\$55,047.43	Yes
ML09010	City of Palm Springs	1/8/2010	2/7/2016		\$25,000.00	\$25,000.00	1 Nat. Gas Heavy-Duty Vehicle	\$0.00	Yes
ML09012	City of Gardena	3/12/2010	11/11/2015		\$25,000.00	\$25,000.00	1 Nat. Gas Heavy-Duty Vehicle	\$0.00	Yes
ML09013	City of Riverside Public Works	9/10/2010	12/9/2011	7/31/2013	\$144,470.00	\$128,116.75	Traffic Signal Synchr./Moreno Valley	\$16,353.25	Yes
ML09014	City of Riverside Public Works	9/10/2010	12/9/2011	7/31/2013	\$113,030.00	\$108,495.94	Traffic Signal Synchr./Corona	\$4,534.06	Yes
ML09015	City of Riverside Public Works	9/10/2010	12/9/2011	7/31/2013	\$80,060.00	\$79,778.52	Traffic Signal Synchr./Co. of Riverside	\$281.48	Yes
ML09016	County of San Bernardino Public Wo	1/28/2010	3/27/2014		\$50,000.00	\$50,000.00	Install New CNG Station	\$0.00	Yes
ML09020	County of San Bernardino	8/16/2010	2/15/2012		\$49,770.00	\$49,770.00	Remote Vehicle Diagnostics/252 Vehicles	\$0.00	Yes
ML09021	City of Palm Desert	7/9/2010	3/8/2012		\$39,450.00	\$38,248.87	Traffic Signal Synchr./Rancho Mirage	\$1,201.13	Yes
ML09024	Los Angeles County Department of P	10/15/2010	12/14/2012	6/14/2013	\$400,000.00	\$0.00	Maintenance Facility Modifications	\$400,000.00	No
ML09027	Los Angeles County Department of P	7/23/2010	3/22/2012	6/22/2012	\$150,000.00	\$150,000.00	Freeway Detector Map Interface	\$0.00	Yes
ML09029	City of Whittier	11/6/2009	4/5/2016		\$25,000.00	\$25,000.00	1 Nat. Gas Heavy-Duty Vehicle	\$0.00	Yes
ML09030	City of Los Angeles GSD/Fleet Servi	6/18/2010	6/17/2011		\$22,310.00	\$22,310.00	Remote Vehicle Diagnostics/107 Vehicles	\$0.00	Yes
ML09034	City of La Palma	11/25/2009	6/24/2015		\$25,000.00	\$25,000.00	1 LPG Heavy-Duty Vehicle	\$0.00	Yes
ML09047	Los Angeles County Department of P	8/13/2014	8/12/2015	11/12/2015	\$400,000.00	\$272,924.53	Maintenance Facility Modifications	\$127,075.47	No
MS09001	Administrative Services Co-Op/Long	3/5/2009	6/30/2012	12/31/2013	\$225,000.00	\$150,000.00	15 CNG Taxicabs	\$75,000.00	Yes
MS09005	Gas Equipment Systems, Inc.	6/19/2009	10/18/2010		\$71,000.00	\$71,000.00	Provide Temp. Fueling for Mountain Area C	\$0.00	Yes

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
Total: 17									
Open/Complete Contracts									
ML09008	City of Culver City Transportation De	1/19/2010	7/18/2016	7/18/2017	\$175,000.00	\$175,000.00	8 Nat. Gas Heavy-Duty Vehicles	\$0.00	Yes
ML09009	City of South Pasadena	11/5/2010	12/4/2016	3/4/2019	\$125,930.00	\$125,930.00	CNG Station Expansion	\$0.00	Yes
ML09011	City of San Bernardino	2/19/2010	5/18/2016		\$250,000.00	\$250,000.00	10 Nat. Gas Heavy-Duty Vehicles	\$0.00	Yes
ML09023	Los Angeles County Department of P	12/10/2010	12/9/2017		\$50,000.00	\$50,000.00	2 Heavy-Duty Alternative Fuel Transit Vehicl	\$0.00	Yes
ML09026	Los Angeles County Department of P	10/15/2010	10/14/2017	4/14/2019	\$150,000.00	\$80,411.18	3 Off-Road Vehicles Repowers	\$69,588.82	Yes
ML09031	City of Los Angeles, Department of	10/29/2010	10/28/2017		\$825,000.00	\$825,000.00	33 Nat. Gas Heavy-Duty Vehicles	\$0.00	Yes
ML09032	Los Angeles World Airports	4/8/2011	4/7/2018		\$175,000.00	\$175,000.00	7 Nat. Gas Heavy-Duty Vehicles	\$0.00	Yes
ML09035	City of Fullerton	6/17/2010	6/16/2017	12/16/2018	\$450,000.00	\$450,000.00	2 Heavy-Duty CNG Vehicles & Install CNG	\$0.00	Yes
ML09037	City of Redondo Beach	6/18/2010	6/17/2016		\$50,000.00	\$50,000.00	Purchase Two CNG Sweepers	\$0.00	Yes
ML09038	City of Chino	9/27/2010	5/26/2017		\$250,000.00	\$250,000.00	Upgrade Existing CNG Station	\$0.00	Yes
ML09041	City of Los Angeles, Bureau of Sanit	10/1/2010	9/30/2017		\$875,000.00	\$875,000.00	Purchase 35 H.D. Nat. Gas Vehicles	\$0.00	Yes
ML09042	Los Angeles Department of Water an	12/10/2010	12/9/2017		\$1,400,000.00	\$1,400,000.00	Purchase 56 Dump Trucks	\$0.00	Yes
ML09043	City of Covina	10/8/2010	4/7/2017	10/7/2018	\$179,591.00	\$179,591.00	Upgrade Existing CNG Station	\$0.00	Yes
ML09046	City of Newport Beach	5/20/2010	5/19/2016		\$162,500.00	\$162,500.00	Upgrade Existing CNG Station, Maintenance	\$0.00	Yes
Total: 14									

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
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FY 2010-2011 Contracts

Open Contracts

ML11020	City of Indio	2/1/2013	3/31/2019	9/30/2019	\$30,000.00	\$0.00	Retrofit one H.D. Vehicles w/DECS, repower	\$30,000.00	No
ML11024	County of Los Angeles, Dept of Publi	12/5/2014	6/4/2022		\$90,000.00	\$0.00	Purchase 3 Nat. Gas H.D. Vehicles	\$90,000.00	No
ML11029	City of Santa Ana	9/7/2012	3/6/2020		\$262,500.00	\$0.00	Expansion of Existing CNG Station, Install N	\$262,500.00	No
ML11032	City of Gardena	3/2/2012	9/1/2018	10/1/2020	\$102,500.00	\$0.00	Modify Maint. Facility, Expand CNG station,	\$102,500.00	No
ML11036	City of Riverside	1/27/2012	1/26/2019	3/26/2021	\$670,000.00	\$0.00	Install New CNG Station, Purchase 9 H.D. N	\$670,000.00	No
ML11038	City of Santa Monica	5/18/2012	7/17/2018		\$400,000.00	\$0.00	Maintenance Facility Modifications	\$400,000.00	No
ML11040	City of South Pasadena	5/4/2012	1/3/2019	1/3/2022	\$30,000.00	\$0.00	Purchase 1 Nat. Gas H.D. Vehicle	\$30,000.00	No
ML11041	City of Santa Ana	9/7/2012	11/6/2018	5/6/2020	\$265,000.00	\$34,651.86	Purchase 7 LPG H.D. Vehicles, Retrofit 6 H.	\$230,348.14	No
ML11045	City of Newport Beach	2/3/2012	8/2/2018	8/2/2020	\$30,000.00	\$0.00	Purchase 1 Nat. Gas H.D. Vehicle	\$30,000.00	No
MS11062	Load Center	9/7/2012	1/6/2016	12/6/2016	\$175,384.00	\$169,883.00	Retrofit Six Off-Road Vehicles under Showc	\$5,501.00	No
MS11065	Temecula Valley Unified School Distr	8/11/2012	1/10/2019		\$50,000.00	\$0.00	Expansion of Existing CNG Station	\$50,000.00	No
MS11085	City of Long Beach Fleet Services B	8/23/2013	12/22/2016		\$159,012.00	\$0.00	Retrofit Seven H.D. Off-Road Vehicles Unde	\$159,012.00	No
MS11086	DCL America Inc.	6/7/2013	10/6/2016		\$500,000.00	\$351,076.96	Retrofit Eight H.D. Off-Road Vehicles Under	\$148,923.04	No
MS11091	California Cartage Company, LLC	4/5/2013	8/4/2016	2/4/2018	\$55,000.00	\$0.00	Retrofit Two H.D. Off-Road Vehicles Under	\$55,000.00	No
MS11092	Griffith Company	2/15/2013	6/14/2016	12/14/2017	\$390,521.00	\$0.00	Retrofit 17 H.D. Off-Road Vehicles Under Sh	\$390,521.00	No

Total: 15

Declined/Cancelled Contracts

MS11013	Go Natural Gas, Inc.				\$150,000.00	\$0.00	New CNG Station - Huntington Beach	\$150,000.00	No
MS11014	Go Natural Gas, Inc.				\$150,000.00	\$0.00	New CNG Station - Santa Ana	\$150,000.00	No
MS11015	Go Natural Gas, Inc.				\$150,000.00	\$0.00	New CNG Station - Inglewood	\$150,000.00	No
MS11046	Luis Castro				\$40,000.00	\$0.00	Repower One Heavy-Duty Vehicle	\$40,000.00	No
MS11047	Ivan Borjas				\$40,000.00	\$0.00	Repower One Heavy-Duty Vehicle	\$40,000.00	No
MS11048	Phase II Transportation				\$1,080,000.00	\$0.00	Repower 27 Heavy-Duty Vehicles	\$1,080,000.00	No
MS11049	Ruben Caceras				\$40,000.00	\$0.00	Repower One Heavy-Duty Vehicle	\$40,000.00	No
MS11050	Carlos Arrue				\$40,000.00	\$0.00	Repower One Heavy-Duty Vehicle	\$40,000.00	No
MS11051	Francisco Vargas				\$40,000.00	\$0.00	Repower One Heavy-Duty Vehicle	\$40,000.00	No
MS11053	Jose Ivan Soltero				\$40,000.00	\$0.00	Repower One Heavy-Duty Vehicle	\$40,000.00	No
MS11054	Albino Meza				\$40,000.00	\$0.00	Repower One Heavy-Duty Vehicle	\$40,000.00	No
MS11059	Go Natural Gas				\$150,000.00	\$0.00	New Public Access CNG Station - Paramou	\$150,000.00	No
MS11063	Standard Concrete Products				\$310,825.00	\$0.00	Retrofit Two Off-Road Vehicles under Showc	\$310,825.00	No
MS11070	American Honda Motor Company				\$100,000.00	\$0.00	Expansion of Existing CNG Station	\$100,000.00	No
MS11072	Trillium USA Company DBA Californi				\$150,000.00	\$0.00	New Public Access CNG Station	\$150,000.00	No
MS11077	DCL America Inc.				\$263,107.00	\$0.00	Retrofit of 13 Off-Road Diesel Vehicles with	\$263,107.00	No
MS11083	Catrac Construction, Inc.				\$500,000.00	\$0.00	Install DECS on Eight Off-Road Vehicles	\$500,000.00	No

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
MS11084	Ivanhoe Energy Services and Develo				\$66,750.00	\$0.00	Retrofit One H.D. Off-Road Vehicle Under S	\$66,750.00	No
MS11088	Diesel Emission Technologies				\$32,750.00	\$0.00	Retrofit Three H.D. Off-Road Vehicles Under	\$32,750.00	No
MS11089	Diesel Emission Technologies				\$9,750.00	\$0.00	Retrofit One H.D. Off-Road Vehicle Under S	\$9,750.00	No
MS11090	Diesel Emission Technologies				\$14,750.00	\$0.00	Retrofit One H.D. Off-Road Vehicle Under S	\$14,750.00	No

Total: 21

Closed Contracts

ML11007	Coachella Valley Association of Gov	7/29/2011	7/28/2012		\$250,000.00	\$249,999.96	Regional PM10 Street Sweeping Program	\$0.04	Yes
ML11027	City of Los Angeles, Dept. of Genera	5/4/2012	7/3/2015	1/3/2016	\$300,000.00	\$300,000.00	Maintenance Facility Modifications	\$0.00	No
ML11035	City of La Quinta	11/18/2011	11/17/2012		\$25,368.00	\$25,368.00	Retrofit 3 On-Road Vehicles w/DECS	\$0.00	Yes
MS11001	Mineral LLC	4/22/2011	4/30/2013	4/30/2015	\$111,827.00	\$103,136.83	Design, Develop, Host and Maintain MSRC	\$8,690.17	Yes
MS11002	A-Z Bus Sales, Inc.	7/15/2011	12/31/2011	6/30/2013	\$1,705,000.00	\$1,705,000.00	Alternative Fuel School Bus Incentive Progra	\$0.00	Yes
MS11003	BusWest	7/26/2011	12/31/2011	12/31/2012	\$1,305,000.00	\$1,305,000.00	Alternative Fuel School Bus Incentive Progra	\$0.00	Yes
MS11004	Los Angeles County MTA	9/9/2011	2/29/2012		\$450,000.00	\$299,743.34	Clean Fuel Transit Service to Dodger Stadiu	\$150,256.66	Yes
MS11006	Orange County Transportation Autho	10/7/2011	2/29/2012	8/31/2012	\$268,207.00	\$160,713.00	Metrolink Service to Angel Stadium	\$107,494.00	Yes
MS11018	Orange County Transportation Autho	10/14/2011	1/31/2012		\$211,360.00	\$211,360.00	Express Bus Service to Orange County Fair	\$0.00	Yes
MS11052	Krisda Inc	9/27/2012	6/26/2013		\$120,000.00	\$120,000.00	Repower Three Heavy-Duty Vehicles	\$0.00	Yes
MS11056	The Better World Group	12/30/2011	12/29/2013	12/29/2015	\$206,836.00	\$186,953.46	Programmatic Outreach Services	\$19,882.54	Yes
MS11057	Riverside County Transportation Co	7/28/2012	3/27/2013		\$100,000.00	\$89,159.40	Develop and Implement 511 "Smart Phone"	\$10,840.60	Yes
MS11058	L A Service Authority for Freeway E	5/31/2013	4/30/2014		\$123,395.00	\$123,395.00	Implement 511 "Smart Phone" Application	\$0.00	Yes
MS11061	Eastern Municipal Water District	3/29/2012	5/28/2015		\$11,659.00	\$1,450.00	Retrofit One Off-Road Vehicle under Showc	\$10,209.00	Yes
MS11074	SunLine Transit Agency	5/11/2012	7/31/2012		\$41,849.00	\$22,391.00	Transit Service for Coachella Valley Festival	\$19,458.00	Yes
MS11080	Southern California Regional Rail Au	4/6/2012	7/31/2012		\$26,000.00	\$26,000.00	Metrolink Service to Auto Club Speedway	\$0.00	Yes
MS11087	Cemex Construction Material Pacific,	10/16/2012	2/15/2016		\$448,766.00	\$448,760.80	Retrofit 13 H.D. Off-Road Vehicles Under Sh	\$5.20	Yes

Total: 17

Closed/Incomplete Contracts

MS11064	City of Hawthorne	7/28/2012	8/27/2018	8/27/2019	\$175,000.00	\$0.00	New Limited Access CNG Station	\$175,000.00	No
MS11076	SA Recycling, LLC	5/24/2012	9/23/2015		\$424,801.00	\$0.00	Retrofit of 13 Off-Road Diesel Vehicles with	\$424,801.00	No
MS11081	Metropolitan Stevedore Company	9/7/2012	1/6/2016		\$45,416.00	\$0.00	Install DECS on Two Off-Road Vehicles	\$45,416.00	No
MS11082	Baumot North America, LLC	8/2/2012	12/1/2015		\$65,958.00	\$4,350.00	Install DECS on Four Off-Road Vehicles	\$61,608.00	Yes

Total: 4

Open/Complete Contracts

ML11021	City of Whittier	1/27/2012	9/26/2018	6/26/2019	\$210,000.00	\$210,000.00	Purchase 7 Nat. Gas H.D. Vehicles	\$0.00	Yes
ML11022	City of Anaheim	3/16/2012	7/15/2018		\$150,000.00	\$150,000.00	Purchase of 5 H.D. Vehicles	\$0.00	Yes
ML11023	City of Rancho Cucamonga	4/20/2012	12/19/2018	9/19/2020	\$260,000.00	\$260,000.00	Expand Existing CNG Station, 2 H.D. Vehicl	\$0.00	Yes
ML11025	County of Los Angeles Department o	3/14/2014	9/13/2021		\$150,000.00	\$150,000.00	Purchase 5 Nat. Gas H.D. Vehicles	\$0.00	Yes
ML11026	City of Redlands	3/2/2012	10/1/2018		\$90,000.00	\$90,000.00	Purchase 3 Nat. Gas H.D. Vehicles	\$0.00	Yes
ML11028	City of Glendale	1/13/2012	5/12/2018		\$300,000.00	\$300,000.00	Purchase 10 H.D. CNG Vehicles	\$0.00	Yes

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
ML11030	City of Fullerton	2/3/2012	3/2/2018		\$109,200.00	\$109,200.00	Purchase 2 Nat. Gas H.D. Vehicles, Retrofit	\$0.00	Yes
ML11031	City of Culver City Transportation De	12/2/2011	12/1/2018		\$300,000.00	\$300,000.00	Purchase 10 H.D. Nat. Gas Vehicles	\$0.00	Yes
ML11033	City of Los Angeles, Bureau of Sanit	3/16/2012	1/15/2019		\$1,080,000.00	\$1,080,000.00	Purchase 36 LNG H.D. Vehicles	\$0.00	Yes
ML11034	City of Los Angeles, Department of	5/4/2012	1/3/2019		\$630,000.00	\$630,000.00	Purchase 21 H.D. CNG Vehicles	\$0.00	Yes
ML11037	City of Anaheim	12/22/2012	12/21/2019		\$300,000.00	\$300,000.00	Purchase 12 Nat. Gas H.D. Vehicles	\$0.00	Yes
ML11039	City of Ontario, Housing & Municipal	1/27/2012	9/26/2018		\$180,000.00	\$180,000.00	Purchase 6 Nat. Gas H.D. Vehicles	\$0.00	Yes
ML11042	City of Chino	2/17/2012	4/16/2018		\$30,000.00	\$30,000.00	Purchase 1 Nat. Gas H.D. Vehicle, Repower	\$0.00	Yes
ML11043	City of Hemet Public Works	2/3/2012	2/2/2019		\$60,000.00	\$60,000.00	Purchase 2 H.D. Nat. Gas Vehicles	\$0.00	Yes
ML11044	City of Ontario, Housing & Municipal	1/27/2012	6/26/2019		\$400,000.00	\$400,000.00	Expand Existing CNG Station	\$0.00	Yes
MS11008	USA Waste of California, Inc.	10/24/2013	4/23/2020		\$125,000.00	\$125,000.00	Expansion of Existing LCNG Station	\$0.00	Yes
MS11009	USA Waste of California, Inc.	10/24/2013	4/23/2020		\$125,000.00	\$125,000.00	Expansion of Existing LCNG Station	\$0.00	Yes
MS11010	Border Valley Trading	8/26/2011	10/25/2017	4/25/2020	\$150,000.00	\$150,000.00	New LNG Station	\$0.00	Yes
MS11011	EDCO Disposal Corporation	12/30/2011	4/29/2019		\$100,000.00	\$100,000.00	New CNG Station - Signal Hill	\$0.00	Yes
MS11012	EDCO Disposal Corporation	12/30/2011	4/29/2019		\$100,000.00	\$100,000.00	New CNG Station - Buena Park	\$0.00	Yes
MS11016	CR&R Incorporated	4/12/2013	10/11/2019		\$100,000.00	\$100,000.00	New CNG Station - Perris	\$0.00	Yes
MS11017	CR&R, Inc.	3/2/2012	2/1/2018		\$100,000.00	\$100,000.00	Expansion of existing station - Garden Grove	\$0.00	Yes
MS11019	City of Corona	11/29/2012	4/28/2020		\$225,000.00	\$225,000.00	Expansion of Existing CNG Station	\$0.00	Yes
MS11055	KEC Engineering	2/3/2012	8/2/2018	8/2/2019	\$200,000.00	\$200,000.00	Repower 5 H.D. Off-Road Vehicles	\$0.00	Yes
MS11060	Rowland Unified School District	8/17/2012	1/16/2019	1/16/2020	\$175,000.00	\$175,000.00	New Limited Access CNG Station	\$0.00	Yes
MS11066	Torrance Unified School District	11/19/2012	9/18/2018		\$42,296.00	\$42,296.00	Expansion of Existing CNG Station	\$0.00	Yes
MS11067	City of Redlands	5/24/2012	11/23/2018	11/23/2019	\$85,000.00	\$85,000.00	Expansion of Existing CNG Station	\$0.00	Yes
MS11068	Ryder System Inc.	7/28/2012	10/27/2018		\$175,000.00	\$175,000.00	New Public Access L/CNG Station (Fontana)	\$0.00	Yes
MS11069	Ryder System Inc.	7/28/2012	8/27/2018		\$175,000.00	\$175,000.00	New Public Access L/CNG Station (Orange)	\$0.00	Yes
MS11071	City of Torrance Transit Department	12/22/2012	1/21/2019	1/21/2020	\$175,000.00	\$166,250.00	New Limited Access CNG Station	\$8,750.00	Yes
MS11073	Los Angeles Unified School District	9/11/2015	2/10/2022		\$175,000.00	\$175,000.00	Expansion of Existing CNG Station	\$0.00	Yes
MS11079	Bear Valley Unified School District	2/5/2013	10/4/2019		\$175,000.00	\$175,000.00	New Limited Access CNG Station	\$0.00	Yes

Total: 32

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
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FY 2011-2012 Contracts

Open Contracts

ML12014	City of Santa Ana	11/8/2013	8/7/2020		\$384,000.00	\$4,709.00	9 H.D. Nat. Gas & LPG Trucks, EV Charging	\$379,291.00	No
ML12015	City of Fullerton	4/25/2013	11/24/2020		\$40,000.00	\$10,000.00	HD CNG Vehicle, Expand CNG Station	\$30,000.00	No
ML12016	City of Cathedral City	1/4/2013	10/3/2019		\$60,000.00	\$0.00	CNG Vehicle & Electric Vehicle Infrastructur	\$60,000.00	No
ML12017	City of Los Angeles, Bureau of Sanit	6/26/2013	5/25/2020	11/25/2021	\$950,000.00	\$450,000.00	32 H.D. Nat. Gas Vehicles	\$500,000.00	No
ML12018	City of West Covina	10/18/2013	10/17/2020	1/17/2022	\$300,000.00	\$0.00	Expansion of Existing CNG Station	\$300,000.00	No
ML12041	City of Anaheim Public Utilities Depa	4/4/2014	11/3/2015	11/3/2016	\$68,977.00	\$0.00	EV Charging Infrastructure	\$68,977.00	No
ML12043	City of Hemet	6/24/2013	9/23/2019		\$60,000.00	\$0.00	Two Heavy-Duty Nat. Gas Vehicles	\$60,000.00	No
ML12045	City of Baldwin Park DPW	2/14/2014	12/13/2020		\$400,000.00	\$0.00	Install New CNG Station	\$400,000.00	No
ML12046	City of Irvine	8/11/2013	3/10/2021		\$30,000.00	\$0.00	One Heavy-Duty Nat. Gas Vehicle	\$30,000.00	No
ML12048	City of La Palma	1/4/2013	11/3/2018		\$20,000.00	\$0.00	Two Medium-Duty LPG Vehicles	\$20,000.00	No
ML12051	City of Bellflower	2/7/2014	2/6/2016	2/6/2017	\$270,000.00	\$0.00	EV Charging Infrastructure	\$270,000.00	No
ML12057	City of Coachella	8/28/2013	8/27/2019		\$57,456.00	\$0.00	Purchase One Nat. Gas H.D. Vehicle/Street	\$57,456.00	No
ML12090	City of Palm Springs	10/9/2015	10/8/2021		\$21,163.00	\$0.00	EV Charging Infrastructure	\$21,163.00	No
MS12008	Bonita Unified School District	7/12/2013	12/11/2019	4/11/2021	\$175,000.00	\$0.00	Construct New Limited-Access CNG Station	\$175,000.00	No
MS12011	Southern California Gas Company	6/14/2013	6/13/2019	3/13/2021	\$150,000.00	\$0.00	Construct New Public-Access CNG Station -	\$150,000.00	No
MS12024	Southern California Gas Company	6/13/2013	12/12/2019	11/12/2020	\$150,000.00	\$0.00	Construct New Public-Access CNG Station -	\$150,000.00	No
MS12027	C.V. Ice Company, Inc.	5/17/2013	11/16/2019		\$75,000.00	\$0.00	Purchase 3 Medium-Heavy Duty Vehicles	\$75,000.00	No
MS12033	Mike Diamond/Phace Management	12/22/2012	12/21/2018	6/21/2021	\$500,000.00	\$134,010.00	Purchase 20 Medium-Heavy Duty Vehicles	\$365,990.00	No
MS12034	Ware Disposal Company, Inc.	11/2/2012	11/1/2018	11/1/2020	\$133,070.00	\$74,763.00	Purchase 8 Medium-Heavy Duty Vehicles	\$58,307.00	No
MS12060	City of Santa Monica	4/4/2014	8/3/2017		\$500,000.00	\$333,734.27	Implement Westside Bikeshare Program	\$166,265.73	No
MS12067	Leatherwood Construction, Inc.	11/8/2013	3/7/2017		\$122,719.00	\$0.00	Retrofit Six Vehicles w/DECS - Showcase III	\$122,719.00	No
MS12075	CR&R Incorporated	7/27/2013	1/26/2021	1/26/2022	\$100,000.00	\$0.00	Expansion of Existing CNG Infrastructure	\$100,000.00	No
MS12077	City of Coachella	6/14/2013	6/13/2020		\$225,000.00	\$0.00	Construct New CNG Station	\$225,000.00	No
MS12080	City of Pasadena	11/8/2013	8/7/2020	8/7/2021	\$225,000.00	\$0.00	Expansion of Existing CNG Infrastructure	\$225,000.00	No
MS12083	Brea Olinda Unified School District	7/30/2015	2/29/2024		\$59,454.00	\$0.00	Install New CNG Infrastructure	\$59,454.00	No
MS12084	Airport Mobil Inc.	12/6/2013	5/5/2020		\$150,000.00	\$0.00	Install New CNG Infrastructure	\$150,000.00	No
MS12086	SuperShuttle International, Inc.	3/26/2013	3/25/2019		\$225,000.00	\$202,500.00	Purchase 23 Medium-Heavy Duty Vehicles	\$22,500.00	No
MS12089	Riverside County Transportation Co	10/18/2013	9/17/2015		\$250,000.00	\$105,747.48	Implement Rideshare Incentives Program	\$144,252.52	No
MS12Hom	Mansfield Gas Equipment Systems				\$296,000.00	\$0.00	Home Refueling Apparatus Incentive Progra	\$296,000.00	No

Total: 29

Declined/Cancelled Contracts

ML12038	City of Long Beach Public Works				\$26,000.00	\$0.00	Electric Vehicle Charging Infrastructure	\$26,000.00	No
ML12040	City of Duarte Transit				\$30,000.00	\$0.00	One Heavy-Duty Nat. Gas Vehicle	\$30,000.00	No
ML12044	County of San Bernardino Public Wo				\$250,000.00	\$0.00	Install New CNG Station	\$250,000.00	No

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
ML12052	City of Whittier	3/14/2013	7/13/2019		\$165,000.00	\$0.00	Expansion of Existing CNG Station	\$165,000.00	No
ML12053	City of Mission Viejo				\$60,000.00	\$0.00	EV Charging Infrastructure	\$60,000.00	No
MS12007	WestAir Gases & Equipment				\$100,000.00	\$0.00	Construct New Limited-Access CNG Station	\$100,000.00	No
MS12030	Complete Landscape Care, Inc.				\$150,000.00	\$0.00	Purchase 6 Medium-Heavy Duty Vehicles	\$150,000.00	No
MS12070	Valley Music Travel/CID Entertainme				\$99,000.00	\$0.00	Implement Shuttle Service to Coachella Mus	\$99,000.00	No

Total: 8

Closed Contracts

ML12013	City of Pasadena	10/19/2012	3/18/2015	9/18/2015	\$200,000.00	\$65,065.00	Electric Vehicle Charging Infrastructure	\$134,935.00	Yes
ML12019	City of Palm Springs	9/6/2013	7/5/2015		\$38,000.00	\$16,837.00	EV Charging Infrastructure	\$21,163.00	Yes
ML12021	City of Rancho Cucamonga	9/14/2012	1/13/2020		\$40,000.00	\$40,000.00	Four Medium-Duty Nat. Gas Vehicles	\$0.00	Yes
ML12023	County of Los Angeles Internal Servi	8/1/2013	2/28/2015		\$250,000.00	\$192,333.00	EV Charging Infrastructure	\$57,667.00	Yes
ML12037	Coachella Valley Association of Gov	3/14/2013	3/13/2014		\$250,000.00	\$250,000.00	Street Sweeping Operations	\$0.00	Yes
ML12049	City of Rialto Public Works	7/14/2014	9/13/2015		\$30,432.00	\$3,265.29	EV Charging Infrastructure	\$27,166.71	Yes
ML12050	City of Baldwin Park	4/25/2013	4/24/2014	10/24/2014	\$402,400.00	\$385,363.00	EV Charging Infrastructure	\$17,037.00	Yes
ML12054	City of Palm Desert	9/30/2013	2/28/2015		\$77,385.00	\$77,385.00	EV Charging Infrastructure	\$0.00	Yes
ML12056	City of Cathedral City	3/26/2013	5/25/2014		\$25,000.00	\$25,000.00	Regional Street Sweeping Program	\$0.00	Yes
ML12066	City of Manhattan Beach	1/7/2014	4/6/2015		\$5,900.00	\$5,900.00	Electric Vehicle Charging Infrastructure	\$0.00	Yes
MS12001	Los Angeles County MTA	7/1/2012	4/30/2013		\$300,000.00	\$211,170.00	Clean Fuel Transit Service to Dodger Stadiu	\$88,830.00	Yes
MS12002	Orange County Transportation Autho	9/7/2012	4/30/2013		\$342,340.00	\$333,185.13	Express Bus Service to Orange County Fair	\$9,154.87	Yes
MS12003	Orange County Transportation Autho	7/20/2012	2/28/2013		\$234,669.00	\$167,665.12	Implement Metrolink Service to Angel Stadiu	\$67,003.88	Yes
MS12005	USA Waste of California, Inc.	10/19/2012	8/18/2013		\$75,000.00	\$75,000.00	Vehicle Maintenance Facility Modifications	\$0.00	Yes
MS12006	Waste Management Collection & Re	10/19/2012	8/18/2013		\$75,000.00	\$75,000.00	Vehicle Maintenance Facility Modifications	\$0.00	Yes
MS12012	Rim of the World Unified School Dist	12/20/2012	5/19/2014		\$75,000.00	\$75,000.00	Vehicle Maintenance Facility Modifications	\$0.00	Yes
MS12059	Orange County Transportation Autho	2/28/2013	12/27/2014		\$75,000.00	\$75,000.00	Maintenance Facilities Modifications	\$0.00	Yes
MS12061	Orange County Transportation Autho	3/14/2014	3/13/2017		\$224,000.00	\$114,240.00	Transit-Oriented Bicycle Sharing Program	\$109,760.00	Yes
MS12062	Fraser Communications	12/7/2012	5/31/2014		\$998,669.00	\$989,218.49	Develop & Implement "Rideshare Thursday"	\$9,450.51	Yes
MS12064	Anaheim Transportation Network	3/26/2013	12/31/2014		\$127,296.00	\$56,443.92	Implement Anaheim Circulator Service	\$70,852.08	Yes
MS12065	Orange County Transportation Autho	7/27/2013	11/30/2013		\$43,933.00	\$14,832.93	Ducks Express Service to Honda Center	\$29,100.07	Yes
MS12068	Southern California Regional Rail Au	3/1/2013	9/30/2013		\$57,363.00	\$47,587.10	Implement Metrolink Service to Autoclub Sp	\$9,775.90	Yes
MS12069	City of Irvine	8/11/2013	2/28/2014		\$45,000.00	\$26,649.41	Implement Special Transit Service to Solar	\$18,350.59	Yes
MS12076	City of Ontario, Housing & Municipal	3/8/2013	4/7/2015		\$75,000.00	\$75,000.00	Maintenance Facilities Modification	\$0.00	Yes
MS12078	Penske Truck Leasing Co., L.P.	1/7/2014	1/6/2016		\$75,000.00	\$73,107.00	Maintenance Facility Modifications - Vernon	\$1,893.00	Yes
MS12081	Penske Truck Leasing Co., L.P.	1/7/2014	1/6/2016		\$75,000.00	\$75,000.00	Maintenance Facility Modifications - Santa A	\$0.00	Yes
MS12085	Bear Valley Unified School District	4/25/2013	6/24/2014		\$75,000.00	\$75,000.00	Maintenance Facility Modifications	\$0.00	Yes
MS12087	Los Angeles County MTA	8/29/2013	11/28/2015		\$125,000.00	\$125,000.00	Implement Rideshare Incentives Program	\$0.00	Yes
MS12088	Orange County Transportation Autho	12/6/2013	3/5/2016		\$125,000.00	\$18,496.50	Implement Rideshare Incentives Program	\$106,503.50	Yes

Total: 29

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
Closed/Incomplete Contracts									
MS12079	Penske Truck Leasing Co., L.P.	1/7/2014	1/6/2016		\$75,000.00	\$0.00	Maintenance Facility Modifications - Boyle H	\$75,000.00	No
Total: 1									
Open/Complete Contracts									
ML12020	City of Los Angeles, Department of	9/27/2012	3/26/2019	3/26/2020	\$450,000.00	\$450,000.00	15 H.D. Nat. Gas Vehicles	\$0.00	Yes
ML12022	City of La Puente	12/6/2013	6/5/2020		\$110,000.00	\$110,000.00	2 Medium-Duty and Three Heavy-Duty CNG	\$0.00	Yes
ML12039	City of Redlands	2/8/2013	10/7/2019		\$90,000.00	\$90,000.00	Three Heavy-Duty Nat. Gas Vehicles	\$0.00	Yes
ML12042	City of Chino Hills	1/18/2013	3/17/2017		\$87,500.00	\$87,500.00	Expansion of Existing CNG Station	\$0.00	Yes
ML12047	City of Orange	2/1/2013	1/31/2019		\$30,000.00	\$30,000.00	One Heavy-Duty Nat. Gas Vehicle	\$0.00	Yes
ML12055	City of Manhattan Beach	3/1/2013	12/31/2018		\$10,000.00	\$10,000.00	One Medium-Duty Nat. Gas Vehicle	\$0.00	Yes
MS12004	USA Waste of California, Inc.	10/24/2013	11/23/2019		\$175,000.00	\$175,000.00	Construct New Limited-Access CNG Station	\$0.00	Yes
MS12009	Sysco Food Services of Los Angeles	1/7/2014	4/6/2020		\$150,000.00	\$150,000.00	Construct New Public-Access LNG Station	\$0.00	Yes
MS12010	Murrieta Valley Unified School Distric	4/5/2013	9/4/2019		\$242,786.00	\$242,786.00	Construct New Limited-Access CNG Station	\$0.00	Yes
MS12025	Silverado Stages, Inc.	11/2/2012	7/1/2018		\$150,000.00	\$150,000.00	Purchase Six Medium-Heavy Duty Vehicles	\$0.00	Yes
MS12026	U-Haul Company of California	3/14/2013	3/13/2019		\$500,000.00	\$353,048.26	Purchase 23 Medium-Heavy Duty Vehicles	\$146,951.74	Yes
MS12028	Dy-Dee Service of Pasadena, Inc.	12/22/2012	1/21/2019		\$45,000.00	\$40,000.00	Purchase 2 Medium-Duty and 1 Medium-He	\$5,000.00	Yes
MS12029	Community Action Partnership of Or	11/2/2012	11/1/2018		\$25,000.00	\$14,850.00	Purchase 1 Medium-Heavy Duty Vehicle	\$10,150.00	Yes
MS12031	Final Assembly, Inc.	11/2/2012	11/1/2018		\$50,000.00	\$32,446.00	Purchase 2 Medium-Heavy Duty Vehicles	\$17,554.00	Yes
MS12032	Fox Transportation	12/14/2012	12/13/2018		\$500,000.00	\$500,000.00	Purchase 20 Medium-Heavy Duty Vehicles	\$0.00	Yes
MS12035	Disneyland Resort	1/4/2013	7/3/2019		\$25,000.00	\$18,900.00	Purchase 1 Medium-Heavy Duty Vehicle	\$6,100.00	Yes
MS12036	Jim & Doug Carter's Automotive/VS	1/4/2013	11/3/2018		\$50,000.00	\$50,000.00	Purchase 2 Medium-Heavy Duty Vehicles	\$0.00	Yes
MS12058	Krisda Inc	4/24/2013	1/23/2019		\$25,000.00	\$25,000.00	Repower One Heavy-Duty Off-Road Vehicle	\$0.00	Yes
MS12063	Custom Alloy Light Metals, Inc.	8/16/2013	2/15/2020		\$100,000.00	\$100,000.00	Install New Limited Access CNG Station	\$0.00	Yes
MS12071	Transit Systems Unlimited, Inc.	5/17/2013	12/16/2018		\$21,250.00	\$21,250.00	Expansion of Existing CNG Station	\$0.00	Yes
MS12072	99 Cents Only Stores	4/5/2013	9/4/2019		\$100,000.00	\$100,000.00	Construct New CNG Station	\$0.00	Yes
MS12073	FirstCNG, LLC	7/27/2013	12/26/2019		\$150,000.00	\$150,000.00	Construct New CNG Station	\$0.00	Yes
MS12074	Arcadia Unified School District	7/5/2013	9/4/2019		\$175,000.00	\$175,000.00	Expansion of Existing CNG Infrastructure	\$0.00	Yes
MS12082	City of Los Angeles, Bureau of Sanit	11/20/2013	2/19/2021		\$175,000.00	\$175,000.00	Install New CNG Infrastructure	\$0.00	Yes
Total: 24									

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
FY 2012-2014 Contracts									
Open Contracts									
ML14012	City of Santa Ana	2/13/2015	10/12/2021		\$244,000.00	\$0.00	EV Charging and 7 H.D. LPG Vehicles	\$244,000.00	No
ML14014	City of Torrance	9/5/2014	12/4/2019		\$56,000.00	\$0.00	EV Charging Infrastructure	\$56,000.00	No
ML14016	City of Anaheim	4/3/2015	9/2/2021		\$380,000.00	\$0.00	Purchase 2 H.D. Vehicles, Expansion of Exi	\$380,000.00	No
ML14018	City of Los Angeles, Department of	3/6/2015	9/5/2021		\$810,000.00	\$0.00	Purchase 27 H.D. Nat. Gas Vehicles	\$810,000.00	No
ML14019	City of Corona Public Works	12/5/2014	6/4/2020	6/4/2022	\$178,263.00	\$0.00	EV Charging, Bicycle Racks, Bicycle Locker	\$178,263.00	No
ML14021	Riverside County Regional Park and	7/24/2014	12/23/2016		\$250,000.00	\$0.00	Bicycle Trail Improvements	\$250,000.00	No
ML14022	County of Los Angeles Department o	10/2/2015	5/1/2022		\$300,000.00	\$0.00	Purchase 10 H.D. Nat. Gas Vehicles	\$300,000.00	No
ML14023	County of Los Angeles Department o	10/2/2015	9/1/2017		\$230,000.00	\$0.00	Maintenance Fac. Modifications-Westcheste	\$230,000.00	No
ML14024	County of Los Angeles Department o	10/2/2015	9/1/2017		\$230,000.00	\$0.00	Maintenance Fac. Modifications-Baldwin Par	\$230,000.00	No
ML14025	County of Los Angeles Dept of Publi	10/2/2015	7/1/2018		\$300,000.00	\$0.00	Construct New CNG Station in Malibu	\$300,000.00	No
ML14026	County of Los Angeles Dept of Publi	10/2/2015	5/1/2023		\$300,000.00	\$0.00	Construct New CNG Station in Castaic	\$300,000.00	No
ML14027	County of Los Angeles Dept of Publi	10/2/2015	5/1/2023		\$500,000.00	\$0.00	Construct New CNG Station in Downey	\$500,000.00	No
ML14028	City of Fullerton	9/5/2014	1/4/2022		\$126,950.00	\$0.00	Expansion of Existing CNG Infrastructure	\$126,950.00	No
ML14029	City of Irvine	7/11/2014	6/10/2017		\$90,500.00	\$0.00	Bicycle Trail Improvements	\$90,500.00	No
ML14030	County of Los Angeles Internal Servi	1/9/2015	3/8/2018		\$425,000.00	\$0.00	Bicycle Racks, Outreach & Education	\$425,000.00	No
ML14033	City of Irvine	7/11/2014	2/10/2021		\$60,000.00	\$0.00	Purchase 2 H.D. CNG Vehicles	\$60,000.00	No
ML14034	City of Lake Elsinore	9/5/2014	5/4/2021		\$56,700.00	\$56,700.00	EV Charging Stations	\$0.00	No
ML14049	City of Moreno Valley	7/11/2014	3/10/2021		\$105,000.00	\$30,000.00	One HD Nat Gas Vehicle, EV Charging, Bicy	\$75,000.00	No
ML14050	City of Yucaipa	7/11/2014	9/10/2015	7/1/2016	\$84,795.00	\$0.00	Installation of Bicycle Lanes	\$84,795.00	No
ML14051	City of Brea	9/5/2014	1/4/2017		\$450,000.00	\$0.00	Installation of Bicycle Trail	\$450,000.00	No
ML14054	City of Torrance	11/14/2014	4/13/2017		\$350,000.00	\$0.00	Upgrade Maintenance Facility	\$350,000.00	No
ML14055	City of Highland	10/10/2014	3/9/2018		\$500,000.00	\$0.00	Bicycle Lanes and Outreach	\$500,000.00	No
ML14056	City of Redlands	9/5/2014	5/4/2016	5/4/2017	\$125,000.00	\$0.00	Bicycle Lanes	\$125,000.00	No
ML14061	City of La Habra	3/11/2016	3/10/2022		\$41,600.00	\$0.00	Purchase Two Heavy-Duty Nat. Gas Vehicle	\$41,600.00	No
ML14062	City of San Fernando	3/27/2015	5/26/2021		\$387,091.00	\$0.00	Expand Existing CNG Fueling Station	\$387,091.00	No
ML14066	City of South Pasadena	9/12/2014	7/11/2016		\$142,096.00	\$0.00	Bicycle Trail Improvements	\$142,096.00	No
ML14067	City of Duarte Transit	12/4/2015	1/3/2023		\$60,000.00	\$0.00	Purchase Two Heavy-Duty Nat. Gas Vehicle	\$60,000.00	No
ML14068	City of South Pasadena	9/12/2014	10/11/2015	7/11/2016	\$10,183.00	\$0.00	Electric Vehicle Charging Infrastructure	\$10,183.00	No
ML14071	City of Manhattan Beach	1/9/2015	11/8/2018		\$22,485.00	\$0.00	Electric Vehicle Charging Infrastructure	\$22,485.00	No
ML14072	City of Cathedral City	8/13/2014	1/12/2021		\$136,000.00	\$0.00	Medium & H.D. Vehicles, EV Charging, B ke	\$136,000.00	No
ML14093	County of Los Angeles Dept of Publi	8/14/2015	1/13/2019		\$150,000.00	\$0.00	San Gabriel BikeTrail Underpass Improveme	\$150,000.00	No
MS14001	Los Angeles County MTA	3/6/2015	4/30/2015		\$1,216,637.00	\$0.00	Clean Fuel Transit Service to Dodger Stadiu	\$1,216,637.00	No
MS14046	Ontario CNG Station Inc.	5/15/2014	5/14/2020	5/14/2021	\$150,000.00	\$0.00	Expansion of Existing CNG Infrastructure	\$150,000.00	No
MS14053	Upland Unified School District	1/9/2015	7/8/2021		\$175,000.00	\$0.00	Expansion of Existing CNG Infrastructure	\$175,000.00	No

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
MS14057	Los Angeles County MTA	11/7/2014	10/6/2019		\$1,250,000.00	\$0.00	Implement Various Signal Synchronization P	\$1,250,000.00	No
MS14058	Orange County Transportation Autho	11/7/2014	4/6/2016	10/6/2016	\$1,250,000.00	\$0.00	Implement Various Signal Synchronization P	\$1,250,000.00	No
MS14059	Riverside County Transportation Co	9/5/2014	3/4/2018		\$1,250,000.00	\$0.00	Implement Various Signal Synchronization P	\$1,250,000.00	No
MS14072	San Bernardino Associated Governm	3/27/2015	3/26/2018		\$1,250,000.00	\$0.00	Implement Various Signal Synchronization P	\$1,250,000.00	No
MS14073	Anaheim Transportation Network	1/9/2015	4/30/2017		\$221,312.00	\$205,373.62	Anaheim Resort Circulator Service	\$15,938.38	No
MS14076	Rialto Unified School District	6/17/2015	2/16/2022		\$225,000.00	\$0.00	New Public Access CNG Station	\$225,000.00	No
MS14077	County Sanitation Districts of L.A. Co	3/6/2015	5/5/2021		\$175,000.00	\$0.00	New Limited Access CNG Station	\$175,000.00	No
MS14078	American Honda Motor Co., Inc.	9/4/2015	8/3/2022		\$150,000.00	\$0.00	New Public Access CNG Station	\$150,000.00	No
MS14080	CR&R Incorporated	6/1/2015	8/31/2021	8/31/2022	\$200,000.00	\$0.00	Expansion of Existing CNG Infrastructure/Ma	\$200,000.00	No
MS14081	CR&R Incorporated	6/1/2015	5/30/2021		\$175,000.00	\$90,000.00	Expansion of Existing CNG Infrastructure/Ma	\$85,000.00	No
MS14082	Grand Central Recycling & Transfer	12/4/2015	3/3/2023		\$150,000.00	\$0.00	Expansion of Existing CNG Infrastructure	\$150,000.00	No
MS14083	Hacienda La Puente Unified School	7/10/2015	3/9/2022		\$175,000.00	\$0.00	New Limited Access CNG Station	\$175,000.00	No
MS14084	US Air Conditioning Distributors	5/7/2015	9/6/2021		\$100,000.00	\$90,000.00	Expansion of Existing CNG Infrastructure	\$10,000.00	No
MS14087	Orange County Transportation Autho	8/14/2015	4/30/2016		\$239,645.00	\$0.00	Implement Special Metrolink Service to Ang	\$239,645.00	No
MS14089	Top Shelf Consulting, LLC	2/5/2015	8/4/2016	12/31/2016	\$200,000.00	\$190,000.00	Enhanced Fleet Modernization Program	\$10,000.00	No
MS14090	City of Monterey Park	5/7/2015	5/6/2021		\$225,000.00	\$186,857.60	Expansion of Existing CNG Infrastructure	\$38,142.40	No
MS16030	The Better World Group	12/19/2015	12/31/2017		\$120,000.00	\$18,701.25	Programmic Outreach Services to the MSR	\$101,298.75	No

Total: 51

Pending Execution Contracts

ML14013	City of Los Angeles, Bureau of Sanit				\$400,000.00	\$0.00	Purchase 128 H.D. Nat. Gas Vehicles	\$400,000.00	No
ML14060	County of Los Angeles Internal Servi				\$104,400.00	\$0.00	Electric Vehicle Charging Infrastructure	\$104,400.00	No
ML14069	City of Beaumont				\$200,000.00	\$0.00	Construct New CNG Infrastructure	\$200,000.00	No
ML14070	City of Rancho Cucamonga				\$365,245.00	\$0.00	Bicycle Trail Improvements	\$365,245.00	No
MS14035	Penske Truck Leasing Co., L.P.				\$75,000.00	\$0.00	Vehicle Maint. Fac. Modifications - Sun Valle	\$75,000.00	No
MS14036	Penske Truck Leasing Co., L.P.				\$75,000.00	\$0.00	Vehicle Maint. Fac. Modifications - La Mirad	\$75,000.00	No
MS14037	Penske Truck Leasing Co., L.P.				\$75,000.00	\$0.00	Vehicle Maint. Fac. Modifications - Carson	\$75,000.00	No
MS14038	Penske Truck Leasing Co., L.P.				\$75,000.00	\$0.00	Vehicle Maint. Fac. Modifications - Fontana	\$75,000.00	No
MS14075	Fullerton Joint Union High School Di				\$300,000.00	\$0.00	Expansion of Existing CNG Infrastructure/Ma	\$300,000.00	No
MS14079	Waste Resources, Inc.				\$100,000.00	\$0.00	New Limited Access CNG Station	\$100,000.00	No
MS14085	Prologis, L.P.				\$100,000.00	\$0.00	New Limited Access CNG Station	\$100,000.00	No
MS14086	San Gabriel Valley Towing I				\$150,000.00	\$0.00	New Public Access CNG Station	\$150,000.00	No
MS14092	West Covina Unified School District				\$124,000.00	\$0.00	Expansion of Existing CNG Infrastructure	\$124,000.00	No

Total: 13

Declined/Cancelled Contracts

ML14063	City of Hawthorne				\$32,000.00	\$0.00	Expansion of Existng CNG Infrastructure	\$32,000.00	No
MS14043	City of Anaheim				\$175,000.00	\$0.00	Expansion of Existing CNG Station	\$175,000.00	No
MS14091	Serv-Wel Disposal				\$100,000.00	\$0.00	New Limited-Access CNG Infrastructure	\$100,000.00	No

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
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Total: 3

Closed Contracts

ML14010	City of Cathedral City	8/13/2014	10/12/2015		\$25,000.00	\$25,000.00	Street Sweeping Operations	\$0.00	Yes
ML14011	City of Palm Springs	6/13/2014	1/12/2016		\$79,000.00	\$78,627.00	Bicycle Racks, Bicycle Outreach & Educatio	\$373.00	Yes
ML14015	Coachella Valley Association of Gov	6/6/2014	9/5/2015		\$250,000.00	\$250,000.00	Street Sweeping Operations	\$0.00	Yes
ML14020	County of Los Angeles Dept of Publi	8/13/2014	1/12/2018		\$150,000.00	\$0.00	San Gabriel BikeTrail Underpass Improveme	\$150,000.00	No
ML14065	City of Orange	9/5/2014	8/4/2015		\$10,000.00	\$10,000.00	Electric Vehicle Charging Infrastructure	\$0.00	Yes
MS14002	Orange County Transportation Autho	9/6/2013	4/30/2014		\$576,833.00	\$576,833.00	Clean Fuel Transit Service to Orange Count	\$0.00	Yes
MS14003	Orange County Transportation Autho	8/1/2013	4/30/2014	10/30/2014	\$194,235.00	\$184,523.00	Implement Metrolink Service to Angel Stadiu	\$9,712.00	Yes
MS14004	Orange County Transportation Autho	9/24/2013	4/30/2014		\$36,800.00	\$35,485.23	Implement Express Bus Service to Solar De	\$1,314.77	Yes
MS14005	Transit Systems Unlimited, Inc.	4/11/2014	2/28/2016		\$515,200.00	\$511,520.00	Provide Expanded Shuttle Service to Hollyw	\$3,680.00	Yes
MS14007	Orange County Transportation Autho	6/6/2014	4/30/2015		\$208,520.00	\$189,622.94	Implement Special Metrolink Service to Ang	\$18,897.06	Yes
MS14008	Orange County Transportation Autho	8/13/2014	5/31/2015		\$601,187.00	\$601,187.00	Implement Clean Fuel Bus Service to Orang	\$0.00	Yes
MS14009	A-Z Bus Sales, Inc.	1/17/2014	12/31/2014	3/31/2015	\$388,000.00	\$388,000.00	Alternative Fuel School Bus Incentive Progra	\$0.00	Yes
MS14039	Waste Management Collection and	7/10/2015	4/9/2016		\$75,000.00	\$75,000.00	Vehicle Maint. Fac. Modifications - Irvine	\$0.00	Yes
MS14040	Waste Management Collection and	7/10/2015	4/9/2016		\$75,000.00	\$75,000.00	Vehicle Maint. Fac. Modifications - Santa An	\$0.00	No
MS14047	Southern California Regional Rail Au	3/7/2014	9/30/2014		\$49,203.00	\$32,067.04	Special Metrolink Service to Autoclub Speed	\$17,135.96	Yes
MS14048	BusWest	3/14/2014	12/31/2014	5/31/2015	\$940,850.00	\$847,850.00	Alternative Fuel School Bus Incentive Progra	\$93,000.00	Yes
MS14088	Southern California Regional Rail Au	5/7/2015	9/30/2015		\$79,660.00	\$66,351.44	Special Metrolink Service to Autoclub Speed	\$13,308.56	Yes

Total: 17

Open/Complete Contracts

ML14031	Riverside County Waste Manageme	6/13/2014	12/12/2020		\$90,000.00	\$90,000.00	Purchase 3 H.D. CNG Vehicles	\$0.00	No
ML14032	City of Rancho Cucamonga	1/9/2015	1/8/2022		\$113,990.00	\$104,350.63	Expansion of Existing CNG Infrac., Bicycle L	\$9,639.37	Yes
ML14064	City of Claremont	7/11/2014	7/10/2020	1/10/2021	\$60,000.00	\$60,000.00	Purchase Two Heavy-Duty Nat. Gas Vehicle	\$0.00	No
MS14041	USA Waste of California, Inc.	9/4/2015	10/3/2021		\$175,000.00	\$175,000.00	Limited-Access CNG Station, Vehicle Maint.	\$0.00	Yes
MS14042	Grand Central Recycling & Transfer	6/6/2014	9/5/2021		\$150,000.00	\$150,000.00	Expansion of Existing CNG Station	\$0.00	Yes
MS14044	TIMCO CNG Fund I, LLC	5/2/2014	11/1/2020		\$150,000.00	\$150,000.00	New Public-Access CNG Station in Santa A	\$0.00	Yes
MS14045	TIMCO CNG Fund I, LLC	6/6/2014	12/5/2020		\$150,000.00	\$150,000.00	New Public-Access CNG Station in Inglewoo	\$0.00	Yes
MS14052	Arcadia Unified School District	6/13/2014	10/12/2020		\$78,000.00	\$78,000.00	Expansion of an Existing CNG Fueling Statio	\$0.00	Yes
MS14074	Midway City Sanitary District	1/9/2015	3/8/2021		\$250,000.00	\$250,000.00	Limited-Access CNG Station & Facility Modif	\$0.00	Yes

Total: 9

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
FY 2014-2016 Contracts									
Open Contracts									
ML16005	City of Palm Springs	3/4/2016	10/3/2017		\$40,000.00	\$0.00	Install Bicycle Racks, and Implement Bicycl	\$40,000.00	No
ML16007	City of Culver City Transportation De	10/6/2015	4/5/2023		\$246,000.00	\$0.00	Purchase 7 H.D. Nat. Gas Vehicles, EV Cha	\$246,000.00	No
ML16009	City of Fountain Valley	10/6/2015	2/5/2018		\$46,100.00	\$0.00	Install EV Charging Infrastructure	\$46,100.00	No
ML16011	City of Claremont	10/6/2015	6/5/2022		\$90,000.00	\$0.00	Purchase 3 Heavy-Duty Nat. Gas Vehicles	\$90,000.00	No
ML16012	City of Carson	1/15/2016	10/14/2022		\$60,000.00	\$0.00	Purchase 2 Heavy-Duty Nat. Gas Vehicles	\$60,000.00	No
ML16013	City of Monterey Park	12/4/2015	7/3/2022		\$90,000.00	\$0.00	Purchase 3 Heavy-Duty Nat. Gas Vehicles	\$90,000.00	No
ML16015	City of Yorba Linda	3/4/2016	11/3/2017		\$85,000.00	\$0.00	Install Bicycle Lanes	\$85,000.00	No
ML16016	City of Los Angeles, Department of	2/5/2016	12/4/2022		\$630,000.00	\$0.00	Purchase 21 Heavy-Duty Nat. Gas Vehicles	\$630,000.00	No
ML16017	City of Long Beach	2/5/2016	8/4/2023		\$1,445,400.00	\$0.00	Purchase 48 Medium-Duty, 16 H.D. Nat. Ga	\$1,445,400.00	No
ML16020	City of Pomona	4/1/2016	2/1/2018		\$440,000.00	\$0.00	Install Road Surface Bicycle Detection Syste	\$440,000.00	No
ML16023	City of Banning	12/11/2015	12/10/2021		\$30,000.00	\$0.00	Purchase 1 H.D. Nat. Gas Vehicle	\$30,000.00	No
ML16027	City of Whittier	1/8/2016	11/7/2022		\$30,000.00	\$0.00	Purchase 1 H.D. Nat. Gas Vehicle	\$30,000.00	No
ML16031	City of Cathedral City	12/19/2015	2/18/2017		\$25,000.00	\$0.00	Street Sweeping in Coachella Valley	\$25,000.00	No
ML16033	Coachella Valley Association of Gov	4/27/2016	4/26/2018		\$250,000.00	\$0.00	Street Sweeping Operations in Coachella Va	\$250,000.00	No
ML16034	City of Riverside	3/11/2016	10/10/2018		\$500,000.00	\$0.00	Implement a "Complete Streets" Pedestrian	\$500,000.00	No
ML16035	City of Wildomar	4/1/2016	11/1/2017		\$500,000.00	\$0.00	Install Bicycle Lanes	\$500,000.00	No
ML16036	City of Brea	3/4/2016	12/3/2018		\$500,000.00	\$0.00	Install a Class 1 Bikeway	\$500,000.00	No
ML16037	City of Rancho Cucamonga	2/5/2016	11/4/2022		\$30,000.00	\$0.00	Purchase One Heavy-Duty Natural Gas Vehi	\$30,000.00	No
ML16038	City of Palm Springs	4/1/2016	7/31/2022		\$230,000.00	\$0.00	Install Bicycle Lanes & Purchase 4 Heavy-D	\$230,000.00	No
ML16042	City of San Dimas	4/1/2016	12/31/2019		\$55,000.00	\$0.00	Install EV Charging Infrastructure	\$55,000.00	No
ML16046	City of El Monte	4/1/2016	5/31/2021		\$20,160.00	\$0.00	Install EV Charging Infrastructure	\$20,160.00	No
ML16048	City of Placentia	3/26/2016	5/25/2021		\$90,000.00	\$0.00	Install a Bicycle Locker and EV Charging Infr	\$90,000.00	No
ML16049	City of Buena Park	4/1/2016	11/30/2018		\$429,262.00	\$0.00	Installation of a Class 1 Bikeway	\$429,262.00	No
ML16051	City of South Pasadena	2/12/2016	1/11/2017		\$320,000.00	\$0.00	Implement "Open Streets" Event with Variou	\$320,000.00	No
ML16053	City of Claremont	3/11/2016	7/10/2018		\$498,750.00	\$0.00	Implement a "Complete Streets" Pedestrian	\$498,750.00	No
ML16054	City of Yucaipa	3/26/2016	7/26/2018		\$120,000.00	\$0.00	Implement a "Complete Streets" Pedestrian	\$120,000.00	No
ML16056	City of Ontario	3/23/2016	9/22/2020		\$150,000.00	\$0.00	Expansion of an Existing CNG Station	\$150,000.00	No
ML16059	City of Burbank	4/1/2016	2/28/2022		\$180,000.00	\$0.00	Purchase 6 H.D. Nat. Gas Vehicles	\$180,000.00	No
ML16060	City of Cudahy	2/5/2016	10/4/2017		\$73,910.00	\$0.00	Implement an "Open Streets" Event	\$73,910.00	No
ML16063	City of Glendora	3/4/2016	4/3/2022		\$30,000.00	\$0.00	Purchase One H.D. Nat. Gas Vehicle	\$30,000.00	No
ML16072	City of Palm Desert	3/4/2016	1/3/2020		\$56,000.00	\$0.00	Installation of EV Charging Infrastructure	\$56,000.00	No
ML16078	City of Moreno Valley	5/6/2016	11/5/2017		\$32,800.00	\$0.00	Install Bicycle Infrastructure & Implement Bi	\$32,800.00	No
ML16079	City of Yucaipa	4/1/2016	3/31/2020		\$5,000.00	\$0.00	Purchase Electric Lawnmower	\$5,000.00	No
ML16083	City of El Monte	4/1/2016	4/30/2021		\$57,210.00	\$0.00	Install EV Charging Infrastructure	\$57,210.00	No

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
MS16001	Los Angeles County MTA	4/1/2016	4/30/2017		\$1,350,000.00	\$0.00	Clean Fuel Transit Service to Dodger Stadium	\$1,350,000.00	No
MS16002	Orange County Transportation Autho	10/6/2015	5/31/2016		\$722,266.00	\$0.00	Clean Fuel Transit Service to Orange Count	\$722,266.00	No
MS16004	Mineral LLC	9/4/2015	7/3/2017		\$25,890.00	\$3,300.00	Design, Develop, Host and Maintain MSRC	\$22,590.00	No
MS16081	EDCO Disposal Corporation	3/4/2016	10/3/2022		\$150,000.00	\$135,000.00	Expansion of Existing Public Access CNG St	\$15,000.00	No
MS16085	Southern California Regional Rail Au	3/11/2016	9/30/2016		\$78,033.00	\$0.00	Special MetroLink Service to Autoclub Spee	\$78,033.00	No

Total: 39

Pending Execution Contracts

ML16006	City of Cathedral City				\$55,000.00	\$0.00	Purchase 1 H.D. Nat. Gas Vehicle, Bicycle	\$55,000.00	No
ML16008	City of Pomona				\$310,000.00	\$0.00	Purchase 4 Medium-Duty and 9 Heavy-Duty	\$310,000.00	No
ML16010	City of Fullerton				\$370,500.00	\$0.00	Expand Existing CNG Station, EV Charging I	\$370,500.00	No
ML16014	City of Dana Point				\$153,818.00	\$0.00	Extend an Existing Class 1 Bikeway	\$153,818.00	No
ML16018	City of Hermosa Beach				\$29,520.00	\$0.00	Purchase 2 M.D. Nat. Gas Vehicles, Bicycle	\$29,520.00	No
ML16019	City of Los Angeles, Dept of General				\$102,955.00	\$0.00	Install EV Charging Infrastructure	\$102,955.00	No
ML16021	City of Santa Clarita				\$49,400.00	\$0.00	Install EV Charging Infrastructure	\$49,400.00	No
ML16022	Los Department of Water and Power				\$390,000.00	\$0.00	Purchase 13 H.D. Nat. Gas Vehicles	\$390,000.00	No
ML16024	City of Azusa				\$30,000.00	\$0.00	Purchase 1 H.D. Nat. Gas Vehicle	\$30,000.00	No
ML16025	City of South Pasadena				\$180,535.00	\$0.00	Purchase 2 H.D. Nat. Gas Vehicles, Expand	\$180,535.00	No
ML16026	City of Downey				\$40,000.00	\$0.00	Install EV Charging Infrastructure	\$40,000.00	No
ML16028	City of Azusa				\$25,000.00	\$0.00	Enhance Existing Class 1 Bikeway	\$25,000.00	No
ML16032	City of Azusa				\$474,925.00	\$0.00	Implement a "Complete Streets" Pedestrian	\$474,925.00	No
ML16039	City of Torrance Transit Department				\$32,000.00	\$0.00	Install EV Charging Infrastructure	\$32,000.00	No
ML16040	City of Eastvale				\$110,000.00	\$0.00	Install EV Charging Infrastructure	\$110,000.00	No
ML16041	City of Moreno Valley				\$20,000.00	\$0.00	Install EV Charging Infrastructure	\$20,000.00	No
ML16045	City of Anaheim				\$275,000.00	\$0.00	Maintenance Facility Modifications	\$275,000.00	No
ML16047	City of Fontana				\$500,000.00	\$0.00	Enhance an Existing Class 1 Bikeway	\$500,000.00	No
ML16050	City of Westminster				\$115,000.00	\$0.00	Installation of EV Charging Infrastructure	\$115,000.00	No
ML16052	City of Rancho Cucamonga				\$315,576.00	\$0.00	Install Two Class 1 Bikeways	\$315,576.00	No
ML16055	City of Ontario				\$270,000.00	\$0.00	Purchas Nine Heavy-Duty Natural-Gas Vehi	\$270,000.00	No
ML16057	City of Yucaipa				\$380,000.00	\$0.00	Implement a "Complete Streets" Pedestrian	\$380,000.00	No
ML16058	Los Angeles County Department of P				\$491,898.00	\$0.00	Purchase 15 H.D. Nat. Gas Vehicles and Ins	\$491,898.00	No
ML16061	City of Murrieta				\$11,642.00	\$0.00	Installation of EV Charging Infrastructure	\$11,642.00	No
ML16062	City of Colton, Electric Department				\$25,000.00	\$0.00	Installation of EV Charging Infrastructure	\$25,000.00	No
ML16064	County of Orange, OC Parks				\$204,073.00	\$0.00	Implement "Open Streets" Events with Vario	\$204,073.00	No
ML16065	City of Temple City				\$500,000.00	\$0.00	Implement a "Complete Streets" Pedestrian	\$500,000.00	No
ML16066	City of Long Beach				\$75,050.00	\$0.00	Implement an "Open Streets" Event	\$75,050.00	No
ML16067	City of South El Monte				\$73,329.00	\$0.00	Implement an "Open Streets" Event	\$73,329.00	No
ML16068	Riverside County Dept of Public Heal				\$171,648.00	\$0.00	Implement an "Open Streets" Events with V	\$171,648.00	No

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
ML16069	City of West Covina				\$54,199.00	\$0.00	Installation of EV Charging Infrastructure	\$54,199.00	No
ML16070	City of Beverly Hills				\$90,000.00	\$0.00	Purchase 3 H.D. Nat. Gas Vehicles	\$90,000.00	No
ML16071	City of Highland				\$264,500.00	\$0.00	Implement a "Complete Streets" Pedestrian	\$264,500.00	No
ML16073	City of Long Beach				\$50,000.00	\$0.00	Implement an "Open Streets" Event	\$50,000.00	No
ML16074	City of La Verne				\$365,000.00	\$0.00	Install CNG Fueling Station	\$365,000.00	No
ML16075	City of San Fernando				\$354,000.00	\$0.00	Install a Class 1 Bikeway	\$354,000.00	No
ML16076	City of San Fernando				\$100,000.00	\$0.00	Install EV Charging Infrastructure	\$100,000.00	No
ML16077	City of Rialto				\$463,216.00	\$0.00	Pedestrian Access Improvements, Bicycle L	\$463,216.00	No
MS16029	Orange County Transportation Autho				\$943,643.00	\$0.00	Transportation Control Measure Partnership	\$943,643.00	No
MS16043	LBA Realty Company LLC				\$100,000.00	\$0.00	Install Limited-Access CNG Station	\$100,000.00	No
MS16080	Riverside Country Transportation Co				\$1,200,000.00	\$0.00	Passenger Rail Service for Coachella and St	\$1,200,000.00	No
MS16082	Riverside County Transportation Co				\$590,759.00	\$0.00	Extended Freeway Service Patrols	\$590,759.00	No
MS16084	Transit Systems Unlimited, Inc.				\$565,600.00	\$0.00	Implement Special Shuttle Service from Uni	\$565,600.00	No
MS16086	San Bernardino Associated Governm				\$800,625.00	\$0.00	Freeway Service Patrols	\$800,625.00	No
MS16087	Burrtec Waste & Recycling Services,				\$100,000.00	\$0.00	Construct New Limited-Access CNG Station	\$100,000.00	No
MS16088	Transit Systems Unlimited, Inc.				\$17,000.00	\$0.00	Expansion of Existing CNG Station	\$17,000.00	No
MS16089	Orange County Transportation Autho				\$128,500.00	\$0.00	Implement Special Bus Service to Angel Sta	\$128,500.00	No
MS16090	Los Angeles County MTA				\$2,500,000.00	\$0.00	Expansion of the Willowbrook/Rosa Parks Tr	\$2,500,000.00	No
MS16091	San Bernardino Associated Governm				\$1,000,000.00	\$0.00	Traffic Signal Synchronization Projects	\$1,000,000.00	No
MS16092	San Bernardino Associated Governm				\$250,000.00	\$0.00	Implement a Series of "Open Streets" Event	\$250,000.00	No
MS16093	Orange County Transportation Autho				\$1,553,657.00	\$0.00	Implement a Mobile Ticketing System	\$1,553,657.00	No
MS16094	Riverside Country Transportation Co				\$1,909,241.00	\$0.00	MetroLink First Mile/Last Mile Mobility Strate	\$1,909,241.00	No

Total: 52

Closed Contracts

MS16003	Special Olympics World Games Los	10/9/2015	12/30/2015		\$380,304.00	\$380,304.00	Low-Emission Transportation Service for Sp	\$0.00	Yes
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Total: 1

BOARD MEETING DATE: June 3, 2016

AGENDA NO. 31

REPORT: California Air Resources Board Monthly Meeting

SYNOPSIS: The California Air Resources Board met on May 19, 2016, in Sacramento, CA.
The following is a summary of this meeting.

RECOMMENDED ACTION:
Receive and File.

Judith Mitchell, Member
SCAQMD Governing Board

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The Air Resources Board's (ARB or Board) April meeting was held on May 19, 2016 in Sacramento at the California Environmental Protection Agency Headquarters Building. Key items presented are summarized below.

Consent Items

1. Public Meeting to Consider Revisions to the PM10 State Implementation Plan for Owens Valley

The Air Resources Board approved the Great Basin Unified Air Pollution Control District 2016 Owens Valley Planning Area PM10 State Implementation Plan as a revision to the California State Implementation Plan. This plan expands the list of acceptable control measures available to reduce emissions, clarifies the total control area for which the city is responsible, and demonstrates attainment of the PM10 standard for Owens Valley in 2017. ARB will forward the plan to the United States Environmental Protection Agency for inclusion in California's State Implementation Plan.

Discussion Items

1. The 2015 Haagen-Smit Clean Air Awards

The recipients of the 2015 Haagen-Smit Clean Air Awards were presented awards for their significant contributions toward improving air quality, public health, and our understanding of climate change issues. This year's winners were:

Jiming Hao, Dean and Professor at the Research Institute of Environmental Science and Engineering at the University of Tsinghua, China, for his work to mitigate severe air pollution in China and improve the lives and health of Chinese citizens.

Michael Prather, Professor of Earth System Science at the University of California, Irvine, for his fundamental contributions to the scientific understanding of the role and impacts of various air pollutants and greenhouse gases.

Kimberly Prather, Professor of Atmospheric Chemistry at the University of California, San Diego, for transforming our understanding of atmospheric aerosols and their impacts on atmospheric chemistry, climate, and the hydrologic cycle.

And *Donald H. Stedman*, late Professor and Brainerd F. Phillipson Chair Emeritus of the University of Denver, for his pioneering work on real-world measurements of various air pollutants. Dr. Donald Stedman was selected as a 2015 Clean Air Award winner just prior to his passing in April 2016.

2. Public Meeting to Consider the Planned Air Pollution Research Plan for Fiscal Year 2016-2017

The Board approved the 2016-2017 Research Plan. The Research Plan identifies the Air Resources Board's highest priority research needs. The five research projects included in the Plan will support attainment of air quality and greenhouse gas goals. Research in the Plan will provide data on heavy-duty vehicles tailpipe emissions, develop methods to identify super-emitters of methane, create strategies to decarbonize the heavy-duty sector, and monitor carbon dioxide emissions in the Los Angeles basin.

3. Public Meeting to Hear an Update on Development of the California Sustainable Freight Action Plan

The Board heard a presentation on the draft California Sustainable Freight Action Plan, which was released on May 3rd. The California Energy Commission, California Department of Transportation, Governor's Office of Business, Economic Development, and the Air Resources Board are collaborating on the development of the Plan. Staff presented the vision and guiding principles for the Plan, and specific statewide targets set out in the draft Plan for 2030. These 2030 targets include the deployment of 100,000 zero emission vehicles or equipment, the improvement of system efficiency by 25 percent, and the fostering of economic growth in the freight and goods movement industry. The Board encouraged greater consideration in the Plan for highly impacted Environmental Justice communities and asked that the Plan highlight the benefits to air quality from infrastructure improvements. As required by Executive Order B-32-15, the California Sustainable Freight Action Plan must be completed by July 2016.

4. Public Meeting on the Proposed Short-Lived Climate Pollutant Reduction Strategy

The Board heard an informational item on the Proposed Short-Lived Climate Pollutant (SLCP) Reduction Strategy. SLCPs are responsible for 40 percent of current net climate forcing and a strategy to reduce SLCPs was identified as one of “five pillars” to meet an overarching goal to reduce California’s GHG emissions by 40 percent below 1990 levels by 2030. The Proposed Strategy describes ongoing and new measures for California to reduce emissions of SLCPs (methane, black carbon, and fluorinated gases, specifically hydrofluorocarbons (HFCs)). It also highlights research efforts to improve the SLCP emission inventory, evaluates potential mitigation measures and identifies where further research is needed. At the meeting, the Board gave staff direction to address a number of issues such as barriers to organic waste diversion and the installation of dairy digesters, pipeline access for renewable gas, and leakage of business and emissions out of state. Staff anticipates presenting a final Proposed Strategy, along with the final environmental documents, to the Board for consideration in the fall of 2016.

Attachment

CARB May 19, 2016 Meeting Agenda

PUBLIC MEETING AGENDA

May 19, 2016

[Webcast](#)

LOCATION:

California Environmental Protection Agency
Air Resources Board
Byron Sher Auditorium, 2nd Floor
1001 I Street
Sacramento, California 95812

This facility is accessible by public transit. For transit information, call (916) 321-BUSS, website:

<http://www.sacrt.com>

(This facility is accessible to persons with disabilities.)

**TO SUBMIT WRITTEN COMMENTS ON AN
AGENDA ITEM IN ADVANCE OF THE MEETING GO
TO: <http://www.arb.ca.gov/lispub/comm/bclist.php>**

**Thursday
May 19, 2016
9:00 a.m.**

CONSENT CALENDAR:

The following item on the consent calendar will be presented to the Board immediately after the start of the public meeting, unless removed from the consent calendar either upon a Board member's request or if someone in the audience wishes to speak on it.

Consent Item

16-5-1: Public Meeting to Consider Revisions to the PM10 State Implementation Plan for Owens Valley

The Air Resources Board will consider approving the Great Basin Unified Air Pollution Control District 2016 Owens Valley Planning Area PM10 State Implementation Plan as a revision to the California State Implementation Plan. If approved, the plan will be forwarded to the United States Environmental Protection Agency for inclusion in California's State Implementation Plan.

[More Information](#)

[Proposed Resolution](#)

DISCUSSION ITEMS:

Note: These agenda items may be heard in a different order at the Board meeting.

Agenda Item

16-5-2: The 2015 Haagen-Smit Clean Air Awards

The recipients of the 2015 Haagen-Smit Clean Air Awards will be presented with their awards. The Air Resources Board annually presents the Haagen-Smit Clean Air Awards to esteemed persons in the air quality and climate change community – scientists, legislators, professors, activists, business leaders, and others who have made significant contributions toward improving air quality, public health, and our understanding of climate change issues.

[More Information](#)

[Staff Presentation](#)

16-5-3: Public Meeting to Consider the Planned Air Pollution Research Plan for Fiscal Year 2016-2017

The Board will consider approving the proposed 2016-2017 Research Plan. This Research Plan reflects a concerted effort to identify the Air Resources Board's highest priority research needs, and the research projects included in this Plan will support attainment of upcoming air quality and greenhouse gas targets. Research included in this Plan will provide data on heavy-duty vehicles tailpipe emissions, develop methods to identify super-emitters of methane, create strategies to decarbonize the heavy-duty sector, and monitor carbon dioxide emissions in the Los Angeles basin.

[More Information](#)

[Staff Presentation](#)

16-5-4: Public Meeting on the Proposed Short-Lived Climate Pollutant Reduction Strategy

The Board will hear a report on the Proposed Short-Lived Climate Pollutant (SLCP) Reduction Strategy. The Proposed Strategy describes ongoing and new measures for California to reduce emissions of SLCPs (methane, black carbon, and fluorinated gases, specifically hydrofluorocarbons) through 2030. It also describes current research efforts to improve the SLCP emission inventory and evaluate potential mitigation measures and identify areas where further research is needed. A draft environmental analysis prepared under the California Environmental Quality Act is included as an appendix to the Proposed Strategy. Staff anticipates presenting a final Proposed Strategy, along with the final environmental documents, to the Board for consideration for approval in the fall of 2016.

[More Information](#)

[Staff Presentation](#)

16-5-5: Public Meeting to Hear an Update on Development of the California Sustainable Freight Action Plan

The Board will hear an update on development of the California Sustainable Freight Action Plan, including the Draft Plan released at the end of April. As required by Executive Order B-32-15, the California Sustainable Freight Action Plan is due to the Governor's Office in July 2016. The California Energy Commission, California Department of Transportation, Governor's Office of Business, and Economic Development, and Air Resources Board are developing the Plan for the Secretaries of Transportation, Natural Resources, and Environmental Protection to submit to the Governor.

[More Information](#)

[Staff Presentation](#)

CLOSED SESSION

The Board will hold a closed session, as authorized by Government Code section 11126(e), to confer with, and receive advice from, its legal counsel regarding the following pending or potential litigation, and as authorized by Government Code section 11126(a):

POET, LLC, et al. v. California Air Resources Board, et al., Superior Court of California (Fresno County), Case No. 15CECG03380.

American Fuels and Petrochemical Manufacturers, et al. v. Jane O'Keeffe, et al., U.S. District Court (D. Ore. Portland), Case No. 3:15-CV-00467; Plaintiffs' appeal, U.S. Court of Appeals, Ninth Circuit, Case No. 15-35834.

POET, LLC, et al. v. Corey, et al., Superior Court of California (Fresno County), Case No. 09CECG04659; plaintiffs' appeal, California Court of Appeal, Fifth District, Case No. F064045; California Supreme Court, Case No. S213394 [remanded to trial court]; plaintiff's appeal of trial court order discharging peremptory writ of mandate, Court of Appeal, Fifth District, Case No. F073340.

Rocky Mountain Farmers Union, et al. v. Corey, U.S. District Court (E.D. Cal. Fresno), Case No. 1:09-CV-02234-LJO-DLB; ARB interlocutory appeal, U.S. Court of Appeals, Ninth Circuit, Case No. 09-CV-02234 [remanded to trial court].

American Fuels and Petrochemical Manufacturers, et al. v. Corey, et al., U.S. District Court (E.D. Cal. Fresno), Case No. 1:10-CV-00163-AWI-GSA; ARB's interlocutory appeal, U.S. Court of Appeals, Ninth Circuit, Case No. 10-CV-00163 [remanded to trial court].

California Chamber of Commerce et al. v. California Air Resources Board, Sacramento Superior Court, Case No. 34-2012-80001313; plaintiffs' appeal, California Court of Appeal, Third District, Case No. C075930.

Morning Star Packing Company, et al. v. California Air Resources Board, et al., Sacramento Superior Court, Case No. 34-2013-800001464; plaintiffs' appeal, California Court of Appeal, Third District, Case No. C075954.

Kimberly-Clark Worldwide, Inc. v. California Air Resources Board, et al., Sacramento County Superior Court, Case No. 34-2015-80002246.

Sowinski v. California Air Resources Board, et al., Orange County Superior Court, Case No. 30-2015-00822179-CU-BT-CXCCX-105.

State of West Virginia et al. v. United States Environmental Protection Agency, U.S. Court of Appeals, District of Columbia Circuit, Case No. 15-1363.

Truck and Engine Manufacturers Association v. California Air Resources Board, Sacramento Superior Court, Case No. 34-2013-00150733.

Alliance of Automobile Manufacturers v. California Air Resources Board; Sacramento Superior Court, Case No. 34-2013-00152974.

Alliance for California Business v. Nichols et al., Glenn County Superior Court, Case No. 13CV01232.

Dalton Trucking, Inc. v. United States Environmental Protection Agency, U.S. Court of Appeals, District of Columbia Circuit, Case No. 13-1283 (dismissed), U.S. Court of Appeals, Ninth Circuit, Case No. 13-74019.

Owner-Operator Independent Drivers Association Inc. et al. v. Corey et al., U.S. District Court, (E.D. Cal. Fresno) Case No. 1:13-CV-01998-LJO-SAB (transferred by court to E.D. Cal. Sacramento, Case No. 2:14-CV-00186-MCE-AC), plaintiffs' appeal U.S. Court of Appeals, Ninth Circuit, Case Nos. 15-72101 and 15-16429.

Jack Cody dba Cody Transport v. California Air Resources Board, et al., Sacramento Superior Court, Case No. 34-2015-80002116.

John R. Lawson Rock & Oil, Inc. et al. v. California Air Resources Board et al., Fresno County Superior Court, Case No. 14-CECG01494.

Transportation Solutions Defense and Education Fund v. California Air Resources Board, Fresno County Superior Court, Case No. 14CECG01788 (plaintiff's transfer to Sacramento Superior Court, Case No. 34-2014-80001974-CU-WM-GDS).

Meeks v. California Air Resources Board, et al. Los Angeles County Superior Court, Case No. BC592558.

Adam Brothers Trucking v. Air Resources Board, et al., Santa Barbara County Superior Court, Case No. 15 CV04432

In re: Volkswagen "Clean Diesel" MDL, United States District Court, Northern District of California, Case No. 15-MD-2672-CRB (JSC).

American Coating Association, Inc. v. State of California and California Air Resources Board, Sacramento County Superior Court, Case No. 04CS01707.

People v. Southern California Gas Company, Los Angeles Superior Court, Case No. BC 602973.

California Air Resources Board v. BP West Coast Products LLC, Contra Costa County Superior Court, Case No. C12-00567.

California Air Resources Board v. West Coast Diesel, Inc., Fresno County Superior Court, Case No. 15 CECG 03337.

OPPORTUNITY FOR MEMBERS OF THE BOARD TO COMMENT ON MATTERS OF INTEREST

Board members may identify matters they would like to have noticed for consideration at future meetings and comment on topics of interest; no formal action on these topics will be taken without further notice.

OPEN SESSION TO PROVIDE AN OPPORTUNITY FOR MEMBERS OF THE PUBLIC TO ADDRESS THE BOARD ON SUBJECT MATTERS WITHIN THE JURISDICTION OF THE BOARD

Although no formal Board action may be taken, the Board is allowing an opportunity to interested members of the public to address the Board on items of interest that are within the Board's jurisdiction, but that do not specifically appear on the agenda. Each person will be allowed a maximum of three minutes to ensure that everyone has a chance to speak.

TO ELECTRONICALLY SUBMIT WRITTEN COMMENTS ON AN AGENDA ITEM IN ADVANCE OF THE MEETING GO TO:

<http://www.arb.ca.gov/lispub/comm/bclist.php>

(Note: not all agenda items are available for electronic submittals of written comments.)

IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT THE CLERK OF THE BOARD:

1001 I Street, 23rd Floor, Sacramento, California 95814

(916) 322-5594

ARB Homepage: www.arb.ca.gov

SPECIAL ACCOMMODATION REQUEST

Consistent with California Government Code Section 7296.2, special accommodation or language needs may be provided for any of the following:

- An interpreter to be available at the hearing;
- Documents made available in an alternate format or another language;
- A disability-related reasonable accommodation.

To request these special accommodations or language needs, please contact the Clerk of the Board at (916) 322-5594 or by facsimile at (916) 322-3928 as soon as possible, but no later than 7 business days before the scheduled Board hearing. TTY/TDD/Speech to Speech users may dial 711 for the California Relay Service.

Consecuente con la sección 7296.2 del Código de Gobierno de California, una acomodación especial o necesidades lingüísticas pueden ser suministradas para cualquiera de los siguientes:

- Un intérprete que esté disponible en la audiencia
- Documentos disponibles en un formato alterno u otro idioma
- Una acomodación razonable relacionados con una incapacidad

Para solicitar estas comodidades especiales o necesidades de otro idioma, por favor llame a la oficina del Consejo al (916) 322-5594 o envíe un fax a (916) 322-3928 lo más pronto posible, pero no menos de 7 días de trabajo antes del día programado para la audiencia del Consejo. TTY/TDD/Personas que necesiten este servicio pueden marcar el 711 para el Servicio de Retransmisión de Mensajes de California.



NATURAL GAS STORAGE FACILITIES

in the South Coast Basin

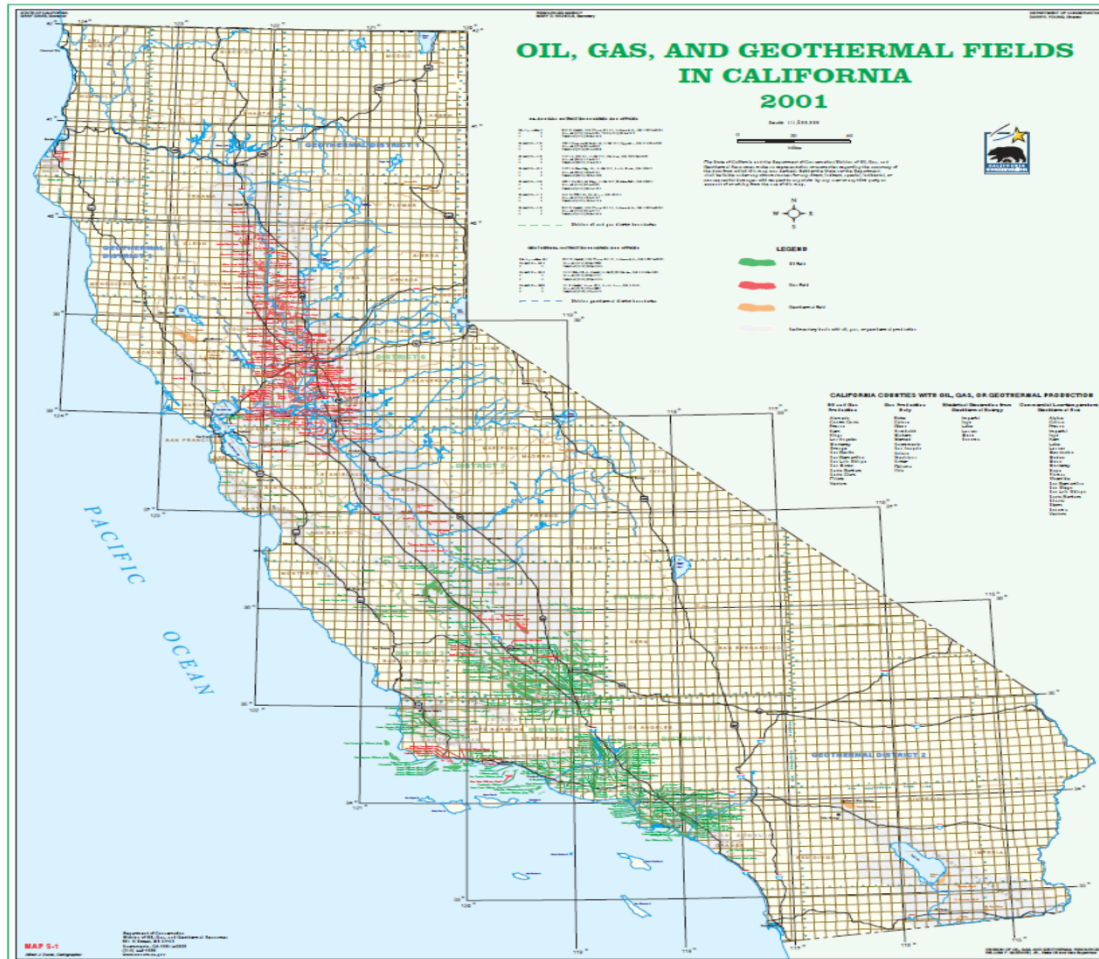
Governing Board Meeting
June 3, 2016

Mohsen Nazemi, P.E.
Deputy Executive Officer
Engineering & Compliance

Natural Gas Storage Facilities in the South Coast Basin



Oil, Gas and Geothermal Fields in California

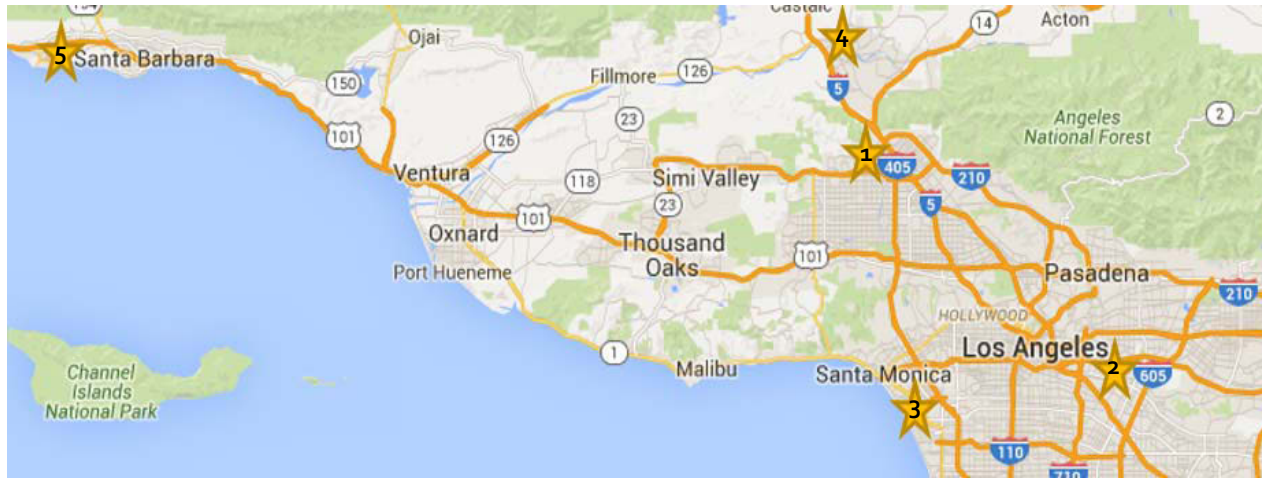


*source: DOGGR 2

Natural Gas Storage Facilities in the South Coast Basin



SoCalGas Natural Gas Storage Facilities in Southern California



Facility	Location	Air District	Total Storage Capacity (BCF)	Number of Active Wells	Number of Injection/Withdrawal Wells
(1) Aliso Canyon	12801 Tampa Ave, Northridge	SCAQMD	88	129	116
(2) Montebello	831 Howard Ave, Montebello	SCAQMD	14	51	0*
(3) Playa del Rey	8141 Gulana, Playa del Rey	SCAQMD	7.06	54	24
(4) Honor Rancho	25205 Rye Canyon Rd, Valencia	SCAQMD	24.2	46	38
(5) La Goleta	1171 More Ranch Road, Goleta	SBCAPCD	21.5		18

*3 idle wells 4

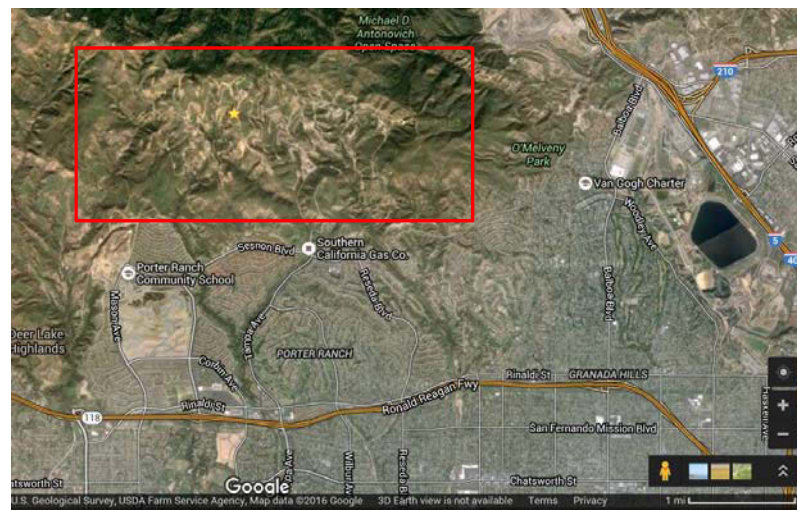
Natural Gas Storage Facilities in the South Coast Basin



Aliso Canyon (Fac ID 800128)

History

- Oil & gas drilling began in 1930s
- Gas Storage began ~ 1972
- Total Storage Capacity: 88 Billion CF
- 129 Active Wells
 - 116 injection/withdrawal, 5 observation, 8 water injection
- Number of Active SCAQMD Permits: 49
 - Heater/Furnace/Boiler
 - Gas Turbines
 - Internal Combustion Engines
 - Nat Gas Odorizing
 - Storage Tanks
 - Bulk Loading/Unloading
 - Flare
 - Activated Carbon
 - Vapor Recovery
 - Vapor Balance
 - Waste Water Treatment System
 - Oil Water Separator





Aliso Canyon Natural Gas Well Leak – Key Events

- Oct 23, 2015 : Natural gas leak from well SS-25 discovered by SoCalGas.
- Oct 24, 2015: SCAQMD received and investigated the first of more than 2,300 air quality complaints due to the leak.
- Oct 26, 2015: SCAQMD began ongoing air sampling and monitoring activities in the local community.
- Nov 5, 2015: SCAQMD issued Notice to Comply to SoCalGas to abate the release of mercaptan odors from the natural gas leak that were impacting the local community.
- Nov 23, 2015: SCAQMD issued Notice of Violation to SoCalGas for creating a public nuisance.



Aliso Canyon Natural Gas Well Leak – Key Events

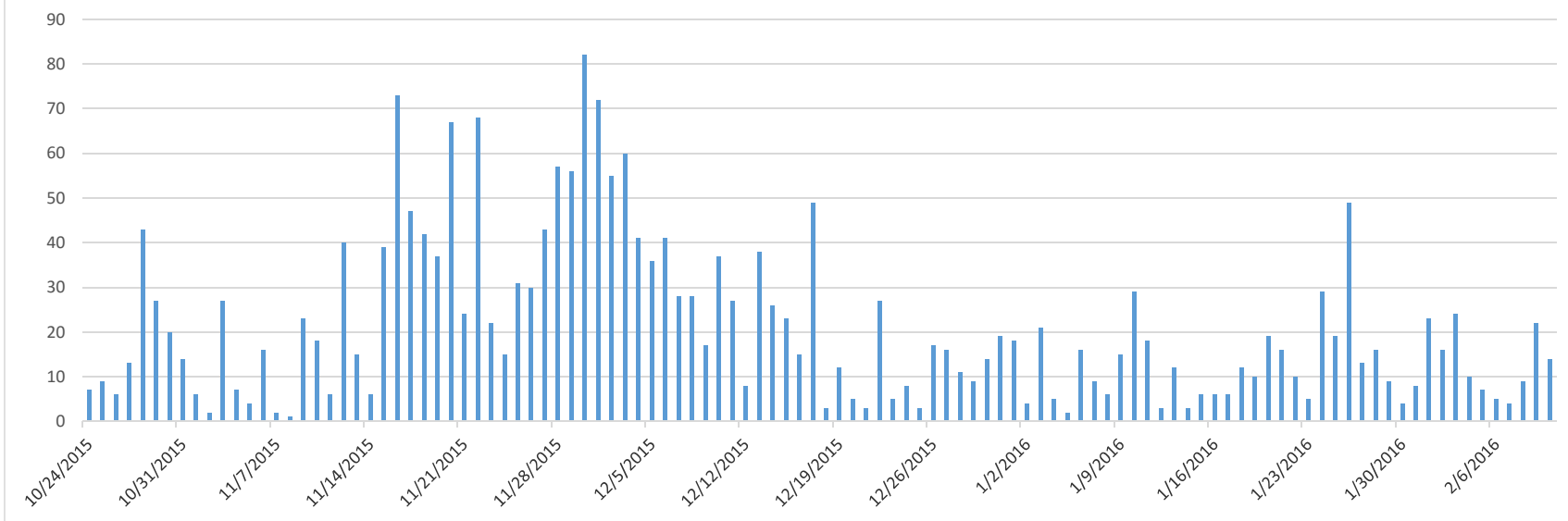
- Dec 10, 2015: SCAQMD petitioned the SCAQMD Hearing Board for an Order for Abatement requiring SoCalGas to abate the natural gas leak, monitor the leaking gas, and reduce its nuisance impacts on the local community.
- Jan 9, 16, 20, & 23, 2016: The SCAQMD Hearing Board heard public testimony from local community members about the impacts of the natural gas leak. Following deliberation on January 23, 2016, the Hearing Board issued the Order for Abatement.
- Jan 26, 2016: SCAQMD filed a civil penalty lawsuit against SoCalGas in LA Superior Court for creating a public nuisance.

Natural Gas Storage Facilities in the South Coast Basin



Aliso Canyon Complaints

**AIR QUALITY COMPLAINTS RECEIVED BY SCAQMD FROM ALISO CANYON AREA
OCT 24 2015 - FEB 10 2016**



Date Range	Complaints Received by SCAQMD
Jan 1 – Oct 23 2015	8 complaints received alleging Aliso Canyon facility as source of air contaminants.
Feb 11 – May 13 2016	175 complaints received alleging Aliso Canyon facility as source of air contaminants (45 received on 4/13/16).

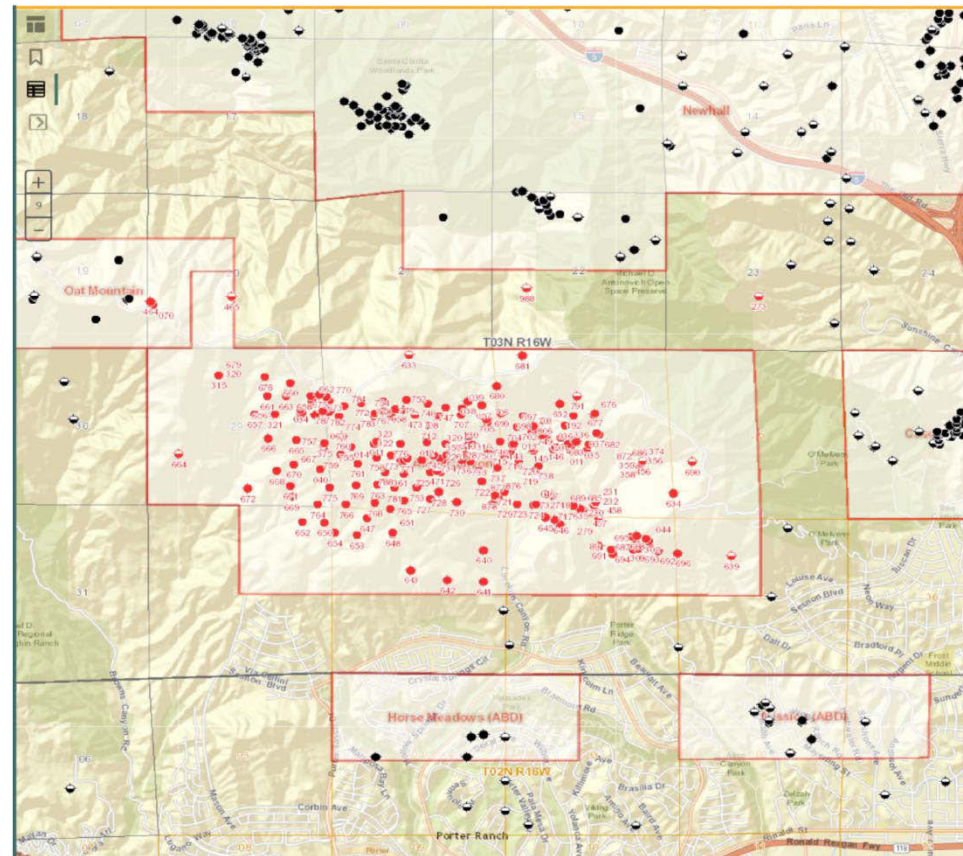
Natural Gas Storage Facilities in the South Coast Basin



Aliso Canyon Facility Wells

Adjacent/co-located operations:

R222 Registered Oil & Gas Wells	Termo Del Aliso Lease	Termo Oat Mountain	Crimson
Fac ID	83508	97081	174815
Production well cellars	7	10	4
Well heads	7	10	4
Annual gas production	21,264 MCF	2,770 MCF	6,349 MCF
Annual oil production	20,771 BBL	65,288 BBL	8,232 BBL



Red = natural gas
Black = oil

Legend:

- Well Types:
- New
 - Active Producer
 - Active Injector
 - Dry Hole
 - Plugged
 - Geothermal
 - Notice & Permit
 - Enhanced Oil Recovery
 - Disposal

*source: DOGGR



Aliso Canyon Facility Wells

- All wells have been inspected numerous times since February 13, 2016.
- Inspections have included TOC (Total Organic Compound) monitoring with vapor analyzers and infrared imaging with FLIR camera.
- Numerous minor leaking components have been identified and reported to SoCalGas for repair.
- Most common leaking components included:
 - Instrument safety measurement devices
 - Wing valves
- Follow-up inspections found some, but not all, leaks repaired; new leaks identified.
- Ongoing communication with SoCalGas personnel regarding well leak status.

Natural Gas Storage Facilities in the South Coast Basin



Montebello (Fac ID 800127)

History

- Standard Oil began drilling in Montebello oil field in 1917; by 1920 Montebello oil fields were producing 1/8th of the state's crude oil.
- Natural gas storage began in 1965 in 487 acre facility.
- In 2000, SoCalGas filed with the California Public Utilities Commission (CPUC) to decommission the facility.
- In 2001, the CPUC approved the request to decommission the facility, and 280 wells at the site have already been permanently sealed (per SoCal Gas).
- Most of the active wells at Montebello are depleted and the gas must be extracted from liquids (oil and water)



Natural Gas Storage Facilities in the South Coast Basin



Montebello Facility

Site Details

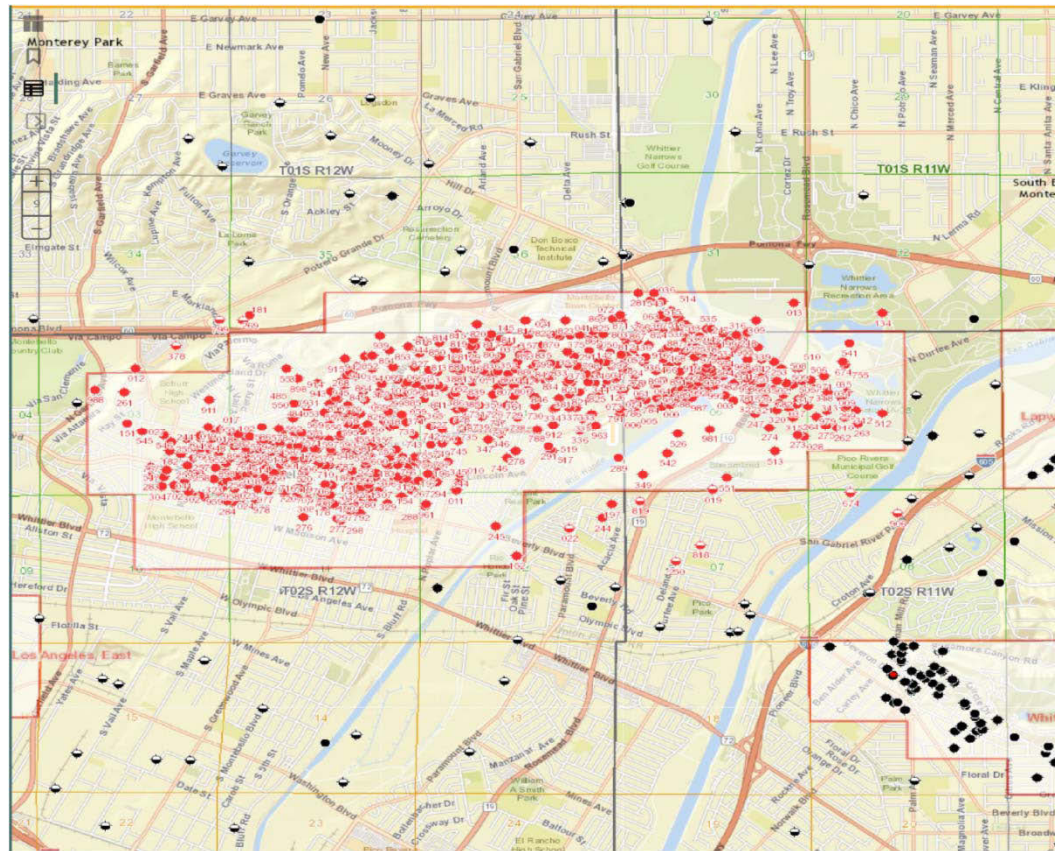
- Total Storage Capacity: 14 Billion CF
- 31 wells onsite
 - 4 active production (oil, gas, and water)
 - 23 production (idle)
 - 3 gas injection (idle)
 - 1 water injection
- 20 wells located in community
 - 4 active production
 - 3 waste water
 - 13 observation
- Pumping out 1 MCF of natural gas & 100 barrels of oil as part of decommissioning process
- Number of Active SCAQMD Permits: 4
 - Wastewater Treating
 - Bulk Loading Rack
 - Afterburner
 - Storage Tank



Natural Gas Storage Facilities in the South Coast Basin



Montebello Facility Wells



Red = natural gas
Black = oil

- Legend:
- Well Types:
- New
 - Active Producer
 - Active Injector
 - Dry Hole
 - Plugged
 - Geothermal
 - Notice & Permit
 - Enhanced Oil Recovery
 - Disposal

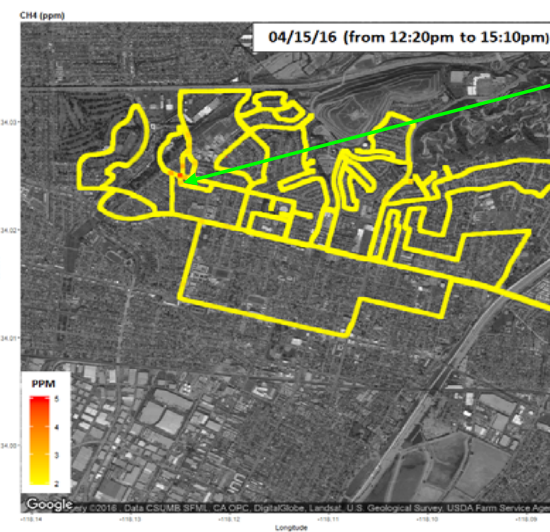
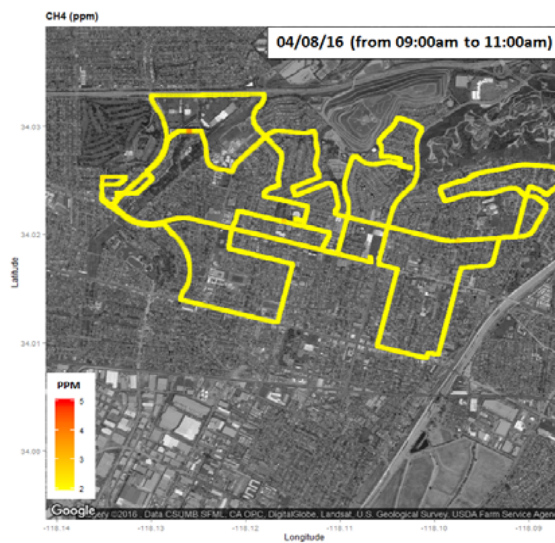
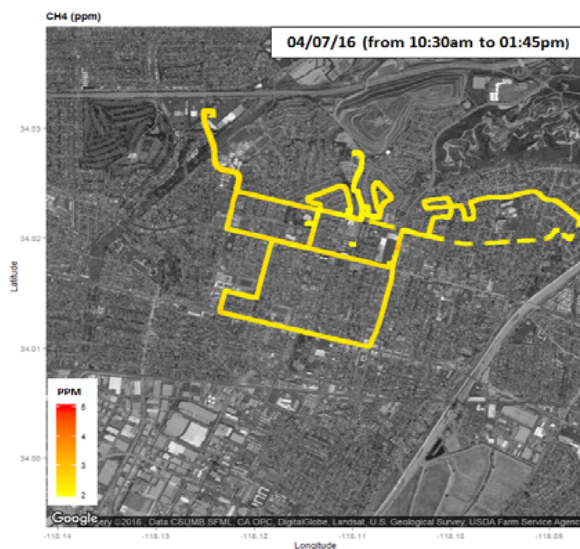
*source: DOGGR

Natural Gas Storage Facilities in the South Coast Basin



Montebello Facility Nearby Community Methane Survey

- Mobile methane surveys using a Li-COR 7700 methane analyzer were conducted April 07, April 08, and April 15, 2016
- Overall, measured methane levels were close to background (min: 1.95 ppm; max: 4.95 ppm; average: 2.03 ppm).



Highest reading near metal enclosure (probably sewer vent) at the intersection of Morris Place and Lincoln Ave

Natural Gas Storage Facilities in the South Coast Basin



Montebello Facility Wells

Total facility wells inspected: 51
Total facility isolation valves inspected: 28

Well Leak Summary Table

Date	TOC Leaks (≥500<3,000 ppm)	TOC Leaks (≥3,000 <10,000 ppm)	TOC Leaks (≥10,000 ppm)	Total TOC Leaks Detected	Emissions Recorded with FLIR	Average Component Leak(s) per Well Site	Total Wells Inspected
4/07/2016	1	0	1	2	0	0.25	8
4/12/2016	0	0	4	4	4	0.33	12
4/13/2016	0	1	2	3	10*	0.11	28
4/14/2016	0	0	0	0	0	0	3
Total Average	1	1	7	9	14	0.18	51

*Seven (7) FLIR videos recorded for emissions observed but components unable to be reached with TVA

Note: Average = Total TOC leaks detected/total wells inspected

Isolation Valve Site Leak Summary Table

Date	TOC Leaks (≥500<3,000 ppm)	TOC Leaks (≥3,000 <10,000 ppm)	TOC Leaks (≥10,000 ppm)	Total TOC Leaks Detected	Emissions Recorded with FLIR	Average Component Leak(s) per Isolation Valve Site	Total Isolation Valve Sites Inspected
4/14/2016	2	1	6	9	5	0.5	18
4/15/2016	1	0	4	5	4	0.5	10
Total Average	3	1	10	14	9	0.5	28

Note: Average = Total TOC leaks detected/total wells inspected

Other than during public comment period at March Governing Board meeting, no complaints received January 1, 2015 – present alleging Montebello facility as source of air contaminants.

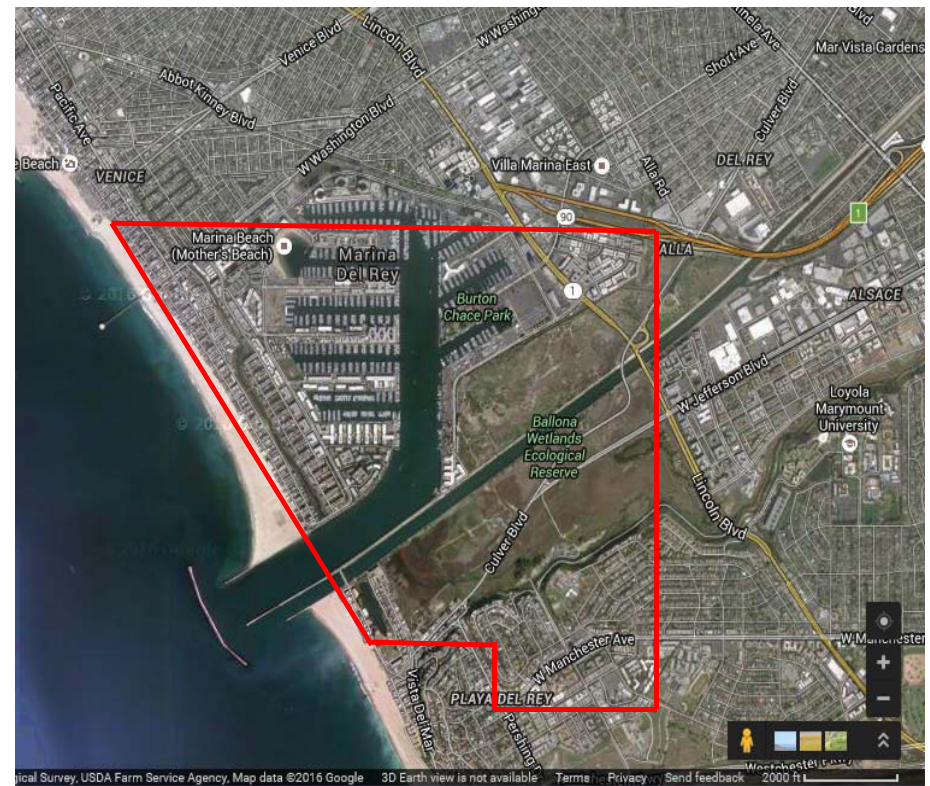
Natural Gas Storage Facilities in the South Coast Basin



Playa del Rey (Fac ID 8582)

History

- Oil & gas drilling began in 1930s
- Natural gas storage began ~ 1942
- CPUC approved settlement agreement of complaint against SoCalGas in 2007 for allegations of leaking gas, requiring SoCal Gas to:
 - Monitor for soil gas & subsidence
 - Test withdrawn gas & liquids
 - Limit pressure in some areas to no more than 2400 psi
- SoCalGas adopted odor minimization program:
 - Routine odor patrols
 - Planned natural gas venting – community notification
 - Minimizing fugitive emissions & engine & exhaust odors
 - Operation of meteorological station





Playa del Rey Facility

Site Details

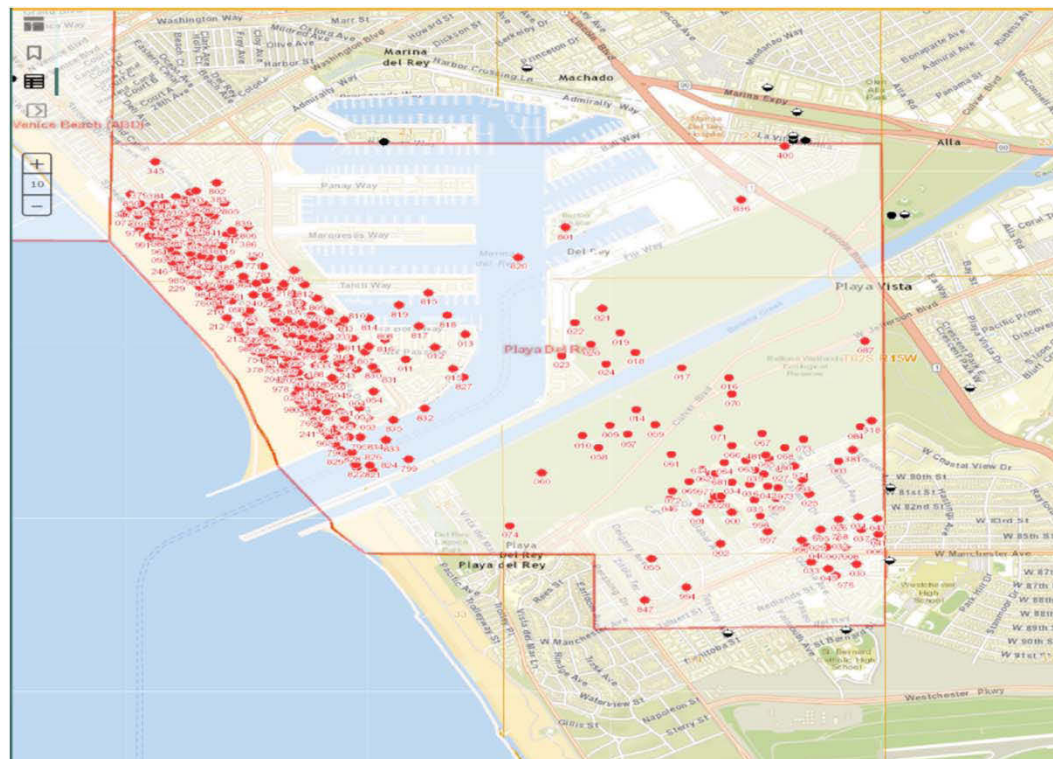
- Total Storage Capacity: 7.06 Billion CF
- 54 Active Wells:
 - 34 onsite (3 production, 24 injection/withdrawal, 2 gas lift, 2 observation & 3 water wells)
 - 20 within community (1 production, 2 gas lift and 17 observation)
- Number of Active SCAQMD Permits: 26
 - Heater/Furnace
 - Internal Combustion Engines
 - Natural Gas Odorizing
 - Natural Gas Dehydration
 - Storage Tanks
 - Oil Water Separator
 - Afterburner
 - Activated Carbon
 - Vapor Recovery



Natural Gas Storage Facilities in the South Coast Basin



Playa del Rey Facility Wells



Red = natural gas
Black = oil

- Legend:
- Well Types:
- New
 - Active Producer
 - Active Injector
 - Dry Hole
 - Plugged
 - Geothermal
 - Notice & Permit
 - Enhanced Oil Recovery
 - Disposal

*source: DOGGR

Natural Gas Storage Facilities in the South Coast Basin



Playa del Rey Facility Wells

Total facility wells inspected: 54

Well Leak Summary Table

Date	TOC Leaks ($\geq 500 < 3000$ ppm)	TOC Leaks ($\geq 3,000$ <10,000 ppm)	TOC Leaks ($\geq 10,000$ ppm)	Total TOC Leaks Detected	Emissions Recorded with FLIR	Average Component Leak(s) per Well Site	Total Wells Inspected
4/26/2016	0	3	4	7	4	0.47	15
4/27/2016	1	1	13	15	9	0.88	17
4/28/2016	3	5	16	24	11	1.09	22
Total	4	9	33	46	24		54
Average						0.85	

Note: Average = Total TOC leaks detected/total wells inspected

2 complaints received January 1, 2015 – present
alleging Playa del Rey facility as source of air contaminants (odor).

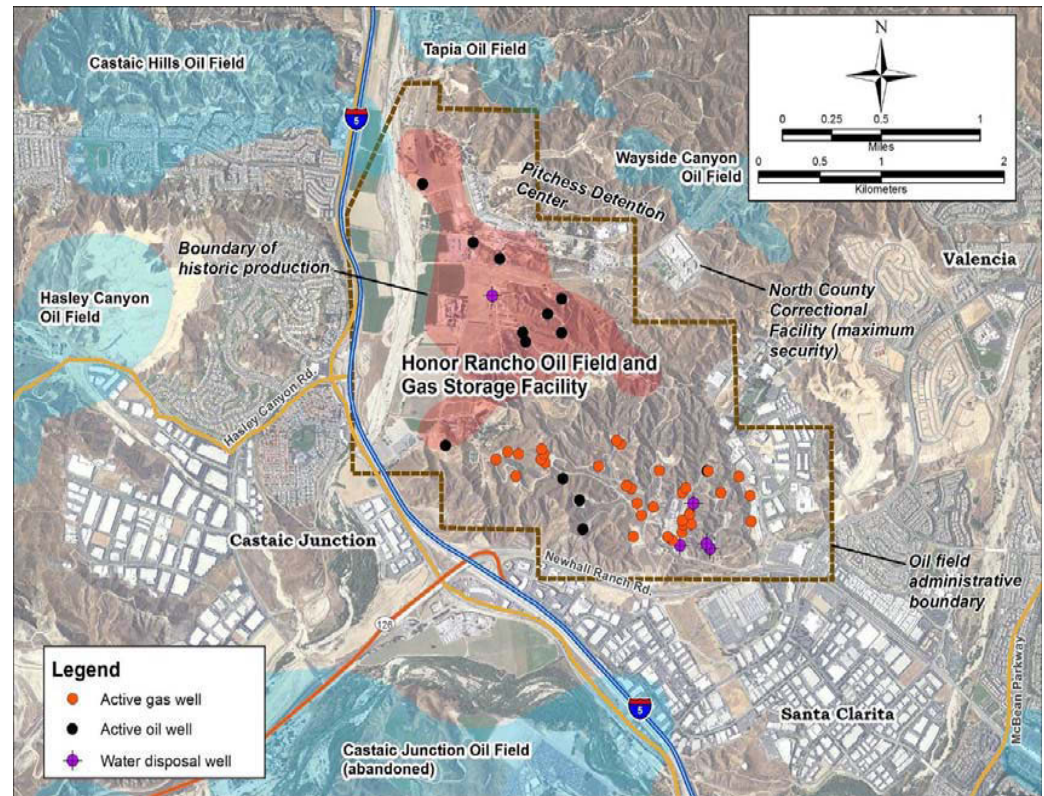
Natural Gas Storage Facilities in the South Coast Basin



Honor Rancho (Fac ID 5973, NO_x RECLAIM/Title V)

History

- Oil & gas drilling began in 1950
- Natural gas storage began in 1975





South Coast
AQMD

Honor Rancho Facility

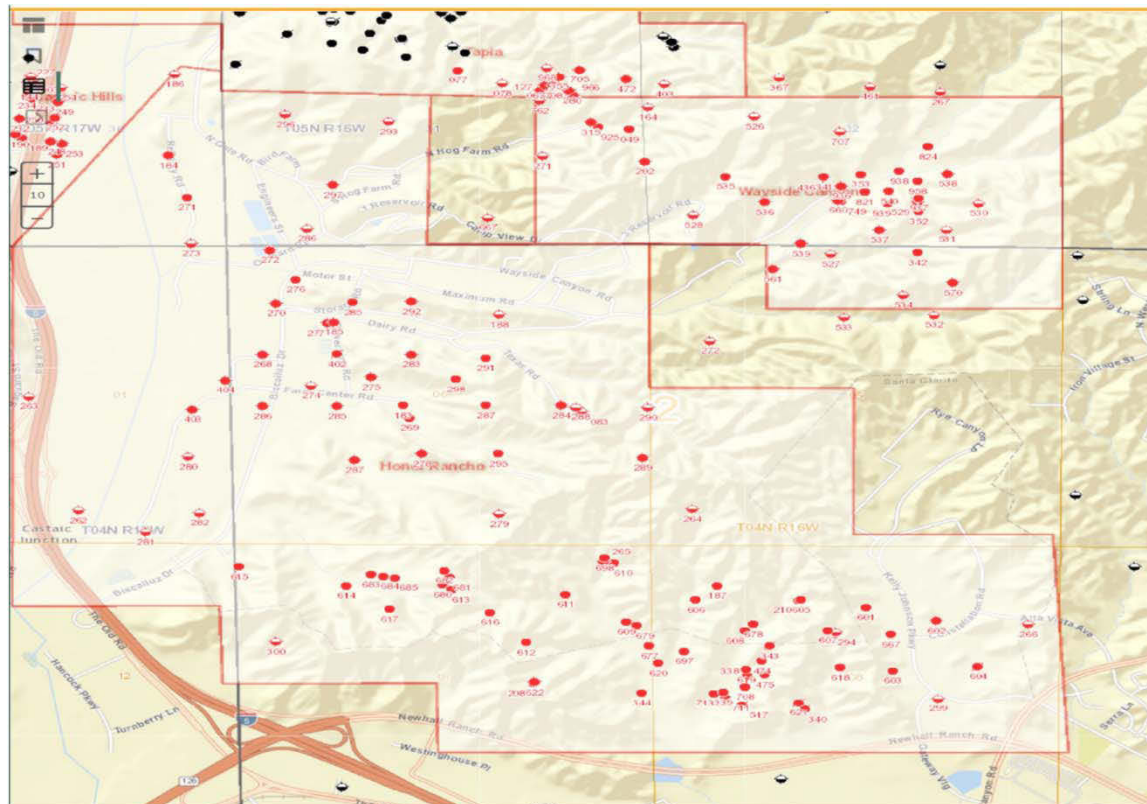
Site Details

- Total Storage Capacity: 24.2 Billion CF
- Number of Active Wells: 46
 - 28 injection/withdrawal wells, 10 withdrawal only wells, 1 crude oil production well, 1 observation well, 2 brine production wells, and 4 brine disposal wells
- Number of Active SCAQMD Permits: 34
 - Heater/Furnace
 - Internal Combustion Engines
 - Natural Gas Drying
 - Natural Gas Odorizing
 - Storage Tanks
 - Bulk Loading/Unloading
 - Flare
 - Non-Catalytic Reduction
 - Vapor Recovery
 - Vapor Balance
 - Crude Oil Treating
 - Abrasive Blasting

Natural Gas Storage Facilities in the South Coast Basin



Honor Rancho Facility Wells



Red = natural gas
Black = oil

Legend:

Well Types:

- New
- Active Producer
- Active Injector
- Dry Hole
- Plugged
- Geothermal
- Notice & Permit
- Enhanced Oil Recovery
- Disposal

*source: DOGGR

Natural Gas Storage Facilities in the South Coast Basin



Honor Rancho Facility Wells

Total facility wells inspected: 46

Well Leak Summary Table

Date	TOC Leaks ($\geq 500 < 3,000$ ppm)	TOC Leaks ($\geq 3,000$ <10,000 ppm)	TOC Leaks ($\geq 10,000$ ppm)	Total TOC Leaks Detected	Emissions Recorded with FLIR	Average Component Leak(s) per Well Site	Total Wells Inspected
	6	4	8	18	5	3	6
17		5	25	47	10	5.9	8
7		9	39	55	30	3.1	18
10		6	33	49	22	3.5	14
40		24	105	169	67		46
						3.7	

Note: Average = total leaks detected/total wells inspected

No complaints received January 1, 2015 – present
alleging Honor Rancho facility as source of air contaminants.

Natural Gas Storage Facilities in the South Coast Basin



Air Quality Compliance Overview

Facility	NO _x RECLAIM (Annual RECLAIM Minimum Audit/Inspection)	Title V (Annual Title V Minimum Inspection)	Date of Title V Permit Expiration*	Date of Last Annual RECLAIM and/or Title V Inspection**	Date of Last Well & Component Inspection ***
Aliso Canyon	X	X	11/18/2018	07/09/2015	05/09/2016
Montebello	X		---	03/31/2015	04/15/2016
Playa del Rey	X	X	10/18/2016	08/14/2015	04/29/2016
Honor Rancho	X	X	01/08/2020	07/31/2015	05/10/2016

* Title V permits are required to be renewed every 5 years.

** RECLAIM and Title V inspections are conducted at minimum annually to verify NO_x emissions and determine compliance with rules and regulations and facility permit conditions

*** Well & component inspections included measurement of TOC emissions using vapor analyzers and infrared imaging of TOC emissions using FLIR camera.



Emissions Requirements - Natural Gas Wells

- Natural gas (methane) emissions from natural gas wells at underground natural gas storage facilities are not presently subject to leak detection and repair (LDAR) / fugitive emissions requirements but are prohibited from creating a public nuisance under SCAQMD Rules & Regulations.
 - **SCAQMD Rule 1173** controls VOC (but not methane) leaks and releases from components at petroleum facilities and chemical plants, but specifically exempts natural gas storage facilities not located at a natural gas processing plant from its requirements.
 - **SCAQMD Rule 1148.1** controls emissions from oil and gas production wells, but specifically exempts natural gas distribution, transmission and associated storage operations from its requirements.
 - **SCAQMD Rule 222** requires registration of oil wells and other equipment identified by Rule 219 as exempt from permitting requirements, and does not apply to natural gas wells.



CARB Proposed Regulation for Crude Oil & Natural Gas Facilities

- CARB developing proposed regulation to establish greenhouse gas emission standards for crude oil and natural gas facilities
 - Includes natural gas underground storage
 - Other natural gas sources include on and offshore natural gas production and well stimulation activities, natural gas gathering and boosting stations, processing plants, and transmission compression stations
 - Includes provisions for monitoring natural gas underground storage facilities, leak detection and repair
 - Requirement to develop a plan for continuous surface leak monitoring
 - Considering a leak emission reduction requirement for large or catastrophic leaks
 - Draft regulations to be released June 3, 2016 and discussed at Board Meeting tentatively scheduled for July 2016



DOGGR Proposed Regulation for Gas Storage Program

- Currently in preparation to make significant revisions to regulations governing the Division's Gas Storage Program
- Builds on requirements adopted by emergency rulemaking
- Immediate regulatory goals include clarifying:
 - Standards for gas storage project data requirements
 - Well construction standards for gas storage wells
 - Testing and monitoring standards and other risk mitigation protocols to ensure safe operations
 - Emergency response plans standards to ensure rapid and safe responses when emergency situations arise



SCAQMD Proposed Rulemaking

- Considering requirements for natural gas underground storage facilities
 - Consider nuisance triggers similar to Rule 1148.1 that could require Root Cause Analysis and Mitigation Measures for natural gas storage facilities
- Considering additional provisions to compliment Proposed CARB and DOGGR Regulation
 - Possibly fence line monitoring and/or fixed methane monitors near groups of wells
 - Considering variety of tools for Leak Detection such as use of infrared cameras
 - Proposing to increase Leak Detection and Repair frequencies
 - Considering requirements for surface leaks monitoring
 - Considering public notification and communication requirements
- Schedule: Fall 2016

BOARD MEETING DATE: June 3, 2016

AGENDA NO. 33

PROPOSAL: Receive Public Input and Approve Acting Executive Officer's Draft Goals and Priority Objectives for FY 2016-17

SYNOPSIS: A set of goals and priority objectives for FY 2016-17 has been developed. The Acting Executive Officer wishes to receive public and Board Member input on these goals and priority objectives.

COMMITTEE: Administrative, May 13, 2016; Reviewed

RECOMMENDED ACTION:

Receive public input, approve, and incorporate the FY 2016-17 Draft Goals and Priority Objectives into the previously-adopted FY 2016-17 SCAQMD Budget.

Wayne Nastri
Acting Executive Officer

MBO:lg

Background

Each year staff brings forward to the Board and public the Acting Executive Officer's Draft Goals and Priority Objectives for the new fiscal year. These goals and priority objectives (Attachment 1), which may be modified as a result of public input and Board direction, will be incorporated into the previously-adopted FY 2016-17 SCAQMD Budget.

Additionally, a status update for FY 2015-16 goals and priority objectives (Attachment 2) highlights select activities to demonstrate positive outcomes being realized through SCAQMD efforts on goals and objectives.

Attachments

Acting Executive Officer's Draft Goals & Priority Objectives for FY 2016-17
(Attachment 1)

Acting Executive Officer's Goals & Priority Objectives Status for FY 2015-16
(Attachment 2)

ATTACHMENT 1



**ACTING EXECUTIVE OFFICER'S
DRAFT GOALS AND PRIORITY OBJECTIVES
FY 2016-2017**

**SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
DRAFT GOALS AND PRIORITY OBJECTIVES FOR FY 2016-2017**

MISSION STATEMENT

“All residents have a right to live and work in an environment of clean air and we are committed to undertaking all necessary steps to protect public health from air pollution with sensitivity to the impacts of our actions on the community, public agencies and businesses.”

GOALS AND PRIORITY OBJECTIVES

The following Goals and Priority Objectives have been identified as being critical to meeting SCAQMD’s Mission in Fiscal Year 2016-17.

GOAL I. Continue progress toward meeting clean air standards and protecting public health.

Priority Objective/Project	Outcome
1. Development of the 2016 AQMP	Finish development of the 2016 AQMP (Plan), bring to the Board for adoption, and submit the Plan into the SIP. Ensure the Plan is a comprehensive attainment strategy to meet the federal 8-hour ozone (75 ppb) and annual PM2.5 (12 ug/m3) air quality standards by the statutory deadlines. Include control measures and modeling to demonstrate attainment of the standards. Early action measures will be identified and implemented, if needed, to further ensure attainment of the federal 24-hour PM2.5 standard. The Plan will also update the 1-hour ozone and the 1997 8-hour ozone SIPs to demonstrate progress toward attainment. Plan, organize and execute basin-wide outreach on the 2016 AQMP that will provide detailed information on the proposed control measures to stakeholders and solicit input through a series of workshops and public meetings to be held in the counties of Los Angeles, Orange, Riverside, and San Bernardino, and the Coachella Valley.
2. Update to SCAQMD’s Air Toxics Control Program	Include a chapter in the 2016 AQMP on air toxics that will provide an update on the 2010 Clean Communities Plan, discuss recent findings on fugitive toxic metals, identify priorities for potential toxic risk reduction from stationary sources, and identify AQMP related co-benefits from air toxic control strategies.
3. Next-generation natural gas engine/hybrid vehicles	Develop 12 and 6.7 liter natural gas heavy-duty engines that are 90% cleaner than the current emissions standard for NOx, including the option for integration with hybrid systems and alternative fuels that will provide additional NOx reductions.

GOAL I. Continue progress toward meeting clean air standards and protecting public health. (Cont.)

Priority Objective/Project	Outcome
4. Develop and demonstrate zero-emission goods movement technologies	Continue to work with the U.S. DOE, CEC, CARB, the Ports and others to develop and demonstrate zero-emission miles in goods movement technologies. On the federal level, continue to work with the US Congress, the Administration, US DOE, US EPA, US DOT and other federal agencies to secure funding and policy support to facilitate the development, demonstration, deployment, and commercialization of zero and near-zero emission goods movement transportation technologies for on-road and off-road vehicles and marine vessels. Coordinate these actions with national outreach efforts to develop a nationwide supportive stakeholder network comprised of partners from various sectors, including industry, environmental, government, and academia. Continue similar work with the California Legislature, the Governor, and other stakeholders to secure such funding and policy support for zero and near-zero emission goods movement transportation technologies.
5. Develop and demonstrate low-emission energy generation technology as well as energy storage options	Continue demonstration projects and continue working with stakeholders to facilitate additional power options.
6. Implementation of OEHHA Revised Health Risk Assessment Guidelines	Implement the OEHHA guidelines and use in SCAQMD programs. Complete analysis related to impacts on spray booths and gas stations and develop recommendations for potential rule changes.
7. Proposition 1B-Goods Movement Program	Implement goods movement modernization projects for heavy-duty trucks, locomotives, and cargo handling equipment in accordance with CARB’s program guidelines.
8. Updating and enhancement of the Carl Moyer Program	Following the adoption of SB 513 into law, work closely with CARB and CAPCOA to develop the enhanced Carl Moyer Program guidelines allowing expansion of project categories, leveraging of funds, increasing cost-effectiveness limit to fund advanced technologies, and improving implementation efficiency.
9. Incentive Funding Programs	Identify and pursue additional funding resources (e.g. local, state, national and international) to expand incentive programs. Continue the implementation of the Carl Moyer, Proposition 1B-Goods Movement, Lower-Emission School Bus, Lawnmower Exchange, and other incentive funding programs to achieve early and surplus emissions reductions. Continue outreach for the various incentive programs, connecting with elected officials, businesses, and community members as well as the general public to

GOAL I. Continue progress toward meeting clean air standards and protecting public health. (Cont.)

Priority Objective/Project	Outcome
9. Incentive Funding Programs <i>(Cont.)</i>	increase awareness of the programs. Use all available social media and marketing to broaden the outreach; and continue inter-department coordination to successfully implement each program.
10. Zero-emission lawn and garden equipment	Execute agreements with participating public entities and conduct a loaner program for zero-emission lawn and garden equipment to promote their environmental benefits and efficacy. Continue program outreach and inter-organization coordination to ensure smooth implementation of the program.
11. Cutting-edge efforts of air monitoring and laboratory capabilities	Continue investing in and deploying state of the art monitoring and analytical tools and technologies in stationary and mobile platforms. Specifically, continue to develop optical remote sensing technologies to provide continuous and enhanced pollutant assessment and visualization capabilities in real and near-real time for criteria pollutants, air toxics, metals and GHGs.
12. Implementation of socioeconomic analysis enhancements	Continue to implement the action plan approved by the Board in 2014 to address recommendations contained in the November 2014 Abt Associates report.
13. Ensure compliance through Small Business Assistance outreach programs	Execute the continued expansion of SCAQMD's Small Business Assistance programs to increase small business owners' and operators understanding of the agency and compliance requirements. Programs to include: (1) introduction of revised form and increase effective usage of the Air Quality Permit Checklist (AQPC) that helps to determine businesses' air quality requirements and expedites their receipt of SCAQMD clearance letters; and (2) the ongoing implementation of the Expired Permit Outreach Program (EPOP) that prevents small businesses from incurring costly fees due to failure to properly renew their air quality permit(s).
14. Continue to implement SCAQMD's Environmental Justice (EJ) policies and programs, and other initiatives directed at equitable treatment for all communities and sensitive populations	Work with residents and community leaders in disproportionately impacted communities to remedy their air quality concerns. Increase partnerships with health, educational, and other organizations in impacted communities. Better communicate, coordinate and streamline agency response to EJ-related concerns, in part through the execution of SCAQMD's Environmental Justice Community Partnership, SCAQMD's initiative offering workshops and forums to strengthen the agency's partnership with both EJ thought leaders and community stakeholders, while increasing awareness of SCAQMD's

GOAL I. Continue progress toward meeting clean air standards and protecting public health. (Cont.)

Priority Objective/Project	Outcome
<p>14. Continue to implement SCAQMD’s Environmental Justice (EJ) policies and programs, and other initiatives directed at equitable treatment for all communities and sensitive populations (Cont.)</p>	<p>targeted efforts to mitigate air pollution specifically in and around adversely impacted EJ communities. To further these objectives in 2016-17, hold community outreach events, one in each county, to recognize local EJ leaders and host a second Environmental Justice conference to broaden all stakeholders’ awareness of SCAQMD EJ-related programs as well as SCAQMD’s awareness of local EJ community concerns so we can work together towards resolving air quality related EJ issues in the basin. Prioritize representation of SCAQMD on community task forces and other organizations as appropriate, including business organizations, to help mitigate current and prevent future air quality impacts.</p>
<p>15. Enhance community response program</p>	<p>Assess current SCAQMD community response program and identify measurement techniques and protocols with consideration to recurring types of community concerns, and update the program accordingly to be more informative and responsive to impacted communities in a timelier manner. Develop an enhanced communication plan to inform the community regarding complaints. Continue to maintain, build upon, and update our outreach databases and management systems to communicate more effectively with stakeholders, impacted communities and the public. Incorporate rapid response protocols that can be implemented in the SCAQMD’s social media presence, website, communication center, and media department in a coordinated fashion to more effectively communicate to the impacted communities and their local, state, and federal elected representatives and the general public.</p>
<p>16. Ensure compliance through a program that includes timely processing of permit applications for stationary sources</p>	<p>Process a total of 7,000 applications, including 1,800 Permits to Construct (new construction, modification or relocations). Process all Title V Permit Renewals in a timely manner and meet all statutory requirements. Through SCAQMD’s Small Business Assistance program help more local businesses understand the permit process, prepare and submit permit applications, and expand efforts to educate small business owners about the agency and compliance. Continue the program’s expanded outreach to help ensure continued compliance through efforts to more widely distribute the Air Quality Permit Checklist and through the ongoing Expired Permit Outreach Program. Continue to hold meetings with the permit streamlining working group.</p>

GOAL I. Continue progress toward meeting clean air standards and protecting public health. (Cont.)

Priority Objective/Project	Outcome
17. Prioritize prosecution of high-impact enforcement cases to maximize deterrence for air pollution violations and protect public health	Enhance prosecution of high-impact enforcement cases, such as prosecutions of major or serial violators, major air toxics releases, significant public nuisance cases, or companies having violations at several locations. Achieve satisfactory resolution of these cases to reduce health impacts and provide for future deterrence.
18. Ensure compliance through a program that includes using community-based and/or industry-specific deployment of field personnel	Inspect all Major or RECLAIM sources at least annually and inspect all chrome plating facilities quarterly. Conduct a total of 20,000 site visits for compliance evaluations and perform inspections of 3,300 portable equipment and 1,800 Asbestos demolition or renovation activities. Continue targeted evaluation program for select industries, including but not limited to, metal processing, and oil production. Conduct 40 Team Inspections at selected facilities. Continue to further develop inventory, implement rules, and inspect area sources of emissions. On a case by case basis SBA Team will continue support of E&C's compliance efforts by handling referrals seeking help with permit applications forms, recordkeeping, understanding of air quality rules and regulations, etc., to their compliance with air quality rules and regulations. Also through coordinated efforts with SCAQMD's EJ Coordinator, develop new and build upon existing relationships with communities and businesses to increase rule compliance.
19. Promote, support and partner with other organizations and groups on strategies and programs to encourage multi-modal forms of transportation	Promotion of bus, light rail, heavy rail, and bicycle usage through partnerships resulting in reduction of traffic congestion and improved air quality and health.
20. Update Digital Advisor delivery platform	Develop a universal interactive Digital Advisor that can be simultaneously delivered across all tablet and PC platforms.

GOAL II. Enhance public education and ensure equitable treatment for all communities.

Priority Objective/Project	Outcome
1. Continue implementation of the Clean Communities Plan Pilot Studies in Boyle Heights and San Bernardino, initiate further studies, and complete implementation of the U.S. EPA Targeted Air Shed Grant	Complete the implementation of the Clean Communities Plan Pilot Studies in Boyle Heights and San Bernardino and initiate further studies in the Eastern Coachella Valley and Orange County. Seek other opportunities to apply for U.S. EPA Targeted Air Shed Grant funding to support emission reduction projects benefiting impacted communities in the basin.

GOAL II. Enhance public education and ensure equitable treatment for all communities.
(Cont.)

Priority Objective/Project	Outcome
2. Continue with full-scale implementation of state-of-the-art air monitoring technologies	Continue with the comprehensive efforts to test emerging “low-cost sensors” for accuracy and performance through AQ-SPEC. Deploy several pilot sensor networks, especially in EJ communities, to help validate enhanced low-cost continuous air quality monitoring capabilities for the SCAQMD, the regulated community and the public. Also conduct optical remote sensing to quantify emissions and their dispersion over EJ communities near large refineries and other sources. Communicate findings to the public and explore collaborative opportunities with entities interested in utilizing such sensors and technologies for community-based monitoring. Plan specific outreach opportunities to promote AQ-SPEC, particularly in Southland disadvantaged communities.
3. Employ the latest communication technologies; engage in community based programs and outreach events; and foster relationships with traditional media outlets	Creatively and actively engage the public, through town hall and community meetings, video and PSA messages relayed through local cable and Public, Education and Government channels, specifically themed or targeted outreach events links to public interest and environmental and health concerns. Further improve agency engagement with the public through more effective use of website, video and social and digital media tools (i.e. smartphone app, the digital Advisor, YouTube, Facebook, Twitter, email blasts, etc.), as well as the integration of other possible communication platforms to deliver information and messages in a timely manner. Expand upon the recent launching of SCAQMD’s comprehensive social media campaigns. Develop and share short educational videos and special targeted publications that further the public’s knowledge about SCAQMD rules, actions, jurisdiction, and programs.
4. Implementation of the Enhanced Fleet Modernization Program (EFMP) and EFMP Plus-Up Program	The first year of the Enhanced Fleet Modernization Program (EFMP) and EFMP Plus-Up has been successfully implemented. Staff will be working with CARB to develop a long-term program for sustained funding. Continue program outreach and education, specifically in disadvantaged communities and work with interested legislative members to expand outreach to their constituencies.
5. Continue timely response to community complaints	Respond to all air quality complaints received by SCAQMD in a timely manner.

GOAL III. Operate efficiently and in a manner sensitive to public agencies, businesses, the public and SCAQMD staff.

Priority Objective/Project	Outcome
1. Continue to ensure all SCAQMD activities are transparent and accessible	Develop and implement a transparency policy that addresses and includes, but not limited to, the following: improvements to the timing and accessibility of Board and Committee agendas and agenda materials, multiple website improvements, increased webcasting of activities, and GIS mapping development.
2. Maintain a knowledgeable, professional and well-trained staff	Provide training and educational opportunities to ensure up-to-date expertise and competency in core agency functions. Develop leadership development programs and opportunities to ensure a smooth transition of key leadership positions within the agency.
3. Ensure rulemaking is transparent and inclusive	Continue to work with all stakeholders early and continuing through the rule development process. Include all interested stakeholders, including business, local agencies, environmental justice and environmental groups, and the communities that will be affected, in the rulemaking process, and provide ample opportunity for input and collaboration.
4. Build and maintain partnerships with public agencies, stakeholder groups and the business community	Further enhanced outreach programs to public agencies in areas including, but not limited to, rulemaking and rule implementation and enforcement, regional air quality impacts and attainment strategies, and other issues affecting public agencies, especially local government. Develop partnerships with local jurisdictions and regional agencies, and seek cooperative strategies for achieving air quality goals and objectives while supporting local control and sustainable economic growth, and leveraging local efforts to improve the health and well-being of residents. Develop new partnerships with the business and regulated communities, as well as environmental justice, environmental, health-based organizations, and community groups – especially environmentally conscientious youth groups – through outreach to, and participation in, various activities, conferences, and other opportunities to cultivate early and continuing cooperative relationships. Build relationships outside of California to broaden support for SCAQMD’s federal priorities.
5. Continue to overhaul SCAQMD's information technology systems, including the use of state-of-the-art software, hardware, and communications systems to improve overall agency effectiveness and efficiency	Continue the phased replacement of server and desktop hardware and software. Expand server virtualization and private cloud capabilities, along with public cloud capabilities. Initiate the upgrade of the agency data network infrastructure. Continue to implement electronic document workflow and storage through implementation of the agency enterprise content management system.

GOAL III. Operate efficiently and in a manner sensitive to public agencies, businesses, the public and SCAQMD staff. (Cont.)

Priority Objective/Project	Outcome
<p>5. Continue to overhaul SCAQMD's information technology systems, including the use of state-of-the-art software, hardware, and communications systems to improve overall agency effectiveness and efficiency (Cont.)</p>	<p>Continue work on development and implementation of a web-based portal to provide compliance, financial and permitting information to improve overall agency effectiveness and operational activities. Initiate upgrade of the suite of web-based applications to support the agency's new web page "look and feel" and implement responsive design capabilities for application use across all computing devices including desktops, laptops, tablets and mobile phones. Continue expansion of SCAQMD's e-government/e-commerce capabilities by providing for additional permit application filing, plan filing and compliance notification form filing capabilities. Continue upgrade and expansion of the GIS infrastructure to implement core HTML-5 capabilities and provide additional access functionalities across all computing devices including desktops, laptops, tablets and mobile phones.</p> <p>Expand agency use of Business Intelligence (extraction of meaningful and useful business analysis information from raw operational data) capabilities by providing systems, tools and user training to any user groups that require them. Implement the PeopleSoft Benefits Administration modules to allow SCAQMD staff self-service enrollment, maintenance, cost and claims information relative to SCAQMD provided benefits. Continue effort to further enhance and improve website's user-friendliness and ease of use based on the website evaluation.</p>
<p>6. Engage in enhanced development of Geographic Information Systems (GIS) mapping capabilities</p>	<p>Continue exploration and development of GIS mapping solutions to provide accessible, user-friendly, and meaningful information for all stakeholders. GIS mapping solutions are expected to provide multi-layer maps containing customizable information related to permits, air monitoring, and public outreach efforts.</p>
<p>7. Provide excellent customer service to all stakeholders</p>	<p>Ensure that all stakeholders are treated as partners, and that regulations, requirements and objectives are made clear early in the permitting, rulemaking and planning processes. Work with stakeholders in a cooperative and collaborative manner toward air quality goals and related activities in a timely and cost-effective manner, always seeking to balance priorities of public health protections, business retention, economic growth, and job creation, while meeting federal and state clean air laws.</p>

ATTACHMENT 2



**ACTING EXECUTIVE OFFICER'S
GOALS AND PRIORITY OBJECTIVES
STATUS
FY 2015-2016**

**SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
GOALS AND PRIORITY OBJECTIVES FOR FY 2015-16**

MISSION STATEMENT

“All residents have a right to live and work in an environment of clean air and we are committed to undertaking all necessary steps to protect public health from air pollution with sensitivity to the impacts of our actions on the community, public agencies and businesses.”

VALUES

- S** Sound scientific, technical, and legal basis for actions
- C** Customer service
- A** Air that is healthful to breathe
- Q** Quality programs that are effective and efficient
- M** Multiple partnerships and collaboration with stakeholders
- D** Developing solutions for the future

GOALS AND PRIORITY OBJECTIVES

The following Goals and Priority Objectives have been identified as being critical to meeting SCAQMD’s Mission in Fiscal Year 2015-16.

GOAL I. Ensure expeditious progress toward meeting clean air standards and protecting public health.

Priority Objective/Project	Outcome Status
1. Development of the 2016 AQMP	Continued development of the Draft 2016 AQMP, including finalizing the current and future emissions inventory, running modeling scenarios and attainment demonstrations, determining the carrying capacity, and drafting stationary and mobile source control strategies. All the information has been released to the public and is available online. Conducted a Control Strategy Symposium to solicit input on potential emission reduction strategies. Finalized ten White Papers, with stakeholder input and comment that provide a policy framework for the 2016 AQMP. Held numerous meetings with the Advisory Committee and STMPR to solicit input on Plan Development, and worked with federal, state, and local government and other stakeholders. Provided 56 outreach presentations or meeting discussions on AQMP and policy in all four counties to garner input from governmental entities, businesses and the general public. Also provided fact sheets and/or general information at public meetings throughout the region.
2. Implementation of OEHHA Revised Health Risk Assessment Guidelines	Amended several rules to implement the OEHHA Revised Risk Assessment Guidelines, including Rules 1401. 1401.1, 1402 and 212. Amended rule requirements in Rules 1156, 1420.1 and 1420.2.

GOAL I. Ensure expeditious progress toward meeting clean air standards and protecting public health. (Cont.)

Priority Objective/Project	Outcome Status
3. Implementation of socioeconomic analysis enhancements	Staff held multiple study sessions with SCAG and consultants and came to consensus about the most suitable approach to define the baseline for socioeconomic analyses. Three Requests for Proposals were issued related to analysis of health benefits, environmental justice, and small scale economic impacts. Recommendations proposed in the first two projects are being implemented in the 2016 AQMP Socioeconomic Assessment. Contracts were issued for a third-party evaluation of macroeconomic modeling of public health and other non-market benefits; and for analysis of the health impacts of unemployment in the SCAQMD region. The conclusions put forth in these reports are being incorporated into the 2016 AQMP Socioeconomic Assessment.
4. Development of the 2016 Air Toxics Control Plan	An update/supplement to the 2010 Clean Communities Plan began development for incorporation as a chapter in the 2016 AQMP. The air toxics control strategy will include identification of toxic emission reduction co-benefits from the AQMP.
5. Further develop enhanced emissions/ambient monitoring capabilities	Continued modernization efforts of our monitoring and laboratory capabilities by investing in and deploying state of the art monitoring and analytical tools and technologies in stationary and mobile platforms. Specifically, continued to develop optical remote sensing technologies to provide continuous and enhanced pollutant assessment and visualization capabilities in real and near-real time for criteria pollutants, toxics, metals and GHGs.
6. Demonstration programs for CNG police vehicles and zero-emission police vehicles	SCAQMD staff is evaluating the interest of various police departments in operating natural gas powered police interceptors (either passenger car or SUV) or operating zero-emission range capable police interceptors prior to deciding if the demonstration project would move forward. If there is a desire to move forward, staff will make a recommendation to the Board based on the proposals received.
7. Zero-emission lawn and garden equipment	SCAQMD has secured equipment to conduct a loaner program for zero-emission lawn and garden equipment to promote their environmental benefits and efficacy in a commercial environment including local government parks & maintenance services. Two dozen public entities have been identified to participate in the program and the program is under way. SCAQMD staff also developed and implemented a pilot program with San Bernardino agencies and non-profits to demonstrate commercial electric mowers.
8. Next-generation natural gas engine/hybrid vehicles	Co-sponsored development of an 8.9 liter natural gas heavy-duty engine certified at 0.02 gr/bhp-hr, that is 90% cleaner than the current NOx emissions standard. The Board also approved co-funding support for the development and commercialization of a similar near-zero 12 liter natural gas engine.

GOAL I. Ensure expeditious progress toward meeting clean air standards and protecting public health. (Cont.)

Priority Objective/Project	Outcome Status
9. Develop and demonstrate zero-emission goods movement technologies	A variety of projects are continuing to develop and demonstrate Class 8 trucks using batteries, hybrids with all-electric range, and fuel cell technologies utilizing funding from federal, state, and local funding organizations. SCAQMD was awarded \$23.6 million in Greenhouse Gas Reduction Fund (GGRF) monies from CARB (cap-and-trade auction proceeds) to develop and demonstrate zero and near-zero emission heavy-duty truck technologies in goods movement operations. The demonstration phase of the program will be conducted in collaboration with four other air districts.
10. Updating and enhancements to the Carl Moyer Program	Through joint efforts of CAPCOA and CARB, and active participation of SCAQMD including chairing the CAPCOA work group to help draft bill language and secure passage, SB 513 (Beall) was signed into law on October 8, 2015. This legislation enhances Moyer program objectives by including greenhouse gas reductions, allowing expansion of project categories, leveraging of funds, increasing cost-effectiveness limit to fund advanced technologies, and improving implementation efficiency.
11. Proposition 1B-Goods Movement Program	Secured SCAQMD's share of funds for the last round of bond sales, resulting in about \$137 million amounting to 55% of the total funds, to implement goods movement modernization projects in accordance with CARB's program guidelines.
12. Incentive funding programs	Continued implementation of the Carl Moyer, Lower-Emission School Bus, Lawnmower Exchange, and other incentive funding programs to achieve early and surplus emissions reductions. As examples, \$27 million was approved for the implementation of the "Year 17" Carl Moyer Program, \$25 million was approved for replacement of 144 older school buses with new alternative fuel buses, \$23 million was approved as partial funding for Metrolink to replace ten Tier 0 locomotives to Tier 4 locomotives, and over 1,700 heavy-duty diesel goods movement trucks were replaced under the Proposition 1B Program. SCAQMD staff also conducted stakeholder outreach including elected officials and their staffs, and other promotional opportunities such as community & trade events.
13. Ensure compliance through a program that includes using community-based and/or industry-specific deployment of field personnel	Based on data for first eight months of FY 2015-16, SCAQMD staff is on target to meet goals of inspecting all Major and RECLAIM sources at least once (but in many cases, much more than once), and inspect all chrome plating facilities each quarter. Also on target to have conducted a total of at least 20,000 site visits for

GOAL I. Ensure expeditious progress toward meeting clean air standards and protecting public health. (Cont.)

Priority Objective/Project	Outcome Status
<p>13. Ensure compliance through a program that includes using community-based and/or industry-specific deployment of field personnel (Cont.)</p>	<p>compliance evaluations and complaint responses. Also project to inspect approximately 2,000 portable equipment, and conduct approximately 500 high-priority asbestos demolition & renovation activities; and project to complete at least 40 team Inspections at selected facilities.</p> <p>In addition to compliance staff, other SCAQMD staff assisted with compliance activities to ensure conformity through SBA efforts during FY 2015-16, with over 70 cases referred during the first six months of the fiscal year. Facilities were assisted with completing permit applications forms, recordkeeping, and understanding and successfully complying with air quality rules and regulations. In addition, SCAQMD staff supported community outreach to inform community members on how to file concerns and complaints especially in environmental justice areas and in relation to compliance issues.</p> <p>With regard to area sources of emissions, continued to further develop emissions inventory, implement rules, and inspect sources.</p>
<p>14. Ensure compliance through a program that includes timely processing of permit applications for stationary sources</p>	<p>Based on data for first eight months of FY 2015-16, SCAQMD staff is on target to meet goals. Highlights include:</p> <p>Processed 4,672 applications for Permits, Compliance Plans, and Emission Reduction Credits (ERCs), and issued 1186 Permits to Construct for new and modified equipment and relocations. Processed and issued 37 Title V Permit Renewals.</p> <p>SCAQMD staff also informed and helped small businesses understand and work through SCAQMD's permitting process. The team effort resulted in assisting over 750 facilities during the initial six months of the fiscal year.</p> <p>Improved the Air Quality Permit Checklist (AQPC) process to better determine new businesses' air quality requirements and to expedite issuance of clearance letters for facilities obtaining Certificates of Occupancy from local city agencies. Continued the Expired Permit Outreach Program (EPOP) that helps small businesses renew expired permits before going to a more cost-prohibitive non-reinstatable status. For the first six months of the fiscal year, 123 air quality permits were reinstated and \$86,689 was recovered as a result of EPOP.</p>

GOAL I. Ensure expeditious progress toward meeting clean air standards and protecting public health. (Cont.)

Priority Objective/Project	Outcome Status
<p>15. Continue to implement SCAQMD’s Environmental Justice (EJ) policies and programs, and other initiatives directed at equitable treatment for all communities and sensitive populations</p>	<p>The following activities have sought to enhance the ongoing SCAQMD EJ Program:</p> <ul style="list-style-type: none"> • Held the first two Environmental Justice Community Partnership (Partnership) initiative events which focused on the health impacts of air pollution: June 2015 in Jurupa Valley and November 2015 in Long Beach. • Filled a Sr. Public Information Specialist position focused on successful execution of agency’s EJ programs, including implementation of the Partnership initiative. • Assisted with outreach for the Clean Communities Plan (CCP) for Air Shed Grant programs affecting Boyle Heights and the City of San Bernardino. <p>Coordinated and implemented a total of 26 rule workshops, community meetings, Town Halls, AB 2588 meeting and Hearing Board activities in environmental justice communities. Conducted outreach to inform residents and stakeholders of air quality activities and encourage participation in meetings and events. Educated community members and elected officials in EJ areas on how to file concerns and complaints and how to participate in SCAQMD programs.</p>
<p>16. Enhance community response program</p>	<p>SCAQMD’s new “live” daily presence on social media provides timely updates on air quality issues relevant to SCAQMD priorities and responds to public inquiries. For example, during the August 2015 Cabin Fire SCAQMD’s early smoke advisory was retweeted over 23,000 times and was ultimately shared by news sources (KTLA, KNX 1070) and other social influencers (Long Beach Fire, Arcadia Police Department, and others) with sizable numbers of followers. More recently, in April 2016, a post highlighting our role in funding “True Zero” hydrogen stations was shared on many community pages – both local and beyond our jurisdiction – including Bay Area AQMD and the California Energy Commission. Additionally, despite our relative newcomer status to Social Media, our performance in terms of post frequency and engagement consistently well exceeds longer established social media participants such as Bay Area AQMD, CalEPA, and even U.S. EPA.</p>
<p>17. Prioritize prosecution of high-impact enforcement cases to maximize deterrence for air pollution violations and protect public health</p>	<p>Obtained an Order for Abatement requiring a natural gas facility to take specific steps to abate a natural gas leak, monitor the leaking gas, and reduce the impacts of nuisance odors on the local community. Pursued enforcement action in state court against same facility. Continued to pursue enforcement action against lead-acid battery-recycling facility, including: modifying an abatement order to ensure ongoing compliance with SCAQMD rules, amending a complaint in state court, and litigating various issues regarding the SCAQMD’s claims in bankruptcy court. Obtained abatement order against a trash collection and recycling facility for creating a public nuisance affecting a nearby school.</p>

GOAL I. Ensure expeditious progress toward meeting clean air standards and protecting public health. (Cont.)

Priority Objective/Project	Outcome Status
18. Work proactively on drought-related air quality impacts and needed response	SCAQMD has installed at its Diamond Bar facility waterless urinals, low-flow faucets aerators, and drought tolerant landscaping.
19. Develop and demonstrate low-emission energy generation technology as well as energy storage options	Ongoing low-emission energy generation projects with several entities including solar photovoltaic installations (PV) at City of Industry Metrolink station; solar PV with battery storage at UCR, UCSD, and Coda Energy, flywheel energy storage with Kinetic Traction Systems at Los Angeles Metrolink station; and biogas to a stationary fuel cell with OHR Energy at City of Riverside.
20. Promote, support and partner with other organizations and groups on strategies and programs to encourage multi-modal forms of transportation.	Facilitated an opportunity for Board Member to present to Regional Transportation CEOs in November 2015 about partnering with MSRC on a region-wide, comprehensive campaign to promote multi-modal transportation.

GOAL II. Enhance public education and ensure equitable treatment for all communities.

Priority Objective/Project	Outcome Status
1. Continue implementation of the Clean Communities Plan Pilot Studies in Boyle Heights and San Bernardino and complete implementation of the U.S. EPA Targeted Air Shed Grant	Continued implementation of the Clean Communities Plan, including administering programs funded by U.S. EPA's Targeted Air Shed Grant. Funding was spent on residential lawn mower exchanges, Commercial electric mower pilot program, weatherization (in collaboration with the Southern California Gas Company), aqueous brake cleaning systems, air filtration and other programs.
2. Fully deploy newly established testing center, AQ-SPEC	The AQ-SPEC was initiated with 20 low-cost sensors tested in the field alongside federal reference monitors. The environmental chamber was delivered and inaugurated in 2015 with 3 different sensors evaluated. Two separate U.S. EPA grants were awarded to conduct community monitoring, and the website was deployed to provide public access to the AQ-SPEC analyses of the different sensors.
3. Demonstrate viability for car scrapping and vouchers for cleaner vehicles in disadvantaged communities	Initial outreach for the Enhanced Fleet Modernization Program (EFMP) Pilot Program has led to overwhelming interest and an oversubscription in the Pilot Program. In 2015, the SCAQMD approved over 450 vouchers for replacement vehicles, which include dedicated battery-electric, plug-in hybrid electric, and cleaner, more fuel efficient combustion vehicles. SCAQMD staff facilitated partnerships with state legislative offices in disadvantaged communities to encourage program participation and to assist applicants through the process. Staff also conducted outreach to inform interested public on the EFMP program and how they can participate.

GOAL II. Enhance public education and ensure equitable treatment for all communities. (Cont.)

Priority Objective/Project	Outcome Status
<p>4. Employ the latest communication technologies; engage in community based programs and outreach events; and foster relationships with traditional media outlets</p>	<p>Throughout 2015 SCAQMD distributed in-house-produced videos that highlight actions taken during Governing Board monthly meetings to 37 PEG (public, educational, and government access television) channels, equating to 50% of all PEG channels throughout the four-county basin. The monthly videos also include tips to reduce pollution and timely announcements about SCAQMD programs and events. New agency PSAs are also distributed to channels for airing.</p> <p>Public engagement has increased also, with an established “live” response social media presence on Facebook and Twitter, and broader engagement in the community, i.e. the annual Taste of Soul event in Los Angeles that draws over 400,000 attendees. As well, the SCAQMD website has become an objective informational access point on air quality related issues of heightened community concern (Exide, Porter Ranch, etc.).</p> <p>As well, annual community events, such as SCAQMD’s Dr. Martin Luther King, Jr. Day of Service Forum and the Cesar Chavez Day of Remembrance, promote the connection between social and environmental justice and give SCAQMD unique opportunities to broaden public awareness of local air quality challenges, especially issues faced in disadvantaged communities predominantly populated by people of color.</p>
<p>5. Continue timely response to community complaints</p>	<p>RTO Team fielded and processed 12,800 air quality complaints and 45,000 other calls and inquiries, including calls related to the following issues that generated the greatest number of calls: Exide, Sunshine Canyon Landfill, Rainbow Disposal, and, most recently, Porter Ranch – Aliso Canyon.</p>

GOAL III. Operate efficiently and in a manner sensitive to public agencies, businesses, the public and SCAQMD staff.

Priority Objective/Project	Outcome Status
<p>1. Maintain a knowledgeable, professional and well-trained staff</p>	<p>Continued active recruitment and selection activities, maintained all legally required training for staff, and have explored succession planning models and programs to ensure smooth transition of staff into future executive and management positions.</p>

GOAL III. Operate efficiently and in a manner sensitive to public agencies, businesses, the public and SCAQMD staff. (Cont.)

Priority Objective/Project	Outcome Status
<p>2. Continue to overhaul SCAQMD's information technology systems, including the use of state-of-the-art software, hardware, and communications systems to improve overall agency effectiveness and efficiency</p>	<p>Upgraded all agency desktop computer software to Windows 8.1 and Office 2013. Replaced 25% of agency desktop computer hardware with new equipment.</p> <p>Continued expansion of server virtualization and explored use of Microsoft Azure as a platform for Internet of Things (IOT) and Bid Data Analytics through implementation of the Connect The Dots sample project.</p> <p>Completed an upgrade of audio visual systems in the Hearing Board and conference room GB. The new state-of-the art systems includes high definition video and audio, a video wall display in room GB, and webcasting capabilities.</p> <p>Completed initial implementation work with Legal's Contractor by providing data migration, database to database synchronization services and audit and error handling of data movement between JWorks system and SCAQMD enterprise systems/database.</p> <p>Promoted permit processing efficiencies through implementation of a permit-processing fees portal and voucher generation and payment services allowing facilities to calculate fees and generate vouchers to pay for permit processing and other fees.</p> <p>Expanded GIS infrastructure through acquisition and installation of GIS mapping software that allows publication of the SCAQMD's map layers across a wide range of modern browsers and mobile platforms.</p> <p>Enabled further expansion of SCAQMD's e-government/e-commerce capabilities by implementing a security and reporting portal for management of registration and login, user management, application management and reporting copy of record. In support of SCAQMD HR/Payroll needs, upgraded to the latest PeopleSoft HCM system; implemented support for the Affordable Care Act, the Health Savings Account and SBSERA's new reporting system.</p> <p>In support of public outreach, implemented SB-4 changes for the Rule 1148.2 reporting system; and developed on-demand expense reports and statistical information for Senate/Congressional Districts.</p> <p>Completed an evaluation of the website that included feedback from a range of stakeholders including Governing Board members, management staff, and representatives from the regulated community and public health and environmental advocacy groups.</p>

GOAL III. Operate efficiently and in a manner sensitive to public agencies, businesses, the public and SCAQMD staff. (Cont.)

Priority Objective/Project	Outcome Status
3. Provide excellent customer service to all stakeholders	Continued an enhanced Expired Permit Outreach Program to include calls, more extensive research, and site visits to businesses with expired permits to attempt to avoid permits from turning non-reinstatable. The Small Business Assistance Unit continued to provide services to small businesses throughout the region.
4. Build and maintain partnerships with public agencies, stakeholder groups and the business community	Enhanced outreach efforts to systematically include local government, elected officials, community leaders, environmental and health organizations, and other interested stakeholders for rulemaking workshops and meetings, facility issues, AQMP, and other air quality related programs. Focused on creating and cultivating relationships to promote two-way flow of communication between the SCAQMD and the public. Hosted special events, meetings and hearings in the community to encourage public participation and transparency.
5. Ensure rulemaking is transparent and inclusive	Worked to coordinate, outreach for and implement community meetings on rules to garner greater participation from affected residents, businesses, elected officials, environmental and health organizations and other governmental entities. Worked with all stakeholders during the rule development process and provided opportunities for input and collaboration.
6. Provide training and educational opportunities to ensure up-to-date expertise and competency in core agency functions. Develop leadership development programs and opportunities to ensure a smooth transition of key leadership positions within the agency.	In CY 2015, recruited for and selected 54 new employees, including a new Deputy Executive Officer and Assistant Deputy Executive Officer for Planning, Rule Development and Area Sources; two Assistant Deputy Executive Officers for Engineering and Compliance; a Health Effects Officer; and three Planning and Rules Managers. Staff also developed a Career Development Intern classification to provide career development opportunities for youths emancipated from the county foster care programs.

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BOARD MEETING DATE: June 3, 2016

AGENDA NO. 34

PROPOSAL: Amend Rule 1110.2 – Emissions from Gaseous- and Liquid-Fueled Engines

SYNOPSIS: The Board adopted amendments at the December 4, 2015 meeting to provide the regulated community with additional time to comply with the biogas engine limits. Staff was directed to return to the Board with an amendment that would provide relief for one affected facility as expeditiously as possible with the proper CEQA analysis. This single facility operates two landfill gas-fired engines at the Prima Deshecha Landfill, is subject to a power purchase agreement (PPA) that expires on October 1, 2022, and cannot economically meet the established compliance deadline of January 1, 2017. The proposed amendments would exempt the facility operator from the emission requirements of the rule, contingent on the facility submitting a retirement plan for the permanent shutdown of all equipment subject to this rule at the expiration date of the PPA.

COMMITTEE: Stationary Source, April 15, 2016, Reviewed

RECOMMENDED ACTIONS:

Adopt the attached resolution:

1. Certifying the Subsequent Environmental Assessment; and
2. Amending Rule 1110.2 – Emissions from Gaseous- and Liquid-Fueled Engines.

Wayne Natri
Acting Executive Officer

Background

Rule 1110.2 regulates oxides of nitrogen (NO_x), carbon monoxide (CO), and volatile organic compound (VOC) emissions from liquid and gas fueled internal combustion engines operating in the SCAQMD producing more than 50 rated brake horsepower (bhp). The rule was adopted in 1990 and last amended in 2015 to establish an effective date of January 1, 2017 for owners and operators of biogas engines to meet the emission limits that all other engines under this rule were required to meet in July 1, 2011. In the South Coast region, biogas engines covered under this rule are fueled by either landfill gas or from wastewater treatment plant digester gas.

The Board adopted amendments at the December 4, 2015 meeting to provide regulated entities with additional time for compliance with the biogas engine limits. In addition, staff was directed to return to the Board with an amendment, along with the proper CEQA analysis, that would provide relief for one affected facility as expeditiously as possible.

That facility, MM PRIMA DESHECHA ENERGY, LLC, is located at the Prima Deshecha Landfill in the city of San Juan Capistrano. It is owned and operated by FORTISTAR METHANE GROUP, LLC (“FORTISTAR”) and is under a power purchase agreement (PPA) with SDG&E that became effective on October 1, 2007 and has a term of fifteen years that expires on October 1, 2022. The facility, under the constraints of the PPA, cannot economically support retrofitting its two engines to meet the emission requirements of the rule. In addition, the facility cannot shut down the engines by the January 1, 2017 compliance date because it would be forced to pay a penalty to the buyer for not providing the power by breaking the PPA which also results in a loss of revenue to the county that operates the landfill. Based on the direction of the Board, SCAQMD staff is proposing to exempt the facility operator from meeting the emission requirements of the rule by January 1, 2017.

Public Process

Several meetings and conference calls have been held with representatives from the Prima Deshecha landfill and engine operators. A Public Workshop for PAR 1110.2 was held on April 7, 2016 and the proposed amendment was discussed at the April 15, 2016 Stationary Source Committee meeting.

Affected Facilities

Proposed Amended Rule 1110.2 affects one facility located in San Juan Capistrano at the Prima Deshecha Landfill in South Orange County, which uses the gas generated by the landfill to fuel its two engines for power generation.

Proposed Amendments

The proposed amendments would exempt the facility operator (or any of its successors) that operates the two above-mentioned landfill gas-fired engines from the emission

requirements of the rule. This would be contingent on the facility submitting a retirement plan for the permanent shutdown of all equipment by the termination date of the PPA on October 1, 2022. The facility would be required to submit a plan committing to these requirements to the SCAQMD before July 1, 2016 and the plan would need to be approved before the January 1, 2017 compliance date. A retirement plan will ensure that any equipment in the plan is in fact either removed or rendered inoperable. The facility may opt to remove the equipment at the end of the PPA term or render the equipment inoperable.

Emission Reductions and Cost Effectiveness

The project would result in a delay of 0.07 tons per day of NOx reductions, 0.01 tons per day of VOC reductions, and 0.08 tons per day of CO reductions. Nonetheless, a portion of these reductions will be partially achieved in 2022, five years from the original compliance date, with the exception of emissions from the existing landfill flares which would process the redirected landfill gas upon closure. As PAR 1110.2 will provide an exemption for one facility, there is no additional cost and a cost effectiveness analysis would not be applicable to this proposed amendment.

Although a cost effectiveness analysis is not required for this amendment, a commenter at the Public Workshop requested information related to the cost per ton of emissions that would have been reduced for the project under the facility’s PPA term. Even though cost effectiveness is typically calculated on a per device basis for all equipment under a proposed rule, the scope of this amendment only applies to a single facility. Therefore, an overall cost was calculated for the installation of controls for the emission reductions foregone at this facility’s two engines. A summary of the cost effectiveness compared to what was calculated for a prior amendment is presented below:

Cost Scenario	Cost Effectiveness (\$/ton NOx, VOC, and CO/7)
2012 Amendments to Rule 1110.2 (Per Engine)	\$4,200
Under Remaining 5-year PPA Term (2 Engines)	\$58,000
Under Remaining 4-year PPA Term with Payment of Compliance Flexibility Fee (2 Engines)	\$57,000

The recalculated costs would be significantly higher than those proposed as part of the 2012 amendments to Rule 1110.2 and higher than the upper bounds of cost effectiveness values presented to the Board for past rulemakings.

Other Comments Received

At the Public Workshop, after the CEQA document had been released, Riverside County (Badlands Landfill), Burrtec Waste, and Inland Empire Utilities Agency also requested relief. Staff met with them and their particular situations are different than Fortistar's. Following Stationary Source Committee's direction, staff is committed to working with them and believes a resolution can be identified. The entities understand that, if included, the CEQA document would have to be recirculated. Staff is following Board direction to return as expeditiously as possible.

AQMP and Legal Mandates

The California Health and Safety Code requires the SCAQMD to adopt an Air Quality Management Plan (AQMP) to meet state and federal ambient air quality standards and adopt rules and regulations that carry out the objectives of the AQMP. This proposed amendment of Rule 1110.2 provides an exemption to the existing rule for one facility operating biogas engines. Although there will be NOx emission reductions foregone from the January 1, 2017 compliance date, these reductions will be achieved in 2022 and beyond due to shut down of the engines. The amendments will be submitted into the SIP.

California Environmental Quality Act Analysis

Pursuant to the California Environmental Quality Act (CEQA) and the SCAQMD's Certified Regulatory Program (Rule 110), SCAQMD is the Lead Agency and has prepared a Draft Subsequent Environmental Assessment (SEA) for Proposed Amended Rule (PAR) 1110.2 – Emissions from Gaseous- and Liquid-Fueled Engines. A 45-day public review and comment period of the Draft SEA began on Tuesday, March 29, 2016 and ended at 5:00 p.m. on Friday, May 13, 2016. No comment letters were received from the public regarding the Draft SEA. The environmental analysis in the Draft SEA concluded that proposed amended Rule 1110.2 will result in adverse significant operational air quality impacts. There are no feasible mitigation measures that have been identified at this time that would reduce or eliminate the expected delays in emission reductions. Consequently, the operational air quality emissions impacts from the proposed project cannot be mitigated to less than significant. The Draft SEA is available at SCAQMD Headquarters, by calling the SCAQMD's Public Information Center at (909) 396-2039, or by accessing the SCAQMD website at <http://www.aqmd.gov/home/library/documents-support-material/lead-agency-scaqmd-projects/scaqmd-projects---year-2016>.

Socioeconomic Analysis

The proposed amendments provide regulatory relief to a single facility located in Orange County. As such, cost savings are expected. Based on the cost effectiveness

analysis from the 2012 amendments, a facility with this size of engines (4,235 bhp) was expected to spend approximately \$3,000,000 in installation costs per engine for a gas treatment system, oxidation catalyst, and SCR system. If the facility would proceed with this installation and require more time beyond the January 1, 2017 compliance date, the cost of the compliance flexibility fee to complete the installation by January 1, 2018 would be about \$400,000. The proposed amendments would not result in other socioeconomic impacts.

Resource Impacts

Existing staff resources are adequate to implement the proposed amendments.

Attachments

- A. Summary of Proposal
- B. Rule Development Process
- C. Key Contacts List
- D. Resolution and Attachment 1 to the Resolution
- E. Proposed Amended Rule
- F. Staff Report
- G. Subsequent Environmental Assessment for Proposed Amended Rule 1110.2 – Emissions from Gaseous- and Liquid-Fueled Engines
- H. Board Meeting Presentation

ATTACHMENT A

SUMMARY OF PROPOSAL

Proposed Amended Rule 1110.2 – Emissions from Gaseous- and Liquid-Fueled Engines

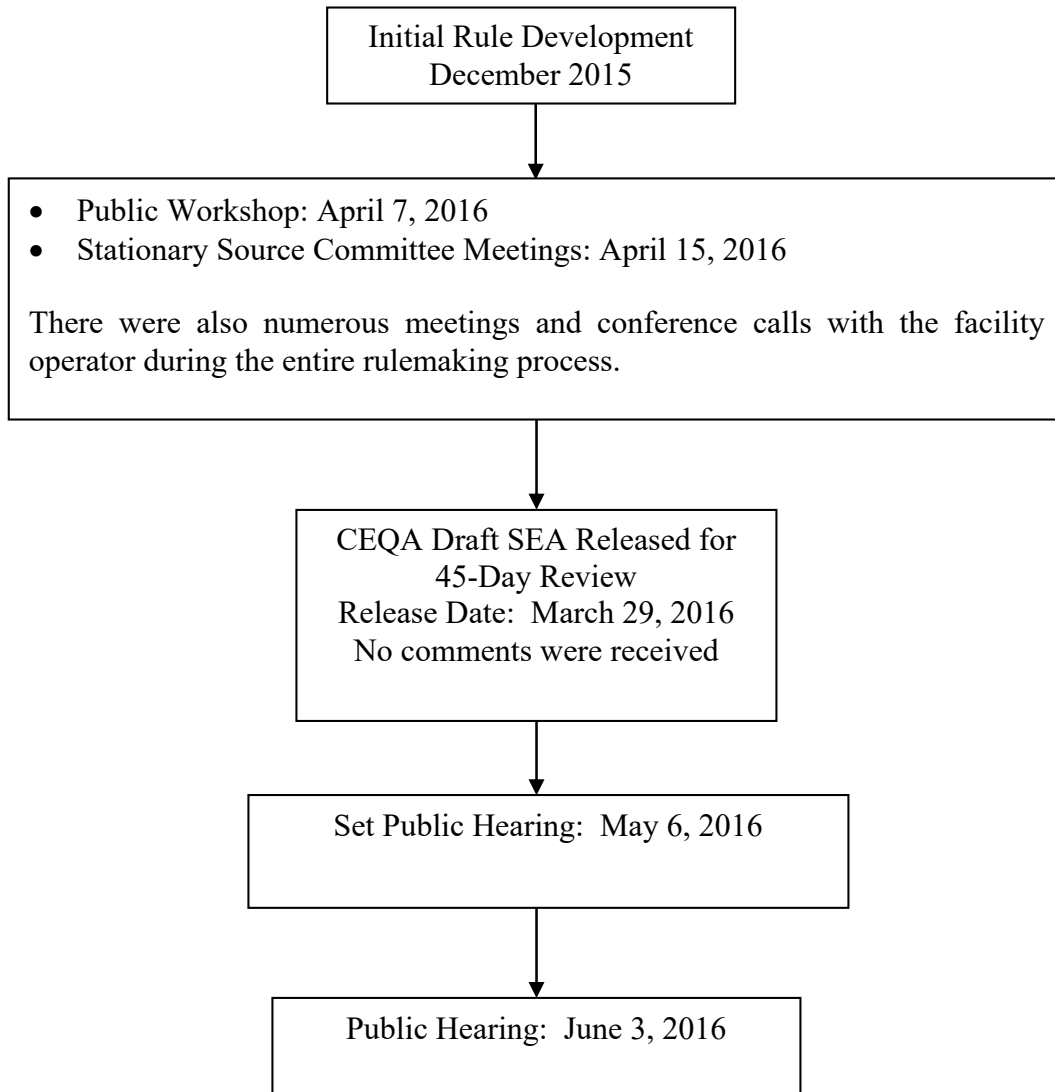
Exemption for one facility [paragraph (i)(2)]

This provision would exempt the operator of MM PRIMA DESHECHA ENERGY, LLC, or any of its successors from the emission requirements of this rule provided that they submit a detailed retirement plan that is approved by the Executive Officer for the permanent shutdown of their engines by October 1, 2022. The plan shall detail the steps and schedule that will be taken to remove the equipment or render it permanently inoperable by that date. In addition, the plan shall require the surrendering of the engine operating permits.

ATTACHMENT B

RULE DEVELOPMENT PROCESS

Proposed Amended Rule 1110.2 – Emissions from Gaseous- and Liquid-Fueled Engines



Six (6) months spent in rule development.

ATTACHMENT C
KEY CONTACTS LIST

Agency Representatives

Orange County Waste and Recycling (OCWR)
Southern California Alliance of Publicly Owned Treatment Works (SCAP)
U. S. Environmental Protection Agency (EPA)

Affected Facility

Fortistar, Prima Deshecha

Other Interested Parties

Inland Empire Utilities Agency (IEUA)
Riverside County Department of Waste Resources
Representatives from other companies and other interested individuals

ATTACHMENT D

RESOLUTION NO. 2016 - _____

A Resolution of the South Coast Air Quality Management District (SCAQMD) Governing Board certifying the Final Subsequent Environmental Assessment for Proposed Amended Rule 1110.2 – Emissions from Gaseous- and Liquid-Fueled Internal Combustion Engines.

A Resolution of the SCAQMD Governing Board amending Rule 1110.2 – Emissions from Gaseous- and Liquid-Fueled Engines.

WHEREAS, the SCAQMD Governing Board finds and determines that the proposed amendments to Rule 1110.2 are considered a “project” pursuant to the California Environmental Quality Act (CEQA); and

WHEREAS, the SCAQMD has had its regulatory program certified pursuant to Public Resources Code § 21080.5 and has conducted CEQA review and analysis pursuant to such program (SCAQMD Rule 110); and

WHEREAS, SCAQMD staff has prepared a Draft Subsequent Environmental Assessment (SEA) pursuant to its certified regulatory program and pursuant to CEQA Guidelines §15252, setting forth the potential environmental consequences of Proposed Amended Rule 1110.2 – Emissions from Gaseous- and Liquid-Fueled Engines; and

WHEREAS, the Draft SEA was circulated for 45-day public review and comment period from March 29, 2016 to May 13, 2016; and

WHEREAS, no comment letters were received during the comment period relative to the analysis presented in the Draft SEA and the Draft SEA has been revised such that it is now a Final SEA; and

WHEREAS, it is necessary that the adequacy of the Final SEA be determined by the SCAQMD Governing Board prior to its certification; and

WHEREAS, it is necessary that the SCAQMD prepare Findings and a Statement of Overriding Considerations pursuant to CEQA Guidelines §15091 and §15093, respectively, regarding potentially significant adverse environmental impacts that cannot be mitigated to insignificance; and

WHEREAS, no feasible mitigation measures were identified to reduce or eliminate significant adverse operational air quality impacts to less than significant and,

as such, a Mitigation Monitoring Plan pursuant to Public Resources Code §21081.6 was not required; and

WHEREAS, the Final SEA reflects the independent judgement of the SCAQMD; and

WHEREAS, the SCAQMD Governing Board voting on Proposed Amended Rule 1110.2 – Emissions from Gaseous- and Liquid-Fueled Engines has reviewed and considered the Final EA prior to its certification; and

WHEREAS, the SCAQMD Governing Board finds and determines, taking into consideration the factors in § (d)(4)(D) of the Governing Board Procedures (to be codified as Section 30.5(4)(D) of the Administrative Code), that the modifications which have been made to Proposed Amended Rule 1110.2 – Emissions from Gaseous- and Liquid-Fueled Engines, since notice of public hearing was published do not significantly change the meaning of the proposed project within the meaning of Health and Safety Code § 40726 and would not constitute significant new information requiring recirculation of the Draft SEA pursuant to CEQA Guidelines § 15088.5; and

WHEREAS, the SCAQMD Governing Board has determined that there is a problem, that the proposed amendments to Rule 1110.2 – Emissions from Gaseous- and Liquid-Fueled Engines will alleviate (Health and Safety Code § 40001(c)). Specifically, there is a need for an exemption for one facility operator of biogas engines that operates under a power purchase agreement and cannot economically meet the established compliance deadline of the rule; and

WHEREAS, Health and Safety Code §40727 requires that prior to adopting, amending or repealing a rule or regulation, the SCAQMD Governing Board shall make findings of necessity, authority, clarity, consistency, non-duplication, and

WHEREAS, the SCAQMD Governing Board has determined that a need exists to amend Rule 1110.2 – Emissions from Gaseous- and Liquid-Fueled Engines, to provide relief for a facility that cannot economically comply; and

WHEREAS, the SCAQMD Governing Board obtains its authority to adopt, amend, or rescind rules and regulations from Sections 40000, 40001, 40440, 40702, and 40725 through 40728 of the California Health and Safety Code; and

WHEREAS, the SCAQMD Governing Board has determined that Rule 1110.2 – Emissions from Gaseous- and Liquid-Fueled Engines, as proposed to be amended, is written or displayed so that its meaning can be easily understood by the persons directly affected by it; and

WHEREAS, the SCAQMD Governing Board has determined that Rule 1110.2 – Emissions from Gaseous- and Liquid-Fueled Engines, as proposed to be amended, is in harmony with, and not in conflict with or contradictory to, existing statutes, court decisions, or state or federal regulations; and

WHEREAS, the SCAQMD Governing Board has determined that Rule 1110.2 – Emissions from Gaseous- and Liquid-Fueled Engines, as proposed to be amended, does not impose the same requirements as any existing state or federal regulation, and the proposed amended rule is necessary and proper to execute the powers and duties granted to, and imposed upon, the SCAQMD; and

WHEREAS, the SCAQMD Governing Board, in amending and adopting this regulation, references the following statutes which the SCAQMD hereby implements, interprets, or makes specific: California Health and Safety Code Sections 40440(a) (rules to carry out the Air Quality Management Plan), 40440(c) (cost effectiveness), and Federal Clean Air Act Section 172(c)(1) (RACT); and

WHEREAS, the SCAQMD Governing Board has determined that the Final Socioeconomic Assessment approved for the 2008 amendments to Rule 1110.2 remain valid for this proposed amendment, since there are fewer engines to control and the control costs have remained relatively constant since the 2008 Socioeconomic Assessment was conducted; and

WHEREAS, the SCAQMD Governing Board has determined that the 2008 Socioeconomic Assessment for Proposed Amended Rule 1110.2 – Emissions from Gaseous- and Liquid-Fueled Internal Combustion Engines is still consistent with the provisions of Health and Safety Code Sections 40440.8, 40728.5 and 40920.6; and

WHEREAS, the SCAQMD Governing Board has determined that the 2008 Socioeconomic Assessment for Proposed Amended Rule 1110.2 – Emissions from Gaseous- and Liquid-Fueled Internal Combustion Engines is still consistent with the March 17, 1989 Board Socioeconomic Resolution for rule adoption; and

WHEREAS, the SCAQMD Governing Board has determined that Proposed Amended Rule 1110.2 – Emissions from Gaseous- and Liquid-Fueled Internal Combustion Engines would have fewer costs to the affected industries than what was described in the 2008 Socioeconomic Assessment; and

WHEREAS, a public hearing has been properly noticed in accordance with the provisions of Health and Safety Code Section 40725; and

WHEREAS, the SCAQMD Governing Board has held a public hearing in accordance with all the provisions of law; and

WHEREAS, the SCAQMD specifies the Manager of Rule 1110.2 – Emissions from Gaseous- and Liquid-Fueled Engines as the custodian of the documents or other materials which constitute the record of proceedings upon which the adoption of this proposed amendment is based, which are located at the South Coast Air Quality Management District, 21865 Copley Drive, Diamond Bar, California; and

WHEREAS, at the conclusion of the public hearing, the SCAQMD Board may make other amendments to Proposed Amended Rule 1110.2 which are justified by the evidence presented, or may decline the amendments or adoption; and

NOW, THEREFORE, BE IT RESOLVED, that the SCAQMD Governing Board does hereby certify that the Final SEA for Proposed Amended Rule 1110.2 – Emissions from Gaseous- and Liquid-Fueled Engines, was completed in compliance with CEQA and Rule 110 provisions; and that the Final SEA was presented to the SCAQMD Governing Board, whose members reviewed, considered and approved the information therein prior to acting on Proposed Amended Rule 1110.2 – Emissions from Gaseous- and Liquid-Fueled Engines; and

BE IT FURTHER RESOLVED, that the SCAQMD Governing Board adopts the Findings and Statement of Overriding Considerations pursuant to CEQA Guidelines §15091 and §15093, respectively; and

BE IT FURTHER RESOLVED, that the SCAQMD Governing Board hereby directs the Executive Officer to submit Rule 1110.2, as currently amended, for inclusion into the California State Implementation Plan; and

BE IT FURTHER RESOLVED, that the SCAQMD Governing Board does hereby amend, pursuant to the authority granted by law, Rule 1110.2 – Emissions from Gaseous- and Liquid-Fueled Engines, as set forth in the attached and incorporated herein by this reference.

Date: _____

Clerk of the Boards

ATTACHMENT 1

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

**Attachment 1 to the Governing Board Resolution for:
Final Subsequent Environmental Assessment for Proposed Amended Rule 1110.2 –
Emissions from Gaseous- and Liquid-Fueled Engines**

Findings and Statement of Overriding Considerations

**SCAQMD No. 160112JI
State Clearinghouse No: 2015071072**

June 2016

Acting Executive Officer
Wayne Nastri

Deputy Executive Officer
Planning, Rule Development and Area Sources
Philip Fine, Ph.D.

Assistant Deputy Executive Officer
Planning, Rule Development and Area Sources
Jill Whynot

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**SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
GOVERNING BOARD**

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Speaker of the Assembly Appointee

VICE CHAIRMAN: BEN BENOIT
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County of Orange

DR. CLARK E. PARKER, SR.
Senate Rules Committee Appointee

DWIGHT ROBINSON
Councilmember, Lake Forest
Cities of Orange County

JANICE RUTHERFORD
Supervisor, Second District
County of San Bernardino

ACTING EXECUTIVE OFFICER:
WAYNE NASTRI

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INTRODUCTION

Proposed Amended Rule 1110.2 – Emissions from Gaseous- and Liquid-Fueled Engines, is considered a “project” as defined by the California Environmental Quality Act (CEQA) (California Public Resources Code §§21000 et seq.). The South Coast Air Quality Management District (SCAQMD) as Lead Agency for the proposed project, prepared a Draft Subsequent Environmental Assessment (SEA) which analyzed potential adverse environmental impacts of the proposed project.

The Draft SEA was prepared as a public disclosure document intended to: (a) provide the lead agency, responsible agencies, decision makers and the general public with information on the environmental impacts of the proposed project; and, (b) be used as a tool by decision makers to facilitate decision making on the proposed project. The Draft SEA was released for a 45-day public review and comment period from March 29, 2016 to May 13, 2016. The Draft SEA, was prepared pursuant to CEQA Guidelines §15161, and concluded that only the topic of operational air quality and greenhouse gas emissions impacts would have significant adverse impacts. During that public comment period, the SCAQMD received no comment letters.

CERTIFICATION OF THE FINAL SEA

The SCAQMD Governing Board certifies that it has been presented with the Final SEA for Proposed Amended Rule (PAR) 1110.2 and that it has reviewed and considered the information contained in the Final SEA prior to making the following certifications and findings. Pursuant to CEQA Guidelines §15090 (Title 14 of the California Code of Regulations, §15090), the SCAQMD Governing Board certifies that the Final SEA has been completed in compliance with the CEQA statutes and the CEQA Guidelines. The SCAQMD Governing Board certifies the Final SEA for the actions described in these findings and in the Final SEA, i.e., the proposed project. The SCAQMD Governing Board further certifies that the Final SEA reflects its independent judgment and analysis. The Governing Board Resolution includes the certification of the Final SEA.

SUMMARY OF THE PROPOSED PROJECT

Rule 1110.2 – Emissions from Gaseous- and Liquid-Fueled Engines limits emissions of nitrogen oxides (NO_x), volatile organic compounds (VOCs) and carbon monoxide (CO) from the combustion of gaseous and liquid fueled engines. This rule applies to engines that are operating in the SCAQMD and that are rated more than 50 rated brake horsepower (bhp). The rule was adopted in 1990 and amended in 2012 to establish an effective date of January 1, 2016 for owners and operators of biogas engines to meet the emission limits that all other engines under this rule were required to meet by July 1, 2011.

SCAQMD staff’s recent evaluation of the state of compliance with Rule 1110.2, as well as feedback from the affected industry, revealed that some equipment owners/operators are experiencing compliance challenges, in particular, with certain effective dates in the rule. Based on this information, in December 2015, the SCAQMD Governing Board amended Rule 1110.2 to delay implementation of NO_x, VOC, and CO emission limit compliance dates until 2017 for biogas engines because some control technologies have not matured in a timely manner. The delayed emission reductions were greater than the SCAQMD’s CEQA significance thresholds,

thus the air quality impacts were considered significant. However, all delayed emission reductions from that rule amendment will be recaptured over time, so the impacts are not permanent. Limits were also adopted on the number of breakdowns and excess emissions during breakdown events in order to be consistent with the EPA’s breakdown provisions and to allow the rule to be included in the State Implementation Plan (SIP). A Final SEA was certified on December 4, 2015 that analyzed all potential environmental impacts resulting from the proposed 2015 amendments to Rule 1110.2.

The proposed project consists of an additional amendment to Rule 1110.2, which would provide the facility operator of MM PRIMA DESHECHA ENERGY, LLC, or any of its successors, which is located at 32250 La Pata Ave, San Juan Capistrano, CA 92675, relief from the emissions requirements specified in Table III-B of Rule 1110.2, provided the facility has submitted a detailed retirement plan, approved by the Executive Officer, for the permanent shutdown of all equipment subject to Rule 1110.2 by October 1, 2022. This Final SEA is being prepared because a small portion of the emission reductions foregone (emissions from this one facility) that were previously analyzed in the December 2015 SEA would be extended from 2017 until 2022; therefore, the increased severity of the impact was not previously disclosed.

Project Objectives

CEQA Guidelines §15124(b) requires the project description to include a statement of objectives sought by the proposed project, including the underlying purpose of the proposed project. Compatibility with project objectives is one criterion for selecting a range of reasonable project alternatives and provides a standard against which to measure project alternatives. The project objectives identified in the following bullet points have been developed: 1) in compliance with CEQA Guidelines §15124 (b); and, 2) to be consistent with policy objectives of the SCAQMD’s New Source Review program. The project objectives are as follows:

- Provide relief for the facility operator of MM PRIMA DESHECHA ENERGY, LLC, or any of its successors, from the emissions requirements specified in Table III-B of Rule 1110.2, provided the facility has met specific criteria;
- Maintain the lower limits on NOx, VOC, and CO emissions from the combustion of gaseous and liquid biogas engines; and
- Aside from temporary air quality impacts ending October 1, 2022, avoid generating any new significant adverse environmental impacts.

SIGNIFICANT ADVERSE IMPACTS WHICH CAN BE REDUCED BELOW A SIGNIFICANT LEVEL OR WERE CONCLUDED TO BE INSIGNIFICANT

The Final SEA identified air quality and greenhouse gas emissions as an area that may be adversely affected by the proposed project. The proposed project was evaluated according to SCAQMD’s CEQA environmental checklist of approximately 17 environmental topics. The screening analysis concluded that the following environmental areas would not be significantly adversely affected by the proposed project:

- aesthetics
- agriculture and forestry resources
- biological resources

- cultural resources
- energy
- geology and soils
- hazards and hazardous materials
- hydrology and water quality
- land use and planning
- mineral resources
- noise
- population and housing
- public services
- recreation
- solid/hazardous waste
- transportation/traffic

POTENTIAL SIGNIFICANT ADVERSE IMPACTS THAT CANNOT BE REDUCED BELOW A SIGNIFICANT LEVEL

The Final SEA identified the topic of operational air quality and greenhouse gas emissions as the only area that may be significantly adversely affected by the proposed project and could not identify any feasible mitigation measures to adequately reduce potential impacts to less than significant.

Operational Air Quality

PAR 1110.2 impacts only one biogas facility located in the SCAQMD jurisdiction. The proposed project will result in additional emissions foregone from 2017 to 2022, which will increase the severity of an impact previously analyzed in the December 2015 Final SEA. There are no construction-related activities associated with the proposed project, and therefore, no construction-related impacts are expected to occur. Additionally, since GHG emissions are based on fuel usage, the GHG emissions will remain the same no matter the type of combustion source.

NO_x, VOC, and CO emission reductions for PAR 1110.2 would result in approximately 0.07 tons/day of NO_x, 0.01 tons/day of VOC, and 0.08 tons/day of CO emissions foregone from 2017 to 2022. The quantity of foregone NO_x emission reductions in 2017 to 2022 exceeds the SCAQMD CEQA significance thresholds. Thus, PAR 1110.2 will result in adverse significant operational air quality impacts.

Potential mitigation measures were evaluated. Fortistar, the owner/operator of MM PRIMA DESHECHA ENERGY, LLC, offered potential mitigation options that involved the shutdown of currently operating biogas engines at their Rialto and Coyote Canyon facilities. However, these mitigation options would result in other adverse environmental impacts and were rejected as mitigation for the proposed project by the SCAQMD staff. Additionally, there would be no co-benefit of electricity production from the biogas engines and there would be additional air quality impacts from offsite energy generation. Therefore, no feasible mitigation measures have been identified that would reduce or eliminate the expected foregone NO_x emission reductions. Additionally, three project alternatives were evaluated to investigate other options to reduce or avoid potentially significant adverse effects that the proposed project would have on the

environment, while achieving the project objectives. Compared to the project alternatives, the proposed project provides the best balance in achieving the project objectives while minimizing the adverse environmental impacts to air quality. Consequently, the operational air quality emission impacts from the proposed project cannot be mitigated to less than significant.

Even though the proposed project could result in emission reductions foregone during operation from 2017 to 2022 that exceeds the applicable operational air quality significance thresholds, they are not expected to interfere with the air quality progress and attainment demonstration projected in the AQMP or cause a cumulative impact. Based on regional modeling analyses performed for the 2012 AQMP, implementing control measures contained in the 2012 AQMP, in addition to the air quality benefits of the existing rules, it is anticipated that the South Coast Air Basin will be in attainment with all national and most state ambient air quality standards by the year 2023. Therefore, when cumulative operational air quality impacts from the proposed project, previous amendments, and all other AQMP control measures are considered together, cumulative impacts are not expected to be significant because implementation of all AQMP control measures are expected to result in net emission reductions and overall air quality improvement. This determination is consistent with the conclusion in the 2012 AQMP Final Program EIR that direct cumulative air quality impacts from implementing all AQMP control measures are not expected to be significant (SCAQMD, 2012). For these aforementioned reasons, the proposed project would not result in irreversible environmental changes or an irretrievable commitment of resources.

FINDINGS

Public Resources Code §21081 and CEQA Guidelines §15091(a) state that no public agency shall approve or carry out a project for which a CEQA document has been completed which identifies one or more significant adverse environmental effects of the project unless the public agency makes one or more written findings for each of those significant effects, accompanied by a brief explanation of the rationale for each finding. Additionally, the findings must be supported by substantial evidence in the record (CEQA Guidelines §15091(b)). As identified in the Final SEA and summarized above, the proposed project has the potential to create significant adverse operational air quality impacts. The SCAQMD Governing Board, therefore, makes the following findings regarding the proposed project. The findings are supported by substantial evidence in the record as explained in each finding. The Findings will be included in the record of project approval and will also be noted in the Notice of Decision. The Findings made by the SCAQMD Governing Board are based on the following significant adverse impact identified in the Final SEA.

NO_x, VOC, and CO emission reductions for PAR 1110.2 would be delayed and would result in approximately 0.07 tons/day of NO_x, 0.01 tons/day of VOC, and 0.08 tons/day of CO emissions foregone from 2017 to 2022 as a result of the proposed project. The quantity of peak daily NO_x emission reductions foregone exceeds the SCAQMD’s CEQA significance threshold for operation.

Finding and Explanation:

PAR 1110.2 will result in adverse significant operational NO_x air quality impacts as a result of a “worst case” scenario analysis. The CEQA air quality analysis is considered a “worst-case” analysis because significance determinations for operational emissions are based on the

maximum or peak daily allowable emissions during the operational phase. The significant adverse environmental impacts are identified in a CEQA document; and the CEQA document described all feasible measures that could minimize the impacts of the proposed project.

The proposed project would provide the facility operator of MM PRIMA DESHECHA ENERGY, LLC, or any of its successors, which is located at 32250 La Pata Ave, San Juan Capistrano, CA 92675, relief from the emissions requirements specified in Table III-B of Rule 1110.2, provided the facility has submitted a detailed retirement plan, approved by the Executive Officer, for the permanent shutdown of all equipment subject to Rule 1110.2 by October 1, 2022. The affected equipment consists of biogas engines at the facility. Due to the fact that this facility has entered into a Power Purchase Agreement (PPA) through 2022, and the affected equipment is scheduled to be removed permanently by 2022, the proposed project would provide relief for the specific affected equipment from Rule 1110.2.

The proposed project will forego emissions for a longer period (2017 through 2022) than was previously analyzed in the December 2015 Final SEA. NO_x, VOC, and CO emission reductions for PAR 1110.2 would be foregone and would result in approximately 0.07 tons/day of NO_x, 0.01 tons/day of VOC, and 0.08 tons/day of CO from 2017 to 2022. The peak daily NO_x emission reductions foregone for the proposed project exceeds the SCAQMD's CEQA significance threshold for operation of 55 lbs/day.

When the affected facility permanently shuts down all equipment subject to Rule 1110.2 in 2022, the landfill gas currently utilized in the biogas engines will be diverted to the landfill flares for combustion. If the biogas engines were retrofitted or replaced to be compliant with Rule 1110.2, the increase in emissions from combustion in the landfill flares (107 lbs/day) compared to combustion in Rule 1110.2 compliant biogas engines (76 lbs/day) would be 31 lbs/day, which is below the SCAQMD's CEQA significance threshold of 55 lbs/day for NO_x. Therefore, the foregone NO_x emission reductions would be significant from 2018 through 2022. After 2022, some of the NO_x emission reductions would be recaptured through facility closure and the NO_x emission reductions foregone (31 lbs/day) would be less than the SCAQMD's CEQA significance threshold.

Potential mitigation measures were evaluated. Fortistar, the owner/operator of MM PRIMA DESHECHA ENERGY, LLC, offered potential mitigation options that involved the shutdown of currently operating biogas engines at their Rialto and Coyote Canyon facilities. However, these mitigation options would result in other adverse environmental impacts and were rejected as mitigation for the proposed project by the SCAQMD staff. Additionally, there would be no co-benefit of electricity production from the biogas engines and there would be additional air quality impacts from offsite energy generation. Therefore, no feasible mitigation measures have been identified that would reduce or eliminate the expected foregone NO_x emission reductions. Additionally, three project alternatives were evaluated to investigate other options to reduce or avoid potentially significant adverse effects that the proposed project would have on the environment, while achieving the project objectives. Compared to the project alternatives, the proposed project provides the best balance in achieving the project objectives while minimizing the adverse environmental impacts to air quality. Consequently, the operational air quality emission impacts from the proposed project cannot be mitigated to less than significant.

No feasible mitigation measures have been identified that would reduce or eliminate the expected delay in emission reductions from the one affected facility. Consequently, the

operational air quality emissions impacts from the proposed project cannot be mitigated to less than significant.

The Governing Board finds that no feasible mitigation measures have been identified that would mitigate the potentially significant adverse impacts to operational air quality to less than significant levels. CEQA defines "feasible" as "capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, environmental, social, and technological factors" (Public Resources Code §21061.1).

The Governing Board finds further that the Final SEA considered alternatives, pursuant to CEQA Guidelines §15126.6. The proposed project was considered to provide the best balance between meeting the objectives of the project while minimizing potentially significant adverse environmental impacts. The administrative record for the CEQA document and adoption of the rule is maintained by the SCAQMD Office of Planning, Rule Development and Area Sources.

Conclusion

The Governing Board finds that the findings required by CEQA Guidelines §15091(a) are supported by substantial evidence in the record. The record of approval for this project may be found in the SCAQMD's Clerk of the Board's Office located at SCAQMD headquarters in Diamond Bar, California.

STATEMENT OF OVERRIDING CONSIDERATIONS

If significant adverse impacts of a proposed project remain after incorporating mitigation measures, or no measures or alternatives to mitigate the adverse impacts are identified, the lead agency must make a determination that the benefits of the project outweigh the unavoidable adverse environmental effects if it is to approve the project. CEQA requires the decision-making agency to balance, as applicable, the economic, legal, social, technological, or other benefits, including region-wide or statewide environmental benefits, of a proposed project against its unavoidable environmental risks when determining whether to approve the project [CEQA Guidelines §15093(a)]. If the specific economic, legal, social, technological, or other benefits, including region-wide or statewide environmental benefits, of a proposed project outweigh the unavoidable adverse environmental effects, the adverse environmental effects may be considered "acceptable" [CEQA Guidelines §15093 (a)]. Accordingly, a Statement of Overriding Considerations regarding potentially significant adverse operational NO_x air quality impacts resulting from the "worst case" analysis of the proposed project has been prepared. This Statement of Overriding Considerations is included as part of the record of the project approval for the proposed project. Pursuant to CEQA Guidelines §15093(c), the Statement of Overriding Considerations will also be noted in the Notice of Decision for the proposed project.

Despite the inability to incorporate changes into the proposed project that will mitigate potentially significant adverse operational air quality impacts to a level of insignificance, the SCAQMD's Governing Board finds that the following benefits and considerations outweigh the potentially significant unavoidable adverse environmental impacts:

1. The analysis of potential adverse environmental impacts incorporates a "worst case" approach. This entails the premise that whenever the analysis requires that assumptions be made, those assumptions that result in the greatest adverse impacts are typically

chosen. This method likely overestimates the actual emission reductions foregone from the proposed project.

2. The proposed project would provide relief for the facility operator of MM PRIMA DESHECHA ENERGY, LLC, or any of its successors, from the emissions requirements specified in Table III-B of Rule 1110.2, provided the facility has submitted a detailed retirement plan, approved by the Executive Officer, for the permanent shutdown of all equipment subject to Rule 1110.2 by October 1, 2022. The facility has established that it cannot economically comply with the existing rule and would have to shut down, thus resulting in an early loss of beneficial use of the landfill gas, and would further result in the loss of revenues to the County of Orange.
3. Aside from temporary air quality impacts ending October 1, 2022, the proposed project would avoid generating any new significant adverse environmental impacts.

The SCAQMD's Governing Board finds that the aforementioned considerations outweigh the unavoidable significant effects to the environment as a result of the proposed project.

MITIGATION

CEQA requires an agency to prepare a plan for reporting and monitoring compliance with the implementation of measures to mitigate significant adverse environmental impacts. Mitigation monitoring requirements are included in CEQA Guidelines §15097 and Public Resources Code §21081.6, which specifically state:

When making findings as required by subdivision (a) of Public Resources Code §21081 or when adopting a negative declaration pursuant to paragraph (2) of subdivision (c) of Public Resources Code §21080, the public agency shall adopt a reporting or monitoring program for the changes to the project which it has adopted or made a condition of project approval in order to mitigate or avoid significant effects on the environment (Public Resources Code §21081.6). The reporting or monitoring program shall be designed to ensure compliance during project implementation. For those changes which have been required or incorporated into the project at the request of an agency having jurisdiction by law over natural resources affected by the project, that agency shall, if so requested by the lead or responsible agency, prepare and submit a proposed reporting or monitoring program.

The provisions of CEQA Guidelines §15097 and Public Resources Code §21081.6 are triggered when the lead agency certifies a CEQA document in which mitigation measures, changes, or alterations have been required or incorporated into the project to avoid or lessen the significance of adverse impacts identified in the CEQA document. However, since no feasible mitigation measures to fully reduce significant adverse operational NO_x air quality impacts were identified, a mitigation monitoring and reporting plan for operations is not required.

CONCLUSION

Based on a “worst case” analysis, the potential adverse operational air quality impacts from the adoption and implementation of the proposed project are considered significant and unavoidable.

NO_x, VOC, and CO emission reductions for PAR 1110.2 would be delayed and would result in approximately 0.07 tons/day of NO_x, 0.01 tons/day of VOC, and 0.08 tons/day of CO emissions

foregone from 2017 to 2022 as a result of the proposed project. The quantity of peak daily NOx emission reductions foregone exceeds the SCAQMD's CEQA significance threshold for operation. No feasible mitigation measures or project alternatives have been identified that would reduce these impacts to insignificance.

ATTACHMENT E

(Adopted August 3, 1990)(Amended September 7, 1990)(Amended August 12, 1994)
(Amended December 9, 1994)(Amended November 14, 1997)(Amended June 3, 2005)
(Amended February 1, 2008)(Amended July 9, 2010)(Amended September 7, 2012)
(Amended December 4, 2015)(Amended June 3, 2016)

PROPOSED AMENDED RULE 1110.2 EMISSIONS FROM GASEOUS- AND LIQUID-FUELED ENGINES

(a) Purpose

The purpose of Rule 1110.2 is to reduce Oxides of Nitrogen (NO_x), Volatile Organic Compounds (VOCs), and Carbon Monoxide (CO) from engines.

(b) Applicability

All stationary and portable engines over 50 rated brake horsepower (bhp) are subject to this rule

(c) Definitions

For the purpose of this rule, the following definitions shall apply:

- (1) AGRICULTURAL STATIONARY ENGINE is a non-portable engine used for the growing and harvesting of crops of the raising of fowl or animals for the primary purpose of making a profit, providing a livelihood, or conducting agricultural research or instruction by an educational institution. An engine used for the processing or distribution of crops or fowl or animals is not an agricultural engine.
- (2) APPROVED EMISSION CONTROL PLAN is a control plan, submitted on or before December 31, 1992, and approved by the Executive Officer prior to November 14, 1997, that was required by subdivision (d) of this rule as amended September 7, 1990.
- (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) CERTIFIED SPARK-IGNITION ENGINE means engines certified by California Air Resources Board (CARB) to meet emission standards in accordance with Title 13, Chapter 9, Article 4.5 of the California Code of Regulations (CCR).

- (5) EMERGENCY STANDBY ENGINE is an engine which operates as a temporary replacement for primary mechanical or electrical power during periods of fuel or energy shortage or while the primary power supply is under repair.
- (6) ENGINE is any spark- or compression-ignited internal combustion engine, including engines used for control of VOC's, but not including engines used for self-propulsion.
- (7) EXEMPT COMPOUNDS are defined in District Rule 102 – Definition of Terms.
- (8) FACILITY means any source or group of sources or other air contaminant emitting activities which are located on one or more contiguous properties within the District, in actual physical contact or separated solely by a public roadway or other public right-of-way, and are owned or operated by the same person (or by persons under common control), or an outer continental shelf (OCS) source as determined in Section 55.2 of Title 40, Part 55 of the Code of Federal Regulations (40 CFR Part 55). Such above-described groups, if noncontiguous, but connected only by land carrying a pipeline, shall not be considered one facility. Sources or installations involved in crude oil and gas production in Southern California Coastal or OCS Waters and transport of such crude oil and gas in Southern California Coastal or OCS Waters shall be included in the same facility which is under the same ownership or use entitlement as the crude oil and gas production facility on-shore.
- (9) LEAN-BURN ENGINE means an engine that operates with high levels of excess air and an exhaust oxygen concentration of greater than 4 percent.
- (10) LOCATION means any single site at a building, structure, facility, or installation. For the purpose of this definition, a site is a space occupied or to be occupied by an engine. For engines which are brought to a facility to perform maintenance on equipment at its permanent or ordinary location, each maintenance site shall be a separate location.
- (11) NET ELECTRICAL ENERGY means the electrical energy produced by a generator, less the electrical energy consumed by any auxiliary equipment necessary to operate the engine generator and, if applicable, any heat recovery equipment, such as heat exchangers.
- (12) NON-ROAD ENGINE is any engine, defined under 40 CFR Part 89, that does not remain or will not remain at a location for more than 12

consecutive months, or a shorter period of time where such period is representative of normal annual source operation at a stationary source that resides at a fixed location for more than 12 months (e.g., seasonal operations such as canning facilities), and meets one of the following:

- (A) Is used in or on a piece of equipment that is self-propelled or serves a dual purpose by both propelling itself and performing another function (such as a mobile crane); or
- (B) Is used in or on a piece of equipment that is intended to be propelled while performing its function (such as lawn mowers and string trimmers); or
- (C) By itself, or in or on a piece of equipment, is portable or transportable, meaning designed to be and capable of being carried or moved from one location to another. Transportability includes, but is not limited to, wheels, skids, carrying handles, dolly, trailer, platform or mounting.

(13) **OPERATING CYCLE** means a period of time within which a round of regularly recurring events is completed, and cannot be stopped without the risk of endangering public safety or health, causing material damage to the equipment or product, or cannot be stopped due to technical constraints. Economic reasons alone will not be sufficient to extend this time period. The operating cycle includes batch processes that may start and finish several times within a twenty-four hour period, in which case each start to finish interval is considered a complete cycle.

(14) **OXIDES OF NITROGEN (NO_x)** means nitric oxide and nitrogen dioxide.

(15) **PORTABLE ENGINE** is an engine that, by itself or in or on a piece of equipment, is designed to be and capable of being carried or moved from one location to another. Indications of portability include, but are not limited to, wheels, skids, carrying handles, dolly, trailer, platform or mounting. The operator must demonstrate the necessity of the engine being periodically moved from one location to another because of the nature of the operation.

An engine is not portable if:

- (A) the engine or its replacement remains or will reside at the same location for more than 12 consecutive months. Any engine, such as a back-up or stand-by engine, that replaces an engine at a location and is intended to perform the same function as the engine

being replaced, will be included in calculating the consecutive time period. In that case, the cumulative time of both engines, including the time between the removal of the original engine and installation of the replacement engine, will be counted toward the consecutive time period; or

- (B) the engine remains or will reside at a location for less than 12 consecutive months where such a period represents the full length of normal annual source operations such as a seasonal source; or
- (C) the engine is removed from one location for a period and then it or its equivalent is returned to the same location thereby circumventing the portable engine residence time requirements.

The period during which the engine is maintained at a designated storage facility shall be excluded from the residency time determination.

- (16) **RATED BRAKE HORSEPOWER (bhp)** is the rating specified by the manufacturer, without regard to any derating, and listed on the engine nameplate.
 - (17) **RICH-BURN ENGINE WITH A THREE-WAY CATALYST** means an engine designed to operate near stoichiometric conditions with a catalytic control device that simultaneously reduces emissions of NO_x, CO and VOC.
 - (18) **STATIONARY ENGINE** is an engine which is either attached to a foundation or if not so attached, does not meet the definition of a portable or non-road engine and is not a motor vehicle as defined in Section 415 of the California Vehicle Code.
 - (19) **TIER 2 AND TIER 3 DIESEL ENGINES** mean engines certified by CARB to meet Tier 2 or Tier 3 emission standards in accordance with Title 13, Chapter 9, Article 4 of the CCR.
 - (20) **USEFUL HEAT RECOVERED** means the waste heat recovered from the engine exhaust and/or cooling system that is put to productive use. The waste heat recovered may be assumed to be 100% useful unless the hot water, steam or other medium is vented to the atmosphere, or sent directly to a cooling tower or other unproductive use.
 - (21) **VOLATILE ORGANIC COMPOUND (VOC)** is as defined in Rule 102.
- (d) Requirements
- (1) Stationary Engines:

- (A) Operators of stationary engines with an amended Rule 1110.1 Emission Control Plan submitted by July 1, 1991, or an Approved Emission Control Plan, designating the permanent removal of engines or the replacement of engines with electric motors, in accordance with subparagraph (d)(1)(B), shall do so by December 31, 1999, or not operate the engines on or after December 31, 1999 in a manner that exceeds the emission concentration limits listed in Table I:

TABLE I ALTERNATIVE TO ELECTRIFICATION CONCENTRATION LIMITS		
NO_x	VOC	CO
(ppmvd)¹	(ppmvd)²	(ppmvd)¹
11	30	70

¹ Parts per million by volume, corrected to 15% oxygen on a dry basis and averaged over 15 minutes.

² Parts per million by volume, measured as carbon, corrected to 15% oxygen on a dry basis and averaged over the sampling time required by the test method.

- (B) The operator of any other stationary engine not covered by (d)(1)(A) and not exempt from this rule shall
 - (i) Remove such engine permanently from service or replace the engine with an electric motor, or
 - (ii) Not operate the engine in a manner that exceeds the applicable emission concentration limits listed in either Table II or Table III-A or B.

TABLE II		
CONCENTRATION LIMITS		
NO_x (ppmvd)¹	VOC (ppmvd)²	CO (ppmvd)¹
bhp ≥ 500: 36	250	2000
bhp < 500: 45		
CONCENTRATION LIMITS		
EFFECTIVE JULY 1, 2010		
NO_x (ppmvd)¹	VOC (ppmvd)²	CO (ppmvd)¹
bhp ≥ 500: 11	bhp ≥ 500: 30	bhp ≥ 500: 250
bhp < 500: 45	bhp < 500: 250	bhp < 500: 2000
CONCENTRATION LIMITS		
EFFECTIVE JULY 1, 2011		
NO_x (ppmvd)¹	VOC (ppmvd)²	CO (ppmvd)¹
11	30	250

¹ Parts per million by volume, corrected to 15% oxygen on a dry basis and averaged over 15 minutes.

² Parts per million by volume, measured as carbon, corrected to 15% oxygen on a dry basis and averaged over the sampling time required by the test method.

The concentration limits effective on and after July 1, 2010 shall not apply to engines that operate less than 500 hours per year or use less than 1 x 10⁹ British Thermal Units (Btus) per year (higher heating value) of fuel.

If the operator of a two-stroke engine equipped with an oxidation catalyst and insulated exhaust ducts and catalyst housing demonstrates that the CO and VOC limits effective on and after July 1, 2010 are not achievable, then the Executive Officer may, with United States Environmental Protection Agency (EPA) approval, establish technologically achievable, case-by-case CO and VOC limits in place of the concentration limits effective on and after July 1, 2010. The case-by-case limits shall not exceed 250 ppmvd VOC and 2000 ppmvd CO.

If the operator of an engine that uses non-pipeline quality natural gas demonstrates that due to the varying heating value of the gas a longer averaging time is necessary, the Executive Officer may establish for the engine a longer averaging time, not to exceed six hours, for any of the concentration limits of Table II. Non-pipeline quality natural gas is a gas that does not meet the gas specifications of the local gas utility and is not supplied to the local gas utility.

- (C) The operator of any stationary engine fired by landfill or digester gas (biogas) shall not operate the engine in a manner that exceeds the emission concentration limits of Table III-A, provided that the facility monthly average biogas usage by the biogas engine is 90% or more, based on the higher heating value of the fuels used. The calculation of the monthly facility biogas use percentage may exclude natural gas fired during: any electrical outage at the facility; a Stage 2 or higher electrical emergencies called by the California Independent System Operator Corporation; and when a sewage treatment plant activates an Emergency Operations Center or Incident Command System, as part of an emergency response plan, because of either high influent flows caused by precipitation or a disaster.

TABLE III-A CONCENTRATION LIMITS FOR LANDFILL AND DIGESTER GAS (BIOGAS)-FIRED ENGINES		
NO _x (ppmvd) ¹	VOC (ppmvd) ²	CO (ppmvd) ¹
bhp ≥ 500: 36 x ECF ³	Landfill Gas: 40	2000
bhp < 500: 45 x ECF ³	Digester Gas: 250 x ECF ³	
TABLE III-B CONCENTRATION LIMITS EFFECTIVE JANUARY 1, 2017		
NO _x (ppmvd) ¹	VOC (ppmvd) ²	CO (ppmvd) ¹
11	30	250

¹ Parts per million by volume, corrected to 15% oxygen on a dry basis and averaged over 15 minutes.

² Parts per million by volume, measured as carbon, corrected to 15% oxygen on a dry basis and averaged over the sampling time required by the test method.

³ ECF is the efficiency correction factor.

The ECF shall be 1.0 unless:

- (i) The engine operator has measured the engine’s net specific energy consumption (q_a), in compliance with ASME Performance Test Code PTC 17 -1973, at the average load of the engine; and
- (ii) The ECF-corrected emission limit is made a condition of the engine’s permit to operate.

The ECF is as follows:

$$ECF = \frac{9250 \text{ Btus/hp-hr}}{\text{Measured } q_a \text{ in Btus/hp-hr}}$$

Measured q_a shall be based on the lower heating value of the fuel. ECF shall not be less than 1.0.

The Executive Officer may approve the burning of more than 10% natural gas in a landfill or digester gas-fired engine, when it is necessary, if: the only alternative to limiting natural gas to 10% would be shutting down the engine and flaring more landfill or

digester gas; or the engine requires more natural gas in order for a waste heat recovery boiler to provide enough thermal energy to operate a sewage treatment plant, and other boilers at the facility are unable to provide the necessary thermal energy.

- (D) Notwithstanding the provisions of subparagraph (d)(1)(B), the operator of any stationary engine fired by landfill or digester gas (biogas) shall not operate the engine in a manner that exceeds the emission concentration limits of Table III.
- (E) Biogas engine operators that establish to the satisfaction of the Executive Officer that they have complied with the emissions limits of Table III-B by January 1, 2015 will have their respective engine permit application fees refunded.
- (F) For the City of San Bernardino, Orange County Sanitation District, and Eastern Municipal Water District that commenced and implemented technology demonstration projects prior to January 1, 2015, all their biogas engines shall have until January 1, 2018 to comply with the requirements of Table III-B.
- (G) Once an engine complies with the concentration limits as specified in Table III-B, there shall be no limit on the percentage of natural gas burned.
- (H) The concentration limits effective as specified in Table III-B shall not apply to engines that operate fewer than 500 hours per year or use less than 1×10^9 Btus per year (higher heating value) of fuel.
- (I) An operator of a biogas engine may determine compliance with the NO_x and/or CO limits of Table III-B by utilizing a longer averaging time as set forth below, provided the operator demonstrates through CEMS data that the engine is achieving a concentration at or below 9.9 ppmv for NO_x and 225 ppmv for CO (if CO is elected for averaging), each corrected to 15% O₂, over a 4 month time period. An operator may utilize a monthly fixed interval averaging time for the first 4 months of the retrofitted engine's operation and up to a 24 hour fixed interval averaging time thereafter. For purposes of determining compliance using a longer averaging time:

- (i) An operator shall not average data during one-minute periods in which the underlying equipment is not operated or when the CEMS is undergoing zero or calibration checks, cylinder gas audits, or routine maintenance in accordance with the provisions in Rules 218 and 218.1.
 - (ii) Notwithstanding the requirements of Rules 218 and 218.1, for one-minute time periods where NO_x and/or CO CEMS data are greater than 95 percent of the Rule 218.1 Full Scale Range while the underlying equipment is operating, an operator shall use substitute data. A concentration equivalent to 3 times the NO_x and/or CO emission limits in Table III-B (each corrected to 15% O₂) shall be used as substitute data.
 - (iii) The intentional shutdown of a CEMS to circumvent the emission limits of Table III-B while the underlying equipment is in operation shall constitute a violation of this rule.
 - (iv) The averaging provisions of this subparagraph shall not apply to CEMS that are time shared by multiple biogas engines.
- (J) The operator of any new engine subject to subparagraph (e)(1)(B) shall:
- (i) Comply with the requirements of Best Available Control Technology in accordance with Regulation XIII if the engine requires a District permit; or
 - (ii) Not operate the engine in a manner that exceeds the emission concentration limits in Table I if the engine does not require a District permit.
- (K) By February 1, 2009, the operator of a spark-ignited engine without a Rule 218-approved continuous emission monitoring system (CEMS) or a Regulation XX (RECLAIM)-approved CEMS shall equip and maintain the engine with an air-to-fuel ratio controller with an oxygen sensor and feedback control, or other equivalent technology approved by the Executive Officer, CARB and EPA.

- (L) New Non-Emergency Electrical Generators
 - (i) All new non-emergency engines driving electrical-generators shall comply with the following emission standards:

TABLE IV EMISSION STANDARDS FOR NEW ELECTRICAL GENERATION DEVICES	
Pollutant	Emission Standard (lbs/MW-hr)¹
NOx	0.070
CO	0.20
VOC	0.10 ²

¹ The averaging time of the emission standards is 15 minutes for NOx and CO and the sampling time required by the test method for VOC, except as described in the following clause.

² Massemissions of VOC shall be calculated using a ratio of 16.04 pounds of VOC per lb-mole of carbon.

- (ii) Engines subject to this subparagraph that produce combined heat and electrical power may include one megawatt-hour (MW-hr) for each 3.4 million Btus of useful heat recovered (MW_{th}-hr), in addition to each MW-hr of net electricity produced (MW_e-hr). The compliance of such engines shall be based on the following equation:

$$\frac{\text{Lbs}}{\text{MW-hr}} = \frac{\text{Lbs}}{\text{MW}_e\text{-hr}} \times \text{Electrical Energy Factor (EEF)}$$

Where:

Lbs/MW-hr = The calculated emissions that shall comply with the emission standards in Table IV

Lbs/MW_e-hr = The short-term engine emission limit in pounds per MWe-hr of net electrical energy produced, averaged over 15 minutes. The engine shall comply with this limit at all times.

EEF = The annual MW_e-hrs of net electrical

energy produced divided by the sum of annual MW_e -hrs plus annual MW_{th} -hrs of useful heat recovered. The engine operator shall demonstrate annually that the EEF is less than the value required for compliance.

- (iii) For combined heat and power engines, the short-term emission limits in lbs/ MW_e -hr and the maximum allowed annual EEF must be selected by operator and stated on the operating permit.
- (iv) Notwithstanding Rule 2001, the requirements of this subparagraph shall apply to NO_x emissions from new non-emergency engines driving electrical-generators subject to Regulation XX (RECLAIM).
- (v) This subparagraph does not apply to: engines installed prior to February 1, 2008; engines issued a permit to construct prior to February 1, 2008 and installed within 12 months of the date of the permit to construct; engines for which an application is deemed complete by October 1, 2007; engines installed by an electric utility on Santa Catalina Island; engines installed at remote locations without access to natural gas and electric power; engines used to supply electrical power to ocean-going vessels while at berth, prior to January 1, 2014; or landfill or digester gas-fired engines that meet the requirements of subparagraph (d)(1)(C).

(2) Portable Engines:

- (A) The operator of any portable engine generator subject to this rule shall not use the portable generator for:
 - (i) Power production into the electric grid, except to maintain grid stability during an emergency event or other unforeseen event that affects grid stability; or
 - (ii) Primary or supplemental power to a building, facility, stationary source, or stationary equipment, except during unforeseen interruptions of electrical power from the serving utility, maintenance and repair operations, and remote operations where grid power is unavailable. For

interruptions of electrical power, the operation of a portable generator shall not exceed the time of the actual interruption of power.

This subparagraph shall not apply to a portable generator that complies with emission concentration limits of Table I and the other requirements in this rule applicable to stationary engines.

- (B) The operator of any portable diesel engine shall comply with the applicable requirements of the Subchapter 7.5 Airborne Toxic Control Measures for diesel particulate matter in Chapter 1, Division 3, Title 17 of the California Code of Regulations.
- (C) The operator of any portable spark-ignited engine shall comply with the applicable requirements of the Large Spark Ignition Engine Fleet Requirements, Article 2, Chapter 15, Division 3, Title 13 of the California Code of Regulations.

(e) Compliance

(1) Agricultural Stationary Engines:

- (A) The operator of any agricultural stationary engine subject to this rule and installed or issued a permit to construct prior to June 3, 2005 shall comply with subparagraph (d)(1)(B) and the other applicable provisions of this rule in accordance with the compliance schedules in Table V:

TABLE V COMPLIANCE SCHEDULES FOR STATIONARY AGRICULTURAL ENGINES		
Action Required	Tier 2 and Tier 3 Diesel Engines, Certified Spark-Ignition Engines, and All Engines at Facilities with Actual Emissions Less Than the Amounts in the Table of Rule 219(q)	Other Engines
Submit notification of applicability to the Executive Officer	January 1, 2006	January 1, 2006
Submit to the Executive Officer applications for permits to construct engine modifications, control equipment, or replacement engines	March 1, 2009	September 1, 2007
Initiate construction of engine modifications, control equipment, or replacement engines	September 30, 2009, or 30 days after the permit to construct is issued, whichever is later	March 30, 2008, or 30 days after the permit to construct is issued, whichever is later
Complete construction and comply with applicable requirements	January 1, 2010, or 60 days after the permit to construct is issued, whichever is later	July 1, 2008, or 60 days after the permit to construct is issued, whichever is later
Complete initial source testing	March 1, 2010, or 120 days after the permit to construct is issued, whichever is later	September 1, 2008, or 120 days after the permit to construct is issued, whichever is later

The notification of applicability shall include the following for each engine:

- (i) Name and mailing address of the operator
- (ii) Address of the engine location
- (iii) Manufacturer, model, serial number, and date of manufacture of the engine
- (iv) Application number
- (v) Engine type (diesel, rich-burn spark-ignition or lean-burn spark-ignition)

- (vi) Engine fuel type
 - (vii) Engine use (pump, compressor, generator, or other)
 - (viii) Expected means of compliance (engine replacement, control equipment installation, or electrification)
- (B) The operator of any new agricultural stationary engine that is not subject to the compliance schedule of subparagraph (e)(1)(A) for existing engines shall comply with the requirements of subparagraph (d)(1)(J) immediately upon installation.
- (2) Non-Agricultural Stationary Engines:
- (A) The operator of any stationary engine not meeting the requirements of subparagraphs (d)(1)(B) or (d)(1)(C) that go into effect in 2010 or later, shall comply with the compliance schedule in Table VI:

TABLE VI COMPLIANCE SCHEDULE FOR NON- -AGRICULTURAL STATIONARY ENGINES	
Action Required	Applicable Compliance Date
Submit to the Executive Officer applications for permits to construct engine modifications, control equipment, or replacement engines	Twelve months before the final compliance date
Initiate construction of engine modifications, control equipment, or replacement engines	Three months before the final compliance date, or 60 days after the permit to construct is issued, whichever is later
Complete construction and comply with applicable requirements	The final compliance date, or 120 days after the permit to construct is issued, whichever is later
Complete initial source testing	60 days after the final compliance date in (d)(1)(B) or (d)(1)(C), or 180 days after the permit to construct is issued, whichever is later

- (B) The operator of any stationary engine that elects to amend a permit to operate to incorporate ECF-adjusted emission limits shall submit to the Executive Officer an application for a change of permit conditions by August 1, 2008, and comply with emission limits of the previous version of this rule until February 1, 2009 when the engine shall be in compliance with the emission limits of this rule.
 - (C) The operator of any stationary engine that is required to add operating restrictions to a permit to operate to meet the requirements of this rule shall submit to the Executive Officer an application for a change of permit conditions by August 1, 2008.
- (3) Stationary Engine CEMS
- (A) The operator of any stationary engine with an existing CEMS shall commence the reporting required by Rule 218 Subdivision (f) on January 1, 2008. The first summary report for the six months ending June 30, 2008 shall be due on July 30, 2008.
 - (B) The operator of any stationary engine that is required to modify an existing CEMS or install a CEMS on an existing engine shall comply with the compliance schedule in Table VII. Public agencies shall be allowed one year more than the dates in Table VII, except for biogas engines.

TABLE VII COMPLIANCE SCHEDULE FOR NEW OR MODIFIED CEMS ON EXISTING ENGINES			
Action Required	Applicable Compliance Dates For:		
	Non-Biogas Engines Rated at 750 bhp or More	Non-Biogas Engines Rated at Less than 750 bhp	Biogas Engines*
Submit to the Executive Officer applications for new or modified CEMS	August 1, 2008	August 1, 2009	January 1, 2011
Complete installation and commence CEMS operation, calibration, and reporting requirements	Within 180 days of initial approval	Within 180 days of initial approval	Within 180 days of initial approval
Complete certification tests	Within 90 days of installation	Within 90 days of installation	Within 90 days of installation

TABLE VII COMPLIANCE SCHEDULE FOR NEW OR MODIFIED CEMS ON EXISTING ENGINES			
Action Required	Applicable Compliance Dates For:		
	Non-Biogas Engines Rated at 750 bhp or More	Non-Biogas Engines Rated at Less than 750 bhp	Biogas Engines*
Submit certification reports to Executive Officer	Within 45 days after tests are completed	Within 45 days after tests are completed	Within 45 days after tests are completed
Obtain final approval of CEMS	Within 1 year of initial approval	Within 1 year of initial approval	Within 1 year of initial approval

* A biogas engine is one that is subject to the emission limits of Table III.

(4) Stationary Engine Inspection and Monitoring (I&M) Plans:

The operator of stationary engines subject to the I&M plan provisions of subparagraph (f)(1)(D) shall:

- (A) By August 1, 2008, submit an initial I&M plan application to the Executive Officer for approval;
- (B) By December 1, 2008, implement an approved I&M plan or the I&M plan as submitted if the plan is not yet approved.

Any operator of 15 or more stationary engines subject to the I&M plan provisions shall comply with the above schedule for at least 50% of engines, and for the remaining engines shall:

- (C) By February 1, 2009, submit an initial I&M plan application to the Executive Officer for approval;
- (D) By June 1, 2009, implement an approved I&M plan or the I&M plan as submitted if the plan is not yet approved.

(5) Stationary Engine Air-to-Fuel Ratio Controllers

- (A) The operator of any stationary engine that does not have an air-to-fuel ratio controller, as required by subparagraph (d)(1)(K), shall comply with those requirements in accordance with the compliance schedule in Table V, except that the application due date is no later than May 1, 2008 and the initial source testing may be conducted at the time of the testing required by subparagraph (f)(1)(C).
- (B) The operator of any stationary engine that has the air-to-fuel ratio controller required by subparagraph (d)(1)(K), but it is not listed on

the permit to operate, shall submit to the Executive Officer an application to amend the permit by April 1, 2008.

(C) The operator of more than five engines that do not have air-to-fuel ratio controllers may take an additional three months, to May 1, 2009, to install the equipment on up to 50% of the affected engines.

(6) New Stationary Engines

The operator of any new stationary engine issued a permit to construct after February 1, 2008 shall comply with the applicable I&M or CEMS requirements of this rule when operation commences. If applicable, the operator shall provide the required information in subparagraph (f)(1)(D) 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. A separate I&M plan application is not required.

(7) Biogas Engines

For any biogas engine for which the operator applies to the Executive Officer by April 1, 2008 for a change of permit conditions for ECF-corrected emission limits, or the approval to burn more than 10 percent natural gas in accordance with subparagraph (d)(1)(C), the biogas engine shall not be subject to the initial concentration limits of Tables II or III until August 1, 2008, provided the operator continues to comply with all emission limits in effect prior to February 1, 2008.

(8) Compliance Schedule Exception

If an engine operator submits to the Executive Officer an application for an administrative change of permit conditions to add a permit condition that causes the engine permit to expire by the effective date of any requirement of this rule, then the operator is not required to comply with the earlier steps required by this subdivision for that requirement. The effective date for the CEMS requirements shall be one year after the date that a CEMS application is due.

(9) Exceedance of Usage Limits

(A) If an engine was initially exempt from the new concentration limits in subparagraph (d)(1)(B) or subparagraph (d)(1)(C) that take effect on or after July 1, 2010 because of low engine use but later exceeds the low-use criteria, the operator shall bring the engine into compliance with the rule in accordance with the schedule in

Table VI with the final compliance date in Table VI being twelve months after the conclusion of the first twelve-month period for which the engine exceeds the low-use criteria.

- (B) If engines that were initially exempt from new CEMS by the low-use criterion in subclause (f)(1)(A)(ii)(I) later exceed that criterion, the operator shall install CEMS on those engines in accordance with the schedule in Table VII, except that the date for submitting the CEMS application in Table VII shall be six months after the conclusion of the first twelve-month period for which the engines exceed the criterion.

(f) Monitoring, Testing, Recordkeeping and Reporting

(1) Stationary engines:

The operator of any engine subject to the provisions of paragraph (d)(1) of this rule shall meet the following requirements:

(A) Continuous Emission Monitoring

- (i) For engines of 1000 bhp and greater and operating more than two million bhp-hr per calendar year, a NO_x and CO continuous emission monitoring system (CEMS) shall be installed, operated and maintained in calibration to demonstrate compliance with the emission limits of this rule.

- (ii) (I) For facilities with engines subject to paragraph (d)(1), having a combined rating of 1500 bhp or greater at the same location, and having a combined fuel usage of more than 16 x 10⁹ Btus per year (higher heating value), CEMS shall be installed, operated and maintained in calibration to demonstrate compliance of those engines with the applicable NO_x and CO emission limits of this rule.

- (II) Any engine that as of October 1, 2007 is located within 75 feet of another engine (measured from engine block to engine block) is considered to be at the same location. Operators of new engines shall not install engines farther than 75 feet from another engine unless the operator demonstrates to the

Executive Officer that operational needs or space limitations require it.

- (III) The following engines shall not be counted toward the combined rating or required to have a CEMS by this clause: engines rated at less than 500 bhp; standby engines that are limited by permit conditions to only operate when other primary engines are not operable; engines that are limited by permit conditions to operate less than 1000 hours per year or a fuel usage of less than 8×10^9 Btus per year (higher heating value of all fuels used); engines that are used primarily to fuel public natural gas transit vehicles and that are required by a permit condition to be irreversibly removed from service by December 31, 2014; and engines required to have a CEMS by the previous clause. A CEMS shall not be required if permit conditions 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.
- (IV) For engines rated below 1000 bhp, the CEMS may be time shared by multiple engines.
- (V) Operation of engines by the electric utility in the Big Bear Lake area during the failure of a transmission line to the utility may be excluded from an hours-per-year or fuel usage limit that is elected by the operator pursuant to subclause (f)(1)(A)(ii)(III).
- (VI) In lieu of complying with subclause (f)(1)(A)(ii)(I), an operator that is a public agency, or is contracted to operate engines solely for a public agency, may comply with the Inspection and Monitoring Plan requirements of subparagraph (f)(1)(D), except that the operator shall conduct diagnostic emission checks at least weekly or every 150 operating hours,

whichever occurs later. If any such engine is found to exceed an applicable NOx or CO limit by a source test required by subparagraph (f)(1)(C) or District test using a portable analyzer on three or more occasions in any 12-month period, the operator shall comply with the CEMS requirements of this subparagraph for such engine in accordance with the compliance schedule of Table VII, except that the operator shall submit a CEMS application to the Executive Officer within six months of the third exceedance.

- (iii) All CEMS required by this rule shall:
 - (I) Comply with the applicable requirements of Rule 218 and 218.1, including equipment specifications and certification, operating, recordkeeping, quality assurance and reporting requirements, except as otherwise authorized by this rule;
 - (II) Include equipment that measures and records exhaust gas concentrations, both uncorrected and corrected to 15 percent oxygen on a dry basis; and
 - (III) Have data gathering and retrieval capability approved by the Executive Officer
- (iv) The operator of an engine that is required to install CEMS may request the Executive Officer to approve an alternative monitoring device (or system components) to demonstrate compliance with the emission limits of this rule. The applicant shall demonstrate to the Executive Officer that the proposed alternative monitoring device is at a minimum equivalent in relative accuracy, precision, reliability, and timeliness to a CEMS for that engine, according to the criteria specified in 40 CFR Part 75 Subpart E. In lieu of the criteria specified in 40 CFR Part 75 Subpart E, substitute criteria is acceptable if the applicant demonstrates to the Executive Officer that the proposed alternative monitoring device is at minimum equivalent in

relative accuracy, precision, reliability, and timeliness to a CEMS for that engine. Upon approval by the Executive Officer, the substitute criteria shall be submitted to EPA as an amendment to the State Implementation Plan (SIP).

If the alternative monitoring device is denied or fails to be recertified, a CEMS shall be required.

- (v) Notwithstanding the requirements of Rules 218 and 218.1, operators of engines that are required to install a CEMS by clause (f)(1)(A)(ii) of this subparagraph 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. The operator must demonstrate that both sets of data are equivalent.
 - (II) Conduct relative accuracy testing on the same schedule for source testing in clause (f)(1)(C)(i), instead of annually. The minimum sampling time for each test is 15 minutes.
- (vi) Notwithstanding the requirements of Rules 218 and 218.1, operators of engines that are required to install a CEMS by clause (ii) of this subparagraph, and that are to be monitored by a timeshared CEMS, may:
 - (I) Monitor an engine with the CEMS for 15 consecutive minutes, purge for the minimum required purge time, then monitor the next engine for 15 consecutive minutes. The CEMS shall operate continuously in this manner, except for required calibrations.
 - (II) Record the corrected and uncorrected NO_x, CO and diluent data at least once per minute and calculate and record the 15-minute average corrected concentrations for each sampling period.
 - (III) Have sample lines to each engine that are not the same length. The purge time will be based on the sample line with the longest response time. Response times shall be checked during cylinder

gas audits. Sample lines shall not exceed 100 feet in length.

- (IV) Conduct a minimum of five tests for each engine during relative accuracy tests.
- (V) Perform a cylinder gas audit every calendar quarter on each engine, except for engines for which relative accuracy testing was conducted that quarter.
- (VI) Exclude monitoring of nitrogen dioxide (NO₂) for rich-burn engines, unless source testing demonstrates that NO₂ is more than 10 percent of total NO_x.
- (VII) Conduct daily calibration error (CE) tests by injecting calibration gases at the analyzers, except that at least once per week the CE test shall be conducted by injecting calibration gases as close to the probe tip as practical.
- (VIII) Stop operating and calibrating the CEMs during any period that the operator has a continuous record that the engine was not in operation.
- (vii) A CO CEMS shall not be required for lean-burn engines or an engine that is subject to Regulation XX (RECLAIM), and not required to have a NO_x CEMS by that regulation.
- (viii) Notwithstanding the requirements of this paragraph and paragraph (c)(2) of Rule 2012, an operator may take an existing NO_x CEMS out of service for up to two weeks (cumulative) in order to modify the CEMS to add CO monitoring.

(B) Elapsed Time Meter

Maintain an operational non-resettable totalizing time meter to determine the engine elapsed operating time.

(C) Source Testing

- (i) Effective August 1, 2008, conduct source testing for NO_x, VOC reported as carbon, and CO concentrations (concentrations in ppm by volume, corrected to 15 percent oxygen on dry basis) at least once every two years, or every 8,760 operating hours, whichever occurs first. Relative

accuracy tests required by Rule 218.1 or 40 CFR Part 75 Subpart E will satisfy this requirement for those pollutants monitored by a CEMS. The source test frequency may be reduced to once every three years if the engine has operated less than 2,000 hours since the last source test. If the engine has not been operated within three months of the date a source test is required, the source test shall be conducted when the engine resumes operation for a period longer than either seven consecutive days or 15 cumulative days of operation. The operator of the engine shall keep sufficient operating records to demonstrate that it meets the requirements for extension of the source testing deadlines.

- (ii) 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, conduct source testing for NO_x 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, $\pm 10\%$. No pre-tests for compliance are permitted. The emission test shall be conducted at least 40 operating hours, or at least 1 week, after any engine servicing or tuning. If an emission exceedance is found during any of the three phases of the test, that phase shall be completed and reported. The operator shall correct the exceedance, and the source test may be immediately resumed.
- (iii) Use a contractor to conduct the source testing that is approved by the Executive Officer under the Laboratory Approval Program for the necessary test methods.
- (iv) Submit a source test protocol to the Executive Officer for written approval at least 60 days before the scheduled date of the test. The source test protocol shall include the name,

address and phone number of the engine operator and a District-approved source testing contractor that will conduct the test, the application and permit number(s), emission limits, a description of the engine(s) to be tested, the test methods and procedures to be used, the number of tests to be conducted and under what loads, the required minimum sampling time for the VOC test, based on the analytical detection limit and expected VOC levels, and a description of the parameters to be measured in accordance with the I&M plan required by subparagraph (f)(1)(D). The source test protocol shall be approved by the Executive Officer prior to any testing. The operator is not required to submit a protocol for approval if: there is a previously approved protocol that meets these requirements; the engine has not been altered in a manner that requires a permit alteration; and emission limits have not changed since the previous test. If the operator submits the protocol by the required date, and the Executive Officer takes longer than 60 days to approve the protocol, the operator shall be allowed the additional time needed to conduct the test.

- (v) Provide the Executive Officer at least 30 days prior notice of any source test to afford the Executive Officer the opportunity to have an observer present. If after 30 days notice for an initially scheduled performance test, there is a delay (due to operational problems, etc.) in conducting the scheduled performance test, the engine operator shall notify the Executive Officer as soon as possible of any delay in the original test date, either by providing at least seven days prior notice of the rescheduled date of the performance test, or by arranging a rescheduled date with the Executive Officer by mutual agreement.
- (vi) Submit all source test reports, including a description of the equipment tested, to the Executive Officer within 60 days of completion of the test.
- (vii) By February 1, 2009, provide, or cause to be provided, source testing facilities as follows:

- (I) 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;
 - (II) Safe sampling platform(s), scaffolding or mechanical lifts, including safe access, that comply with California General Safety Orders. Agricultural stationary engines are excused from this subclause if they are in remote locations without electrical power;
 - (III) Utilities for sampling and testing equipment. Agricultural stationary engines are exempt from this subclause if they are on wheels and moved to storage during the off season.
- (D) Inspection and Monitoring (I&M) Requirements
- (i) I&M Plan. The operator shall:
 - (I) Submit to the Executive Officer for written approval an I&M plan. One plan application is required for each facility that does not have a NOx and CO CEMS for each engine. The I&M plan shall include all items listed in Attachment 1.
 - (II) Upon written approval by the Executive Officer, implement the I&M plan as approved.
 - (III) 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.
 - (ii) Diagnostic emission checks by a portable NOx, CO, and oxygen analyzer shall be conducted at least weekly or every 150 engine operating hours, whichever occurs later.
 - (I) If an engine is in compliance for three 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 three-way catalysts, 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.

- (II) For diesel engines and other lean-burn engines that are subject to Regulation XX or have a NO_x CEMs, and that are subject to a CO limit more stringent than the 2000 ppmvd limit of Tables II or III, a CO diagnostic emission check shall be performed at least quarterly, or every 2,000 engine operating hours, whichever occurs later.
- (III) For diesel engines and other lean-burn engines that are subject to Regulation XX or have a NO_x CEMs, and that are not subject to a CO limit more stringent than the 2000 ppmvd limit of Tables II or III, diagnostic emission checks are not required.
- (IV) 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.
- (V) The portable analyzer shall be calibrated, maintained and operated in accordance with the manufacturer's specifications and recommendations and the Protocol for the Periodic Monitoring of Nitrogen Oxides, Carbon Monoxide, and Oxygen from Stationary Engines Subject to South Coast Air Quality Management District Rule 1110.2, approved on February 1, 2008, or subsequent protocol approved by EPA and the Executive Officer.

- (iii) 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.
 - (I) For any diagnostic emission check or breakdown that results in emissions in excess of those allowed by this rule or a permit condition, the operator shall correct the problem as soon as possible and demonstrate compliance with another diagnostic emission check, or shut down an engine by the end of an operating cycle, or within 24 hours from the time the operator knew of the breakdown or excess emissions, or reasonably should have known, whichever is sooner.
 - (II) For excess emissions due to breakdowns that result in NO_x or CO emissions greater than the concentrations specified in Table VIII, the operator shall not be considered in violation of this rule if the operator demonstrates the all of the following: (1) compliance with subclause (f)(1)(D)(iii)(I), (2) compliance with the reporting requirements of subparagraph (f)(1)(H), and (3) the engine with excess emissions has no more than three incidences of breakdowns with emissions exceeding Table VIII limits in the calendar quarter.

TABLE VIII		
Excess Emission Concentration Thresholds for Breakdowns		
	NO _x (ppmvd) ¹	CO (ppmvd) ¹
Lean-Burn Engines	45	250
Rich-Burn Engines	150	2000
Biogas Engines ²	185	2000

¹ Corrected to 15% oxygen.

² Effective up to the time of compliance with the limits specified in Table III-B, after which the thresholds revert to the applicable lean or rich-burn engine limits.

- (III) Any emission check conducted by District staff that finds excess emissions will be treated as a violation.
- (IV) For other problems, such as parameters out-of-range, an operator shall correct the problem and demonstrate compliance with another diagnostic emission check within 48 hours of the operator first knowing of the problem.
- (iv) If an engine has a NO_x CEMS and does not have a CO CEMS, it is subject to this subparagraph (f)(1)(D) as it pertains to CO only.
- (E) **Operating Log**
Maintain a monthly engine operating log that includes:
 - (i) Total hours of operation;
 - (ii) Type of liquid and/or type of gaseous fuel;
 - (iii) Fuel consumption (cubic feet of gas and gallons of liquid); and
 - (iv) Cumulative hours of operation since the last source test required in subparagraph (f)(1)(C).Facilities subject to Regulation XX may maintain a quarterly log for engines that are designated as a process unit on the facility permit.
- (F) **New Non-Emergency Electrical Generating Engines**
Operators of engines subject to the requirements of subparagraph (d)(1)(L) shall also meet the following requirements.
 - (i) The engine generator shall be monitored with a calibrated electric meter that measures the net electrical output of the engine generator system, which is the difference between the electrical output of the generator and the electricity consumed by the auxiliary equipment necessary to operate the engine generator.
 - (ii) For engines monitored with a CEMS, the emissions of the monitored pollutants in ppmvd corrected to 15% O₂, lbs/hr, and lbs/MW_e-hr and the net MW_e-hrs produced shall be calculated and recorded for the four 15-minute periods of each hour of operation. The mass emissions of NO_x shall be calculated based on the measured fuel flow and one of

the F factor methods of 40 CFR 60, Appendix A, Method 19, or other method approved by the Executive Officer. Mass emissions of CO shall be calculated in the same manner as NO_x, except that the ppmvd CO shall be converted to lb/scf using a conversion factor of 0.727×10^{-7} .

- (iii) For NO_x and CO emissions from engines not monitored with a CEMS and VOC emissions from all engines, the emissions of NO_x, CO and VOC in lbs/MW_e-hr shall be calculated and recorded whenever the pollutant is measured by a source test or diagnostic emission check. Mass emissions of NO_x and CO shall be calculated in the same manner as the previous clause. Mass emissions of VOC shall be calculated in the same manner, except that the ppmvd VOC as carbon shall be converted to lb/scf using a conversion factor of 0.415×10^{-7} .
- (iv) For engines generating combined heat and power that rely on the EEF to comply with Table IV emission standards, the daily and annual useful heat recovered (MW_{th}-hrs), net electrical energy generated (MW_e-hrs) and EEF shall be monitored and recorded.
- (v) Other methods of calculating mass emissions than those specified, such as by direct measurement of exhaust volume, may be used if approved by the Executive Officer. All monitoring, calculation, and recordkeeping procedures must be approved by the Executive Officer.
- (vi) Operators of combined heat and power engines shall submit to the Executive Officer the reports of the following information within 15 days of the end of the first year of operation, and thereafter within 15 days of the end of each calendar year: the annual net electrical energy generated (MW_e-hrs); the annual useful heat recovered (MW_{th}-hrs), the annual EEF calculated in accordance with clause (d)(1)(L)(ii); and the maximum annual EEF allowed by the operating permit. If the actual annual EEF exceeds the allowed EEF, the report shall also include the time periods

and emissions for all instances where emissions exceeded any emission standard in Table IV.

(G) Portable Analyzer Operator Training

The portable analyzer tests required by the I&M Plan requirements of subparagraph (f)(1)(D) shall only be conducted by a person who has completed an appropriate District-approved training program in the operation of portable analyzers and has received a certification issued by the District.

(H) Reporting Requirements

(i) The operator shall report to the Executive Officer, by telephone (1-800-CUT-SMOG or 1-800-288-7664) or other District-approved method, any breakdown resulting in emissions in excess of rule or permit emission limits within one hour of such noncompliance or within one hour of the time the operator knew or reasonably should have known of its occurrence. Such report shall identify the 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 one-hour limit, the Executive Officer may extend the time for the reporting of required information provided the operator has notified the Executive Officer of the noncompliance within the one-hour limit.

(ii) Within seven calendar days after the reported breakdown has been corrected, but no later than thirty calendar days from the initial date of the breakdown, unless an extension has been approved in writing by the Executive Officer, the 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.
- (iii) Within 15 days of the end of each calendar quarter, the 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 District-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 NOx and CO emissions checks done before or after the corrective actions. The operator shall also report if no incidents occurred.

(2) Portable engines:

The operator of any portable engine shall maintain a monthly engine operating log that includes:

- (i) Total hours of operation; or
- (ii) Type of liquid and/or type of gaseous fuel; and
- (iii) Fuel consumption (cubic feet of gas and gallons of liquid).

Facilities subject to Regulation XX may maintain a quarterly log for engines that are designated as a process unit on the facility permit.

(3) Recordkeeping for All Engines

All data, logs, test reports and other information required by this rule shall be maintained for at least five years and made available for inspection by the Executive Officer.

(g) Test Methods

Testing to verify compliance with the applicable requirements shall be conducted in accordance with the test methods specified in Table IX, or any test methods approved by CARB and EPA, and authorized by the Executive Officer.

TABLE IX TESTING METHODS	
Pollutant	Method
NO _x	District Method 100.1
CO	District Method 100.1
VOC	District Method 25.1* or District Method 25.3*

* Excluding ethane and methane

A violation of any standard of this rule established by any of the specified test methods, or any test methods approved by the CARB or EPA, and authorized by the Executive Officer, shall constitute a violation of this rule.

(h) Alternate Compliance Option

(1) In lieu of complying with the applicable emission limits by the effective date specified in Table III-B or subparagraph (d)(1)(F), owners or operators of biogas-fired units may elect to defer compliance in quarterly increments up to one additional year, provided the owner or operator:

- (A) Submits an alternate compliance plan and pays a Compliance Flexibility Fee, as provided for in paragraph (h)(2), to the Executive Officer at least 60 days prior to the applicable compliance date in either Table III-B or subparagraph (d)(1)(F) for qualified biogas technology demonstration project engines, and

(B) Maintains on-site a copy of verification of Compliance Flexibility Fee payment and AQMD approval of the alternate compliance plan that shall be made available upon request to AQMD staff.

(2) Plan Submittal

The alternate compliance plan submitted pursuant to paragraph (h)(1) shall include:

- (A) A completed AQMD Form 400A with company name, AQMD Facility ID, identification that application is for a compliance plan (Section 7a of form), and identification that request is for Rule 1110.2 Compliance Flexibility Fee option (Section 9 of form);
- (B) Attached documentation of unit permit ID, unit rated brake horsepower (bhp), and fee calculation;
- (C) Filing Fee payment; and
- (D) Compliance Flexibility Fee payment as calculated by the following equation:

$$CFF = bhp \times R \times Q$$

Where,

CFF = Compliance Flexibility Fee, \$

bhp = rated brake horsepower of unit

R = Fee Rate = \$11.75 per brake horsepower per quarter

Q = Number of quarters (up to four)

(3) Usage of Compliance Flexibility Fee funds

The funds collected from the Compliance Flexibility Fee will be applied to AQMD NOx reduction programs pursuant to protocols approved under District rules.

(i) Exemptions

(1) The provisions of subdivision (d) shall not apply to:

~~(A)~~ All orchard wind machines powered by an internal combustion engine.

~~(B)~~ 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, and agricultural emergency standby engines that are exempt from a District permit and operate 200 hours or less

per year as determined by an elapsed operating time meter.

~~(C)~~ Laboratory engines used in research and testing purposes.

~~3)~~

~~(D)~~ Engines operated for purposes of performance verification and testing of engines.

~~(E)~~ Auxiliary engines used to power other engines or gas turbines during start-ups.

~~(F)~~ Portable engines that are registered under the state registration program pursuant to Title 13, Article 5 of the CCR.

~~(G)~~ Nonroad engines, with the exception that subparagraph (d)(2)(A) shall apply to portable generators.

~~(H)~~ Engines operating on San Clemente Island; and engines operated by the County of Riverside for the purpose of public safety communication at Santa Rosa Peak in Riverside County, where the site is located at an elevation of higher than 7,400 feet above sea level and is without access to electric power and natural gas.

~~(I)~~ Agricultural stationary engines provided that:

~~1)~~

~~(i)~~ The operator submits documentation to the Executive Officer by the applicable date in Table V when permit applications are due that the applicable electric utility has rejected an application for an electrical line extension to the location of the engines, or the Executive Officer determines that the operator does not qualify, due to no fault of the operator, for funding authorized by California Health and Safety Code Section 44229; and

~~(ii)~~ The operator replaces the engines, in accordance with the compliance schedule of Table X, with engines certified by CARB to meet the Tier 4 emission standards of 40 CFR Part 1039 Section 1039.101, Table 1. These Tier 4 replacement engines shall be considered to comply with Best Available Control Technology; and

~~(iii)~~ The operator does not operate the Tier 4 engines in a manner that exceeds the not-to-exceed standards of 40 CFR Section 1039.101, Paragraph (e), as determined by the test

methods of subdivision (g) of this rule.

TABLE X COMPLIANCE SCHEDULE FOR INSTALLATION OF NEW TIER 4 STATIONARY AGRICULTURAL ENGINES	
Action Required	Due Date
Submit to the Executive Officer applications for permits to construct engine modifications, control equipment, or replacement engines	March 1, 2013
Initiate construction of engine modifications, control equipment, or replacement engines	September 30, 2013, or 30 days after the permit to construct is issued, whichever is later
Complete construction and comply with applicable requirements	January 1, 2014, or 60 days after the permit to construct is issued, whichever is later
Complete initial source testing	March 1, 2014, or 120 days after the permit to construct is issued, whichever is later

~~(J)~~ ~~(I)~~ An engine start-up, until sufficient operating temperatures are reached for proper operation of the emission control equipment, and an engine shutdown period. The periods shall not exceed 30 minutes, unless the Executive Officer approves a longer period not exceeding 2 hours for an engine and makes it a condition of the engine permit.

~~(K)~~ ~~(H)~~ An engine start-up, after an engine overhaul or major repair requiring removal of a cylinder head, for a period not to exceed four operating hours.

~~(L)~~ ~~(J)~~ The initial commissioning of a new engine for a period specified by permit conditions, provided the operator takes measures to reduce emissions and the duration of the commissioning to the extent possible. The commissioning period shall not exceed 150 operating hours.

~~(213)~~ The facility operator of MM PRIMA DESHECHA ENERGY, LLC, or any of its successors, shall not be required to meet the emissions requirements specified in Table III-B if they submit a detailed retirement plan that is

approved by the Executive Officer for the permanent shutdown of all equipment subject to Rule 1110.2 by October 1, 2022. The plan shall describe in detail the steps and schedule that will be taken to remove the equipment or render the equipment permanently inoperable by October 1, 2022 and shall require the surrendering of the permits for the equipment by that date. The plan shall be submitted before July 1, 2016 and include:

- (A) SCAQMD Form 400A with company name, SCAQMD Facility ID, and permit number(s) for the subject equipment; and
- (B) Filing Fee payment pursuant to Rule 306.

The Executive Officer shall act on the plan before January 1, 2017.

ATTACHMENT 1

An I&M Plan submitted to the Executive Officer for approval and implementation, pursuant to the requirements of (e)(4), (e)(6), and (f)(1)(D) of the rule, 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_x, 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 clause (f)(1)(C)(ii) 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_x, 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 three way catalysts, 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 selective catalytic control devices, the minimum exhaust temperature at the catalyst inlet required for reactant flow (ammonia or urea), and procedures for using a portable NO_x 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_x, CO, and oxygen analyzer per the requirements of clause (f)(1)(D)(ii) of the rule.
- D. Procedures for at least daily monitoring, inspection and recordkeeping of:
 - 1. engine load or fuel flow rate;

2. the set points, 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 (f)(1)(D)(ii) of the rule;
5. for rich-burn engines with three-way catalysts, the difference of the exhaust temperatures (ΔT) at the inlet and outlet of the catalyst (changes in the ΔT 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 (f)(1)(D)(iii) of the rule.
- F. Procedures and schedules for preventive and corrective maintenance.
- G. Procedures for reporting noncompliance to the Executive Officer in accordance with subparagraph (f)(1)(H) of the rule.
- H. Procedures and format for the recordkeeping of monitoring and other actions required by the plan.

ATTACHMENT F

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

Final Draft Staff Report

Proposed Amended Rule 1110.2 – Emissions from Gaseous- and Liquid-Fueled Engines

June 3, 2016

Acting Executive Officer

Wayne Nastri

Deputy Executive Officer

Planning, Rule Development, and Area Sources

Philip M. Fine, Ph.D.

Assistant Deputy Executive Officer

Planning, Rule Development, and Area Sources

Jill Whynot

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Planning, Rule Development, and Area Sources

Joe Cassmassi (Retired)

Author:

Kevin Orellana – Air Quality Specialist

Reviewed by:

Tracy A. Goss, P.E. – Planning and Rules Manager

Gary Quinn, P.E. – Program Supervisor

William Wong – Principal Deputy District Counsel

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GOVERNING BOARD**

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Speaker of the Assembly Appointee

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Supervisor, Second District
County of San Bernardino

ACTING EXECUTIVE OFFICER:

WAYNE NASTRI

Background

Rule 1110.2 regulates oxides of nitrogen (NO_x), carbon monoxide (CO), and volatile organic compound (VOC) emissions from liquid and gas fueled internal combustion engines operating in the SCAQMD producing more than 50 rated brake horsepower (bhp). The rule was adopted in 1990 and last amended in 2015 to establish an effective date of January 1, 2017 for owners and operators of biogas engines to meet the emission limits that all other engines under this rule were required to meet in July 1, 2011. Biogas engines are fueled by either landfill gas or from wastewater treatment plant digester gas.

The SCAQMD Governing Board adopted amendments at the December 4, 2015 meeting to provide regulated entities with additional time for compliance with the biogas engine limits. In addition, staff was directed to return to the Governing Board with an amendment, along with the proper CEQA analysis, that would provide relief for one affected facility as expeditiously as possible. The motion is below:

“MOVED BY CACCIOTTI, SECONDED BY MITCHELL, AGENDA ITEM NO. 31 APPROVED AS RECOMMENDED BY STAFF UTILIZING OPTION 1, AND DIRECTING STAFF TO EXPEDITIOUSLY CONDUCT THE REQUIRED CEQA ANALYSIS AND RETURN TO THE BOARD AS QUICKLY AS POSSIBLE WITH A PROPOSED RULE AMENDMENT FOR THE BOARD’S CONSIDERATION THAT COULD PROVIDE RELIEF FOR FORTISTAR METHANE GROUP LLC FROM THE EMISSION STANDARDS IN RULE 1110.2 UNTIL 2022; ADOPTING RESOLUTION NO. 15-26 CERTIFYING THE FINAL SUBSEQUENT ENVIRONMENTAL ASSESSMENT FOR PROPOSED AMENDED RULE 1110.2 AND AMENDING RULE 1110.2 – EMISSIONS FROM GASEOUS- AND LIQUID-FUELED ENGINES, BY THE FOLLOWING VOTE:...”

That facility, MM PRIMA DESHECHA ENERGY, LLC, is located at the Prima Deshecha Landfill in the city of San Juan Capistrano. It is owned and operated by FORTISTAR METHANE GROUP, LLC (“FORTISTAR”). The facility uses diverted landfill gas from the Prima Deshecha Landfill to fuel two 4,235 brake horsepower engines to produce electricity which is sold to San Diego Gas and Electric (SDG&E) under a power purchase agreement (PPA). The PPA between the facility and SDG&E became effective on October 1, 2007 and has a term of fifteen years that expires on October 1, 2022. The facility, under the constraints of the PPA, cannot economically support retrofitting its two engines to meet the emission requirements of the rule. In addition, the facility cannot shut down the engines by the January 1, 2017 compliance date because it would be forced to pay a penalty to the buyer for not providing the power by breaking the PPA which also result in a loss of revenue to the county, that operates the landfill. Based on the direction of the Governing Board, SCAQMD staff is proposing to exempt the facility operator from meeting the emission requirements of the rule by January 1, 2017.

The proposed amendments would exempt the facility operator (or any of its successors) that operates the two above mentioned landfill gas-fired engines from the emission requirements of the rule. This would be contingent on the facility submitting a retirement plan for the permanent shutdown of all equipment by the termination date of the PPA on October 1, 2022. The facility would be required to submit a plan committing to these requirements to the SCAQMD before July 1, 2016 and the plan would need to be approved before the January 1, 2017 compliance date.

Public Process

Several meetings and conference calls have been held with representatives from the Prima Deshecha landfill and engine operators. A Public Workshop for PAR 1110.2 was held on April 7, 2016. The proposed amendment was discussed at the April 15, 2016 Stationary Source Committee meeting, and a public hearing will be held on June 3, 2016.

Affected Facility

Proposed Rule 1110.2 affects one facility located in San Juan Capistrano at the Prima Deshecha Landfill in South Orange County, which uses the gas generated by the landfill to fuel its two engines for power generation.

Summary of Proposal

The proposed amendments will add the following text to the exemptions in new paragraph (i)(~~213~~) of Rule 1110.2:

“The facility operator of MM PRIMA DESHECHA ENERGY, LLC, or any of its successors, shall not be required to meet the emissions requirements specified in Table III-B if they submit a detailed retirement plan that is approved by the Executive Officer for the permanent shutdown of all equipment subject to Rule 1110.2 by October 1, 2022. The plan shall describe in detail the steps and schedule that will be taken to remove the equipment or render the equipment permanently inoperable by October 1, 2022 and shall require the surrendering of the permits for the equipment by that date. The plan shall be submitted before July 1, 2016 and include:

- (A) SCAQMD Form 400A with company name, SCAQMD Facility ID, and permit number(s) for the subject equipment; and*
- (B) Filing Fee payment pursuant to Rule 306.*

The Executive Officer shall act on the plan before January 1, 2017.”

A retirement plan will ensure that any equipment in the plan is in fact either removed or rendered inoperable. The facility may opt to remove the equipment at the end of the PPA term or render the equipment inoperable. Examples of rendering the equipment inoperable would be to disconnect all the fuel feed lines and place flanges at both ends of the disconnected lines for all equipment subject to Rule 1110.2. Additionally,

verification of the metering at the facility that there is no power being generated and transmitted would be required.

Emissions and Cost Effectiveness

The project would result in a delay of 0.07 tons per day of NO_x reductions, 0.01 tons per day of VOC reductions, and 0.08 tons per day of CO reductions. Nonetheless, a portion of these reductions will be achieved in 2022, five years from the original compliance date, with the exception of emissions from the existing landfill flares which would process the redirected landfill gas upon closure. As PAR 1110.2 will provide an exemption for one facility, there is no additional cost and a cost effectiveness analysis would not be applicable to this proposed amendment.

Although a cost effectiveness analysis is not required for this amendment, a commenter at the Public Workshop requested information related to the cost per ton of emissions that would have been reduced for the project under the facility's PPA term. Even though cost effectiveness is typically calculated on a per device basis for all equipment under a proposed rule, the scope of this amendment only applies to a single facility. Therefore, an overall cost was calculated for the installation of controls for the emission reductions foregone at this facility's two engines.

As part of the 2012 amendments to Rule 1110.2, a cost analysis for biogas engines was prepared and was also included in the accompanying Assessment of Available Technology for Control of NO_x, CO, and VOC Emissions from Biogas-Fueled Engines. For calculating cost effectiveness, the SCAQMD uses the Discounted Cash Flow (DCF) model, which takes into consideration both capital cost plus annual operating and maintenance costs. The use of this model is consistent with previous rulemaking proposals and past control measures. The equipment is assigned a useful life (in years) and a 4% interest rate. The calculated present worth value (PWV) is then divided by the summation of the emission reductions over the length of the project. The emission reductions for CO are discounted by one seventh because of its ozone-formation potential is approximately one seventh that of NO_x. The estimated costs calculated during the 2012 amendments to Rule 1110.2 for a 4,200 bhp engine were:

Capital Costs: \$3,150,000

Annual Operating Costs: \$333,000

Present Worth Value: \$7,700,000 (4% interest rate over 20 years)

Cost Effectiveness: \$4,200/ton of NO_x, VOC, and CO/7

These costs were based on the actual costs for the retrofit demonstration project at one of Orange County Sanitation District's digester gas-fueled engines, utilizing selective catalytic reduction (SCR) and oxidation catalyst with gas treatment. Those controls were constructed and installed in 2009. To calculate what the costs would be in today's dollars, a cost multiplier was applied based on the Marshall & Swift equipment cost indexes from 2009 and 2015. Since the costs previously analyzed were for a single engine, the equipment and annual costs for the catalytic equipment were doubled to

account for the affected facility's two engines. The equipment costs for the gas cleanup system, however, were multiplied by a factor of 1.5 because a single, larger gas treatment system would serve both engines. It would be expanded to allow for the additional gas treatment capacity as opposed to constructing an entirely new, separate unit. The estimated costs for the installation of controls at this facility under the 5-year PPA term would be:

Capital Costs: \$6,200,000

Annual Operating Costs: \$720,000

Present Worth Value: \$9,400,000 (4% interest rate over 5 years)

Cost Effectiveness: \$58,400/ton of NO_x, VOC, and CO/7

The higher cost effectiveness is due to the increased capital and annual operating costs as well as the shorter time frame and equipment life of five years (the remaining time frame of the PPA term) instead of twenty years. If the facility would elect to purchase an additional year of time to comply, it would be required to pay the compliance flexibility fee of \$398,000, per the equation specified in Rule 1110.2, subparagraph (h)(2)(D). This cost would be included as part of the capital costs, but the present worth value would be calculated over a shorter term:

Capital Costs: \$6,600,000

Annual Operating Costs: \$720,000

Present Worth Value: \$9,200,000 (4% interest rate over 4 years)

Cost Effectiveness: \$57,100/ton of NO_x, VOC, and CO/7

These costs would be significantly higher than those proposed as part of the 2012 amendments to Rule 1110.2 and higher than the upper bounds of cost effectiveness values presented to the Governing Board for past rulemakings.

AQMP and Legal Mandates

The California Health and Safety Code requires the AQMD to adopt an Air Quality Management Plan to meet state and federal ambient air quality standards and adopt rules and regulations that carry out the objectives of the AQMP. This proposed amendment of Rule 1110.2 provides an exemption to the existing rule for one facility operating biogas engines. Although there will be NO_x emission reductions foregone from the January 1, 2017 compliance date, these reductions will be achieved in 2022 and beyond.

California Environmental Quality Act (CEQA) Analysis

Pursuant to the California Environmental Quality Act (CEQA) and the SCAQMD's Certified Regulatory Program (Rule 110), SCAQMD is the Lead Agency and has prepared a Draft Subsequent Environmental Assessment (SEA) for Proposed Amended Rule (PAR) 1110.2 – Emissions from Gaseous- and Liquid-Fueled Engines. A 45-day public review and comment period of the Draft SEA began on Tuesday, March 29, 2016

and ended at 5:00 p.m. on Friday, May 13, 2016. No comment letters were received from the public regarding the Draft SEA. The environmental analysis in the Draft SEA concluded that proposed amended Rule 1110.2 will result in adverse significant operational air quality impacts. There are no feasible mitigation measures that have been identified at this time that would reduce or eliminate the expected delays in emission reductions. Consequently, the operational air quality emissions impacts from the proposed project cannot be mitigated to less than significant. The Draft SEA is available at SCAQMD Headquarters, by calling the SCAQMD's Public Information Center at (909) 396-2039, or by accessing the SCAQMD website at <http://www.aqmd.gov/home/library/documents-support-material/lead-agency-scaqmd-projects/scaqmd-projects---year-2016>.

Socioeconomic Analysis

The proposed amendments provide regulatory relief to a single facility located in Orange County. As such, cost savings are expected. Based on the cost effectiveness analysis from the 2012 amendments, a facility with this size of engines (4,235 bhp) was expected to spend approximately \$3,000,000 in installation costs per engine for a gas treatment system, oxidation catalyst, and SCR system. If the facility would proceed with this installation and require more time beyond the January 1, 2017 compliance date, the cost of the compliance flexibility fee to complete the installation by January 1, 2018 would be about \$400,000. The proposed amendments would not result in other socioeconomic impacts.

Draft Findings Under California Health & Safety Code Section 40727

California Health and Safety Code Section 40727 requires that prior to adopting, amending or repealing a rule or regulation, the 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 staff report. In order to determine compliance with Sections 40727 and 40727.2 a written analysis is required comparing the proposed rule with existing regulations.

The draft findings are as follows:

Necessity: PAR 1110.2 is necessary to exempt a single facility from the emission requirements of the rule because it cannot economically meet the established compliance deadline. This exemption is contingent on the facility shutting down all equipment subject to this rule by October 1, 2022.

Authority: The AQMD obtains its authority to adopt, amend, or repeal rules and regulations from California Health and Safety Code Sections 39002, 40000, 40001, 40440, 40702, 40725 through 40728, and 41508.

Clarity: PAR 1110.2 has been written or displayed so that its meaning can be easily understood by the persons affected by the rule.

Consistency: PAR 1110.2 is in harmony with, and not in conflict with or contradictory to, existing federal or state statutes, court decisions or federal regulations.

Non-Duplication: PAR 1110.2 does not impose the same requirement as any existing state or federal regulation, and is necessary and proper to execute the powers and duties granted to, and imposed upon the AQMD.

Reference: In amending this rule, the following statutes which the AQMD hereby implements, interprets or makes specific are referenced: Health and Safety Code sections 39002, 40001, 40702, 40440(a), and 40725 through 40728.5.

Comparative Analysis

A comparative analysis, as required by H&S Code §40727.2, is applicable when an amended rule or regulation imposes, or has the potential to impose, a new emissions limit, or other air pollution control requirements. The proposed amendment does not impose new requirements and a comparative analysis is not required.

Incremental Cost Effectiveness

California H&S Code § 40920.6 requires an incremental cost effectiveness analysis for BARCT rules or emission reduction strategies when there is more than one control option which would achieve the emission reduction objective of the proposed amendments, relative to ozone, CO, SO_x, NO_x, and their precursors. The proposed amendment does not include new BARCT requirements; therefore this provision does not apply to the proposed amendment.

Resource Impacts

Existing staff resources are adequate to implement the proposed amendments.

References

1. Staff Report to Proposed Amendments to Rule 1110.2. Agenda Item 32 of the SCAQMD Governing Board Meeting, September 7, 2012.
2. Assessment of Available Technology for Control of NO_x, CO, and VOC Emissions from Biogas-Fueled Engines. Agenda Item 32 of the SCAQMD Governing Board Meeting, September 7, 2012.

ATTACHMENT A

PAR 1110.2 PUBLIC COMMENTS AND RESPONSES

The Public Workshop for Proposed Amended Rule 1110.2 was held on April 7, 2016. Comment letters received on and after that date are responded to below, as well as comments made at the Public Workshop.

Comment Letter #1 – Fortistar Methane Group LLC, April 22, 2016:

Fortistar Methane Group LLC
MM Prima Deschecha Energy LLC
One North Lexington Avenue • White Plains, New York 10601
Tel. (914) 421-4900 • Fax. (914) 421-0052

April 22, 2016

Mr. Kevin Orellana
Planning, Rule Development and Area Sources
South Coast Air Quality Management District
21865 Copley Drive
Diamond Bar, CA 91765

Dear Mr. Orellana:

Please accept, on behalf of the South Coast Air Quality Management District (“SCAQMD”), this comment letter of the undersigned (“Fortistar”) in conjunction with the rule-making process for Proposed Amended Rule 1110.2, and the comments raised at the Public Workshop held on April 7, 2016.

As is well-known to the SCAQMD board and staff, Fortistar owns and operates two landfill gas-powered engines located at OC Waste & Recycling’s Prima Deschecha landfill (“Prima Project”). The Prima Project collects and processes methane, that would otherwise be burned at a flare, into beneficial renewable green energy which is in turn sold to San Diego Gas and Electric (“SDG&E”). The Prima Project provides the following tangible benefits:

- Reduces dramatically the amount of methane that would, in any other case, be flared at the landfill, thus lowering the greenhouse gas footprint of the landfill; and
- Creates a positive fiscal impact for OC Waste and Recycling by providing significant revenue enhancement in the form of royalties from the sale of power from the Prima Project, and the assumption of operation and maintenance responsibilities for the wellfield that would otherwise be the burden of Orange County; and
- Enables SDG&E to maintain and increase its commitment to purchasing green power, which benefits both its ratepayers and the region as a whole.

Failure to adopt the proposed exemption to Rule 1110.2 for the Prima Project will render it economically infeasible and result in its immediate shutdown. The aforementioned benefits, discussed in great detail at previous meetings of SCAQMD and its constituent committees (and incorporated herein by reference), will not be realized.

Mr. Kevin Orellana
April 22, 2016
Pg. 2

Fortistar has been closely engaged with SCAQMD since the original amendments to Rule 1110.2 were announced—providing, in a spirit of full transparency, critical financial, technical and regulatory information—and will continue to work closely with the SCAQMD. We commit to a plan that will, among other elements, contain SCAQMD-proposed contingencies to shut down the Prima Project following the termination of the power purchase agreement with SDG&E in 2022.

As always, we appreciate your consideration of our position, and look forward to the pending resolution of this issue.

Sincerely,



Anthony J. Falbo
Senior Vice President - Operations
FORTISTAR Methane Group
MM Prima Deshecha Energy LLC

cc: Jeff Arbour, Section Manager, Environmental Services OCWR (via email)
Anthony Falbo, Sr. Vice President
Thomas J. Kelly, General Counsel

Response to Letter #1:

Thank you for the comments.

Response to Comments from the April 7, 2016 Public Workshop**Comment:**

What would the cost effectiveness have been for the affected facility if it would have installed emission controls?

Response:

A cost effectiveness analysis is not required for this amendment, as it was presented as part of the September 7, 2012 amendment. However, staff has provided in this staff report the costs that would have applied to this facility if it were to install controls for the facility's two biogas engines.

Comment:

If Fortistar cannot break even within the terms of the power purchase agreement (PPA) if it were to install controls, is there a cost analysis specific to the types of controls that would have been installed?

Response:

The cost information is provided in the staff report and it references the analysis that was performed for the September 7, 2012 amendments to Rule 1110.2 and its accompanying technology assessment.

Comment:

Can this exemption be applied to the Badlands Landfill in Riverside County that is also in a PPA that ends in 2019?

Response:

Staff met with the facility representatives to gather more information. Based on discussions with the facility representatives, staff ~~is confident that~~ believes a resolution to their issue can be identified. However, including this facility as part of these proposed amendments would require recirculation of the CEQA document because there would be more significant air quality impacts in addition to the already significant air quality impacts from the proposed amendments. This would result in considerable delay for this rule amendment. Staff will continue to work with the facility to determine the available options.

Comment:

Staff from Burrtec Waste and Inland Empire Utilities Agency would like to meet with SCAQMD staff to discuss our options for retrofitting our engines.

Response:

Staff met with the facility representatives to gather more information. Based on discussions with the facility representatives, staff ~~is confident that~~ believes a resolution to their situation can be identified. SCAQMD staff will continue to meet with the facility representatives to identify compliance options. Burrtec Waste and Inland Empire Utilities Agency do not oppose the amendment going forward.

ATTACHMENT G

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

Final Subsequent Environmental Assessment for:

Proposed Amended Rule 1110.2 - Emissions From Gaseous-and Liquid-Fueled Engines

June 2016

SCAQMD No. 160112JI
State Clearing House No. 2015071072

Acting Executive Officer

Wayne Nastri

Deputy Executive Officer

Planning, Rule Development and Area Sources

Philip M. Fine, Ph.D.

Assistant Deputy Executive Officer

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	Jillian Wong, Ph.D.	Program Supervisor
	Gary Quinn, P.E.	Program Supervisor

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ACTING EXECUTIVE OFFICER:
WAYNE NASTRI

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PREFACE

This document constitutes the Final Subsequent Environmental Assessment (SEA) for Proposed Amended Rule 1110.2 - Emissions from Gaseous- and Liquid-Fueled Engines. The Draft SEA was released for a 45-day public review and comment period from March 29, 2016 to May 13, 2016, which identified the topic of air quality and greenhouse gas emissions as exceeding the SCAQMD's significance thresholds associated with implementing the proposed project. No comment letters were received during the public comment period.

Subsequent to release of the Draft SEA, minor modifications were made to the proposed project. To facilitate identification, modifications to the document are included as underlined text and text removed from the document is indicated by ~~striketrough~~.

Staff has reviewed the modifications to the proposed project and concluded that none of the revisions constitute: 1) significant new information; 2) a substantial increase in the severity of an environmental impact; or, 3) provide new information of substantial importance relative to the draft document. In addition, revisions to the proposed project would not create new, avoidable significant effects. As a result, these revisions do not require recirculation of the document pursuant to CEQA Guidelines §15073.5 and §15088.5. Therefore, this document now constitutes the Final SEA for the proposed project.

CHAPTER 1

INTRODUCTION AND EXECUTIVE SUMMARY

Introduction

California Environmental Quality Act (CEQA)

Past CEQA Documentation for Rule 1110.2

Areas of Controversy

Executive Summary

INTRODUCTION

The California Legislature adopted the Lewis-Presley Air Quality Act in 1976, which created the South Coast Air Quality Management District (SCAQMD) from a voluntary association of air pollution control districts in Los Angeles, Orange, Riverside, and San Bernardino counties. The agency was charged with developing uniform plans and programs for the South Coast Air Basin (Basin) to attain federal air quality standards by the dates specified in federal law. While the Basin has one of the worst air quality problems in the nation, there have been significant improvements in air quality in the Basin over the last three decades. Still, some air quality standards are exceeded relatively frequently, and by a wide margin. The agency was also required to meet state standards by the earliest date achievable through the use of reasonably available or all feasible control measures.

Rule 1110.2 – Emissions from Gaseous- and Liquid-Fueled Engines limits emissions of nitrogen oxides (NO_x), volatile organic compounds (VOCs) and carbon monoxide (CO) from the combustion of gaseous and liquid fueled engines. This rule applies to engines that are operating in the SCAQMD and that are rated more than 50 rated brake horsepower (bhp). The rule was adopted in 1990 and amended in 2012 to establish an effective date of January 1, 2016 for owners and operators of biogas engines to meet the emission limits that all other engines under this rule were required to meet by July 1, 2011.

SCAQMD staff's recent evaluation of the state of compliance with Rule 1110.2, as well as feedback from the affected industry, revealed that some equipment owners/operators are experiencing compliance challenges, in particular, with certain effective dates in the rule. Based on this information, in December 2015, the SCAQMD Governing Board amended Rule 1110.2 to delay implementation of NO_x, VOC, and CO emission limit compliance dates until 2018 for biogas engines because some control technologies have not matured in a timely manner. The delayed emission reductions were greater than the SCAQMD's CEQA significance thresholds, thus the air quality impacts were considered significant. However, all delayed emission reductions will be recaptured over time, so the impacts are not permanent. Limits were also adopted on the number of breakdowns and excess emissions during breakdown events in order to be consistent with the EPA's breakdown provisions and to allow the rule to be included in the State Implementation Plan (SIP). A Final Subsequent Environmental Assessment (SEA) was certified on December 4, 2015 that analyzed all potential environmental impacts resulting from the proposed 2015 amendments to Rule 1110.2.

The proposed project consists of amending Rule 1110.2, which would provide the facility operator of MM PRIMA DESHECHA ENERGY, LLC, or any of its successors, which is located at 32250 La Pata Ave, San Juan Capistrano, CA 92675, relief from the emissions requirements specified in Table III-B of Rule 1110.2, provided the facility has submitted a detailed retirement plan, approved by the Executive Officer, for the permanent shutdown of all equipment subject to Rule 1110.2 by October 1, 2022. This Final SEA is being prepared because a small portion of the emission reductions foregone (emissions from this one facility) that were previously analyzed in the December 2015 SEA would be extended from 2017~~8~~ until 2022; therefore, the increased severity of the impact was not previously disclosed.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

The proposed amendments to Rule 1110.2 are considered a “project” as defined by CEQA. CEQA requires that the potential adverse environmental impacts of proposed projects be evaluated and that methods to reduce or avoid identified significant adverse environmental impacts of these projects be implemented if feasible. The purpose of the CEQA process is to inform the SCAQMD's Governing Board, public agencies, and interested parties of potential adverse environmental impacts that could result from implementing the proposed project and to identify feasible mitigation measures or alternatives, when an impact is significant.

California Public Resources Code §21080.5 allows public agencies with regulatory programs to prepare a plan or other written documents in lieu of an environmental impact report once the Secretary of the Resources Agency has certified the regulatory program. The SCAQMD's regulatory program was certified by the Secretary of Resources Agency on March 1, 1989, and is codified as SCAQMD Rule 110. Pursuant to Rule 110 (the rule which implements the SCAQMD's certified regulatory program), SCAQMD is preparing a Final SEA to evaluate potential adverse impacts from the proposed project. Pursuant to CEQA Guidelines §15162(a)(1), this Final SEA is being prepared because a small portion of the emission reductions foregone that were previously analyzed in the December 2015 SEA would be extended from 2017~~8~~ until 2022; therefore, the increased severity of the impact was not previously disclosed. Accordingly, a SEA is the appropriate CEQA document to prepare for the proposed project. The proposed project is a modification of the most recent project (December 2015 Final SEA, certified on December 4, 2015) and this analysis considers only the incremental effects of the currently proposed project. This Final SEA focuses on air quality and greenhouse gas emissions as areas that may be adversely affected by the proposed project, as the proposed amendments do not affect the other environmental topic areas. Prior to making a decision on the adoption of the proposed amendments to Rule 1110.2, the SCAQMD Governing Board must review and certify the Final SEA as providing adequate information on the potential adverse environmental impacts that may occur as a result of adopting the proposed amendments to Rule 1110.2.

PAST CEQA DOCUMENTATION FOR RULE 1110.2

Rule 1110.2, like other SCAQMD rules and regulations, comprises a regulatory program that changes over time due to advances in technology, regulatory requirements adopted by state and federal agencies, advances in technology not occurring as anticipated, and other reasons. To reflect these changes, Rule 1110.2 has been amended a number of times since its original adoption in 1990. The following subsections describe the type of CEQA documents prepared for past amendments to Rule 1110.2 and summarize the modifications and analyses prepared for those documents. This Final SEA focuses on the currently proposed amendments to Rule 1110.2 and relies on the previously prepared December 2015 Final SEA, the August 2012 Addendum to the 2007 Final EA, and the December 2007 Final EA, as described below.

Final SEA for Proposed Amended Rule 1110.2; December 2015: In December 2015, the SCAQMD amended Rule 1110.2 to delay implementation of NOx, VOC, and CO emission limits compliance dates for biogas engines because some control technologies have not matured in a timely manner. The delayed emission reductions were greater than the SCAQMD's CEQA significance thresholds, thus the air quality impacts were considered significant. However, all delayed emission reductions will be recaptured over time, so the impacts are not permanent. Limits were also adopted on the number of breakdowns and excess emissions during breakdown events

in order to be consistent with the EPA's breakdown provisions and to allow the rule to be included in the State Implementation Plan (SIP). This document can be obtained by visiting the following website: http://www.aqmd.gov/docs/default-source/ceqa/documents/aqmd-projects/2015/par-1110_2-final-sea.pdf

Addendum to the 2007 Final EA for Proposed Amended Rule 1110.2 – Emissions from Gaseous - and Liquid-Fueled Engines; August 2012: An addendum was prepared for the 2012 amendments to Rule 1110.2. This action made certain limits effective that were already adopted and analyzed in a CEQA document for the amendments to Rule 1110.2 adopted in 2008, which established new exhaust emission concentration limits for landfill and digester gas-fired engines to take effect July 1, 2012. These limits did not take effect because they were contingent upon completion of a technology assessment by July 2010. Except for CO, the emission standards would be equivalent to the current best available control technology (BACT) for NO_x and VOC for new internal combustion engines (ICE). Among the engines affected by the 2012 amendments were approximately 55 engines that are fired by landfill or digester gas (biogas), located at 13 public and private landfills and wastewater treatment plants. The SCAQMD concluded that the amendments would not change the environmental analysis or conclusions in the previously certified December 2007 Final EA. Pursuant to CEQA Guidelines §15164 (c), it was not necessary to circulate the Addendum for public review. The Addendum to the 2012 Final EA was certified by the SCAQMD Governing Board on September 7, 2012. This document can be obtained by visiting the following website at: <http://www.aqmd.gov/docs/default-source/ceqa/documents/aqmd-projects/2012/addendum-to-the-2007-final-environmental-assessment-for-proposed-amended-rule-1110-2.pdf>

Final EA for Proposed Amended Rule 1110.2; December 2007: These amendments to Rule 1110.2 were to further reduce NO_x, VOC and CO emissions from gaseous- and liquid-fueled ICes. PAR 1110.2 partially implemented the 2007 AQMP Control Measure MCS-01 – Facility Modernization, which prescribed facilities to retrofit or replace their equipment to achieve emission levels equivalent to BACT. The amendments affected stationary, non-emergency engines and increased monitoring requirements; reduced the emission standards equivalent to the current BACT; required new electrical generating engines to meet the same requirements as large central power plants; and clarified portable engine requirements. The analysis showed that there were potential adverse environmental effects for the topic areas of air quality, hazards and hazardous materials, and solid/hazardous wastes. The CEQA document was released for a 45-day public review and comment period from November 2, 2007 to December 18, 2007. One public comment letter was received and responses were prepared. Some of the significant adverse impacts were mitigated to less than significant and a mitigation monitoring plan was prepared. After circulation of the Draft EA, a Final EA was prepared and certified by the SCAQMD Governing Board on February 1, 2008. This document can be obtained by visiting the following website: <http://www.aqmd.gov/home/library/documents-support-material/lead-agency-scaqmd-projects/aqmd-projects---year-2008/fea-for-par-1110-2>

Final EA for Proposed Amended Rule 1110.2, June 2005: A Draft EA for the proposed Rule 1110.2 was released for a 30-day public review period from March 18, 2005, to April 19, 2005. Proposed amendments to Rule 1101.2 included: removing an exemption for all agricultural engines except emergency standby engines and engines powering orchard wind machines; adding more

recordkeeping requirements; prohibiting use of portable engine generators to supply power to the grid or to a building, facility, stationary source or stationary equipment except in an emergency affecting grid stability; and removing outdated rule language. Rule 1110.1 was rescinded because it is superseded by the requirements of Rule 1110.2. After circulation of the Draft EA, a Final EA was prepared and certified by the SCAQMD Governing Board on June 3, 2005.

Final Subsequent EA for the Proposed Amended Rule 1110.2, November 14, 1997:

Proposed amendments were made to address portable engine requirements under Rule 1110.2 and CARB's Statewide Portable Engine and Equipment Registration Regulation. Significant adverse impacts were identified and evaluated for the topic areas of air quality and energy. The Draft SEA was released for a 45-day public review and comment period from September 10, 1997 to October 28, 1997. No comments were received from the public.

Notice of Exemption (NOE) for the Proposed Amended Rule 1110.2, December 9, 1994:

The proposed amendments clarified the meaning of the terms "originally installed" for purposes of determining compliance with the rule. A NOE was prepared for proposed amended Rule 1110.2, because the proposed amendments were administrative in nature and had no significant adverse impacts on the environment.

Notice of Exemption (NOE) for the Proposed Amended Rule 1110.2, August 12, 1994:

The proposed amendments clarified the original intent that continuous in-stack CO monitoring system is not required if a continuous in-stack NOx monitoring system is not required. The proposed amendments harmonized monitoring requirements in Rule 1110.2 and RECLAIM.

Final EA for Proposed Rule 1110.2, September 7, 1990: The Governing Board requested that staff examine issues raised during the adoption hearing for Rule 1110.2 and provide recommendations. Clarification of monitoring and periodic emission testing for engines over 1,000 bhp was added for NOx and CO emissions. A limited exemption was proposed for up-slope units at winter resort facilities that are operated less than 700 hours per year. Since the circumstances of the original project and the modifications were essentially the same, the Final EA for Proposed Rule 1110.2 was recertified for these changes.

Final EA for Proposed Rule 1110.2, August 3, 1990: A Draft EA for the proposed rule was released for a 45-day public review period from May 25, 1990, to July 25, 1990. Four comment letters were received and responses were prepared. The EA identified potential impacts and mitigation measures for the environmental topic areas of water quality, risk of upset, transportation, energy, solid waste disposal, and human health. Significant adverse impacts were mitigated to less than significant through the development of a mitigation monitoring plan.

Intended Uses of this Document

In general, a CEQA document is an informational document that informs a public agency's decision-makers and the public generally of potentially significant environmental effects of a project, identifies possible ways to avoid or minimize the significant effects, and describes reasonable alternatives to the project (CEQA Guidelines §15121). A public agency's decision-makers must consider the information in a CEQA document prior to making a decision on the project. Accordingly, this Final SEA is intended to: a) provide the SCAQMD Governing Board

and the public with information on the environmental effects of the proposed project; and, b) be used as a tool by the SCAQMD Governing Board to facilitate decision making on the proposed project.

AREAS OF CONTROVERSY

In accordance with CEQA Guidelines §15123 (b)(2), the areas of controversy known to the lead agency, including issues raised by agencies and the public, shall be identified in the CEQA document. The following discussion identifies potential areas of controversy relating to PAR 1110.2.

Need for Relief: One biogas facility has raised concerns with meeting the Rule 1110.2 requirements because they are currently operating under an existing Power Purchase Agreement (PPA) and plan to permanently remove all of their existing equipment at the termination of the agreement. On this basis, SCAQMD Staff is proposing to amend Rule 1110.2, which would provide the facility operator of MM PRIMA DESHECHA ENERGY, LLC, or any of its successors, which is located at 32250 La Pata Ave, San Juan Capistrano, CA 92675, relief from the emissions requirements specified in Table III-B of Rule 1110.2, provided the facility has submitted a detailed retirement plan, approved by the Executive Officer, for the permanent shutdown of all equipment subject to Rule 1110.2 by October 1, 2022.

Due to this proposed provision, the proposed project will result in a delay of: 0.07 tons/day of NOx, 0.01 tons/day of VOC, and 0.08 tons/day of CO emission reductions from 2017 to 2022 (Table 1-1). Nonetheless, a portion of these delayed foregone emission reductions will be recaptured in compliance year 2022, six years from the original compliance date. There is currently only one facility in the SCAQMD’s jurisdiction that would meet this proposed criteria.

**Table 1-1
PAR 1110.2 Delayed Foregone Emission Reductions**

<i>Type of Project</i>	<i>NOx (tpd)</i>	<i>VOC (tpd)</i>	<i>CO (tpd)</i>
Provide MM PRIMA DESHECHA ENERGY facility relief from the emissions requirements specified in Table III-B of Rule 1110.2	0.07	0.01	0.08

EXECUTIVE SUMMARY

Chapter 2 – Project Description and Project Objectives

The proposed project consists of amending Rule 1110.2, which would provide the facility operator of MM PRIMA DESHECHA ENERGY, LLC, or any of its successors, which is located at 32250 La Pata Ave, San Juan Capistrano, CA 92675, relief from the emissions requirements specified in Table III-B of Rule 1110.2, provided the facility has submitted a detailed retirement plan, approved by the Executive Officer, for the permanent shutdown of all equipment subject to Rule 1110.2 by October 1, 2022.

The project objectives are as follows:

- Provide relief for the facility operator of MM PRIMA DESHECHA ENERGY, LLC, or any of its successors, from the emissions requirements specified in Table III-B of Rule 1110.2, provided the facility has met specific criteria;
- Maintain the lower limits on NO_x, VOC, and CO emissions from the combustion of gaseous and liquid biogas engines; and
- Aside from temporary air quality impacts, avoid generating any new adverse environmental impacts.

Chapter 3 – Existing Setting

Pursuant to the CEQA Guidelines §15125, Chapter 3 – Existing Setting, includes descriptions of those environmental areas that could be adversely affected by the proposed project. The following subsection briefly highlights the existing setting for the topic of air quality which has been identified as having potentially significant adverse effects from implementing the proposed project.

Air Quality

This section provides an overview of air quality in the District whose region could be affected by the proposed project. Air quality in the area of the SCAQMD's jurisdiction has shown substantial improvement over the last three decades. Nevertheless, some federal and state air quality standards are still exceeded frequently and by a wide margin. Of the National Ambient Air Quality Standards (NAAQS) established for seven criteria pollutants (ozone, lead, sulfur dioxide, nitrogen dioxide, carbon monoxide, PM₁₀ and PM_{2.5}), the area within the SCAQMD's jurisdiction is only in attainment for carbon monoxide, PM₁₀, sulfur dioxide, and nitrogen dioxide standards. Air monitoring for PM₁₀ indicates that SCAQMD has attained the NAAQS and the USEPA published approval of SCAQMD's PM₁₀ attainment plan on June 26, 2013, with an implementation date of July 26, 2013. Effective December 31, 2010, the Los Angeles County portion of the SCAQMD has been designated as non-attainment for the new federal standard for lead, based on emissions from two specific facilities. While there has been no recent exceedances of the lead NAAQS, the area has not yet been redesignated as "attainment". Chapter 3 provides a brief description of the existing air quality setting for each criteria pollutant, as well as the human health effects resulting from exposure to each criteria pollutant. In addition, this section includes a discussion on toxic air contaminants (TACs), greenhouse gas (GHG) emissions, and climate change.

Chapter 4 – Environmental Impacts

The CEQA Guidelines require environmental documents to identify significant environmental effects that may result from a proposed project [CEQA Guidelines §15126.2 (a)]. Direct and indirect significant effects of a project on the environment should be identified and described, with consideration given to both short- and long-term impacts. The following subsection briefly highlights the environmental impacts and mitigation measures for the topic of air quality which has been identified as having potentially significant adverse effects from implementing the proposed project.

Air Quality

This section provides an overview of the potential adverse air quality emissions impacts from the proposed project. The initial evaluation in the July 2015 NOP/IS identified the topic of air quality as potentially being adversely affected by the proposed project. The proposed project consists of amending Rule 1110.2, which would provide the facility operator of MM PRIMA DESHECHA ENERGY, LLC, or any of its successors, which is located at 32250 La Pata Ave, San Juan Capistrano, CA 92675, relief from the emissions requirements specified in Table III-B of Rule 1110.2, provided the facility has submitted a detailed retirement plan, approved by the Executive Officer, for the permanent shutdown of all equipment subject to Rule 1110.2 by October 1, 2022. For the purposes of this analysis, the affected equipment consists of biogas engines. Due to the fact that this facility has entered into a Power Purchase Agreement (PPA), and the affected equipment is scheduled to be removed permanently by 2022, the proposed project would provide relief for the specific affected equipment from Rule 1110.2.

At this time, PAR 1110.2 impacts only one biogas facility located in the SCAQMD jurisdiction. The proposed project will ~~delay the~~ result in additional emissions foregone from 2017 to 2022 that were not previously analyzed in the December 2015 Final SEA ~~from 2018 until 2022~~. There are no construction-related activities associated with the proposed project, and therefore, no construction-related impacts are expected to occur. Additionally, since GHG emissions are based on fuel usage, the GHG emissions will remain the same no matter the type of combustion source.

~~NO_x, VOC, and CO emission reductions for PAR 1110.2 would be delayed and~~ would result in approximately 0.07 tons/day of NO_x, 0.01 tons/day of VOC, and 0.08 tons/day of CO emissions foregone from 2017 to 2022. However, a portion of these ~~delayed~~ foregone emission reductions will be recaptured in compliance year 2022. The quantity of ~~delayed~~ foregone NO_x emission reductions exceeds the SCAQMD CEQA significance thresholds. Thus, PAR 1110.2 will result in adverse significant operational air quality impacts. The air quality analysis presented in Chapter 4 represents a “worst-case” analysis and accounts for these potential additional ~~delays in~~ foregone emission reductions.

There are no feasible mitigation measures that have been identified at this time that would reduce or eliminate the expected ~~delays in~~ foregone emission reductions. Consequently, the operational air quality emissions impacts from the proposed project cannot be mitigated to less than significant.

Chapter 5 – Alternatives

The proposed project and three alternatives to the proposed project are summarized below in Table 1-2: Alternative A (No Project), Alternative B (Replace Flares) and Alternative C (New Micro Turbines). Pursuant to CEQA Guidelines §15126.6 (b), the purpose of an alternatives analysis is to reduce or avoid potentially significant adverse effects that a project may have on the environment. The environmental topic area identified in the Final SEA that may be adversely affected by the proposed project was air quality impacts. A comprehensive analysis of air quality impacts is included in Chapter 4 of this document. In addition to identifying project alternatives, Chapter 5 provides a comparison of the potential operational impacts to air quality emissions from each of the project alternatives relative to the proposed project, which are summarized in Table 1-3. Aside from these topics, no other potential significant adverse impacts were identified for the

proposed project or any of the project alternatives. As indicated in the following discussions, the proposed project is considered to provide the best balance between meeting the objectives of the project while minimizing potentially significant adverse environmental impacts.

Table 1-2
Summary of PAR 1110.2 and Project Alternatives

Project	Project Description
Alternative A (No Project)	The proposed project would not be adopted and the current universe of equipment at biogas facilities will continue to be subject to the NO _x , VOC and CO emission limits according to the current compliance schedule in Rule 1110.2. If facilities cannot comply with the existing rule, operators may shut down their biogas engines and release their gas through their existing flares. The facilities would purchase more electricity.
Alternative B (Replace Flares)	Through additional rulemaking, biogas facilities not meeting the current Rule 1110.2 biogas emission limits would be required to process the biogas through new cleaner and efficient flares under a separate rule. The new flares' emissions would be lower than the NO _x , CO, and VOC emissions of the proposed project. GHG emissions would increase from power plants needed to generate electricity that would otherwise be generated from the biogas engines and backup diesel engines. All other requirements and conditions in the proposed project would be applicable.
Alternative C (New Micro Turbines)	Through additional rule making, biogas facilities not meeting the current Rule 1110.2 biogas emission limits would be required to process the biogas through new micro turbines to handle their facilities' biogas under a separate rule. The new microturbine emissions would be comparable to the NO _x , CO, and VOC emissions of the proposed project. GHG emissions would increase from backup diesel engines. All other requirements and conditions in the proposed project would be applicable.

**Table 1-3
Comparison of Environmental Impacts of the Alternatives**

Category	Proposed Project	Alternative A: No Project	Alternative B: Replace Flares	Alternative C: New Micro Turbines
Air Quality Impacts: Construction	This proposed amendment does not have any construction impacts.	No construction impacts.	Minor construction impacts associated with replacing flares.	Minor construction impacts associated with installing new micro turbines.
Significant?	No	No	No	No
Air Quality Impacts: Operation	Approximately 0.07 tons of NOx, 0.01 tons/day of VOC, and 0.08 tons/day of CO peak daily emission reductions foregone delayed ; emission reductions are not permanent will be recaptured in compliance year 2022 ; emissions foregone from the temporary delay would exceed the SCAQMD CEQA significance thresholds for operation.	Fewer emissions than proposed project due to no delay in emission reductions foregone ; however, no co-benefit of electricity production because biogas engines would not be able to meet current limits and would likely shut down; there would be additional emissions from power plants and backup engines; thus, these emissions would still exceed the SCAQMD CEQA significance thresholds for operation.	Due to the new flares being more efficient in combustion than the biogas engines, there would be less NOx, VOC and CO emissions than the proposed project; there would be additional emissions from power plants and backup engines; thus, these emissions would still exceed the SCAQMD CEQA significance thresholds for operation.	Due to the new microturbines being more efficient in combustion than the biogas engines, there would be slightly less NOx and CO emissions than the proposed project; there would be an increase in VOC emissions compared to the proposed project; there would be additional emissions from backup engines; thus, these emissions would still exceed the SCAQMD CEQA significance thresholds for operation.
Significant?	Yes	Yes	Yes	Yes

Category	Proposed Project	Alternative A: No Project	Alternative B: Replace Flares	Alternative C: New Micro Turbines
Air Quality Impacts: GHG	None; since GHG emissions are based on fuel usage, the GHG emissions will remain the same no matter the type of combustion source.	Same as proposed project	GHG emissions would increase from power plants and back up diesel engines; however the emissions are less than the SCAQMD CEQA significance threshold for GHG.	GHG emissions would increase from back up diesel engines; however, the emissions are less than the SCAQMD CEQA significance threshold for GHG.
Significant?	No	No	No	No

Appendix A – Proposed Amended Rule 1110.2

Appendix A contains a complete version of Proposed Amended Rule 1110.2.

Appendix B – Assumptions and Calculations

Appendix B contains the assumptions and calculations for Alternatives B and C.

CHAPTER 2

PROJECT DESCRIPTION

Project Location

Project Background

Project Description

Project Objectives

PROJECT LOCATION

The SCAQMD has jurisdiction over an area of 10,473 square miles, consisting of the four-county South Coast Air Basin (Basin) and the Riverside County portions of the Salton Sea Air Basin (SSAB) and the Mojave Desert Air Basin (MDAB). The Basin, which is a sub area of the SCAQMD's jurisdiction, is bounded by the Pacific Ocean to the west and the San Gabriel, San Bernardino, and San Jacinto Mountains to the north and east. The 6,745 square-mile Basin includes all of Orange County and the non-desert portions of Los Angeles, Riverside, and San Bernardino counties. The Riverside County portions of the SSAB and MDAB are bounded by the San Jacinto Mountains to the west and span eastward up to the Palo Verde Valley. The federal nonattainment area (known as the Coachella Valley Planning Area) is a sub region of both Riverside County and the SSAB and is bounded by the San Jacinto Mountains to the west and the eastern boundary of the Coachella Valley to the east. The SCAQMD's jurisdictional area is depicted in Figure 2-1. The proposed project would be in effect in the entire area of the SCAQMD's jurisdiction, however, the one facility that is expected to be covered by the proposed rule amendment is located at 32250 La Pata Ave, San Juan Capistrano, CA 92675.

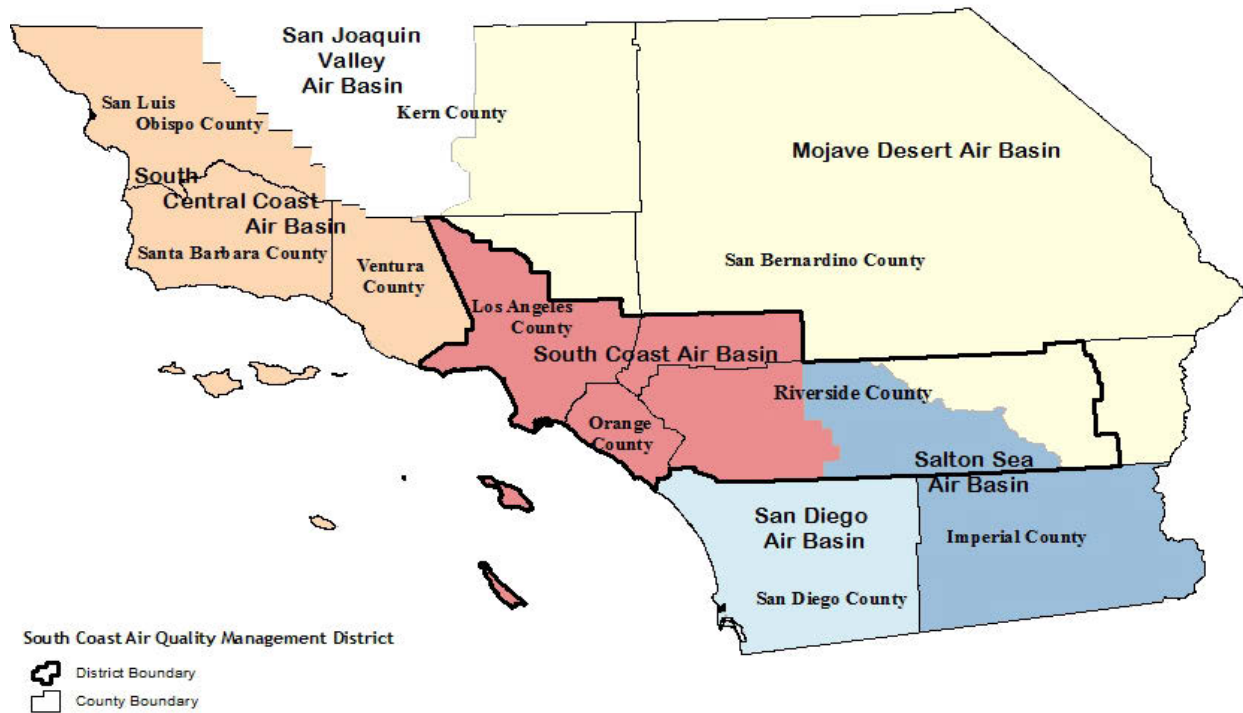


Figure 2-1
South Coast Air Quality Management District Boundaries

PROJECT BACKGROUND

Rule 1110.2 – Emissions from Gaseous- and Liquid-Fired Engines was adopted by the AQMD Governing Board on August 3, 1990. It required that either 1) NO_x emissions be reduced over 90% to one of two compliance limits specified by the rule, or; 2) the engines be permanently removed from service or replaced with electric motors. It was amended in September 1990 to clarify rule language and then amended in August and December of 1994 to modify the CO monitoring requirements and to clarify rule language. The amendment of November 1997 eliminated the requirement for continuous monitoring of CO, reduced the source testing requirement from once every year to once every three years, and exempted non-road engines, including portable engines, from most requirements. The amendment in June 2005 made the previously exempt agricultural engines subject to the rule.

To address widespread non-compliance with stationary IC engines, the 2008 amendment augmented the source testing, continuous monitoring, inspection and maintenance (I&M), and reporting requirements of the rule to improve compliance. It also required stationary, non-emergency engines to meet emission standards equivalent to current BACT for NO_x and VOC and almost to BACT for CO. This partially implemented the 2007 AQMP control measure for Facility Modernization (MCS-001). Additionally, the 2008 amendment required new electric generating engines to limit emissions to levels nearly equivalent to large central power plants, meeting standards that are at or near the CARB 2007 Distributed Generation Emissions Standards. It also clarified the status for portable engines and set emissions standards for biogas engines to become effective on July 1, 2012 if the July 2010 Technology Assessment confirmed that the rule limits could be achieved.

The 2008 adopting resolution included commitments directing staff to conduct a Technology Assessment to address the availability, feasibility, cost-effectiveness, compliance schedule, and global warming impacts of biogas engine control technologies and report back to the Governing Board no later than July 2010. Additionally, the Governing Board directed that the July 2012 biogas emission limits would not be incorporated into the SIP unless the July 2010 Technology Assessment found that the proposed limits are achievable and cost-effective.

At the July 2010 Governing Board meeting, staff presented an Interim Technology Assessment to address the board resolution commitments in 2008. The Interim Technology Assessment summarized the biogas engine control technologies to date and the status of on-going demonstration projects. Due to the delays caused by the permit moratorium in 2009, the release of a subsequent report was recommended upon the completion of these projects. The Interim Technology Assessment concluded that feasible, cost-effective technology should be available that can support the feasibility of the July 2012 emission limits, but that the delay in the demonstration projects would likely necessitate an adjustment to the July 1, 2012 compliance date of Rule 1110.2.

Rule amendments in July 2010 added an exemption to the rule affecting a remote public safety communications site at Santa Rosa Peak in Riverside County which has limited accessibility in the wintertime.

The September 2012 amendments established a compliance date of January 1, 2016 for biogas engines. A compliance option was also provided so that operators requiring additional time would be given up to two years beyond the compliance date with the submittal of a compliance plan and payment of a compliance flexibility fee. In addition, SCAQMD staff presented an Assessment of Available Technology for Control of NO_x, CO, and VOC Emissions from Biogas-Fueled Engines that detailed the different available technologies and demonstration projects for biogas engines, along with costs.

Due to the fact that some control technologies had not matured in a timely manner, in December 2015, Rule 1110.2 was amended to delay implementation of NO_x, VOC, and CO emission limits compliance dates for biogas engines. However, all delayed emission reductions will be recaptured over time, so the emissions foregone are not permanent. Limits were also adopted on the number of breakdowns and excess emissions during breakdown events in order to be consistent with the EPA's breakdown provisions and to allow the rule to be included in the SIP.

PROJECT DESCRIPTION

The proposed project consists of amending Rule 1110.2. The purpose of the proposed project is to provide a biogas facility relief from emissions requirements specified in Table III-B of Rule 1110.2, provided they have met certain criteria. A copy of PAR 1110.2 can be found in Appendix A. The following is a summary of the key components of PAR 1110.2:

The facility operator of MM PRIMA DESHECHA ENERGY, LLC, or any of its successors, which is located at 32250 La Pata Ave, San Juan Capistrano, CA 92675, would not be required to meet the emissions requirements specified in Table III-B of Rule 1110.2, provided the facility has submitted a detailed retirement plan, approved by the Executive Officer, for the permanent shutdown of all equipment subject to Rule 1110.2 by October 1, 2022.

The plan shall:

- Be submitted by July 1, 2016 and approved before the January 1, 2017 compliance date;
- Include SCAQMD Form 400A with company name, SCAQMD Facility ID, and permit number for the subject equipment, and;
- Include a filing fee payment pursuant to Rule 306.

The project would result in a ~~delay~~ of 0.07 tons per day of NO_x reductions, 0.01 tons per day of VOC reductions, and 0.08 tons per day of CO reductions foregone from 2017 to 2022. However, a portion of these delayed foregone emission reductions will be recaptured in year 2022, six years from the original compliance date.

PROJECT OBJECTIVES

CEQA Guidelines §15124(b) requires the project description to include a statement of objectives sought by the proposed project, including the underlying purpose of the proposed project. Compatibility with project objectives is one criterion for selecting a range of reasonable project alternatives and provides a standard against which to measure project alternatives. The project

objectives identified in the following bullet points have been developed: 1) in compliance with CEQA Guidelines §15124 (b); and, 2) to be consistent with policy objectives of the SCAQMD's New Source Review program. The project objectives are as follows:

- Provide relief from the emissions requirements specified in Table III-B of Rule 1110.2 for the facility operator of MM PRIMA DESHECHA ENERGY, LLC, or any of its successors, which is located at 32250 La Pata Ave, San Juan Capistrano, CA 92675, provided the facility has submitted a detailed retirement plan, approved by the Executive Officer, for the permanent shutdown of all equipment subject to Rule 1110.2 by October 1, 2022.;
- Maintain the lower limits on NO_x, VOC, and CO emissions from the combustion of gaseous and liquid biogas engines;
- Aside from temporary air quality impacts, avoid generating any new adverse environmental impacts.

CHAPTER 3

EXISTING SETTING

Introduction

Air Quality and Greenhouse Gases

INTRODUCTION

In order to determine the significance of the impacts associated with a proposed project, it is necessary to evaluate the project's impacts against the backdrop of the environment as it currently exists. The currently proposed project would extend the emission reductions foregone that were previously analyzed in the December 2015 Final SEA ~~from 2018 until 2022~~; therefore, increasing the severity of an impact that was not previously disclosed. Therefore, the environmental impacts previously analyzed in the 2015 Final SEA and the 2007 Final EA are still valid and air quality impacts are the only issue area analyzed herein. CEQA Guidelines §15360 defines “environment” as “the physical conditions that exist within the area which will be affected by a proposed project including land, air, water, minerals, flora, fauna, ambient noise, and objects of historical or aesthetic significance” (see also Public Resources Code §21060.5). According to CEQA Guidelines §15125 (a), a CEQA document must include a description of the physical environmental conditions in the vicinity of the project, as they exist at the time the NOP is published from both a local and regional perspective. This environmental setting will normally constitute the baseline physical conditions by which a lead agency determines whether an impact is significant. The description of the environmental setting shall be no longer than is necessary to provide an understanding of the significant effects of the proposed project and its alternatives.

The following section summarizes the existing setting for air quality and GHG emissions which is the only environmental topic identified that may be adversely affected by the proposed project. The Final Program EIR for the 2012 AQMP also contains comprehensive information on existing and projected environmental settings for the topic of air quality and GHG emissions. Copies of the referenced document are available from the SCAQMD's Public Information Center by calling (909) 396-2039 or available on the web at <http://www.aqmd.gov/home/library/documents-support-material/lead-agency-scaqmd-projects/aqmd-projects---year-2012/aqmp-2012>.

AIR QUALITY AND GREENHOUSE GASES

This subchapter provides an overview of the existing air quality setting for each criteria pollutant and their precursors, as well as the human health effects resulting from exposure to these pollutants. In addition, this subchapter includes a discussion of non-criteria pollutants such as TACs and GHGs, and climate change.

Criteria Air Pollutants and Identification of Health Effects

It is the responsibility of the SCAQMD to ensure that state and federal ambient air quality standards are achieved and maintained in its geographical jurisdiction. Health-based air quality standards have been established by California and the federal government for the following criteria air pollutants: ozone, carbon monoxide (CO), nitrogen dioxide (NO₂), PM₁₀, PM_{2.5}, sulfur dioxide (SO₂), and lead. These standards were established to protect sensitive receptors with a margin of safety from adverse health impacts due to exposure to air pollution. The California standards are commonly more stringent than the federal standards and in the case of PM₁₀ and SO₂, far more stringent. California has also established standards for sulfates, visibility reducing particles, hydrogen sulfide, and vinyl chloride. SCAQMD also has a general responsibility pursuant to Health & Safety Code (HSC) §41700 to control emissions of air contaminants and prevent endangerment to public health.

Regional Baseline

Air quality in the area of the SCAQMD's jurisdiction has shown substantial improvement over the last three decades. Nevertheless, some federal and state air quality standards are still exceeded frequently and by a wide margin. Of the National Ambient Air Quality Standards (NAAQS) established for seven criteria pollutants (ozone, CO, NO₂, PM₁₀, PM_{2.5}, SO₂, and lead), the area within the SCAQMD's jurisdiction is only in attainment with CO, SO₂, PM₁₀ and the annual NO₂ standards. The SCAQMD is designated as unclassifiable/attainment for the hourly NO₂ standard. The EPA intends to redesignate areas after sufficient air quality data are available.

Recent air quality data shows the 1997 PM_{2.5} standard (15 µg/m³) is being met, but falls short in attaining the 2012 annual PM_{2.5} standard of 12 µg/m³. Recent monitoring data also shows that the 2006 24-hour NAAQS for PM_{2.5} will not be achieved by 2015, due partially to drought conditions and to excessive emissions. The upcoming 2016 AQMP will evaluate PM_{2.5} emissions and possible control measures to attain the 2006 and 2012 standards by 2019 - 2025. The 2016 AQMP will also demonstrate attainment of the 2008 8-hour ozone standard (75 ppb) by year 2032, and provide an update to the previous 1997 8-hour standard (80 ppb) to be met by 2023. The 2016 AQMP must be submitted to the USEPA by July 20, 2016.

In 2010, a portion of Los Angeles County was designated as not attaining the NAAQS of 0.15 µg/m³ for lead. SCAQMD identified two large lead-acid battery recycling facilities as possible sources of lead. One of the facilities was the main contributor to the area's nonattainment status. In response to the nonattainment designation, the State submitted the *Final 2012 Lead State Implementation Plan – Los Angeles County* to the USEPA on June 20, 2012. The plan outlines steps that will bring the area into attainment with the standard. As of February 11, 2014, the USEPA announced in the Federal Register (FR) final approval of the lead air quality plan, effective 30 days after publication (e.g., March 12, 2014).

The state and national ambient air quality standards for each of these pollutants and their effects on health are summarized in Table 3-1. The SCAQMD monitors levels of various criteria pollutants at 36 monitoring stations. The 2013 air quality data from SCAQMD's monitoring stations are presented in Table 3-2 for ozone, CO, NO₂, PM₁₀, PM_{2.5}, SO₂, lead and PM₁₀ sulfate.

Table 3-1
State and Federal Ambient Air Quality Standards

Pollutant	Averaging Time	State Standard ^{a)}	Federal Primary Standard ^{b)}	Most Relevant Effects
Ozone (O₃)	1-hour	0.090 ppm (180 µg/m ³)	No Federal Standard	a) Short-term exposures: 1) Pulmonary function decrements and localized lung edema in humans and animals; and, 2) Risk to public health implied by alterations in pulmonary morphology and host defense in animals; b) Long-term exposures: Risk to public health implied by altered connective tissue metabolism and altered pulmonary morphology in animals after long-term exposures and pulmonary function decrements in chronically exposed humans; c) Vegetation damage; and, d) Property damage.
	8-hour	0.070 ppm (137 µg/m ³)	0.075 ppm (147 µg/m ³)	
Suspended Particulate Matter (PM₁₀)	24-hour	50 µg/m ³	150 µg/m ³	a) Excess deaths from short-term exposures and exacerbation of symptoms in sensitive patients with respiratory disease; and, b) Excess seasonal declines in pulmonary function, especially in children.
	Annual Arithmetic Mean	20 µg/m ³	No Federal Standard	
Fine Particulate Matter (PM_{2.5})	24-hour	No State Standard	35 µg/m ³ ^{c)}	a) Increased hospital admissions and emergency room visits for heart and lung disease; b) Increased respiratory symptoms and disease; and, c) Decreased lung functions and premature death.
	Annual Arithmetic Mean	12 µg/m ³	12 µg/m ³	
Carbon Monoxide (CO)	1-Hour	20 ppm (23 mg/m ³)	35 ppm (40 mg/m ³)	a) Aggravation of angina pectoris and other aspects of coronary heart disease; b) Decreased exercise tolerance in persons with peripheral vascular disease and lung disease; c) Impairment of central nervous system functions; and, d) Possible increased risk to fetuses.
	8-Hour	9 ppm (10 mg/m ³)	9 ppm (10 mg/m ³)	
Nitrogen Dioxide (NO₂)	1-Hour	0.180 ppm (339 µg/m ³)	100 ppb ^{d)} (188 µg/m ³)	a) Potential to aggravate chronic respiratory disease and respiratory symptoms in sensitive groups; b) Risk to public health implied by pulmonary and extra-pulmonary biochemical and cellular changes and pulmonary structural changes; and, c) Contribution to atmospheric discoloration.
	Annual Arithmetic Mean	0.030 ppm (57 µg/m ³)	0.053 ppm (100 µg/m ³)	

Table 3-1 (concluded)
State and Federal Ambient Air Quality Standards

Pollutant	Averaging Time	State Standard ^{a)}	Federal Primary Standard ^{b)}	Most Relevant Effects
Sulfur Dioxide (SO₂)	1-Hour	0.250 ppm (655 µg/m ³)	75 ppb ^{e)} (196 µg/m ³)	Broncho-constriction accompanied by symptoms which may include wheezing, shortness of breath and chest tightness, during exercise or physical activity in persons with asthma.
	24-Hour	0.040 ppm (105 µg/m ³)	No Federal Standard	
Sulfate	24-Hour	25 µg/m ³	No Federal Standard	a) Decrease in ventilatory function; b) Aggravation of asthmatic symptoms; c) Aggravation of cardio-pulmonary disease; d) Vegetation damage; e) Degradation of visibility; and, f) Property damage.
Hydrogen Sulfide (H₂S)	1-Hour	0.030 ppm (42 µg/m ³)	No Federal Standard	Odor annoyance.
Lead (Pb)	30-Day Average	1.5 µg/m ³	No Federal Standard	a) Increased body burden; and b) Impairment of blood formation and nerve conduction.
	Rolling 3-Month Average	No State Standard	0.150 µg/m ³	
Visibility Reducing Particles	8-Hour	Extinction coefficient of 0.23 per kilometer - visibility of ten miles or more due to particles when relative humidity is less than 70 percent.	No Federal Standard	The State standard is a visibility based standard not a health based standard and is intended to limit the frequency and severity of visibility impairment due to regional haze. Nephelometry and AISI Tape Sampler; instrumental measurement on days when relative humidity is less than 70 percent.
Vinyl Chloride	24-Hour	0.010 ppm (26 µg/m ³)	No Federal Standard	Highly toxic and a known carcinogen that causes a rare cancer of the liver.

- a) The California ambient air quality standards for O₃, CO, SO₂ (1-hour and 24-hour), NO₂, PM₁₀, and PM_{2.5} are values not to be exceeded. All other California standards shown are values not to be equaled or exceeded.
- b) The NAAQS, other than O₃ and those based on annual averages, are not to be exceeded more than once a year. The O₃ standard is attained when the expected number of days per calendar year with maximum hourly average concentrations above the standards is equal to or less than one.
- c) The federal 24-hour PM_{2.5} standard is 35 µg/m³ (98th percentile concentration).
- d) The federal one-hour NO₂ standard is 100 ppb or 0.100 ppm (98th percentile concentration).
- e) The federal one-hour SO₂ standard is 75 ppb or 0.075 ppm (99th percentile concentration).

KEY: ppb = parts per billion parts of air, by volume ppm = parts per million parts of air, by volume µg/m³ = micrograms per cubic meter mg/m³ = milligrams per cubic meter

Table 3-2
2013 Air Quality Data for SCAQMD

CARBON MONOXIDE (CO) ^{a)}			
Source Receptor Area No.	Location of Air Monitoring Station	No. Days of Data	Max. Conc. ppm, 8-hour
LOS ANGELES COUNTY			
1	Central Los Angeles	330	2.0
2	Northwest Coastal Los Angeles County	340	1.3
3	Southwest Coastal Los Angeles County	281*	2.5
4	South Coastal Los Angeles County 1	249*	2.0
4	South Coastal Los Angeles County 2	--	--
4	South Coastal LA County 3	323	2.6
6	West San Fernando Valley	323	2.3
7	East San Fernando Valley	335	2.4
8	West San Gabriel Valley	201*	1.7
9	East San Gabriel Valley 1	343	1.7
9	East San Gabriel Valley 2	347	0.8
10	Pomona/Walnut Valley	340	1.6
11	South San Gabriel Valley	347	2.0
12	South Central Los Angeles County	338	3.5
13	Santa Clarita Valley	352	0.8
ORANGE COUNTY			
16	North Orange County	355	2.2
17	Central Orange County	333	2.6
18	North Coastal Orange County	313	2.0
19	Saddleback Valley	356	1.3
RIVERSIDE COUNTY			
22	Norco/Corona	--	--
23	Metropolitan Riverside County 1	334	2.0
23	Metropolitan Riverside County 2	318	1.6
23	Mira Loma	339	1.9
24	Perris Valley	--	--
25	Lake Elsinore	336	0.6
26	Temecula	--	--
29	Banning Airport	--	--
30	Coachella Valley 1**	354	1.5
30	Coachella Valley 2**	--	--
SAN BERNARDINO COUNTY			
32	Northwest San Bernardino Valley	340	1.7
33	Southwest San Bernardino Valley	--	--
34	Central San Bernardino Valley 1	337	1.3
34	Central San Bernardino Valley 2	340	1.7
35	East San Bernardino Valley	--	--
37	Central San Bernardino Mountains	--	--
38	East San Bernardino Mountains	--	--
DISTRICT MAXIMUM			3.5
SOUTH COAST AIR BASIN			3.5

KEY: ppm = parts per million -- = Pollutant not monitored * Incomplete Data ** Salton Sea Air Basin

^{a)} The federal 8-hour standard (8-hour average CO > 9 ppm) and state 8-hour standard (8-hour average CO > 9.0 ppm) were not exceeded. The federal and state 1-hour standards (35 ppm and 20 ppm) were not exceeded either.

Table 3-2 (Continued)
2013 Air Quality Data for SCAQMD

OZONE (O ₃)										
Source Recept Area No.	Location of Air Monitoring Station	No. Days of Data	Max. Conc. in ppm 1-hr	Max. Conc. in ppm 8-hr	Fourth High Conc. ppm 8-hr	Health Advisory ≥ 0.15 ppm 1-hr	No. Days Standard Exceeded			
							Federal		State	
							Old > 0.124 ppm 1-hr	Current >0.075 ppm 8-hr	Current > 0.09 ppm 1-hr	Current > 0.070 ppm 8-hr
LOS ANGELES COUNTY										
1	Central Los Angeles	365	0.081	0.069	0.060	0	0	0	0	0
2	Northwest Coastal LA County	359	0.088	0.075	0.059	0	0	0	0	1
3	Southwest Coastal LA County	352	0.105	0.081	0.060	0	0	1	1	1
4	South Coastal Los Angeles County 1	267*	0.092	0.070	0.060	0	0	0	0	0
4	South Coastal Los Angeles County 2	--	--	--	--	--	--	--	--	--
4	South Coastal LA County 3	362	0.090	0.069	0.057	0	0	0	0	0
6	West San Fernando Valley	320	0.124	0.092	0.084	0	0	11	7	21
7	East San Fernando Valley	362	0.110	0.083	0.079	0	0	6	4	17
8	West San Gabriel Valley	211*	0.099	0.075	0.070	0	0	0	2	2
9	East San Gabriel Valley 1	361	0.115	0.085	0.080	0	0	6	7	15
9	East San Gabriel Valley 2	340	0.135	0.100	0.088	0	1	24	24	43
10	Pomona/Walnut Valley	355	0.125	0.099	0.085	0	1	15	12	22
11	South San Gabriel Valley	363	0.101	0.072	0.070	0	0	0	2	3
12	South Central Los Angeles County	358	0.090	0.080	0.063	0	0	1	0	1
13	Santa Clarita Valley	365	0.134	0.104	0.094	0	2	40	30	58
ORANGE COUNTY										
16	North Orange County	363	0.104	0.078	0.066	0	0	1	2	2
17	Central Orange County	340	0.084	0.070	0.063	0	0	0	0	0
18	North Coastal Orange County	385	0.095	0.083	0.065	0	0	1	1	2
19	Saddleback Valley	365	0.104	0.082	0.074	0	0	2	2	5
RIVERSIDE COUNTY										
22	Norco/Corona	--	--	--	--	--	--	--	--	--
23	Metropolitan Riverside County 1	357	0.123	0.103	0.094	0	0	26	13	38
23	Metropolitan Riverside County 2	--	--	--	--	--	--	--	--	--
23	Mira Loma	365	0.118	0.096	0.092	0	0	21	11	32
24	Perris Valley	344	0.108	0.090	0.088	0	0	34	17	60
25	Lake Elsinore	362	0.102	0.089	0.081	0	0	12	6	25
26	Temecula	324	0.093	0.078	0.075	0	0	3	0	12
29	Banning Airport	254*	0.115	0.103	0.091	0	0	41	24	66
30	Coachella Valley 1**	365	0.113	0.104	0.090	0	0	46	10	82
30	Coachella Valley 2**	365	0.105	0.087	0.085	0	0	18	2	38
SAN BERNARDINO COUNTY										
32	Northwest San Bernardino Valley	365	0.143	0.111	0.095	0	3	27	25	44
33	Southwest San Bernardino Valley	--	--	--	--	--	--	--	--	--
34	Central San Bernardino Valley 1	363	0.151	0.122	0.100	1	2	42	34	68
34	Central San Bernardino Valley 2	361	0.139	0.112	0.097	0	2	36	22	53
35	East San Bernardino Valley	356	0.133	0.119	0.104	0	3	63	43	93
37	Central San Bernardino Mountains	365	0.120	0.105	0.099	0	0	72	45	101
38	East San Bernardino Mountains	--	--	--	--	--	--	--	--	--
DISTRICT MAXIMUM			0.151	0.122	0.104	1	3	72	45	101
SOUTH COAST AIR BASIN			0.151	0.122	0.104	1	5	88	70	119

KEY: ppm = parts per million -- = Pollutant not monitored * Incomplete Data ** Salton Sea Air Basin

Table 3-2 (Continued)
2013 Air Quality Data for SCAQMD

NITROGEN DIOXIDE (NO₂)^{b)}					
Source Receptor Area No.	Location of Air Monitoring Station	No. Days of Data	1-hour Max. Conc. ppb	1-hour 98 th Percentile Conc. ppb	Annual Average AAM Conc. ppb
LOS ANGELES COUNTY					
1	Central Los Angeles	301	90.3	62.6	21.8
2	Northwest Coastal Los Angeles County	291	51.2	48.8	14.5
3	Southwest Coastal Los Angeles County	334	77.8	58.0	11.8
4	South Coastal Los Angeles County 1	234*	66.9	55.7	14.0
4	South Coastal Los Angeles County 2	--	--	--	--
4	South Coastal LA County 3	325	81.3	71.3	21.5
6	West San Fernando Valley	258*	58.2	51.7	14.4
7	East San Fernando Valley	284	72.5	60.0	20.2
8	West San Gabriel Valley	200*	66.7	60.3	19.1
9	East San Gabriel Valley 1	352	76.9	56.7	17.7
9	East San Gabriel Valley 2	349	55.7	50.4	13.0
10	Pomona/Walnut Valley	343	78.8	64.8	22.5
11	South San Gabriel Valley	337	79.4	60.6	20.6
12	South Central Los Angeles County	340	69.8	61.8	17.6
13	Santa Clarita Valley	362	65.4	45.0	14.4
ORANGE COUNTY					
16	North Orange County	269*	85.0	53.3	14.8
17	Central Orange County	301	81.6	58.8	18.0
18	North Coastal Orange County	330	75.7	53.2	11.6
19	Saddleback Valley	--	--	--	--
RIVERSIDE COUNTY					
22	Norco/Corona	--	--	--	--
23	Metropolitan Riverside County 1	318	59.6	54.8	17.3
23	Metropolitan Riverside County 2	257*	57.6	50.7	15.8
23	Mira Loma	333	53.8	50.7	13.7
24	Perris Valley	--	--	--	--
25	Lake Elsinore	294	46.6	40.0	8.4
26	Temecula	--	--	--	--
29	Banning Airport	308	51.9	45.0	8.5
30	Coachella Valley 1**	359	52.3	38.5	7.5
30	Coachella Valley 2**	--	--	--	--
SAN BERNARDINO COUNTY					
32	Northwest San Bernardino Valley	276*	62.1	53.3	17.7
33	Southwest San Bernardino Valley	--	--	--	--
34	Central San Bernardino Valley 1	335	81.7	60.6	20.6
34	Central San Bernardino Valley 2	291	72.2	54.5	17.6
35	East San Bernardino Valley	--	--	--	--
37	Central San Bernardino Mountains	--	--	--	--
38	East San Bernardino Mountains	--	--	--	--
DISTRICT MAXIMUM			90.3	71.3	22.5
SOUTH COAST AIR BASIN			90.3	71.3	22.5

KEY: ppm = parts per million -- = Pollutant not monitored * Incomplete Data ** Salton Sea Air Basin
 ppb = parts per billion AAM = Annual Arithmetic Mean

b) The NO₂ federal 1-hour standard is 100 ppb and the annual standard is annual arithmetic mean NO₂ > 0.0534 ppm. The state 1-hour and annual standards are 0.18 ppm (180 ppb) and 0.030 ppm (30 ppb).

Table 3-2 (Continued)
2013 Air Quality Data for SCAQMD

SULFUR DIOXIDE (SO ₂) ^{c)}				
Source Receptor Area No.	Location of Air Monitoring Station	No. Days of Data	Maximum Conc. ppb, 1-hour	99 th Percentile Conc. ppb, 1-hour
LOS ANGELES COUNTY				
1	Central Los Angeles	312	6.3	5.2
2	Northwest Coastal Los Angeles County	--	--	--
3	Southwest Coastal Los Angeles County	322	10.1	6.5
4	South Coastal Los Angeles County 1	178*	21.8	10.1
4	South Coastal Los Angeles County 2	--	--	--
4	South Coastal LA County 3	349	15.1	11.6
6	West San Fernando Valley	--	--	--
7	East San Fernando Valley	342	10.8	4.2
8	West San Gabriel Valley	--	--	--
9	East San Gabriel Valley 1	--	--	--
9	East San Gabriel Valley 2	--	--	--
10	Pomona/Walnut Valley	--	--	--
11	South San Gabriel Valley	--	--	--
12	South Central Los Angeles County	--	--	--
13	Santa Clarita Valley	--	--	--
ORANGE COUNTY				
16	North Orange County	--	--	--
17	Central Orange County	--	--	--
18	North Coastal Orange County	296	4.2	3.3
19	Saddleback Valley	--	--	--
RIVERSIDE COUNTY				
22	Norco/Corona	--	--	--
23	Metropolitan Riverside County 1	354	8.1	4.6
23	Metropolitan Riverside County 2	--	--	--
23	Mira Loma	--	--	--
24	Perris Valley	--	--	--
25	Lake Elsinore	--	--	--
26	Temecula	--	--	--
29	Banning Airport	--	--	--
30	Coachella Valley 1**	--	--	--
30	Coachella Valley 2**	--	--	--
SAN BERNARDINO COUNTY				
32	Northwest San Bernardino Valley	--	--	--
33	Southwest San Bernardino Valley	--	--	--
34	Central San Bernardino Valley 1	298	3.8	3.1
34	Central San Bernardino Valley 2	--	--	--
35	East San Bernardino Valley	--	--	--
37	Central San Bernardino Mountains	--	--	--
38	East San Bernardino Mountains	--	--	--
DISTRICT MAXIMUM			21.8	11.6
SOUTH COAST AIR BASIN			21.8	11.6

KEY: ppm = parts per million -- = Pollutant not monitored * Incomplete Data ** Salton Sea Air Basin
ppb = parts per billion

^{c)} The federal SO₂ 1-hour standard is 75 ppb (0.075 ppm). The state standards are 1-hour average SO₂ > 0.25 ppm (250 ppb) and 24-hour average SO₂ > 0.04 ppm (40 ppb).

Table 3-2 (Continued)
2013 Air Quality Data for SCAQMD

SUSPENDED PARTICULATE MATTER PM10 ^{d)}						
Source Receptor Area No.	Location of Air Monitoring Station	No. Days of Data	Max. Conc. $\mu\text{g}/\text{m}^3$, 24-hour	No. (%) Samples Exceeding Standard		Annual Average AAM Conc. ^{e)} $\mu\text{g}/\text{m}^3$
				Federal $> 150 \mu\text{g}/\text{m}^3$, 24-hour	State $> 50 \mu\text{g}/\text{m}^3$, 24-hour	
LOS ANGELES COUNTY						
1	Central Los Angeles	60	57	0	1(2%)	29.5
2	Northwest Coastal Los Angeles County	--	--	--	--	--
3	Southwest Coastal Los Angeles County	56	38	0	0	20.8
4	South Coastal Los Angeles County 1	43*	37	0	0	23.2
4	South Coastal Los Angeles County 2	56	54	0	1(2%)	27.3
4	South Coastal LA County 3	--	--	--	--	--
6	West San Fernando Valley	--	--	--	--	--
7	East San Fernando Valley	58	52	0	1(2%)	28.5
8	West San Gabriel Valley	--	--	--	--	--
9	East San Gabriel Valley 1	61	76	0	6(10%)	33.0
9	East San Gabriel Valley 2	--	--	--	--	--
10	Pomona/Walnut Valley	--	--	--	--	--
11	South San Gabriel Valley	--	--	--	--	--
12	South Central Los Angeles County	--	--	--	--	--
13	Santa Clarita Valley	60	43	0	0	21.6
ORANGE COUNTY						
16	North Orange County	--	--	--	--	--
17	Central Orange County	59	77	0	1(2%)	25.4
18	North Coastal Orange County	--	--	--	--	--
19	Saddleback Valley	61	51	0	1(2%)	19.3
RIVERSIDE COUNTY						
22	Norco/Corona	57	58	0	2(4%)	28.3
23	Metropolitan Riverside County 1	119	135	0	10(8%)	33.8
23	Metropolitan Riverside County 2	--	--	--	--	--
23	Mira Loma	59	147	0	14(24%)	41.1
24	Perris Valley	57	70	0	10(18%)	33.6
25	Lake Elsinore	--	--	--	--	--
26	Temecula	--	--	--	--	--
29	Banning Airport	61	64	0	1(2%)	20.6
30	Coachella Valley 1**	60	129	0	3(5%)	22.6
30	Coachella Valley 2**	120	129 +	0+	23(19%)	38.1
SAN BERNARDINO COUNTY						
32	Northwest San Bernardino Valley	--	--	--	--	--
33	Southwest San Bernardino Valley	60	115	0	3(5%)	33.2
34	Central San Bernardino Valley 1	61	90	0	19(31%)	40.6
34	Central San Bernardino Valley 2	60	102	0	3(5%)	31.3
35	East San Bernardino Valley	61	72	0	2(3%)	27.1
37	Central San Bernardino Mountains	60	37	0	0	21.4
38	East San Bernardino Mountains	--	--	--	--	--
DISTRICT MAXIMUM			147+	0+	23	41.1
SOUTH COAST AIR BASIN			147	0	33	41.1

KEY: $\mu\text{g}/\text{m}^3$ = micrograms per cubic meter of air

-- = Pollutant not monitored

* Incomplete Data

** Salton Sea Air Basin

+ = High PM10 data sample ($159 \mu\text{g}/\text{m}^3$ on August 23, 2013 at Indio) excluded due to the high wind in accordance with

AAM = Annual Arithmetic Mean

the EPA Exceptional Event Regulation. Also, multiple high PM10FEM data recorded in Coachella Valley and the Basin were excluded.

- d) Federal Reference Method (FRM) PM10 samples were collected every six days at all sites except for Stations 4144 and 4157, where samples were collected every three days. PM10 statistics listed above are for the FRM data only. Federal Equivalent Method (FEM) PM10 continuous monitoring instruments were operated at some of the above locations. Max 24-hour average PM10 at sites with FEM monitoring was $153 \mu\text{g}/\text{m}^3$ at Indio ($155 \mu\text{g}/\text{m}^3$ is needed to exceed the PM10 standards).
- e) Federal annual PM10 standard (AAM $> 50 \mu\text{g}/\text{m}^3$) was revoked in 2006. State standard is annual average (AAM) $> 20 \mu\text{g}/\text{m}^3$.

Table 3-2 (Continued)
2013 Air Quality Data for SCAQMD

FINE PARTICULATE MATTER PM2.5 ^{f)}						
Source Receptor Area No.	Location of Air Monitoring Station	No. Days of Data	Max. Conc. $\mu\text{g}/\text{m}^3$, 24-hour	98 th Percentile Conc. in $\mu\text{g}/\text{m}^3$, 24-hr	No. (%) Samples Exceeding Federal Std $> 35 \mu\text{g}/\text{m}^3$, 24-hour	Annual Average AAM Conc. ^{g)} $\mu\text{g}/\text{m}^3$
LOS ANGELES COUNTY						
1	Central Los Angeles	344	43.1	29.0	1(0.3%)	11.95
2	Northwest Coastal Los Angeles County	--	--	--	--	--
3	Southwest Coastal Los Angeles County	--	--	--	--	--
4	South Coastal Los Angeles County 1	331	47.2	26.1	2(0.6%)	11.34
4	South Coastal Los Angeles County 2	341	42.9	24.6	1(0.3%)	10.97
4	South Coastal LA County 3	--	--	--	--	--
6	West San Fernando Valley	118	41.8	23.0	1(0.8%)	9.71
7	East San Fernando Valley	346	45.1	30.4	4(1.2%)	12.15
8	West San Gabriel Valley	64*	25.7	20.5	0(0%)	10.13
9	East San Gabriel Valley 1	120	29.6	26.4	0(0%)	10.54
9	East San Gabriel Valley 2	--	--	--	--	--
10	Pomona/Walnut Valley	--	--	--	--	--
11	South San Gabriel Valley	114	29.1	28.8	0(0%)	11.56
12	South Central Los Angeles County	113	52.1	24.3	1(0.9%)	11.95
13	Santa Clarita Valley	--	--	--	--	--
ORANGE COUNTY						
16	North Orange County	--	--	--	--	--
17	Central Orange County	331	37.8	22.7	1(0.3%)	10.09
18	North Coastal Orange County	--	--	--	--	--
19	Saddleback Valley	117	28.0	17.5	0(0%)	8.08
RIVERSIDE COUNTY						
22	Norco/Corona	--	--	--	--	--
23	Metropolitan Riverside County 1	353	60.3	34.6	6(1.7%)	12.50
23	Metropolitan Riverside County 2	117	53.7	29.2	1(0.9%)	11.28
23	Mira Loma	355	56.5	37.5	9(2.5%)	14.12
24	Perris Valley	--	--	--	--	--
25	Lake Elsinore	--	--	--	--	--
26	Temecula	--	--	--	--	--
29	Banning Airport	--	--	--	--	--
30	Coachella Valley 1**	117	18.5	13.8	0(0%)	6.52
30	Coachella Valley 2**	118	25.8	15.9	0(0%)	8.35
SAN BERNARDINO COUNTY						
32	Northwest San Bernardino Valley	--	--	--	--	--
33	Southwest San Bernardino Valley	110	49.3	26.8	1(0.9%)	11.98
34	Central San Bernardino Valley 1	121	43.6	33.1	1(0.8%)	12.26
34	Central San Bernardino Valley 2	110	55.3	33.4	1(0.9%)	11.41
35	East San Bernardino Valley	--	--	--	--	--
37	Central San Bernardino Mountains	--	--	--	--	--
38	East San Bernardino Mountains	59	35.5	35.1	1(1.7%)	9.67
DISTRICT MAXIMUM			60.3	37.5	9	14.12
SOUTH COAST AIR BASIN			60.4	37.5	13	14.12

KEY: $\mu\text{g}/\text{m}^3$ = micrograms per cubic meter of air -- = Pollutant not monitored * Incomplete Data ** Salton Sea Air Basin
AAM = Annual Arithmetic Mean

f) PM2.5 samples were collected every three days at all sites except for station numbers 069, 072, 077, 087, 3176, 4144 and 4165, where samples were taken daily, and station number 5818 where samples were taken every six days. PM10 statistics listed above are for the Federal Reference Method (FRM) data only. Federal Equivalent Method (FEM) PM2.5 continuous monitoring instruments were operated at some of the above locations for special purposes with the max 24-hour average concentration recorded of $83.2 \mu\text{g}/\text{m}^3$, (at Mira Loma).

g) USEPA has revised the federal annual PM2.5 standard from annual average (AAM) $> 15.0 \mu\text{g}/\text{m}^3$ to $12 \mu\text{g}/\text{m}^3$, effective March 18, 2013. State standard is annual average (AAM) $> 12 \mu\text{g}/\text{m}^3$.

Table 3-2 (Concluded)
2013 Air Quality Data for SCAQMD

Source Receptor Area No.	Location of Air Monitoring Station	LEAD ^{h)}		PM10 SULFATES ⁱ⁾	
		Max. Monthly Average Conc. $\mu\text{g}/\text{m}^3$	Max. 3-Months Rolling Averages, $\mu\text{g}/\text{m}^3$	No. Days of Data	Max. Conc. $\mu\text{g}/\text{m}^3$, 24-hour
LOS ANGELES COUNTY					
1	Central Los Angeles	0.013	0.011	60	5.8
2	Northwest Coastal Los Angeles County	--	--	--	--
3	Southwest Coastal Los Angeles County	0.005	0.004	56	5.6
4	South Coastal Los Angeles County 1	0.006	0.006	43*	4.5
4	South Coastal Los Angeles County 2	0.012	0.009	56	4.8
4	South Coastal LA County 3	--	--	--	--
6	West San Fernando Valley	--	--	--	--
7	East San Fernando Valley	--	--	58	5.4
8	West San Gabriel Valley	--	--	--	--
9	East San Gabriel Valley 1	--	--	61	4.8
9	East San Gabriel Valley 2	--	--	--	--
10	Pomona/Walnut Valley	--	--	--	--
11	South San Gabriel Valley	0.012	0.011	--	--
12	South Central Los Angeles County	0.014	0.011	--	--
13	Santa Clarita Valley	--	--	60	3.7
ORANGE COUNTY					
16	North Orange County	--	--	--	--
17	Central Orange County	--	--	59	4.7
18	North Coastal Orange County	--	--	--	--
19	Saddleback Valley	--	--	61	4.4
RIVERSIDE COUNTY					
22	Norco/Corona	--	--	57	4.2
23	Metropolitan Riverside County 1	0.010	0.009	119	4.2
23	Metropolitan Riverside County 2	0.007	0.006	--	--
23	Mira Loma	--	--	59	4.2
24	Perris Valley	--	--	57	3.4
25	Lake Elsinore	--	--	--	--
26	Temecula	--	--	--	--
29	Banning Airport	--	--	61	2.9
30	Coachella Valley 1**	--	--	60	3.5
30	Coachella Valley 2**	--	--	120	3.9
SAN BERNARDINO COUNTY					
32	Northwest San Bernardino Valley	0.008	0.006	--	--
33	Southwest San Bernardino Valley	--	--	60	4.8
34	Central San Bernardino Valley 1	--	--	61	4.1
34	Central San Bernardino Valley 2	0.010	0.010	60	4.6
35	East San Bernardino Valley	--	--	61	3.6
37	Central San Bernardino Mountains	--	--	60	3.6
38	East San Bernardino Mountains	--	--	--	--
DISTRICT MAXIMUM		0.013++	0.011++		5.8
SOUTH COAST AIR BASIN		0.013++	0.011++		5.8

KEY: $\mu\text{g}/\text{m}^3$ = micrograms per cubic meter of air -- = Pollutant not monitored * Incomplete Data ** Salton Sea Air Basin

++ = Higher lead concentrations were recorded at source-oriented monitoring sites immediately downwind of stationary lead sources. Maximum monthly and 3-month rolling averages recorded were $0.14 \mu\text{g}/\text{m}^3$ and $0.10 \mu\text{g}/\text{m}^3$, respectively.

h) Federal lead standard is 3-month rolling average $> 0.15 \mu\text{g}/\text{m}^3$; and state standard is monthly average $\geq 1.5 \mu\text{g}/\text{m}^3$. Lead statistics listed above are for population-oriented sites only. Lead standards were not exceeded.

i) State sulfate standard is 24-hour $\geq 25 \mu\text{g}/\text{m}^3$. There is no federal standard for sulfate.

Carbon Monoxide

Carbon monoxide (CO) is a colorless, odorless, relatively inert gas. It is a trace constituent in the unpolluted troposphere, and is produced by both natural processes and human activities. In remote areas far from human habitation, CO occurs in the atmosphere at an average background concentration of 0.04 parts per million (ppm), primarily as a result of natural processes such as forest fires and the oxidation of methane. Global atmospheric mixing of CO from urban and industrial sources creates higher background concentrations (up to 0.20 ppm) near urban areas. The major source of CO in urban areas is incomplete combustion of carbon-containing fuels, mainly gasoline. Approximately 98 percent of the CO emitted into the Basin's atmosphere is from mobile sources. Consequently, CO concentrations are generally highest in the vicinity of major concentrations of vehicular traffic.

CO is a primary pollutant, meaning that it is directly emitted into the air, not formed in the atmosphere by chemical reaction of precursors, as is the case with ozone and other secondary pollutants. Ambient concentrations of CO in the Basin exhibit large spatial and temporal variations due to variations in the rate at which CO is emitted and in the meteorological conditions that govern transport and dilution. Unlike ozone, CO tends to reach high concentrations in the fall and winter months. The highest concentrations frequently occur on weekdays at times consistent with rush hour traffic and late night during the coolest, most stable portion of the day.

Individuals with a deficient blood supply to the heart are the most susceptible to the adverse effects of CO exposure. The effects observed include earlier onset of chest pain with exercise, and electrocardiograph changes indicative of worsening oxygen supply to the heart.

Inhaled CO has no direct toxic effect on the lungs, but exerts its effect on tissues by interfering with oxygen transport by competing with oxygen to combine with hemoglobin present in the blood to form carboxyhemoglobin (COHb). Hence, conditions with an increased demand for oxygen supply can be adversely affected by exposure to CO. Individuals most at risk include patients with diseases involving heart and blood vessels, fetuses (unborn babies), and patients with chronic hypoxemia (oxygen deficiency) as seen in high altitudes.

Reductions in birth weight and impaired neurobehavioral development have been observed in animals chronically exposed to CO resulting in COHb levels similar to those observed in smokers. Recent studies have found increased risks for adverse birth outcomes with exposure to elevated CO levels. These include pre-term births and heart abnormalities.

CO concentrations were measured at 26 locations in the Basin and neighboring Salton Sea Air Basin (SSAB) areas in 2013. Carbon monoxide concentrations did not exceed any of the federal or state standards in 2013. The highest eight-hour average carbon monoxide concentration recorded (3.5 ppm in the South Central Los Angeles County area) was 39 percent of the federal eight-hour carbon monoxide standard of 9.0 ppm. The state eight-hour standard is also 9.0 ppm.

The 2003 AQMP revisions to the SCAQMD's CO Plan served two purposes: 1) it replaced the 1997 attainment demonstration that lapsed at the end of 2000; and, 2) it provided the basis

for a CO maintenance plan in the future. In 2004, the SCAQMD formally requested the USEPA to re-designate the Basin from non-attainment to attainment with the CO National Ambient Air Quality Standards. On February 24, 2007, USEPA published in the FR its proposed decision to re-designate the Basin from non-attainment to attainment for CO. The comment period on the re-designation proposal closed on March 16, 2007 with no comments received by the USEPA. On May 11, 2007, USEPA published in the FR its final decision to approve the SCAQMD's request for re-designation from non-attainment to attainment for CO, effective June 11, 2007.

Ozone

Ozone (O₃), a colorless gas with a sharp odor, is a highly reactive form of oxygen. High ozone concentrations exist naturally in the stratosphere. Some mixing of stratospheric ozone downward through the troposphere to the earth's surface does occur; however, the extent of ozone transport is limited. At the earth's surface in sites remote from urban areas ozone concentrations are normally very low (e.g., from 0.02 ppm to 0.045 ppm), however recent studies indicate that the 'background' value of ozone may be rising due to the increased influence of pollution from global pollution produced outside of the SCAQMD^{3, 4}.

While ozone is beneficial in the stratosphere because it filters out skin-cancer-causing ultraviolet radiation, it is a highly reactive oxidant. It is this reactivity which accounts for its damaging effects on materials, plants, and human health at the earth's surface.

The propensity of ozone for reacting with organic materials causes it to be damaging to living cells and ambient ozone concentrations in the Basin are frequently sufficient to cause health effects. Ozone enters the human body primarily through the respiratory tract and causes respiratory irritation and discomfort, makes breathing more difficult during exercise, and reduces the respiratory system's ability to remove inhaled particles and fight infection.

Individuals exercising outdoors, children and people with preexisting lung disease, such as asthma and chronic pulmonary lung disease, are considered to be the most susceptible subgroups for ozone effects. Short-term exposures (lasting for a few hours) to ozone at levels typically observed in southern California can result in breathing pattern changes, reduction of breathing capacity, increased susceptibility to infections, inflammation of the lung tissue, and some immunological changes. In recent years, a correlation between elevated ambient ozone levels and increases in daily hospital admission rates, as well as mortality, has also been reported. An increased risk for asthma has been found in children who participate in multiple sports and live in high ozone communities. Elevated ozone levels are also associated with increased school absences.

Ozone exposure under exercising conditions is known to increase the severity of the abovementioned observed responses. Animal studies suggest that exposures to a combination

³ Fiore et al, "Background Ozone Over the United States in Summer: Origin, Trend, and Contribution to Pollution Episodes," *Journal of Geophysical Research - Atmospheres*, Vol. 107 - D15, 2002, pp. ACH 11-1–ACH 11-25. <http://onlinelibrary.wiley.com/doi/10.1029/2001JD000982/abstract>

⁴ R. Vingarzan, "A Review of Surface Ozone Background Levels and Trends," *Atmospheric Environment*, Volume 38, 2004, pp. 3431–3442. <http://www.sciencedirect.com/science/article/pii/S1352231004002808>

of pollutants which include ozone may be more toxic than exposure to ozone alone. Although lung volume and resistance changes observed after a single exposure diminish with repeated exposures, biochemical and cellular changes appear to persist, which can lead to subsequent lung structural changes.

In 2013, the SCAQMD regularly monitored ozone concentrations at 31 locations in the Basin and SSAB. Maximum ozone concentrations for all areas monitored were below the stage 1 episode level (0.20 ppm). Maximum ozone concentrations in the SSAB areas monitored by the SCAQMD were lower than the maximum values found in the Basin.

In 2013, the maximum ozone concentrations in the Basin continued to exceed federal standards by wide margins. The maximum one-hour ozone concentration was 0.151 ppm and the maximum eight-hour ozone concentration was 0.122 ppm; both were recorded in the Central San Bernardino Valley 1 area. The federal one-hour ozone standard was revoked and replaced by the eight-hour average ozone standard effective June 15, 2005. Effective May 27, 2008, the USEPA revised the federal eight-hour ozone standard from 0.84 ppm to 0.075 ppm. The maximum eight-hour concentration was 163 percent of the current federal standard. The maximum one-hour concentration was 168 percent of the one-hour state ozone standard of 0.09 ppm. The maximum eight-hour concentration was 174 percent of the eight-hour state ozone standard of 0.070 ppm.

Nitrogen Dioxide

Nitrogen Dioxide (NO₂) is a reddish-brown gas with a bleach-like odor. Nitric oxide (NO) is a colorless gas, formed from the nitrogen (N₂) and oxygen (O₂) in air under conditions of high temperature and pressure which are generally present during combustion of fuels; NO reacts rapidly with the oxygen in air to form NO₂. NO₂ is responsible for the brownish tinge of polluted air. The two gases, NO and NO₂, are referred to collectively as NO_x. In the presence of sunlight, NO₂ reacts to form nitric oxide and an oxygen atom. The oxygen atom can react further to form ozone, via a complex series of chemical reactions involving hydrocarbons. Nitrogen dioxide may also react to form nitric acid (HNO₃) which reacts further to form nitrates, components of PM_{2.5} and PM₁₀.

Population-based studies suggest that an increase in acute respiratory illness, including infections and respiratory symptoms in children (not infants), is associated with long-term exposures to NO₂ at levels found in homes with gas stoves, which are higher than ambient levels found in southern California. Increase in resistance to air flow and airway contraction is observed after short-term exposure to NO₂ in healthy subjects. Larger decreases in lung functions are observed in individuals with asthma and/or chronic obstructive pulmonary disease (e.g., chronic bronchitis, emphysema) than in healthy individuals, indicating a greater susceptibility of these sub-groups. More recent studies have found associations between NO₂ exposures and cardiopulmonary mortality, decreased lung function, respiratory symptoms and emergency room asthma visits.

In animals, exposure to levels of NO₂ considerably higher than ambient concentrations results in increased susceptibility to infections, possibly due to the observed changes in cells involved in maintaining immune functions. The severity of lung tissue damage associated with high

levels of ozone exposure increases when animals are exposed to a combination of ozone and NO₂.

In 2013, NO₂ concentrations were monitored at 26 locations. No area of the Basin or SSAB exceeded the federal or state standards for nitrogen dioxide. The Basin has not exceeded the federal standard for nitrogen dioxide (0.0534 ppm) since 1991, when the Los Angeles County portion of the Basin recorded the last exceedance of the standard in any county within the U.S.

In 2013, the maximum annual average concentration was 22.5 parts per billion (ppb) recorded in the Pomona/Walnut Valley area. Effective March 20, 2008, CARB revised the nitrogen dioxide one-hour standard from 0.25 ppm (250 ppb) to 0.18 ppm (180 ppb) and established a new annual standard of 0.030 ppm (30 ppb). In addition, USEPA has established a new federal one-hour NO₂ standard of 100 ppb (98th percentile concentration), effective April 7, 2010. The highest one-hour maximum concentration recorded in 2013 (90.3 ppb in Central Los Angeles County area) was 50 percent of the state one-hour standard. The highest one-hour 98th percentile concentration, recorded in 2013 (71.3 ppb in the South Coastal Los Angeles County area near the ports of Los Angeles and Long Beach), was 40 percent of the state one-hour standard and 71 percent of the federal one-hour standard. NO_x emission reductions continue to be necessary because it is a precursor to both ozone and PM (PM_{2.5} and PM₁₀) concentrations.

Sulfur Dioxide

Sulfur dioxide (SO₂) is a colorless gas with a sharp odor. It reacts in the air to form sulfuric acid (H₂SO₄), which contributes to acid precipitation, and sulfates, which are components of PM₁₀ and PM_{2.5}. Most of the SO₂ emitted into the atmosphere is produced by burning sulfur-containing fuels.

Exposure of a few minutes to low levels of SO₂ can result in airway constriction in some asthmatics. All asthmatics are sensitive to the effects of SO₂. In asthmatics, increase in resistance to air flow, as well as reduction in breathing capacity leading to severe breathing difficulties, is observed after acute higher exposure to SO₂. In contrast, healthy individuals do not exhibit similar acute responses even after exposure to higher concentrations of SO₂.

Animal studies suggest that despite SO₂ being a respiratory irritant, it does not cause substantial lung injury at ambient concentrations. However, very high levels of exposure can cause lung edema (fluid accumulation), lung tissue damage, and sloughing off of cells lining the respiratory tract.

Some population-based studies indicate that the mortality and morbidity effects associated with fine particles show a similar association with ambient SO₂ levels. In these studies, efforts to separate the effects of SO₂ from those of fine particles have not been successful. It is not clear whether the two pollutants act synergistically or one pollutant alone is the predominant factor.

No exceedances of federal or state standards for SO₂ occurred in 2013 at any of the eight monitoring locations. The maximum one-hour SO₂ concentration was 21.8 ppb, as recorded in the South Coastal Los Angeles County 1 area. The USEPA revised the federal sulfur

dioxide standard by establishing a new one-hour standard of 0.075 ppm (75 ppb) and revoking the existing annual arithmetic mean (0.03 ppm) and the 24-hour average (0.14 ppm), effective August 2, 2010. The state standards are 0.25 ppm (250 ppb) for the one-hour average and 0.04 ppm (40 ppb) for the 24-hour average. Though SO₂ concentrations remain well below the standards, SO₂ is a precursor to sulfate, which is a component of fine particulate matter, PM₁₀, and PM_{2.5}. Because historical measurements have consistently showed concentrations to be well below standards, monitoring has been limited to locations within the District that may have higher concentrations and higher potential exposures to the pollutant.

Particulate Matter (PM₁₀ and PM_{2.5})

Of great concern to public health are the particles small enough to be inhaled into the deepest parts of the lung. Respirable particles (particulate matter less than about 10 micrometers in diameter) can accumulate in the respiratory system and aggravate health problems such as asthma, bronchitis and other lung diseases. Children, the elderly, exercising adults, and those suffering from asthma are especially vulnerable to adverse health effects of PM₁₀ and PM_{2.5}.

A consistent correlation between elevated ambient fine particulate matter (PM₁₀ and PM_{2.5}) levels and an increase in mortality rates, respiratory infections, number and severity of asthma attacks and the number of hospital admissions has been observed in different parts of the U.S. and various areas around the world. Studies have reported an association between long-term exposure to air pollution dominated by fine particles (PM_{2.5}) and increased mortality, reduction in life-span, and an increased mortality from lung cancer.

Daily fluctuations in fine particulate matter concentration levels have also been related to hospital admissions for acute respiratory conditions, to school and kindergarten absences, to a decrease in respiratory function in normal children and to increased medication use in children and adults with asthma. Studies have also shown lung function growth in children is reduced with long-term exposure to particulate matter. In addition to children, the elderly, and people with pre-existing respiratory and/or cardiovascular disease appear to be more susceptible to the effects of PM₁₀ and PM_{2.5}.

The SCAQMD monitored PM₁₀ concentrations at 21 locations in 2013. The federal 24-hour PM₁₀ standard (150 µg/m³) was not exceeded at any of the locations monitored in 2013. The federal annual PM₁₀ standard has been revoked, effective 2006. A maximum 24-hour PM₁₀ concentration of 147 µg/m³ was recorded in the Mira Loma area and was 98 percent of the federal standard and 294 percent of the much more stringent state 24-hour PM₁₀ standard (50 µg/m³). The state 24-hour PM₁₀ standard was exceeded at 17 of the 21 monitoring stations. A maximum annual average PM₁₀ concentration of 41.1 µg/m³ was recorded in Mira Loma. The maximum annual average PM₁₀ concentration in Mira Loma was 206 percent of the state standard of 20 µg/m³. The USEPA published approval of SCAQMD's PM₁₀ request for redesignation for attainment on June 26, 2013, with an implementation date of July 26, 2013.

In 2013, PM_{2.5} concentrations were monitored at 20 locations throughout the district. USEPA revised the federal 24-hour PM_{2.5} standard from 65 µg/m³ to 35 µg/m³, effective December 17, 2006, and retained the form of the standard using the 98th percentile each year, averaged over three years. In 2013, the 98th percentile PM_{2.5} concentrations in the Basin

exceeded the current federal 24-hour PM_{2.5} standard in two of the 20 locations. A 98th percentile 24-hour PM_{2.5} concentration of 37.5 µg/m³ was recorded in the Metropolitan Riverside County 1 area, which represents 107 percent of the federal standard of 35 µg/m³. Further, in July 2015, SCAQMD staff submitted a letter to EPA requesting a change in its attainment status to ‘Serious’ non-attainment due to high 24-hour concentrations of PM_{2.5} persisting through 2015. A maximum annual average PM_{2.5} concentration of 14.12 µg/m³ was recorded in Mira Loma, which represents 118 percent of both the federal and state standard of 12 µg/m³.

Similar to PM₁₀ concentrations, PM_{2.5} concentrations were higher in the inland valley areas of San Bernardino and Metropolitan Riverside counties. However, PM_{2.5} concentrations were also high in Central Los Angeles County and the East San Gabriel Valley. The high PM_{2.5} concentrations in Los Angeles County are mainly due to the secondary formation of smaller particulates resulting from mobile and stationary source activities. In contrast to PM₁₀, PM_{2.5} concentrations were low in the Coachella Valley area of SSAB. PM₁₀ concentrations are normally higher in the desert areas due to windblown and fugitive dust emissions.

Lead

Under the federal Clean Air Act, lead is classified as a “criteria pollutant.” Lead has observed adverse health effects at ambient concentrations. Lead is also deemed a carcinogenic toxic air contaminant (TAC) by the Office of Environmental Health Hazard Assessment (OEHHA). The USEPA has thoroughly reviewed the lead exposure and health effects research, and has prepared substantial documentation in the form of a Criteria Document to support the selection of the 2008 NAAQS for lead. The Criteria Document used for the development of the 2008 NAAQS for lead states that studies and evidence strongly substantiate that blood lead levels in a range of 5-10 µg/dL, or possibly lower, could likely result in neurocognitive effects in children. The report further states that “there is no level of lead exposure that can yet be identified with confidence, as clearly not being associated with some risk of deleterious health effects⁵.”

Fetuses, infants, and children are more sensitive than others to the adverse effects of lead exposure. Exposure to low levels of lead can adversely affect the development and function of the central nervous system, leading to learning disorders, distractibility, inability to follow simple commands, and lower intelligence quotient. In adults, increased lead levels are associated with increased blood pressure. Chronic health effects include nervous and reproductive system disorders, neurological and respiratory damage, cognitive and behavioral changes, and hypertension. Exposure to lead can also potentially increase the risk of contracting cancer or result in other adverse health effects. Lead has been classified as a probable human carcinogen by the International Agency for Research on Cancer, based mainly on sufficient animal evidence, and as reasonably anticipated to be a human carcinogen by the U.S. National Toxicology Program. Young children are especially susceptible to the effects of environmental lead because their bodies accumulate lead more readily than do those of adults, and because they are more

⁵ Environmental Protection Agency, Office of Research and Development, “Air Quality Criteria Document for Lead, Volumes I-II,” October 2006.

vulnerable to certain biological effects of lead including learning disabilities, behavioral problems, and deficits in IQ.

Lead poisoning can cause anemia, lethargy, seizures, and death. Lead can be stored in the bone from early-age environmental exposure, and elevated blood lead levels can occur due to breakdown of bone tissue during pregnancy, hyperthyroidism (increased secretion of hormones from the thyroid gland), and osteoporosis (breakdown of bone tissue). Fetuses and breast-fed babies can be exposed to higher levels of lead because of previous environmental lead exposure of their mothers.

Lead in the atmosphere is present as a mixture of a number of lead compounds. Leaded fuels and lead smelters have traditionally been the main sources of lead emitted into the air. Due to the phasing out of leaded fuels, there was a dramatic reduction in atmospheric lead in the Basin over the past three decades.

As a result, the federal and current state standards for lead were not exceeded in any area of the district in 2013. There have been no violations of these standards at the SCAQMD's regular air monitoring stations since 1982, as a result of removal of lead from fuels.

On November 12, 2008, USEPA published new NAAQS for lead, which became effective January 12, 2010. The existing national lead standard, $1.5 \mu\text{g}/\text{m}^3$, was reduced to $0.15 \mu\text{g}/\text{m}^3$, averaged over a rolling three-month period.

The maximum 3-month rolling average lead concentration ($0.011 \mu\text{g}/\text{m}^3$ was recorded at monitoring stations in Central Los Angeles, South San Gabriel Valley, and South Central LA County areas) was seven percent of the federal 3-month rolling lead standard ($0.15 \mu\text{g}/\text{m}^3$). The maximum monthly average lead concentration ($0.014 \mu\text{g}/\text{m}^3$ in South Central Los Angeles County area), measured at special monitoring sites immediately adjacent to stationary sources of lead was 0.9 percent of the state monthly average lead standard ($1.5 \mu\text{g}/\text{m}^3$). No lead data were obtained at SSAB and Orange County stations in 2013. Because historical lead data showed concentrations in SSAB and Orange County areas to be well below the standard, measurements have been discontinued at these locations.

In 2010, a portion of Los Angeles County was designated as not attaining the NAAQS of $0.15 \mu\text{g}/\text{m}^3$ for lead based on monitored air quality data from 2007 to 2009 that indicated a violation of the NAAQS near and due to one of two large lead-acid battery recycling facilities in the District. However, the new federal standard was not exceeded at any source/receptor location the following year (in 2011).

Nevertheless, based on the monitored emissions from the two battery recycling facilities, USEPA designated the Los Angeles County portion of the Basin as non-attainment for the new lead standard, effective December 31, 2010. In response to the new federal lead standard, the SCAQMD adopted Rule 1420.1 – Emissions Standard for Lead from Large Lead-Acid Battery Recycling Facilities, in November 2010, to ensure that lead emissions do not exceed the new federal standard.

In response to the nonattainment designation, the State submitted the *Final 2012 Lead State Implementation Plan – Los Angeles County* (2012 Lead SIP) to the USEPA on June 20, 2012.

The plan outlines steps that will bring the area into attainment with the federal lead standard before December 31, 2015. As of February 11, 2014, the USEPA announced in the Federal Register (FR) final approval of the lead air quality plan, to be effective 30 days after publication (e.g., March 12, 2014).

In 2013, higher lead concentrations continued to be recorded at source-oriented monitoring sites immediately downwind of stationary lead sources. The maximum monthly and 3-month rolling averages recorded in 2013 were $0.14 \mu\text{g}/\text{m}^3$ and $0.10 \mu\text{g}/\text{m}^3$, respectively.

In May 2014, the USEPA released its “Policy Assessment for the Review of the Lead National Ambient Air Quality Standards,” reaffirming the primary (health-based) and secondary (welfare-based) staff conclusions regarding whether to retain the current standards. In January 2015, the USEPA announced that the ambient lead concentration standard of $0.15 \mu\text{g}/\text{m}^3$ averaged over a rolling 3-month period would remain unchanged. The 90-day comment period for this proposal ended on April 6, 2015 and requires further action by the USEPA.

To continue to pursue reducing lead emissions from large lead-acid battery recycling facilities, in March 2015, Rule 1420.1 was amended to further lower the ambient lead concentration limit to $0.120 \mu\text{g}/\text{m}^3$ effective January 1, 2016 and $0.100 \mu\text{g}/\text{m}^3$ effective January 1, 2017 and the point source lead emission rate to 0.023 pounds per hour, as well as adding additional housekeeping and maintenance requirements.

On April 7, 2015, the larger of the two lead-acid battery recycling facilities withdrew its California Department of Toxic Substance Control (DTSC) permit application and provided notification of its intent to permanently close.

While Rule 1420.1 will be effective in reducing emissions from the large lead-acid battery recycling industry, lead emissions from the broader industry source category of metal melting is still a concern because the metal melting industry is the most significant stationary source of reported lead emissions. While existing federal and state regulations currently control lead emissions from the metal melting industry, additional requirements similar to those that have effectively reduced emissions from large lead-acid battery recyclers are also necessary to adequately protect public health by minimizing public exposure to lead emissions and preventing exceedances of the lead NAAQS in the Basin. As a result, the SCAQMD adopted Rule 1420.2 – Emission Standards for Lead from Metal Melting Facilities at the October SCAQMD Governing Board meeting.

Sulfates

Sulfates (SO_x) are chemical compounds which contain the sulfate ion and are part of the mixture of solid materials which make up PM₁₀. Most of the sulfates in the atmosphere are produced by oxidation of SO₂. Oxidation of sulfur dioxide yields sulfur trioxide (SO₃) which reacts with water to form sulfuric acid, which contributes to acid deposition. The reaction of sulfuric acid with basic substances such as ammonia yields sulfates, a component of PM₁₀ and PM_{2.5}.

Most of the health effects associated with fine particles and SO₂ at ambient levels are also associated with SO_x. Thus, both mortality and morbidity effects have been observed with an increase in ambient SO_x concentrations. However, efforts to separate the effects of SO_x from the effects of other pollutants have generally not been successful.

Clinical studies of asthmatics exposed to sulfuric acid suggest that adolescent asthmatics are possibly a subgroup susceptible to acid aerosol exposure. Animal studies suggest that acidic particles such as sulfuric acid aerosol and ammonium bisulfate are more toxic than non-acidic particles like ammonium sulfate. Whether the effects are attributable to acidity or to particles remains unresolved.

In 2013, the state 24-hour sulfate standard (25 µg/m³) was not exceeded in any of the monitoring locations in the district. There is no federal sulfate standard.

Hydrogen Sulfide

Hydrogen Sulfide (H₂S) is a colorless gas with the characteristic foul odor of rotten eggs. H₂S is heavier than air, very poisonous, corrosive, flammable, and explosive. H₂S is naturally occurring in crude oil and natural gas, but H₂S can also be created from the bacterial breakdown of organic matter in the absence of oxygen (e.g., in swamps and sewers). For example, on September 9, 2012, a thunderstorm over the Salton Sea caused odors to be released across the Coachella Valley. The SCAQMD received over 235 complaints of sulfur and rotten egg type odors in response to this natural event. Air samples were taken at several locations around the Salton Sea area to confirm source of odors and results of sampling showed total sulfur gas concentration of 149 ppb. The State air quality standard for H₂S is 30 ppb, averaged over one-hour, and the odor threshold for H₂S is approximately eight ppb. In response to potential for increasing odor complaints in the future, in October 2013, the SCAQMD installed two H₂S monitors in the Coachella Valley to monitor the presence of H₂S during odor events at the Salton Sea. The monitors are located at Saul Martinez Elementary School in Mecca and on the Torres Martinez Desert Cahuilla Indian Tribal land near the north end of the Salton Sea.

Vinyl Chloride

Vinyl chloride is a colorless, flammable gas at ambient temperature and pressure. It is also highly toxic and is classified as a carcinogen by the state Office of Environmental Health Hazard Assessment (OEHHA), in addition to the designations by the American Conference of Governmental Industrial Hygienists (confirmed carcinogen in humans) and by the International Agency for Research on Cancer (known to be a human carcinogen). At room

temperature, vinyl chloride is a gas with a sickly sweet odor that is easily condensed. However, it is stored as a liquid. Due to the hazardous nature of vinyl chloride to human health there are no end products that use vinyl chloride in its monomer form. Vinyl chloride is a chemical intermediate, not a final product. It is an important industrial chemical chiefly used to produce the polymer polyvinyl chloride (PVC). The process involves vinyl chloride liquid fed to polymerization reactors where it is converted from a monomer to a polymer PVC. The final product of the polymerization process is PVC in either a flake or pellet form. Billions of pounds of PVC are sold on the global market each year. From its flake or pellet form, PVC is sold to companies that heat and mold the PVC into end products such as PVC pipe and bottles.

In the past, vinyl chloride emissions have been associated primarily with sources such as landfills. Risks from exposure to vinyl chloride are considered to be a localized impacts rather than regional impacts. Because landfills in the district are subject to SCAQMD 1150.1 – Control of Gaseous Emissions from Municipal Solid Waste Landfills, which contains stringent requirements for landfill gas collection and control, potential vinyl chloride emissions are below the level of detection. Therefore, the SCAQMD does not monitor for vinyl chloride at its monitoring stations.

Volatile Organic Compounds

It should be noted that there are no state or national ambient air quality standards for volatile organic compounds (VOCs) because they are not classified as criteria pollutants. VOCs are regulated, however, because limiting VOC emissions reduces the rate of photochemical reactions that contribute to the formation of O₃, which is a criteria pollutant. VOCs are also transformed into organic aerosols in the atmosphere, contributing to higher PM₁₀ and lower visibility levels.

Although health-based standards have not been established for VOCs, health effects can occur from exposures to high concentrations of VOCs because of interference with oxygen uptake. In general, ambient VOC concentrations in the atmosphere are suspected to cause coughing, sneezing, headaches, weakness, laryngitis, and bronchitis, even at low concentrations. Some hydrocarbon components classified as VOC emissions are thought or known to be hazardous. Benzene, for example, one hydrocarbon component of VOC emissions, is known to be a human carcinogen.

Visibility

In 2005, annual average visibility at Rubidoux (Riverside), the worst case, was just over 10 miles. With the exception of Lake County, which is designated in attainment, all of the air districts in California are currently designated as unclassified with respect to the CAAQS for visibility reducing particles.

In Class-I wilderness areas, which typically have visual range measured in tens of miles the deciview metric is used to estimate an individual's perception of visibility. The deciview index works inversely to visual range which is measured in miles or kilometers whereby a lower deciview is optimal. In the South Coast Air Basin, the Class-I areas are typically

restricted to higher elevations (greater than 6,000 feet above sea level) or far downwind of the metropolitan emission source areas. Visibility in these areas is typically unrestricted due to regional haze despite being in close proximity to the urban setting. The 2005 baseline deciview mapping of the Basin is presented in Figure 3-1. All of the Class-I wilderness areas reside in areas having average deciview values less than 20 with many portions of those areas having average deciview values less than 10. By contrast, Rubidoux, in the Basin has a deciview value exceeding 30.

Federal Regional Haze Rule: The federal Regional Haze Rule, established by the USEPA pursuant to CAA §169A establishes the national goal to prevent future and remedy existing impairment of visibility in federal Class I areas (such as federal wilderness areas and national parks). USEPA’s visibility regulations (40 CFR Parts 51.300 - 51.309), require states to develop measures necessary to make reasonable progress towards remedying visibility impairment in these federal Class I areas. CAA §169A and USEPA’s visibility regulations also require Best Available Retrofit Technology (BART) for certain large stationary sources that were put in place between 1962 and 1977. (See Regional Haze Regulations and Guidelines for BART Determinations, 70 FR 39104, July 6, 2005).

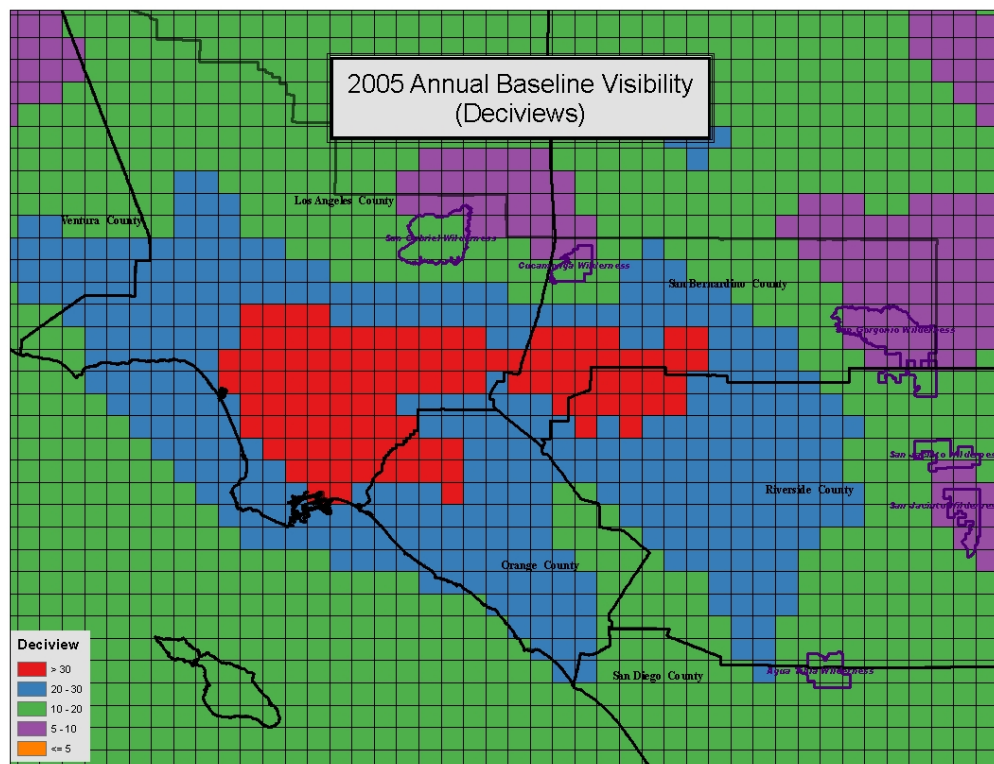


Figure 3-1
2005 Annual Baseline Visibility

California Air Resources Board: Since deterioration of visibility is one of the most obvious manifestations of air pollution and plays a major role in the public’s perception of air quality, the state of California has adopted a standard for visibility or visual range. Until 1989, the standard was based on visibility estimates made by human observers. The

standard was changed to require measurement of visual range using instruments that measure light scattering and absorption by suspended particles.

The visibility standard is based on the distance that atmospheric conditions allow a person to see at a given time and location. Visibility reduction from air pollution is often due to the presence of sulfur and nitrogen oxides, as well as particulate matter. Visibility degradation occurs when visibility reducing particles are produced in sufficient amounts such that the extinction coefficient is greater than 0.23 inverse kilometers (to reduce the visual range to less than 10 miles) at relative humidity less than 70 percent, 8-hour average (from 10:00 a.m. to 6:00 p.m.) according to the state standard. Future-year visibility in the Basin is projected empirically using the results derived from a regression analysis of visibility with air quality measurements. The regression data set consisted of aerosol composition data collected during a special monitoring program conducted concurrently with visibility data collection (prevailing visibility observations from airports and visibility measurements from district monitoring stations). A full description of the visibility analysis is given in Appendix V of the 2012 AQMP.

With future year reductions of PM_{2.5} from implementation of all proposed emission controls for 2015, the annual average visibility would improve from 10 miles (calculated for 2008) to over 20 miles at Rubidoux, for example. Visual range in 2021 at all other Basin sites is expected to equal or exceed the Rubidoux visual range. Visual range is expected to double from the 2008 baseline due to reductions of secondary PM_{2.5}, directly emitted PM_{2.5} (including diesel soot) and lower NO₂ concentrations as a result of 2007 AQMP controls.

To meet Federal Regional Haze Rule requirements, CARB adopted the California Regional Haze Plan on January 22, 2009, addressing California's visibility goals through 2018. As shown in Table 3.2-1, California's statewide standard (applicable outside of the Lake Tahoe area) for Visibility Reducing Particles is an extinction coefficient of 0.23 per kilometer over an 8-hour averaging period. This translates to visibility of ten miles or more due to particles when relative humidity is less than 70 percent.

Non-Criteria Pollutants

Although the SCAQMD's primary mandate is attaining the State and National Ambient Air Quality Standards for criteria pollutants within the district, SCAQMD also has a general responsibility pursuant to HSC §41700 to control emissions of air contaminants and prevent endangerment to public health. Additionally, state law requires the SCAQMD to implement airborne toxic control measures (ATCM) adopted by CARB, and to implement the Air Toxics "Hot Spots" Act. As a result, the SCAQMD has regulated pollutants other than criteria pollutants such as TACs, greenhouse gases and stratospheric ozone depleting compounds. The SCAQMD has developed a number of rules to control non-criteria pollutants from both new and existing sources. These rules originated through state directives, CAA requirements, or the SCAQMD rulemaking process.

In addition to promulgating non-criteria pollutant rules, the SCAQMD has been evaluating AQMP control measures as well as existing rules to determine whether or not they would affect, either positively or negatively, emissions of non-criteria pollutants. For example, rules in which VOC

components of coating materials are replaced by a non-photochemically reactive chlorinated substance would reduce the impacts resulting from ozone formation, but could increase emissions of toxic compounds or other substances that may have adverse impacts on human health.

The following subsections summarize the existing setting for the two major categories of non-criteria pollutants: compounds that contribute to TACs, global climate change, and stratospheric ozone depletion.

Air Quality – Toxic Air Contaminants

Federal

Under the CAA §112, the USEPA is required to regulate sources that emit one or more of the 187 federally listed hazardous air pollutants (HAPs). HAPs are air toxic pollutants identified in the CAA, which are known or suspected of causing cancer or other serious health effects. The federal HAPs are listed on the USEPA website at <http://www.epa.gov/ttn/atw/orig189.html>. In order to implement the CAA, approximately 100 National Emission Standards for Hazardous Air Pollutants (NESHAPs) have been promulgated by USEPA for major sources (sources emitting greater than 10 tons per year of a single HAP or greater than 25 tons per year of multiple HAPs). The SCAQMD can either directly implement NESHAPs or adopt rules that contain requirements at least as stringent as the NESHAP requirements. However, since NESHAPs often apply to sources in the district that are already controlled by state-mandated air toxics control measures or by local district rules, many of the sources that would have been subject to federal requirements already comply.

In addition to the major source NESHAPs, USEPA has also controlled HAPs from urban areas by developing Area Source NESHAPs under their Urban Air Toxics Strategy. USEPA defines an area source as a source that emits less than 10 tons annually of any single hazardous air pollutant or less than 25 tons annually of a combination of hazardous air pollutants. The CAA requires the USEPA to identify a list of at least 30 air toxics that pose the greatest potential health threat in urban areas. USEPA is further required to identify and establish a list of area source categories that represent 90 percent of the emissions of the 30 urban air toxics associated with area sources, for which Area Source NESHAPs are to be developed under the CAA. USEPA has identified a total of 70 area source categories with regulations promulgated for more than 30 categories so far.

The federal toxics program recognizes diesel engine exhaust as a health hazard, however, diesel particulate matter itself is not one of their listed toxic air contaminants (TACs). Rather, each toxic compound in the speciated list of compounds in exhaust is considered separately. Although there are no specific NESHAP regulations for diesel PM, diesel particulate emission reductions are realized through federal regulations including diesel fuel standards and emission standards for stationary, marine, and locomotive engines; and idling controls for locomotives.

State

The California air toxics program was based on the CAA and the original federal list of hazardous air pollutants. The state program was established in 1983 under the Toxic Air Contaminant (TAC) Identification and Control Act, Assembly Bill (AB) 1807, Tanner. Under the state program, TACs are identified through a two-step process of risk identification and risk management. This two-step process was designed to protect residents from the health effects of toxic substances in the air.

Control of TACs under the TAC Identification and Control Program: California's TAC identification and control program, adopted in 1983 as AB 1807, is a two-step program in which substances are identified as TACs, and air toxic control measures (ATCMs) are adopted to control emissions from specific sources. CARB has adopted a regulation designating all 187 federal HAPs as TACs.

ATCMs are developed by CARB and implemented by the SCAQMD and other air districts through direct implementation or the adoption of regulations of equal or greater stringency. Generally, the ATCMs reduce emissions to achieve exposure levels below a determined health threshold. If no such threshold levels are determined, emissions are reduced to the lowest level achievable through the best available control technology unless it is determined that an alternative level of emission reduction is adequate to protect public health.

Under California law, a federal NESHAP automatically becomes a state ATCM, unless CARB has already adopted an ATCM for the source category. Once a NESHAP becomes an ATCM, CARB and each air pollution control or air quality management district have certain responsibilities related to adoption or implementation and enforcement of the NESHAP/ATCM.

Control of TACs under the Air Toxics "Hot Spots" Act: The Air Toxics Hot Spots Information and Assessment Act of 1987 (AB 2588) establishes a state-wide program to inventory and assess the risks from facilities that emit TACs and to notify the public about significant health risks associated with the emissions. Facilities are phased into the AB 2588 program based on their emissions of criteria pollutants or their occurrence on lists of toxic emitters compiled by the SCAQMD. Phase I consists of facilities that emit over 25 tons per year of any criteria pollutant and facilities present on the SCAQMD's toxics list. Phase I facilities entered the program by reporting their air TAC emissions for calendar year 1989. Phase II consists of facilities that emit between 10 and 25 tons per year of any criteria pollutant, and submitted air toxic inventory reports for calendar year 1990 emissions. Phase III consists of certain designated types of facilities which emit less than 10 tons per year of any criteria pollutant, and submitted inventory reports for calendar year 1991 emissions. Inventory reports are required to be updated every four years under the state law.

Air Toxics Control Measures: As part of its risk management efforts, CARB has passed state ATCMs to address air toxics from mobile and stationary sources. Some key ATCMs for stationary sources include reductions of benzene emissions from service stations, hexavalent chromium emissions from chrome plating, perchloroethylene emissions from dry cleaning, ethylene oxide emissions from sterilizers, and multiple air toxics from the automotive painting and repair industries.

Many of CARB's recent ATCMs are part of the CARB Risk Reduction Plan to Reduce Particulate Matter Emissions from Diesel-Fueled Engines and Vehicles (DRRP) which was adopted in September 2000 (<http://www.arb.ca.gov/diesel/documents/rrpapp.htm>) with the goal of reducing diesel particulate matter emissions from compression ignition engines and associated health risk by 75 percent by 2010 and 85 percent by 2020. The DRRP includes

strategies to reduce emissions from new and existing engines through the use of ultra-low sulfur diesel fuel, add-on controls, and engine replacement. In addition to stationary source engines, the plan addresses diesel PM emissions from mobile sources such as trucks, buses, construction equipment, locomotives, and ships.

SCAQMD

SCAQMD has regulated criteria air pollutants using either a technology-based or an emissions limit approach. The technology-based approach defines specific control technologies that may be installed to reduce pollutant emissions. The emission limit approach establishes an emission limit, and allows industry to use any emission control equipment, as long as the emission requirements are met. The regulation of TACs often uses a health risk-based approach, but may also require a regulatory approach similar to criteria pollutants, as explained in the following subsections.

Rules and Regulations: Under the SCAQMD's toxic regulatory program there are 15 source-specific rules that target toxic emission reductions that regulate over 10,000 sources such as metal finishing, spraying operations, dry cleaners, film cleaning, gasoline dispensing, and diesel-fueled stationary engines to name a few. In addition, other source-specific rules targeting criteria pollutant reductions also reduce toxic emissions, such as SCAQMD Rule 461 – Gasoline Transfer and Dispensing, which reduces benzene emissions from gasoline dispensing and SCAQMD Rule 1124 – Aerospace Assembly and Component Manufacturing Operations, which reduces perchloroethylene, trichloroethylene, and methylene chloride emissions from aerospace operations.

New and modified sources of TACs in the district are subject to SCAQMD Rule 1401 - New Source Review of Toxic Air Contaminants and SCAQMD Rule 212 - Standards for Approving Permits. Rule 212 requires notification of the SCAQMD's intent to grant a permit to construct a significant project, defined as a new or modified permit unit located within 1000 feet of a school (a state law requirement under AB 3205), a new or modified permit unit posing an maximum individual cancer risk of one in one million (1×10^{-6}) or greater, or a new or modified facility with criteria pollutant emissions exceeding specified daily maximums. Distribution of notice is required to all addresses within a 1/4-mile radius, or other area deemed appropriate by the SCAQMD. Rule 1401 currently controls emissions of carcinogenic and non-carcinogenic (health effects other than cancer) air contaminants from new, modified and relocated sources by specifying limits on cancer risk and hazard index (explained further in the following discussion), respectively. Rule 1401 lists nearly 300 TACs that are evaluated during the SCAQMD's permitting process for new, modified or relocated sources. During the past decade, more than 80 compounds have been added or had risk values amended. The addition of diesel particulate matter from diesel-fueled internal combustion engines as a TAC in March 2008 was one of the most substantial amendments to the rule. SCAQMD Rule 1401.1 – Requirements for New and Relocated Facilities Near Schools, sets risk thresholds for new and relocated facilities near schools. The requirements are more stringent than those for other air toxics rules in order to provide additional protection to school children.

Air Toxics Control Plan: In March 2000, the SCAQMD Governing Board approved the Air Toxics Control Plan (ATCP) which was the first comprehensive plan in the nation to

guide future toxic rulemaking and programs. The ATCP was developed to lay out the SCAQMD's air toxics control program which built upon existing federal, state, and local toxic control programs as well as co-benefits from implementation of State Implementation Plan (SIP) measures. The concept for the plan was an outgrowth of the Environmental Justice principles and the Environmental Justice Initiatives adopted by the SCAQMD Governing Board in October 1997. Monitoring studies and air toxics regulations that were created from these initiatives emphasized the need for a more systematic approach to reducing TACs. The intent of the plan was to reduce exposure to air toxics in an equitable and cost-effective manner that promotes clean, healthful air in the district. The plan proposed control strategies to reduce TACs in the district implemented between years 2000 and 2010 through cooperative efforts of the SCAQMD, local governments, CARB and USEPA.

2003 Cumulative Impact Reduction Strategies: The SCAQMD Governing Board approved a cumulative impacts reduction strategy in September 2003. The resulting 25 cumulative impacts strategies were a key element of the 2004 Addendum to the ATCP (see next section). The strategies included rules, policies, funding, education, and cooperation with other agencies. Some of the key SCAQMD accomplishments related to the cumulative impacts reduction strategies were:

- SCAQMD Rule 1401.1 - Requirements for New and Relocated Facilities Near Schools, which set more stringent health risk requirements for new and relocated facilities near schools
- SCAQMD Rule 1470 – Requirements for Stationary Diesel-Fueled Internal Combustion and Other Compression Ignition Engines, which established diesel PM emission limits and other requirements for diesel-fueled engines
- SCAQMD Rule 1469.1 – Spraying Operations Using Coatings Containing Chromium, which regulated chrome spraying operations
- SCAQMD Rule 410 – Odors From Transfer Stations and Material Recovery Facilities, which addresses odors from transfer stations and material recovery facilities
- Intergovernmental Review comment letters for CEQA documents
- SCAQMD's land use guidance document
- Additional protection in toxics rules for sensitive receptors, such as more stringent requirements for chrome plating operations and diesel engines located near schools

2004 Addendum to the ATCP: An addendum to the ATCP was adopted by the SCAQMD Governing Board in 2004 (referred to herein as the 2004 Addendum to the ATCP) and served as a status report regarding implementation of the various mobile and stationary source strategies in the 2000 ATCP and introduced new measures to further address air toxics. The main elements of the 2004 Addendum to the ATCP were to address the progress made in implementation of the 2000 ATCP control strategies; provide a historical perspective of air toxic emissions and current air toxic levels; incorporate the Cumulative Impact Reduction Strategies approved by the SCAQMD Governing Board in 2003 and

additional measures identified in the 2003 AQMP; project future air toxic levels to the extent feasible; and, summarize future efforts to develop the next ATCP. Significant progress had been made in implementing most of the SCAQMD strategies from the 2000 ATCP and the 2004 Addendum to the ATCP. CARB has also made notable progress in mobile source measures via its Diesel Risk Reduction Plan, especially for goods movement related sources, while the USEPA continued to implement their air toxic programs applicable to stationary sources

Clean Communities Plan: On November 5, 2010, the SCAQMD Governing Board approved the 2010 Clean Communities Plan (CCP). The CCP was an update to the 2000 Air Toxics Control Plan (ATCP) and the 2004 Addendum. The objective of the 2010 CCP is to reduce the exposure to air toxics and air-related nuisances throughout the district, with emphasis on cumulative impacts. The elements of the 2010 CCP are community exposure reduction, community participation, communication and outreach, agency coordination, monitoring and compliance, source-specific programs, and nuisance. The centerpiece of the 2010 CCP is a pilot study through which the SCAQMD staff will work with community stakeholders to identify and develop solutions community-specific to air quality issues in two communities: 1) the City of San Bernardino; and, 2) Boyle Heights and surrounding areas.

Control of TACs under the Air Toxics "Hot Spots" Act: In October 1992, the SCAQMD Governing Board adopted public notification procedures for Phase I and II facilities. These procedures specify that AB 2588 facilities must provide public notice when exceeding the following risk levels:

- Maximum Individual Cancer Risk (MICR): greater than 10 in one million (10×10^{-6})
- Total Hazard Index (HI): greater than 1.0 for TACs except lead, or > 0.5 for lead

Public notice is to be provided by letters mailed to all addresses and all parents of children attending school in the impacted area. In addition, facilities must hold a public meeting and provide copies of the facility risk assessment in all school libraries and a public library in the impacted area.

The AB2588 Toxics "Hot Spots" Program is implemented through SCAQMD Rule 1402 – Control of Toxic Air Contaminants from Existing Sources. The SCAQMD continues to review health risk assessments submitted. Notification is required from facilities with a significant risk under the AB 2588 program based on their initial approved health risk assessments and will continue on an ongoing basis as additional and subsequent health risk assessments are reviewed and approved.

There are currently about 400 core facilities in the SCAQMD's AB2588 program. Since 1992 when the state Health and Safety Code incorporated a risk reduction requirement in the program, the SCAQMD has reviewed and approved over 300 HRAs, approximately 45 facilities were required to do a public notice, and 23 facilities were subject to risk reduction. Currently, over 96 percent of the facilities in the program have cancer risks below ten in a million and over 98 percent have acute and chronic hazard indices of less than one.

CEQA Intergovernmental Review Program: The SCAQMD staff, through its Intergovernmental Review (IGR) provides comments to lead agencies on air quality analyses and mitigation measures in CEQA documents. The following are some key programs and tools that have been developed more recently to strengthen air quality analyses, specifically as they relate to exposure of mobile source air toxics:

- SCAQMD’s Mobile Source Committee approved the “Health Risk Assessment Guidance for Analyzing Cancer Risks from Mobile Source Diesel Emissions” (August 2002). This document provides guidance for analyzing cancer risks from diesel particulate matter from truck idling and movement (e.g., truck stops, warehouse and distribution centers, or transit centers), ship hotelling at ports, and train idling.
- CalEPA and CARB’s “Air Quality and Land Use Handbook: A Community Health Perspective” (April 2005), provides recommended siting distances for incompatible land uses.
- Western Riverside Council of Governments Air Quality Task Force developed a policy document titled, “Good Neighbor Guidelines for Siting New and/or Modified Warehouse/Distribution Facilities” (September 2005). This document provides guidance to local government on preventive measures to reduce neighborhood exposure to TACs from warehousing facilities.

Environmental Justice: Environmental justice (EJ) has long been a focus of the SCAQMD. In 1990, the SCAQMD formed an Ethnic Community Advisory Group that has since been restructured as the Environmental Justice Advisory Group (EJAG). EJAG’s mission is to advise and assist SCAQMD in protecting and improving public health in SCAQMD’s most impacted communities through the reduction and prevention of air pollution.

In 1997, the SCAQMD Governing Board adopted four guiding principles and ten initiatives (<http://www.aqmd.gov/ej/history.htm>) to ensure environmental equity. Also in 1997, the SCAQMD Governing Board expanded the initiatives to include the “Children’s Air Quality Agenda” focusing on the disproportionate impacts of poor air quality on children. Some key initiatives that have been implemented were the Multiple Air Toxics Exposure Studies (MATES, MATES II and MATES III); the Clean Fleet Rules, the Cumulative Impacts strategies; funding for lower emitting technologies under the Carl Moyer Program; the Guidance Document for Addressing Air Quality Issues in General Plans and Local Planning; a guidance document on Air Quality Issues in School Site Selection; and the 2000 ATCP and the 2004 Addendum to the ATCP. Key initiatives focusing on communities and residents include the Clean Air Congress; the Clean School Bus Program; Asthma and Air Quality Consortium; Brain and Lung Tumor and Air Pollution Foundation; air quality presentations to schools and community and civic groups; and Town Hall meetings. Technological and scientific projects and programs have been a large part of the SCAQMD’s EJ program since its inception. Over time, the EJ program’s focus on public education, outreach, and opportunities for public participation have greatly increased.

Public education materials and other resources for the public are available on the SCAQMD's website (www.aqmd.gov).

AB 2766 Subvention Funds: AB2766 subvention funds are monies collected by the state as part of vehicle registration and passed through to the SCAQMD for funding projects of local cities, among others, that reduce motor vehicle air pollutants. The Clean Fuels Program, funded by a surcharge on motor vehicle registrations in the SCAQMD, reduces TAC emissions through co-funding projects to develop and demonstrate low-emission clean fuels and advanced technologies, and to promote commercialization and deployment of promising or proven technologies in Southern California.

Carl Moyer Program: Another program that targets diesel emission reductions is the Carl Moyer Program which provides grants for projects that achieve early or extra emission reductions beyond what is required by regulations. Examples of eligible projects include cleaner on-road, off-road, marine, locomotive, and stationary agricultural pump engines. Other endeavors of the SCAQMD's Technology Advancement Office help to reduce diesel PM emissions through co-funding research and demonstration projects of clean technologies, such as low-emitting locomotives.

Control of TACs with Risk Reduction Audits and Plans: SB 1731, enacted in 1992 and codified at HSC §44390 et seq., amended AB 2588 to include a requirement for facilities with significant risks to prepare and implement a risk reduction plan which will reduce the risk below a defined significant risk level within specified time limits. SCAQMD Rule 1402 was adopted on April 8, 1994 to implement the requirements of SB 1731.

In addition to the TAC rules adopted by SCAQMD under authority of AB 1807 and SB 1731, the SCAQMD has adopted source-specific TAC rules, based on the specific level of TAC emitted and the needs of the area. These rules are similar to the state's ATCMs because they are source-specific and only address emissions and risk from specific compounds and operations.

Multiple Air Toxics Exposure Studies (MATES): In 1986, SCAQMD conducted the first MATES Study to determine the Basin-wide risks associated with major airborne carcinogens. At the time, the state of technology was such that only twenty known air toxic compounds could be analyzed and diesel exhaust particulate did not have an agency accepted carcinogenic health risk value. TACs are determined by the USEPA, and by the CalEPA, including the Office of Environmental Health Hazard Assessment and the ARB. For purposes of MATES, the California carcinogenic health risk factors were used. The maximum combined individual health risk for simultaneous exposure to pollutants under the study was estimated to be 600 to 5,000 in one million.

Multiple Air Toxics Exposure Study II (MATES II): At its October 10, 1997 meeting, the SCAQMD Governing Board directed staff to conduct a follow up to the MATES study to quantify the magnitude of population exposure risk from existing sources of selected air toxic contaminants at that time. The follow up study, MATES II, included a monitoring program of 40 known air toxic compounds, an updated emissions inventory of TACs (including microinventories around each of the 14 microscale sites), and a modeling effort

to characterize health risks from hazardous air pollutants. The estimated basin-wide carcinogenic health risk from ambient measurements was 1,400 per million people. About 70 percent of the basin wide health risk was attributed to diesel particulate emissions; about 20 percent to other toxics associated with mobile sources (including benzene, butadiene, and formaldehyde); about 10 percent of basin wide health risk was attributed to stationary sources (which include industrial sources and other certain specifically identified commercial businesses such as dry cleaners and print shops.)

Multiple Air Toxics Exposure Study III (MATES III): MATES III was a follow up to previous air toxics studies in the Basin and was part of the SCAQMD Governing Board's 2003-04 Environmental Justice Workplan. The MATES III Study consists of several elements including a monitoring program, an updated emissions inventory of TACs, and a modeling effort to characterize carcinogenic health risk across the Basin. Besides toxics, additional measurements include organic carbon, elemental carbon, and total carbon, as well as, PM, including PM2.5. It did not estimate mortality or other health effects from particulate exposures. MATES III revealed a general downward trend in air toxic pollutant concentrations with an estimated basin-wide lifetime carcinogenic health risk of 1,200 in one million. Mobile sources accounted for 94 percent of the basin-wide lifetime carcinogenic health risk with diesel exhaust particulate contributing to 84 percent of the mobile source basin-wide lifetime carcinogenic health risk. Non-diesel carcinogenic health risk declined by 50 percent from the MATES II values.

Multiple Air Toxics Exposure Study IV (MATES IV): The MATES IV Study consisted of several elements including a monitoring program, an updated emissions inventory of toxic air contaminants, and a modeling effort to characterize risk across the Basin. The study focuses on the carcinogenic risk from exposure to air toxics. The population weighted risk of 367 per million was about 57% lower compared to the MATES III period (2005). The Final MATES IV also reported risks using new guidance for calculating health risks from the state Office of Environmental Health Hazard Assessment that take into account children's greater risk from being exposed to cancer causing compounds. Even after accounting for the reduced level of exposure from the MATES IV study compared to MATES III, after applying the revised OEHHA methodology to the modeled air toxics levels, the MATES IV estimated population weighted risk is 897 per million, an increase of about 2.5 times higher.

Carcinogenic Health Risks from Toxic Air Contaminants: One of the primary health risks of concern due to exposure to TACs is the risk of contracting cancer. The carcinogenic potential of TACs is a particular public health concern because it is currently believed by many scientists that there is no "safe" level of exposure to carcinogens. Any exposure to a carcinogen poses some risk of causing cancer. It is currently estimated that about one in four deaths in the U.S. is attributable to cancer. About two percent of cancer deaths in the U.S. may be attributable to environmental pollution (Doll and Peto 1981). The proportion of cancer deaths attributable to air pollution has not been estimated using epidemiological methods.

Non-Cancer Health Risks from Toxic Air Contaminants: Unlike carcinogens, for most TAC non-carcinogens it is believed that there is a threshold level of exposure to the

compound below which it will not pose a health risk. CalEPA's Office of Environmental Health Hazard Assessment (OEHHA) develops Reference Exposure Levels (RELs) for TACs which are health-conservative estimates of the levels of exposure at or below which health effects are not expected. The non-cancer health risk due to exposure to a TAC is assessed by comparing the estimated level of exposure to the REL. The comparison is expressed as the ratio of the estimated exposure level to the REL, called the hazard index (HI).

Climate Change

Global climate change is a change in the average weather of the earth, which can be measured by wind patterns, storms, precipitation, and temperature. Historical records have shown that temperature changes have occurred in the past, such as during previous ice ages. Data indicate that the current temperature record differs from previous climate changes in rate and magnitude. Gases that trap heat in the atmosphere are often called greenhouse gases (GHGs), comparable to a greenhouse, which captures and traps radiant energy. GHGs are emitted by natural processes and human activities. The accumulation of greenhouse gases in the atmosphere regulates the earth's temperature. Global warming is the observed increase in average temperature of the earth's surface and atmosphere. The primary cause of global warming is an increase of GHGs in the atmosphere. The six major GHGs are carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), sulfur hexafluoride (SF₆), hydrofluorocarbons (HFCs), and perfluorocarbon (PFCs). The GHGs absorb longwave radiant energy emitted by the Earth, which warms the atmosphere. The GHGs also emit longwave radiation both upward to space and back down toward the surface of the Earth. The downward part of this longwave radiation emitted by the atmosphere is known as the "greenhouse effect." Emissions from human activities such as fossil fuel combustion for electricity production and vehicles have elevated the concentration of these gases in the atmosphere.

CO₂ is an odorless, colorless greenhouse gas. Natural sources include the following: decomposition of dead organic matter; respiration of bacteria, plants, animals, and fungus; evaporation from oceans; and volcanic outgassing. Anthropogenic (human caused) sources of CO₂ include burning coal, oil, gasoline, natural gas, and wood. CH₄ is a flammable gas and is the main component of natural gas. N₂O, also known as laughing gas, is a colorless greenhouse gas. Some industrial processes such as fossil fuel-fired power plants, nylon production, nitric acid production, and vehicle emissions also contribute to the atmospheric load of N₂O. HFCs are synthetic man-made chemicals that are used as a substitute for chlorofluorocarbons (whose production was stopped as required by the Montreal Protocol) for automobile air conditioners and refrigerants. The two main sources of PFCs are primary aluminum production and semiconductor manufacture. SF₆ is an inorganic, odorless, colorless, nontoxic, nonflammable gas. SF₆ is used for insulation in electric power transmission and distribution equipment, in the magnesium industry, in semiconductor manufacturing, and as a tracer gas for leak detection.

Scientific consensus, as reflected in recent reports issued by the United Nations Intergovernmental Panel on Climate Change, is that the majority of the observed warming over the last 50 years can be attributable to increased concentration of GHGs in the atmosphere due to human activities. Industrial activities, particularly increased consumption of fossil fuels (e.g., gasoline, diesel, wood, coal, etc.), have heavily contributed to the increase in atmospheric levels of GHGs. The United Nations Intergovernmental Panel on Climate Change constructed several emission trajectories of greenhouse gases needed to stabilize global temperatures and climate change impacts. It

concluded that a stabilization of greenhouse gases at 400 to 450 ppm carbon dioxide-equivalent concentration is required to keep global mean warming below two degrees Celsius, which has been identified as necessary to avoid dangerous impacts from climate change.

The potential health effects from global climate change may arise from temperature increases, climate-sensitive diseases, extreme events, air quality impacts, and sea level rise. There may be direct temperature effects through increases in average temperature leading to more extreme heat waves and less extreme cold spells. Those living in warmer climates are likely to experience more stress and heat-related problems (e.g., heat rash and heat stroke). In addition, climate sensitive diseases may increase, such as those spread by mosquitoes and other disease carrying insects. Those diseases include malaria, dengue fever, yellow fever, and encephalitis. Extreme events such as flooding, hurricanes, and wildfires can displace people and agriculture, which would have negative consequences. Drought in some areas may increase, which would decrease water and food availability. Global warming may also contribute to air quality problems from increased frequency of smog and particulate air pollution.

The impacts of climate change will also affect projects in various ways. Effects of climate change are rising sea levels and changes in snow pack. The extent of climate change impacts at specific locations remains unclear. It is expected that Federal, State and local agencies will more precisely quantify impacts in various regions. As an example, it is expected that the California Department of Water Resources will formalize a list of foreseeable water quality issues associated with various degrees of climate change. Once state government agencies make these lists available, they could be used to more precisely determine to what extent a project creates global climate change impacts.

Federal

Greenhouse Gas Endangerment Findings: On December 7, 2009, the USEPA Administrator signed two distinct findings regarding greenhouse gases pursuant to CAA §202 (a). The Endangerment Finding stated that CO₂, CH₄, N₂O, HFCs, PFCs, and SF₆ taken in combination endanger both the public health and the public welfare of current and future generations. The *Cause or Contribute Finding* stated that the combined emissions from motor vehicles and motor vehicle engines contribute to the greenhouse gas air pollution that endangers public health and welfare. These findings were a prerequisite for implementing GHG standards for vehicles. The USEPA and the National Highway Traffic Safety Administration (NHTSA) finalized emission standards for light-duty vehicles in May 2010 and for heavy-duty vehicles in August of 2011.

Renewable Fuel Standard: The Renewable Fuel Standard (RFS) program was established under the Energy Policy Act (EPA) of 2005, and required 7.5 billion gallons of renewable-fuel to be blended into gasoline by 2012. Under the Energy Independence and Security Act (EISA) of 2007, the RFS program was expanded to include diesel, required the volume of renewable fuel blended into transportation fuel be increased from nine billion gallons in 2008 to 36 billion gallons by 2022, established new categories of renewable fuel and required USEPA to apply lifecycle GHG performance threshold standards so that each category of renewable fuel emits fewer greenhouse gases than the petroleum fuel it replaces. The RFS is expected to reduce greenhouse gas emissions by 138 million metric

tons⁶, about the annual emissions of 27 million passenger vehicles, replacing about seven percent of expected annual diesel consumption and decreasing oil imports by \$41.5 billion.

GHG Tailoring Rule: On May 13, 2010, USEPA finalized the GHG Tailoring Rule to phase in the applicability of the Prevention of Significant Deterioration (PSD) and Title V operating permit programs for GHGs. The GHG Tailoring Rule was tailored to include the largest GHG emitters, while excluding smaller sources (restaurants, commercial facilities and small farms). The first phase (from January 2, 2011 to June 30, 2011) addressed the largest sources that contributed 65 percent of the stationary GHG sources. Title V GHG requirements were triggered only when affected facility owners/operators were applying, renewing or revising their permits for non-GHG pollutants. PSD GHG requirements were applicable only if sources were undergoing permitting actions for other non-GHG pollutants and the permitted action would increase GHG emission by 75,000 metric tons of CO₂ equivalent emissions (CO₂e) per year or more.

The second phase (from July 1, 2011 to June 30, 2013) included sources that emit or have the potential to emit 100,000 of CO₂e metric tons per year or more. Newly constructed sources that are not major sources for non-GHG pollutants would not be subject to PSD GHG requirements unless it emits 100,000 metric tons of CO₂e per year or more. Modifications to a major source would not be subject to PSD GHG requirements unless it generates a net increase of 75,000 metric tons of CO₂e per year or more. Sources not subject to Title V would not be subject to Title V GHG requirements unless 100,000 metric tons of CO₂e per year or more would be emitted.

The third phase of the GHG Tailoring Rule, finalized on July 12, 2012, determined not to lower the current PSD and Title V applicability thresholds for GHG-emitting sources established in the GHG Tailoring Rule for phases 1 and 2. The GHG Tailoring Rule also promulgated regulatory revisions for better implementation of the federal program for establishing plantwide applicability limitations (PALs) for GHG emissions, which will improve the administration of the GHG PSD permitting programs.

GHG Reporting Program: USEPA issued the Mandatory Reporting of Greenhouse Gases Rule (40 CFR Part 98) under the 2008 Consolidated Appropriations Act. The Mandatory Reporting of Greenhouse Gases Rule requires reporting of GHG data from large sources and suppliers under the Greenhouse Gas Reporting Program (GHGRP). Suppliers of certain products that would result in GHG emissions if released, combusted or oxidized; direct emitting source categories; and facilities that inject CO₂ underground for geologic sequestration or any purpose other than geologic sequestration are included. Facilities that emit 25,000 metric tons or more per year of GHGs as CO₂e are required to submit annual reports to USEPA. For the 2010 calendar, there were 6,260 entities that reported GHG data under this program, and 467 of the entities were from California. Of the 3,200 million metric tons of CO₂e that were reported nationally, 112 million metric tons of CO₂e were from California. Power plants were the largest stationary source of direct U.S. GHG emissions with 2,326 million metric tons of CO₂e, followed by refineries with 183 million metric tons of CO₂e. CO₂ emissions accounted for largest share of direct emissions with

⁶ One metric ton is equal to 2, 205 pounds.

95 percent, followed by CH₄ with four percent, and N₂O and fluorinated gases representing the remaining one percent.

State

Executive Order S-3-05: In June 2005, Governor Schwarzenegger signed Executive Order S-3-05, which established emission reduction targets. The goals would reduce GHG emissions to 2000 levels by 2010, then to 1990 levels by 2020, and to 80 percent below 1990 levels by 2050.

AB 32 - Global Warming Solutions Act: On September 27, 2006, AB 32, the California Global Warming Solutions Act of 2006, was signed by Governor Schwarzenegger. AB 32 expanded on Executive Order S-3-05. The California legislature stated that “global warming poses a serious threat to the economic well-being, public health, natural resources, and the environment of California.” AB 32 represents the first enforceable state-wide program in the U.S. to cap all GHG emissions from major industries that includes penalties for non-compliance. While acknowledging that national and international actions will be necessary to fully address the issue of global warming, AB 32 lays out a program to inventory and reduce greenhouse gas emissions in California and from power generation facilities located outside the state that serve California residents and businesses. AB 32 requires CARB to:

- Establish a statewide GHG emissions cap for 2020, based on 1990 emissions by January 1, 2008;
- Adopt mandatory reporting rules for significant sources of GHG by January 1, 2008;
- Adopt a GHG emissions reduction plan by January 1, 2009, indicating how the GHG emissions reductions will be achieved via regulations, market mechanisms, and other actions; and
- Adopt regulations to achieve the maximum technologically feasible and cost-effective reductions of GHG by January 1, 2011.

The combination of Executive Order S-3-05 and AB 32 will require significant development and implementation of energy efficient technologies and shifting of energy production to renewable sources.

Consistent with the requirement to develop an emission reduction plan, CARB prepared a Scoping Plan indicating how GHG emission reductions will be achieved through regulations, market mechanisms, and other actions. The Scoping Plan was released for public review and comment in October 2008 and approved by CARB on December 11, 2008. The Scoping Plan calls for reducing GHG emissions to 1990 levels by 2020. This means cutting approximately 30 percent from business-as-usual (BAU) emission levels projected for 2020, or about 15 percent from today’s levels. Key elements of CARB staff’s recommendations for reducing California’s GHG emissions to 1990 levels by 2020 contained in the Scoping Plan include the following:

- Expansion and strengthening of existing energy efficiency programs and building and appliance standards;
- Expansion of the Renewables Portfolio Standard to 33 percent;
- Development of a California cap-and-trade program that links with other Western Climate Initiative (WCI) partner programs to create a regional market system;
- Establishing targets for transportation-related greenhouse gases and pursuing policies and incentives to achieve those targets;
- Adoption and implementation of existing state laws and policies, including California’s clean car standards, goods movement measures, and the Low Carbon Fuel Standard (LCFS); and
- Targeted fees, including a public good charge on water use, fees on high global warming potential (GWP) gases and a fee to fund the state’s long-term commitment to AB 32 administration.

In response to the comments received on the Draft Scoping Plan and at the November 2008 public hearing, CARB made a few changes to the Draft Scoping Plan, primarily to:

- State that California “will transition to 100 percent auction” of allowances and expects to “auction significantly more [allowances] than the Western Climate Initiative minimum;”
- Make clear that allowance set-asides could be used to provide incentives for voluntary renewable power purchases by businesses and individuals and for increased energy efficiency;
- Make clear that allowance set-asides can be used to ensure that voluntary actions, such as renewable power purchases, can be used to reduce greenhouse gas emissions under the cap;
- Provide allowances are not required from carbon neutral projects; and
- Mandate that commercial recycling be implemented to replace virgin raw materials with recyclables.

SB 97 – CEQA, Greenhouse Gas Emissions: On August 24, 2007, Governor Schwarzenegger signed into law SB 97 – CEQA: Greenhouse Gas Emissions, and stated, “This bill advances a coordinated policy for reducing greenhouse gas emissions by directing the Office of Planning and Research (OPR) and the Resources Agency to develop CEQA guidelines on how state and local agencies should analyze, and when necessary, mitigate greenhouse gas emissions.” As directed by SB 97, the Natural Resources Agency adopted amendments to the CEQA Guidelines for GHG emissions on December 30, 2009 to provide guidance to public agencies regarding the analysis and mitigation of the effects of GHG emissions in draft CEQA documents. The amendments did not establish a threshold for significance for GHG emissions. The amendments became effective on March 18, 2010.

OPR - Technical Advisory on CEQA and Climate Change: Consistent with SB 97, on June 19, 2008, OPR released its “Technical Advisory on CEQA and Climate Change,” which was developed in cooperation with the Resources Agency, the CalEPA, and the CARB. According to OPR, the “Technical Advisory” offers the informal interim guidance regarding the steps lead agencies should take to address climate change in their CEQA documents, until CEQA guidelines are developed pursuant to SB 97 on how state and local agencies should analyze, and when necessary, mitigate greenhouse gas emissions.

According to OPR, lead agencies should determine whether greenhouse gases may be generated by a proposed project, and if so, quantify or estimate the GHG emissions by type and source. Second, the lead agency must assess whether those emissions are individually or cumulatively significant. When assessing whether a project’s effects on climate change are “cumulatively considerable” even though its GHG contribution may be individually limited, the lead agency must consider the impact of the project when viewed in connection with the effects of past, current, and probable future projects. Finally, if the lead agency determines that the GHG emissions from the project as proposed are potentially significant, it must investigate and implement ways to avoid, reduce, or otherwise mitigate the impacts of those emissions.

In 2009, total California greenhouse gas emissions were 457 million metric tons of CO₂e (MMTCO₂e); net emissions were 453 MMTCO₂e, reflecting the influence of sinks (net CO₂ flux from forestry). While total emissions have increased by 5.5 percent from 1990 to 2009, emissions decreased by 5.8 percent from 2008 to 2009 (485 to 457 MMTCO₂e). The total net emissions between 2000 and 2009 decreased from 459 to 453 MMTCO₂e, representing a 1.3 percent decrease from 2000 and a 6.1 percent increase from the 1990 emissions level. The transportation sector accounted for approximately 38 percent of the total emissions, while the industrial sector accounted for approximately 20 percent. Emissions from electricity generation were about 23 percent with almost equal contributions from in-state and imported electricity.

Per capita emissions in California have slightly declined from 2000 to 2009 (by 9.7 percent), but the overall nine percent increase in population during the same period offsets the emission reductions. From a per capita sector perspective, industrial per capita emissions have declined 21 percent from 2000 to 2009, while per capita emissions for ozone depleting substance (ODS) substitutes saw the highest increase (52 percent).

From a broader geographical perspective, the state of California ranked second in the U.S. for 2007 greenhouse gas emissions, only behind Texas. However, from a per capita standpoint, California had the 46th lowest GHG emissions. On a global scale, California had the 14th largest carbon dioxide emissions and the 19th largest per capita emissions. The GHG inventory is divided into three categories: stationary sources, on-road mobile sources, and off-road mobile sources.

AB 1493 Vehicular Emissions - CO₂: Prior to the USEPA and NHTSA joint rulemaking, Governor Schwarzenegger signed Assembly Bill AB 1493 (2002). AB 1493 requires that CARB develop and adopt, by January 1, 2005, regulations that achieve “the maximum feasible reduction of greenhouse gases emitted by passenger vehicles and light-duty trucks

and other vehicles determined by CARB to be vehicles whose primary use is noncommercial personal transportation in the state.”

CARB originally approved regulations to reduce GHGs from passenger vehicles in September 2004, with the regulations to take effect in 2009 (see amendments to CCR Title 13 §§1900 and 1961 (13 CCR 1900, 1961), and the adoption of CCR Title 13 §1961.1 (13 CCR 1961.1)). California’s first request to the USEPA to implement GHG standards for passenger vehicles was made in December 2005 and subsequently denied by the USEPA in March 2008. The USEPA then granted California the authority to implement GHG emission reduction standards for new passenger cars, pickup trucks and sport utility vehicles on June 30, 2009.

On April 1, 2010, CARB filed amended regulations for passenger vehicles as part of California’s commitment toward the national program to reduce new passenger vehicle GHGs from 2012 through 2016. The amendments will prepare California to harmonize its rules with the federal Light-Duty Vehicle GHG Standards and CAFE Standards.

SB 1368: SB 1368 is the companion bill of AB 32 and was signed by Governor Schwarzenegger in September 2006. SB 1368 required the CPUC to establish a GHG emission performance standard for baseload generation from investor owned utilities by February 1, 2007. The CEC was also required to establish a similar standard for local publicly owned utilities by June 30, 2007. These standards cannot exceed the greenhouse gas emission rate from a baseload combined-cycle natural gas fired plant. The legislation further required that all electricity provided to California, including imported electricity, must be generated from plants that meet the standards set by the PUC and CEC.

Executive Order S-1-07: Governor Schwarzenegger signed Executive Order S-1-07 in 2007 which established the transportation sector as the main source of GHG emissions in California. Executive Order S-1-07 proclaims that the transportation sector accounts for over 40 percent of statewide GHG emissions. Executive Order S-1-07 also establishes a goal to reduce the carbon intensity of transportation fuels sold in California by a minimum of 10 percent by 2020.

In particular, Executive Order S-1-07 established the LCFS and directed the Secretary for Environmental Protection to coordinate the actions of the CEC, CARB, the University of California, and other agencies to develop and propose protocols for measuring the “life-cycle carbon intensity” of transportation fuels. The analysis supporting development of the protocols was included in the SIP for alternative fuels (State Alternative Fuels Plan adopted by CEC on December 24, 2007) and was submitted to CARB for consideration as an “early action” item under AB 32. CARB adopted the LCFS on April 23, 2009.

SB 375: SB 375, signed into law in September 2008, aligns regional transportation planning efforts, regional GHG reduction targets, and land use and housing allocation. As part of the alignment, SB 375 requires Metropolitan Planning Organizations (MPOs) to adopt a Sustainable Communities Strategy (SCS) or Alternative Planning Strategy (APS) which prescribes land use allocation in that MPO’s Regional Transportation Plan (RTP). CARB, in consultation with MPOs, is required to provide each affected region with

reduction targets for GHGs emitted by passenger cars and light trucks in the region for the years 2020 and 2035. These reduction targets will be updated every eight years but can be updated every four years if advancements in emissions technologies affect the reduction strategies to achieve the targets. CARB is also charged with reviewing each MPO's SCS or APS for consistency with its assigned GHG emission reduction targets. If MPOs do not meet the GHG reduction targets, transportation projects located in the MPO boundaries would not be eligible for funding programmed after January 1, 2012.

CARB appointed the Regional Targets Advisory Committee (RTAC), as required under SB 375, on January 23, 2009. The RTAC's charge was to advise CARB on the factors to be considered and methodologies to be used for establishing regional targets. The RTAC provided its recommendation to CARB on September 29, 2009. CARB was required to adopt final targets by September 30, 2010.

Executive Order S-13-08: Governor Schwarzenegger signed Executive Order S-13-08 on November 14, 2008 which directed California to develop methods for adapting to climate change through preparation of a statewide plan. Executive Order S-13-08 directed OPR, in cooperation with the Resources Agency, to provide land use planning guidance related to sea level rise and other climate change impacts by May 30, 2009. Executive Order S-13-08 also directed the Resources Agency to develop a state Climate Adaptation Strategy by June 30, 2009 and to convene an independent panel to complete the first California Sea Level Rise Assessment Report. The assessment report was required to be completed by December 1, 2010 and required to meet the following four criteria:

1. Project the relative sea level rise specific to California by taking into account issues such as coastal erosion rates, tidal impacts, El Niño and La Niña events, storm surge, and land subsidence rates;
2. Identify the range of uncertainty in selected sea level rise projections;
3. Synthesize existing information on projected sea level rise impacts to state infrastructure (e.g., roads, public facilities, beaches), natural areas, and coastal and marine ecosystems; and
4. Discuss future research needs relating to sea level rise in California.

SB 1078, SB 107 and Executive Order S-14-08: SB 1078 (Chapter 516, Statutes of 2002) requires retail sellers of electricity, including investor owned utilities and community choice aggregators, to provide at least 20 percent of their supply from renewable sources by 2017. SB 107 (Chapter 464, Statutes of 2006) changed the target date to 2010. In November 2008, Governor Schwarzenegger signed Executive Order S-14-08, which expands the state's Renewable Portfolio Standard to 33 percent renewable power by 2020.

SB X-1-2: SB X1-2 was signed by Governor Brown in April 2011. SB X1-2 created a new Renewables Portfolio Standard (RPS), which pre-empted CARB's 33 percent Renewable Electricity Standard. The new RPS applies to all electricity retailers in the state including publicly owned utilities (POUs), investor-owned utilities, electricity service providers, and community choice aggregators. These entities must adopt the new RPS goals of 20 percent of retail sales

from renewables by the end of 2013, 25 percent by the end of 2016, and the 33 percent requirement by the end of 2020.

Executive Order B-30-15: Governor Brown signed Executive Order B-30-15 in April 2015 to establish a California greenhouse gas reduction target of 40 percent below 1990 levels by 2030. This is the most aggressive benchmark enacted by any government in North America to reduce carbon emissions over the next decade and a half. California is on track to meet or exceed the current target of reducing greenhouse gas emissions to 1990 levels by 2020, as established by AB32. California’s new emission reduction target of 40 percent below 1990 levels by 2030 will make it possible to reach the ultimate goal of reducing emissions 80 percent under 1990 levels by 2050.

SCAQMD

The SCAQMD adopted a "Policy on Global Warming and Stratospheric Ozone Depletion" on April 6, 1990. The policy commits the SCAQMD to consider global impacts in rulemaking and in drafting revisions to the AQMP. In March 1992, the SCAQMD Governing Board reaffirmed this policy and adopted amendments to the policy to include support of the adoption of a California GHG emission reduction goal.

Basin GHG Policy and Inventory: The SCAQMD has established a policy, adopted by the SCAQMD Governing Board at its September 5, 2008 meeting, to actively seek opportunities to reduce emissions of criteria, toxic, and climate change pollutants. The policy includes the intent to assist businesses and local governments implementing climate change measures, decrease the agency’s carbon footprint, and provide climate change information to the public. The SCAQMD will take the following actions:

1. Work cooperatively with other agencies/entities to develop quantification protocols, rules, and programs related to greenhouse gases;
2. Share experiences and lessons learned relative to SCAQMD Regulation XX - Regional Clean Air Incentives Market (RECLAIM), to help inform state, multi-state, and federal development of effective, enforceable cap-and-trade programs. To the extent practicable, staff will actively engage in current and future regulatory development to ensure that early actions taken by local businesses to reduce greenhouse gases will be treated fairly and equitably. SCAQMD staff will seek to streamline administrative procedures to the extent feasible to facilitate the implementation of AB 32 measures;
3. Review and comment on proposed legislation related to climate change and greenhouse gases, pursuant to the ‘Guiding Principles for SCAQMD Staff Comments on Legislation Relating to Climate Change’ approved at the SCAQMD Governing Board’s Special Meeting in April 2008;
4. Provide higher priority to funding Technology Advancement Office (TAO) projects or contracts that also reduce greenhouse gas emissions;
5. Develop recommendations through a public process for an interim greenhouse gas CEQA significance threshold, until such time that an applicable and appropriate statewide greenhouse gas significance level is established. Provide guidance on

- analyzing greenhouse gas emissions and identify mitigation measures. Continue to consider GHG impacts and mitigation in SCAQMD lead agency documents and in comments when SCAQMD is a responsible agency;
6. Revise the SCAQMD's Guidance Document for Addressing Air Quality Issues in General Plans and Local Planning to include information on greenhouse gas strategies as a resource for local governments. The Guidance Document will be consistent with state guidance, including CARB's Scoping Plan;
 7. Update the Basin's greenhouse gas inventory in conjunction with each Air Quality Management Plan. Information and data used will be determined in consultation with CARB, to ensure consistency with state programs. Staff will also assist local governments in developing greenhouse gas inventories;
 8. Bring recommendations to the SCAQMD Governing Board on how the agency can reduce its own carbon footprint, including drafting a Green Building Policy with recommendations regarding SCAQMD purchases, building maintenance, and other areas of products and services. Assess employee travel as well as other activities that are not part of a GHG inventory and determine what greenhouse gas emissions these activities represent, how they could be reduced, and what it would cost to offset the emissions;
 9. Provide educational materials concerning climate change and available actions to reduce greenhouse gas emissions on the SCAQMD website, in brochures, and other venues to help cities and counties, businesses, households, schools, and others learn about ways to reduce their electricity and water use through conservation or other efforts, improve energy efficiency, reduce vehicle miles traveled, access alternative mobility resources, utilize low emission vehicles and implement other climate friendly strategies; and
 10. Conduct conferences, or include topics in other conferences, as appropriate, related to various aspects of climate change, including understanding impacts, technology advancement, public education, and other emerging aspects of climate change science.

On December 5, 2008, the SCAQMD Governing Board adopted the staff proposal for an interim GHG significance threshold for projects where the SCAQMD is lead agency. SCAQMD's recommended interim GHG significance threshold proposal uses a tiered approach to determining significance. Tier 1 consists of evaluating whether or not the project qualifies for any applicable exemption under CEQA. Tier 2 consists of determining whether or not the project is consistent with a GHG reduction plan that may be part of a local general plan, for example. Tier 3 establishes a screening significance threshold level to determine significance using a 90 percent emission capture rate approach, which corresponds to 10,000 metric tons of CO₂ equivalent emissions per year (MTCO₂e/year). Tier 4, to be based on performance standards, is yet to be developed. Under Tier 5 the project proponent would allow offsets to reduce GHG emission impacts to less than the proposed screening level. If CARB adopts statewide significance thresholds, SCAQMD staff plans to report back to the SCAQMD Governing Board regarding any recommended changes or additions to the SCAQMD's interim threshold.

Table 3-3 presents the GHG emission inventory by major source categories in calendar year 2008, as identified in the 2012 AQMP for the South Coast Air Basin. The emissions reported herein are based on in-basin energy consumption and do not include out-of-basin energy production (e.g., power plants, crude oil production) or delivery emissions (e.g., natural gas pipeline loss). Three major GHG pollutants have been included: CO₂, N₂O, and CH₄. These GHG emissions are reported in MMTCO₂e. Mobile sources generate 59.4 percent of the emissions, and include airport equipment, and oil and gas drilling equipment. The remaining 40.6 percent of the total Basin GHG emissions are from stationary and area sources. The largest stationary/area source is fuel combustion, which is 27.8 percent of the total Basin GHG emissions (68.6 percent of the GHG emissions from the stationary and area source category).

Air Quality – Ozone Depletion

The Montreal Protocol on Substances that Deplete the Ozone Layer (Montreal Protocol) is an international treaty designed to phase out halogenated hydrocarbons such as chlorofluorocarbons (CFCs) and hydrochlorofluorocarbons (HCFCs), which are considered ODSs. The Montreal Protocol was first signed in September 16, 1987 and has been revised seven times. The U.S. ratified the original Montreal Protocol and each of its revisions.

Federal

Under the CAA Title VI, the USEPA is assigned responsibility for implementing programs that protect the stratospheric ozone layer. 40 CFR Part 82 contains USEPA's regulations specific to protecting the ozone layer. These USEPA regulations phase out the production and import of ozone depleting substances (ODSs) consistent with the Montreal Protocol. ODSs are typically used as refrigerants or as foam blowing agents. ODS are regulated as Class I or Class II controlled substances. Class I substances have a higher ozone-depleting potential and have been completely phased out in the U.S., except for exemptions allowed under the Montreal Protocol. Class II substances are HCFCs, which are transitional substitutes for many Class I substances and are being phased out.

Table 3-3
2008 GHG Emissions for the South Coast Air Basin

CODE	Source Category	Emission (TPD)			Emission (TPY)			MMTONS
		CO2	N2O	CH4	CO2	N2O	CH4	CO ₂ e
Fuel Combustion								
10	Electric Utilities	34,303	.08	0.71	12,520,562	29.0	258	11.4
20	Cogeneration	872	.00	0.02	318,340	0.60	6.00	0.29
30	Oil and Gas Production (combustion)	2,908	.01	0.08	1,061,470	4.71	29.5	0.96
40	Petroleum Refining (Combustion)	44,654	.06	0.57	16,298,766	20.7	207	14.8
50	Manufacturing and Industrial	22,182	.06	0.48	8,096,396	20.9	174	7.35
52	Food and Agricultural Processing	927	.00	0.02	338,516	0.84	7.16	0.31
60	Service and Commercial	21,889	0.08	0.59	7,989,416	30.8	215	7.26
99	Other (Fuel Combustion)	2,241	0.2	0.16	818,057	8.58	58	0.75
Total Fuel Combustion		129,977	0.32	2.62	47,441,523	116	956	43.1
Waste Disposal								
110	Sewage Treatment	26.4	0.00	0.00	9,653	0.12	1.50	0.01
120	Landfills	3,166	0.04	505	1,155,509	14.0	184,451	4.57
130	Incineration	580	0.00	0.02	211,708	0.81	5.48	0.19
199	Other (Waste Disposal)			2.25	0	0.00	820	0.02
Total Waste Disposal		3,772	0.04	508	1,376,870	14.9	185,278	4.78
Cleaning and Surface Coatings								
210	Laundering							
220	Degreasing							
230	Coatings and Related Processes	27.1	0.00	0.21	9,890	0.02	78.0	0.01
240	Printing			0.00	0	0.00	0.00	0.00
250	Adhesives and Sealants			0.00	0	0.00	0.00	0.00
299	Other (Cleaning and Surface Coatings)	2,621	0.00	0.12	956,739	1.20	43.9	0.87
Total Cleaning and Surface Coatings		2,648	0.00	0.33	966,628	1.22	122	0.88
Petroleum Production and Marketing								
310	Oil and Gas Production	92.1	0.00	0.92	33,605	0.06	336	0.04
320	Petroleum Refining	770	0.00	1.65	280,932	0.36	603	0.27
330	Petroleum Marketing			83.8	0	0.00	30,598	0.58
399	Other (Petroleum Production and Marketing)			0.00	0	0.00	0	0.00
Total Petroleum Production and Marketing		862	0.00	86.4	314,536	0.42	31,537	0.89

Table 3-3 (Continued)
2008 GHG Emissions for the South Coast Air Basin

CODE	Source Category	Emission (TPD)			Emission (TPY)			MMTONS
		CO2	N ₂ O	CH4	CO2	N2O	CH4	CO2e
Industrial Processes								
410	Chemical			0.92	0	0.00	337	0.01
420	Food and Agriculture			0.02	0	0.00	7.10	0.00
430	Mineral Processes	279	0.00	0.05	101,804	0.19	17.3	0.09
440	Metal Processes			0.02	0	0.00	9.10	0.00
450	Wood and Paper			0.00	0	0.00	0.00	0.00
460	Glass and Related Products			0.00	0	0.00	0.90	0.00
470	Electronics			0.00	0	0.00	0.00	0.00
499	Other (Industrial Processes)	0.08	0.00	0.47	28	0.00	172	0.00
Total Industrial Processes		279	0.00	1.49	101,832	0.19	543	0.10
Solvent Evaporation								
510	Consumer Products			0.00	0.00	0.00	0.00	0.00
520	Architectural Coatings and Related Solvent			0.00	0.00	0.00	0.00	0.00
530	Pesticides/Fertilizers			0.00	0.00	0.00	0.00	0.00
540	Asphalt Paving/Roofing			0.07	0.00	0.00	24.20	0.00
Total Solvent Evaporation		0.00	0.00	0.07	0.00	0.00	24.20	0.00
Miscellaneous Processes								
610	Residential Fuel Combustion	38,850	0.12	0.95	14,180,326	45.3	347	12.9
620	Farming Operations			25.6	0.00	0.00	9,354	0.18
630	Construction and Demolition			0.00	0.00	0.00	0	0.00
640	Paved Road Dust			0.00	0.00	0.00	0	0.00
645	Unpaved Road Dust			0.00	0.00	0.00	0	0.00
650	Fugitive Windblown Dust			0.00	0.00	0.00	0	0.00
660	Fires			0.08	0.00	0.00	30.9	0.00
670	Waste Burning and Disposal			0.58	0.00	0.00	212	0.00
680	Utility Equipment				0.00	0.00		0.00
690	Cooking			0.64	0.00	0.00	235	0.00
699	Other (Miscellaneous Processes)			0.00	0.00	0.00	0	0.00
Total Miscellaneous Processes		38,850	0.12	27.9	14,180,326	45.3	10,179	13.1

Table 3-3 (Concluded)
2008 GHG Emissions for the South Coast Air Basin

CODE	Source Category	Emission (TPD)			Emission (TPY)			MMTONS
		CO2	N2O	CH4	CO2	N2O	CH4	CO2e
On-Road Motor Vehicles								
710	Light Duty Passenger Auto (LDA)	84,679	2.72	3.62	30,907,957	993	1,321	28.3
722	Light Duty Trucks 1 (T1 : up to 3750 lb.)	22,319	0.72	0.96	8,146,321	263	350	7.47
723	Light Duty Trucks 2 (T2 : 3751-5750 lb.)	33,495	1.08	1.43	12,225,619	392	523	11.2
724	Medium Duty Trucks (T3 : 5751-8500 lb.)	29,415	0.94	1.25	10,736,309	343	456	9.85
732	Light Heavy Duty Gas Trucks 1 (T4 : 8501-10000 lb.)	8,195	0.16	0.21	2,991,059	57.3	76.7	2.73
733	Light Heavy Duty Gas Trucks 2 (T5 : 10001-14000 lb.)	1,116	0.05	0.07	407,174	19.0	25.6	0.38
734	Medium Heavy Duty Gas Trucks (T6 : 14001-33000 lb.)	727	0.02	0.20	265,506	5.48	73.0	0.24
736	Heavy Heavy Duty Gas Trucks ((HHDGT > 33000 lb.)	102	0.01	0.01	37,198	2.19	2.56	0.03
742	Light Heavy Duty Diesel Trucks 1 (T4 : 8501-10000 lb.)	2,166	0.02	0.02	790,600	6.94	7.30	0.72
743	Light Heavy Duty Diesel Trucks 2 (T5 : 10001-14000 lb.)	735	0.01	0.01	268,413	2.56	2.92	0.24
744	Medium Heavy Duty Diesel Truck (T6 : 14001-33000 lb.)	5,422	0.02	0.02	1,978,974	8.40	8.76	1.80
746	Heavy Heavy Duty Diesel Trucks (HHDDT > 33000 lb.)	17,017	0.05	0.05	6,211,247	17.5	16.4	5.64
750	Motorcycles (MCY)	7,959	0.26	0.34	2,904,910	94.9	124	2.66
760	Diesel Urban Buses (UB)	2,135	0.00	0.00	779,389	1.46	1.46	0.71
762	Gas Urban Buses (UB)	166	0.02	0.02	60,654	8.40	6.94	0.06
770	School Buses (SB)	337	0.00	0.00	122,995	1.46	1.46	0.11
776	Other Buses (OB)	927	0.00	0.00	338,430	0.73	0.73	0.31
780	Motor Homes (MH)	568	0.03	0.04	207,431	11.0	14.6	0.19
Total On-Road Motor Vehicles		217,480	6.11	8.26	79,380,188	155	187	72.7
Other Mobile Sources								
810	Aircraft	37,455	0.10	0.09	13,670,930	36.5	31.8	12.4
820	Trains	586	0.00	0.00	213,835	0.45	1.38	0.19
830	Ships and Commercial Boats	3,452	0.01	0.02	1,259,927	2.64	8.13	1.14
	Other Off-road sources (construction equipment, airport equipment, oil and gas drilling equipment)	16,080	1.72	8.84	5,869,123	628	3,226	5.56
Total Other Mobile Sources		57,572	1.83	8.95	21,013,816	668	3,268	19.3
Total Stationary and Area Sources		176,388	0.49	626	64,381,716	178	228,639	63
Total On-Road Vehicles		217,480	6.11	8.26	79,380,188	155	187	73
Total Other Mobile*		57,572	1.83	8.95	21,013,816	668	3,268	19
Total 2008 Baseline GHG Emissions for Basin		451,440	8.42	644	164,775,719	1,001	232,094	155

State

AB 32 - Global Warming Solutions Act: Some ODSs exhibit high global warming potentials. CARB developed a cap and trade regulation under AB 32. The cap and trade regulation includes the Compliance Offset Protocol Ozone Depleting Substances Projects, which provides methods to quantify and report GHG emission reductions associated with the destruction of high global warming potential ODS sourced from and destroyed within the U.S. that would have otherwise been released to the atmosphere. The protocol must be used to quantify and report GHG reductions under the ARB's GHG Cap and Trade Regulation.

Refrigerant Management Program: As part implementing AB 32, CARB also adopted a Refrigerant Management Program in 2009. The Refrigerant Management Program is designed to reduce GHG emissions from stationary sources through refrigerant leak detection and monitoring, leak repair, system retirement and retrofitting, reporting and recordkeeping, and proper refrigerant cylinder use, sale, and disposal.

HFC Emission Reduction Measures for Mobile Air Conditioning - Regulation for Small Containers of Automotive Refrigerant: The Regulation for Small Containers of Automotive Refrigerant applies to the sale, use, and disposal of small containers of automotive refrigerant with a GWP greater than 150. Emission reductions are achieved through implementation of four requirements: 1) use of a self-sealing valve on the container, 2) improved labeling instructions, 3) a deposit and recycling program for small containers, and 4) an education program that emphasizes best practices for vehicle recharging. This regulation went into effect on January 1, 2010 with a one-year sell-through period for containers manufactured before January 1, 2010. The target recycle rate is initially set at 90 percent, and rose to 95 percent beginning January 1, 2012.

SCAQMD

The SCAQMD adopted a "Policy on Global Warming and Stratospheric Ozone Depletion" on April 6, 1990. The policy targeted a transition away from CFCs as an industrial refrigerant and propellant in aerosol cans. In March 1992, the SCAQMD Governing Board reaffirmed this policy and adopted amendments to the policy to include the following directives for ODSs:

- phase out the use and corresponding emissions of CFCs, methyl chloroform (1,1,1-trichloroethane or TCA), carbon tetrachloride, and halons by December 1995;
- phase out the large quantity use and corresponding emissions of HCFCs by the year 2000;
- develop recycling regulations for HCFCs; and
- develop an emissions inventory and control strategy for methyl bromide.

SCAQMD Rule 1122 – Solvent Degreasers: SCAQMD Rule 1122 applies to all persons who own or operate batch-loaded cold cleaners, open-top vapor degreasers, all types of conveyORIZED degreasers, and air-tight and airless cleaning systems that carry out solvent degreasing operations with a solvent containing VOCs or with a NESHAP halogenated solvent. Some ODSs such as carbon tetrachloride and TCA are NESHAP halogenated solvents.

SCAQMD Rule 1171 – Solvent Cleaning Operations: SCAQMD Rule 1171 reduces emissions of VOCs, TACs, and stratospheric ozone-depleting or globalwarming compounds from the use, storage and disposal of solvent cleaning materials in solvent cleaning operations and activities

SCAQMD Rule 1411 - Recovery or Recycling of Refrigerants from Motor Vehicle Air Conditioners: Rule 1411 prohibits release or disposal of refrigerants used in motor vehicle air conditioners and prohibits the sale of refrigerants in containers which contain less than 20 pounds of refrigerant.

SCAQMD Rule 1415 - Reduction of Refrigerant Emissions from Stationary Air Conditioning Systems: Rule 1415 reduces emissions of high-global warming potential refrigerants from stationary air conditioning systems by requiring persons subject to this rule to reclaim, recover, or recycle refrigerant and to minimize refrigerant leakage.

SCAQMD Rule 1418 - Halon Emissions from Fire Extinguishing Equipment: Rule 1418 reduce halon emissions by requiring the recovery and recycling of halon from fire extinguishing systems, by limiting the use of halon to specified necessary applications, and by prohibiting the sale of portable halon fire extinguishers that contain less than five pounds of halon.

CHAPTER 4

ENVIRONMENTAL IMPACTS

Introduction

Potential Environmental Impacts and Mitigation Measures

Air Quality and GHG Emissions

Localized Significance Threshold Analysis

Health Effects Analysis

Potential Environmental Impacts Found Not to Be Significant

Significant Irreversible Environmental Changes

Potential Growth-Inducing Impacts

Consistency

INTRODUCTION

The CEQA Guidelines require environmental documents to identify significant environmental effects that may result from a proposed project [CEQA Guidelines §15126.2 (a)]. Direct and indirect significant effects of a project on the environment should be identified and described, with consideration given to both short- and long-term impacts. The discussion of environmental impacts may include, but is not limited to: the resources involved; physical changes; alterations of ecological systems; health and safety problems caused by physical changes; and, other aspects of the resource base, including water, scenic quality, and public services. If significant adverse environmental impacts are identified, the CEQA Guidelines require a discussion of measures that could either avoid or substantially reduce any adverse environmental impacts to the greatest extent feasible [CEQA Guidelines §15126.4].

The CEQA Guidelines indicate that the degree of specificity required in a CEQA document depends on the type of project being proposed [CEQA Guidelines §15146]. The detail of the environmental analysis for certain types of projects cannot be as great as for others. Accordingly, this Final SEA analyzes impacts on a regional level and impacts on the level of individual industries or individual facilities only where feasible.

The categories of environmental impacts to be studied in a CEQA document are established by CEQA [Public Resources Code, §21000 et seq.], and the CEQA Guidelines, as promulgated by the State of California Secretary of Natural Resources. Under the CEQA Guidelines, there are approximately 17 environmental categories in which potential adverse impacts from a project are evaluated. The proposed project is a modification of the most recent project (December 2015 Final SEA, certified on December 4, 2015) and this analysis considers only the incremental effects of the currently proposed project. This Final SEA focuses on air quality as the area that may be adversely affected by the proposed project, as the proposed amendments do not affect the other environmental topic areas. Please see the 2015 Final SEA and the 2007 Final EA for analysis of the other environmental topic areas.

POTENTIAL ENVIRONMENTAL IMPACTS AND MITIGATION MEASURES

Pursuant to CEQA, and as discussed above, an analysis of the 17 environmental topic areas was previously conducted for this project (2015 Final SEA and the 2007 Final EA). Of the 17 potential environmental impact categories, one topic (air quality and greenhouse gases) was identified as being potentially adversely affected by the proposed project for potential foregone air quality emission reductions.

The topic of air quality emissions is further evaluated in detail in this Final SEA. The environmental impact analysis for this environmental topic incorporates a “worst-case” approach. This approach entails the premise that whenever the analysis requires that assumptions be made, those assumptions that result in the greatest adverse impacts are typically chosen. The CEQA air quality analysis is considered a “worst-case” analysis because significance determinations for operational emissions are based on the maximum or peak daily allowable emissions during the operational phase. This method ensures that all potential effects of the proposed project are documented for the decision-makers and the public. Accordingly, the following analyses use a conservative “worst-case” approach for analyzing the potentially significant adverse environmental impacts associated with the implementation of the proposed project.

AIR QUALITY AND GHG EMISSIONS

The proposed project consists of amending Rule 1110.2, which would provide the facility operator of MM PRIMA DESHECHA ENERGY, LLC, or any of its successors, which is located at 32250 La Pata Ave, San Juan Capistrano, CA 92675, relief from the emissions requirements specified in Table III-B of Rule 1110.2, provided the facility has submitted a detailed retirement plan, approved by the Executive Officer, for the permanent shutdown of all equipment subject to Rule 1110.2 by October 1, 2022. For the purposes of this analysis, the affected equipment consists of biogas engines. This equipment is currently regulated by SCAQMD Rule 1110.2 – Emissions from Gaseous- and Liquid-Fueled Engines.

Due to the fact that this facility has entered into a power purchase agreement (PPA), and the affected equipment is scheduled to be removed permanently by 2022, the proposed project would provide relief for the specific affected equipment from Rule 1110.2.

Significance Criteria

To determine whether air quality impacts from adopting and implementing the proposed project are significant, impacts will be evaluated and compared to the following criteria. If impacts exceed any of the significance thresholds in Table 4-1, they will be considered significant. All feasible mitigation measures will be identified and implemented to reduce significant impacts to the maximum extent feasible. The proposed project will be considered to have significant adverse air quality impacts if any one of the thresholds in Table 4-1 are equaled or exceeded.

The SCAQMD makes significance determinations for construction impacts based on the maximum or peak daily emissions during the construction period, which provides a “worst-case” analysis of the construction emissions. Similarly, significance determinations for operational emissions are based on the maximum or peak daily allowable emissions during the operational phase.

Table 4-1
SCAQMD Air Quality Significance Thresholds

Mass Daily Thresholds ^a		
Pollutant	Construction ^b	Operation ^c
NOx	100 lbs/day	55 lbs/day
VOC	75 lbs/day	55 lbs/day
PM10	150 lbs/day	150 lbs/day
PM2.5	55 lbs/day	55 lbs/day
SOx	150 lbs/day	150 lbs/day
CO	550 lbs/day	550 lbs/day
Lead	3 lbs/day	3 lbs/day
Toxic Air Contaminants (TACs), Odor, and GHG Thresholds		
TACs (including carcinogens and non-carcinogens)	Maximum Incremental Cancer Risk \geq 10 in 1 million Cancer Burden $>$ 0.5 excess cancer cases (in areas \geq 1 in 1 million) Chronic & Acute Hazard Index \geq 1.0 (project increment)	
Odor	Project creates an odor nuisance pursuant to SCAQMD Rule 402	
GHG	10,000 MT/yr CO ₂ eq for industrial facilities	
Ambient Air Quality Standards for Criteria Pollutants ^d		
NO₂ 1-hour average annual arithmetic mean	SCAQMD is in attainment; project is significant if it causes or contributes to an exceedance of the following attainment standards: 0.18 ppm (state) 0.03 ppm (state) and 0.0534 ppm (federal)	
PM₁₀ 24-hour average annual average	10.4 $\mu\text{g}/\text{m}^3$ (construction) ^e & 2.5 $\mu\text{g}/\text{m}^3$ (operation) 1.0 $\mu\text{g}/\text{m}^3$	
PM_{2.5} 24-hour average	10.4 $\mu\text{g}/\text{m}^3$ (construction) ^e & 2.5 $\mu\text{g}/\text{m}^3$ (operation)	
Ambient Air Quality Standards for Criteria Pollutants ^d		
SO₂ 1-hour average 24-hour average	0.25 ppm (state) & 0.075 ppm (federal – 99 th percentile) 0.04 ppm (state)	
Sulfate 24-hour average	25 $\mu\text{g}/\text{m}^3$ (state)	
CO 1-hour average 8-hour average	SCAQMD is in attainment; project is significant if it causes or contributes to an exceedance of the following attainment standards: 20 ppm (state) and 35 ppm (federal) 9.0 ppm (state/federal)	
Lead 30-day Average Rolling 3-month average	1.5 $\mu\text{g}/\text{m}^3$ (state) 0.15 $\mu\text{g}/\text{m}^3$ (federal)	

^a Source: SCAQMD CEQA Handbook (SCAQMD, 1993)

^b Construction thresholds apply to both the South Coast Air Basin and Coachella Valley (Salton Sea and Mojave Desert Air Basins).

^c For Coachella Valley, the mass daily thresholds for operation are the same as the construction thresholds.

^d Ambient air quality thresholds for criteria pollutants based on SCAQMD Rule 1303, Table A-2 unless otherwise stated.

^e Ambient air quality threshold based on SCAQMD Rule 403.

KEY: lbs/day = pounds per day ppm = parts per million $\mu\text{g}/\text{m}^3$ = microgram per cubic meter \geq = greater than or equal to
MT/yr CO₂eq = metric tons per year of CO₂ equivalents $>$ = greater than

Project-Specific Air Quality and GHG Emissions Impacts

At this time, PAR 1110.2 impacts only one biogas facility located in the SCAQMD jurisdiction (see Figure 2-1). The proposed project consists of amending Rule 1110.2, which would provide the facility operator of MM PRIMA DESHECHA ENERGY, LLC, or any of its successors, which is located at 32250 La Pata Ave, San Juan Capistrano, CA 92675, relief from the emissions requirements specified in Table III-B of Rule 1110.2, provided the facility has submitted a detailed retirement plan, approved by the Executive Officer, for the permanent shutdown of all equipment subject to Rule 1110.2 by October 1, 2022. The proposed project will ~~delay the result in additional~~ emissions foregone (from this one facility) from 2017 through 2022 that were not previously analyzed in the December 2015 SEA ~~from 2018 until 2022~~ (see Table 4-2).

There are no construction-related activities associated with the proposed project, and therefore, no construction-related impacts are expected to occur.

The emissions ~~affected~~ foregone by the proposed project ~~and delay of emission reductions~~ are nitrogen oxides (NOx), carbon monoxide (CO), and volatile organic compounds (VOCs). Emissions of particulate matter (PM10), and sulfur oxides (SOx) are not expected to change compared with the analysis done in the 2015 Final SEA because Rule 1110.2 control equipment does not affect any of these emissions. Any potential air quality impact from the proposed rule is considered in this CEQA analysis.

The proposed project would relieve biogas facilities meeting specific criteria from the compliance dates outlined in Rule 1110.2, and therefore, there would be adjustments to the annual operational NOx, CO and VOC emission reductions. Currently, there is only one biogas facility in the SCAQMD jurisdiction that would meet the criteria outlined in the proposed project. Table 4-2 summarizes the amount of emission reductions foregone from the proposed project compared to current Rule 1110.2.

Table 4-2
PAR 1110.2 ~~Delayed~~ Foregone Emission Reductions

Type of Project	NOx (tpd)	VOC (tpd)	CO (tpd)
Provide MM PRIMA DESHECHA ENERGY facility relief from the emissions requirements specified in Table III-B of Rule 1110.2	0.07	0.01	0.08
CEQA Operating Significance Thresholds	0.0275	0.0275	0.275
Significant?	Yes	No	No

NOx, CO, and VOC emission reductions for PAR 1110.2 are ~~delayed~~ foregone from 2017 through 2022 compared with Rule 1110.2, but a portion of these emissions are not permanently foregone. The quantity of peak daily NOx emission reductions ~~delayed~~ foregone from 2017 through 2022 exceeds the SCAQMD’s CEQA significance threshold for operation. Thus, PAR 1110.2 will result in adverse significant operational air quality impacts.

The peak daily NOx emission reductions foregone for the proposed project exceeds the SCAQMD’s CEQA significance threshold for operation of 55 lbs/day. When the affected facility permanently shuts down all equipment subject to Rule 1110.2 in 2022, the landfill gas currently utilized in the biogas engines will be diverted to the landfill flares for combustion. If the biogas

engines were retrofitted or replaced to be compliant with Rule 1110.2, the increase in emissions from combustion in the landfill flares (107 lbs/day) compared to combustion in Rule 1110.2 compliant biogas engines (76 lbs/day) would be 31 lbs/day, which is below the SCAQMD's CEQA significance threshold of 55 lbs/day for NOx. Therefore, the foregone NOx emission reductions would be significant from 2017 through 2022. After 2022, some of the NOx emission reductions would be recaptured through facility closure and the NOx emission reductions foregone (31 lbs/day) would be less than the SCAQMD's CEQA significance threshold.

GHG Emissions Impacts

Since GHG emissions are based on fuel usage, the GHG emissions will remain the same no matter the type of combustion source. Because there is no add-on control equipment that would affect GHG emissions included in the proposed project, there are no expected reductions or increases in GHG emissions.

Project-Specific Mitigation for Air Quality and GHG Emissions Impacts

As concluded above, the air quality analysis for the proposed project indicates that NOx emission reductions ~~delayed~~ foregone during operation from 2017 through 2022 exceed the applicable operational significance threshold and are considered to be significant (see Table 4-2). GHG emissions are not impacted, see previous "GHG Emissions Impacts" paragraph for explanation. If significant adverse environmental impacts are identified in a CEQA document, the CEQA document shall describe feasible measures that could minimize the impacts of the proposed project. PAR 1110.2 would provide biogas facilities relief from Rule 1110.2 provided the facility meets certain criteria, and alternatives to the project are no project, adjustments to the compliance dates, installing new flares, or installing new micro turbines, which are addressed in the alternatives analysis found in Chapter 5.

Potential mitigation measures were evaluated. Fortistar, the owner/operator of MM PRIMA DESHECHA ENERGY, LLC, offered potential mitigation options that involved the shutdown of currently operating biogas engines at their Rialto and Coyote Canyon facilities. However, these mitigation options would result in other adverse environmental impacts and were rejected as mitigation for the proposed project by the SCAQMD staff. Additionally, there would be no co-benefit of electricity production from the biogas engines and there would be additional air quality impacts from offsite energy generation. Therefore, no feasible mitigation measures have been identified that would reduce or eliminate the expected foregone NOx emission reductions. Additionally, three project alternatives were evaluated to investigate other options to reduce or avoid potentially significant adverse effects that the proposed project would have on the environment, while achieving the project objectives. These alternatives are discussed in detail in Chapter 5. As concluded in the alternatives analysis in Chapter 5, compared to the project alternatives, the proposed project provides the best balance in achieving the project objectives while minimizing the adverse environmental impacts to air quality. Consequently, the operational air quality emission impacts from the proposed project cannot be mitigated to less than significant. There are no feasible mitigation measures identified at this time that would reduce or eliminate the expected delay in emission reductions foregone. Consequently, the operational air quality emissions impacts from the proposed project cannot be mitigated to less than significant. Therefore, Findings and a Statement of Overriding Considerations will be prepared for the Governing Board's consideration and approval prior to the public hearing for the proposed amendments.

Remaining Air Quality and GHG Emissions Impacts

The air quality analysis concluded that significant adverse operational air quality impacts could be created by the proposed amendments because approximately 0.07 tons per day of NO_x emission reductions will be ~~delayed~~ foregone from 2017 through 2022. The ~~delayed~~ foregone emission reductions for VOC and CO are below the SCAQMD CEQA significance thresholds.

Cumulative Air Quality and GHG Emissions Impacts

The preceding project-specific analysis concluded that air quality emissions impacts during operation ~~could~~ would be significant from implementing the proposed project. Specifically, ~~delaying~~ NO_x, CO, and VOC emission reductions foregone ~~could~~ would exceed the SCAQMD's significance threshold for operational NO_x emissions. The ~~delay~~ proposed project does not affect any GHG reductions, see "GHG Emissions Impacts" paragraph as previously discussed in this Chapter. Thus, the air quality emissions impacts during operation are considered to be cumulatively considerable pursuant to CEQA Guidelines §15064 (h)(1). ~~It should be noted, however, all delayed emission reductions will be recaptured over time, so the impacts are not permanent.~~

Even though the proposed project ~~could~~ would result in significant adverse project-specific impacts ~~in delaying~~ from emission reductions foregone during operation from 2017 through 2022, they are not expected to interfere with the air quality progress and attainment demonstration projected in the 2012 AQMP. Further, based on regional modeling analyses performed for the 2012 AQMP, implementing control measures contained in the 2012 AQMP, in addition to the air quality benefits of existing rules with future compliance dates, it is anticipated that the SCAB will be in attainment with all national and most state ambient air quality standards by the year 2014 for the federal 24-hour PM_{2.5} standard and by the year 2023 for the federal eight-hour ozone standard.

The 2012 AQMP anticipated attainment of the 2006 federal 24-hour PM_{2.5} standard by 2014, but a Supplement to the 2012 AQMP demonstrated compliance by 2015. Verified preliminary PM_{2.5} data for 2015, however, supported the need to request a "bump up" in the non-attainment designation to "serious" shifting the attainment to 2019 (10 years since the designation on December 14, 2009). The 1997 federal 8-hour ozone (at 80 ppb) is expected to demonstrate ~~attainment~~ in 2023 to meet the standard attainment date of June 15, 2024. ~~The proposed delay in emission reductions is expected to be temporary and the affected industries are expected to comply by 2017 before the attainment demonstration years for the 2006 24-hour PM_{2.5} and 1997 8-hour ozone (80 ppb) of 2019 and 2023, respectively. The foregone NO_x emission reductions would be significant from 2017 through 2022. After 2022, some of the NO_x emission reductions would be recaptured through facility closure and the NO_x emission reductions foregone would be less than the SCAQMD's CEQA significance threshold.~~ Thus, there will be no adverse impact on the progress or attainment demonstration. However, the rate of further progress (time between the base year and the attainment date) would be temporarily adversely affected but other emission reductions are taking place (e.g., annual fleet turnover) that would offset the ~~temporary delay in~~ emission reductions foregone, thus are not considered significant. The upcoming 2016 AQMP will be demonstrating attainment of the 2008 8-hour ozone standard (75 ppb) and 2012 annual PM_{2.5} standard (12 ug/m³) by 2032 and 2025, respectively, ~~which are beyond the years affected (2018-2022) by the delay in emission reductions.~~

Cumulative Mitigation Measures

The analysis indicates that the proposed project could result in a ~~delay of~~ NO_x, VOC, and CO emission reductions foregone during operation of the proposed project, ~~and the delay~~ which would

result in ~~permanent~~ adverse significant cumulative air quality emissions impacts. When the affected facility permanently shuts down all equipment subject to Rule 1110.2 in 2022, the landfill gas currently utilized in the biogas engines will be diverted to the landfill flares for combustion. If the biogas engines were retrofitted or replaced to be compliant with Rule 1110.2, the increase in emissions from combustion in the landfill flares (107 lbs/day) compared to combustion in Rule 1110.2 compliant biogas engines (76 lbs/day) would be 31 lbs/day, which is below the SCAQMD's CEQA significance threshold of 55 lbs/day for NOx. Therefore, the foregone NOx emission reductions would be significant from 2017 through 2022. After 2022, some of the NOx emission reductions would be recaptured through facility closure and the NOx emission reductions foregone (31 lbs/day) would be less than the SCAQMD's CEQA significance threshold.

~~However, the compliance delay is temporary and the emissions would be recaptured in future years.~~ There are no feasible mitigation measures which could be included to reduce the cumulative impact of the project. Thus, PAR 1110.2 will result in adverse significant cumulative air quality impacts.

LOCALIZED SIGNIFICANCE THRESHOLD ANALYSIS

The SCAQMD has developed Localized Significance Thresholds (LSTs) in response to the SCAQMD Governing Board's environmental justice initiatives in recognition of the fact that criteria pollutants can have localized impacts as well as regional impacts¹. LSTs are only applicable to the following criteria pollutants: NOx, CO, PM₁₀ and PM_{2.5}. LSTs represent the maximum emissions from a project that are not expected to cause or contribute to an exceedance of the most stringent applicable Federal or State ambient air quality standard at the localized level, and are developed based on the ambient concentrations of that pollutant for each Source Receptor Area (SRA) and distance to the nearest sensitive receptor.

Using the LST methodology, the SCAQMD has developed mass emission lookup tables² for projects with daily disturbance areas of five acres or less. These lookup tables were developed using conservative assumptions for the gradual conversion of NOx to NO₂ and use the meteorological data from the specific SRA. If the calculated emissions for the operational activity are below the emission level found in the LST lookup tables, localized air quality impacts from the operational activity are not considered significant.

PAR 1110.2 will affect only one facility, Prima Deshecha, which is located in Source Receptor Area (SRA) 21 – Capistrano Valley. The closest sensitive receptor to the Prima Deshecha facility is located approximately 350 meters to the west-southwest. Since PAR 1110.2 will result in emissions foregone from the two internal combustion engines at Prima Deshecha, the 1-acre lookup tables were used to determine the localized impacts from PAR 1110.2. As shown in Table 4-3 below, operational NOx and CO emissions were found to be below the applicable LSTs. The controls required by PAR 1110.2 do not affect PM₁₀ and PM_{2.5} emissions; therefore, the localized air quality impacts from those pollutants are not analyzed here.

¹ <http://www.aqmd.gov/home/regulations/ceqa/air-quality-analysis-handbook/localized-significance-thresholds>

² <http://www.aqmd.gov/docs/default-source/ceqa/handbook/localized-significance-thresholds/appendix-c-mass-rate-lst-look-up-tables.pdf>

Table 4-3
Localized Significance Threshold Screening Evaluation for ~~Delayed~~ Foregone Emission Reductions (lb/day)

Criteria Pollutant	NO _x	CO
PAR 1110.2 Emissions Foregone	140	160
LST ^(a)	179	5,050
Exceeds LST?	No	No

(a) Appendix C of the SCAQMD Final LST Methodology (Oct. 2009). To determine the LST for a distance of 350 meters, linear interpolation between the closest two distances in the lookup tables (200 meters and 500 meters) was used.

The NO_x and CO emissions from PAR 1110.2 do not exceed the applicable LSTs; therefore, the localized air quality impacts are considered less than significant.

HEALTH EFFECTS ANALYSIS

Ozone formation is primarily the result of the two criteria pollutants, volatile organic compounds (VOCs) and nitrous oxides (NO_x), mixing with sunlight to create a chemical reaction. The proposed project will generate ~~delayed foregone~~ NO_x, VOC, and CO emissions from 2017 through 2022, thus ~~temporarily~~ foregoing the health benefit from NO_x, VOC, and CO emission reductions originally expected under Rule 1110.2 from the one affected sources. However, due to extensive knowledge of the health effects from ozone and localized studies of those effects, the following analysis is to assist in determining, qualitatively, the health effects from the operational NO_x, VOC, and CO emissions impacts.

Ozone is a highly reactive compound, and is a strong oxidizing agent. When ozone comes into contact with the respiratory tract, it can react with tissues and cause damage in the airways. Since it is a gas, it can penetrate into the gas exchange region of the deep lung.

The U.S. EPA primary federal standard for ozone, adopted in 2008, is 75 ppb averaged over eight hours. The California Air Resources Board (CARB) has established state standards of 90 ppb averaged over one hour and at 70 ppb averaged over eight hours. The approved 2007 Air Quality Management Plan (AQMP) provides a blueprint as to how and when the SCAQMD will attain the 1997 8-hour ozone standard (80 ppb) by year 2023, and the upcoming 2016 AQMP will propose a control strategy to be implemented to demonstrate attainment of the 75 ppb 8-hour ozone standard by 2032.

A number of population groups are potentially at increased risk for ozone exposure effects. In the ongoing review of ozone health studies, the U.S. EPA has identified populations as having adequate evidence for increased risk from ozone exposures, including individuals with asthma, younger and older age groups, and individuals with reduced intake of certain nutrients such as Vitamins C and E, and outdoor workers. There is suggestive evidence for other potential factors, such as variations in genes related to oxidative metabolism or inflammation, gender, socioeconomic status, and obesity. However further study is needed.

The adverse effects reported with short-term ozone exposure are greater with increased activity because activity increases the breathing rate and the volume of air reaching the lungs, resulting in an increased amount of ozone reaching the lungs. Children may be a particularly vulnerable population to air pollution effects because they spend more time outdoors, are generally more

active, and have a higher specific ventilation rate than adults (i.e. after normalization for body mass).

A number of adverse health effects associated with ambient ozone levels have been identified from laboratory and epidemiological studies³. These include increased respiratory symptoms, damage to cells of the respiratory tract, decrease in lung function, increased susceptibility to respiratory infection, an increased risk of hospitalization, and increased risk of mortality.

Increases in ozone levels are associated with increased numbers of absences from school. The Children's Health Study, conducted by researchers at the University of Southern California, followed a cohort of children that live in 12 communities in Southern California with differing levels of air pollution for several years. A publication from this study reported that school absences in fourth graders for respiratory illnesses were positively associated with ambient ozone levels. An increase of 20 ppb ozone was associated with an 83% increase in illness-related absence rates⁴.

The number of hospital admissions and emergency room visits for all respiratory causes (infections, respiratory failure, chronic bronchitis, etc.) including asthma shows a consistent increase as ambient ozone levels increase in a community. These excess hospital admissions and emergency room visits are observed when hourly ozone concentrations are as low as 60 to 100 ppb.

Numerous recent studies have found positive associations between increases in ozone levels and excess risk of mortality. These associations are strongest during warmer months but overall persist even when other variables including season and levels of particulate matter are accounted for. This indicates that ozone mortality effects may be independent of other pollutants⁵.

Multicity studies of short-term ozone exposures (days) and mortality have also examined regional differences. Evidence was provided that there were generally higher ozone-mortality risk estimates in northeastern U.S. cities, with the southwest and urban mid-west cities showing lower or no associations⁶. Another long-term study of a national cohort found that long-term exposures to ozone were associated with respiratory-related causes of mortality, but not cardiovascular-related causes, when PM_{2.5} exposure was also included in the analysis.

In the ongoing U.S. EPA review, it was concluded that there is adequate evidence for asthmatics to be a potentially at risk population⁷. Several population-based studies suggest that asthmatics are at risk from ambient ozone levels, as evidenced by changes in lung function, increased hospitalizations and emergency room visits.

³ U.S. EPA. (2006) Air Quality Criteria for Ozone and Related Photochemical Oxidants (2006 Final). U.S. Environmental Protection Agency, Washington, DC, EPA/600/R-05/004aF-cF

⁴ Gilliland FD, Berhane K, Rappaport EB, Thomas DC, Avol E, Gauderman WJ, London SJ, Margolis HG, McConnell R, Islam KT, Peters JM. (2001). "The Effects of Ambient Air Pollution on School Absenteeism Due to Respiratory Illnesses." *Epidemiology*, 12(1):43-54.

⁵ Bell ML, McDermott A, Zeger SL, Samet, JM, Dominici, F. (2004). "Ozone and Short-Term Mortality in 95 US Urban Communities, 1987-2000." *JAMA* 292:2372-2378.

⁶ Bell, ML; Dominici, F. (2008). Effect modification by community characteristics on the short-term effects of ozone exposure and mortality in 98 US communities. *Am J Epidemiol* 167: 986-997.

⁷ U.S. EPA. (2012) Integrated Science Assessment of Ozone and Related Photochemical Oxidants (Third External Review Draft). U.S. Environmental Protection Agency, Washington, DC, EPA/600/R-10/076C

Laboratory studies have also compared the degree of lung function change seen in age and gender-matched healthy individuals versus asthmatics and those with chronic obstructive pulmonary disease. In studies of individuals with chronic obstructive pulmonary disease, the degree of change evidenced did not differ significantly. That finding, however, may not accurately reflect the true impact of exposure on these respiration-compromised individuals. Since the respiration-compromised group may have lower lung function to begin with, the same total change may represent a substantially greater relative adverse effect overall. Other studies have found that subjects with asthma are more sensitive to the short-term effects of ozone in terms of lung function and inflammatory response.

Another publication from the Children's Health Study focused on children and outdoor exercise. In Southern California communities with high ozone concentrations, the relative risk of developing asthma in children playing three or more sports was found to be over three times higher than in children playing no sports⁸. These findings indicate that new cases of asthma in children may be associated with performance of heavy exercise in communities with high levels of ozone. While it has long been known that air pollution can exacerbate symptoms in individuals with preexisting respiratory disease, this is among the first studies that indicate ozone exposure may be causally linked to asthma onset.

The evidence linking these effects to air pollutants is derived from population-based observational and field studies (epidemiological) as well as controlled laboratory studies involving human subjects and animals. There have been an increasing number of studies focusing on the mechanisms (that is, on learning how specific organs, cell types, and biomarkers are involved in the human body's response to air pollution) and specific pollutants responsible for individual effects.

In addition, human and animal studies involving both short-term (few hours) and long-term (months to years) exposures indicate a wide range of effects induced or associated with ambient ozone exposure. These are summarized in Table 4-4.

Some lung function responses (volume and airway resistance changes) observed after a single exposure to ozone exhibit attenuation or a reduction in magnitude with repeated exposures. Although it has been argued that the observed shift in response is evidence of a probable adaptation phenomenon, it appears that while functional changes may exhibit attenuation, biochemical and cellular changes which may be associated with episodic and chronic exposure effects may not exhibit similar adaptation. That is, internal damage to the respiratory system may continue with repeated ozone exposures, even if externally observable effects (chest symptoms and reduced lung function) disappear. Additional argument against adaptation is that after several days or weeks without ozone exposures, the responsiveness in terms of lung function as well as symptoms returns.

In a laboratory, exposure of human volunteers to low levels of ozone causes reversible decrease in lung function as assessed by various measures such as respiratory volumes, airway resistance and reactivity, irritative cough and chest discomfort. Lung function changes have been observed with ozone exposure as low as 60 to 120 ppb for 6-8 hours under moderate exercising conditions. Similar lung volume changes have also been observed in adults and children under ambient

McConnell R, Berhane K, Gilliland F, London SJ, Islam T, Gauderman WJ, Avol E, Margolis HG, Peters JM. (2002). "Asthma in exercising children exposed to ozone: a cohort study." *Lancet*, 359:386-91.

exposure conditions (100 - 150 ppb 1-hour average). The responses reported are indicative of decreased breathing capacity and are reversible.

Table 4 -4
Adverse Health Effects of Ozone - Summary of Key Findings

OZONE CONCENTRATION AND EXPOSURE (ppm, hr)	HEALTH EFFECT
Ambient air containing 0.10 - 0.15 ppm daily 1-hr max over days to weeks; < 0.06 ppm (Max 8-hour average) < 0.069 ppm (Mean 8-hour average)	Decreased breathing capacity in children, adolescents, and adults exposed to O ₃ outdoors. Positive associations of ambient O ₃ with respiratory hospital admissions and Emergency Department (ED) visits in the U.S., Europe, and Canada with supporting evidence from single-city studies. Generally, these studies had mean 8-h max O ₃ concentrations less than 0.06 ppm. Positive associations between short-term exposure to ambient O ₃ and respiratory symptoms (e.g., cough, wheeze, and shortness of breath) in children with asthma. Generally, these studies had mean 8-hr max O ₃ concentrations less than 0.069 ppm.
≥0.12 ppm (1-3hr) ≥0.06 ppm (6.6hr) (chamber exposures)	Decrements in lung function (reduced ability to take a deep breath), increased respiratory symptoms (cough, shortness of breath, pain upon deep inspiration), increased airway responsiveness and increased airway inflammation in exercising adults. Effects are similar in individuals with preexisting disease except for a greater increase in airway responsiveness for asthmatic and allergic subjects. Older subjects (>50 yrs old) have smaller and less reproducible changes in lung function. Attenuation of response with repeated exposure.
≥0.12 ppm with prolonged, repeated exposure (chamber exposures)	Changes in lung structure, function, elasticity, and biochemistry in laboratory animals that are indicative of airway irritation and inflammation with possible development of chronic lung disease. Increased susceptibility to bacterial respiratory infections in laboratory animals.

From: U.S. EPA. (2012) Integrated Science Assessment of Ozone and Related Photochemical Oxidants (Third External Review Draft). U.S. Environmental Protection Agency, Washington, DC, EPA/600/R-10/076C

The results of several studies where human volunteers were exposed to ozone for 6.6 hours at levels between 40 and 120 ppb were recently summarized⁹.

In addition to controlled laboratory conditions, studies of individuals exercising outdoors, including children attending summer camp, have shown associations of reduced lung function with ozone exposure. There were wide ranges in responses among individuals. U.S. EPA's recent

⁹ Brown JS, Bateson TF, McDonnell WF (2008). Effects of Exposure to 0.06 ppm Ozone on FEV1 in Humans: A Secondary Analysis of Existing Data. Environ Health Perspect 116:1023-1026.

review indicates reductions of <1 to 4% in lung function when standardized to an increase of 30 ppb for an 8-hour maximum¹⁰.

Results of epidemiology studies support the relationship between ozone exposure and respiratory effects. Several, but not all, studies have found associations of short-term ozone levels and hospital admissions and emergency department admissions for respiratory-related conditions¹¹.

In laboratory studies, cellular and biochemical changes associated with respiratory tract inflammation have also been consistently found in the airway lining after low-level exposure to ozone. These changes include an increase in specific cell types and in the concentration of biochemical mediators of inflammation and injury such as Interleukin-1, Tumor Necrosis Factor α , and fibronectin. Indications of lung injury and inflammatory changes have been observed in healthy adults exposed to ozone in the range of 60 to 100 ppb for up to 6.6 hours with intermittent moderate exercise.

There may be interactions between ozone and other ambient pollutants. The susceptibility to ozone observed under ambient conditions could be modified due to the combination of pollutants that coexist in the atmosphere or ozone might sensitize these subgroups to the effects of other pollutants.

Some animal studies show results that indicate possible chronic effects including functional and structural changes of the lung. These changes indicate that repeated inflammation associated with ozone exposure over a lifetime may result in cumulative damage to respiratory tissue such that individuals later in life may experience a reduced quality of life in terms of respiratory function and activity level achievable. An autopsy study involving Los Angeles County residents, although conducted many years ago when pollutant levels were higher than currently measured, provided supportive evidence of lung tissue damage (structural changes) attributable to air pollution.

A study of birth outcomes in Southern California found an increased risk for birth defects in the aortic and pulmonary arteries associated with ozone exposure in the second month of pregnancy¹². This was the first study linking ambient air pollutants to birth defects in humans. Studies conducted since mostly focusing on cardiac and oral cleft defects have found mixed results, with some showing associations, but others did not.

In summary, adverse effects associated with ozone exposures have been well documented. Although the specific mechanisms of actions are not fully identified, there is a strong likelihood that oxidation of key enzymes and proteins and inflammatory responses play important roles.

U.S. EPA staff has provided conclusions on the causality on ozone health effects for the health outcomes¹³ evaluated (provided in Tables 4-5 and 4-6). To understand the meaning of the causal relationship between air pollution and health, Table 4-5 below shows the five descriptors used by U.S. EPA.

¹⁰ U.S. EPA. (2012) Integrated Science Assessment of Ozone and Related Photochemical Oxidants (Third External Review Draft). U.S. Environmental Protection Agency, Washington, DC, EPA/600/R-10/076C.

¹¹ U.S. EPA (2012) Policy Assessment for the Review of the Ozone National Ambient Air Quality Standards First External Review Draft EPA-452/P-12-002, August 2012

¹² Ritz B, Yu F, Fruin S, Chapa G, Shaw GM, Harris JA. (2002). "Ambient Air Pollution and Risk of Birth Defects in Southern California." *Am J Epidemiol*, 155(1):17-25

¹³ U.S. EPA. (2012) Integrated Science Assessment of Ozone and Related Photochemical Oxidants (Third External Review Draft). U.S. Environmental Protection Agency, Washington, DC, EPA/600/R-10/076C

The proposed project's localized impacts are less than significant short-term (maximum of 6 year delay) and no long-term health effects are expected.

Table 4 -5
Weight of Evidence Descriptions for Causal Determination

DETERMINATION	WEIGHT OF EVIDENCE
Causal Relationship	Evidence is sufficient to conclude that there is a causal relationship with relevant pollutant exposures. That is, the pollutant has been shown to result in health effects in studies in which chance, bias, and confounding could be ruled out with reasonable confidence. For example: a) controlled human exposure studies that demonstrate consistent effects; or b) observational studies that cannot be explained by plausible alternatives or are supported by other lines of evidence (e.g., animal studies or mode of action information). Evidence includes replicated and consistent high-quality studies by multiple investigators. Evidence is sufficient to conclude that there is a causal relationship with relevant pollutant exposures. That is, the pollutant has been shown to result in effects in studies in which chance, bias, and confounding could be ruled out with reasonable confidence. Controlled exposure studies (laboratory or small- to medium-scale field studies) provide the strongest evidence for causality, but the scope of inference may be limited. Generally, determination is based on multiple studies conducted by multiple research groups, and evidence that is considered sufficient to infer a causal relationship is usually obtained from the joint consideration of many lines of evidence that reinforce each other.
Likely To Be A Causal Relationship	Evidence is sufficient to conclude that a causal relationship is likely to exist with relevant pollutant exposures, but important uncertainties remain. That is, the pollutant has been shown to result in health effects in studies in which chance and bias can be ruled out with reasonable confidence but potential issues remain. For example: a) observational studies show an association, but copollutant exposures are difficult to address and/or other lines of evidence (controlled human exposure, animal, or mode of action information) are limited or inconsistent; or b) animal toxicological evidence from multiple studies from different laboratories that demonstrate effects, but limited or no human data are available. Evidence generally includes replicated and high-quality studies by multiple investigators.
Suggestive Of A Causal Relationship	Evidence is suggestive of a causal relationship with relevant pollutant exposures, but is limited because chance, bias and confounding cannot be ruled out. For example, at least one high-quality epidemiologic study shows an association with a given health outcome but the results of other studies are inconsistent.
Inadequate To Infer A Causal Relationship	Evidence is inadequate to determine that a causal relationship exists with relevant pollutant exposures. The available studies are of insufficient quantity, quality, consistency or statistical power to permit a conclusion regarding the presence or absence of an effect.
Not Likely To Be A Causal Relationship	Evidence is suggestive of no causal relationship with relevant pollutant exposures. Several adequate studies, covering the full range of levels of exposure that human beings are known to encounter and considering susceptible populations, are mutually consistent in not showing an effect at any level of exposure.

Adapted from U.S. EPA. (2009) Integrated Science Assessment for Particulate Matter (Final Report). U.S. Environmental Protection Agency, Washington, DC, EPA/600/R-08/139F

Table 4-6
Summary of Causal Determinations for Short-Term Exposures to Ozone

HEALTH CATEGORY	CAUSAL DETERMINATION
Respiratory Effects	Causal relationship
Cardiovascular Effects	Suggestive of a causal relationship
Central Nervous System Effects	Suggestive of a causal relationship
Effects on Liver and Xenobiotic Metabolism	Inadequate to infer a causal relationship
Effects on Cutaneous and Ocular Tissues	Inadequate to infer a causal relationship
Mortality	Likely to be a causal relationship

POTENTIAL ENVIRONMENTAL IMPACTS FOUND NOT TO BE SIGNIFICANT

While all the environmental topics required to be analyzed under CEQA were previously reviewed in the 2007 Final EA to determine if the proposed project could create significant impacts, the screening analysis concluded that the following environmental areas would not be significantly adversely affected by the proposed project: aesthetics, agriculture and forestry resources, biological resources, cultural resources, energy, geology and soils, hazards and hazardous materials, hydrology and water quality, land use and planning, mineral resources, noise, population and housing, public services, recreation, solid/hazardous waste, and transportation/traffic.

SIGNIFICANT IRREVERSIBLE ENVIRONMENTAL CHANGES

CEQA Guidelines §15126 (c) requires an environmental analysis to consider "any significant irreversible environmental changes which would be involved if the proposed action should be implemented." This Final SEA identified the topic of air quality and GHG during operation as the only environmental area potentially adversely affected by the proposed project.

Even though the proposed project could result in emission reductions foregone during operation that exceeds the applicable operational air quality significance threshold, they could for the following reasons not be expected to interfere with the air quality progress and attainment demonstration projected in the AQMP. Based on regional modeling analyses performed for the 2012 AQMP, implementing control measures contained in the 2012 AQMP, in addition to the air quality benefits of the existing rules, is anticipated to bring the district into attainment with all national and most state ambient air quality standards by the year 2023. Therefore, cumulative operational air quality impacts from the proposed project, previous amendments and all other AQMP control measures considered together, are not expected to be significant because implementation of all AQMP control measures is expected to result in net emission reductions and overall air quality improvement. This determination is consistent with the conclusion in the 2012 AQMP Final Program EIR that direct cumulative air quality impacts from all AQMP control measures are not expected to be significant (SCAQMD, 2012). For these reasons, the proposed project would not result in irreversible environmental changes or irretrievable commitment of resources.

POTENTIAL GROWTH-INDUCING IMPACTS

CEQA Guidelines §15126(d) requires an environmental analysis to consider the "growth inducing impact of the proposed action." Implementing the proposed project will not, by itself, have any direct or indirect growth-inducing impacts on businesses in the SCAQMD's jurisdiction because it is not expected to foster economic or population growth or the construction of additional housing and primarily affects only one existing biogas facility.

CONSISTENCY

CEQA Guidelines §15125(d) requires an EIR to discuss any inconsistencies between a proposed project and any applicable general plans or regional plans. SCAG and the SCAQMD have developed, with input from representatives of local government, the industry community, public health agencies, the USEPA - Region IX and CARB, guidance on how to assess consistency within the existing general development planning process in the Basin. Pursuant to the development and adoption of its Regional Comprehensive Plan Guide (RCPG), SCAG has developed an Intergovernmental Review Procedures Handbook (June 1, 1995). The SCAQMD also adopted criteria for assessing consistency with regional plans and the AQMP in its CEQA Air Quality Handbook. The following sections address the consistency between the proposed project and relevant regional plans pursuant to the SCAG Handbook and SCAQMD Handbook.

Consistency with Regional Comprehensive Plan and Guide (RCPG) Policies

The RCPG provides the primary reference for SCAG's project review activity. The RCPG serves as a regional framework for decision making for the growth and change that is anticipated during the next 20 years and beyond. The Growth Management Chapter (GMC) of the RCPG contains population, housing, and jobs forecasts, which are adopted by SCAG's Regional Council and that reflect local plans and policies, shall be used by SCAG in all phases of implementation and review. It states that the overall goals for the region are to: 1) re-invigorate the region's economy; 2) avoid social and economic inequities and the geographical isolation of communities; and, 3) maintain the region's quality of life.

Consistency with Growth Management Chapter (GMC) to Improve the Regional Standard of Living

The Growth Management goals are to develop urban forms that enable individuals to spend less income on housing cost, that minimize public and private development costs, and that enable firms to be more competitive, and strengthen the regional strategic goal to stimulate the regional economy. The proposed project in relation to the GMC would not interfere with the achievement of such goals, nor would it interfere with any powers exercised by local land use agencies. Further, the proposed project will not interfere with efforts to minimize red tape and expedite the permitting process to maintain economic vitality and competitiveness.

Consistency with Growth Management Chapter (GMC) to Provide Social, Political and Cultural Equity

The Growth Management goals to develop urban forms that avoid economic and social polarization promotes the regional strategic goals of minimizing social and geographic disparities and of reaching equity among all segments of society. Consistent with the Growth Management goals, local jurisdictions, employers and service agencies should provide adequate training and retraining of workers, and prepare the labor force to meet the challenges of the regional economy. Growth Management goals also include encouraging employment development in job-poor localities through support of labor force retraining programs and other economic development measures. Local jurisdictions and other service providers are responsible to develop sustainable communities and provide, equally to all members of society, accessible and effective services such as: public education, housing, health care, social services, recreational facilities, law enforcement, and fire protection. Implementing the proposed project has no effect on and, therefore, is not expected to interfere with the goals of providing social, political and cultural equity.

Consistency with Growth Management Chapter (GMC) to Improve the Regional Quality of Life

The Growth Management goals also include attaining mobility and clean air goals and developing urban forms that enhance quality of life, accommodate a diversity of life styles, preserve open space and natural resources, are aesthetically pleasing, preserve the character of communities, and enhance the regional strategic goal of maintaining the regional quality of life. The RCPG encourages planned development in locations least likely to cause environmental impacts, as well as supports the protection of vital resources such as wetlands, groundwater recharge areas, woodlands, production lands, and land containing unique and endangered plants and animals. While encouraging the implementation of measures aimed at the preservation and protection of recorded and unrecorded cultural resources and archaeological sites, the plan discourages development in areas with steep slopes, high fire, flood and seismic hazards, unless complying with special design requirements. Finally, the plan encourages mitigation measures that reduce noise in certain locations, measures aimed at preservation of biological and ecological resources, measures that could reduce exposure to seismic hazards, minimize earthquake damage, and develop emergency response and recovery plans. The proposed project has no impact on any of these issues except air quality. However, since the project would not interfere with the AQMP, it will not be inconsistent with the goal of improving the regional quality of life. Therefore, in relation to the GMC, the proposed project is not expected to interfere, but rather help with attaining and maintaining the air quality portion of these goals.

Consistency with Regional Mobility Element (RMP) and Congestion Management Plan (CMP)

PAR 1110.2 is consistent with the RMP and CMP since no significant adverse impact to transportation/circulation will result from the ~~temporary delay~~ of NOx, VOC and CO emission reductions foregone within the District. Because affected facilities will not increase their handling capacities, there will not be an increase in material transport trips associated with the implementation of PAR 1110.2. Therefore, PAR 1110.2 is not expected to adversely affect circulation patterns or congestion management.

CHAPTER 5

ALTERNATIVES

Introduction

Project Objectives

Alternatives Rejected as Infeasible

Alternatives Summary

Description of Project Alternatives

Comparison of Alternatives

Lowest Toxic and Environmentally Superior Alternatives

Conclusion

INTRODUCTION

This Final SEA provides a discussion of alternatives to the proposed project as required by CEQA. A range of reasonable alternatives to the proposed project shall include measures that feasibly attain most of the project objectives and provide a means for evaluating the comparative merits of each alternative. A 'no project' alternative must also be evaluated. The range of alternatives must be sufficient to permit a reasoned choice, but need not include every conceivable project alternative. CEQA Guidelines §15126.6 (c) specifically notes that the range of alternatives required in a CEQA document is governed by a 'rule of reason' and only necessitates that the CEQA document set forth those alternatives necessary to permit a reasoned choice. The key issue is whether the selection and discussion of alternatives fosters informed decision making and meaningful public participation. A CEQA document need not consider an alternative whose effect cannot be reasonably ascertained and whose implementation is remote and speculative. SCAQMD Rule 110 (the rule which implements the SCAQMD's certified regulatory program) does not impose any greater requirements for a discussion of project alternatives in an environmental assessment than is required for an EIR under CEQA.

PROJECT OBJECTIVES

As noted in Chapter 2, CEQA Guidelines §15124(b) requires the project description to include a statement of objectives sought by the proposed project, including the underlying purpose of the proposed project. Compatibility with project objectives is one criterion for selecting a range of reasonable project alternatives and provides a standard against which to measure project alternatives. The project objectives identified in the following bullet points have been developed: 1) in compliance with CEQA Guidelines §15124 (b); and, 2) to be consistent with policy objectives of the SCAQMD's desire to implement AQMP, yet allow feasible compliance dates. The project objectives are as follows:

- Provide relief for the facility operator of MM PRIMA DESHECHA ENERGY, LLC, or any of its successors, from the emissions requirements specified in Table III-B of Rule 1110.2, provided the facility has met specific criteria;
- Maintain the lower limits on NO_x, VOC, and CO emissions from the combustion of gaseous and liquid biogas engines;
- Aside from temporary air quality impacts, avoid generating any new adverse environmental impacts.

ALTERNATIVES REJECTED AS INFEASIBLE

A CEQA document should identify any alternatives that were considered by the lead agency, but were rejected as infeasible during the scoping process and explain the reasons underlying the lead agency's determination (CEQA Guidelines §15126.6(c)). While the scope and goals of proposed projects may be relatively specific, a variety of options can be considered as alternatives to the proposed project. The following alternatives have been eliminated from further detailed consideration in the Final SEA for the following reasons: 1) they fail to meet the most basic project objectives, 2) they are infeasible as defined by CEQA (CEQA Guidelines §15364), or 3) they are unable to avoid significant impacts (CEQA Guidelines §15126.6(c)).

Trucking Gas Offsite

This potential alternative would require the affected facility needing the six years of additional time to truck their biogas offsite. However, trucking the gas offsite would be technically challenging and have safety issues. The biogas would need to be cleaned before use and be trucked to a facility that would be able to process the gas. There would be additional air quality impacts due to the truck emissions and processing of the gas. Also the facilities would lose the benefit of using their gas for electricity generation. While this potential alternative would reduce NO_x, VOC and CO emissions from the combustion of gaseous and liquid fuels from their engines, thus generating an air quality benefit, this alternative has been eliminated from consideration because it does not meet the third basic project objective: to avoid any new adverse environmental impacts. Based on these reasons, this alternative will not be further considered.

Compress for Gas Sales and Pipeline

This potential alternative would require the affected facility needing the six years of additional time to compress their biogas for sale and send the biogas to a pipeline. There are several reasons on why this is infeasible: safety, legality, land availability, consistent gas, and proximity of a pipeline. Under this alternative, the gas would be sold to a local biogas provider rather than being used onsite with biogas engines. In addition, a gas processing plant (Gas Plant) would be required to meet the provider's specifications. A Gas Plant may be comprised of initial compression of field gas (i.e. compressor, scrubbers), dehydration (i.e. separators, scrubbers, condensers, stabilization units, heat exchangers, chillers, glycol separators and filters, glycol pumps, glycol regenerator/reboiler, compressors, other refrigeration equipment items, natural gas liquid vessel/tanks), potential CO₂ removal in an amine unit (gas and liquid separators, amine contactor, amine filter, amine vessel/tank, heat exchanger and reboiler, cooler, pumps, etc.), and flares and/or permitted microturbines to combust tail gas from the gas sales equipment. In addition to the Gas Plant, gas metering and odorizing equipment would be required by the local gas provider and the US DOT. Also, the facilities would lose the benefit of using their gas for electricity generation. While this potential alternative would reduce NO_x, VOC and CO emissions from the combustion of gaseous and liquid fuels from their engines, thus generating an air quality benefit, this alternative has been eliminated from consideration because, as mentioned above, it is not technology feasible due to safety, legality, land availability, consistent gas, and proximity of a pipeline. Additionally, by operators using their biogas engines to generate their own electricity, they are part of the State's renewable energy portfolio. Lastly, this alternative does not meet the third basic project objective: to avoid any adverse environmental impacts. Based on these reasons, this alternative will not be further considered.

ALTERNATIVES SUMMARY

The proposed project and three alternatives to the proposed project are summarized in Table 5-1: Alternative A (No Project), Alternative B (Replace Flare) and Alternative C (New Micro Turbines). Pursuant to CEQA Guidelines §15126.6 (b), the purpose of an alternatives analysis is to reduce or avoid potentially significant adverse effects that a project may have on the environment. The environmental topic area identified in the July 2015 NOP/IS that may be adversely affected by the proposed project is air quality and greenhouse gases impacts. A comprehensive analysis of potential air quality impacts is included in Chapter 4 of this document. This chapter provides a comparison of the potential air quality impacts from each of the project alternatives relative to the proposed project, which are summarized in Table 5-2. That analysis concluded that only air quality impacts have the potential to be significant. Aside from air quality, no other significant adverse impacts were identified for the proposed project and the following analyzes the project alternatives. As indicated in the following discussions, the proposed project

is considered to provide the best balance between meeting the objectives of the project while minimizing potentially significant adverse environmental impacts.

Table 5-1
Summary of PAR 1110.2 and Project Alternatives

Project	Project Description
<p align="center">Alternative A (No Project)</p>	<p>The proposed project would not be adopted and the current universe of equipment at biogas facilities will continue to be subject to the NO_x, VOC and CO emission limits according to the current compliance schedule in Rule 1110.2. If facilities cannot comply with the existing rule, operators may shut down their biogas engines and release their gas through their existing flares. The facilities would purchase more electricity.</p>
<p align="center">Alternative B (Replace Flares)</p>	<p>Through additional rulemaking, biogas facilities not meeting the current Rule 1110.2 biogas emission limits would be required to process the biogas through new cleaner and efficient flares under a separate rule. The new flares' emissions would be lower than the NO_x, CO, and VOC emissions of the proposed project. GHG emissions would increase from power plants needed to generate electricity that would otherwise be generated from the biogas engines and backup diesel engines. All other requirements and conditions in the proposed project would be applicable.</p>
<p align="center">Alternative C (New Micro Turbines)</p>	<p>Through additional rule making, biogas facilities not meeting the current Rule 1110.2 biogas emission limits would be required to process the biogas through new micro turbines to handle their facilities' biogas under a separate rule. The new microturbines' emissions would be comparable to the NO_x, CO, and VOC emissions of the proposed project. GHG emissions would increase from backup diesel engines. All other requirements and conditions in the proposed project would be applicable.</p>

Table 5-2
Comparison of Environmental Impacts of the Alternatives

Category	Proposed Project	Alternative A: No Project	Alternative B: Replace Flares	Alternative C: New Micro Turbines
Air Quality Impacts: Construction	This proposed amendment does not have any construction impacts.	No construction impacts.	Minor construction impacts associated with replacing flares.	Minor construction impacts associated with installing new micro turbines.
Significant?	No	No	No	No
Air Quality Impacts: Operation	Approximately 0.07 tons of NOx, 0.01 tons/day of VOC, and 0.08 tons/day of CO peak daily emission reductions <u>foregone from 2017 through 2022</u> delayed; emission reductions are not permanent will be recaptured in compliance year 2022; emissions foregone from the temporary delay would exceed the SCAQMD CEQA significance thresholds for operation.	Fewer emissions than proposed project due to delay in emission reductions <u>foregone</u> ; however, no co-benefit of electricity production because biogas engines would not be able to meet current limits and would likely shut down; there would be additional emissions from power plants and backup engines; thus, these emissions would still exceed the SCAQMD CEQA significance thresholds for operation.	Due to the new flares being more efficient in combustion than the biogas engines, there would be less NOx, VOC and CO emissions than the proposed project; however, there would be additional emissions from power plants and backup engines and these emissions would still exceed the SCAQMD CEQA significance thresholds for operation.	Due to the new microturbines being more efficient in combustion than the biogas engines, there would be slightly less NOx and CO emissions than the proposed project; however, there would be an increase in VOC emissions compared to the proposed project; there would be additional emissions from backup engines and these emissions would still exceed the SCAQMD CEQA significance thresholds for operation.
Significant?	Yes	Yes	Yes	Yes

Category	Proposed Project	Alternative A: No Project	Alternative B: Replace Flares	Alternative C: New Micro Turbines
Air Quality Impacts: GHG	None; since GHG emissions are based on fuel usage, the GHG emissions will remain the same no matter the type of combustion source.	Same as proposed project	GHG emissions would increase from power plants and back up diesel engines; however the emissions are less than the SCAQMD CEQA significance threshold for GHG.	GHG emissions would increase from back up diesel engines; however, the emissions are less than the SCAQMD CEQA significance threshold for GHG.
Significant?	No	No	No	No

DESCRIPTION OF PROJECT ALTERNATIVES

The project alternatives described in the following subsections were developed by modifying specific components of the proposed project. The rationale for selecting and modifying specific components of the proposed project to generate feasible alternatives for the analysis is based on CEQA's requirement to present "realistic" and "potentially feasible" alternatives: that is, alternatives that can actually be implemented. When considering approval of the proposed project, the SCAQMD's Governing Board may choose all of or portions of any of the alternatives analyzed, as well as variations on the alternatives, since the comparative merits of the project alternatives have been analyzed and circulated for public review and comment along with the analysis of the proposed project. The main components of the proposed project and each project alternative are summarized in Table 5-3. A complete description of the proposed project can be found in Chapter 2 (Project Description) and any element of the proposed project not listed will remain the same for Alternatives B and C.

Table 5-3
Comparison of Key Components of the Proposed Project to the Alternatives

Proposed Project (Key Components)	Alternative A: No Project	Alternative B: Replace Flares	Alternative C: New Micro Turbines
<p>Delays-Relief from compliance with lower NOx, VOC, and CO emission limits, provided the facility meets specific criteria, including commitment from the operator to permanently remove all equipment subject to Rule 1110.2 by October 1, 2022</p>	<p>No change in current NOx, VOC, and CO emission reductions pursuant to Rule 1110.2; however, no co-benefit of electricity production because biogas engines would not be able to meet current limits and would likely shut down; there would also be additional emissions from power plants and backup engines</p>	<p>Additional delay in NOx, VOC, and CO emissions reductions would occur compared to the proposed project due to the time challenges in rulemaking, engineering, permitting, and installation; there would also be additional emissions from power plants and backup engines</p>	<p>Additional delay in NOx, VOC, and CO emissions reductions would occur compared to the proposed project due to the time challenges in rulemaking, engineering, permitting, and installation</p>

Alternative A - No Project

CEQA Guidelines §15126.6 requires evaluation of a no project alternative to allow decision makers to compare the impacts of approving the proposed project with the impacts of not approving the proposed project. The No Project Alternative assumes that the proposed project or Alternatives B or C would not be adopted.

Alternative A or ‘no project’ means that the current affected equipment will continue to be subject to the NOx, CO, and VOC emission limits according to the current compliance schedule in Rule 1110.2. ~~By not delaying the compliance schedule for biogas engines~~ providing the relief in PAR 1110.2, one facility will continue to experience compliance challenges. The no project alternative is not economically feasible because the affected facility has entered into a PPA and is scheduled to shut down in 2022. Thus, under Alternative A, the owner/operator of the equipment not able to meet the applicable NOx, VOC, and CO emission limits by the applicable compliance date will need to shut down the equipment and use their existing flares to flare their biogas or apply for a variance. By flaring the biogas, the operators will lose the benefit of harnessing the available energy. There may be lower criteria pollutant emissions under this scenario, however, there would be additional GHG emissions from power plants to generate electricity that would otherwise be generated from the biogas engines and backup diesel engines (See the 2012 Addendum to the 2007 Final EA for details). The alternative emissions comparisons in Table 5-4 were calculated using emissions from the one known facility in the SCAQMD that would be affected by the proposed project.

Table 5-4
Comparison of Emissions with Alternative A

Alternative:	NOx (tpd)	VOC (tpd)	CO (tpd)	CO2e (MT/yr)
Existing Setting	0.1	0.03	0.5	31,132
Full Compliance with Rule Limits	0.03	0.02	0.42	31,132
Alternative A (on-site)*	0.05	0.03	0.48	31,163
Alternative A (on-site and off-site)*	0.05	0.04	0.69	31,175

*On-site emissions include backup diesel engines, and off-site emissions include electricity generation.

Alternative B – Replace Flares

Alternative B is a potential alternative that would require the affected facility to upgrade their existing flares to new flares through separate rulemaking. The facility would be required to process the biogas through cleaner flares. As discussed in Chapter 4, GHG impacts would be the same as the fuel usage does not change; however, there would be an increase in GHG from the power plants and backup diesel engines. Under Alternative B, the amount of GHG emissions would increase from electricity generation (power plants and backup diesel engines), but direct VOC and CO emissions will decrease (see Table 5-5) as compared to the proposed project. There would also be additional minor construction emissions compared to the proposed project. Furthermore, there would be additional delays due to the time it would take to develop a new rule, engineer, permit, and install the new flares. Even though Alternative B does not achieve the goals of the proposed project, it is the environmentally superior alternative in accordance with CEQA Guidelines §15126.6(e)(2) because it will result in the lowest level of NOx, VOC, and CO emissions thus, improving the air quality in the District. The alternative emissions comparisons were calculated using emissions from the one known facility in the SCAQMD that would be affected by the proposed project. See Appendix B of this Final SEA for calculations.

Table 5-5
Comparison of Emissions with Alternative B

Alternative:	NOx (tpd)	VOC (tpd)	CO (tpd)	CO2e (MT/yr)
Existing Setting	0.10	0.03	0.50	31,132
Full Compliance with Rule Limits	0.03	0.02	0.42	31,132
Alternative B (on-site)*	0.04	0.01	0.06	31,163
Alternative B (on-site and off-site)*	0.04	0.03	0.28	31,175

*On-site emissions include backup diesel engines, and off-site emissions include electricity generation.

Alternative C – New Micro Turbines

Alternative C is a potential alternative that would require the affected facility to replace their existing engines with new microturbines through separate rulemaking. The facility would be required to process the biogas through the newly installed microturbines. Additional minor construction emissions would occur with Alternative C, because there are no construction activities associated with the proposed project. As discussed in Chapter 4, GHG impacts would be the same

as the fuel usage does not change; however, there would be an increase in GHG emissions from backup diesel engines. Under Alternative C, the amount of NOx emissions would decrease while the VOC, CO and GHG emissions will increase relative to the proposed project (see Table 5-6). The alternative emissions comparisons were calculated using emissions from the one known facility in the SCAQMD that would be affected by the proposed project. See Appendix B of this Final SEA for calculations.

Table 5-6
Comparison of Emissions for Proposed Project and Alternative C

Alternative:	NOx (tpd)	VOC (tpd)	CO (tpd)	CO2e (MT/yr)
Existing Setting	0.10	0.03	0.50	31,132
Proposed Project Future Emissions	0.10	0.03	0.50	31,132
Alternative C (on-site)	0.05	0.07	0.67	31,163

COMPARISON OF ALTERNATIVES

The Environmental Checklist (see Chapter 2 of the July 2015 Initial Study) identified only air quality and greenhouse gas emissions during operations as the environmental area that could be significantly adversely affected by the proposed project. The following section describes the potential adverse operational air quality impacts that may be generated by each project alternative compared to the proposed project. A summary of the adverse operational air quality impacts for the proposed project and each project alternative are also provided in Table 5-2. No other environmental topics other than operational air quality were determined to be potentially significantly adversely affected by implementing any project alternative.

Alternative A - No Project

Unlike the proposed project, it is not anticipated that Alternative A would generate significant adverse impacts during operation because the owner/operator of affected equipment would be expected to comply with the applicable NOx, VOC, and CO limits in accordance with the current compliance schedule for existing (in-use) equipment in Rule 1110.2. Instead, the owner/operator of the affected equipment would continue existing operations in compliance with the current NOx, VOC, and CO limits and non-compliant equipment would need to be shutdown. By not adopting the proposed project, current operations mean that the owner/operator of affected equipment would not be able to ~~delay~~ get relief from the compliance schedule. Thus, under Alternative A, the owner/operator of equipment not able to meet the applicable NOx, VOC, and CO emission limits by the applicable compliance date will need to shut down the equipment and use their existing flares to flare their biogas or apply for a variance to comply. By flaring the biogas, the operator will lose the benefit of harnessing the available energy. Additionally, there would be GHG emissions from power plants needed to generate electricity that would otherwise be generated from the biogas engines and backup diesel engines. (See 2012 Addendum to the 2007 Final EA for details)

Alternative A will achieve the emission reduction goals of Rule 1110.2; however, it does not achieve all of the goals of the proposed project because it does not provide relief for one biogas facility that has met specific criteria and who are not able to meet the current compliance deadlines due to an already existing PPA.

Alternative B – Replace Flares

Alternative B proposes the same emission limits as the proposed project, but instead of using their biogas engines, the facility would need to replace their existing flares with new efficient flares. This would be required under a separate rule making. The flares' NO_x, CO, and VOC emissions would be lower than the proposed project. If Alternative B were implemented, GHG emissions will increase from electricity generation (power plants and backup diesel engines), but less NO_x, VOC and CO emissions would be emitted when compared to the proposed project (see Table 5-4 for comparison). However, the increase in GHG emissions is less than the SCAQMD CEQA significance threshold for GHG.

Alternative C – New Micro Turbines

Alternative C proposes the same emission limits as the proposed project. Instead of using biogas engines, the facility would need to install new micro turbines to meet the emissions limits. This would require a separate rule making. If Alternative C were implemented, potentially less NO_x and CO emissions would be emitted when compared to the proposed project, but there would be an increase in VOC and GHG emissions (see Table 5-6 for comparison). However, the increase in GHG emissions is less than the SCAQMD CEQA significance threshold for GHG. There also would be potential issues with noise, aesthetics, and availability of land for operators.

LOWEST TOXIC AND ENVIRONMENTALLY SUPERIOR ALTERNATIVES

In accordance with SCAQMD's policy document Environmental Justice Program Enhancements for FY 2002-03, Enhancement II-1 recommends that all SCAQMD CEQA assessments include a feasible project alternative with the lowest air toxics emissions. In other words, for any major equipment or process type under the scope of the proposed project that creates a significant environmental impact, at least one alternative, where feasible, shall be considered from a "least harmful" perspective with regard to toxic air emissions.

Implementing Alternative B has the lowest impacts in emissions and the best corresponding health benefits when compared to the proposed project, Alternative A or Alternative C. Thus, Alternative B is considered to be the environmentally superior alternative. However, Alternative B would not fulfill one of the three objectives of the proposed project as listed earlier in this chapter. Alternative B would not provide relief for the affected biogas facility facilities from Rule 1110.2 because the operator of the biogas engines (MM PRIMA DESHECHA ENERGY, LLC) does not have the authority to replace the existing flares at the landfill, and it would eliminate using the landfill gas for beneficial use (electricity generation). ~~provided the facility has met specific criteria, including a commitment from the operator to permanently remove all equipment subject to Rule 1110.2 by October 1, 2022.~~ Therefore, the proposed project is the most superior.

CONCLUSION

By not adopting the proposed project, Alternative A would not ~~delay forego~~ the operational subject emission reductions and will achieve the same emission reductions currently required under Rule 1110.2. However, Alternative A would not achieve one of the project objectives for the proposed project because Alternative A will not provide relief for biogas facilities from Rule 1110.2 provided the facility has met specific criteria, including a commitment from the operator to permanently remove all equipment subject to Rule 1110.2 by October 1, 2022.

If Alternative B were implemented, the energy benefit from harnessing the biogas would be lost. Although the NO_x, VOC, and CO emissions would be reduced, more GHG emissions would be

emitted when compared to the proposed project. Alternative B would not meet all of the project's objectives.

If Alternative C were implemented, there would be an energy benefit and there would be less NOx and CO emissions as compared to the proposed project. However, there would be an increase in VOC and GHG emissions. There might also be potential noise and aesthetics impacts as compared to the proposed project. Alternative C would not meet all of the project's objectives.

Thus, when comparing the environmental effects of the project alternatives with the proposed project and evaluating the effectiveness of achieving the project objectives of the proposed project versus the project alternatives, the proposed project provides the best balance in achieving the project objectives while minimizing the adverse environmental impacts to air quality.

APPENDICES

APPENDIX A

PROPOSED AMENDED RULE 1110.2

In order to save space and avoid repetition, please refer to the latest version of Proposed Amended Rule 1110.2 located in the June 3, 2016 Governing Board Package. The version of Proposed Amended Rule 1110.2 that was circulated with the Draft SEA released on March 29, 2016 for a 45-day public review and comment period ending May 13, 2016 was “PAR 1110.2 March 25, 2016”.

Original hard copies of the Draft SEA, which include the draft version of the proposed rule listed above, can be obtained through the SCAQMD Public Information Center at the Diamond Bar headquarters or by calling (909) 396-2039.

APPENDIX B

ASSUMPTIONS AND CALCULATIONS

Biogas

Fuels

CO2 EF	0.0750332	lb/scf	CH4 EF	4.62E-06	lb/scf	N2O EF	9.10514E-06	lb/scf
	75,033.20	lb/MMscf		4.620913	lb/MMscf		9.105139002	lb/MMscf
CO2	180,945.13	lb/day	CH4	11.14	lb/day	N2O	21.96	lb/day
	29,965.96	MT/yr		1.85	MT/yr		3.64	MT/yr

Other Biomass Gases

CO2 Factor	CH4 Factor	N2O Factor
kg per scf	g per scf	g per scf
0.034106	0.002096	0.00413

<http://www.epa.gov/climateleadership/documents/emission-factors.pdf>

Flares Operational Emissions

CEB (flare) Max Gas Capacity 39,460,000 BTU/hr
 Avg of Landfill & Digester HHV¹ 738 BTU/scf

Project Operating Conditions

Total # of CEBs (flares)	2	
Fuel Usage Per CEB	1.3	MMscf/day
	39.460	MMBtu/hr

¹. Source C65
 MT

Landfill and Digester Fuel Usage 2.41 MMscf/day

Project: CEBs Criteria Pollutant Emissions

Pollutant	Emission Factors ¹	Emissions Per CEB ²		Emissions for All CEBs		
		(lbs/day)	(lbs/yr)	(lbs/day)	(lbs/yr)	(tpd)
VOC	0.0042 lb/MMBtu	4.0	1,452	7.5	2,728	0.00
NO _x	0.018 lb/MMBtu	17.0	6,222	32.0	11,693	0.02
CO	0.0074 lb/MMBtu	7.0	2,558	13.2	4,807	0.01

¹. VOC, NO_x and CO emissions factors were obtained from manufacturer specifications. The PM emission factor is from AP-42 Table 13.5-1, note C (Industrial flares).

². Emissions are calculated using 737 Btu/scf as the heating value

Project: CEBs GHG Emissions

Pollutant	Emission Factors ¹ (lb/MMscf)	Emissions Per CEB (MT/yr)	Total Emissions for All CEBs (MT/yr)	Global Warming Potential ²	CO ₂ e Emissions Per CEB (MT/yr)	CO ₂ e Emissions for All CEBs (MT/yr)
CH ₄	4.6	0.98	1.85	21	20.62	38.8
N ₂ O	9.11	1.93	3.64	310	599.85	1,127.3
CO ₂	75,033	15,946	29,966	1	15,946	29,966
Total CO₂e Emissions:					16,566	31,132

¹. EPA's Emissions Factors for GHG Inventories 2011

². Global warming potentials are from Table 1 of SCAQMD Rule 2700.

Microturbine Emissions

MT Heat Input Capacity 872,000 BTU/hr
 Landfill & Digester HHV 738 BTU/scf

Cumulatives: Addition of Microturbines

Total # of Microturbines	85
Rating of each Microturbine	65 kW
Fuel Usage per Microturbine	28,358 scf/day
	0.028

Landfill and Digester Gas Fuel Usage 2 MMscf/day
 2411534 scf/day

Cumulatives: Microturbines Criteria Pollutant Emissions

Pollutant	Emission Factors	Emissions Microturbines		(tpd)
		(lbs/day)	(lbs/yr)	
VOC	1.0 lb/MW-hr	132.7	48,422	0.07
NO _x	0.5 lb/MW-hr	66.3	24,211	0.03
CO	6.0 lb/MW-hr	796	290,530	0.40

¹ VOC, NO_x and CO emission factors are from the CARB Certification for Capstone C65 Microturbines (Executive Order DG-030-A).

Cumulatives: Microturbines GHG Emissions

Pollutant	Emission Factors ¹ (lbs/MMscf)	Emissions (MT/yr)	All MT Emissions	Global Warming Potentials ²	CO ₂ e Emissions (MT/yr)
CH ₄	4.6	0.022	1.845	21	38.8
N ₂ O	9.1	0.043	3.636	310	1,127.3
CO ₂	75,033	352	29,965.959	1	29,966.0
Total CO₂e Emissions:					31,132

¹ Emission factors for GHG Inventories, EPA

² Global warming potentials are from Table 1 of SCAQMD Rule 2700.

Proposed Amendments to Rule 1110.2 – Emissions From Gaseous- and Liquid- Fueled Engines

SCAQMD Governing Board Meeting
June 3, 2016

Background

- Rule amended in December 2015
- Staff received direction from the Board to return with an amendment, after satisfying CEQA, that would exempt one particular facility from meeting the emissions requirements of Rule 1110.2 by January 2017
- Facility – MM Prima Deshecha Energy (owned by Fortistar) located in San Juan Capistrano
- Facility cannot economically install emission controls due to a power purchase agreement (PPA) that expires on October 1, 2022
 - 2 biogas engines
 - Estimated ~\$3M per engine to comply with rule requirements
 - Estimated cost effectiveness of ~\$59K/ton reduced

Proposed Amendment

- Subdivision (i), Exemptions, would require the facility to submit a retirement plan for the permanent shutdown of all equipment subject to Rule 1110.2
 - Steps and schedule to remove equipment or render it permanently inoperable at the end of the PPA term
 - Must be submitted before July 1, 2016 and be approved before January 1, 2017

Public Process

- **Public Workshop & Stationary Source Committee**
 - After the CEQA document was released, other facilities came forward and would also like to be considered for an exemption
- Staff has met with facilities to gather more information on individual situations
- Further significant impacts would need to be analyzed under CEQA and, if included, would delay this rulemaking and not meet the Board directive
- Per SSC, staff will continue to work with facilities to determine available options for emissions control and beneficial use of biogas

Impact Summary

■ Socioeconomic

- Provide financial relief (~\$6M)

■ CEQA

- Significant environmental impact (NO_x)
- Foregone emission reductions for 5 years
 - 0.07 tpd NO_x
 - 0.01 tpd VOC
 - 0.08 tpd CO
- However, complete shutdown after 5 years (2022)
- No mitigation options identified – Statement of Findings and Overriding Considerations prepared

Staff Recommendation

- Adopt Resolution:
 - Certifying the CEQA Subsequent Environmental Assessment, including Statement of Findings and Overriding Considerations
 - Amending Rule 1110.2 – Emissions from Gaseous- and Liquid-Fueled Engines