



South Coast Air Quality Management District

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LOCAL GOVERNMENT & SMALL BUSINESS ASSISTANCE ADVISORY GROUP FRIDAY, NOVEMBER 14, 2008 MEETING MINUTES

MEMBERS PRESENT:

Dennis Yates, AQMD Governing Board Member, LGSBA Chairman
Greg Adams, L.A. County Sanitation District
Paul Avila, P.B.A. & Associates
Geoffrey Blake, Metal Finishers of Southern California/All Metals
Eric Busch, Representative, South Bay Cities Council of Governments
Daniel Cunningham, Metal Finishing Association
Jacob Haik, Office of School Board Member Richard Vladovic
Maria Elena Kennedy, Kennedy Communications
James R. Krausz, Esq., ALA Inland Counties
Art Montez, AMA International
Steve Mugg, South Orange County Representative, City of Mission Viejo

MEMBERS ABSENT:

Ronald Loveridge, AQMD Governing Board Member, LGSBA Vice Chairman
Felipe Aguirre, Vice Mayor, City of Maywood
Todd Campbell, Clean Energy
Barbara Hanna, Council Member, City of Banning
Angelo Logan, East Yard Communities for EJ
Harold Martinez, Able Industrial Products, Inc.
Kelly Moulton, Paralegal
Todd Priest, Representative, Orange County Business Council

OTHERS PRESENT:

Earl Elrod, Board Member Assistant (*Yates*)
Nicole Nishimura, Board Member Assistant (*Lyou*)

AQMD STAFF:

Leah Alfaro, Office Assistant
Wayne Barcikowski, Air Quality Specialist
Naveen Berry, Planning and Rules Manager
Shah Dabirian, Air Quality Specialist
Nancy Feldman, Sr. Deputy District Counsel
Chung Liu, Deputy Executive Officer

Lourdes Cordova Martinez, Community Relations Manager
John Olvera, Principal Deputy District Counsel
Gary Quinn, Program Supervisor
Theresa Real, Secretary
Dean Saito, Planning and Rules Manager
Laki Tisopulos, Asst. Deputy Executive Officer
Gregory Ushijima, Air Quality Engineer II
Kim White, Public Affairs Specialist

Agenda Item #1 - Call to Order/Opening Remarks

Chair Dennis Yates called the meeting to order at 10:04 a.m.

Agenda Item #2 – Approval of October 10, 2008 Meeting Minutes/Review of Follow-Up/Action Items

Chair Yates called for approval of the meeting minutes.

The October 10, 2008 meeting minutes were approved.

Mr. Greg Adams commented that a Southern California Association of Governments (SCAG) overview of Senate Bill 375 would be beneficial to the group. He additionally requested that SCAG provide an update on discouraging sprawl development and dependence on car travel.

- Action item:* An overview of SB 375 to be provided.
✓ An overview of SB 375 to be agendized for Dec. 12 meeting.

Agenda Item #3 – Proposed Rule 1144 (Lubricants and Rust Inhibitors)

Mr. Naveen Berry gave a presentation on Proposed Rule 1144 (Lubricants and Rust Inhibitors).

Mr. Art Montez asked for clarification regarding the testing process and wanted to know if there is a consistency between the two testing methods. Mr. Berry replied that during the testing process, the findings showed that the repeatability of Test Method 24 is not as sound for low VOC products as it is for the higher VOC products. Mr. Berry added that the AQMD uses SCAQMD Draft Test Method 313-L when testing clean air solvents that are at 25 grams per liter or below as AQMD has found that Test Method 24 becomes less reliable as the VOC levels drop. Mr. Montez asked whether the AQMD will follow-up on those products that are not compliant, to see if it was due to lack of a proper testing method. Mr. Berry replied that industry is aware of the rules and regulations for coatings and solvents as this new test mechanism has already been incorporated. Mr. Montez asked if this is going to help industry cut their costs. Mr. Berry responded that eventually suppliers will adopt this new test method to help them cut their costs. He added that the new test method will streamline the process, but may negatively impact the AQMD as the baseline inventory will be reduced due to the significantly lower emissions resulting from Method 313-L than from Test Method 24. He further added that AQMD can meet the repeatability tests to meet all the criteria needed to include these emission reductions as part of the SIP.

Mr. Adams asked if Proposed Rule 1144 will be submitted into the SIP and will SCAQMD Draft Test Method 313-L also be submitted for approval. Mr. Berry confirmed this. Mr. Adams asked if an EPA method 75 comparison between the EPA standard method and SCAQMD Draft Test Method 313-L will be needed. Mr. Berry replied that EPA is still relying on method 24, but staff works closely with EPA

when revising test methods and seeking approval for alternative test methods. He further added that EPA is aware of the Method 24 deficiencies and there should not be any issues.

Mr. Paul Avila asked if there will be a secondary market for cleaning up solvents and refining used solvents. Mr. Berry replied that there are several waste recycling facilities that are located within Southern California.

Mr. Daniel Cunningham asked if industry is on board with the changes that were made and the issues under consideration regarding Proposed Rule 1144. Mr. Berry replied that staff still expects comments from industry on the test method, especially in regards to the technical issues, as there have been discussions with industry regarding the marker that is used to indicate VOCs. He added that there also may be comments that implementation dates are still too short, even though we are trying to address giving them the time that is necessary to revise their standards for OEM types of products or military specifications. Mr. Cunningham asked if a majority of end user testing could be avoided by only allowing the use of approved low VOC oils. Mr. Berry replied that AQMD is working closely with manufacturers and suppliers, and requiring them to list the VOC content on the containers of oils, lubricants or metal working fluid. Mr. Cunningham stated that ultimately it would save the end users in testing. Mr. Berry replied that the intent is to minimize the cost impact on the end user.

Agenda Item #4 – Proposed Rule 1147 (NOX Reductions from Miscellaneous Sources)

Mr. Gary Quinn gave a presentation on Proposed Rule 1147 (NOX Reductions from Miscellaneous Sources).

Mr. Geoffrey Blake asked for clarification, regarding air heating equipment operating at greater than 18% oxygen, and what the normal percentage of oxygen is in the air. Mr. Quinn responded it would be around 21%. Mr. Blake asked what it means to be operating at 18% oxygen. Mr. Quinn stated that certain types of sources use a tremendous amount of excess air as part of their combustion process resulting in a high percentage of oxygen. Mr. Blake asked if there is a table that Mr. Quinn could provide that would show what smaller units will have to do to be in compliance with the new rule. Dr. Laki Tisopulos replied that the proposed rule provides a table that spells out the proposed limits for the different type of equipment as a function of temperature.

Action item: Staff to provide a table which would highlight smaller units (furnaces, ovens) and proposed emission limits as a function of temperature.

Mr. Adams asked if portable analyzers would be allowed to be used and if there is a training to go through in order to use them. Mr. Quinn responded in the affirmative and that the training would be similar to that for Rules 1146 and 1146.1.

Mr. James Krausz stated that the anticipated reduction in tons per day of NO_x is very similar to the reduction in the VOCs, and the cost is about the same. Mr. Krausz asked what the comparison of NO_x reduction is in comparison to the background contribution of NO_x from other sources. Dr. Tisopulos replied that Mr. Krausz was correct in that by coincidence both rules are anticipating a 3.5 ton reduction.

Agenda Item #5 – Set Public Hearing January 9, 2009 to Amend Rule 1186.1 – Less Polluting Sweepers

Mr. Dean Saito gave a presentation on Proposed Amendments to Rule 1186.1 – Less Polluting Sweepers.

Mr. Steve Mugg asked that there must be a legal definition for alternative fuels. Mr. Olvera replied that the problem with the way the rule was set-up previously was that even though the rule was in place there wasn't a mechanism that required a contract with a specific street sweeping company, because the contract wasn't between AQMD and the street sweeper, AQMD could not enforce this. Mr. Mugg asked if local governments could propose a legal challenge. Mr. Dean Saito replied that there had been a legal challenge several years ago that went all the way to the U.S. Supreme Court. The Court opined that the District does have authority over public and private fleets when a private fleet enters into a contract for services with a public entity. The private fleet is then considered a public fleet for which the District does have authority for directing purchases and replacement.

Ms. Maria Elena Kennedy asked if there is a legal definition for alternative fuels and whether the definition included diesel. Ms. Kennedy further asked why the contracts were not being examined. Mr. Saito confirmed the definition of alternative fuels as stated in Rule 1186.1 and responded that several of the street sweeping vendors brought this contract issue to staff's attention. Several of the contractors felt that one contractor in particular was offering low bids knowing that they would ultimately provide diesel street sweepers (non-compliant) in contradiction to the contract with the public entity. Mr. Saito added that this was not industry wide just relative to a specific vendor in the region.

Mr. Paul Avila asked what happens to old street sweepers. Mr. Saito responded that it is up to the vendor how he eliminates the vehicle by sales out of the region or scrapping the vehicle when the fleet is turned over.

Mr. Jacob Haik asked what the penalty is for being out of compliance. Mr. Saito replied that it is up to the District Prosecutor's Office to determine what the penalty is. He added that there are extenuating circumstances involved in every violation and so it is up to the Prosecutor's office to find an appropriate monetary penalty amount. Mr. Saito further added that in some cases it doesn't involve a monetary penalty, it could be a requirement to accelerate the turnover of their fleet with compliant vehicles. The settlement amount is really on a case by case basis.

Agenda Item #6 – Monthly Report on Small Business Assistance Activities

No comments.

Agenda Item #7 – Update on Climate Change Activities

Ms. Whynot provided a written report update on climate change activities.

Agenda Item #8 – Other Business

Art Montez requested that he would like to see what staff is doing with outreach programs and consultants and also what the long term goals are.

Action item: Staff to provide a table showing all AQMD outreach programs that are currently being developed by consultants and metrics showing progress and what AQMD hopes to accomplish through these contracted projects.

Agenda Item #9 – Public Comment

No comments.

Agenda Item #10 – Adjournment

The meeting adjourned at 11:17 a.m.