



Location:

Governing Board Chambers
14306 Park Avenue
Victorville, CA 92392
www.MDAQMD.ca.gov

**MONDAY, AUGUST 24, 2020
10:00 a.m.**

THIS MEETING IS BEING HELD IN ACCORDANCE WITH THE GOVERNOR'S EMERGENCY DECLARATION RELATED TO COVID-19, AND THE GOVERNOR'S EXECUTIVE ORDER N-29-20 ISSUED ON MARCH 17, 2020 THAT MODIFIES THE BROWN ACT TO ALLOW ATTENDANCE, CONDUCT OF THE MEETING, AND PUBLIC PARTICIPATION BY TELECONFERENCE, VIDEOCONFERENCE, OR BOTH.

JOIN BY PHONE, DIAL US: 1.701.802.5348 AND ENTER ACCESS CODE 5765772.

TO ENSURE RECEIPT OF PUBLIC COMMENTS YOU MAY E-MAIL YOUR COMMENTS TO PUBLICCOMMENT@MDAQMD.CA.GOV IN ADDITION TO PARTICIPATION AT THE MEETING. TO ENSURE PROPER DISTRIBUTION AND AVAILABILITY PLEASE SEND YOUR COMMENTS AT LEAST 48 HOURS BEFORE THE MEETING

IF YOU CHALLENGE ANY DECISION REGARDING ANY OF THE LISTED PROPOSALS IN COURT, YOU MAY BE LIMITED TO RAISING ONLY THOSE ISSUES YOU OR SOMEONE ELSE RAISED DURING THE PUBLIC TESTIMONY PERIOD REGARDING THAT PROPOSAL OR IN WRITTEN CORRESPONDENCE DELIVERED TO THE GOVERNING BOARD TELEPHONICALLY OR OTHERWISE ELECTRONICALLY AT, OR PRIOR TO, THE PUBLIC HEARING.

DUE TO TIME CONSTRAINTS AND THE NUMBER OF PERSONS WISHING TO GIVE ORAL TESTIMONY, PUBLIC COMMENTS ARE LIMITED TO THREE MINUTES PER SPEAKER. YOU MAY WISH TO MAKE YOUR COMMENTS IN WRITING TO ASSURE THAT YOU ARE ABLE TO EXPRESS YOURSELF ADEQUATELY.

PLEASE NOTE THAT THE BOARD MAY ADDRESS ITEMS IN THE AGENDA IN A DIFFERENT ORDER THAN THE ORDER IN WHICH THE ITEM HAS BEEN POSTED.

CALL TO ORDER 10:00 A.M.

Pledge of Allegiance.

Roll Call.

Items with potential Conflict of Interests — If you believe you have a conflict of interest, please recuse yourself at the appropriate time. If you have a question regarding a potential conflict of interest, please contact District Counsel.

PUBLIC COMMENT

CONSENT CALENDAR

The following consent items are expected to be routine and non-controversial and will be acted upon by the Board at one time without discussion unless a Board Member requests an item be held for discussion under DEFERRED ITEMS.

1. [Approve Minutes from Regular Governing Board Meeting of June 22, 2020.](#)
2. [Amend the District's Classification Plan to add two new Class Specifications: Planning/Air Monitoring Supervisor I/II and Manager series and the Administrative Services Supervisor I/II and Manager series; and revise the Class Specification for District Counsel; authorize the Executive Director/APCO to recruit to fill the positions at the appropriate time; authorize conforming changes to the Exempt Compensation Plan \(ECP\); and inform the Board regarding other administrative matters. Presenter: Brad Poiriez, Executive Director/APCO.](#)
3. [Amend and update Governing Board Policy 06-02, "Authority of District Counsel." Presenter: Jean Bracy, Deputy Director – Administration.](#)
4. [1\) Authorize the acceptance of the 2019 Targeted Air Shed Grant Program award from the Environmental Protection Agency \(EPA\) in an amount of \\$2,694,670.00 2\) authorize the amendment of the MDAQMD FY 21 budget to increase Federal Revenue, 3\) authorize the Executive Director/APCO to execute the grant agreement approved as to legal form, 4\) authorize Executive Director/APCO to assign excess or additional funds under this program to eligible projects and direct staff to perform actions necessary to comply with program requirements. Presenter: Jorge Camacho, Grants Analyst.](#)
5. [1\) Authorize the acceptance of Assembly Bill 617 \(AB 617\) Community Air Protection Incentive funds \(CAPP Year 3\) from the California Air Resources Board \(CARB\) in an estimated amount of \\$943,764.00 2\) authorize the amendment of the MDAQMD FY 21 budget to increase State Revenue, 3\) authorize the District's participation in the CAP Year 3 program in accordance with the Community Air Protection Incentives 2019 Guidelines, 4\) authorize the Executive Director/APCO](#)

to execute the grant agreement approved as to legal form, 5) authorize Executive Director/APCO to assign excess or additional funds under this program to eligible projects and direct staff to perform actions necessary to comply with program requirements. Presenter: Jorge Camacho, Grants Analyst.

6. 1) Award an amount not to exceed \$1,270,565 in Carl Moyer Memorial Air Quality Standards Attainment Program (Carl Moyer Program) funds to the projects listed in Exhibit A; (2) authorize the Executive Director/APCO the option to change the funding source if other applicable sources become available; and, 3) authorize the Executive Director/APCO and staff to negotiate target time frames and technical project details and execute an agreement, approved as to legal form by the Office of District Counsel. Presenter: Jorge Camacho, Grants Analyst.
7. 1) Award an amount not to exceed \$308,799 in Community Air Protection Program (CAPP) Funds to Adelanto Elementary School District to replace one (1) additional diesel school bus with one (1) zero-emission all-electric school bus; (2) authorize the Executive Director/APCO the option to change the funding source if other applicable sources become available; and, 3) authorize the Executive Director/APCO and staff to negotiate target time frames and technical project details and execute an agreement, approved as to legal form by the Office of District Counsel. Presenter: Jorge Camacho, Grants Analyst.
8. 1) Award an amount not to exceed \$170,372 in grant funds to the City of Twentynine Palms for the installation of electric vehicle charging stations; (2) authorize the Executive Director/APCO the option to change the funding source if other applicable sources become available; and, 3) authorize the Executive Director/APCO and staff to negotiate target time frames and technical project details and execute an agreement, approved as to legal form by the Office of District Counsel. Presenter: Jorge Camacho, Grants Analyst.
9. Receive and file the District Activity Report. Presenter: Brad Poiriez, Executive Director/APCO.
10. Receive and file the Financial Report for FY20, through the month of May-June 2020, which provides financial information and budget performance concerning the fiscal status of the District. Jean Bracy, Deputy Director – Administration and Laquita Cole, Finance Manager.
11. Receive and file the Legislative Report for August 2020. Presenter: Brad Poiriez, Executive Director/APCO.
12. Set date of September 28, 2020 to conduct a public hearing to consider the adoption of Rule 102 – Definition of Terms and approval of California Environmental Quality Act (CEQA) documentation. Presenter: Alan De Salvio, Deputy Director – Operations.
13. Set date of September 28, 2020 to conduct a public hearing to consider the amendment of Rule 431 – Sulfur Content of Fuels and approval of California Environmental Quality Act (CEQA) documentation. Presenter: Alan De Salvio, Deputy Director – Operations.

ITEMS FOR DISCUSSION

14. DEFERRED ITEMS.
15. PUBLIC COMMENT.
16. Conduct a continued public hearing to consider the amendment of Regulation III – Fees specifically the amendment of Rule 301 – Permit Fees, Rule 302 – Other Fees, and Rule 303 – Hearing Board Fees: a. Open continued public hearing; b. Receive staff report; c. Receive public testimony; d. Close public hearing; e. Make a determination that the CEQA Categorical Exemption applies; f. Waive reading of Resolution; g. Adopt Resolution making appropriate findings, certifying the Notice of Exemption amending Rules 301, 302, and 303. Presenter: Alan De Salvio, Deputy Director – Mojave Desert Operations.
17. Conduct a continued public hearing to consider the amendment of Rule 1114 – Wood Products Coating Operations: a. Open public hearing; b. Receive staff report; c. Receive public testimony; d. Close public hearing; e. Make a determination that the California Environmental Quality Act (CEQA) Categorical Exemption applies; f. Waive reading of Resolution; g. Adopt Resolution making appropriate findings, certifying the Notice of Exemption, amending Rule 1114 and directing staff actions. Presenter: Alan De Salvio, Deputy Director – Mojave Desert Operations.
18. Conduct a continued public hearing to consider the amendment of Rule 1117 – Graphic Arts and Paper, Film, Foil and Fabric Coatings: a. Open public hearing; b. Receive staff report; c. Receive public testimony; d. Close public hearing; e. Make a determination that the California Environmental Quality Act (CEQA) Categorical Exemption applies; f. Waive reading of Resolution; g. Adopt Resolution making appropriate findings, certifying the Notice of Exemption, amending the Rule and directing staff actions. Presenter: Alan De Salvio, Deputy Director – Mojave Desert Operations.
19. Reports: Executive Director.
20. Board Members Comments and Suggestions for future agenda items.

In compliance with the Americans with Disabilities act, if special assistance is needed to participate in the Board Meeting, please contact Deanna Hernandez during regular business hours at 760.245.1661 x6244. Notification received 48 hours prior to the meeting will enable the District to make reasonable accommodations.

I hereby certify, under penalty of perjury, that this agenda has been posted 72 hours prior to the stated meeting in a place accessible to the public. Copies of this agenda and any or all additional materials relating thereto are available at www.mdaqmd.ca.gov or by contacting Deanna Hernandez at 760.245.1661 x6244 or by email at dhernandez@mdaqmd.ca.gov .

Mailed & Posted on: Friday, August 14, 2020.

Approved:

Deanna Hernandez

Deanna Hernandez

The following page(s) contain the backup material for Agenda Item: [Approve Minutes from Regular Governing Board Meeting of June 22, 2020.](#)

Please scroll down to view the backup material.

Mojave Desert Air Quality Management District
Brad Poiriez, Executive Director
14306 Park Avenue, Victorville, CA 92392-2310
760.245.1661 • Fax 760.245.2699
www.MDAQMD.ca.gov • [@MDAQMD](https://twitter.com/MDAQMD)



REGULAR GOVERNING BOARD MEETING
MONDAY, JUNE 22, 2020 - 10:00 A.M.
MDAQMD OFFICES, BOARD CHAMBERS
VICTORVILLE, CA

DRAFT MINUTES

Board Members Present:

Carmen Hernandez, Vice Chair, City of Barstow
Merl Abel, Town of Yucca Valley
Brigit Bennington, City of Hesperia
Jim Cox, City of Victorville
Joseph “Joey” DeConinck, City of Blythe – via telephone
Kari Leon, Town of Apple Valley
Robert Lovingood, San Bernardino County
Daniel Mintz, Sr., City of Twentynine Palms – via telephone
V. Manuel Perez, Riverside County – via telephone
Barbara Riordan, Public Member
Dawn Rowe, San Bernardino County

Board Members Absent:

Jeff Williams, Chair, City of Needles
Ed Camargo, City of Adelanto

CALL TO ORDER

Vice Chair **CARMEN HERNANDEZ** called the meeting to order at 10:00 a.m.

Vice Chair **CARMEN HERNANDEZ** asked Board Member **BARBARA RIORDAN** to lead the Pledge of Allegiance.

Vice Chair **CARMEN HERNANDEZ** asked for roll call; roll was called.

Items with potential Conflict of Interests – If you believe you have a conflict of interest, please recuse yourself at the appropriate time. If you have a question regarding a potential conflict of interest, please contact District Counsel.

Vice Chair **CARMEN HERNANDEZ** asked if any members wished to indicate a conflict of interest in regards to any agenda items.

Vice Chair **CARMEN HERNANDEZ** called for **PUBLIC COMMENT**. Being none, moved onto the **CONSENT CALENDAR**.

Executive Director/Air Pollution Control Officer (APCO) Brad Poiriez requested to state for the record, prior to a motion being made on the **CONSENT CALENDAR**, a correction on Agenda Item #2, page 14 of the agenda, under **SUMMARY** of the minute item that the **SUMMARY** should read, “the MDAQMD Budget for Fiscal Year 2020-21 is presented to the Governing Board for adoption effective July 1, 2020.”

Mr. Poiriez also requested that the Governing Board, as part of its action on Agenda Item #2, continue the public hearing to consider the amendment of Regulation III – *Fees* specifically the amendment of Rule 301 – *Permit Fees*, Rule 302 – *Others Fees*, and Rule 303 – *Hearing Board Fees* to the Governing Board Meeting of August 24, 2020. Vice Chair **CARMEN HERNANDEZ** granted the request and continued the public hearing to the Governing Board Meeting of August 24, 2020.

CONSENT CALENDAR – Vice Chair **CARMEN HERNANDEZ** polled the Board to determine if any member wished to have the consent calendar items read and if any member wished to pull an item on the consent calendar for discussion. No member did so. The following consent items were acted upon by the Board at one time without discussion. Upon motion by Board Member **MERL ABEL**, seconded by Board Member **BARBARA RIORDAN**, and carried by the following roll call vote, with eleven **AYES** votes by Board Members **MERL ABEL, BRIGIT BENNINGTON, JIM COX, JOSEPH “JOEY” DECONINCK, CARMEN HERNANDEZ, KARI LEON, ROBERT LOVINGOOD, DANIEL MINTZ, Sr., V. MANUEL PEREZ, BARBARA RIORDAN and DAWN ROWE, with Board Members, ED CAMARGO and JEFF WILLIAMS absent**, on the Consent Calendar, as follows:

Agenda Item 1 – Approve Minutes from Regular Governing Board Meeting of June 8, 2020.
Approved Minutes from Regular Governing Board Meeting of June 8, 2020.

Agenda Item 2 – Adopt a resolution approving and adopting the budget for FY 2020-21.
Presenter: Jean Bracy, Deputy Director – Administration and Laquita Cole, Finance Manager.
Adopted Resolution 20-10, “A RESOLUTION OF THE GOVERNING BOARD OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT APPROVING AND ADOPTING THE PROPOSED OPERATING BUDGET FOR FISCAL YEAR 2020-21.”

Agenda Item 3 – Amend the District’s Classification Plan to add three new Class Specification series for positions in Administrative Services in the areas of Fiscal and Grants; assign pay

ranges; authorize the Executive Director/APCO to assign and/or promote eligible incumbents, if applicable; and inform the Board regarding other administrative matters.

Presenter: Brad Poiriez, Executive Director/APCO.

Amended the District's Classification Plan to add three new Class Specification series for positions in Administrative Services in the areas of Fiscal and Grants; assign pay ranges; **authorized** the Executive Director/APCO to assign and/or promote eligible incumbents, if applicable; and inform the Board regarding other administrative matters.

Agenda Item 4 – 1) Award an amount not to exceed \$66,692.00 in the Mojave Desert Clean Air Funds to eligible projects shown on Exhibit A; (2) authorize the Executive Director/APCO the option to change the funding source if other applicable sources become available; and, 3) authorize the Executive Director/APCO and staff to negotiate target time frames and technical project details and execute an agreement, approved as to legal form by the Office of District Counsel.

Presenter: Jorge Camacho, Grants Specialist.

1) **Awarded** an amount not to exceed \$66,692.00 in the Mojave Desert Clean Air Funds to eligible projects shown on Exhibit A; (2) **authorized** the Executive Director/APCO the option to change the funding source if other applicable sources become available; and, 3) **authorized** the Executive Director/APCO and staff to negotiate target time frames and technical project details and execute an agreement, approved as to legal form by the Office of District Counsel.

Agenda Item 5 – 1) Allocate an additional amount not to exceed \$75,000.00 in Mobile Source Emission Funds (AB 2766) to the Lawn & Garden Equipment Exchange Program (LGEP); (2) authorize the Executive Director/APCO the option to change the funding source if other applicable sources become available; and, 3) authorize the Executive Director/APCO and staff to negotiate target time frames and technical project details and execute an agreement, approved as to legal form by the Office of District Counsel.

Presenter: Jorge Camacho, Grants Specialist.

1) **Allocated** an additional amount not to exceed \$75,000.00 in Mobile Source Emission Funds (AB 2766) to the Lawn & Garden Equipment Exchange Program (LGEP); (2) **authorized** the Executive Director/APCO the option to change the funding source if other applicable sources become available; and, 3) **authorized** the Executive Director/APCO and staff to negotiate target time frames and technical project details and execute an agreement, approved as to legal form by the Office of District Counsel.

Agenda Item 6 – 1) Authorize the acceptance of AB 617 Implementation funds from the California Air Resource Board (CARB) in an estimated amount of \$100,706.00, 2) authorize the Executive Director/APCO to execute the grant agreement approved as to legal form, 3) authorize Executive Director/APCO to assign excess or additional funds under this program to eligible projects and direct staff to perform actions necessary to comply with program requirements.

Presenter: Jorge Camacho, Grants Specialist.

1) **Authorized** the acceptance of AB 617 Implementation funds from the California Air Resource Board (CARB) in an estimated amount of \$100,706.00, 2) **authorized** the Executive Director/APCO to execute the grant agreement approved as to legal form, 3) **authorized** Executive Director/APCO to assign excess or additional funds under this program to eligible projects and direct staff to perform actions necessary to comply with program requirements.

Agenda Item 7 – Receive and file. This item reports the status of the District’s Other Post-Employment Benefits (OPEB) and Pension Rate Stabilization Program (PRSP) irrevocable trust and investment summary.

Presenter: Jean Bracy, Deputy Director – Administration.

Received and filed the reports of the status of the District’s Other Post-Employment Benefits (OPEB) and Pension Rate Stabilization Program (PRSP) irrevocable trust and investment summary.

Agenda Item 8 – Receive and file the District Activity Report.

Presenter: Brad Poiriez, Executive Director/APCO.

Received and filed the District Activity Report.

Agenda Item 9 – Receive and file the Financial Report for **FY20**, through the month of **April 2020**, which provides financial information and budget performance concerning the fiscal status of the District.

Presenter: Jean Bracy, Deputy Director – Administration and Laquita Cole, Finance Manager.

Received and filed the Financial Report for **FY20**, through the month of **April 2020**, which provides financial information and budget performance concerning the fiscal status of the District.

Agenda Item 10 – Receive and file the Legislative Report for June 2020.

Presenter: Brad Poiriez, Executive Director/APCO.

Received and filed the Legislative Report for June 2020.

Agenda Item 11 – DEFERRED ITEMS.

None.

Agenda Item 12 – PUBLIC COMMENT.

None.

Agenda Item 13 – Adopt a Resolution to oppose a petition to the California Fish and Game Commission to list the Joshua Tree as threatened under the California Endangered Species Act and direct staff action.

Presenter: Robert Lovingood, Governing Board Member.

Governing Board Member **ROBERT LOVINGOOD**, stated for the record a correction for this item to list the Joshua Tree as threatened, not endangered under the California Endangered Species Act. Board Member **LOVINGOOD** also presented the background information and answered questions from the Board. After discussion and upon motion by Board Member **ROBERT LOVINGOOD**, seconded by Board Member **BARBARA RIORDAN**, with eleven **AYES** votes by Board Members **MERL ABEL, BRIGIT BENNINGTON, JIM COX, JOSEPH “JOEY” DECONINCK, CARMEN HERNANDEZ, KARI LEON, ROBERT LOVINGOOD, DANIEL MINTZ Sr., V. MANUEL PEREZ, BARBARA RIORDAN, and DAWN ROWE**, with Board Members, **ED CAMARGO and JEFF WILLIAMS absent**, the board, **Adopted** Resolution 20-11, “A RESOLUTION OF THE GOVERNING BOARD OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT (MDAQMD)

OPPOSING A PETITION TO THE CALIFORNIA FISH AND GAME COMMISSION TO LIST THE JOSHUA TREE AS THREATENED UNDER THE CALIFORNIA ENDANGERED SPECIES ACT.”

Agenda Item 14 – Approve a letter of support for the high-speed rail project XpressWest and authorize the Executive Director/APCO to execute and send.

Presenter: Brad Poiriez, Executive Director/APCO.

Executive Director, Brad Poiriez, presented the background information and answered questions from the Board. After discussion and upon motion by Board Member **ROBERT LOVINGOOD**, seconded by Board Member **JIM COX**, with ten **AYES** votes by Board Members **MERL ABEL, BRIGIT BENNINGTON, JIM COX, JOSEPH “JOEY” DECONINCK, KARI LEON, ROBERT LOVINGOOD, DANIEL MINTZ Sr., V. MANUEL PEREZ, BARBARA RIORDAN, and DAWN ROWE**, with Board Member **CARMEN HERNANDEZ** voting **NO** and Board Members **ED CAMARGO** and **JEFF WILLIAMS** absent, the board, **approved** a letter of support for the high-speed rail project XpressWest and authorize the Executive Director/APCO to execute and send.

Agenda Item 15 – Reports:

Special notes from Mr. Poiriez:

- ❖ Welcomed Alternate Governing Board Member Brigit Bennington – City of Hesperia, to the meeting.
- ❖ In response to Board Member Rowe’s comments last meeting regarding technical terms and acronyms, we will be adding a glossary of acronyms to Board member binders, email them out to Board members and post on our website.
- ❖ The actions the Board took today on several administration positions concludes the Workforce Development Plan that has taken us 3-4 years and many steps to complete. In the future there still could be some classification refinements. Thanks to the team that has worked hard on this – Jean Bracy, Alan DeSalvio, and Robyn Simpson.
- ❖ The July Board meeting will be canceled and our next meeting will be August 24th. As a reminder when we return from our summer hiatus, there will be a focus on updating rules and regulations to meet our RACT SIP commitments and requirements that will eventually bring us to the adoption of the new 2015 Ozone SIP hopefully in the Jan./Feb. timeframe.
- ❖ The District Lawn/Garden equipment replacement program very successful this year and the program will end in June due to lack of available funds.

Mr. Poiriez updated the Board of past events:

- June 9-10: Participated in CAPCOA Board meeting: topics included: Legislative Updates, CAPCOA Financials, State Budget status, Grants status, AB2588 Public Noticing requirements, Emission Factor guidance for CTR Reporting.
- June 11: Held LMTF Follow up meeting
- June 15-19: Were informed by AZ Bus that the two electric school buses for Adelanto were to be delivered. We will schedule a press release, etc. at a later date, along with a rescheduled press release for Lucerne Valley and Apple Valley all electric bus delivery.
- June 17: AAPCA Local Government Committee call
- June 17: MEEC Board meeting
- June 17: Participated in CSUSB Environmental Science Advisory Committee meeting
- June 18: Participated in the AAPCA June Air Directors Call

Mr. Poiriez updated the Board of coming events:

- July 1: WRAP Board call

Agenda Item 16 - Board Member Comments and Suggestions for Future Agenda Items.

- Board Member **BRIGIT BENNINGTON** inquired about the District's intern program.
- Board Member **MERL ABEL** thanked staff and the Governing Board for the continued efforts and support of the District's Lawn/Garden Equipment Replacement program.

Being no further business, Vice Chair **CARMEN HERNANDEZ** adjourned the meeting at **10:34 a.m.** to the next Regular Meeting of *August 24, 2020*.

The following page(s) contain the backup material for Agenda Item: [Amend the District's Classification Plan to add two new Class Specifications: Planning/Air Monitoring Supervisor I/II and Manager series and the Administrative Services Supervisor I/II and Manager series; and revise the Class Specification for District Counsel; authorize the Executive Director/APCO to recruit to fill the positions at the appropriate time; authorize conforming changes to the Exempt Compensation Plan \(ECP\); and inform the Board regarding other administrative matters. Presenter: Brad Poiriez, Executive Director/APCO.](#)

Please scroll down to view the backup material.

**MINUTES OF THE GOVERNING BOARD
OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
VICTORVILLE, CALIFORNIA**

AGENDA ITEM #2

DATE: August 24, 2020

RECOMMENDATION: Amend the District's Classification Plan to **add** two new Class Specifications: **Planning/Air Monitoring Supervisor I/II and Manager** series and the **Administrative Services Supervisor I/II and Manager** series; and **revise** the Class Specification for **District Counsel**; authorize the Executive Director/APCO to recruit to fill the positions at the appropriate time; authorize conforming changes to the Exempt Compensation Plan (ECP); and inform the Board regarding other administrative matters.

SUMMARY: This action amends the District's Classification Plan to add two new Class Specifications series and revises a Class Specification, **anticipating future attrition may prompt some organizational restructuring**; authorizes the Executive Director/APCO to recruit to fill the positions at the appropriate time; authorizes conforming changes to the ECP; and informs the Board of other administrative matters.

BACKGROUND: The District has adjusted the organization during the past four years to meet the varying challenges of the business and changing scope of the workforce. The Workforce Planning project was essentially completed in June 2020, which developed classification series for the majority of job classifications to allow professional growth opportunities, career progression, and upward mobility for District employees.

The proposed actions described on Exhibit 1 add class specifications to the District's Classification Plan, providing additional flexibility and ability to adapt quickly to fill certain positions if and when attrition occurs. The District's full time equivalent (FTE) will not increase as a result of the recommended actions contained in this item. The new positions will not be filled unless and until necessary. Adding positions to the Exempt Group will include amending the ECP. For reference, a current Organizational Chart is included as Exhibit 2; and a current Table of Organization is included as Exhibit 3.

REASON FOR RECOMMENDATION: The Governing Board has the authority to amend the District Classification Plan, approve pay ranges for new positions, and adjust pay ranges for existing positions.

**MINUTES OF THE GOVERNING BOARD
OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
VICTORVILLE, CALIFORNIA**

AGENDA ITEM #2

PAGE 2

REVIEW BY OTHERS: This item was reviewed by Karen Nowak, District Counsel as legal form and by Brad Poiriez, Executive Director on or about August 10, 2020.

FINANCIAL DATA: This item adopts Class Specifications to be included in the District's Classification Plan **anticipating future attrition may prompt some organizational restructuring**; authorizes the Executive Director/APCO to recruit the positions at the appropriate time expecting positions vacated by retiring employees will be filled at or near the entry level. No additional appropriation is expected.

PRESENTER: Brad Poiriez, Executive Director/APCO

**MINUTES OF THE GOVERNING BOARD
OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
VICTORVILLE, CALIFORNIA**

AGENDA ITEM #2

PAGE 3

Exhibit 1

Summary

These changes to the Classification Plan represent *potential* organizational changes that could be implemented in the future at the time employee retirements leave vacant certain positions.

District Demographics

As of August 1, 2020 the District's organization includes 43 FTEs (full time equivalents), and one position is currently vacant.

The **age distribution** is:

- 48% (20) are 40 years or younger
- 26% (11) are aged 41-54, and
- 26% (11) are aged 55 or over

For **years of service**:

- 55% (23) have 10 years or less of service; (33% (14) have less than 5 years)
- 28% (12) have 11 to 20 years of service
- 17% (7) have more than 20 years of service.

This information leads to a conclusion that for the current census of employees as many as seven (17%) employees are likely to retire from District employment by 2025. And, the first to depart are the last among those with deep institutional knowledge, together totaling more than 150 years of service to the District.

This action anticipates potentially three retirements occurring by the end of calendar year 2022 which may prompt some organization restructuring.

Planning/Air Monitoring Supervisor I/II and Manager (New)

This position will combine two Sections under one supervisor/manager reporting to the Deputy Director – Operations. This is not an uncommon combination among air districts as the functions are interrelated through the analysis of data collected and the resulting potential impact on District rules and regulations and other related planning. This change could be implemented at a time when the Air Monitoring Supervisor position becomes vacant.

Administrative Services Supervisor I/II and Manager (New)

Contained within Administrative Services is a number of business functions including: Human Resources, Finance, Grants Administration, Communications, Technical Services, Records Management, Facility and Fleet Maintenance, Building and Risk Management, and general administration. Anticipating the retirement of the Deputy Director, this action foresees a restructuring that will eliminate the Deputy position. The Administrative Services Supervisor/Manager will complement the Finance Manager and Communications Supervisor within Administrative Services to oversee the remaining functions. These supervisor/manager positions will report to a Deputy Director. Grants Administration will be assigned to the Finance Manager and Human Resources will report directly to the Executive Director/APCO.

**MINUTES OF THE GOVERNING BOARD
OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
VICTORVILLE, CALIFORNIA**

AGENDA ITEM #2

PAGE 4

District Counsel (Revised)

The Class Specification has been revised to allow alternative actions that could be implemented to fulfill the District's statutory obligation to appoint and retain a "District Counsel." The Health & Safety Code §41262 requires the Governing Board to appoint a District Counsel. This appointment also allows the District Counsel to take enforcement actions to court under H&S Code §42403.

This revision considers that the functions of District Counsel could be provided in the future by a staff position, completely outsourced to one or more persons, or some combination thereof. This revision also contains a number of administrative items but most importantly, there is clarity that the APCO and the Governing Board direct the District Counsel. This follows the general duty of an Attorney with an agency as the "client." Most of the time the "voice" of the agency is the APCO or his/her designee but it can also be the Governing Board on occasion. Clarifications are further provided regarding the scope of legal advice and representation along with the oversight provisions implying that legal services can either be provided directly by the person filling the position or by others.

The document has been reformatted for consistency with recent class specification documents, and the proposed changes serve to clarify lines of authority. Finally, the Qualifications section has been expanded to describe knowledge, skills, and abilities. The Education/Experience section, together with "Other Requirements" address the professional requirements and standards specific to the field.

Potential conflicts in the relationships of APCO/Attorney/Governing Board are clarified by GBP 06-02 and the reporting clauses in the PPP (for things like harassment and alcohol/drug policy). In addition, Governing Board Policy 06-02, "Authority of District Counsel" is recommended in this agenda to revise for consistency with the revisions recommended in this proposed Class Specification.

Recommendation

This action **adds** the Class Specification series **Planning/Air Monitoring Supervisor I/II and Manager** (exempt) and assigns pay ranges 644, 647, and 650 respectively to the positions in the series. This action also **adds** the Class Specification **Administrative Services Supervisor I/II and Manager series** (exempt) and assigns pay ranges 644, 647, and 650 respectively to the positions in the series. This action also **revises** the Class Specification **District Counsel** (exempt) and retains the pay range 659. This action further authorizes the Executive Director/APCO to recruit and fill the positions at the appropriate time as described above.

- a. Proposed Classification series descriptions, *Planning/Air Monitoring Supervisor I/II and Manager; Administrative Services I/II and Manager*, and *District Counsel*: Attached
- b. **Justification.** Management is anticipating that future attrition may prompt some organizational restructuring. By adding these Class Specifications and authorizing the Executive Director/APCO to recruit the positions at the appropriate time provides tools

**MINUTES OF THE GOVERNING BOARD
OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
VICTORVILLE, CALIFORNIA**

AGENDA ITEM #2

PAGE 5

for prompt and effective action, and advises prospective internal candidates that the opportunities may become available.

- c. Recommend Pay Range **644** for Planning/Air Monitoring Supervisor I; Range **647** for Planning/Air Monitoring Supervisor II, and Range **650** for Planning/Air Monitoring Manager; Range **644** for Administrative Services Supervisor I; Range **647** for Administrative Services Supervisor II, Range **650** for Administrative Services Manager; and retain Range **659** for District Counsel.
- d. Authorize **conforming changes to the Exempt Compensation Plan** to include two new Class Specifications series: Planning/Air Monitoring Supervisor I/II and Administrative Services Supervisor I/II into Group B; and Air Monitoring Manager and Administrative Services Manager into Group A.
- e. If implemented as described cost savings are expected as long time employees retire and the new positions are hired at these new pay ranges.

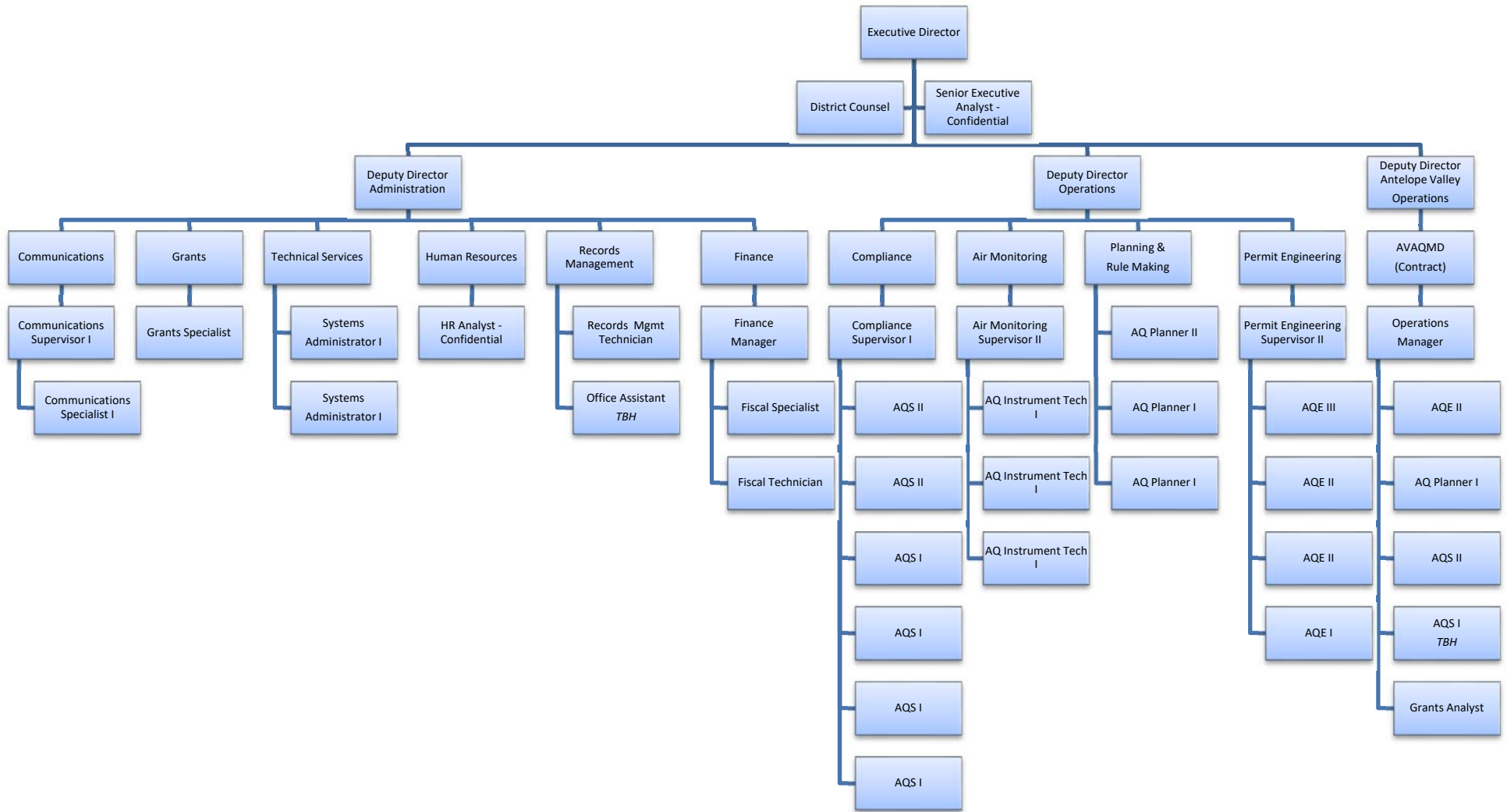
Amend the Classification Plan (summary)		Pay Range
Classifications – Series (New)	Add: <ul style="list-style-type: none"> • Planning/Air Monitoring Supervisor I • Planning/Air Monitoring Supervisor II • Planning/Monitoring Manager • Administrative Services Supervisor I • Administrative Services Supervisor II • Administrative Services Manager 	644 647 650 644 647 650
Revised	Revise: <ul style="list-style-type: none"> • District Counsel (no change) 	659

Policy Statements

Governing Board Policy 94-1 delegates to the APCO “the authority to hire, dismiss, make assignments, direct, supervise... District employees....” In addition this policy states “Reclassification or change in the compensation of employees(s) shall be subject to review and approval by the Board.”

MDAQMD Personnel Policies and Procedure (PPP) Rule 3.2 assigns the development and maintenance of the Classification Plan to the Personnel Officer (APCO), subject to Governing Board approval. “A new classification shall not be created and filled on a regular basis until the classification plan has been amended ...”

Mojave Desert AQMD Organizational Chart



FULL TIME (FTE) = 41
 TBH = 2
 Total 43

Exhibit 2

6/17/2020

**MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
TABLE OF ORGANIZATION**

Approved FY 20	Approved FY 21	Title of Position	Range	Monthly Salary
1	1	Office Assistant	610	3,339 - 4,068
0	0	Records Management Clerk	615	3,777 - 4,602
1	1	Records Management Technician	621	4,381 - 5,338
1	1	Fiscal Technician	621	4,381 - 5,338
0	0	Administrative Secretary	624	4,717 - 5,748
0	0	Deputy COB/Administrative Secretary	624	4,717 - 5,748
1	0	CRE Specialist	626	4,956 - 6,038
1	0	Records Management Specialist	626	4,956 - 6,038
0	1	Communications Specialist I	629	5,337 - 6,502
1	1	Fiscal Specialist	629	5,337 - 6,502
1	1	Grants Specialist	629	5,337 - 6,502
0	0	Air Quality Instrument Technician	629	5,337 - 6,502
0	0	Air Quality Specialist	629	5,337 - 6,502
0	0	Human Resources Specialist	629	5,337 - 6,502
5	4	AQ Specialist I	629	5,337 - 6,502
3	3	AQ Instrument Tech I	629	5,337 - 6,502
3	3	AQ Specialist II	633	5,891 - 7,177
0	0	AQ Instrument Tech II	633	5,891 - 7,177
2	2	Systems Administrator I	633	5,891 - 7,177
3	3	AQ Planner I	633	5,891 - 7,177
0	0	Clerk Of The Boards	636	6,344 - 7,730
0	0	AQ Specialist III	637	6,502 - 7,922
0	0	AQ Instrument Tech III	637	6,502 - 7,922
1	1	AQ Engineer I	637	6,502 - 7,922
1	1	Human Resources Analyst - Confidential	637	6,502 - 7,922
1	1	Grants Analyst	637	6,502 - 7,922
0	0	Systems Administrator II	637	6,502 - 7,922
1	1	AQ Planner II	637	6,502 - 7,922
1	1	Senior Executive Analyst - Confidential	638	6,666 - 8,121
0	0	Air Quality Engineer	640	7,002 - 8,531
5	4.5	AQ Engineer II	640	7,002 - 8,531
0	1	AQ Engineer III	642	7,356 - 8,962
0	0	Executive Office Manager	644	7,729 - 9,417
1	0	Air Monitoring Supervisor	644	7,729 - 9,417
0.75	0	Permit Engineering Supervisor I	644	7,729 - 9,417
1	0	Compliance Supervisor	644	7,729 - 9,417
0	1	Compliance Supervisor I	644	7,729 - 9,417
0	0	Administrative Services Manager	644	7,729 - 9,417
0	0	Community Relations & Education Manager	644	7,729 - 9,417
1	0	Community Relations & Education Supervisor	644	7,729 - 9,417
0	1	Communications Supervisor I	644	7,729 - 9,417
0.25	1	Permit Engineering Supervisor II	647	8,323 - 10,141
0	1	Air Monitoring Supervisor II	647	8,323 - 10,141
1	1	Finance Manager	650	8,964 - 10,921
0	0	Supervising Air Quality Engineer	650	8,964 - 10,921
0.5	1	Operations Manager	650	8,964 - 10,921
1	1	Deputy Director MD Operations	657	10,654 - 12,981
1	1	Deputy Director AV Operations	657	10,654 - 12,981
1	1	Deputy Director Administration	657	10,654 - 12,981
1	1	District Counsel	659	11,194 - 13,639
1	1	Executive Director/APCO	N/A	N/A
43.5	42.5			

Proposed
CLASS SPECIFICATION

**PLANNING/AIR MONITORING
SUPERVISOR I/II and MANAGER**

DEFINITION:

Under general supervision, this position supervises the development of air quality regulations and attainment plans and the operation of ambient air monitoring equipment and related systems in accordance with Federal, State and District statutes, regulations and requirements. The Planning/Air Monitoring Supervisor or Manager also performs related duties as required.

Planning/Air Monitoring Supervisor I – Supervises and coordinates the Planning/Air Monitoring Section, works under general supervision of a Deputy Director or the Executive Director/APCO. **CLASSIFICATION GROUP: Exempt Group B**

Planning/Air Monitoring Supervisor II – Supervises and coordinates the Planning/Air Monitoring Section, works under minimal supervision of a Deputy Director or the Executive Director/APCO; required to exhibit increased initiative and increased comprehension of District, State and Federal air monitoring systems and programs. **CLASSIFICATION GROUP: Exempt Group B**

Planning/Air Monitoring Manager – Manages and coordinates the Planning/Air Monitoring Section, works under minimal supervision of a Deputy Director or the Executive Director/APCO; required to exhibit strong initiative (initiating change when required), mastery of District, State and Federal air monitoring systems and programs, and serves as a mentor in relevant skill sets. **CLASSIFICATION GROUP: Exempt Group A**

DISTINGUISHING CHARACTERISTICS:

This class series is characterized by its responsibility to develop, coordinate, manage and enhance the District planning, rulemaking and air monitoring structures and related functions within policy, rule and regulation requirements of the District, state and federal agencies.

This series reports to the applicable Deputy Director assigned to oversee the Planning/Air Monitoring Section or the Executive Director/APCO.

A **Planning/Air Monitoring Supervisor I** is responsible for the day-to-day operations of the Planning/Air Monitoring Section; performs a share of the section tasks; delegates work assignments; measures, monitors and manages assigned employee work performance; identifies and develops procedures to implement policies adopted by management or governing body; serves on project-specific teams; works as part of the management team.

A **Planning/Air Monitoring Supervisor II** possesses the characteristics of the **Planning/Air Monitoring Supervisor I**; demonstrates increased leadership; integrates and assists other Sections in the District as assigned and as needed; is a greater contributor to the management

Proposed
CLASS SPECIFICATION

**PLANNING/AIR MONITORING
SUPERVISOR I/II and MANAGER**

team; has increased education and training in air quality planning and rulemaking, ambient air monitoring and/or supervision fields.

A **Planning/Air Monitoring Manager** possess the characteristics of the **Planning/Air Monitoring Supervisor II**; demonstrates strong leadership; takes responsibility for District projects; develops and implements Planning/Air Monitoring Section goals; recommends District planning, rulemaking and air monitoring policy in response to management, Governing Board and legislative direction and mandates; is a strong contributor to the management team; has generally completed education and training equivalent to graduate level course work in air quality planning and rulemaking, air monitoring and/or supervision fields.

ESSENTIAL JOB FUNCTIONS:

Functions may include, but are not limited to, the following:

Planning/Air Monitoring Supervisor I/II:

- All of the job functions of the **Air Quality Planner** and **Air Quality Instrument Technician** classification series
- Supervises the promulgation of pollutant attainment plans, including emission inventory, regional modeling, attainment demonstrations and control measures.
- Supervises the District rulemaking (new, modification and rescission) program, including preparation of related CEQA documentation.
- Supervises the development of emissions inventory data, with an emphasis on the area sources, mobile sources and biogenic sources, and including historical inventories, forecasted inventories, and the effects of controls on emission inventories.
- Supervises the regional conformity, development and transportation planning collaboration program.
- Supervises CEQA and NEPA project review and comment program.
- Supervises the evaluation of legislation and government actions related to planning, rulemaking and air monitoring.
- Supervises the installation, operation and maintenance of ambient air monitoring equipment in accordance with local, State and Federal requirements, including District-owned shelters for such equipment.
- Supervises the collection, collation and transmission of ambient air quality data including meteorological data.
- Supervises the evaluation of air monitoring data, including for public consumption.
- Supervises the development and maintenance of the District planning, rulemaking and air monitoring programs in accordance with local, State and Federal requirements.
- Supervises the analysis and design of air monitoring equipment and systems.
- Supervises the development, maintenance and operation of data management systems containing planning, rulemaking and ambient air quality monitoring-related materials and data.

Proposed
CLASS SPECIFICATION

**PLANNING/AIR MONITORING
SUPERVISOR I/II and MANAGER**

- Meets and corresponds with regional, State and Federal agencies on planning, rulemaking and ambient air monitoring-related issues.
- Supervises the preparation of administrative or technical testimony for presentation before industry, District Hearing Board, District Governing Board, and/or representatives of governmental and environmental organizations; makes presentations to said groups.
- Testifies as an expert witness in cases heard before public boards.
- Organizes own work, sets priorities and meets critical deadlines; ensures that such deadlines are met.
- Understands and follows both oral and written directions.
- Communicates effectively both orally and in writing.
- Establishes and maintains effective working relationships with those contacted in the course of the work. Communicates effectively, maintains positive working relationships with coworkers and management, and interacts effectively and professionally under pressure.
- Understands and works within the scope of authority.
- Provides temporary relief as required.
- Performs related duties as assigned.

Planning/Air Monitoring Manager:

- All of the job functions of a **Planning/Air Monitoring Supervisor I/II**
- Designs, coordinates and supervises studies to analyze complex problems; selects project teams; establishes project goals and deadlines; coordinates with representatives of industry and other agencies; reviews findings and makes recommendations to management.
- Develops, implements and integrates new or revised planning, rulemaking and air monitoring systems.

WORKING CONDITIONS and PHYSICAL ABILITIES:

Work is performed in an office setting, with frequent field observational and inspection events. Must be able to perform essential functions of the job. This position requires prolonged sitting, standing, walking, reaching, twisting, turning, kneeling, bending, squatting and stooping in the performance of daily activities. Position requires grasping, repetitive hand-eye coordination and fine-manipulation skills for preparing reports and data using a computer keyboard, computer mouse and various office machinery. This position also requires good listening skills and the occasional need to lift, drag and push files, computer reports or other materials weighing up to 50 pounds. Travel via air and ground transportation may be required.

QUALIFICATIONS (Knowledge and Abilities):

Planning/Air Monitoring Supervisor I/II:

- Must be able to satisfactorily perform all the essential job functions
- All the qualifications of the Air Quality Planner and Air Quality Instrument Technician classification series
- Knowledge of principles and practices of supervision, personnel and project management.
- Ability to plan, organize, coordinate and direct assigned programs and activities.

Proposed
CLASS SPECIFICATION

**PLANNING/AIR MONITORING
SUPERVISOR I/II and MANAGER**

- Ability to provide employee training and professional development.
- Knowledge of and ability to interpret, explain and apply District planning, rulemaking and air monitoring policy and procedures, and related state and federal laws, policy and legislation.
- Ability to establish and maintain effective working relationships with those contacted in the course of the work
- Ability to represent the District effectively before the public, industry and other agencies.
- Exercise sound independent judgement within policy guidelines.

Planning/Air Monitoring Manager:

- All the qualifications of a **Planning/Air Monitoring Supervisor I/II**
- Knowledge of functions, principles, practices and techniques of administration, including goal setting, program development and implementation.
- Ability to develop and implement objectives, policies, procedures, work standards and internal controls.
- Ability to analyze complex technical and administrative problems, to evaluate alternative solutions and recommend effective courses of action in response.
- Knowledge of federal, state and local government, special district, and public agency functions, including the role of an elected Governing Board and appointed committees.
- Ability to establish work standards and operational objectives in assigned area of responsibility.

OTHER REQUIREMENTS:

This series may require the possession of, or the ability to obtain, a valid California Class C driver's license.

EDUCATION/EXPERIENCE:

Education, training and/or experience that demonstrate possession of the knowledge, skills and abilities listed above.

The **Planning/Air Monitoring Supervisor I** position requires: at least five years of experience as an **Air Quality Planner I or II** or **Air Quality Instrument Technician I, II or III** with meeting or exceeding job performance evaluations and the recommendation of the immediate supervisor; and, the possession of a Bachelor of Science degree. Any comparable combination of education and experience may be deemed equivalent by the Air Pollution Control Officer.

The **Planning/Air Monitoring Supervisor II** position requires: at least three years of experience as a **Planning/Air Monitoring Supervisor I** with meeting or exceeding job performance evaluations and the recommendation of the immediate supervisor. Any comparable combination of education and experience may be deemed equivalent by the Air Pollution Control Officer.

The **Planning/Air Monitoring Manager** position requires: at least two years of experience as a **Planning/Air Monitoring Supervisor II** with meeting or exceeding job performance evaluations

Proposed
CLASS SPECIFICATION

**PLANNING/AIR MONITORING
SUPERVISOR I/II and MANAGER**

and the recommendation of the immediate supervisor. Any comparable combination of education and experience may be deemed equivalent by the Air Pollution Control Officer.

PROMOTION:

Consideration for promotion into the **Planning/Air Monitoring Supervisor II and Manager** positions includes:

- **Experience**, particularly in depth and quality of experiences, as evidenced by “time in position.”
- **Performance**, as evidenced by “exceeds” performance evaluations for past 3 years.
- **Initiative**, internally evidenced by engagement in reliable work habits, quality work product, participation on teams, and increasing responsibilities.
- **Initiative**, externally evidenced by increasing knowledge, skills and abilities through training, education, and peer networking.
- **Supervisor recommendation** to or by the APCO, and subject to APCO final approval and available resources (budget).

Approved:

EXECUTIVE:

ADMINISTRATIVE SERVICES:

BRAD POIRIEZ
Executive Director/APCO

JEAN BRACY
Deputy Director, Administration

OPERATIONS:

Date: _____

ALAN DE SALVIO
Deputy Director, Operations

Proposed
CLASS SPECIFICATION

**ADMINISTRATIVE SERVICES
SUPERVISOR I/II and MANAGER**

DEFINITION:

Under general supervision, this position supervises activities and programs contained in records management, general administration, technical services, building management, facility and fleet maintenance, and risk management. The Administrative Services Supervisor or Manager also performs related duties as required.

Administrative Services Supervisor I – Supervises and coordinates the activities and programs contained in records management, general administration, technical services, building management, facility and fleet maintenance, and risk management and the performance of staff assigned to perform the related duties; works under general supervision of a Deputy or the Executive Director/APCO.

CLASSIFICATION GROUP: *Exempt Group B*

Administrative Services Supervisor II – Supervises and coordinates the activities and programs contained in records management, general administration, technical services, building management, facility and fleet maintenance, and risk management and the performance of staff assigned to perform the related duties; works under minimal supervision of a Deputy or the Executive Director/APCO; and is characterized with excellent time management, strong initiative, and helps initiate change.

CLASSIFICATION GROUP: *Exempt Group B*

Administrative Services Manager – Manages and coordinates the activities and programs contained in records management, general administration, technical services, building management, facility and fleet maintenance, and risk management and the performance of staff assigned to perform the related duties; works under minimal supervision of a Deputy or the Executive Director/APCO, is characterized with strong initiative, helps initiate change, and excellent time management, actively mentor staff to develop relevant skills. **CLASSIFICATION GROUP:** *Exempt Group A*

DISTINGUISHING CHARACTERISTICS:

This class series is characterized by its competency and responsibility to develop, plan, coordinate, maintain, and manage responsibilities in administrative areas including records management, general administration, technical services, building management, facility and fleet maintenance, and risk management within policy guidelines of the District, local, state, and federal agencies.

This series reports to a Deputy or the Executive Director/APCO.

An **Administrative Services Supervisor I** is responsible for the day-to-day operations of activities and programs contained in records management, general administration, technical services, building management, facility and fleet maintenance, and risk management; implements assignments; performs a share of the section tasks; delegates work assignments, monitors and measures employee work performance, initiates coaching and/or guidance for performance issues of direct reports; identifies and develops procedures (standard practices) to implement policies adopted by management or governing body; may serve on project-specific teams, is part of the management team.

Proposed
CLASS SPECIFICATION

**ADMINISTRATIVE SERVICES
SUPERVISOR I/II and MANAGER**

An **Administrative Services Supervisor II** possesses the characteristics of the Administrative Services Supervisor I and fully implements assigned District programs, projects, and/or activities, has proficient knowledge of District functions and activities, has proficient knowledge of District policies, programs, and procedures; helps initiate change, provides technical and specific guidance to others to enable them to perform their duties, or to train assigned employees to develop relevant skill sets, is able to integrate and assist other sections in the District as assigned or as needed.

An **Administrative Services Manager** possesses the characteristics of the Administrative Services Supervisor II; demonstrates strong leadership, takes responsibility for District project(s); develops and implements goals; recommends policy in response to management, the Governing Board, and legislative mandates; is a strong contributor to the management team; and serves as mentor in relevant skill sets.

ESSENTIAL JOB FUNCTIONS:

Functions may include, but are not limited to, the following:

Administrative Services Supervisor I/II

Performs professional level management, planning, organizing and supervising the work for functions performed in Records Management, General Administration, Technical Services, Building Management, Facility and Fleet Maintenance, and Risk Management and other duties as assigned by a Deputy or the Executive Director/APCO.

Records Management and General Administration

- Supervises the daily operations of the front office including, but not limited to, directing incoming contacts from general public in person and by phone, managing incoming and outgoing mail and parcels, securing and maintaining general office equipment, completing cash receipts, general administrative duties, clerical support, and providing a professional atmosphere in the reception area.
- Establishes and implements procedures to ensure professional and efficient performance of the administrative duties.
- Understand and follow oral and written directions; communicate effectively, both orally and in writing; and understand and work within the scope of authority.
- Establish and maintain effective working relationships with those contacted in the course of the work. Communicate effectively, maintain positive working relationships with coworkers and management and interact effectively and professionally under pressure.
- Performs other duties as assigned.
- Supervises the operations and functions of the District's content management and electronic document storage system (Questys).
- Supervises and coordinates the accurate and timely responses to Public Records Act requests according to state law and District policy.
- Supervises and coordinates the custodial functions of the repositories of District policies, standard practices, protocols, etc.

Proposed
CLASS SPECIFICATION

**ADMINISTRATIVE SERVICES
SUPERVISOR I/II and MANAGER**

- Serves as a Custodian of Records for purposes of certifying District documents as official records.
- Establishes, implements and maintains procedures to properly administer the records management system according to state law and District policy.

Technical Services

- Supervises the operations and functions of Technical Services including the operation and performance of the District's technology resources and website(s), including but not limited to the computer and network infrastructure, VoIP, software applications, support services, and third party contracts.
- Supervises the coordination of technology initiatives and integration across Sections and platforms.
- Develops and implements initiatives to secure and maintain the District's technology resources, improve performance, and expand capacity to meet operational demands.
- Develops and implements initiatives to protect the District's technology resources from destruction or cyberattacks.
- Establishes, implements and maintains procedures to properly administer the technology resources system according to best practices, state law and District policy.

Building Management

- Supervises and coordinates the operations and management of the District's headquarters facility, and supports the facility management of the District's off site air monitoring locations.
- Supervises and manages the operations of the facility alarm system, security codes; assign contacts for after-hours events, resolves security issues, manages assignment of keys and facility access.
- Supervises and coordinates the use of the facility by outside groups through the Facility Use Standard Practice.
- Supervises and coordinates third party contracts for janitorial services, landscaping, pest control, and fire extinguisher maintenance, etc.
- Supervises and coordinates facility safety inspections and completes repairs and corrections as needed to maintain the safest environment.
- Coordinates, with the Finance Manager or designee, the Capital Improvement Program for timely care for capital items.

Facility and Fleet Maintenance

- Supervises the operations, repair and maintenance of the District's headquarters facility, including but not limited to appliances and equipment, and supports the operations and maintenance of the District's off site air monitoring locations.

Proposed
CLASS SPECIFICATION

**ADMINISTRATIVE SERVICES
SUPERVISOR I/II and MANAGER**

- Maintains a database of qualified trades, contractors, and vendors to complete repairs and maintenance, purchasing services in accordance with state law and District policy.
- Supervises and coordinates all aspects of the District's vehicle fleet including but not limited to ensuring timely and appropriate maintenance and repairs, maintains inspection records, regular repair, and appropriate fleet rotation and/or capital replacement, coordinating purchasing and expenditures with the Finance Manager or designee.

Risk Management

- Develops and implements a safety program and institutes policies, procedures, and protocols that protect employees, the public, and the facilities (e.g. Injury Illness and Prevention Plan, Building Emergency Plan, Employee Safety & Health Manual, Continuity of Operations Plan, etc.).
- Facilitates the Safety Committee (Standard Practice 3-2).
- Coordinates and manages claims for property and liability incidents and/or damages with the District's risk provider or insurance carrier.
- Coordinates and supervises and coverages for property, general liability, auto liability (insurance).

Administrative Services Manager

- All of the Essential Job Functions of the Administrative Services Supervisor I/II.
- Designs, coordinates and supervises complex problem solving; selects project teams, establishes project goals and deadlines; and makes recommendations to management.
- Coordinates with contractors, vendors, and third party support systems and the underlying support structure to develop strategies to transition the District programs for changes in industry standards, technology availability, and makes recommendation to management.
- Provides leadership to establish, foster, and maintain business and community relationships across various forums.

WORKING CONDITIONS and PHYSICAL ABILITIES:

Work is performed both in an office setting and in and around facilities including but not limited to outdoors and on a roof. Must be able to perform essential functions of the job. This position includes work in and around facilities, includes climbing ladders, is exposed to sounds and noise levels, chemicals, dust, fumes, and must wear protective equipment as needed, is exposed to hot or cold temperatures and wind depending on the weather, and sometimes exposed to hazardous equipment. This position also requires prolonged sitting, standing, walking, reaching, twisting, turning, kneeling, bending, squatting and stooping in the performance of daily activities. Position requires grasping, repetitive hand-eye coordination and fine-manipulation skills for preparing reports and data using a PC keyboard and other office machinery. This position also requires good listening skills and the occasional need to lift, drag and push equipment, files, or other materials weighing up to 50 pounds or so. Travel via air and or ground transportation may be required.

Proposed
CLASS SPECIFICATION

**ADMINISTRATIVE SERVICES
SUPERVISOR I/II and MANAGER**

QUALIFICATIONS (Knowledge and Abilities):

Administrative Services Supervisor I/II:

- Must be able to satisfactorily perform all the Essential Job Functions.
- Knowledge of the organization and function of public agencies, including the role of an elected Governing Board.
- Knowledge of principles and practices of supervision, office management, personnel and project management.
- Ability to analyze complex administrative problems and procedures, and recommend effective improvements; coordinate the various administrative operations of the District.
- Ability to maintain effective working relationships with a variety of organizations and individuals; and exercise sound judgment at all times.
- Knowledge of and the ability to learn records management systems, including but not limited to electronic document management technology such as content management and imaging systems.
- Knowledge of the principles of records management including records classification and indexing systems in electronic environments.
- Knowledge of and ability to interpret applicable federal, state, and local laws, codes, and regulations governing records retention, dissemination, access, and destruction.
- Knowledge of and ability to interpret and apply State and Federal statutes regarding the Public Records and Freedom of Information Acts.
- Knowledge of and the ability to learn the operations and functions of Technical Services including the operation and performance of the District's technology resources and website(s), including but not limited to the computer and network infrastructure, VoIP, software applications, support services, and third party contracts.
- Strong skills and proficiency in project management techniques for effective delivery of complex initiatives.
- Knowledge of and ability to learn building maintenance processes.
- Ability to use project management tools to collect and assess data regarding facilities and fleet.
- Ability to research and collect relevant data, analyze the information, make recommendations and implement reasoned solutions.
- Knowledge of and ability to learn public purchasing laws and best practices.
- Ability to negotiate contracts for services and supplies.
- Knowledge of safety protocols, and implementation of effective and reasonable safety programs.
- Ability to attend to details, have strong organizational skills for project management.
- Ability to plan, organize, coordinate and direct assigned programs and activities.
- Ability to provide employee training and professional development.
- Ability to read, interpret, apply and explain complex concepts, policies, and procedures.

Proposed
CLASS SPECIFICATION

**ADMINISTRATIVE SERVICES
SUPERVISOR I/II and MANAGER**

- Ability to work independently, as part of a team, and to lead cross functional teams.
- Use tact, discretion, initiative and independent judgment within established guidelines.

Administrative Services Manager

- All of the qualifications of an Administrative Services Supervisor I/II
- Knowledge of functions, principles, practices and techniques of administration, including goal setting, program development and implementation.
- Ability to develop and implement goals, objectives, policies, procedures, work standards and internal controls.
- Ability to analyze complex technical and administrative problems, evaluating alternative solutions and recommending effective courses of action.
- Proficient knowledge of government, special districts, local government organization, and function of public agencies, including the role of an elected Governing Board and appointed committees.
- Ability to establish work standards and operational objectives in assigned area of responsibility.

OTHER REQUIREMENTS:

This position requires the possession of, or the ability to obtain, a valid California Class C Driver's License.

EDUCATION/EXPERIENCE:

Education, training, and/or experience that demonstrate possession of the knowledge, skills and abilities listed above.

The **Administrative Services Supervisor I** position requires at least of **five years of experience** in the fields of administration, public contract, purchasing, or project management, public works or related field(s), preferably with a public or government agency; and the possession of a Bachelor's degree in a related field; or, a combination of college course work with professional certifications, (educational equivalency justification may be required); and increasingly responsible experience in relevant and/or related fields. Internal candidates must have job performance evaluations rated "exceeds" and the recommendation of the immediate supervisor. Accepting comparable experience is subject to APCO approval.

The **Supervisor II** position requires a minimum of **three years of experience** as the Supervisor I (or equivalent position), with job performance evaluations rated "exceeds" and the recommendation of the candidate's immediate supervisor. Accepting comparable experience is subject to APCO approval.

The **Manager** position requires a minimum **two years of experience** as the Supervisor II, with job performance evaluations rated "exceeds" and the recommendation of the candidate's immediate supervisor; increasingly responsible experience with relevant subject matters and including

Proposed
CLASS SPECIFICATION

**ADMINISTRATIVE SERVICES
SUPERVISOR I/II and MANAGER**

management, administration, and public agency governance. External candidates must demonstrate a minimum of **seven years** of experience with a public or government agency(s) in areas including administration, public contract, purchasing, or project management, public works, or related field(s), **five** of which must be at the supervisory level). Accepting comparable experience is subject to APCO approval.

PROMOTION:

Consideration for promotion into the Supervisor II or Manager position includes:

- **Experience**, particularly in depth and quality of experiences, as evidenced by “time in position.”
- **Performance**, as evidenced by “exceeds” performance evaluations for past 3 years.
- **Initiative**, internally evidenced by engagement in reliable work habits, quality work product, participation on teams, and increasing responsibilities.
- **Initiative**, externally evidenced by increasing knowledge, skills and abilities through training, education, and peer networking.
- **Recommendation** to or by the Executive Director/APCO, and subject to APCO final approval and available resources (budget).

Approved:

BRAD POIRIEZ
Executive Director/APCO

JEAN BRACY
Deputy Director - Administration

Date: _____

Proposed
CLASS SPECIFICATION

DISTRICT COUNSEL

DEFINITION:

Under direction of the Air Pollution Control Officer (APCO) and the Mojave Desert Air Quality Management District Governing Board (Governing Board), this position provides legal services and advice; plans, organizes, oversees, and directs the legal activities required by the District; serves as the head of Office of District Counsel; and performs related duties as required.

DISTINGUISHING CHARACTERISTICS:

This single position class is appointed by the Governing Board to satisfy the statutory requirement of Health & Safety Code §41626. It is responsible for the provision of legal advice regarding District operations, functions and responsibilities; the representation of the District, its departments, officers and employees in court and administrative proceedings; and the coordination and oversight of legal services provided to the District by others. Specific authorities attached to this class, include but are not limited to, those found in Governing Board Policy 06-02 and the District's Personnel Policy and Procedure Manual.

CLASSIFICATION GROUP: Exempt Group A

ESSENTIAL JOB FUNCTIONS:

Functions may include, but are not limited to, the following:

- Utilizes and maintains extensive knowledge of Federal Clean Air Act, California Air Pollution Control Laws and underlying regulations as well as of other applicable State and Federal environmental laws and regulations.
- Serves as a legal advisor to the Governing Board of the District, attends meetings of the Governing Board and participates in policy and planning sessions.
- Reviews and performs legal research and provides oral and written opinions on a variety of complex legal problems; prepares or directs the preparation of opinions, contracts, agreements, resolutions, rules and regulations and other legal documents; reviews such documents prepared by District staff and management for legality.
- Confers with and advises the APCO, District management, and staff on legal matters pertaining to their respective powers, duties functions and obligations; represents the same in a variety of meetings and hearings.
- Studies, analyzes, interprets and applies statutes, ordinances, court decisions and legal opinions.
- Maintains liaison with local governmental officials, other governmental agencies, and the legal community.
- Prepares and files legal documents with the courts and other adjudicatory bodies, including petitions briefs and appeals. May appear in court and administrative proceedings to represent the District and its officers.

Proposed
CLASS SPECIFICATION

DISTRICT COUNSEL

- Drafts or directs the drafting of proposed legislation; analyzes pending legislation and recommends District positions on legislation.
- Oversees and coordinates legal services provided by others to ensure proper review of legal costs and to keep the cost of such services in proportion with the nature of the legal task to be performed.
- Directs and supervises assigned staff in performance of duties relevant to the Office of District Counsel.
- Plans, organizes, coordinates and manages operations of the Office of District Counsel to ensure legal service needs are met.

WORKING CONDITIONS and PHYSICAL ABILITIES:

Work is performed in an office setting. Must be able to perform the essential functions of the job. This position may require prolonged sitting, standing, walking, reaching, twisting, turning, kneeling, bending, climbing, squatting and stooping in the performance of daily activities. Position requires grasping, repetitive hand-eye coordination and fine-manipulation skills for preparing reports and data using a personal computer keyboard and various office machines. Position requires good listening skills and the occasional need to lift, drag and push files or other materials weighing up to 50 pounds. Travel via air and or ground transportation may be required.

QUALIFICATIONS (Knowledge and Abilities):

- Must be able to satisfactorily perform all the Essential Job Functions.
- Knowledge of the organization and function of public agencies, including the role of an elected Governing Board.
- Knowledge of the duties, powers and limitations of governmental agencies including but not limited to independently governed special districts.
- Knowledge of the principles of civil and criminal law and their application in governmental agencies.
- Knowledge of methods, procedures, and practices used in the conduct of civil litigation.
- Knowledge of legal research methods.
- Knowledge of the principles of law office management, personnel and caseload management.
- Knowledge of supervisory principles and practices.
- Knowledge of or ability to learn administrative agency practice and writ practice.
- Knowledge of Federal Clean Air Act, California Air Pollution Control Laws and underlying regulations as well as of other applicable State and Federal environmental laws and regulations.
- Knowledge of and ability for policy formation and implementation.

Proposed
CLASS SPECIFICATION

DISTRICT COUNSEL

- Ability to represent the Mojave Desert Air Quality Management District in hearings and civil cases before administrative agencies of governments.
- Ability to advise legal and non-legal staff on legal issues, opinions, and practices pertaining to hearings, civic and criminal cases.
- Ability to gather evidence to formulate defense or initiate legal action.
- Ability to correlate findings and prepare cases, examine and cross-examine witnesses.
- Ability to work cooperatively with judges, city and county prosecutors, city and county prosecutors as well as with various other governmental entities at the Federal, State and local level.
- Proficient at media relations.
- Ability to read, interpret, apply and explain complex concepts, policies, and procedures.
- Ability to work independently, as part of a team, and to lead cross functional teams.
- Use tact, discretion, initiative and independent judgment within established guidelines.

OTHER REQUIREMENTS:

The incumbent must be an active member of the State Bar of California and be admitted to practice before the California Courts and at least one Federal District Court. Admission to the U.S. Court of Appeals, District of Columbia circuit is desirable.

The position holder must be appointed to the position by action the Governing Board pursuant to Health & Safety Code §41626.

This position may require possession of, or the ability to obtain, a valid California Class C Driver's License.

EDUCATION/EXPERIENCE:

Education, training, and/or experience that demonstrate possession of the knowledge, skills and abilities as listed above.

The District Counsel position requires either of the following: 1) a Bachelor's degree from a College or University; followed by a degree from a Law School, or 2) an alternative course of study as authorized by the rules of the California Supreme Court; and successfully passing the California Bar Exam. The position requires seven years of recent experience as an attorney in the practice of municipal law advising or representing California public entities; experience in advising and representing local independently governed special districts is desirable. Accepting comparable experience is subject to APCO and/or Governing Board approval.

Proposed
CLASS SPECIFICATION
DISTRICT COUNSEL

Approved:

BRAD POIRIEZ
Executive Director/APCO

JEAN BRACY
Deputy Director - Administration

Date: _____

Proposed
CLASS SPECIFICATION

DISTRICT COUNSEL

DEFINITION:

Under direction of the Air Pollution Control Officer (APCO) and the Mojave Desert Air Quality Management District Governing Board (Governing Board), this position provides legal services and advice; plans, organizes, oversees, and directs the legal activities ~~and services of the Office of District Counsel~~ required by the District; serves as the head of Office of District Counsel; and performs related duties as required.

DISTINGUISHING CHARACTERISTICS:

This single position class is appointed by the Governing Board to satisfy the statutory requirement of Health & Safety Code §41626. It is responsible for the distinguished from other District Counsel positions by the responsibility to provide provision of legal advice regarding District operations, functions and responsibilities; the representation of in-civil-matters and to represent the District, its departments, officers and employees in court and administrative proceedings; and the coordination and oversight of legal services provided to the District by others. Specific authorities attached to this class, include but are not limited to, those found in Governing Board Policy 06-02 and the District's Personnel Policy and Procedure Manual.

CLASSIFICATION GROUP: Exempt Group ~~E~~-A

ESSENTIAL JOB FUNCTIONS:

Functions may include, but are not limited to, the following:

- Utilizes and maintains extensive knowledge of Federal Clean Air Act, California Air Pollution Control Laws and underlying regulations as well as of other applicable State and Federal environmental laws and regulations.
- Serves as principal-a legal advisor to the Governing Board of the District, attends meetings of the Governing Board and participates in policy and planning sessions.
- Reviews and performs legal research and provides oral and written opinions on a variety of complex legal problems; prepares or directs the preparation of opinions, contracts, agreements, resolutions, rules and regulations and other legal documents; reviews such documents prepared by District staff and management for legality.
- Confers with and advises the APCO, District ~~staff and~~ management, and staff on legal matters pertaining to their respective powers, duties functions and obligations; represents the same in a variety of meetings and hearings.
- Studies, analyzes, interprets and applies statutes, ordinances, court decisions and legal opinions.
- Maintains liaison with local governmental officials, other governmental agencies, and the legal community.

Proposed
CLASS SPECIFICATION

DISTRICT COUNSEL

- Prepares and files legal documents with the courts and other adjudicatory bodies, including petitions, briefs and appeals. May appear in court and administrative proceedings to represent the District and its officers.
- Drafts or directs the drafting of proposed legislation; analyzes pending legislation and recommends District positions on legislation.
- Oversees and coordinates legal services provided by others to ensure proper review of legal costs and to keep the cost of such services in proportion with the nature of the legal task to be performed.
- Directs and supervises assigned activities of staff in performance of duties relevant to of the Office of District Counsel.
- ~~• ; reviews and approves Office of District Counsel personnel actions; evaluates staff. -Plans, organizes, coordinates and manages operations of the Office of District Counsel to ensure legal service needs are met. -Directs preparation and administration of the budget for the Office of District Counsel and determines service, staffing and equipment needs.~~

SUPPLEMENTAL INFORMATION:

~~Must be an active member of the State Bar of California. Appointed by the District Governing Board pursuant to Health & Safety Code §41262.~~

WORKING CONDITIONS and PHYSICAL ABILITIES:

Work is performed in an office setting. Must be able to perform the essential functions of the job. This position may require prolonged sitting, standing, walking, reaching, twisting, turning, kneeling, bending, climbing, squatting and stooping in the performance of daily activities. Position requires grasping, repetitive hand-eye coordination and fine-manipulation skills for preparing reports and data using a personal computer keyboard and various office machines. Position requires good listening skills and the occasional need to lift, drag and push files or other materials weighing up to 50 pounds. Travel via air and or ground transportation may be is required.

QUALIFICATIONS (Knowledge and Abilities):

- Must be able to satisfactorily perform all the Essential Job Functions.
- Knowledge of the organization and function of public agencies, including the role of an elected Governing Board.
- ~~• Seven years of recent experience as an attorney in the practice of municipal law advising or representing California public entities.~~
- ~~• Experience in advising and representation of local independently governed special districts is desirable.~~
- Knowledge of the duties, powers and limitations of governmental agencies including but not limited to independently governed special districts.

Proposed
CLASS SPECIFICATION

DISTRICT COUNSEL

- Knowledge of the principles of civil and criminal law and their application in governmental agencies.
- Knowledge of methods, procedures, and practices used in the conduct of civil litigation.
- Knowledge of legal research methods.
- Knowledge of the principles of law office management, personnel and caseload management.
- Knowledge of supervisory principles and practices.
- Knowledge of or ability to learn administrative agency practice and writ practice.
- Extensive knowledge of Federal Clean Air Act, California Air Pollution Control Laws and underlying regulations as well as of other applicable State and Federal environmental laws and regulations.
- Knowledge of and ability for policy formation and implementation.
- Ability to represent the Mojave Desert Air Quality Management District in hearings and civil cases before administrative agencies of governments.
- Ability to advise legal and non-legal staff on legal issues, opinions, and practices pertaining to hearings, civic and criminal cases.
- Ability to gather evidence to formulate defense or initiate legal action.
- Ability to correlate findings and prepare cases, examine and cross-examine witnesses.
- Ability to work cooperatively with judges, city and county prosecutors, city and county prosecutors as well as with various other governmental entities at the Federal, State and local level.
- Proficient at media relations.
- Ability to read, interpret, apply and explain complex concepts, policies, and procedures.
- Ability to work independently, as part of a team, and to lead cross functional teams.
- Use tact, discretion, initiative and independent judgment within established guidelines.
- Law office management experience is desirable.
Experience in the oversight of litigation, supervision of advisory and support functions, personnel issues, fiscal and budgetary operations, organizational planning and policy formation and implementation and intergovernmental relations is also desirable

OTHER REQUIREMENTS:

Applicants-The position holder incumbent must be an active members of the California State Bar of California and be admitted to practice before the California Courts and at least one Federal District Court. Admission to the U.S. Court of Appeals, District of Columbia circuit is desirable.

The position holder must be appointed to the position by action the Governing Board pursuant to Health & Safety Code §41626.

Proposed
CLASS SPECIFICATION

DISTRICT COUNSEL

This position may require possession of, or the ability to obtain, a valid California Class C Driver's License.

EDUCATION/EXPERIENCE:

Education, training, and/or experience that demonstrate possession of the knowledge, skills and abilities as listed above.

~~A typical way to obtain the knowledge and abilities outlined above is:~~The District Counsel position requires either of the following:-1) a Bachelor's degree from a College or University; followed by a degree from a Law School, and-or 2) an alternative course of study as authorized by the rules of the California Supreme Court; and successfully passing the California Bar Exam.;
~~Passing of the California Bar Exam pursuant to order or rules of the California Supreme Court is an acceptable alternative to the underlying educational requirements.~~The position requires
sSeven years of recent experience as an attorney in the practice of municipal law advising or representing California public entities;
Experience in advising and representing~~ingation of local independently governed special districts is desirable~~Active Ppractice of law for a minimum of seven years or having comparable experience as approved by the APCO. Accepting comparable experience is subject to APCO and/or Governing Board approval.

~~Approved:~~ _____

BRAD POIRIEZ
Air Pollution Control Officer

~~Date:~~ _____ ~~Approved:~~ _____

BRAD POIRIEZ
Executive Director/APCO

JEAN BRACY
Deputy Director - Administration

Date: _____

The following page(s) contain the backup material for Agenda Item: [Amend and update Governing Board Policy 06-02, “Authority of District Counsel.”](#) Presenter: Jean Bracy, Deputy Director – Administration.

Please scroll down to view the backup material.

**MINUTES OF THE GOVERNING BOARD
OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
VICTORVILLE, CALIFORNIA**

AGENDA ITEM #3

DATE: August 24, 2020

RECOMMENDATION: Amend and update Governing Board Policy **06-02**, “Authority of District Counsel.”

SUMMARY: This item amends existing Governing Board Policy **06-02**, “Authority of District Counsel,” and cleans up and updates the policy language and format.

BACKGROUND: In the effort to keep the Board familiar with the policies and practices which have been adopted to direct staff action and to facilitate the conduct of the business of the District these policies will be presented to the Board from time to time with recommendations for amendments if such are needed.

Governing Board Policy 06-02, “Authority of District Counsel,” was adopted by the Governing Board August 28, 2006. Prior to that time the Board delegation of authority for the function of District Counsel (as described in Health & Safety Code §41626) was distributed between two in house attorneys and described across a number of disparate policies. At the time the “Chief” District Counsel retired, the Governing Board reallocated legal services by the appointment of Karen K. Nowak as District Counsel and contracting Special Council for the Governing Board with BBK Law. Governing Board Policy 06-02 was adopted to consolidate the disparate policies and to further describe the delegation of authority to the position of District Counsel.

The policy was revised October 23, 2017 to incorporate GB Policy 04-01 which stated that the District will appropriate resources to ensure reasonable precautions are taken to maintain attorney/client privileges. GB Policy 04-01 was subsequently deleted. The policy was revised again September 24, 2018 to incorporate GB Policy 95-2 stating the District Counsel’s advisory capacity to recommend specific legal services that might be obtained from outside sources. GB Policy 95-2 was subsequently deleted.

**MINUTES OF THE GOVERNING BOARD
OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
VICTORVILLE, CALIFORNIA**

AGENDA ITEM #3

PAGE 2

This recommendation refines the current policy by adding flexibility to outsource various legal functions if such is necessary; adds narrative to the policy describing the Board's options to fulfill the statutory requirement to appoint a district counsel (such as in-house/on staff or contract a qualified individual or a firm); and allow the Governing Board to direct the Executive Director/APCO to act accordingly. These refinements are being made as the District continues to address organizational strategies for succession planning and efficient business practices.

A final of the proposed version is included as well as a REDLINED draft which indicates the proposed changes from the current version. This amendment also improves clarity and makes administrative changes for consistency.

REASON FOR RECOMMENDATION: Governing Board action is necessary to approve changes to the policies of the Governing Board.

REVIEW BY OTHERS: This item was reviewed by Karen Nowak, District Counsel as to legal form and by Brad Poiriez, Executive Director on or about August 10, 2020.

FINANCIAL DATA: No increase in appropriation is anticipated.

PRESENTER: Jean Bracy, Deputy Director - Administration

GOVERNING BOARD POLICY

Mojave Desert Air Quality Management District

Policy No: 06-02

Amended: ~~September 24, 2018~~ August 24, 2020 ~~(??)~~

~~James L. Cox~~ Carmen Hernandez
Governing Board Vice Chair

Brad Poiriez
Executive Director/APCO

SUBJECT: Authority of District Counsel

POLICY:

The Governing Board of the Mojave Desert Air Quality Management District (District) is required by statute to appoint legal counsel (Health & Safety Code §41626). The Governing Board ~~has created the position and~~ appoints a District Counsel to satisfy this requirement. It is the policy of the Governing Board of the District to clearly define and indicate the authority of the District Counsel.

AMPLIFICATION OF POLICY:

District Counsel services may be obtained directly by Governing Board action, or by directing the APCO, by either hiring and retaining an employee meeting the requirements of the specific class or by obtaining legal services pursuant to contract. Regardless of the method of ~~of~~ obtaining legal services the Governing Board is required by statute to act to appoint a person or law firm to serve as District Counsel

A. General

1. The District Counsel generally serves as the legal advisor to the Governing Board, the Executive Director/Air Pollution Control Officer (APCO), District Management and any Boards, Commissions and Committees of the District.
2. The Governing Board can, ~~at its discretion,~~ retain counsel or special counsel for ~~specific~~ enumerated purposes or direct the APCO to do so for them. When retained, the counsel or special counsel will serve in the legal capacity as enumerated or directed by the Governing Board.

3. The District Counsel shall report to the APCO unless the Governing Board specifically requests or requires action on the part of District Counsel, in which case the District Counsel shall report to the Chair of the Governing Board for the duration and scope of the action requested.
4. The District Counsel is the legal advisor to the District's executive management team.
5. Appropriate resources will be provided and appropriate safeguards shall be implemented to ensure that reasonable precautions are taken to obtain and maintain attorney/client privilege; attorney work product privilege and other applicable privileges and/or evidentiary exemptions from disclosure. *Inserted from deleted GB Policy 04-011*

B. Formal Written Opinions

1. Formal written opinions are maintained and provide a precedent and legal basis upon which District decisions should be based.
2. Formal written opinions may be provided by special counsel regarding the particular purposes for which the special counsel is retained.
3. Governing Board members and the APCO are authorized to request formal written opinions. Governing Board members shall make their requests through the Chair of the Governing Board. Other District staff members shall make their requests through the APCO.

C. Incurring, Review and Payment of Costs.

1. The District Counsel may incur costs on behalf of the District to the extent authorized by law and Governing Board Policy 95-3.
2. The District Counsel is authorized to review and approve claims and requests for reimbursement incurred by Governing Board Members, Hearing Board Members, Members of the Technical Advisory Committee, and the APCO. Such claims and requests for reimbursement shall be reviewed and approved in accordance with current District policy, practice and procedure.
3. The District Counsel is authorized to review and approve bills, invoices or other statements of costs for services performed by outside legal counsel. Such review shall be conducted in consultation with the APCO and in conjunction with any other review required by current District policy, practice and procedure regarding the payment of costs.
 - a. Legal services can be one of the most expensive forms of services. The review by District Counsel is intended to ensure a thorough and proper

review of costs for legal services and to allow for recommendations to be made to keep the cost of such services in proportion with the nature of the particular task to be performed.

- b. Notwithstanding the authorization granted in paragraph 3 above, the Governing Board upon its own motion may authorize payment for any legal services performed by outside counsel retained by the District.

D. Litigation Authority

1. District Counsel is authorized to act on behalf of the Governing Board to direct and control the prosecution and defense of all litigation to which the District is a party unless the Governing Board has retained special counsel for the particular purpose of conducting specific litigation on behalf of the Governing Board or the District.
 - a. Health & Safety Code §40701(b) provides the District has the power to sue and be sued in its own name in all actions and proceedings in all courts and tribunals of competent jurisdiction. Control of such litigation generally rests with the Governing Board.
 - b. In litigation it is many times necessary to complete legal procedures at a time when the Governing Board is not in session.
 - c. District Counsel, or special counsel if retained for specific litigation, is authorized to prosecute, defend, or arbitrate, any litigation provided, however, that such matters shall be brought to the Governing Board's attention as soon as practicable and that the Governing Board shall be kept advised of the status of such litigation. Any settlement or compromise of litigation is subject to the ratification of the Governing Board.
2. When retaining special counsel for the particular purpose of conducting specific litigation on behalf of the Governing Board, District Counsel shall advise the Board regarding appropriate counsel taking into account items such as cost, quality and relationship to the matter in question. ~~[Derived from GBP 95-2]~~
3. Litigation commenced pursuant to the statutory authority of the APCO to observe and enforce air pollution control laws (Health & Safety Code §40752) and the prosecutorial authority of the District Counsel (Health & Safety Code §42403(a)) is not subject to the provisions of paragraph D.1., above.

Revision History:

Adopted: August 28, 2006
Last review: October 23, 2017
Revised: September 24, 2018
Revised: MMMM, DD, 2020.

GOVERNING BOARD POLICY
Mojave Desert Air Quality Management District
Policy No: 06-02
Amended: August 24, 2020

Carmen Hernandez Chair
Governing Board Vice

Brad Poiriez
Executive Director/APCO

SUBJECT: Authority of District Counsel

POLICY:

The Governing Board of the Mojave Desert Air Quality Management District (District) is required by statute to appoint legal counsel (Health & Safety Code §41626). The Governing Board appoints a District Counsel to satisfy this requirement. It is the policy of the Governing Board of the District to clearly define and indicate the authority of the District Counsel.

AMPLIFICATION OF POLICY:

District Counsel services may be obtained directly by Governing Board action, or by directing the APCO, by either hiring and retaining an employee meeting the requirements of the specific class or by obtaining legal services pursuant to contract. Regardless of the method of obtaining legal services the Governing Board is required by statute to act to appoint a person or law firm to serve as District Counsel

A. General

1. The District Counsel generally serves as the legal advisor to the Governing Board, the Executive Director/Air Pollution Control Officer (APCO), District Management and any Boards, Commissions and Committees of the District.
2. The Governing Board can retain counsel or special counsel for enumerated purposes or direct the APCO to do so for them. When retained, the counsel or special counsel will serve in the legal capacity as enumerated or directed by the Governing Board.
3. The District Counsel shall report to the APCO unless the Governing Board specifically requests or requires action on the part of District Counsel, in which

case the District Counsel shall report to the Chair of the Governing Board for the duration and scope of the action requested.

4. The District Counsel is the legal advisor to the District's executive management team.
5. Appropriate resources will be provided and appropriate safeguards shall be implemented to ensure that reasonable precautions are taken to obtain and maintain attorney/client privilege; attorney work product privilege and other applicable privileges and/or evidentiary exemptions from disclosure.

B. Formal Written Opinions

1. Formal written opinions are maintained and provide a precedent and legal basis upon which District decisions should be based.
2. Formal written opinions may be provided by special counsel regarding the particular purposes for which the special counsel is retained.
3. Governing Board members and the APCO are authorized to request formal written opinions. Governing Board members shall make their requests through the Chair of the Governing Board. Other District staff members shall make their requests through the APCO.

C. Incurring, Review and Payment of Costs.

1. The District Counsel may incur costs on behalf of the District to the extent authorized by law and Governing Board Policy 95-3.
2. The District Counsel is authorized to review and approve claims and requests for reimbursement incurred by Governing Board Members, Hearing Board Members, Members of the Technical Advisory Committee, and the APCO. Such claims and requests for reimbursement shall be reviewed and approved in accordance with current District policy, practice and procedure.
3. The District Counsel is authorized to review and approve bills, invoices or other statements of costs for services performed by outside legal counsel. Such review shall be conducted in consultation with the APCO and in conjunction with any other review required by current District policy, practice and procedure regarding the payment of costs.
 - a. Legal services can be one of the most expensive forms of services. The review by District Counsel is intended to ensure a thorough and proper review of costs for legal services and to allow for recommendations to be made to keep the cost of such services in proportion with the nature of the particular task to be performed.

- b. Notwithstanding the authorization granted in paragraph 3 above, the Governing Board upon its own motion may authorize payment for any legal services performed by outside counsel retained by the District.

D. Litigation Authority

1. District Counsel is authorized to act on behalf of the Governing Board to direct and control the prosecution and defense of all litigation to which the District is a party unless the Governing Board has retained special counsel for the particular purpose of conducting specific litigation on behalf of the Governing Board or the District.
 - a. Health & Safety Code §40701(b) provides the District has the power to sue and be sued in its own name in all actions and proceedings in all courts and tribunals of competent jurisdiction. Control of such litigation generally rests with the Governing Board.
 - b. In litigation it is many times necessary to complete legal procedures at a time when the Governing Board is not in session.
 - c. District Counsel, or special counsel if retained for specific litigation, is authorized to prosecute, defend, or arbitrate, any litigation provided, however, that such matters shall be brought to the Governing Board's attention as soon as practicable and that the Governing Board shall be kept advised of the status of such litigation. Any settlement or compromise of litigation is subject to the ratification of the Governing Board.
2. When retaining special counsel for the particular purpose of conducting specific litigation on behalf of the Governing Board, District Counsel shall advise the Board regarding appropriate counsel taking into account items such as cost, quality and relationship to the matter in question.
3. Litigation commenced pursuant to the statutory authority of the APCO to observe and enforce air pollution control laws (Health & Safety Code §40752) and the prosecutorial authority of the District Counsel (Health & Safety Code §42403(a)) is not subject to the provisions of paragraph D.1., above.

Revision History:

Adopted: August 28, 2006
Last review: October 23, 2017
Revised: September 24, 2018

The following page(s) contain the backup material for Agenda Item: [1\) Authorize the acceptance of the 2019 Targeted Air Shed Grant Program award from the Environmental Protection Agency \(EPA\) in an amount of \\$2,694,670.00](#) [2\) authorize the amendment of the MDAQMD FY 21 budget to increase Federal Revenue,](#) [3\) authorize the Executive Director/APCO to execute the grant agreement approved as to legal form,](#) [4\) authorize Executive Director/APCO to assign excess or additional funds under this program to eligible projects and direct staff to perform actions necessary to comply with program requirements.](#) [Presenter: Jorge Camacho, Grants Analyst.](#)

Please scroll down to view the backup material.

**MINUTES OF THE GOVERNING BOARD
OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
VICTORVILLE, CALIFORNIA**

AGENDA ITEM #4

PAGE 1

DATE: August 24, 2020

RECOMMENDATION: 1) Authorize the acceptance of the 2019 Targeted Air Shed Grant Program award from the Environmental Protection Agency (EPA) in an amount of \$2,694,670.00 2) authorize the amendment of the MDAQMD FY 21 budget to increase Federal Revenue, 3) authorize the Executive Director/APCO to execute the grant agreement approved as to legal form, 4) authorize Executive Director/APCO to assign excess or additional funds under this program to eligible projects and direct staff to perform actions necessary to comply with program requirements.

SUMMARY: This item authorizes the District's acceptance and participation in the EPA 2019 Targeted Airshed Grant Program and amends the MDAQMD FY 21 budget in the estimated amount of \$2,694,670.00.

BACKGROUND: EPA received funding in the 2010, 2015, 2016, 2017, and 2018 Appropriations Acts to reduce air pollution in the nation's areas with the highest levels of ozone or fine particulate matter (PM_{2.5}) exposure. Exposure to these pollutants are associated with numerous adverse human health effects, including increased respiratory symptoms, hospitalization for heart or lung diseases, and even premature death. Congress again directed the EPA in the 2019 Consolidated Appropriations Act to make funds available for competitive grants to reduce air pollution in nonattainment areas that the Agency determines are ranked as the top five most polluted areas relative to the ozone, annual PM_{2.5}, or 24-hour PM_{2.5} standards. Using air quality information from EPA's air quality databases, the Office of Air and Radiation identified the Western Mojave Air Basin as an ozone nonattainment area based on the 2015 8-hour standard of 70 parts per billion.

In response to the EPA "2019 Targeted Air Shed Grant Program" Request for Applications (RFA) and in conjunction with the California Air Resources Board, the District submitted a grant proposal to replace a Tier 0 (uncontrolled and unregulated) road switcher locomotive with an equivalent Tier 4 unit at the CEMEX cement facility in Victorville, CA. The proposal, officially titled, *Locomotive Replacement Project in the Western Mojave Desert Basin* was **approved for funding** by the EPA on June 25, 2020. See Exhibit A for additional details.

**MINUTES OF THE GOVERNING BOARD
OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
VICTORVILLE, CALIFORNIA**

AGENDA ITEM #4

PAGE 2

This action will authorize the MDAQMD to receive the funds, authorize the Executive Director/APCO to execute grant acceptance, and direct staff to take appropriate actions to comply with program requirements as stated in the 2019 Targeted Air Shed Grant Program Request for Applications

REASON FOR RECOMMENDATION: MDAQMD guidelines require Governing Board formally authorize the District's acceptance of the funds and amendment to the budget.

REVIEW BY OTHERS: This item was reviewed by Karen Nowak, District Counsel as to legal form and by Brad Poiriez, Executive Director on or about July 13, 2020.

FINANCIAL DATA: Receiving these funds in this action will amend the MDAQMD FY 21 Budget, to increase Federal Revenue in the estimated amount of \$2,694,670.00. The funds are passed thru for a grant for the accepted locomotive replacement project, and includes a portion for the District to administer/implement the grant.

PRESENTER: Jorge Camacho, Grants Analyst.

Exhibit A
Project Summary

The EPA solicited Request for Applications (RFA) for their “2019 Targeted Air Shed Grant Program” (EPA-OAR-OAQPS-20-01). In response to the RFA The Mojave Desert Air Quality Management District (MDAQMD) submitted the “Locomotive Replacement Project in the Western Mojave Desert Air Basin.” The proposed project would replace a 1984 uncontrolled/unregulated switcher locomotive with a Tier 4 Knoxville Locomotive Works Series 4000 road switcher locomotive. The Tier 4 Series 4000 is the cleanest available technology and the replacement project will maximize the emission reductions. On June 25, 2020 the District received notification that the proposed project was selected and approved for funding.

In the “Locomotive Replacement Project in the Western Mojave Desert Air Basin”, MDAQMD will contract with Mojave Northern Railroad Company (MNRC) and CEMEX (parent company) to replace one (1) uncontrolled/unregulated 1984 EMD diesel-electric four-axle road switcher locomotive with a Tier 4 Knoxville Locomotive Works Series 4000 near zero emission diesel-electric four-axle road switcher locomotive. The current locomotive proposed for the MNRC Project is a switching and road-switching locomotive utilized for storing, sorting and positioning empty rail cars at the quarry loadout and Riverplant clinker stations and for the assembly of loaded gondola cars for the train. It operates 24/7 and 355 out of 365 days per year in area that is classified as an 8-hour ozone severe nonattainment; the remaining 10 days are reserved for maintenance.

The Targeted Air Shed Grant will allow the District to replace an uncontrolled/unregulated road switcher locomotive located in a low-income community within the Western Mojave Air Basin. The replacement unit will provide a 99% reduction in NO_x and PM as compared to the unregulated/uncontrolled unit. In addition, the project is estimated to reduce annually .389 tpy (tons per year) of PM_{2.5}, 16.877 tpy of NO_x and 2.155 tpy of ROG emissions for the replacement of the old locomotive with a Series 4000 Unit. Over the fifteen-year project life we expect to see a reduction of 253.155 tons of NO_x and a 5.835 tons of diesel PM emissions. The reduction in PM is significant as CARB has identified diesel PM as a toxic air contaminant and is labeled as being carcinogen. The project will achieve immediate and on-going reductions in emissions and thus will improve the air quality and public health in a vulnerable community.

The reductions will achieve immediate and on-going improvements in air quality and public health, particularly in communities where the residents are disproportionately impacted by the adverse effects of high levels of emissions. Without a grant award the old uncontrolled/unregulated locomotive would have continued to operate for the next nineteen (19) years (possibly longer after an overhaul) in a severe ozone nonattainment area. Which would be unfortunate because the uncontrolled/unregulated locomotive is considered one of, if not the highest, single mobile source emitters of nitrogen oxides (“NO_x”) and particulate matter (“PM”) for a switcher locomotive in the MDAQMD. All short-line locomotives in Mojave’s jurisdiction contribute 190 tpy in NO_x. This particular unit contributes 17 tpy (8.9%) of that total.

The following page(s) contain the backup material for Agenda Item: 1) Authorize the acceptance of Assembly Bill 617 (AB 617) Community Air Protection Incentive funds (CAPP Year 3) from the California Air Resources Board (CARB) in an estimated amount of \$943,764.00 2) authorize the amendment of the MDAQMD FY 21 budget to increase State Revenue, 3) authorize the District's participation in the CAP Year 3 program in accordance with the Community Air Protection Incentives 2019 Guidelines, 4) authorize the Executive Director/APCO to execute the grant agreement approved as to legal form, 5) authorize Executive Director/APCO to assign excess or additional funds under this program to eligible projects and direct staff to perform actions necessary to comply with program requirements. Presenter: Jorge Camacho, Grants Analyst.
Please scroll down to view the backup material.

**MINUTES OF THE GOVERNING BOARD
OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
VICTORVILLE, CALIFORNIA**

AGENDA ITEM #5

PAGE 1

DATE: August 24, 2020

RECOMMENDATION: 1) Authorize the acceptance of Assembly Bill 617 (AB 617) Community Air Protection Incentive funds (CAPP Year 3) from the California Air Resources Board (CARB) in an estimated amount of \$943,764.00 2) authorize the amendment of the MDAQMD FY 21 budget to increase State Revenue, 3) authorize the District's participation in the CAP Year 3 program in accordance with the Community Air Protection Incentives 2019 Guidelines, 4) authorize the Executive Director/APCO to execute the grant agreement approved as to legal form, 5) authorize Executive Director/APCO to assign excess or additional funds under this program to eligible projects and direct staff to perform actions necessary to comply with program requirements.

SUMMARY: This item authorizes the District's acceptance and participation in the CAPP Year 3 program and amends the MDAQMD FY 21 budget in the estimated amount of \$943,764.00.

BACKGROUND: AB 617 of July 26, 2017, authorized CARB to support the CAPP. CARB provided Greenhouse Reduction Funds to support early actions that reduce emissions and improve public health in communities with high burdens of cumulative pollutant exposure. AB 617 provides a community-focused action framework to improve air quality and reduce exposure to criteria air pollutants and toxic air contaminants (TACs) in the communities most impacted by air pollution. The grant funds provide financial incentives to both public and private sectors to reduce emissions by retiring and replacing older equipment with newer cleaner engine technologies; and prioritizing zero-emission technology and infrastructure if possible.

This action will authorize the MDAQMD to receive the funds, authorize the Executive Director/APCO to execute grant acceptance, and direct staff to take appropriate actions to comply with program requirements as stated in the Community Air Protection Incentives 2019 Guidelines.

REASON FOR RECOMMENDATION: The Community Air Protection Incentives guidelines require that the Governing Board formally authorize the District's participation.

**MINUTES OF THE GOVERNING BOARD
OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
VICTORVILLE, CALIFORNIA**

AGENDA ITEM #5

PAGE 2

REVIEW BY OTHERS: This item was reviewed by Karen Nowak, District Counsel as to legal form and by Brad Poiriez, Executive Director on or about July 13, 2020.

FINANCIAL DATA: Receiving these funds in this action will amend the MDAQMD FY 21 Budget, to increase State Revenue in an estimated amount of \$943,764. The funds are passed thru as grants to qualifying projects, and include a portion for the District to administer/implement the grant.

PRESENTER: Jorge Camacho, Grants Analyst.

The following page(s) contain the backup material for Agenda Item: 1) Award an amount not to exceed \$1,270,565 in Carl Moyer Memorial Air Quality Standards Attainment Program (Carl Moyer Program) funds to the projects listed in Exhibit A; (2) authorize the Executive Director/APCO the option to change the funding source if other applicable sources become available; and, 3) authorize the Executive Director/APCO and staff to negotiate target time frames and technical project details and execute an agreement, approved as to legal form by the Office of District Counsel. Presenter: Jorge Camacho, Grants Analyst.

Please scroll down to view the backup material.

**MINUTES OF THE GOVERNING BOARD
OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
VICTORVILLE, CALIFORNIA**

AGENDA ITEM #6

DATE: August 24, 2020

RECOMMENDATION: 1) Award an amount not to exceed \$1,270,565 in Carl Moyer Memorial Air Quality Standards Attainment Program (Carl Moyer Program) funds to the projects listed in Exhibit A; (2) authorize the Executive Director/APCO the option to change the funding source if other applicable sources become available; and, 3) authorize the Executive Director/APCO and staff to negotiate target time frames and technical project details and execute an agreement, approved as to legal form by the Office of District Counsel.

SUMMARY: This item award grants in an amount not to exceed \$1,270,565 in Carl Moyer Program funds to the projects listed in Exhibit A.

BACKGROUND: Since 1998 the California Air Resources Board has implemented the Carl Moyer Program. The Carl Moyer Program is a grant program that funds the incremental cost of cleaner-than-required engines, equipment, and other sources of air pollution. The main purpose of the Program is to provide financial incentives to both the public and private sectors to reduce emissions by retiring and replacing older eligible equipment with cleaner engine technology. The removal and destruction of the older off-road equipment provides emission reductions that help reduce overall air pollutant emissions in the District. Since it's implementation the Program has been successful in reducing smog-forming and toxic emissions cost-effectively.

The District accepted applications for the 2020 Carl Moyer Program during the first quarter of 2020. All projects were ranked in accordance with the 2017 Carl Moyer Program Guidelines. Funding recommendations are based on the most cost-effective projects and projects that provided emission reductions in low-income or disadvantaged communities. Unfunded, eligible projects will remain on file. If additional funding becomes available from the California Air Resources Board then those funds will be allocated to unfunded eligible projects.

**MINUTES OF THE GOVERNING BOARD
OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
VICTORVILLE, CALIFORNIA**

AGENDA ITEM #6

PAGE 2

REASON FOR RECOMMENDATION: Governing Board approval is required to: (1) fund grant projects for the Carl Moyer Program (2) utilize available and alternative funding, (3) delegate to the Executive Director/APCO authority to negotiate and execute agreements with the grant recipient

REVIEW BY OTHERS: This item was reviewed by Karen Nowak, District Counsel as to legal form and by Brad Poiriez, Executive Director on or about July 28, 2020.

FINANCIAL DATA: No increase in appropriation is anticipated and sufficient funds are available in Carl Moyer Grant Program.

PRESENTER: Jorge Camacho, Grants Analyst.

Exhibit A

Grantee	Project Type	Equipment Quote	Recommended Funding Award
Ecology Recycling Services, LLC			
Project 1-1990 Caterpillar Model 246	Replacement	\$ 54,976.49	70%-80%
Rio Rancho 2000 LLC			
Rio Rancho Project 3-4230 Tractor	Replacement	\$ 91,900.00	70%-80%
Rio Rancho Project 4-4040 Tractor	Replacement	\$ 91,900.00	70%-80%
Rio Rancho Project 2-4030 Tractor	Replacement	\$ 91,900.00	70%-80%
Fisher Ranch LLC			
Fisher Ranch Project 8A-Tractors	Replacement	\$ 52,394.29	70%-80%
Fisher Ranch Project 5A-Tractors	Replacement	\$ 86,300.00	70%-80%
Fisher Ranch Project 6A-Tractors	Replacement	\$ 58,360.00	70%-80%
Stroschein Family Trust			
Stroschein Family Trust Project 1-4640 Tractor	Replacement	\$ 265,900.00	70%-80%
Hull Farms Inc.			
Hull Farms Project 3-4840 Tractor	Replacement	\$ 276,154.79	70%-80%
Nish Noroian Farms			
Nish Noroian Project 1-2940 Tractor	Replacement	\$ 58,360.00	70%-80%
Red River Farms			
Red River Project 1-Backhoe	Replacement	\$ 131,938.00	70%-80%
DeConinck Farms			
Project 1-Backhoe	Replacement	\$ 101,376.40	70%-80%

The following page(s) contain the backup material for Agenda Item: 1) Award an amount not to exceed \$308,799 in Community Air Protection Program (CAPP) Funds to Adelanto Elementary School District to replace one (1) additional diesel school bus with one (1) zero-emission all-electric school bus; (2) authorize the Executive Director/APCO the option to change the funding source if other applicable sources become available; and, 3) authorize the Executive Director/APCO and staff to negotiate target time frames and technical project details and execute an agreement, approved as to legal form by the Office of District Counsel. Presenter: Jorge Camacho, Grants Analyst.

Please scroll down to view the backup material.

**MINUTES OF THE GOVERNING BOARD
OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
VICTORVILLE, CALIFORNIA**

AGENDA ITEM #7

PAGE 1

DATE: August 24, 2020

RECOMMENDATION: 1) Award an amount not to exceed \$308,799 in Community Air Protection Program (CAPP) Funds to Adelanto Elementary School District to replace one (1) additional diesel school bus with one (1) zero-emission all-electric school bus; (2) authorize the Executive Director/APCO the option to change the funding source if other applicable sources become available; and, 3) authorize the Executive Director/APCO and staff to negotiate target time frames and technical project details and execute an agreement, approved as to legal form by the Office of District Counsel.

SUMMARY: This item awards a grant in an amount not to exceed \$308,799 using Year 2 and Year 3 CAPP funds to the Adelanto Elementary School District to replace one (1) additional diesel school bus with one (1) zero-emission all-electric school bus.

BACKGROUND: Assembly Bill 617 of July 26, 2017, authorized the California Air Resource Board (CARB) to support the CAPP. CARB provided Greenhouse Reduction Funds through the Carl Moyer Program to support early actions that reduce emissions and improve public health in communities with high burdens of cumulative pollutant exposure. The grant funds provide financial incentives to both public and private sectors to reduce emissions by retiring and replacing older equipment with newer cleaner engine technologies.

MDAQMD received an application from Adelanto School District to replace three (3) diesel school buses with zero-emission all-electric school buses. On February 24, 2020, the Governing Board approved the funding of two (2) school buses with an option to fund a third when additional CAPP funds were allocated to the District. In upgrading their equipment, the district expects to see a reduction in NOx, ROGs and PM emissions within the boundaries of a disadvantaged/low income community. Staff recommends the Board approves the grant expenditure based on staff affirmation that the project is eligible in all aspects of the grant requirements and the award aligns with the goals of the CAPP program.

**MINUTES OF THE GOVERNING BOARD
OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
VICTORVILLE, CALIFORNIA**

AGENDA ITEM #7

PAGE 2

REASON FOR RECOMMENDATION: Governing Board approval is required to: (1) fund grant projects for the CAP Program (2) utilize available and alternative funding, (3) delegate to the Executive Director/APCO authority to negotiate and execute agreements with the grant recipient

REVIEW BY OTHERS: This item was reviewed by Karen Nowak, District Counsel as to legal form and by Brad Poiriez, Executive Director on or about July 23, 2020.

FINANCIAL DATA: No increase in appropriation is anticipated and sufficient funds are available in CAP funding.

PRESENTER: Jorge Camacho, Grants Analyst.

The following page(s) contain the backup material for Agenda Item: 1) Award an amount not to exceed \$170,372 in grant funds to the City of Twentynine Palms for the installation of electric vehicle charging stations; (2) authorize the Executive Director/APCO the option to change the funding source if other applicable sources become available; and, 3) authorize the Executive Director/APCO and staff to negotiate target time frames and technical project details and execute an agreement, approved as to legal form by the Office of District Counsel. Presenter: Jorge Camacho, Grants Analyst.

Please scroll down to view the backup material.

**MINUTES OF THE GOVERNING BOARD
OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
VICTORVILLE, CALIFORNIA**

AGENDA ITEM #8

PAGE 1

DATE: August 24, 2020

RECOMMENDATION: 1) Award an amount not to exceed \$170,372 in grant funds to the City of Twentynine Palms for the installation of electric vehicle charging stations; (2) authorize the Executive Director/APCO the option to change the funding source if other applicable sources become available; and, 3) authorize the Executive Director/APCO and staff to negotiate target time frames and technical project details and execute an agreement, approved as to legal form by the Office of District Counsel.

SUMMARY: This item awards a total grant in an amount not to exceed \$170,372 from a combination of Mobile Source Emission Funds, Clean Air Funds and other applicable grant funding sources to the City of Twentynine Palms for the installation of electric vehicle charging stations.

BACKGROUND: The MDAQMD received an application from the City of Twentynine Palms to install three (3) level 3 and two (2) level 2 electric vehicle charging stations at Yucca Avenue, Twentynine Palms, CA 92227. The MDAQMD provides grants for projects that provide positive air quality impacts on a local community. In addition, the District also supports projects that encourage and enable the deployment of alternative, advanced and cleaner technologies that improve air quality. Staff recommends the Board approve the grant award based on staff affirmation that the project is eligible in all aspects of the grant program requirements.

The project will be funded from the Mobile Source Emission funds (AB 2766) and the Mojave Desert Clean Air Fund. Assembly Bill 2766 authorized MDAQMD to impose up to a \$4 motor vehicle registration fee per vehicle licensed within the State of California to provide funds for air districts to meet new responsibilities mandated under the California Clean Air Act (CCAA). AB 2766 states that the fees shall be used to support district operated planning, monitoring, enforcement and technical studies necessary to implement the CCAA. The Mobile Source Emissions Reduction Program is funded in part by these fees collected on motor vehicle registrations.

**MINUTES OF THE GOVERNING BOARD
OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
VICTORVILLE, CALIFORNIA**

AGENDA ITEM #8

PAGE 2

The purpose of the Mojave Desert Clean Air Fund is to provide grants for projects that provide positive air quality impacts on a local community. The Mojave Desert Clean Air Fund is governed by MDAQMD Governing Board Policy 17-01 and related MDAQMD Standard Practices developed to administer the Fund.

REASON FOR RECOMMENDATION: Governing Board approval is required to: (1) fund grant projects (2) utilize available and alternative funding, (3) delegate to the Executive Director/APCO authority to negotiate and execute agreements with the grant recipient.

REVIEW BY OTHERS: This item was reviewed by Karen Nowak, District Counsel as to legal form and by Brad Poiriez, Executive Director on or about July 22, 2020.

FINANCIAL DATA: No increase in appropriation is anticipated and sufficient funds are available in the grant funding.

PRESENTER: Jorge Camacho, Grants Analyst

The following page(s) contain the backup material for Agenda Item: [Receive and file the District Activity Report. Presenter: Brad Poiriez, Executive Director/APCO.](#)
Please scroll down to view the backup material.

**MINUTES OF THE GOVERNING BOARD
OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
VICTORVILLE, CALIFORNIA**

AGENDA ITEM #9

DATE: August 24, 2020

RECOMMENDATION: Receive and file the District Activity Report.

SUMMARY: This item presents a report of District activities for the period referenced.

BACKGROUND: The following reports reflect information regarding the District's activities in the following areas:

- Operations – including permitting and compliance
- Grants – including status of projects awarded
- Community Relations and Education – including events where the District participates and is represented, and upcoming events.

Staff is available to answer questions as needed.

REASON FOR RECOMMENDATION: These reports are for information only.

REVIEW BY OTHERS: This item was reviewed by Karen Nowak, District Counsel as to legal form and by Brad Poiriez, Executive Director on or about August 10, 2020.

FINANCIAL DATA: No increase in appropriation is anticipated.

PRESENTER: Brad Poiriez, Executive Director/APCO.

Interoffice Memo

From: Alan De Salvio *ADS*
Deputy Director - Operations
adesalvio@mdaqmd.ca.gov

To: Brad Poiriez
Executive Director
bradp@mdaqmd.ca.gov

Date: 8/5/2020

Subject: June and July 2020 Operations Activity Report



Permit Inspections Completed - 345+240 (95% in compliance)
Notices to Comply (NTCs) Issued - 31+21
Notices of Violation (NoVs) Issued - 14+7
Outstanding NoVs - 29 (17 in settlement)
Delinquent Permit Follow-Ups – 10+37
Breakdowns – 13+21
Vapor Recovery Tests Witnessed – 7+10
Complaints - 11+12
Complaint Investigations - 11+12
Asbestos Notifications – 25+12
Asbestos Project Inspections – 1+0

Permit Applications Received - 25+50
Permit Changes Processed – 172+103
Title V Permit Actions In Progress - 20 (1 new, 12 renewal, 7 modifications)
Permits Issued - 794+361
Active Companies - 644
Active Facilities - 1274 (41 Title V Facilities)
Active Permits - 4266
Certificate of Occupancy/Building Permit Reviews – 29+30

Project Comment Letters – 9+2

Full SLAMS Air Monitoring Sites:

Barstow (full met,¹ CO, NO_x, O₃, PM₁₀)
Hesperia (full met, O₃, PM₁₀)
Lucerne Valley (partial met,² PM₁₀)
Phelan (full met, O₃)
Trona (full met, H₂S, NO_x, O₃, SO₂, PM₁₀)
Victorville (full met, CO, NO_x, O₃, SO₂, PM₁₀, PM_{2.5})

Community Sensors:

One TAPI T640 PM_{2.5} and O₃ portable unit (a second unit in progress)
36 PurpleAir particulate public cloud sensors (Apple Valley (3), Baker (2), Barstow, Blythe (2), Earp, Fort Irwin, Helendale, Hesperia, Joshua Tree, Lucerne Valley (2), Morongo Valley (2), Needles (2), Newberry Springs (2), Nipton, Oak Hills/Hesperia (2), Parker Dam, Phelan (2), Pinon Hills, Trona, Twentynine Palms (2), Victorville (2), Wrightwood, Yermo, Yucca Valley)

¹ Full met is full meteorology (exterior temperature, wind speed, wind direction, exterior pressure and relative humidity)

² Partial met is full meteorology without relative humidity

From: Jorge Camacho
Grants Analyst
 760.245.1661, ext. 2020
 Fax 760.245.2699
 jcamacho@mdaqmd.ca.gov

To: Brad Poiriez
 bradp@mdaqmd.ca.gov

Date: August 24, 2020
Subject: August Grant Report



Interoffice Memo

Updates

Lawn and Garden Exchange Program

Mojave Desert residents jumped at the chance to own a new piece of STIHL equipment this spring, setting incredible records and making sweeping reductions to local air pollution. The inaugural year of the Mojave Desert Air Quality Management District’s partnership with STIHL for the District’s lawn and garden equipment exchange program exceeded all expectations. 653 pieces of equipment were exchanged in total with the breakdown of equipment shown on Table 1 below.

Table 1

<u>Trimmers</u>	<u>Blowers</u>	<u>Mowers</u>
235	103	315

In addition, the pilot has also increased participation throughout the jurisdiction. Table 2 shows the locations and the number of pieces exchanged at each location. The large participation numbers in Blythe is great news as one of the goals of the pilot was to reach out to all areas.

Table 2

<u>Store/Location</u>	<u>Total Pieces Exchanged</u>
Apple Valley Lawn Mower-Apple Valley	171
Hesperia Outdoor Power Equipment-Hesperia	172
Inland Builders-Blythe	211
Lucerne Valley Hardware-Lucerne Valley	32
Mills Hardware-Phelan	42
Mountain Hardware-Wrightwood	12
Builders Supply-Yucca Valley	13

FARMER Year 2 Funding

The MDAQMD is once again participating in the Funding Agricultural Replacement Measures for Emission Reductions (FARMER) Program. The goal of the FARMER program is to reduce agricultural sector emissions by providing grants to replace high-emitting agricultural equipment with cleaner equipment. The District is part of the shared allocation pool with 13 other Air Districts. For Year 2 the

MDAQMD submitted over 35 applications for consideration. In April 2020, the MDAQMD receive funding for 6 applications for a total grant amount of \$467,917.90. The remaining applications will automatically be rolled over for consideration in Round 2 funding. Please see project list below for additional details.

Moyer Grant Cycle-In Motion

Traditionally, the District accepted grant applications on a yearlong rolling basis until funds were exhausted. In order to create a more streamline approach the District moved to a cyclic grant application period beginning in 2020. The District will only accept project applications during the first quarter of the year (January 1, 2020 to March 31, 2020). All projects were ranked in accordance with the 2017 Carl Moyer Program Guidelines. Funding recommendations will be based on the most cost-effective projects and projects that provided emission reductions in low-income or disadvantaged communities. Unfunded, eligible projects will remain on file. If additional funding becomes available from the California Air Resources Board then those funds will be allocated to unfunded eligible projects.

Electric Vehicle Charging Stations

As part of the MSERP work plan the District allocates \$40,000 a year in grant funding for the installation of electric vehicle charging station(s). The Electric Vehicle Charging Stations Program is an incentive-based program to encourage local entities within the MDAQMD to install electric vehicle charging stations to offer public options for electric vehicle charging. This program will reimburse District approved projects up to 80 percent of the total costs of infrastructure, charging equipment and installation where the maximum funding amount is determined by meeting general criteria.

As of June 22, 2020, the Town of Yucca Valley submitted two application to install two (2) level II charging stations at 57271 29 Palms Highway, Yucca Valley, CA 92284 (Branch Library); and 56711 29 Palms Highway, Yucca Valley, CA 92284 (Welcome Center). The Town of Yucca Valley was allocated a total of \$26,087.20 in grant funds. As of August 4, 2020, the Branch Library chargers have been installed.

Car Buy Back Program-Voluntary Vehicle Retirement Program

As part of the MSERP work plan the District allocates \$100,000 a year in grant funding for the District's Car Buy Back Program also known as the Voluntary Vehicle Retirement Program. The program provides monetary to vehicle owners to voluntarily retire their older, more polluting vehicle. In the past in order to qualify for the program a vehicle needed to be a model 1997 and older. However, in order to increase participation in March 2020 the District expanded the eligibility criteria to include vehicles that are 20 years or older. The primary goal of the VAVR program is to encourage a timelier removal of older, more polluting vehicles from California roadways to be replaced with newer, cleaner vehicles or alternative transportation options.

Project List

<u>Funding Source</u>		
<u>Carl Moyer Memorial Air Quality Standards Attainment Program (Carl Moyer Program)</u>		
<u>Project Name</u>	<u>Grant Award</u>	<u>Status</u>
Total Carl Moyer Grant Awards	\$ -	

<u>Funding Source</u>		
<u>FARMER Year 2</u>		
<u>Project Name</u>	<u>Grant Award</u>	<u>Status</u>
Coxco LLC Off-Road Agricultural Equipment	\$ 42,080.00	Pending
Seiler Equipment Company Off-Road Agricultural Equipment	\$ 57,600.00	Pending
Quail Mesa Off-Road Agricultural Equipment	\$ 95,440.00	Pending
Quail Mesa Off-Road Agricultural Equipment	\$ 95,440.00	Pending
Red Mule Ranch Off-Road Agricultural Equipment	101,596.30	Pending
Total	\$ 392,156.30	

<u>Funding Source</u>		
<u>AB 134/617-Community Action Program</u>		
<u>Project Name</u>	<u>Grant Award</u>	<u>Status</u>
AVUSD Electric Bus Infrastructure	\$ 30,738.97	Pending
AESD Electric Bus Infrastructure	29,900.63	Pending
Total AB 134/617 Grant Awards	\$ 60,639.60	

<u>Funding Source</u>		
<u>AB 2766</u>		
<u>Project Name</u>	<u>Grant Award</u>	<u>Status</u>
Lawn and Garden Exchange	\$ 100,000.00	Ongoing/Yearly
Morongo Basin Transit	40,000.00	Ongoing/Yearly
Needles Area Transit	15,000.00	Ongoing/Yearly
Palo Verde Transit	20,000.00	Ongoing/Yearly
San Bernardino County	75,000.00	Ongoing/Yearly
Victor Valley Transit Authority	250,000.00	Ongoing/Yearly
Voluntary Accelerated Vehicle Retirement Program	100,000.00	Ongoing/Yearly
CalPortland CNG Infrastructure	100,000.00	Pending
Total AB2766 Grant Awards	\$ 700,000.00	

Funding Source
Electric Vehicle Charging Stations

<u>Project Name</u>	<u>Grant Award</u>	<u>Status</u>
Town of Yucca Valley-Welcome Center	\$ 15,508.80	Pending
Total Grant Awards	\$ 15,508.80	

Funding Source
Clean Air Fund

<u>Project Name</u>	<u>Grant Award</u>	<u>Status</u>
Helendale School District	22,304.00	Work in Progress
Hesperia Recreation and Park District	22,304.00	Pending
Twentynine Palms Public Cemetery District	\$ 22,084.00	Pending
Total Grant Awards	\$ 66,692.00	

Completed Project(s)
All Funding Sources

<u>Project Name</u>	<u>Grant Award</u>	<u>Status</u>	<u>Funding Source</u>
City of Barstow-Skip Loader	\$ 20,832.00	Completed	Carl Moyer
DeConinck Farms-Windrower	121,205.00	Completed	Carl Moyer
Hinkley Dairy-Tractor	42,950.32	Completed	Carl Moyer
Mitsubishi Cement Corp.- Trackmobile	323,712.00	Completed	AB2766
Nish Noroian Farms Tractor 1	131,114.00	Completed	Carl Moyer
Nish Noroian Farms Tractor 2	232,634.00	Completed	Carl Moyer
Seiler Equipment Project 1-Tractor	111,797.00	Completed	Carl Moyer
Valley Wide Construction-Crane	121,638.00	Completed	Carl Moyer
Shawn Barker Construction-Loader	219,630.00	Completed	NRM
Hinkley Dairy-Generator	55,792.00	Completed	Carl Moyer
Seiler Equipment Project 2-Tractor	49,736.00	Completed	Carl Moyer
Chairel Farms Project 8-Tractor	229,970.54	Completed	NRM
Barnes and Berger Project 13-Tractor	80,561.60	Completed	FARMER Year 1
Barnes and Berger Project 14-Tractor	73,440.00	Completed	FARMER Year 1
Chairel Farms Project 4-Tractor	37,817.00	Completed	NRM
Chairel Farms Project 5-Tractor	37,817.00	Completed	NRM
Chairel Farms Project 6-Tractor	37,817.00	Completed	NRM
Chairel Farms Project 12-Tractor	130,608.00	Completed	FARMER Year 1
Chairel Farms Project 1-Tractor	37,817.00	Completed	Carl Moyer
Chairel Farms Project 2-Tractor	37,817.00	Completed	Carl Moyer
Chairel Farms Project 3 Tractor	24,902.72	Completed	Carl Moyer
CalPortland	339,948.80	Completed	AB2766
Com AV-Tug	249,735.00	Completed	Carl Moyer
Com AV-Tug	249,735.00	Completed	Carl Moyer
Mojave Northern/CEMEX	1,000,000.00	Completed	Carl Moyer
Barnes and Berger Project 1-Tractor	63,283.65	Completed	FARMER Year 1

Barnes and Berger Project 2-Tractor	63,319.07	Completed	FARMER Year 1
Barnes and Berger Project 3-Tractor	63,319.07	Completed	FARMER Year 1
Barnes and Berger Project 8-Tractor	63,283.65	Completed	FARMER Year 1
Barnes and Berger Project 9-Tractor	63,283.65	Completed	FARMER Year 1
Barnes and Berger Project 11-Tractor	63,319.07	Completed	FARMER Year 1
Barnes and Berger Project 12-Tractor	63,319.07	Completed	FARMER Year 1
Barnes and Berger Project 15-Tractor	63,319.07	Completed	FARMER Year 1
Chairel Farms Project 7-Tractor	119,200.00	Completed	FARMER Year 1
Chairel Farms Project 9-Tractor	134,000.00	Completed	FARMER Year 1
Van Dyke Farms Tractor	300,019.20	Completed	Carl Moyer
Nish Noroian Farms Tractor #3	76,974.00	Completed	Carl Moyer
CalPortland Drill	175,000.00	Completed	Carl Moyer
LVUSD Electric Bus Infrastructure	9,085.11	Completed	AB 134/617
Victor Valley Transit Authority- Transit Amenities	243,550.00	Completed	AB 2766
DeConinck Farms Project 2-Tractor	95,520.00	Completed	FARMER Year 1
DeConinck Farms Project 3-Tractor	101,400.00	Completed	FARMER Year 1
AVUSD Electric Bus Project	318,113.54	Completed	AB 134/617
AVUSD Electric Bus Project	107,468.96	Completed	AB 2766
City of Hesperia (street light synchronization)	484,482.00	Completed	AB2766
Northwest Pipe Company	522,057.92	Completed	AB 134/617
LVUSD Electric Bus Project	212,791.25	Completed	AB 134/617
Town of Yucca Valley-Branch Library	10,578.40	Completed	AB 2766
Barnes & Berger 2020 Off-Road Agricultural Equipment	75,761.50	Completed	FARMER Year 2
AESD All-Electric School Buses	\$ 800,000.00	Completed	AB 134/617
Total Grant Awards	\$ 8,291,475.16		

Glossary of Terms and Definitions

AB 134/617

The AB 134/617 grant was developed by the California Air Resource Board (CARB) and CARB is providing Greenhouse Gas Reduction Funds through the Carl Moyer Program to support early actions that reduce emissions and improve public health in communities with high burdens of cumulative pollutant exposure, consistent with the goals of Assembly Bill 617 of July 26, 2017.

AB 2766

Authorized the District to impose a \$4 motor vehicle registration fee to provide funds to meet the new responsibilities mandated under the California Clean Air Act. The District approximately allocates \$600,000 for eligible projects on a yearly basis.

Carl Moyer Memorial Air Quality Standards Attainment Program (Carl Moyer Program)

The Carl Moyer Program was created by CARB and its goal is to reduce emissions by providing grants for the incremental cost of cleaner heavy-duty vehicles and equipment such as on-road, off-road, marine, locomotive stationary agricultural pump, forklift, and airport ground support engines. The District historically receives approximately \$600,000 for eligible projects on a yearly basis.

Completed

Projects that have been completed by the grantee.

FARMER

Funding Agricultural Replacement Measures for Emission Reductions Program.

On-Going Yearly

Funds are encumbered on a yearly and ongoing basis.

Pending

Grantee is under a contractual agreement with the District.

Work in Progress

Application is currently being reviewed by the Grants Section.

Mojave Desert Air Quality Management District

Brad Poiriez, *Executive Director*

14306 Park Avenue, Victorville, CA 92392-2310

760.245.1661 • Fax 760.245.2699

www.MDAQMD.ca.gov • @MDAQMD

August Activity Report Communications



Smoke advisories

The District issued a smoke advisory on July 30 in response to smoke impacts from the Dam Fire in the San Gabriel mountains near the Cajon Pass. Communications coordinated with executive management on Aug. 1 to revise that advisory to include impacts from the Apple Fire in Riverside County, and expanded it to the broader jurisdiction on Aug. 3. The advisory was picked up and disseminated by numerous social media followers and media outlets including the Daily Press, VVNG, High Desert Daily, Hi-Desert Star in Yucca Valley, South Coast AQMD and NACAA among others. Combining the three distinct posts on both Twitter and Facebook, users viewed them 6,518 times and engaged with the posts in some way 361 times.

CAPCOA Public Outreach Committee

Communications staff participated in the quarterly meeting of the CAPCOA Public Outreach Committee via Zoom over two half-day sessions on July 29 and 30. Representatives from California Air Resources Board, U.S. EPA, CAPCOA staff and 10 other air districts participated. The sessions featured one presentation from Nextdoor, a neighborhood-focused social networking service, and another on the use and feasibility of particulate-filtering masks for children.

Ozone education

Communications coordinated with the APCO to restructure how the District informs the public on forecasted days of unhealthy ground-level ozone. Messaging will now focus primarily on basic educational messages about ground-level ozone, who is at risk and why those levels increase, particularly on hot summer days. The restructuring includes engaging community partners in utilizing their social media feeds to share educational posts.

Staff Appreciation

Human Resources and Communications organized boxed lunches for District staff in order to show appreciation but maintain social distancing. The lunches were handed out with this year's safety awards to celebrate another full year free of workplace-related safety incidents.

Learn Before You Burn

Communications completed an info sheet showing the District's voluntary woodsmoke reduction program, now titled, "Learn Before You Burn." The info sheet also wraps in messaging on the proper way to burn weeds and other yard trimmings. A copy of the info sheet is attached to this report. Communications staff worked directly with Permitting and Compliance sections staff for proper language.

Updated forms for Human Resources

Staff has begun updating the numerous forms Human Resources uses for onboarding new employees and maintaining current employees' information. The new forms are built as fillable PDFs for ease of completion digitally where appropriate and the layouts align with other forms Communications created or recreated for other District sections and programs.

Beginning work on a full update to the asbestos removal messaging

Communications Specialist Martial Haprov met with Compliance Supervisor Sarah Strout to prepare rebuilding the District's public messaging components on asbestos removal and related rules. An info sheet will replace a previously used brochure, and a web page will match the updated content and presentation. A series of social media posts will roll out once the new presentations are complete.

Press release/planning for Aug. 20 community meeting

Staff sent out a news release to the media and public inviting interested parties to join a community meeting on Aug. 20 regarding AB617 and the Community Air Protection Program. Communications staff will host the meeting on Zoom with the APCO, Deputy Director of Operations Alan De Salvio and Grants Analyst Jorge Camacho speaking about the program. Within days of the news release, about two dozen participants had registered.

Adelanto Elementary School District receives electric buses

With funding from the MDAQMD, the Adelanto Elementary School District is the proud owner of two brand new Bluebird Electric School Buses. The District covered 90 percent of the costs of the buses with AB 617 funds that totaled \$800,000. The two new 2020 Bluebird T3RE 3904 buses replace two 1997 Thomas Safe T-Lines Diesel Buses. A third bus for the District is on this meeting's agenda for approval. The District has set up a check presentation, photo opportunity (with necessary masking, and social distancing measures in place) that will go along with a press release to announce the project.

The following page(s) contain the backup material for Agenda Item: [Receive and file the Financial Report for FY20, through the month of May-June 2020, which provides financial information and budget performance concerning the fiscal status of the District. Jean Bracy, Deputy Director – Administration and Laquita Cole, Finance Manager.](#)
Please scroll down to view the backup material.

**MINUTES OF THE GOVERNING BOARD
OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
VICTORVILLE, CALIFORNIA**

AGENDA ITEM #10

DATE: August 24, 2020

RECOMMENDATION: Receive and file.

SUMMARY: Receive and file the Financial Report for **FY20**, through the month of May-June **2020**, which provides financial information and budget performance concerning the fiscal status of the District.

BACKGROUND: The Financial Report provides financial information and budget performance concerning the fiscal status of the District. The included reports reflect the business activities of the District for the period referenced *for all funds*. The target variance for June is 100% of Fiscal Year 2020.

The financial position for the District is sound and tracking well to the adopted budget. Several funding sources are received later in the fiscal year, including Program Revenue from AB2766 which will be received through August 2020.

Expenditures in the General Fund (not included in these reports) are under budget to date, and Personnel Expenses are slightly under budget. The Finance Reports are attached.

REASON FOR RECOMMENDATION: Receive and file.

REVIEW BY OTHERS: This item was reviewed by Karen Nowak, District Counsel as to legal form and by Brad Poiriez, Executive Director/APCO on or before Aug 6, 2020.

FINANCIAL DATA: No change in appropriation is required at this time.

PRESENTER: Jean Bracy, Deputy Director / Administration
Laquita Cole, Finance Manager

**MINUTES OF THE GOVERNING BOARD
OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
VICTORVILLE, CALIFORNIA**

AGENDA ITEM #10

PAGE 2

FINANCIAL REPORTS

STATEMENT OF REVENUES & EXPENDITURES – This report describes the financial activities for each of the District’s funds during the month(s) indicated.

STATEMENT OF ACTIVITY – This report reflects the revenues received and expenses made in all funds for the month(s) indicated and the year-to-date against the adopted budget for FY 20. The line items “Program” and “Program Costs” refer to the revenue and those payments made from the District’s grant funds (including AB 2766 and Carl Moyer Fund).

Y-T-D Actual Column – The revenue and expenditures to date reflect the activity year to date for the General Fund *together with* the District’s grant funds. When grant funds are expended they may be for amounts greater than what was received year to date because grants are often paid from the funds accumulated over a period of time. The Excess Revenue/Over Expenditures may reflect expenditures for the period exceeding the revenue for the period, creating a negative result that may imply expenses exceeding approved budget for the fiscal year.

CHECK REGISTERS – These reports list payments made for goods and services and fund transfers for District accounts.

Mojave Desert AQMD
Balance Sheet - Governmental Funds
As of June 30, 2020

Financial Report

	<u>General Fund</u>	<u>Mobile Emissions</u>	<u>Carl Moyer</u>	<u>Fiduciary Fund</u>	<u>Total</u>
Assets					
Current Assets					
Cash	5,045,658.27	1,887,927.55	1,490,845.25	1,778,934.42	10,203,365.49
Cash Held For Other Fund	(101,502.70)	(59,999.69)	165,180.86	(3,678.47)	0.00
Receivables	1,288,802.27	60,416.05	0.00	0.00	1,349,218.32
Pre-Paid	34,106.15	0.00	0.00	0.00	34,106.15
Total Current Assets	6,267,063.99	1,888,343.91	1,656,026.11	1,775,255.95	11,586,689.96
Non-Current Assets					
Deferred Outflows	4,003,052.00	0.00	0.00	0.00	4,003,052.00
Total Assets	10,270,115.99	1,888,343.91	1,656,026.11	1,775,255.95	15,589,741.96
Liabilities and Net Position					
Current Liabilities					
Payables	200,766.08	68,785.64	94,450.36	0.00	364,002.08
Accruals	1,391,976.95	0.00	0.00	0.00	1,391,976.95
Due to Others	(35.00)	0.00	0.00	0.00	(35.00)
Payroll Taxes Liability	36,588.36	0.00	0.00	0.00	36,588.36
Retirement	607.67	0.00	0.00	0.00	607.67
Health	(23,656.13)	0.00	0.00	0.00	(23,656.13)
Other Payroll Deductions	1,391.44	0.00	0.00	0.00	1,391.44
Unearned Revenue	1,906.54	0.00	1,552,011.18	0.00	1,553,917.72
Total Current Liabilities	1,609,545.91	68,785.64	1,646,461.54	0.00	3,324,793.09
Net Pension Liability	9,922,632.00	0.00	0.00	0.00	9,922,632.00
Net OPEB Liability	901,797.00	0.00	0.00	0.00	901,797.00
Deferred Pension Inflows	1,251,294.00	0.00	0.00	0.00	1,251,294.00
Deferred OPEB Inflows	83,889.00	0.00	0.00	0.00	83,889.00
Total Current Liabilities	12,159,612.00	0.00	0.00	0.00	12,159,612.00
Restricted Fund Balance	348,655.28	2,529,424.95	9,564.57	624,514.62	3,512,159.42
Committed Fund Balance	1,362,080.00	0.00	0.00	0.00	1,362,080.00
Budget Stabilization	250,000.00	0.00	0.00	0.00	250,000.00
Retirement Reserves	0.00	0.00	0.00	1,099,397.51	1,099,397.51
Unassigned Fund Balance	1,346,007.22	0.00	0.00	0.00	1,346,007.22
Adjustments to Fund Balance - GASB 68	(6,466,848.00)	0.00	0.00	0.00	(6,466,848.00)
Adjustments to Fund Balance - GASB 75	(895,700.00)	0.00	0.00	0.00	(895,700.00)
Compensated Absences	450,000.00	0.00	0.00	0.00	450,000.00
Pre Paid	34,146.20	0.00	0.00	0.00	34,146.20
Change in Net Position	72,617.38	(709,866.68)	0.00	51,343.82	(585,905.48)
Total Liabilities & Net Position	10,270,115.99	1,888,343.91	1,656,026.11	1,775,255.95	15,589,741.96

Mojave Desert AQMD
Statement of Revenues & Expenditures
For the Period Ending June 30, 2020

Financial Report

	<u>General Fund</u>	<u>Mobile Emissions Program</u>	<u>Carl Moyer Program</u>	<u>Fiduciary Fund</u>	<u>Total Governmental Funds</u>
<u>Revenues</u>					
Antelope Valley Air Quality Mngmnt Contract	167,822.59	0.00	0.00	0.00	167,822.59
Other Contracts	0.00	0.00	0.00	0.00	0.00
Application and Permit Fees	294,904.96	0.00	0.00	0.00	294,904.96
AB 2766 and Other Program Revenues	312,639.06	111,222.59	94,450.36	0.00	518,312.01
Fines	7,396.49	0.00	0.00	0.00	7,396.49
Investment Earnings	(6,974.31)	0.00	0.00	37,667.02	30,692.71
Federal and State	496,526.59	0.00	0.00	0.00	496,526.59
Other Revenue	0.00	0.00	0.00	0.00	0.00
Total Revenues	1,272,315.38	111,222.59	94,450.36	37,667.02	1,515,655.35
<u>Expenditures</u>					
Salaries and Benefits	803,115.59	0.00	0.00	0.00	803,115.59
Services and Supplies	135,791.27	155,217.75	94,450.36	831.43	386,290.81
Contributions to Other Participants	0.00	0.00	0.00	0.00	0.00
Capital Outlay Improvements and Equipment	12,357.60	0.00	0.00	0.00	12,357.60
Total Expenditures	951,264.46	155,217.75	94,450.36	831.43	1,201,764.00
Excess Revenue Over (Under) Expenditures	321,050.92	(43,995.16)	0.00	36,835.59	313,891.35

Mojave Desert AQMD
Statement of Activity - All Funds
For the Period Ending June 30, 2020

Financial Report

	<u>M-T-D</u> <u>Actual</u>	<u>Y-T-D</u> <u>Actual</u>	<u>Y-T-D</u> <u>Budget</u>	<u>% Budget</u> <u>to Actual</u>
Revenues				
Revenue - Permitting	333,549.07	5,194,401.18	4,743,000.00	109.52
Revenue - Programs	518,382.01	3,615,813.77	3,038,492.00	119.00
Revenue - Application Fees	9,876.97	222,527.60	121,000.00	183.91
Revenue - State	479,526.59	1,845,232.55	417,427.00	442.05
Revenue - Federal	17,000.00	125,727.00	148,900.00	84.44
Fines & Penalties	7,396.49	227,202.30	188,500.00	120.53
Interest Earned	30,692.71	161,156.51	172,562.00	93.39
Revenue - Contracts & Unidentified	167,822.59	1,601,465.69	1,538,000.00	104.13
Permit Cancellations	(48,591.08)	(136,895.39)	0.00	0.00
Total Revenues	1,515,655.35	12,856,631.21	10,367,881.00	124.00
Expenditures				
Office Expenses	12,236.91	233,460.96	256,225.00	91.12
Communications	36,478.39	105,813.62	87,300.00	121.21
Vehicles	4,383.90	64,394.88	65,650.00	98.09
Program Costs	318,455.40	5,168,783.43	1,862,354.00	277.54
Travel	831.91	84,932.22	105,150.00	80.77
Professional Services	7,064.92	82,294.70	132,100.00	62.30
Depreciation	0.00	0.00	650.00	0.00
Maintenance & Repairs	3,019.95	67,852.97	79,100.00	85.78
Non-Depreciable Inventory	1,160.39	54,616.03	37,950.00	143.92
Dues & Subscriptions	1,520.74	46,379.03	50,550.00	91.75
Legal	1,117.64	223,064.46	46,500.00	479.71
Miscellaneous Expense	0.00	2,699.23	14,000.00	19.28
Suspense	20.66	(415.40)	0.00	0.00
Capital Expenditures	12,357.60	186,782.93	215,000.00	86.88
Total Expenditures	398,648.41	6,320,659.06	2,952,529.00	214.08
Salaries & Benefits				
Personnel Expenses	798,675.98	7,095,615.02	7,330,002.00	96.80
Total Salaries & Benefits	798,675.98	7,095,615.02	7,330,002.00	96.80
Excess Revenue Over (Under) Expenditures	318,330.96	(559,642.87)	85,350.00	(655.70)

Mojave Desert AQMD

Run: 8/06/2020 at 7:46 AM

Bank Register from 5/01/2020 to 6/30/2020

Page: 1

Wells Fargo Operating

<u>Check/Ref</u>	<u>Date</u>	<u>Name/Description</u>	<u>Check Amount</u>	<u>Deposit Amount</u>	<u>Account Balance</u>
0000003	5/01/2020	Credit Card Transaction - Progressive Fuel Construction	0.00	302.00	1,605,140.96
0000003	5/04/2020	Credit Card Transaction - Walmart	0.00	673.11	1,605,814.07
0000003	5/04/2020	Credit Card Transactions - Collision Auto Repair - Castlerock Env	0.00	2,166.56	1,607,980.63
0000003	5/04/2020	Credit Card Transaction - Happy Sacks	0.00	204.43	1,608,185.06
PP10/20	5/05/2020	[14296] INTERNAL REVENUE SERVICE-PP10/20 - FICA Med FITW	24,147.30	0.00	1,584,037.76
PP10/20	5/05/2020	[10064] EMPLOYMENT DEVELOPMENT DEPARTMENT-PP10/20 - CA SWT	7,108.38	0.00	1,576,929.38
PP10/20	5/05/2020	[10082] VOYA FINANCIAL (457)-PP10/20 - 457 Reduction	10,011.62	0.00	1,566,917.76
9994866	5/05/2020	Voya 401(a) APCO Match	1,046.75	0.00	1,565,871.01
#4500	5/05/2020	[10071] BUSINESS CARD-#4500	6,180.23	0.00	1,559,690.78
#6210	5/05/2020	[10071] BUSINESS CARD-#6210	5,536.41	0.00	1,554,154.37
#4837	5/05/2020	[10071] BUSINESS CARD-#4837	3,611.24	0.00	1,550,543.13
#0357	5/05/2020	[10071] BUSINESS CARD-#0357	260.00	0.00	1,550,283.13
EFT	5/06/2020	Pay period ending 4/24/2020	118,667.91	0.00	1,431,615.22
EFT	5/07/2020	[10200] MOJAVE DESERT AQMD-Pay Period 10/2020 - FSADed	816.68	0.00	1,431,615.22
0008916	5/07/2020	[00445] NORTHWEST PIPE CO-AB134 Grant	338,756.95	0.00	1,092,858.27
0008917	5/07/2020	[10109] PHELAN PINON HILLS CSD-Electric Use Fee	160.00	0.00	1,092,698.27
0008918	5/07/2020	[10129] PRAXAIR DISTRIBUTION INC-Cylinder Rental	59.54	0.00	1,092,638.73
0008919	5/07/2020	[10126] SBCERA-Pay Period 10/2020 - SBCERADefer, SBCERAMatch, SBCERAPickUp, SurvivorInsBen, SurvivorInsDed, RetireCashBen	84,253.24	0.00	1,008,385.49
0008920	5/07/2020	[10213] SBPEA-Pay Period 10/2020 - GeneralUnitDues	654.00	0.00	1,007,731.49
0008921	5/07/2020	[15001] SBPIS-Pay Period 10/2020 - GeneralUnitMisc	5.00	0.00	1,007,726.49
0008922	5/07/2020	[10137] SOUTHWEST GAS CORP-Gas Service	121.66	0.00	1,007,604.83
0008923	5/07/2020	[10144] STANDARD INSURANCE-Pay Period 09/2020 - LifeBen, STDBen, LTDBen	771.61	0.00	1,006,833.22
0008924	5/07/2020	[10161] UNITED WAY DESERT COMMUNITIES-Pay Period 10/2020 - UnitedWay	28.00	0.00	1,006,805.22
EFT	5/07/2020	[10173] VOYAGER FLEET SERVICE-Fuel Charges April	429.03	0.00	1,006,805.22
0000003	5/08/2020	Credit Card Transactions - Barstow Truck Parts - Level 3 Communications - S. Heaston - SCBo Fleet	0.00	3,758.05	1,009,317.56
0000003	5/08/2020	Credit Card Transaction - SBCo Special Districts	0.00	339.16	1,009,656.72
0000003	5/11/2020	Credit Card Transaction - A & J Environmental	0.00	302.00	1,009,958.72
0000003	5/11/2020	Credit Card Transaction - Resource Environmental	0.00	988.00	1,010,946.72
0000003	5/11/2020	Wells Fargo ACH - SBCo Dept of Airports	0.00	1,000.00	1,011,946.72
0051120	5/11/2020	[10047] COLONIAL INSURANCE-Supplemental Insurance Premiums	1,402.03	0.00	1,010,544.69
0000003	5/13/2020	Credit Card Transactions - Southwest Gas & Corona Const	0.00	411.65	1,010,956.34
0008925	5/14/2020	[15040] CINTAS-AED Lease	106.67	0.00	1,010,849.67
0008926	5/14/2020	[10228] JAMES L COX-Attendance Budget Committee Meeting Monday, May 12, 2020.	100.00	0.00	1,010,749.67
0008927	5/14/2020	[10229] CARMEN HERNANDEZ-Attendance Personnel & Budget Committee Meetings Monday, May 12, 2020.	139.50	0.00	1,010,610.17
0008928	5/14/2020	[15160] KARI L LEON-Attendance Personnel & Budget Committees Meeting Monday, May 12, 2020.	100.00	0.00	1,010,510.17
0008929	5/14/2020	[14247] BARBARA LODS-Wellness Program Reimbursement	227.91	0.00	1,010,282.26

Mojave Desert AQMD**Bank Register from 5/01/2020 to 6/30/2020****Wells Fargo Operating**

Check/Ref	Date	Name/Description	Check Amount	Deposit Amount	Account Balance
0008930	5/14/2020	[10224] ROBERT LOVINGOOD-Attendance Personnel Committee Meeting Monday, May 12, 2020.	100.00	0.00	1,010,182.26
0008931	5/14/2020	[15287] LUCERNE VALLEY UNIFIED SCHOOL DISTRICT-AB134 Grant	212,791.25	0.00	797,391.01
0008932	5/14/2020	[10114] RAINBOW BUILDING MAINTENANCE-Custodial Services	2,346.00	0.00	795,045.01
0008933	5/14/2020	[10223] BARBARA RIORDAN-Attendance Personnel Committee Meeting Monday, May 12, 2020.	155.20	0.00	794,889.81
0008934	5/14/2020	[14221] ROBYN SIMPSON-Reimbursement for R. Simpson - District cleaning supplies	32.62	0.00	794,857.19
0008935	5/14/2020	[10150] THE COUNSELING TEAM-EAP hours	675.00	0.00	794,182.19
0008936	5/14/2020	[10165] VERIZON CONFERENCING-Teleconferemnce charges	304.84	0.00	793,877.35
EFT	5/14/2020	[14303] JEFFREY HAYES WILLIAMS-Attendance Personnel Committee Meeting Monday, May 12, 2020.	100.00	0.00	793,877.35
0000003	5/14/2020	Credit Card Transaction - MWD	0.00	339.16	794,116.51
0202030	5/14/2020	Op FUnd Rep #30	0.00	463,995.37	1,258,111.88
0000003	5/18/2020	Credit Card Transaction - Amazing Healing	0.00	2,500.00	1,260,611.88
PP11/20	5/19/2020	[14296] INTERNAL REVENUE SERVICE-PP11/20 - FITW, FICA, MED	22,860.97	0.00	1,237,750.91
PP11/20	5/19/2020	[10064] EMPLOYMENT DEVELOPMENT DEPARTMENT-PP11/20 - CA SWT	6,612.25	0.00	1,231,138.66
EFT	5/20/2020	Pay period ending 5/08/2020	118,250.32	0.00	1,112,888.34
0000003	5/20/2020	Credit Card Transactions - MEC & Delta Air Lines	0.00	3,634.85	1,116,523.19
0000003	5/21/2020	Credit Card Transactions - NTC Public Works - IAC - Juan Valenzuela - Hydrochempsc	0.00	2,079.70	1,118,602.89
0000003	5/21/2020	Credit Card Transaction - American Technologies	0.00	1,217.48	1,119,820.37
	5/21/2020	[10082] VOYA FINANCIAL (457)-PP11/20 - 457 Reduction	9,861.62	0.00	1,109,958.75
0008939	5/22/2020	[10057] ALLIED ADMIN-Invoices 051520, 2020-09, 2020-10	2,710.77	0.00	1,107,247.98
0008940	5/22/2020	[14217] BRET BANKS-Invoices 3775, 3776	573.80	0.00	1,106,674.18
EFT	5/22/2020	[10065] ENTERPRISE FLEET MANAGEMENT-Vehicle Leases	1,238.38	0.00	1,106,674.18
EFT	5/22/2020	[10200] MOJAVE DESERT AQMD-Pay Period 11/2020 - FSADed	816.68	0.00	1,106,674.18
EFT	5/22/2020	[14256] BRAD A POIRIEZ-Reimbursement for annual physical per contract	1,500.00	0.00	1,106,674.18
0008941	5/22/2020	[14216] MICHELLE POWELL-Invoices 3770, 3771	289.28	0.00	1,106,384.90
0008942	5/22/2020	[10126] SBCERA-Pay Period 11/2020 - SBCERADefer, SBCERAMatch, SBCERAPickUp, SurvivorInsBen, SurvivorInsDed, RetireCashBen	83,530.09	0.00	1,022,854.81
0008943	5/22/2020	[10213] SBPEA-Pay Period 11/2020 - GeneralUnitDues	654.00	0.00	1,022,200.81
0008944	5/22/2020	[15001] SBPIS-Pay Period 11/2020 - GeneralUnitMisc	3.00	0.00	1,022,197.81
0008945	5/22/2020	[14221] ROBYN SIMPSON-Wellness Program Reimbursement - Monthly Peleton Membership	240.00	0.00	1,021,957.81
0008946	5/22/2020	[14245] SARAH STROUT-Wellness Program Reimbursement - Echelon Membership	240.00	0.00	1,021,717.81
0008947	5/22/2020	[10161] UNITED WAY DESERT COMMUNITIES-Pay Period 11/2020 - UnitedWay	28.00	0.00	1,021,689.81
EFT	5/22/2020	[15006] WAGE WORKS INC-Payment for delinquent invoices, partial payment of \$2213.65, Morgan and Franz has agreed to pay the remaning \$1000 seperately.	2,213.65	0.00	1,021,689.81
0000003	5/22/2020	Credit Card Transactions - Hydrochempsc - Boeing - Ukpe Dev	0.00	1,816.74	1,017,737.84
0000003	5/22/2020	Credit Card Transaction - Pivox	0.00	730.00	1,018,467.84

Mojave Desert AQMD

Run: 8/06/2020 at 7:46 AM

Page: 3

Bank Register from 5/01/2020 to 6/30/2020

Wells Fargo Operating

<u>Check/Ref</u>	<u>Date</u>	<u>Name/Description</u>	<u>Check Amount</u>	<u>Deposit Amount</u>	<u>Account Balance</u>
0202031	5/22/2020	Op Fund Rep #31	0.00	212,287.97	1,230,755.81
0000003	5/26/2020	Credit Card Transactions - Terrible Herbst - SBCo Fleet	0.00	5,225.56	1,235,981.37
0000003	5/26/2020	Credit Card Transactions - FAA - MEC Environmental	0.00	2,231.96	1,238,213.33
0000003	5/27/2020	Credit Card Transactions - T-Mobile - Quality Resources	0.00	2,819.86	1,241,033.19
0000003	5/27/2020	Credit Card Transaction - Best Gas	0.00	1,682.64	1,242,715.83
0000003	5/27/2020	Wells Fargo ACH - SBCo Dept of Airports	0.00	54.61	1,242,770.44
0008948	5/28/2020	[10007] AIR TECH SERVICES-Service Call AC unit	120.00	0.00	1,242,650.44
0008949	5/28/2020	[10013] AT & T-Complaint Line	36.71	0.00	1,242,613.73
EFT	5/28/2020	[10017] BEST BEST & KRIEGER LLP-Invoices 876897, 876898	894.80	0.00	1,242,613.73
EFT	5/28/2020	[10021] CAL PUBLIC EMP RETIREMENT SYSTEM-Invoices 10000016044195, 2020-09, 2020-10	40,140.83	0.00	1,242,613.73
0008950	5/28/2020	[10024] CALIFORNIA CHAMBER OF COMMERCE-Membership Renewal	539.00	0.00	1,242,074.73
0008951	5/28/2020	[10086] KELLY PAPER COMPANY-Copy Paper	500.77	0.00	1,241,573.96
0008952	5/28/2020	[14247] BARBARA LODS-Reimbursement for annual out-of-pocket physical	417.06	0.00	1,241,156.90
EFT	5/28/2020	[10093] MET ONE INSTRUMENTS-Air monitoring equipment supplies tape and orings	1,236.92	0.00	1,241,156.90
EFT	5/28/2020	[10200] MOJAVE DESERT AQMD-Bank Transfer - Credit Card A/R Receipts - April 2020	6,646.30	0.00	1,241,156.90
0008953	5/28/2020	[10129] PRAXAIR DISTRIBUTION INC-Air testing gas mix	919.88	0.00	1,240,237.02
0008956	5/28/2020	[10124] SAVILLEX-Filter Membranes for AM testing	516.05	0.00	1,239,420.97
0008957	5/28/2020	[10135] SOCIETY FOR HUMAN RESOURCE MANAGEMENT-Organization dues for annual SHRM renewal - R. Simpson	209.00	0.00	1,239,211.97
0008958	5/28/2020	[10136] SOUTHERN CALIF EDISON-Electric Service	1,212.62	0.00	1,237,999.35
0008959	5/28/2020	[10144] STANDARD INSURANCE-Invoices 060120, 2020-11, 2020-12	1,478.56	0.00	1,236,520.79
0008960	5/28/2020	[10145] STAPLES INC-Office Supplies	266.12	0.00	1,236,254.67
0008961	5/28/2020	[10148] STRATEGIC PARTNERS GROUP-Legislative review	1,700.00	0.00	1,234,554.67
0008962	5/28/2020	[10166] VERIZON BUSINESS-VOIP and internet Service	1,215.15	0.00	1,233,339.52
0008963	5/28/2020	[15056] VICTOR VALLEY CHAMBER OF COMMERCE-Annual Renewal Fee for District membership to Victor Valley Chamber of Commerce.	520.00	0.00	1,232,819.52
0008964	5/28/2020	[14323] VSP-Invoices 2020-10, 2020-11, 809423450	759.88	0.00	1,232,059.64
2020032	5/28/2020	Op Fund Rep #32	0.00	191,389.60	1,374,530.39
0000003	5/29/2020	Credit Card Transaction - Tetra Technologies	0.00	333.95	1,374,864.34
0000003	6/01/2020	Credit Card Transactions - Westside Mart - Kavry - Valley Bulk	0.00	3,682.85	1,378,547.19
0000003	6/01/2020	Credit Card Transaction - Super Cleaners	0.00	339.16	1,378,886.35
PP12/20	6/02/2020	[14296] INTERNAL REVENUE SERVICE-PP12/20 - FITW, FICA, Med	26,064.58	0.00	1,352,821.77
PP12/20	6/02/2020	[10064] EMPLOYMENT DEVELOPMENT DEPARTMENT-PP12/20 - CA SWT	7,676.46	0.00	1,345,145.31
9994867	6/02/2020	Voya 401(a) - APCO Match	1,046.75	0.00	1,344,098.56
EFT	6/03/2020	Pay period ending 5/22/2020	131,759.95	0.00	1,212,338.61
0000003	6/03/2020	Credit Card Transactions - Commercial Wood - Walmart - Performance Abrasive	0.00	1,012.27	1,213,350.88
0000003	6/03/2020	Credit Card Transactinon - Valmont-Newmark	0.00	302.00	1,213,652.88
PP12/20	6/03/2020	[10082] VOYA FINANCIAL (457)-	9,861.62	0.00	1,203,791.26
#4500	6/03/2020	[10071] BUSINESS CARD-#4500	43.41	0.00	1,203,747.85
#0357	6/03/2020	[10071] BUSINESS CARD-#0357	125.46	0.00	1,203,622.39
#6210	6/03/2020	[10071] BUSINESS CARD-#6210	184.96	0.00	1,203,437.43

Mojave Desert AQMD
Bank Register from 5/01/2020 to 6/30/2020
Wells Fargo Operating

<u>Check/Ref</u>	<u>Date</u>	<u>Name/Description</u>	<u>Check Amount</u>	<u>Deposit Amount</u>	<u>Account Balance</u>
0000003	6/04/2020	Credit Card Transaction - Fusion Farms - CARS - Delta Airlines	0.00	3,836.11	1,207,273.54
0008965	6/04/2020	[10007] AIR TECH SERVICES-Service Call 05/02/20	120.00	0.00	1,207,153.54
EFT	6/04/2020	[10017] BEST BEST & KRIEGER LLP-Legal Services	438.40	0.00	1,207,153.54
0008966	6/04/2020	[15040] CINTAS-AED Lease	29.63	0.00	1,207,123.91
0008967	6/04/2020	[10088] HI DESERT GARDENS INC-Landscaping	280.00	0.00	1,206,843.91
0008968	6/04/2020	[10076] HI DESERT WINDOW WASHING-Window Washing Service	100.00	0.00	1,206,743.91
0008969	6/04/2020	[14272] LOVELANDS AUTOMOTIVE-PE Vehicle Maintenance	88.67	0.00	1,206,655.24
EFT	6/04/2020	[10200] MOJAVE DESERT AQMD-Bank Transfer - Credit Card A/R Receipts - March 2020	23,018.09	0.00	1,206,655.24
EFT	6/04/2020	[10200] MOJAVE DESERT AQMD-Pay Period 12/2020 - FSADed	816.68	0.00	1,206,655.24
0008970	6/04/2020	[15200] NATIONAL BUSINESS FURNITURE-Mesh Back Task Chairs - Qty 4	1,440.27	0.00	1,205,214.97
0008971	6/04/2020	[10109] PHELAN PINON HILLS CSD-Electric use fee	160.00	0.00	1,205,054.97
0008972	6/04/2020	[10129] PRAXAIR DISTRIBUTION INC-Cylinder Rental	59.54	0.00	1,204,995.43
0008973	6/04/2020	[10126] SBCERA-Pay Period 12/2020 - SBCERADefer, SBCERAMatch, SBCERAPickUp, SurvivorInsBen, SurvivorInsDed, RetireCashBen	93,108.89	0.00	1,111,886.54
0008974	6/04/2020	[10213] SBPEA-Pay Period 12/2020 - GeneralUnitDues	627.72	0.00	1,111,258.82
0008975	6/04/2020	[15001] SBPIS-Pay Period 12/2020 - GeneralUnitMisc	3.00	0.00	1,111,255.82
0008976	6/04/2020	[10137] SOUTHWEST GAS CORP-Gas Service	12.15	0.00	1,111,243.67
0008977	6/04/2020	[14269] TEK TIME SYSTEMS INC-Date Stamp maintenance through may 2021	115.00	0.00	1,111,128.67
0008978	6/04/2020	[10161] UNITED WAY DESERT COMMUNITIES-Pay Period 12/2020 - UnitedWay	28.00	0.00	1,111,100.67
EFT	6/04/2020	[10173] VOYAGER FLEET SERVICE-Fuel Card Charges	2,539.02	0.00	1,111,100.67
0000003	6/05/2020	Credit Card Transaction - Glorietta Mgmt	0.00	304.37	1,084,592.85
#3042	6/06/2020	[10071] BUSINESS CARD-#3042	603.99	0.00	1,083,988.86
#9081	6/06/2020	[10071] BUSINESS CARD-#9081	660.49	0.00	1,083,328.37
#8110	6/06/2020	[10071] BUSINESS CARD-#8110	722.53	0.00	1,082,605.84
0000003	6/08/2020	Credit Card Transactions - Kavry - Erm-West - Rancho Holdings - Ferrellgas	0.00	1,785.55	1,084,391.39
0000003	6/08/2020	Credit Card Transaction - CASTA Dept of Park & Rec	0.00	100.00	1,084,491.39
0009092	6/09/2020	[10047] COLONIAL INSURANCE-Supp Ins Prem	1,421.28	0.00	1,083,070.11
0000003	6/10/2020	Credit Card Transactions - Koala Dev - CA Biotech - Erm-West	0.00	824.32	1,083,894.43
0000003	6/11/2020	Credit Card Transactions - GE Aircraft - CA Biotech	0.00	1,861.55	1,085,755.98
EFT	6/11/2020	[10199] MERL R ABEL-Attendance Governing Board Meeting Monday, June 8, 2020.	189.70	0.00	1,086,055.98
0008980	6/11/2020	[10007] AIR TECH SERVICES-Invoices 05561, 5571	757.50	0.00	1,085,298.48
0008981	6/11/2020	[10057] ALLIED ADMIN-Invoices 060820, 2020-11, 2020-12	2,710.77	0.00	1,082,587.71
0008982	6/11/2020	[15350] BRIGIT BENNINGTON-Attendance Governing Board Meeting Monday, June 8, 2020.	100.00	0.00	1,082,487.71
EFT	6/11/2020	[10017] BEST BEST & KRIEGER LLP-Gen Counsel Legal services	931.60	0.00	1,082,487.71
0008983	6/11/2020	[14273] CAMARGO, EDGAR RUBEN-Attendance Governing Board Meeting Monday, June 8, 2020.	100.00	0.00	1,082,387.71
0008984	6/11/2020	[15040] CINTAS-AED Lease	106.67	0.00	1,082,281.04
0008985	6/11/2020	[10228] JAMES L COX-Attendance Governing Board Meeting Monday, June 8, 2020.	100.00	0.00	1,082,181.04

Mojave Desert AQMD
Bank Register from 5/01/2020 to 6/30/2020
Wells Fargo Operating

<u>Check/Ref</u>	<u>Date</u>	<u>Name/Description</u>	<u>Check Amount</u>	<u>Deposit Amount</u>	<u>Account Balance</u>
0008986	6/11/2020	[10222] JOSEPH DE CONINCK-Attendance Governing Board Meeting Monday, June 8, 2020.	100.00	0.00	1,082,081.04
0008987	6/11/2020	[15055] MARTIAL HAPROV-CAPIO Certificate Course - Crisis Communications	20.00	0.00	1,082,061.04
0008988	6/11/2020	[10229] CARMEN HERNANDEZ-Attendance Governing Board Meeting Monday, June 8, 2020.	139.50	0.00	1,081,921.54
0008989	6/11/2020	[14247] BARBARA LODS-Invoices 3788, 3789	2,802.94	0.00	1,079,118.60
0008990	6/11/2020	[10224] ROBERT LOVINGOOD-Attendance Governing Board Meeting Monday, June 8, 2020.	100.00	0.00	1,079,018.60
0008991	6/11/2020	[15348] MACRO-Z-TECHNOLOGY-Refund: Duplicate Application Fee	302.00	0.00	1,078,716.60
0008992	6/11/2020	[10225] DANIEL L MINTZ SR-Attendance Governing Board Meeting Monday, June 8, 2020.	100.00	0.00	1,078,616.60
EFT	6/11/2020	[10200] MOJAVE DESERT AQMD-Bank Transfer - Credit Card A/R Receipts - May 2020	34,811.47	0.00	1,078,616.60
0008993	6/11/2020	[14218] ROSEANA NAVARRO BRASINGTON-Wellness Program Reimbursement	240.00	0.00	1,078,376.60
EFT	6/11/2020	[14256] BRAD A POIRIEZ-Meeting expense Governing Board meeting June 8, 2020.	11.78	0.00	1,078,376.60
0008994	6/11/2020	[10114] RAINBOW BUILDING MAINTENANCE-Custodial Services	2,346.00	0.00	1,076,030.60
0008995	6/11/2020	[10223] BARBARA RIORDAN-Attendance Governing Board Meeting Monday, June 8, 2020.	155.20	0.00	1,075,875.40
0008996	6/11/2020	[01913] RIVERSIDE COUNTY-NOE filings - Amendment of Rule 1115 & Rule 1117 & Rule 1118, Notice of Exemption filing date June 8, 2020.	100.00	0.00	1,075,775.40
EFT	6/11/2020	[15178] DAWN ROWE-Attendance Governing Board Meeting Monday, June 8, 2020.	100.00	0.00	1,075,775.40
0008997	6/11/2020	[10122] SAN BERNARDINO COUNTY CLERK-NOE filings - Amendment of Rule 1115 & Rule 1117 & Rule 1118, Notice of Exemption filing date June 8, 2020.	100.00	0.00	1,075,675.40
0008998	6/11/2020	[10148] STRATEGIC PARTNERS GROUP-Legislative Services	1,700.00	0.00	1,073,975.40
0008999	6/11/2020	[10150] THE COUNSELING TEAM-EAP Hours	450.00	0.00	1,073,525.40
2020033	6/11/2020	Op Fund Rep #32	0.00	298,173.93	1,335,654.78
0000003	6/15/2020	Credit Card Transactions - Tonyan Coffee - Glorietta Mgmt - Petroleum Equip - RM Fuel Systems	0.00	1,510.00	1,337,164.78
0000003	6/15/2020	Credit Card Transactions - CA Biotech - JM Farinelli	0.00	259.36	1,337,424.14
0000003	6/15/2020	Credit Card Transaction - HERC Rentals	0.00	302.00	1,337,726.14
9044974	6/15/2020	Wage Wroks FSA Claim	310.00	0.00	1,337,416.14
EFT	6/17/2020	Pay period ending 6/05/2020	119,016.89	0.00	1,218,399.25
0000003	6/17/2020	Credit Card Transaction - Cannable Organics	0.00	960.00	1,219,359.25
PP13/20	6/17/2020	[14296] INTERNAL REVENUE SERVICE-PP13/02- FITW, FICA, MED	23,500.90	0.00	1,195,858.35
PP13/20	6/17/2020	[10064] EMPLOYMENT DEVELOPMENT DEPARTMENT-PP13/20 - CA SWT	6,865.45	0.00	1,188,992.90
PP13/20	6/17/2020	[10082] VOYA FINANCIAL (457)-PP13/20 - 457 Reduction	9,869.93	0.00	1,179,122.97
0000003	6/18/2020	Credit Card Transaction - RM Fuel Systems	0.00	302.00	1,179,424.97
0000003	6/18/2020	Credit Card Transaction - Integrated Demolition	0.00	608.74	1,180,033.71
0009000	6/18/2020	[10013] AT & T-Complaint Line Charges	39.36	0.00	1,179,994.35
EFT	6/18/2020	[10065] ENTERPRISE FLEET MANAGEMENT-Vehicle Leases	1,238.38	0.00	1,179,994.35

Mojave Desert AQMD**Bank Register from 5/01/2020 to 6/30/2020****Wells Fargo Operating**

Check/Ref	Date	Name/Description	Check Amount	Deposit Amount	Account Balance
0009001	6/18/2020	[15353] HAL HAYES CONSTRUCTION INC-Refund: Refund of Overpayment of Demo Fee	404.00	0.00	1,179,590.35
0009002	6/18/2020	[15352] INA JOO-Refund: Duplicate Payment - Demo Reno Fee - Erm-West - BNSF Railway	146.00	0.00	1,179,444.35
0009003	6/18/2020	[15273] KONICA MNOLTA BUSINESS SOLUTIONS-Invoices 35636757, 35636758	4,894.48	0.00	1,174,549.87
EFT	6/18/2020	[10200] MOJAVE DESERT AQMD-Pay Period 13/2020 - FSADed	816.68	0.00	1,174,549.87
0009004	6/18/2020	[10109] PHELAN PINON HILLS CSD-Invoices INV02791, INV02898	320.00	0.00	1,174,229.87
0009005	6/18/2020	[10126] SBCERA-Pay Period 13/2020 - SBCERADefer, SBCERAMatch, SBCERAPickUp, SurvivorInsBen, SurvivorInsDed, RetireCashBen	83,330.51	0.00	1,090,899.36
0009006	6/18/2020	[10213] SBPEA-Pay Period 13/2020 - GeneralUnitDues	628.53	0.00	1,090,270.83
0009007	6/18/2020	[15001] SBPIS-Pay Period 13/2020 - GeneralUnitMisc	3.00	0.00	1,090,267.83
0009008	6/18/2020	[15346] SOUTH COAST AQMD-Dues for South Coast AQMD CPP License - C. Anderson	173.58	0.00	1,090,094.25
0009009	6/18/2020	[10136] SOUTHERN CALIF EDISON-Electric Service	2,146.42	0.00	1,087,947.83
0009010	6/18/2020	[10145] STAPLES INC-Office Supplies	784.39	0.00	1,087,163.44
0009011	6/18/2020	[10161] UNITED WAY DESERT COMMUNITIES-Pay Period 13/2020 - UnitedWay	28.00	0.00	1,087,135.44
0009012	6/18/2020	[10166] VERIZON BUSINESS-VOIP Internet Service	1,215.15	0.00	1,085,920.29
0009013	6/18/2020	[10165] VERIZON CONFERENCING-TC Service	405.86	0.00	1,085,514.43
0000003	6/19/2020	Credit Card Transaction - AR Rock Quarry	0.00	302.00	1,083,761.37
0970118	6/19/2020	Wage Works FSA Claim	488.50	0.00	1,083,272.87
0000003	6/22/2020	Credit Card Transactions - SBCo Fleet	0.00	2,713.28	1,085,986.15
0000003	6/22/2020	Credit Card Transactions - S&S Vibes - Core States	0.00	604.00	1,086,590.15
0000003	6/22/2020	Credit Card Transactions - West Coast Metalworks	0.00	304.37	1,086,894.52
2020034	6/22/2020	Op Fund Rep #33	0.00	299,430.17	1,386,324.69
0000003	6/24/2020	Wells Fargo ACH - SBCo Solid Waste	0.00	4,516.21	1,390,840.90
0000003	6/24/2020	Credit Card Transactions - Caliber Collision - SBCo Fleet	0.00	5,617.64	1,396,458.54
0992077	6/24/2020	Wage Works FSA Claim	326.57	0.00	1,396,131.97
0009014	6/25/2020	[10007] AIR TECH SERVICES-Replacement of HVAC Unit - Installation and parts	12,357.60	0.00	1,383,774.37
0009015	6/25/2020	[10050] COMPUTERWORKS NFP SOLUTIONS-FFCRA implementation	187.50	0.00	1,383,586.87
0009016	6/25/2020	[15048] JEREMY CRAIG-Inspections in Nipton and gas station testing in Baker.	122.00	0.00	1,383,464.87
0009017	6/25/2020	[10076] HI DESERT WINDOW WASHING-Window Washing Service	200.00	0.00	1,383,264.87
0009018	6/25/2020	[00199] SBCO FLEET MGMT DEPT-Refund: Refund Overpayment Invoice 11977	5.21	0.00	1,383,259.66
0000003	6/25/2020	Credit Card Transaction - Glorietta Management	0.00	4,648.00	1,387,907.66
0000003	6/25/2020	Wells Fargo ACH - SBCo Solid Waste	0.00	1,945.19	1,389,852.85
0000003	6/26/2020	Credit Card Transaction - FAA	0.00	339.16	1,390,192.01
0000003	6/26/2020	Credit Card Transaction - Herc Rentals	0.00	1,500.00	1,391,692.01
1009207	6/26/2020	Wage Works FSA Claim	236.00	0.00	1,391,456.01
1014747	6/27/2020	Wage Works FSA Claim	258.96	0.00	1,391,197.05
#4500	6/28/2020	[10071] BUSINESS CARD-#4500	3,817.70	0.00	1,387,379.35
#4837	6/28/2020	[10071] BUSINESS CARD-#4837	3,553.20	0.00	1,383,826.15

Mojave Desert AQMD

Run: 8/06/2020 at 7:46 AM

Bank Register from 5/01/2020 to 6/30/2020

Page: 7

Wells Fargo Operating

<u>Check/Ref</u>	<u>Date</u>	<u>Name/Description</u>	<u>Check Amount</u>	<u>Deposit Amount</u>	<u>Account Balance</u>
#6210	6/28/2020	[10071] BUSINESS CARD-#6210	3,373.15	0.00	1,380,453.00
#8110	6/28/2020	[10071] BUSINESS CARD-#8110	1,329.78	0.00	1,379,123.22
#3042	6/28/2020	[10071] BUSINESS CARD-#3042	995.13	0.00	1,378,128.09
#0357	6/28/2020	[10071] BUSINESS CARD-#0357	767.66	0.00	1,377,360.43
#9081	6/28/2020	[10071] BUSINESS CARD-#9081	699.15	0.00	1,376,661.28
0000003	6/29/2020	Credit Card Transactions - J & C Env - Sully Miller	0.00	1,212.74	1,377,874.02
0000003	6/29/2020	Credit Card Transaction - Performance Powder Coating	0.00	304.37	1,378,178.39
0009020	6/30/2020	[15040] CINTAS-AED Service	29.63	0.00	1,378,148.76
0009021	6/30/2020	[10045] CIVIC CENTER CAR WASH-Fleet Vehicle Washes Nov 2019 - June 2020	521.86	0.00	1,377,626.90
0009022	6/30/2020	[15028] FEDAK & BROWN LLP-Invoices 063020, 063020	2,280.00	0.00	1,375,346.90
0009023	6/30/2020	[10109] PHELAN PINON HILLS CSD-Electric Use Fee	160.00	0.00	1,375,186.90
0009024	6/30/2020	[10129] PRAXAIR DISTRIBUTION INC-Invoices 97250458, 97346586	410.73	0.00	1,374,776.17
EFT	6/30/2020	[10134] SMART & FINAL IRIS COMPANY-Kitchen Supplies	68.08	0.00	1,374,776.17
0009025	6/30/2020	[10137] SOUTHWEST GAS CORP-Gas Service	23.87	0.00	1,374,752.30
0009026	6/30/2020	[14269] TEK TIME SYSTEMS INC-Annual Time Stamp Maintenance Contract	10.00	0.00	1,374,742.30
0009027	6/30/2020	[14323] VSP-Invoices 062420, 2020-12, 2020-13	715.28	0.00	1,374,027.02
EFT	6/30/2020	[10199] MERL R ABEL-Attendance Governing Board Meeting Monday, June 22, 2020.	204.41	0.00	1,373,958.94
0009061	6/30/2020	[15350] BRIGIT BENNINGTON-Attendance Governing Board Meeting Monday, June 22, 2020.	100.00	0.00	1,373,858.94
0009062	6/30/2020	[10228] JAMES L COX-Attendance Governing Board Meeting Monday, June 22, 2020.	100.00	0.00	1,373,758.94
0009063	6/30/2020	[10222] JOSEPH DE CONINCK-Attendance Governing Board Meeting Monday, June 22, 2020.	100.00	0.00	1,373,658.94
0009064	6/30/2020	[10229] CARMEN HERNANDEZ-Attendance Governing Board Meeting Monday, June 22, 2020.	139.50	0.00	1,373,519.44
0009065	6/30/2020	[15160] KARI L LEON-Attendance Governing Board Meeting Monday, June 22, 2020.	100.00	0.00	1,373,419.44
0009066	6/30/2020	[10224] ROBERT LOVINGOOD-Attendance Governing Board Meeting Monday, June 22, 2020.	100.00	0.00	1,373,319.44
EFT	6/30/2020	[10093] MET ONE INSTRUMENTS-BX-965 REPORT PROCESSOR OPTION FOR BAM-1020	563.36	0.00	1,373,319.44
0009067	6/30/2020	[10225] DANIEL L MINTZ SR-Attendance Governing Board Meeting Monday, June 22, 2020.	100.00	0.00	1,373,219.44
0009068	6/30/2020	[15025] V MANUEL PEREZ-Attendance Governing Board Meeting Monday, June 22, 2020.	100.00	0.00	1,373,119.44
EFT	6/30/2020	[14256] BRAD A POIRIEZ-Meeting expense Governing Board meeting June 22, 2020.	13.49	0.00	1,373,119.44
0009069	6/30/2020	[10223] BARBARA RIORDAN-Attendance Governing Board Meeting Monday, June 22, 2020.	155.20	0.00	1,372,964.24
EFT	6/30/2020	[15178] DAWN ROWE-Attendance Governing Board Meeting Monday, June 22, 2020.	100.00	0.00	1,372,964.24
PP14/20	6/30/2020	[14296] INTERNAL REVENUE SERVICE-PP14/20 - FITW, FICA MED	23,074.93	0.00	1,349,008.05

Mojave Desert AQMD
Bank Register from 5/01/2020 to 6/30/2020
Wells Fargo Operating

<u>Check/Ref</u>	<u>Date</u>	<u>Name/Description</u>	<u>Check Amount</u>	<u>Deposit Amount</u>	<u>Account Balance</u>
	6/30/2020	[10064] EMPLOYMENT DEVELOPMENT DEPARTMENT-PP14/20 - CA SWT	6,670.87	0.00	1,342,337.18
Total for Report:			1,804,587.53	1,542,085.75	

Mojave Desert AQMD

Run: 8/06/2020 at 7:44 AM

Page: 1

Bank Register from 5/01/2020 to 6/30/2020

General Fund MPA

<u>Check/Ref</u>	<u>Date</u>	<u>Name/Description</u>	<u>Check Amount</u>	<u>Deposit Amount</u>	<u>Account Balance</u>
0000003	5/01/2020	SBCo ACH - MDAQMD	0.00	816.68	2,343,783.18
0000003	5/04/2020	Daily Deposit	0.00	156,489.62	2,500,272.80
0000003	5/04/2020	SBCo ACH - Cemex	0.00	3,563.87	2,503,836.67
8877518	5/04/2020	Transfer AB2766 - March 2020	57,946.42	0.00	2,445,890.25
20131072	5/07/2020	Daily Deposit	0.00	255,148.50	2,701,038.75
8877517	5/07/2020	Deposit Correction 04/27/20 - Depierro Development Check #4826 \$1310.64 paid at \$1000.00	310.64	0.00	2,700,728.11
0000003	5/08/2020	SBCo ACH - MDAQMD	0.00	816.68	2,701,544.79
0000003	5/11/2020	Daily Deposit	0.00	10,231.51	2,711,776.30
0000003	5/14/2020	Daily Deposit	0.00	21,186.86	2,732,963.16
0202030	5/14/2020	Op FUnd Rep #30	463,995.37	0.00	2,268,967.79
0001397	5/15/2020	[00054] DUCOMMUN AEROSTRUCTURES-Check returned unpaid	7,368.00	0.00	2,261,599.79
20131073	5/19/2020	Daily Deposit	0.00	44,814.44	2,306,414.23
0000003	5/21/2020	Daily Deposit	0.00	3,036.15	2,309,450.38
0202031	5/22/2020	Op Fund Rep #31	212,287.97	0.00	2,097,162.41
20131074	5/26/2020	Daily Deposit	0.00	20,941.25	2,118,103.66
0000003	5/26/2020	SBCo ACH - MDAQMD	0.00	816.68	2,118,920.34
20131075	5/27/2020	Daily Deposit	0.00	13,358.20	2,132,278.54
2020032	5/28/2020	Op Fund Rep #32	191,389.60	0.00	1,940,888.94
0000003	5/29/2020	Wells Fargo ACH - MDAQMD	0.00	6,646.30	1,947,535.24
	5/31/2020	Service Charge	165.28	0.00	1,947,369.96
20131076	6/01/2020	Daily Deposit	0.00	13,592.22	1,960,962.18
20131077	6/02/2020	Daily Deposit	0.00	181,080.29	2,142,042.47
20131078	6/05/2020	Daily deposit	0.00	17,146.95	2,159,189.42
0000003	6/05/2020	SBCo ACH - City of Victorville	0.00	2,684.81	2,161,874.23
0000003	6/05/2020	Daily Deposit	0.00	8,144.60	2,170,018.83
0000003	6/09/2020	Daily Deposit	0.00	548,570.22	2,718,589.05
0000003	6/10/2020	SBCo ACH - Castle Mountain	0.00	31,869.68	2,750,458.73
0000003	6/10/2020	SBCO ACH - MDAQMD	0.00	23,018.09	2,773,476.82
0000003	6/10/2020	SBCo ACH - MDAQMD	0.00	816.68	2,774,293.50
0000003	6/11/2020	SBCo ACH - City of VV	0.00	5,562.82	2,779,856.32
0000003	6/11/2020	Daily Deposit	0.00	154,954.05	2,934,810.37
2020033	6/11/2020	Op Fund Rep #32	298,173.93	0.00	2,636,636.44
0000003	6/12/2020	SBCo ACH - MDAQMD	0.00	34,811.47	2,671,447.91
0000003	6/15/2020	Daily Deposit	0.00	9,475.95	2,680,923.86
8877521	6/16/2020	Transfer AB2766 - April 2020	50,806.54	0.00	2,630,117.32
20131079	6/16/2020	Daily Deposit	0.00	46,337.39	2,676,454.71
20131080	6/18/2020	Daily Deposit	0.00	21,880.06	2,698,334.77
0000003	6/19/2020	SBCo ACH - MDAQMD	0.00	816.68	2,699,151.45
20131081	6/22/2020	Daily Deposit	0.00	372,291.40	3,071,442.85
2020034	6/22/2020	Op Fund Rep #33	299,430.17	0.00	2,772,012.68
0000003	6/23/2020	SBCo ACH - MCAGCC	0.00	268.39	2,772,281.07
0000003	6/23/2020	Daily Depoist	0.00	1,079,500.85	3,851,781.92
8877522	6/23/2020	Transfer Moyer Year 21 Project Funds	927,923.00	0.00	2,923,858.92

Mojave Desert AQMD
Bank Register from 5/01/2020 to 6/30/2020
General Fund MPA

<u>Check/Ref</u>	<u>Date</u>	<u>Name/Description</u>	<u>Check Amount</u>	<u>Deposit Amount</u>	<u>Account Balance</u>
20131082	6/24/2020	Daily Deposit	0.00	241,250.46	3,165,109.38
20131083	6/25/2020	Daily deposit	0.00	74,519.55	3,239,628.93
0000003	6/25/2020	SBCo ACH - City of VV	0.00	631.27	3,240,260.20
0000003	6/29/2020	Deposit - Muskrat 17	0.00	46,537.45	3,286,797.65
0000003	6/30/2020	Daily Deposit	0.00	62,403.64	3,349,201.29
Total for Report:			2,509,796.92	3,516,031.71	

Mojave Desert AQMD
Bank Register from 5/01/2020 to 6/30/2020
WF AB2766

<u>Check/Ref</u>	<u>Date</u>	<u>Name/Description</u>	<u>Check Amount</u>	<u>Deposit Amount</u>	<u>Account Balance</u>
8877518	5/04/2020	Transfer AB2766 - March 2020	0.00	57,946.42	1,947,595.66
0003069	5/07/2020	[10240] ENVIRONMENTAL ENGINEERING STUDIES-AB2766 Grant	1,529.00	0.00	1,946,066.66
0003070	5/07/2020	[15344] PACIFIC STIHL INC-AB2766 Grant	20,694.54	0.00	1,925,372.12
0003071	6/04/2020	[10240] ENVIRONMENTAL ENGINEERING STUDIES-AB2766 Grant	1,819.00	0.00	1,923,553.12
0003072	6/11/2020	[15344] PACIFIC STIHL INC-AB2766 Grant	86,432.11	0.00	1,837,121.01
8877521	6/16/2020	Transfer AB2766 - April 2020	0.00	50,806.54	1,887,927.55
Total for Report:			110,474.65	108,752.96	

Mojave Desert AQMD
Bank Register from 5/01/2020 to 6/30/2020
WF Carl Moyer

<u>Check/Ref</u>	<u>Date</u>	<u>Name/Description</u>	<u>Check Amount</u>	<u>Deposit Amount</u>	<u>Account Balance</u>
	5/01/2020	Interest Earned	0.00	83.54	562,922.25
8877522	6/23/2020	Transfer Moyer Year 21 Project Funds	0.00	927,923.00	1,490,845.25
Total for Report:			0.00	928,006.54	

Mojave Desert AQMD
Bank Register from 5/01/2020 to 6/30/2020
PARS TRUST - OPEB

<u>Check/Ref</u>	<u>Date</u>	<u>Name/Description</u>	<u>Check Amount</u>	<u>Deposit Amount</u>	<u>Account Balance</u>
	5/31/2020	Service Charge	298.66	0.00	640,916.41
	5/31/2020	Interest Earned	0.00	23,903.67	664,820.08
	6/30/2020	Service Charge	316.91	0.00	664,503.17
	6/30/2020	Interest Earned	0.00	15,033.74	679,536.91
Total for Report:			615.57	38,937.41	

Mojave Desert AQMD
Bank Register from 5/01/2020 to 6/30/2020
PARS TRUST - PENSION

<u>Check/Ref</u>	<u>Date</u>	<u>Name/Description</u>	<u>Check Amount</u>	<u>Deposit Amount</u>	<u>Account Balance</u>
	5/31/2020	Service Charge	488.00	0.00	1,042,175.97
	5/31/2020	Interest Earned	0.00	35,102.78	1,077,278.75
	6/30/2020	Service Charge	514.52	0.00	1,076,764.23
	6/30/2020	Interest Earned	0.00	22,633.28	1,099,397.51
Total for Report:			1,002.52	57,736.06	

Mojave Desert AQMD
Bank Register from 5/01/2020 to 6/30/2020
Clean Air Fund

<u>Check/Ref</u>	<u>Date</u>	<u>Name/Description</u>	<u>Check Amount</u>	<u>Deposit Amount</u>	<u>Account Balance</u>
0001003	5/14/2020	[15345] CARRIER X LLC-FreeConferenceCall.com contribution for service used for teleconferencing and virtual meetings.	250.00	0.00	348,562.27
	5/31/2020	Interest Earned	0.00	47.28	348,609.55
	6/30/2020	Interest Earned	0.00	45.73	348,655.28
Total for Report:			250.00	93.01	

The following page(s) contain the backup material for Agenda Item: [Receive and file the Legislative Report for August 2020](#). Presenter: [Brad Poiriez, Executive Director/APCO](#). Please scroll down to view the backup material.

**MINUTES OF THE GOVERNING BOARD
OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
VICTORVILLE, CALIFORNIA**

AGENDA ITEM # 11

DATE: August 24, 2020

RECOMMENDATION: Receive and file.

SUMMARY: The Legislative Report for August 2020.

BACKGROUND: Legislative actions proposed at the federal and state level have the potential to impact the implementation of the District's mission as well as its regulatory operations. An important tool for the District is to monitor the flood of information and its status which allows for comment early in the process and preparation for any changes that may be required. The District contracts this service and receives periodic reports with summaries to help sort the pertinent legislative proposals.

Strategic Partners Group (SPG) is the consultant to the District providing this service to monitor certain legislative and regulatory activities at the state and local level. Staff will direct questions to SPG regarding any of the material presented or follow up on any matter of interest to the Governing Board. Following the table of proposed legislation are several Articles of Interest of relevant information.

REASON FOR RECOMMENDATION: This item is provided for information subject to direction of the Governing Board.

REVIEW BY OTHERS: This item was reviewed by Karen Nowak, District Counsel, as to legal form and by Brad Poiriez, Executive Director, on or about August 6, 2020.

FINANCIAL DATA: No increase in appropriation is anticipated.

PRESENTER: Brad Poiriez, Executive Director/APCO.



Government Affairs and Communication Consulting

FRANK T. SHEETS, III
LAURIE HANSEN SHEETS

MEMORANDUM

DATE: August 5, 2020

TO: Brad Poiriez

FROM: Frank Sheets
Laurie Hansen

Following is our latest legislative report.

Of the 23 bills we are tracking for the MDAQMD, the following have seen amendments since our last report: AB 1071. Although not an air bill, it proposes grant programs to assist the agricultural industry in adapting to potential impacts resulting from climate change. The bill specifically mentions desert regions of the state as potential project areas.

AB 2028 has seen a significant re-write while continuing to deal with State and local agency public meetings and associated notifications. We recommend the bill should be review by the District to determine its applicability.

AB 2371 has seen some minor amendments however still proposes the formation of a Climate Advisory Team to advise various state agencies on climate change mitigation strategies.

SB 1099 has also seen some amendments. The bill calls for changes in rule or permit conditions regarding the use of emergency backup generators at critical facilities under specific conditions. Assuming the District rules or permits restrict the use of backup emergency generators, a state proposal that may change such conditions should be of interest to the district.

SB 86 has also seen some minor amendments. Although the bill specifically deals with the pesticide chlorpyrifos in granular form, the bill mentions inhalation as a potential pathway for exposure, indicating potential air-borne concentrations of this pesticide in agricultural areas where it is used. We felt it appropriate to keep the District apprised of this bill.

Similar to SB 1099, SB 1185 deals with emergency generators. The bill proposes that during de-energization events the use of qualifying emergency backup generators and their resulting emissions will not count toward operating limits established by local air permit and/or federal operating restrictions. The District should be interested in this proposal.

SB 1320 continues to propose ongoing evaluation on the impacts of climate change providing guidance on future legislative actions to address the problem.

The potential listing of Joshua Trees as endangered by the California Fish and Game Commission continues to be of interest to various organizations representing the business community. Last month we included AB 235 in the District's report and noted that the California Chamber of Commerce was expressing support for this bill. The bill proposed to provide a degree of relief for project proponents attempting to deal with proposed listings of endangered species. We inadvertently did not include this correspondence. Below please find this letter at the end of the report.

Since our last report, there have been additional opposition letters and arguments opposing the listing circulated among business leaders. These letters currently are in draft form and upon their finalization and submittal to the agency we will share such with the District. Considering Joshua Trees are prevalent throughout the District, we suspect many residents and businesses will find actions by Fish and Game to be of interest. The item is currently on Fish and Games meeting agenda August 19-20th and the deadline for comments is August 6.

There are several deadlines in August as the 2020 legislative session nears completion. Below is a list of those deadlines applicable to the Assembly and Senate attempts to move their bills to the governor's desk.

August Deadlines

Aug. 14 Last day for **policy committees** to meet and report bills (J.R. 61(b)(14)).

Aug. 21 Last day for **fiscal committees** to meet and report bills (J.R. 61(b)(15)).

Aug. 24 Last day to **amend** bills on the floor (J.R. 61(b)(17)).

Aug. 24-31 Floor session only. No committee may meet for any purpose except Rules Committee, bills referred pursuant to Assembly Rule 77.2, and Conference Committees (J.R. 61(b)(16)).

Aug. 31 Last day for each house to pass bills (Art. IV, Sec 10(c), J.R. 61(b)(18)). **Final Recess** begins upon adjournment (J.R. 51(b)(3)).

These deadlines and efforts by the legislators in Sacramento to get there bills before the Governor is well described in an article from the Sacramento Bee article we are including below.

As always, should questions or comments arise, please feel free to reach out to us at your convenience.

MDAQMD 2020 Bills

Monday, August 03, 2020

[AB 235](#)

(Maves I) Endangered species: candidate species: petitions: takings.

Current Analysis: 05/21/2019 [Assembly Floor Analysis \(text 4/30/2019\)](#)

Introduced: 1/18/2019

Last Amend: 6/29/2020

Location: 7/2/2020-S. N.R. & W.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: The California Endangered Species Act requires the Fish and Game Commission to establish a list of endangered species and a list of threatened species and to add a species to, or remove a species from, either list if it finds, upon the receipt of sufficient scientific information, and based solely upon the best available scientific information, that the action is warranted. The act requires a petition for the listing or delisting of a species to include, at a minimum

sufficient scientific information that the petitioned action may be warranted, including information regarding the population trend, range, distribution, abundance, and life history of the species, the factors affecting the ability of the population to survive and reproduce, and the degree and immediacy of the threat. This bill would require the commission to accept a petition for consideration concurrent with a taking if the commission finds that the petition provides sufficient information to indicate that the petitioned action may be warranted, but the geographic proliferation of the species may lead to significant economic hardship or an impact on critical infrastructure during the above-described review of an accepted petition, and if a preponderance of the evidence presented in the petition shows there is no direct threat to the species that would lead to its decline during that period.

History:

2019

Jan. 18 Read first time. To print.
 Jan. 22 From printer. May be heard in committee February 21.
 Feb. 7 Referred to Com. on U. & E.
 Apr. 29 From committee: Amend, and do pass as amended and re-refer to Com. on APPR. (Ayes 12. Noes 0.) (April 24).
 Apr. 30 Read second time and amended.
 May. 1 Re-referred to Com. on APPR.
 May. 8 In committee: Set, first hearing. Referred to APPR. suspense file.
 May. 16 From committee: Do pass. (Ayes 17. Noes 0.) (May 16).
 May. 20 Read second time. Ordered to third reading.
 May. 22 Read third time. Passed. Ordered to the Senate. (Ayes 59. Noes 2. Page 1790.)
 May. 23 In Senate. Read first time. To Com. on RLS. for assignment.
 May. 29 Referred to Com. on E., U. & C.
 Jun. 27 In committee: Set, first hearing. Hearing canceled at the request of author.
 Sep. 6 From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on E., U. & C.

2020

Jun. 29 From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on E., U. & C.
 Jun. 30 Withdrawn from committee. Re-referred to Com. on RLS.
 Jul. 2 Re-referred to Com. on N.R. & W.

AB 1002

(Quirk-Silva D) California Global Warming Solutions Act of 2006: Low-Carbon Fuel Standard regulations: Greenhouse Gas Reduction Fund.

Current Analysis: 05/21/2019 [Assembly Floor Analysis \(text 3/21/2019\)](#)

Introduced: 2/21/2019

Last Amend: 1/27/2020

Location: 7/1/2020-S. E.Q.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would require the State Air Resources Board to ensure alternative fuels are treated equally with regard to the requirements for generating credits under the Low-Carbon Fuel Standard regulations. The bill would, commencing January 1, 2021, require the Legislative Analyst's Office to also annually prepare an analysis of moneys allocated from the Greenhouse Gas Reduction Fund, as specified.

History:

2019

Feb. 21 Read first time. To print.
 Feb. 22 From printer. May be heard in committee March 24.
 Mar. 21 Referred to Com. on P.E. & R. From committee chair, with author's amendments: Amend, and re-refer to Com. on P.E. & R. Read second time and amended.
 Mar. 25 Re-referred to Com. on P.E. & R.
 Apr. 24 From committee: Do pass and re-refer to Com. on APPR. (Ayes 5. Noes 0.) (April 24). Re-referred to Com. on APPR.
 May. 1 In committee: Set, first hearing. Referred to APPR. suspense file.
 May. 16 From committee: Do pass. (Ayes 14. Noes 0.) (May 16).
 May. 20 Read second time. Ordered to third reading.
 May. 29 Read third time. Passed. Ordered to the Senate. (Ayes 68. Noes 0. Page 2082.)
 May. 30 In Senate. Read first time. To Com. on RLS. for assignment.
 Jun. 19 Referred to Com. on RLS.
 Jul. 9 From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on RLS.

2020

Jan. 27 From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time,

amended, and re-referred to Com. on RLS.
Jul. 1 Re-referred to Com. on EQ.

AB 1071

(Limón D) Climate change: agriculture: Agricultural Climate Adaptation Tools Program: grants.

Current Analysis: 01/24/2020 [Assembly Floor Analysis \(text 1/6/2020\)](#)

Introduced: 2/21/2019

Last Amend: 7/27/2020

Location: 6/23/2020-S. N.R. & W.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar: 8/5/2020 9 a.m. - Senate Chamber SENATE NATURAL RESOURCES AND WATER, STERN, Chair

Summary: Would require the Department of Food and Agriculture to administer a program for the disbursement of grants, known as the Agricultural Climate Adaptation Tools Program, as specified, to provide funding for activities that include the development of specified planning tools for adapting to climate change and developing resiliency strategies in the agricultural sector, using the best available science, as specified. The bill would require the department to conduct specified pilot projects in the central valley, central coast, and desert regions of the state, and hold trainings for technical assistance providers on how to use the specified planning tools with an emphasis on meeting the needs of small and moderately scaled farmers and ranchers, socially disadvantaged farmers and ranchers, and female farmers and ranchers. The bill would require the department to make available, upon appropriation, up to \$2,000,000 to fund the grant program, as specified.

History:

2019

Feb. 21 Read first time. To print.

Feb. 22 From printer. May be heard in committee March 24.

Mar. 7 Referred to Com. on PUB. S.

Apr. 2 In committee: Set, first hearing. Hearing canceled at the request of author.

Apr. 12 From committee chair, with author's amendments: Amend, and re-refer to Com. on PUB. S. Read second time and amended.

Apr. 22 Re-referred to Com. on PUB. S.

2020

Jan. 6 From committee chair, with author's amendments: Amend, and re-refer to Com. on PUB. S. Read second time and amended. Re-referred to Com. on PUB. S. Re-referred to Com. on RLS. pursuant to Assembly Rule 96. From committee: Be re-referred to Com. on NAT. RES. Re-referred. (Ayes 12. Noes 0.) (January 6). Re-referred to Com. on NAT. RES.

Jan. 14 From committee: Do pass and re-refer to Com. on APPR. with recommendation: To Consent Calendar. (Ayes 11. Noes 0.) (January 13). Re-referred to Com. on APPR.

Jan. 23 In committee: Set, first hearing. Referred to APPR. suspense file. Coauthors revised. From committee: Do pass. (Ayes 18. Noes 0.) (January 23). Read second time. Ordered to third reading.

Jan. 27 Read third time. Passed. Ordered to the Senate. (Ayes 78. Noes 0. Page 3895.)

Jan. 28 In Senate. Read first time. To Com. on RLS. for assignment.

Jun. 23 Referred to Com. on N.R. & W.

Jul. 27 From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on N.R. & W.

AB 1567

(Aguiar-Curry D) Organic waste: scoping plan.

Current Analysis: 01/24/2020 [Assembly Floor Analysis \(text 1/15/2020\)](#)

Introduced: 2/22/2019

Last Amend: 1/15/2020

Location: 6/23/2020-S. N.R. & W.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would, on or before December 31, 2021, require the Strategic Growth Council, in consultation with stakeholders and relevant permitting agencies, to prepare and submit to the Legislature a report that provides a scoping plan for the state to meet its organic waste, climate change, and air quality mandates, goals, and targets and would require the scoping plan to include, among other things, recommendations on policy and funding support for the beneficial reuse of organic waste.

History:

2019

Feb. 22 Introduced. To print.

Feb. 23 From printer. May be heard in committee March 25.

Feb. 25 Read first time.

2020

Jan. 6 Referred to Com. on NAT. RES. From committee chair, with author's amendments: Amend, and re-refer to Com. on NAT. RES. Read second time and amended.

Jan. 7 Re-referred to Com. on NAT. RES.

Jan. 14 From committee: Amend, and do pass as amended and re-refer to Com. on APPR. (Ayes 11. Noes 0.) (January 13).

Jan. 15 Read second time and amended.

Jan. 16 Re-referred to Com. on APPR.

Jan. 23 In committee: Set, first hearing. Referred to APPR. suspense file. From committee: Do pass. (Ayes 18. Noes 0.) (January 23). Read second time. Ordered to third reading.

Jan. 27 Read third time. Passed. Ordered to the Senate. (Ayes 78. Noes 0. Page 3899.)

Jan. 28 In Senate. Read first time. To Com. on RLS. for assignment.

Jun. 23 Referred to Com. on N.R. & W.

AB 1714

(Aguiar-Curry D) Emissions limitations: wine fermentation.

Current Analysis: 05/01/2019 [Assembly Floor Analysis \(text 4/3/2019\)](#)

Introduced: 2/22/2019

Last Amend: 5/18/2020

Location: 9/15/2019-S. E.Q.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoe d	Chaptered
1st House				2nd House							

Summary: Would require the State Air Resources Board to convene a working group with a specified membership for the purposes of reviewing the state of air pollution control technologies, operational or maintenance standards, and work practices that may be applied to wine fermentation tanks, and the costs and benefits of those technologies, standards, and practices.

History:

2019

Feb. 22 Introduced. To print.

Feb. 23 From printer. May be heard in committee March 25.

Feb. 25 Read first time.

Mar. 28 Referred to Com. on BUDGET.

Apr. 3 From committee chair, with author's amendments: Amend, and re-refer to Com. on BUDGET. Read second time and amended.

Apr. 4 Re-referred to Com. on BUDGET.

Apr. 29 From committee: Do pass. (Ayes 24. Noes 0.) (April 29).

Apr. 30 Read second time. Ordered to third reading.

May. 28 Read third time. Passed. Ordered to the Senate. (Ayes 71. Noes 0. Page 2009.)

May. 29 In Senate. Read first time. To Com. on RLS. for assignment.

Jun. 6 Referred to Com. on RLS.

Aug. 28 From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on RLS.

Sep. 10 Joint Rules 61 and 62 suspended. (Ayes 29. Noes 8. Page 2745.) Re-referred to Com. on EQ.

2020

May. 18 From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on EQ.

AB 2028

(Aguiar-Curry D) State agencies: meetings.

Current Analysis: 06/08/2020 [Assembly Floor Analysis \(text 6/4/2020\)](#)

Introduced: 1/30/2020

Last Amend: 7/28/2020

Location: 6/23/2020-S. G.O.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoe d	Chaptered
1st House				2nd House							

Summary: The Bagley-Keene Open Meeting Act requires that all meetings of a state body, as defined, be open and public, and that all persons be permitted to attend any meeting of a state body, except as otherwise provided in that act. Current law requires the state body to provide notice of its meeting, including specified information and a specific agenda of the meeting, as provided, to any person who requests that notice in writing and to make that notice available on the internet at least 10 days in advance of the meeting. This bill would, except for closed sessions, require that this

notice include all writings or materials provided for the noticed meeting to a member of the state body by staff of a state agency, board, or commission, or another member of the state body, that are in connection with a matter subject to discussion or consideration at the meeting.

History:

2020

Jan. 30 Read first time. To print.
Jan. 31 From printer. May be heard in committee March 1.
Feb. 14 Referred to Com. on G.O.
May. 13 From committee: Do pass and re-refer to Com. on APPR. (Ayes 19. Noes 0.) (May 12). Re-referred to Com. on APPR.
Jun. 2 In committee: Set, first hearing. Referred to APPR. suspense file.
Jun. 3 From committee: Amend, and do pass as amended. (Ayes 18. Noes 0.) (June 3).
Jun. 4 Read second time and amended. Ordered returned to second reading.
Jun. 8 Read second time. Ordered to third reading. Assembly Rule 63 suspended. (Ayes 59. Noes 17.) Read third time. Passed. Ordered to the Senate. (Ayes 77. Noes 0.)
Jun. 9 In Senate. Read first time. To Com. on RLS. for assignment.
Jun. 23 Referred to Com. on G.O.
Jul. 8 From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on G.O.
Jul. 28 From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on G.O.

AB 2371

(Friedman D) Climate change: Office of Planning and Research: science advisory team: climate adaptation and hazard mitigation.

Current Analysis: 06/08/2020 [Assembly Floor Analysis \(text 6/4/2020\)](#)

Introduced: 2/18/2020

Last Amend: 7/8/2020

Location: 6/23/2020-S. E.Q.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would require the Office of Planning and Research, by July 1, 2021, to convene a climate science advisory team to provide independent, timely, and science-based advice on the state's climate adaptation and climate-related hazard mitigation efforts and to, among other things, provide input to improve climate adaptation and climate-related hazard mitigation planning across state agencies, including the plan. The bill would require the team to serve as a working group of a specified ICARP advisory group. The bill would require the team to provide recommendations to inform certain activities of the council regarding climate change.

History:

2020

Feb. 18 Read first time. To print.
Feb. 19 From printer. May be heard in committee March 20.
Feb. 24 Referred to Com. on NAT. RES.
Mar. 16 In committee: Hearing postponed by committee. From committee chair, with author's amendments: Amend, and re-refer to Com. on NAT. RES. Read second time and amended.
Mar. 17 Re-referred to Com. on NAT. RES.
May. 4 From committee chair, with author's amendments: Amend, and re-refer to Com. on NAT. RES. Read second time and amended.
May. 5 Re-referred to Com. on NAT. RES.
May. 14 From committee: Do pass and re-refer to Com. on APPR. (Ayes 8. Noes 3.) (May 13). Re-referred to Com. on APPR.
Jun. 2 In committee: Set, first hearing. Referred to APPR. suspense file.
Jun. 3 From committee: Amend, and do pass as amended. (Ayes 13. Noes 5.) (June 3).
Jun. 4 Read second time and amended. Ordered returned to second reading.
Jun. 8 Read second time. Ordered to third reading. Assembly Rule 63 suspended. (Ayes 59. Noes 17.) Read third time. Passed. Ordered to the Senate. (Ayes 62. Noes 13.)
Jun. 9 In Senate. Read first time. To Com. on RLS. for assignment.
Jun. 23 Referred to Com. on EQ.
Jul. 8 From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on EQ.

AB 2612

(Maienschein D) Greenhouse Gas Reduction Fund: recycling: appropriation.

Introduced: 2/20/2020

Location: 3/2/2020-A. NAT. RES.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would, beginning in the 2020–21 fiscal year, would continuously appropriate \$100,000,000 from the Greenhouse Gas Reduction Fund annually to the Department of Resources Recycling and Recovery for in-state organic waste recycling projects that reduce greenhouse gas emissions and achieve certain organic waste disposal goals, as specified. The bill, beginning in the 2020–21 fiscal year, would also continuously appropriate \$100,000,000 from the fund annually to the department for in-state recycling projects that reduce greenhouse gas emissions and help achieve a specified state policy relating to solid waste, as specified.

History:

2020

Feb. 20 Read first time. To print.
Feb. 21 From printer. May be heard in committee March 22.
Mar. 2 Referred to Com. on NAT. RES.

AB 2831

(Flora R) Carbon offset credits: whole orchard recycling: healthy soils.

Introduced: 2/20/2020

Last Amend: 5/4/2020

Location: 4/24/2020-A. NAT. RES.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: The California Global Warming Solutions Act of 2006 establishes the Compliance Offsets Protocol Task Force, with a specified membership, to provide guidance to the state board in approving new offset protocols for a market-based compliance mechanism for the purposes of increasing offset projects with direct environmental benefits in the state, as specified. This bill would require the State Air Resources Board to develop a carbon offset credit for whole orchard recycling.

History:

2020

Feb. 20 Read first time. To print.
Feb. 21 From printer. May be heard in committee March 22.
Apr. 24 Referred to Com. on NAT. RES.
May. 4 From committee chair, with author's amendments: Amend, and re-refer to Com. on NAT. RES. Read second time and amended.
May. 5 Re-referred to Com. on NAT. RES.

AB 2887

(Bonta D) Statewide emergencies: mitigation.

Introduced: 2/21/2020

Last Amend: 3/16/2020

Location: 5/7/2020-A. BUDGET

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:)For purposes of state apportionments to public schools, if the average daily attendance of a school district, county office of education, or charter school during a fiscal year has been materially decreased during a fiscal year because of a specified event, including an epidemic, current law requires the Superintendent of Public Instruction to estimate the average daily attendance in a manner that credits to the school district, county office of education, or charter school the total average daily attendance that would have been credited had the emergency not occurred. This bill would revise the above-described triggering event to be an epidemic, pandemic, or outbreak of infectious disease, and would provide that the various specified triggering events apply to decreases in average daily attendance due to illness, quarantine, social isolation, and social distancing, absences taken as preemptive measures, independent study and distance learning requests, and pupils who are absent due to quarantine, but cannot provide the appropriate documentation.

History:

2020

Feb. 21 Introduced. To print.
Feb. 22 From printer. May be heard in committee March 23.
Feb. 24 Read first time.
Mar. 5 Referred to Coms. on A. & A.R. and NAT. RES.
Mar. 16 From committee chair, with author's amendments: Amend, and re-refer to Com. on A. & A.R. Read second time and amended.

Mar. 17 Re-referred to Com. on A. & A.R.

May. 7 Re-referred to Com. on BUDGET. pursuant to Assembly Rule 96.

AB 2954

(Rivas, Robert D) California Global Warming Solutions Act of 2006: climate goal: natural and working lands.

Current Analysis: 06/05/2020 [Assembly Floor Analysis \(text 5/4/2020\)](#)

Introduced: 2/21/2020

Last Amend: 5/4/2020

Location: 6/23/2020-S. E.Q.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoe d	Chaptered
1st House				2nd House							

Summary: The California Global Warming Solutions Act of 2006 requires the State Air Resources Board to prepare and approve a scoping plan for achieving the maximum technologically feasible and cost-effective reductions in greenhouse gas emissions and to update the scoping plan at least once every 5 years. This bill would require the state board, when updating the scoping plan and in collaboration with This bill would require the state board, when updating the scoping plan and in collaboration with by January 1, 2023, an overall climate goal for the state’s natural and working lands, as defined, to sequester carbon and reduce atmospheric greenhouse gas emissions and identify practices, policy incentives, and potential reductions in barriers that would help achieve the climate goal.

History:

2020

Feb. 21 Introduced. To print.

Feb. 22 From printer. May be heard in committee March 23.

Feb. 24 Read first time.

Mar. 5 Referred to Com. on NAT. RES.

May. 4 From committee chair, with author's amendments: Amend, and re-refer to Com. on NAT. RES. Read second time and amended.

May. 5 Re-referred to Com. on NAT. RES.

May. 14 From committee: Do pass and re-refer to Com. on APPR. (Ayes 7. Noes 3.) (May 13). Re-referred to Com. on APPR.

Jun. 2 From committee: Do pass. (Ayes 12. Noes 5.) (June 2).

Jun. 3 Read second time. Ordered to third reading.

Jun. 8 Read third time. Passed. Ordered to the Senate. (Ayes 43. Noes 23.)

Jun. 9 In Senate. Read first time. To Com. on RLS. for assignment.

Jun. 23 Referred to Com. on EQ.

AB 3256

(Garcia, Eduardo D) Economic Recovery, Wildfire Prevention, Safe Drinking Water, Drought Preparation, and Flood Protection Bond Act of 2020.

Current Analysis: 05/31/2020 [Assembly Appropriations \(text 5/18/2020\)](#)

Introduced: 2/21/2020

Last Amend: 6/4/2020

Location: 6/3/2020-A. RLS.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoe d	Chaptered
1st House				2nd House							

Summary: Would enact the Economic Recovery, Wildfire Prevention, Safe Drinking Water, Drought Preparation, and Flood Protection Bond Act of 2020, which, if approved by the voters, would authorize the issuance of bonds in the amount of \$6,980,000,000 pursuant to the State General Obligation Bond Law to finance projects for an economic recovery, wildfire prevention, safe drinking water, drought preparation, and flood protection program.

History:

2020

Feb. 21 Introduced. To print.

Feb. 22 From printer. May be heard in committee March 23.

Feb. 24 Read first time.

Apr. 24 Referred to Com. on NAT. RES.

May. 4 From committee chair, with author's amendments: Amend, and re-refer to Com. on NAT. RES. Read second time and amended.

May. 5 Re-referred to Com. on NAT. RES.

May. 7 Measure version as amended on May 4 corrected.

May. 14 From committee: Amend, and do pass as amended and re-refer to Com. on APPR. (Ayes 7. Noes 1.) (May 13).

May. 18 Read second time and amended.

May. 19 Re-referred to Com. on APPR.

Jun. 2 In committee: Set, first hearing. Referred to APPR. suspense file.

Jun. 3 From committee: Amend, and do pass as amended and re-refer to Com. on RLS. (Ayes 13. Noes 4.) (June 3).
 Jun. 4 Read second time and amended.
 Jun. 8 Re-referred to Com. on RLS.

ACR 143

(Quirk D) Climate crisis.

Introduced: 1/6/2020

Location: 1/23/2020-A. NAT. RES.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: This measure would state that the Legislature should stop speaking of climate change and instead speak of the climate crisis.

History:

2020

Jan. 6 Introduced. To print.
 Jan. 7 From printer.
 Jan. 23 Referred to Com. on NAT. RES.
 Mar. 16 In committee: Hearing postponed by committee.

SB 45

(Allen D) Wildfire Prevention, Safe Drinking Water, Drought Preparation, and Flood Protection Bond Act of 2020.

Current Analysis: 01/28/2020 [Senate Appropriations \(text 9/10/2019\)](#)

Introduced: 12/3/2018

Last Amend: 1/23/2020

Location: 1/29/2020-A. DESK

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would enact the Wildfire Prevention, Safe Drinking Water, Drought Preparation, and Flood Protection Bond Act of 2020, which, if approved by the voters, would authorize the issuance of bonds in the amount of \$5,510,000,000 pursuant to the State General Obligation Bond Law to finance projects for a wildfire prevention, safe drinking water, drought preparation, and flood protection program.

History:

2018

Dec. 3 Introduced. Read first time. To Com. on RLS. for assignment. To print.
 Dec. 4 From printer. May be acted upon on or after January 3.

2019

Jan. 16 Referred to Coms. on N.R. & W., EQ., and GOV. & F.
 Feb. 20 Set for hearing March 12.
 Mar. 5 From committee with author's amendments. Read second time and amended. Re-referred to Com. on N.R. & W.
 March 12 hearing postponed by committee.
 Mar. 13 Set for hearing March 26.
 Mar. 26 From committee: Do pass and re-refer to Com. on EQ. (Ayes 7. Noes 1. Page 439.) (March 26). Re-referred to Com. on EQ.
 Mar. 28 Set for hearing April 3.
 Apr. 3 From committee: Do pass as amended and re-refer to Com. on GOV. & F. (Ayes 5. Noes 1. Page 549.) (April 3).
 Apr. 4 Read second time and amended. Re-referred to Com. on GOV. & F.
 Apr. 12 Set for hearing April 24.
 Apr. 25 From committee: Do pass and re-refer to Com. on APPR. (Ayes 5. Noes 2. Page 845.) (April 24). Re-referred to Com. on APPR.
 Apr. 30 Set for hearing May 6.
 May. 1 May 6 set for first hearing canceled at the request of author.
 Aug. 30 From committee with author's amendments. Read second time and amended. Re-referred to Com. on APPR.
 Sep. 5 From committee with author's amendments. Read second time and amended. Re-referred to Com. on APPR.
 Sep. 10 Senate Rule 29.3(b) suspended. (Ayes 29. Noes 8. Page 2746.) From committee with author's amendments. Read second time and amended. Re-referred to Com. on APPR.

2020

Jan. 14 Set for hearing January 21.
 Jan. 21 January 21 hearing: Placed on APPR. suspense file. Set for hearing January 23.
 Jan. 23 From committee: Do pass as amended. (Ayes 5. Noes 1. Page 3141.) (January 23). Read second time and amended. Ordered to second reading.
 Jan. 27 Read second time. Ordered to third reading.

Jan. 29 Read third time. Urgency clause adopted. Passed. (Ayes 29. Noes 6. Page 3167.) Ordered to the Assembly.
Jan. 30 In Assembly. Read first time. Held at Desk.

SB 86

(Durazo D) Department of Pesticide Regulation: chlorpyrifos: quarterly reports.

Current Analysis: 07/29/2020 [Assembly Environmental Safety And Toxic Materials \(text 7/27/2020\)](#)

Introduced: 1/10/2019

Last Amend: 7/27/2020

Location: 7/30/2020-A. APPR.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would, beginning with the first quarter of 2021, require the Department of Pesticide Regulation to prepare and submit to specified Senate and Assembly committees and the Office of the Surgeon General quarterly reports containing information, as prescribed, regarding granular chlorpyrifos use, monitoring, and exposure during the quarter.

History:

2019

Jan. 10 Introduced. Read first time. To Com. on RLS. for assignment. To print.
Jan. 11 From printer. May be acted upon on or after February 10.
Jan. 24 Referred to Com. on RLS.
Mar. 20 From committee with author's amendments. Read second time and amended. Re-referred to Com. on RLS.
Mar. 27 Re-referred to Com. on ED.
Apr. 10 Set for hearing April 24.
Apr. 30 From committee: Do pass as amended and re-refer to Com. on APPR. (Ayes 7. Noes 0. Page 795.) (April 24).
May. 1 Read second time and amended. Re-referred to Com. on APPR.
May. 3 Set for hearing May 13.
May. 13 May 13 hearing: Placed on APPR. suspense file.
May. 14 Set for hearing May 16.
May. 16 From committee: Do pass. (Ayes 6. Noes 0. Page 1089.) (May 16). Read second time. Ordered to third reading.
May. 21 Ordered to special consent calendar.
May. 23 Read third time. Passed. (Ayes 38. Noes 0. Page 1271.) Ordered to the Assembly.
May. 24 In Assembly. Read first time. Held at Desk.
Jun. 3 Referred to Com. on ED.
Jun. 11 From committee with author's amendments. Read second time and amended. Re-referred to Com. on ED.
Jun. 13 Re-referred to Com. on RLS. pursuant to Assembly Rule 96.
Jun. 17 From committee: Be re-referred to Com. on E.S. & T.M. (Ayes 11. Noes 0.) (June 17). Re-referred to Com. on E.S. & T.M.
Jul. 2 July 2 hearing postponed by committee.

2020

May. 18 From committee with author's amendments. Read second time and amended. Re-referred to Com. on E.S. & T.M.
Jul. 8 July 13 hearing postponed by committee.
Jul. 27 From committee with author's amendments. Read second time and amended. Re-referred to Com. on E.S. & T.M.
July 27 hearing postponed by committee.
Jul. 30 From committee: Do pass and re-refer to Com. on APPR. (Ayes 7. Noes 2.) (July 30). Re-referred to Com. on APPR.

SB 662

(Archuleta D) Energy: transportation sector: hydrogen.

Current Analysis: 12/03/2019 [Senate Transportation \(text 4/11/2019\)](#)

Introduced: 2/22/2019

Last Amend: 6/25/2020

Location: 6/25/2020-A. U. & E.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Current law requires the PUC, State Air Resources Board (state board), and Energy Commission to consider green electrolytic hydrogen as an eligible form of energy storage, and to consider other potential uses of green electrolytic hydrogen. This bill would include use of green electrolytic hydrogen as an alternative transportation fuel as another potential use for these purposes.

History:

2019

Feb. 22 Introduced. To Com. on RLS. for assignment. To print.
Feb. 25 From printer. May be acted upon on or after March 27. Read first time.

Mar. 14 Referred to Coms. on E., U. & C. and TRANS.
 Mar. 21 Set for hearing April 2.
 Mar. 25 April 2 hearing postponed by committee.
 Mar. 26 Set for hearing April 10.
 Apr. 11 From committee: Do pass as amended and re-refer to Com. on TRANS. (Ayes 11. Noes 1. Page 651.) (April 10).
 Read second time and amended. Re-referred to Com. on TRANS.
 Apr. 18 Set for hearing April 23.
 Apr. 29 From committee: Do pass as amended and re-refer to Com. on APPR. (Ayes 9. Noes 3. Page 806.) (April 23).
 Apr. 30 Read second time and amended. Re-referred to Com. on APPR.
 May. 3 Set for hearing May 13.
 May. 13 May 13 hearing: Placed on APPR. suspense file.
 May. 14 Set for hearing May 16.
 May. 16 From committee: Do pass. (Ayes 5. Noes 1. Page 1106.) (May 16). Read second time. Ordered to third reading.
 May. 22 Read third time. Passed. (Ayes 31. Noes 5. Page 1215.) Ordered to the Assembly. In Assembly. Read first time.
 Held at Desk.
 Jun. 13 Referred to Coms. on U. & E. and TRANS.
 Jun. 25 July 3 set for first hearing canceled at the request of author.

2020

Jun. 25 From committee with author's amendments. Read second time and amended. Re-referred to Com. on U. & E.

SB 862

(Dodd D) Planned power outage: public safety.

Current Analysis: 06/19/2020 [Senate Floor Analyses \(text 5/20/2020\)](#)

Introduced: 1/16/2020

Last Amend: 5/20/2020

Location: 6/29/2020-A. U. & E.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoe	Chaptered
1st House				2nd House				Conc.		d	

Summary: Current law defines the terms “state of emergency” and “local emergency” to mean a duly proclaimed existence of conditions of disaster or of extreme peril to the safety of persons and property within the state caused by, among other things, fire, storm, or riot. This bill would additionally include a deenergization event, as defined, within a sudden and severe energy shortage constituting a state of emergency and a local emergency.

History:

2020

Jan. 16 Introduced. Read first time. To Com. on RLS. for assignment. To print.
 Jan. 17 From printer. May be acted upon on or after February 16.
 Jan. 29 Referred to Com. on E., U. & C.
 Mar. 5 From committee with author's amendments. Read second time and amended. Re-referred to Com. on E., U. & C.
 Mar. 13 Set for hearing March 31.
 Mar. 19 March 31 hearing postponed by committee.
 May. 8 Set for hearing May 14.
 May. 19 From committee: Do pass as amended and re-refer to Com. on APPR. (Ayes 12. Noes 0. Page 3539.) (May 14).
 May. 20 Read second time and amended. Re-referred to Com. on APPR.
 May. 26 Set for hearing June 1.
 Jun. 2 Hearing rescheduled due to Capitol closure.
 Jun. 3 Set for hearing June 9.
 Jun. 9 June 9 hearing: Placed on APPR. suspense file.
 Jun. 11 Set for hearing June 18.
 Jun. 18 From committee: Do pass. (Ayes 7. Noes 0.) (June 18). Read second time. Ordered to third reading.
 Jun. 25 Read third time. Passed. (Ayes 40. Noes 0.) Ordered to the Assembly. In Assembly. Read first time. Held at Desk.
 Jun. 29 Referred to Com. on U. & E.

SB 1099

(Dodd D) Emergency backup generators: critical facilities: exemptions.

Current Analysis: 06/10/2020 [Senate Floor Analyses \(text 6/2/2020\)](#)

Introduced: 2/19/2020

Last Amend: 7/27/2020

Location: 6/29/2020-A. NAT. RES.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoe	Chaptered
1st House				2nd House				Conc.		d	

Summary: Current law imposes various limitations on emissions of air contaminants for the control of air pollution

from vehicular and nonvehicular sources. Current law generally designates air pollution control and air quality management districts with the primary responsibility for the control of air pollution from all sources other than vehicular sources. Current law requires the State Air Resources Board to identify toxic air contaminants that are emitted into the ambient air of the state and to establish airborne toxic control measures to reduce emissions of toxic air contaminants from nonvehicular sources. This bill would require an air district without a specified rule on emergency backup generators, as defined, as of January 1, 2021, that adopts such a rule to include in the rule provisions that allow the operator of a critical facility, as defined, to use a permitted emergency backup generator in exceedance of the applicable runtime and testing and maintenance limits if specified conditions are met.

History:

2020

Feb. 19 Introduced. Read first time. To Com. on RLS. for assignment. To print.
 Feb. 20 From printer. May be acted upon on or after March 21.
 Feb. 27 Referred to Com. on EQ.
 Mar. 10 Set for hearing April 1.
 Mar. 18 April 1 hearing postponed by committee.
 May. 22 Set for hearing May 29.
 May. 29 From committee: Do pass as amended and re-refer to Com. on APPR. (Ayes 4. Noes 1. Page 3622.) (May 29).
 Jun. 2 Read second time and amended. Re-referred to Com. on APPR.
 Jun. 4 Set for hearing June 9.
 Jun. 8 From committee: Be ordered to second reading pursuant to Senate Rule 28.8.
 Jun. 9 Read second time. Ordered to third reading.
 Jun. 25 Read third time. Passed. (Ayes 37. Noes 0.) Ordered to the Assembly. In Assembly. Read first time. Held at Desk.
 Jun. 29 Referred to Com. on NAT. RES.
 Jul. 27 From committee with author's amendments. Read second time and amended. Re-referred to Com. on NAT. RES.

SB 1113

(Gonzalez, Lena D) State Air Resources Board: report.

Introduced: 2/19/2020

Location: 2/19/2020-S. RLS.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Current law requires the State Air Resources Board to post on its internet website, at a minimum by January 1 of each odd-numbered year, information on air quality conditions and trends statewide and on the status and effectiveness of state and local air quality programs, as specified. This bill would make nonsubstantive changes to that provision.

History:

2020

Feb. 19 Introduced. Read first time. To Com. on RLS. for assignment. To print.
 Feb. 20 From printer. May be acted upon on or after March 21.
 Feb. 27 Referred to Com. on RLS.

SB 1164

(Grove R) Petroleum refineries: air monitoring systems.

Introduced: 2/20/2020

Location: 2/20/2020-S. RLS.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Current law requires a refinery-related community air monitoring system, as defined, to be installed on or before January 1, 2020, as specified, and requires an air district to design, develop, install, operate, and maintain the refinery-related community air monitoring system or to contract with a third party to provide those services. Current law also requires an owner or operator of a petroleum refinery to develop, install, operate, and maintain a fence-line monitoring system, as defined, on or before January 1, 2020, as specified. This bill would make technical, nonsubstantive changes to those provisions

History:

2020

Feb. 20 Introduced. Read first time. To Com. on RLS. for assignment. To print.
 Feb. 21 From printer. May be acted upon on or after March 22.
 Mar. 5 Referred to Com. on RLS.

SB 1185

(Moorlach R) Emergency backup generators: operation during deenergization events.

Current Analysis: 06/15/2020 [Senate Floor Analyses \(text 5/26/2020\)](#)

Introduced: 2/20/2020

Last Amend: 7/27/2020

Location: 6/29/2020-A. NAT. RES.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would authorize an air district to adopt, or revise, a rule to specify that hours for usage due to the loss of normal electrical service during a deenergization event, as defined, by a permitted natural-gas-powered emergency backup generator that is either federally compliant, as defined, or state board designated are prohibited from counting toward that permit's conditions for usage.

History:

2020

Feb. 20 Introduced. Read first time. To Com. on RLS. for assignment. To print.

Feb. 21 From printer. May be acted upon on or after March 22.

Mar. 5 Referred to Coms. on EQ. and E., U. & C.

Mar. 10 Set for hearing April 1.

Mar. 18 April 1 hearing postponed by committee.

Apr. 17 From committee with author's amendments. Read second time and amended. Re-referred to Com. on EQ.

May. 12 Referral to Com. on E., U. & C. rescinded due to the shortened 2020 Legislative Calendar.

May. 22 Set for hearing May 29.

May. 26 From committee with author's amendments. Read second time and amended. Re-referred to Com. on EQ.

May. 29 From committee: Do pass and re-refer to Com. on APPR. (Ayes 5. Noes 0. Page 3622.) (May 29). Re-referred to Com. on APPR.

Jun. 3 Set for hearing June 9.

Jun. 8 From committee: Be ordered to second reading pursuant to Senate Rule 28.8.

Jun. 9 Read second time. Ordered to third reading.

Jun. 22 Read third time. Passed. (Ayes 33. Noes 3.) Ordered to the Assembly. In Assembly. Read first time. Held at Desk.

Jun. 29 Referred to Com. on NAT. RES.

Jul. 27 From committee with author's amendments. Read second time and amended. Re-referred to Com. on NAT. RES.

[SB 1195](#)

(Gonzalez, Lena D) Vehicular air pollution: State Air Resources Board: regulations.

Introduced: 2/20/2020

Location: 2/20/2020-S. RLS.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Current law requires the State Air Resources Board to adopt rules and regulations relating to vehicular emissions standards, as specified, that will achieve the ambient air quality standards required by federal law in conjunction with other measures adopted by the state board, air pollution control and air quality management districts, and the United States Environmental Protection Agency. Current law requires the state board to adopt and enforce rules and regulations that anticipate the development of new technologies or the improvement of existing technologies if necessary to carry out its duty. This bill would make a nonsubstantive change to this provision.

History:

2020

Feb. 20 Introduced. Read first time. To Com. on RLS. for assignment. To print.

Feb. 21 From printer. May be acted upon on or after March 22.

Mar. 5 Referred to Com. on RLS.

[SB 1320](#)

(Stern D) Climate change: California Climate Change Assessment.

Current Analysis: 06/23/2020 [Senate Floor Analyses \(text 6/18/2020\)](#)

Introduced: 2/21/2020

Last Amend: 7/27/2020

Location: 6/29/2020-A. NAT. RES.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar: 8/6/2020 10 a.m. - State Capitol, Room 4202 ASSEMBLY NATURAL RESOURCES, FRIEDMAN, Chair

Summary: Would require the Office of Planning and Research, through the Integrated Climate Adaptation and Resiliency Program, to develop the California Climate Change Assessment, in coordination with the Natural Resources

Agency, the State Energy Resources Conservation and Development Commission, and the Strategic Growth Council, and in consultation with partner public agencies designated by the office. The bill would require the office to conduct the assessment no less frequently than every 5 years. The bill would require the assessment to provide an integrated suite of products that report the impacts and risks of climate change, based on the best available science, and identify potential solutions to inform legislative policy, as provided.

History:

2020

Feb. 21 Introduced. To Com. on RLS. for assignment. To print.

Feb. 24 From printer. May be acted upon on or after March 25. Read first time.

Mar. 5 Referred to Coms. on N.R. & W. and EQ.

Mar. 12 Set for hearing April 14.

Apr. 6 April 14 hearing postponed by committee.

May. 12 Referral to Com. on EQ. rescinded due to the shortened 2020 Legislative Calendar.

May. 15 Set for hearing May 26.

May. 27 From committee: Do pass and re-refer to Com. on APPR. (Ayes 6. Noes 1. Page 3596.) (May 26). Re-referred to Com. on APPR.

Jun. 3 Set for hearing June 9.

Jun. 9 June 9 hearing: Placed on APPR. suspense file.

Jun. 11 Set for hearing June 18.

Jun. 18 From committee: Do pass as amended. (Ayes 6. Noes 1.) (June 18). Read second time and amended. Ordered to second reading.

Jun. 22 Read second time. Ordered to third reading.

Jun. 26 Read third time. Passed. (Ayes 32. Noes 7.) Ordered to the Assembly. In Assembly. Read first time. Held at Desk.

Jun. 29 Referred to Com. on NAT. RES.

Jul. 27 From committee with author's amendments. Read second time and amended. Re-referred to Com. on NAT. RES.

July 29 hearing postponed by committee.

Total Measures: 23

Total Tracking Forms: 23



Associated General Contractors (AGC)



CALIFORNIA ASSOCIATION OF REALTORS®



CALIFORNIA CEMENT MANUFACTURERS ENVIRONMENTAL COALITION (CCMEC)

Coalition for Public Access



July 17, 2020

TO: Members, Senate Committee on Natural Resources and Water

SUBJECT: AB 235 (MAYES) ENDANGERED SPECIES: CANDIDATE SPECIES: PETITIONS: TAKINGS SUPPORT – AS AMENDED JUNE 29, 2020

The organizations listed below write in **SUPPORT** of **AB 235 (Mayes)**, which would permit--but would not require--the California Fish and Game Commission (“FGC”) to make certain findings when determining whether listing a species as threatened or endangered under the California Endangered Species Act (“CESA”) may be warranted. Specifically, FGC would be permitted to determine that the typical protections afforded to “candidate” species may be outweighed by the potential economic hardship or critical infrastructure during the pendency of the review process.

CESA requires FGC to establish a list of endangered species and a list of threatened species. Any person, through a petition process, may also request that FGC add a species to the list. In order to be accepted by FGC, the petition must include sufficient scientific information that the petitioned action may be warranted. In evaluating whether the petitioned action may be warranted, FGC is required to address a range of issues related to the petitioned species, including population trend, abundance, life history, factors affecting the ability to survive and reproduce, and others. Importantly, under existing law, if FGC accepts a petition and determines that a petitioned action may be warranted, then the species automatically becomes a “candidate species” and is temporarily afforded the same protections as an endangered or threatened species until a final determination is made.

AB 235 seeks to preserve this process in its entirety and thus retains all of the considerations and overall scientific rigor associated with the underlying listing process. If FGC determines that a petitioned action may be warranted, however, **AB 235** proposes to allow FGC to concurrently determine that a listing may lead to economic hardship or an impact on critical infrastructure. If such a determination is made, then FGC would authorize a taking of the candidate species during the review period and before the final decision, which in effect means that the candidate species would be treated the same way as it had been before the petition was accepted. This proposed modification is reasonable and makes sense as a policy and scientific matter, as it allows FGC to consider whether certain factors may warrant status quo treatment of a species until FGC makes a final determination.

For the above-stated reasons, we are pleased to **SUPPORT AB 235 (Mayes)**.

Sincerely,



Valerie Nera, Policy Advocate
California Chamber of Commerce

On behalf of the following organizations:

Associated General Contractors, *Felipe Fuentes*
Building Industry Association of Southern California, *Jeff Montejano*
Building Industry Association of Southern California-Baldy View Chapter, *Carlos Rodriguez*
California Association of Realtors, *Jelisaveta Gavric*
California Building Industry Association, *Cliff Moriyama*
California Business Properties Association, *Rex Hime*
California Cement Manufacturers Environmental Coalition (CCMEC), *Frank T. Sheets, III*
California Construction and Industrial Materials Association, *Adam Harper*
California Manufacturers & Technology Association, *Lance Hastings*
CalPortland, *Kerri Leininger*
CEMEX, *Scott Govenar*
Coalition for Public Access, *Terry McHale*
Granite Construction Company, *Ed Manning*
Vulcan Materials Company, *Barbara Goodrich-Welk*

cc: Rachel Wagoner, Office of the Governor
Todd Moffitt, Senate Republican Caucus

VN:mm

Too many bills, too little time: Why COVID-19 has California Democrats feuding

A common maxim in the California Legislature holds that lawmakers shouldn't fall in love with their bills.

This year, there are a lot of broken hearts in the Capitol.

Hundreds of bills meant to alleviate the homeless crisis, decrease medical bills and bolster labor laws ran into the buzz saw of a legislative year twice abbreviated by the coronavirus outbreak.

Now, with just three weeks to go on the legislative calendar, Democrats in each house are showing hard feelings over which remaining proposals deserve a vote and which will have to wait until next year.

Sen. Hannah-Beth Jackson, a Santa Barbara Democrat and chair of the Senate Judiciary Committee, lamented in a July 23 letter to Assembly members that she was left with the "unpleasant task" of making the "extremely difficult and frustrating" choice to shave dozens of bills from the 80 assigned to her committee.

"I recognize there will be many who are disappointed, but I want to assure you that this painful process has not been undertaken lightly, nor has any Assemblymember been singled-out one way or the other," Jackson wrote. "This has been a conundrum that has made my work in my final year as chair of this committee extremely difficult and frankly, unsatisfying. This was not the way I had hoped to conclude my service in the California Legislature."

THE MATH AGAINST THE ASSEMBLY

A bill has to clear both houses before it can go to Gov. Gavin Newsom and become law.

Lawmakers had little time to get their bills to the finish line after recessing because of the coronavirus outbreak for much of the spring and again in July when [two Assembly members tested positive for COVID-19](#).

The Senate, with its 40 members, sent around 160 total bills to the Assembly since the start of the two-year session in 2019.

The 80 Assembly members passed on 540 total measures to the Senate.

Before returning to Sacramento from a summer break July 27, Senate President Pro Tem Toni Atkins, D-San Diego, and Assembly Speaker Anthony Rendon, D-Lakewood, asked members to prune their bills. They also limited policy hearings to one meeting per committee.

Both houses nixed about 75% of their proposals since January introductions, according to Sacramento lobbyist Chris Micheli, who tracks legislative action.

Senate committee chairs, however, said the coronavirus breaks had chiseled too much time from the calendar to allow all the remaining Assembly measures a hearing. Instead, senators asked their counterparts to cull their

legislation again to focus only on the coronavirus, wildfire issues and, amid national protests against police violence, law enforcement policies.

Even then, the senators said they had too many bills.

Sen. Steve Glazer, D-Orinda, said he had to decide how to fit as many of the 43 bills referred to his Senate Committee on Business, Professions and Economic Development, into nine hours of committee time as possible.

“I’ve never not heard a bill. It’s a very uncomfortable position for me to be in,” Glazer said. “It is a factor of how much time is available to hear as many as I can. That’s my goal. To hear as many bills as possible with the time that’s been allotted.

Assembly members have rejected that argument. Instead, they say Senate chairs failed to communicate why certain bills — some of which aren’t related to COVID-19 or other urgent priorities — made the cut and others were tossed out.

Assemblyman Adam Gray, D-Merced, said during a [July 27 hearing](#) that because the Senate had not scheduled two of his bills, he would not weigh in on a Senate proposal his committee was considering.

“There’s been real mixed messages from the state Senate on how we’re prioritizing legislation during a public health crisis that’s unprecedented,” Gray said. “As of today ... I won’t be supporting any SBs at this time until we can get some rational agreement with our colleagues on how to move forward during this public health crisis.”

“The Senate is failing us, and is failing the state of California,” Assemblyman Marc Levine, D-Marin County, echoed during the same meeting. “We’re doing our job and the Senate is not up to this moment.”

On July 28, as tension between the two houses caught public attention, Rendon canceled committee hearings.

“Negotiations between the houses are a normal part of the legislative process,” Rendon’s spokeswoman Katie Talbot said in a statement, continuing that the delay was only a “temporary pause that will allow the Assembly and the Senate to come to work out some outstanding issues.”

WHAT DIED

Gone is a bill to [streamline construction for homeless shelters and affordable housing](#) by exempting certain projects from environmental review.

A proposal to [let California workers get paid](#) even if their boss abruptly canceled their shifts met the same fate.

Another measure to [ban lead ammunition at shooting ranges](#) was also axed.

Some Assembly members, however, said senators cut priority bills that aimed to ease disparities the pandemic highlighted in California and that the Legislature couldn’t afford to ignore this year.

Assemblyman Adrin Nazarian, D-North Hollywood, said his proposal to cap insulin copays would provide crucial relief for low-income individuals with diabetes, a condition that puts people at high risk of COVID-19.

Nazarian blamed state Sen. Richard Pan, D-Sacramento, for not scheduling the bill in the Senate Committee on Health.

“He has to be held accountable for that,” Nazarian said. “He had the audacity to tell me that this bill is not directly a COVID-19-related bill. I thought he was absolutely wrong about that.”

Levine similarly lambasted Pan for rejecting [Assembly Bill 1324](#), which would have required the state’s public health department to develop health and safety guidelines for nursing homes and other congregate care settings.

Pan said he had to review 45 bills and determine from that list which of those prioritized COVID-19 and had few outstanding policy questions.

“By the time it lands in the second house, we need to settle all the policy stuff,” Pan said. “What we don’t want to do is move legislation that hasn’t had that vetting that we would expect bills to have.”

The Assembly and Senate face an Aug. 14 and 15 deadline, respectively, to pass bills from policy committees to the floor for final votes.

Atkins, who also served as Assembly speaker from 2014 to 2016, said this year has required anything but “business as usual.” As Californians “delay important things in their own lives,” she said, “we all have to face the realities of these unprecedented times.”

“The Speaker and I and our staffs talk constantly, especially at the end of session,” she said. “That will continue. Having led both houses I know the approaches along the way can differ, but in the end we reach the same goal.”

CORRECTION: A previous version of this story incorrectly attributed a quote to Assembly Speaker Anthony Rendon. The quote came from his spokeswoman, Katie Talbot.

The following page(s) contain the backup material for Agenda Item: [Set date of September 28, 2020 to conduct a public hearing to consider the adoption of Rule 102 – Definition of Terms and approval of California Environmental Quality Act \(CEQA\) documentation.](#)

[Presenter: Alan De Salvio, Deputy Director – Operations.](#)

Please scroll down to view the backup material.

**MINUTES OF THE GOVERNING BOARD
OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
VICTORVILLE, CALIFORNIA**

AGENDA ITEM #12

DATE: August 24, 2020

RECOMMENDATION: Set date of September 28, 2020 to conduct a public hearing to consider the adoption of Rule 102 – *Definition of Terms* and approval of California Environmental Quality Act (CEQA) documentation.

SUMMARY: This item officially sets the date for the mandatory public hearing to be held on the adoption of Rule 102. Rule 102 is proposed for amendment to incorporate changes concurrent with the adoption of proposed Rule 431 – *Sulfur Content of Fuels*. Several definitions have also been included in anticipation of the future amendment of Rule 1113 – *Architectural Coatings*, and the adoption of other rules required pursuant to Health & Safety Code §§40724.5-40724.6.

BACKGROUND: Many terms are defined in multiple district rules. In addition, many of these definitions are exact or near exact duplicates of each other. Pursuant to Governing Board direction regarding streamlining, the Air Pollution Control Officer (APCO) has determined that shifting common definitions to Rule 102 and updating them for consistency will improve clarity. The amendment of Rule 102 – *Definitions of Terms* will be an ongoing process. Rule 102 will continue to be updated as needed when other District rules are proposed for amendment and contain definitions that need to be moved.

Rule 102 is proposed for amendment to incorporate changes concurrent with the proposed adoption of Rule 431 – *Sulfur Content of Fuels*. Several definitions have also been included in anticipation of the future amendment of Rule 1113 – *Architectural Coatings*, and the adoption of other rules required pursuant to Health & Safety Code §§40724.5-40724.6.

A Notice of Exemption, Categorical Exemption (Class8; 14 Cal. Code Reg. §15308) will be prepared by the MDAQMD for the adoption of Rule 102 pursuant to the requirements of CEQA.

REASON FOR RECOMMENDATION: Health & Safety Code §§40702 and 40703 require the Governing Board to hold a public hearing before adopting rules and regulation. Also, 42 U.S.C. §7410(1) (FCAA §110(1)) requires that all SIP revisions be adopted after public notice and hearing.

**MINUTES OF THE GOVERNING BOARD
OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
VICTORVILLE, CALIFORNIA**

AGENDA ITEM #12

PAGE 2

REVIEW BY OTHERS: This item was reviewed by Karen Nowak, District Counsel as to legal form and by Alan De Salvio, Deputy Director – Mojave Desert Operations on or before August 10, 2020.

FINANCIAL DATA: No increase in appropriation is anticipated.

PRESENTER: Alan De Salvio, Deputy Director of Operations

The following page(s) contain the backup material for Agenda Item: [Set date of September 28, 2020 to conduct a public hearing to consider the amendment of Rule 431 – Sulfur Content of Fuels and approval of California Environmental Quality Act \(CEQA\) documentation. Presenter: Alan De Salvio, Deputy Director – Operations.](#)
Please scroll down to view the backup material.

**MINUTES OF THE GOVERNING BOARD
OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
VICTORVILLE, CALIFORNIA**

AGENDA ITEM #13

DATE: August 24, 2020

RECOMMENDATION: Set date of September 28, 2020 to conduct a public hearing to consider the amendment of Rule 431 – *Sulfur Content of Fuels* and approval of California Environmental Quality Act (CEQA) documentation.

SUMMARY: This item officially sets the date for the mandatory public hearing to be held on the amendment of Rule 431 – *Sulfur Content of Fuels*. Rule 431 is proposed for amendment to reflect the changes to 13 CCR § 2281 and implement provisions from rules to address RACT (Reasonably Available Control Technology) requirements.

BACKGROUND: Rule 431 – *Sulfur Content of Fuels*, was originally adopted May 7, 1976, and amended on October 8, 1976. On February 1, 1977 CARB Executive Order G-73 adopted a rule book for non-South Coast Air Basin areas of Los Angeles, Riverside and San Bernardino Counties, and then finally, on July 25, 1977, Rule 431 was readopted into the San Bernardino County Air Pollution Control District rulebook.

Rule 431 is proposed for amendment to incorporate changes in CARB’s Diesel requirements in 13 § CCR 2281. As part of the rule development process, rules from other districts have been reviewed, to ensure that we are meeting RACT requirements related to sulfur content of fuels. Some of the proposed changes in Rule 431 include: reducing sulfur limits for gaseous and liquid fuels, adding new monitoring, record keeping, testing, equivalency requirements and new exemptions. A new section has been added for facilities who are currently exempt or in compliance, to ensure compliance with the proposed rule is maintained. For ease of reading, sections have been broken down by fuel type: gaseous, liquid and solid. Attachments addressing specific monitoring system requirements have also been included.

A Notice of Exemption, Categorical Exemption (Class8; 14 Cal. Code Reg.§ 15308) will be prepared by the MDAQMD for the adoption of Rule 431 pursuant to the requirements of CEQA.

**MINUTES OF THE GOVERNING BOARD
OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
VICTORVILLE, CALIFORNIA**

AGENDA ITEM #13

PAGE 2

REASON FOR RECOMMENDATION: Health & Safety Code §§40702 and 40703 require the Governing Board to hold a public hearing before adopting rules and regulation. Also, 42 U.S.C. §7410(l) (FCAA §110(l)) requires that all SIP revisions be adopted after public notice and hearing.

REVIEW BY OTHERS: This item was reviewed by Karen Nowak, District Counsel as to legal form and by Alan De Salvio, Deputy Director – Mojave Desert Operations on or about August 6, 2020.

FINANCIAL DATA: No increase in appropriation is anticipated.

PRESENTER: Alan De Salvio, Deputy Director - Mojave Desert Operations

The following page(s) contain the backup material for Agenda Item: [Conduct a continued public hearing to consider the amendment of Regulation III – Fees specifically the amendment of Rule 301 – Permit Fees, Rule 302 – Other Fees, and Rule 303 – Hearing Board Fees: a. Open continued public hearing; b. Receive staff report; c. Receive public testimony; d. Close public hearing; e. Make a determination that the CEQA Categorical Exemption applies; f. Waive reading of Resolution; g. Adopt Resolution making appropriate findings, certifying the Notice of Exemption amending Rules 301, 302, and 303. Presenter: Alan De Salvo, Deputy Director – Mojave Desert Operations.](#)
Please scroll down to view the backup material.

**MINUTES OF THE GOVERNING BOARD
OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
VICTORVILLE, CALIFORNIA**

AGENDA ITEM #16

PAGE 1

DATE: August 24, 2020

RECOMMENDATION: Conduct a continued public hearing to consider the amendment of Regulation III – *Fees* specifically the amendment of Rule 301 – *Permit Fees*, Rule 302 – *Other Fees*, and Rule 303 – *Hearing Board Fees*: a. Open continued public hearing; b. Receive staff report; c. Receive public testimony; d. Close public hearing; e. Make a determination that the CEQA Categorical Exemption applies; f. Waive reading of Resolution; g. Adopt Resolution making appropriate findings, certifying the Notice of Exemption amending Rules 301, 302, and 303.

SUMMARY: Adjustments in fees are required from time to time to ensure that the costs are aligned with the reasonable regulatory costs of the programs they support. Rule 301, Rule 302, and Rule 303 are proposed for amendment to adjust fees by five percent (5%) to recover the rising costs associated with issuing licenses and permits, performing investigations, inspections, and audits, and the administrative enforcement and adjudication thereof.

BACKGROUND: On 07/01/93 the Mojave Desert Air Quality Management District (MDAQMD) was created by statute and assumed all the air pollution control responsibilities the San Bernardino County Air Pollution Control District (SBCAPCD). The rules in effect at that time remained in effect until such time as the Governing Board of the MDAQMD officially changed them. The MDAQMD Governing Board, at its very first meeting, reaffirmed all the rules and regulations of the SBCAPCD. Some of the rules contained in Regulation III – *Fees* have been subsequently amended, consolidated and rescinded.

Rules 301, 302, and 303 are proposed for amendment to ensure that the costs are aligned with the reasonable regulatory costs of the programs they support. The proposed five percent (5%) fee adjustment to Rules 301, 302, and 303 are designed to recover the rising costs associated with issuing licenses and permits, performing investigations, inspections, and audits, and the administrative enforcement and adjudication thereof. Rule 302 is also proposed for amendment to provide cost recovery for regulation of fugitive dust emissions as a result of Solar Projects within District jurisdiction.

**MINUTES OF THE GOVERNING BOARD
OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
VICTORVILLE, CALIFORNIA**

AGENDA ITEM #16

PAGE 2

To allow time to implement the proposed fee changes in the computerized billing system, Rule 301 is proposed to be effective on 01/01/2020, while Rules 302 and 303 will be effective upon adoption.

A Notice of Exemption, Categorical Exemption (Class 8; 14 Cal. Code Reg. §15308) will be prepared by the MDAQMD for the amendment of Regulation III pursuant to the requirements of CEQA.

REASON FOR RECOMMENDATION: Health & Safety Code §§40702 and 40703 require the Governing Board to hold a public hearing before adopting rules and regulations. Health & Safety Code §42311 and various other sections as indicated in the Staff Report authorize the imposition of fees by action of the Governing Board.

REVIEW BY OTHERS: This item was reviewed by Karen Nowak, District Counsel as to legal form and by Alan De Salvio, Deputy Director – Mojave Desert Operations on or about June 22, 2020.

FINANCIAL DATA: No increase in appropriation is anticipated.

PRESENTER: Alan De Salvio, Deputy Director – Mojave Desert Operations

RESOLUTION NO. 20-_____

1 **A RESOLUTION OF THE GOVERNING BOARD OF THE MOJAVE**
2 **DESERT AIR QUALITY MANAGEMENT DISTRICT MAKING FINDINGS,**
3 **CERTIFYING THE NOTICE OF EXEMPTION, AMENDMENT OF REGULATION**
4 **III – FEES AND DIRECTING STAFF ACTIONS.**

5 On August 24, 2020, on motion by Member _____, seconded by
6 Member _____, and carried, the following resolution is adopted:

7 **WHEREAS**, the Mojave Desert Air Quality Management District (MDAQMD) has
8 authority pursuant to California Health and Safety Code (H & S Code) §§40702, 40725-
9 40728 to adopt, amend, or repeal rules and regulations; and

10 **WHEREAS**, on 07/01/93 the Mojave Desert Air Quality Management District
11 (MDAQMD) was created by statute and assumed all the air pollution control responsibilities
12 the San Bernardino County Air Pollution Control District (SBCAPCD); and

13 **WHEREAS**, the rules in effect at that time remained in effect until such time as the
14 Governing Board of the MDAQMD officially changed them; and

15 **WHEREAS**, the MDAQMD Governing Board, at its very first meeting, reaffirmed
16 all the rules and regulations of the SBCAPCD; and

17 **WHEREAS**, some of the rules contained in Regulation III – *Fees* have been
18 subsequently amended, consolidated and rescinded; and

19 **WHEREAS**, Regulation III, specifically Rule 301 – Permit Fees, (Rule 302 – Other
20 Fees, and Rule 303 – Hearing Board Fees; and

21 **WHEREAS**, Rules 301, 302, and 303 are proposed for amendment to adjust fees by
22 five percent (5%) to ensure that the costs are aligned with the reasonable regulatory costs of
23 the programs they support and to make minor corrections for clarification; and

24 **WHEREAS**, the proposed five percent (5%) fee adjustment to Rule 301 – *Permit*
25 *Fees*, Rule 302 – *Other Fees*, and Rule 303 – *Hearing Board Fees* are designed to recover
26 the rising costs associated with issuing licenses and permits, performing investigations,
27 inspections, and audits, and the administrative enforcement and adjudication thereof; and

28 **WHEREAS**, Rule 302 is also proposed for amendment to provide cost recovery for
regulation of fugitive dust emissions as a result of Solar Projects within District jurisdiction;

RESOLUTION NO. 20-_____

1 and

2 **WHEREAS**, the proposed amendments to Regulation III, specifically to Rules 301,
3 302, and 303 are necessary as indicated herein and in the supporting documentation; and

4 **WHEREAS**, the proposed amendment to Rule 302 is needed in order to address the
5 recent growth of Solar Project operations within the District; and

6 **WHEREAS**, the proposed amendments to Rules 301, 302, and 303 are needed in
7 order to recover the rising costs associated with issuing licenses and permits, performing
8 investigations, inspections, and audits, and the administrative enforcement and adjudication
9 thereof, while minimizing potentially dramatic future fee increases because incremental and
10 periodic changes were not regularly implemented; and

11 **WHEREAS**, the MDAQMD has the authority pursuant to H & S Code §40702 to
12 amend rules and regulations; and

13 **WHEREAS**, the proposed amendments to Regulation III, specifically to Rules 301,
14 302, and 303 are clear in that the meaning can be easily understood by the persons impacted
15 by the Rule; and

16 **WHEREAS**, Rule 301 applies to any person or organization applying and/or holding
17 an MDAQMD Authority to Construct (ATC) or Permit to Operate (PTO); and

18 **WHEREAS**, Rule 302 applies to any person or organization subject to other fees;
19 and

20 **WHEREAS**, Rule 303 applies to any applicant or petitioner in a proceeding before
21 the Hearing Board; and

22 **WHEREAS**, the proposed amendments to Rule 301, 302, and 303 have been
23 developed to adjust fees by five percent (5%) to recover the rising costs associated with
24 issuing licenses and permits, performing investigations, inspections, and audits, and the
25 administrative enforcement and adjudication thereof, and to increase clarity for each of the
26 affected groups; and

27 **WHEREAS**, the proposed actions regarding Regulation III are in harmony with, and
28 not in conflict with or contradictory to, any state law or regulations, federal law or

RESOLUTION NO. 20-_____

1 regulation, or court decisions because these laws and regulations allow for the proposed
2 amendments to the fee rules; and

3 **WHEREAS**, the proposed amendments do not impose the same requirements as any
4 existing State or federal regulation because H&S Code §40702 allows the District to adopt,
5 amend, or repeal rules and regulations, and H&S Code §42311 and various other sections
6 merely authorize the imposition of such fees but do not specify the types and amounts of fees
7 to be imposed; and

8 **WHEREAS**, a public hearing has been properly noticed and conducted, pursuant to
9 H & S Code §40725, concerning the amendments to Regulation III, and

10 **WHEREAS**, a Notice of Exemption, a Categorical Exemption (Class 8, 14 CCR
11 §15308) for the proposed amendments to Regulation III, completed in compliance with the
12 California Environmental Quality Act (CEQA), has been presented to the MDAQMD Board;
13 each member having reviewed, considered and approved the information contained therein
14 prior to acting on the proposed amendments to Regulation III, and the MDAQMD Board
15 having determined that the proposed amendments will not have any potential for resulting in
16 any adverse impact upon the environment; and

17 **WHEREAS**, the Board has considered the evidence presented at the public hearing;
18 and

19 **NOW, THEREFORE, BE IT RESOLVED**, that the Governing Board of the
20 MDAQMD finds that the amendment of Regulation III - *Fees* are necessary, authorized,
21 clear, consistent, non-duplicative, and properly referenced; and

22 **BE IT FURTHER RESOLVED**, that the Governing Board of the MDAQMD
23 hereby makes a finding that the Class 8 Categorical Exemption (14 CCR §15308) applies and
24 certifies the Notice of Exemption for the proposed amendments to Regulation III; and

25 **BE IT FURTHER RESOLVED**, that the Board of the MDAQMD does hereby
26 adopt, pursuant to the authority granted by law, the proposed amendments to Regulation III,
27 as set forth in the attachments to this resolution and incorporated herein by this reference;
28 and

(Adopted: 07/09/76; Amended: 01/07/77; CARB Ex. Ord. G-73: 02/01/77; Readopted: 07/25/77; Amended: 08/22/85; Amended: 11/20/89; Amended: 01/01/90; Amended: 10/23/94; Amended: 03/24/97; Amended: 09/28/98; Amended: 06/26/00; Amended: 09/23/02; Amended: 08/23/04 effective 01/01/05; Amended: 06/27/05 effective 01/01/06; Amended: 10/23/06 effective 01/01/07; Amended: 6/25/07 effective 1/1/08; Amended: 06/23/2008 effective 01/01/2009; Amended: 06/28/10 effective 01/01/11; Amended: 08/22/11 effective 01/01/12; Amended: 06/25/12 effective 01/01/13; Amended: 06/24/13 effective 01/01/14; Amended: 06/23/14 effective 01/01/15; Amended: 06/22/15 effective 01/01/16; Amended: 06/27/16 effective 01/01/17; Amended: 06/26/17 effective 01/01/18; Amended: 06/25/18, 08/27/18 effective 01/01/19; Amended: 06/24/19 effective 01/01/20; Amended: 08/24/20 effective 01/01/2021)

RULE 301

Permit Fees

(A) General

(1) Purpose

- (a) This rule sets forth the fees required for various permit activities required pursuant to the provisions of Regulation II - *Permits* and Regulation XIII - *New Source Review*.

(2) Applicability

- (a) Any person subject to the provisions of Regulation II - *Permits* or Regulation XIII - *New Source Review* shall pay the fees set forth in this rule.
- (b) Federal, state or local governmental agencies or public districts shall pay the fees to the extent allowed pursuant to the provisions of Chapter 2, Division 7, Title 1 of the Government Code (commencing with §6103); Part 4, Division 26 and Part 6, Division 26 of the Health and Safety Code (commencing with §44300).

(3) Limitations

- (a) Revenue derived from permit fees shall be limited as required by Chapter 4 of Part 4, Division 26 of the Health and Safety Code.

(4) Effective Date

- (a) The amendments to this rule adopted on 08/24/20 shall be effective on 01/01/2021.

(B) Requirements and Procedures

- (1) Fees, as specified herein, are required for the following activities relating to permits:
 - (a) The filing of a permit application.
 - (b) The evaluation of new or modified sources.
 - (c) The issuance of authority to construct(s).
 - (d) The issuance of permit(s) to operate.
 - (e) The issuance of duplicate or modified permits required by any of the following circumstances:
 - (i) Loss or destruction of a permit.
 - (ii) Change of equipment location to a site other than that described in the permit.
 - (iii) Transfer of ownership of the permit.
 - (iv) Alterations or additions to equipment as listed on the permit.
 - (f) Annual permit renewal.
- (2) Fees shall be paid when due as specified herein:
 - (a) Fees shall be invoiced at least thirty (30) days before the expiration date as shown on the permit. The owner/operator will be notified by First Class mail of the amount to be paid and the due date of the invoice.
 - (b) If the fee is not paid on or before the due date of the invoice the permit shall become delinquent on the due date or expire on its expiration date, whichever is sooner, and will thereafter no longer be valid.
 - (c) Within thirty (30) days after the due date of the invoice or expiration date of the permit, whichever is sooner, if the applicable fees remain unpaid the holder of the permit shall be notified in writing by First Class mail:
 - (i) That the permit has become delinquent for non-payment of fees and is no longer valid; and
 - (ii) Of the consequences of continuing to operate with an invalid permit.
 - (d) If the permit is delinquent for more than six (6) months the permit shall be terminated and become inactive in District records.

(3) Reinstatement of Permits

- (a) A permit which is delinquent but has not become inactive may be reinstated by payment in full of all outstanding fees, fines and penalties, including but not limited to other fees imposed pursuant to Regulation III – *Fees* and fines or penalties imposed pursuant to the provisions of Article 3, Chapter 4, Part 4 of Division 26 of the Health and Safety Code (commencing with §42400).
- (b) A permit which has become inactive may be reinstated by either of the following:
 - (i) The submittal of a new application, accompanied by payment of all previously accrued fees, fines and penalties, including but not limited to other fees imposed pursuant to Regulation III – *Fees* and fines or penalties imposed pursuant to the provisions of Article 3, Chapter 4, Part 4 of Division 26 of the Health and Safety Code (commencing with §42400) and the payment of any new fees which would apply to a similar new application; or
 - (ii) By submitting a written request to the APCO to reinstate the permit stating good cause for such reinstatement. The APCO or his or her designee shall review the request and may direct in writing that the permit be reinstated by payment in full of all outstanding fees, fines and penalties, including but not limited to other fees imposed pursuant to District Regulation III and fines or penalties imposed pursuant to the provisions of Article 3, Chapter 4, Part 4 of Division 26 of the Health and Safety Code (commencing with §42400).

(4) Refunds

- (a) No claim for refund for any fee required by this rule shall be honored unless:
 - (i) For initial permit fees, such claim is submitted within ninety (90) days after the permit was issued.
 - (ii) For renewal permit fees, such claim is submitted within ninety (90) days after the prior permit expiration date.
- (b) Refunds shall be pro-rated for the period between the date the request is received or prior permit expiration date, whichever is applicable, and the current permit expiration date.
- (c) Fees established as surcharges are not refundable and are assessed in addition to the schedules established for permit fees. Surcharges are assessed and applicable as specified herein.

- (d) The following fees are non-refundable:
 - (i) The filing fee set forth in section (C)(1).
 - (ii) Initial permit fees for Negative Air Machines and HEPA vacuums pursuant to section (E)(7)(h).

(5) Pro-rated fees

- (a) The APCO may pro-rate any of the following fees excluding any applicable filing fee:
 - (i) Initial Permit Fee;
 - (ii) Annual Permit to Operate Renewal Fee;
 - (iii) Permit to Construct Renewal Fee;
 - (iv) Alteration, Modification, Addition or Revision Fees.
- (b) Pro-rated fees shall be calculated based upon the fees and fee schedule in effect on the date of issuance of the permit to which the fees apply.
- (c) Fees shall be pro-rated for the period between the date of the issuance of the affected permit and the expiration of the permit.

(6) Credit Card Payment

- (a) If any person wishes to pay using a credit card, that person shall also pay the processing costs imposed by the company processing the transaction.

(C) Fees

(1) Filing Fee

- (a) Except as otherwise provided, any person who applies for the issuance of a new or modified permit shall be assessed a fee of \$317.00. This filing fee shall be submitted with the application.
- (b) The filing fee is non-refundable and shall not be applied to any subsequent application.
- (c) Applications shall not be accepted unless they are accompanied by the filing fee.
- (d) Applications for asbestos remediation equipment (including negative air machines and HEPA vacuums) shall not be accepted unless they are accompanied by the filing fee and annual permit fee as specified in section (E)(7)(h).

- (e) Applications for temporary permits shall not be accepted unless they are accompanied by the filing fee and annual permit fee as specified in section (C)(12)(a).
- (2) Project Evaluation Fee for Complex Sources
- (a) Any person who submits an application on or after January 1, 1986, which is related to projects to construct or modify any of the following shall be assessed a project evaluation fee for complex sources.
 - (i) Equipment associated with landfills;
 - (ii) Equipment associated with resource recovery projects;
 - (iii) Equipment associated with energy cogeneration projects;
 - (iv) Equipment associated with electrical power plants;
 - (v) Equipment associated with hazardous and toxic material and/or waste disposal or treatment facilities;
 - (vi) Equipment subject to the provisions of District Rule 1303 Section (B);
 - (vii) Equipment with emissions of a Hazardous Air Pollutant requiring a Health Risk Assessment pursuant to District Rule 1320 subsection (E)(3) or a case-by-case MACT determination pursuant to District Rule 1320 subsection (F)(2);
 - (viii) Equipment subject to provisions of the Prevention of Significant Deterioration Program as administered by U.S. Environmental Protection Agency or District Rule 1600; and
 - (ix) Any other permit units where the APCO or his or her designee has determined that an analysis required pursuant to these rules or regulations would require over two (2) hours of staff time to complete.
 - (b) A deposit of \$6,500.00 to be applied toward the project evaluation fee for complex sources shall be paid within thirty (30) days of written notification by the District that the application is subject to this fee.
 - (c) The project evaluation fee for complex sources shall be based on the District's total actual and reasonable labor time and other reasonable expenses for the evaluation required to develop a permit to construct and/or permit to operate.
 - (i) This fee shall be calculated at a labor rate of \$110.00 per hour plus actual expenses.
 - (ii) The fee shall accrue and be applied against the deposit.
 - (iii) Should the District's costs as calculated pursuant to subsection (i) above not exceed the deposit; the remainder of the deposit will be returned to the applicant.
 - (iv) Should the District's costs as calculated pursuant to subsection (i) above exceed the deposit the excess will be billed to the applicant.

- a. The applicant shall be notified, in writing, of the amount of any such excess fee and the due date for payment of the fee.
 - b. An accounting of costs and written notice to the applicant shall be issued to the applicant at least quarterly.
 - (d) Actual expenses of the District include consultant services which are engaged by the District for the purpose of project evaluations. When project evaluations are performed for the District under such a contract, the applicant will be assessed fees for the actual total and reasonable costs incurred by the District staff to oversee, review, and approve the evaluation as well as the actual cost to the District of the contractor evaluation.
 - (e) Actual expenses of the District include project notice fees which are incurred on behalf of public project notices.
 - (f) The provisions of subsection (B)(2) do not apply to this fee. If the applicant fails to pay the project evaluation fee for complex sources when due the APCO shall, after written notice to the applicant, cancel the application.
- (3) Initial Permit Fee
- (a) Except as otherwise provided in this rule, any person who applies for a permit shall, upon notification that the application has been approved, be assessed the initial permit fee for the issuance of a permit to construct or permit to operate in the amount prescribed in schedules set forth herein.
 - (i) For applications containing mutually exclusive alternative construction scenarios the APCO may, upon written request of the applicant, assess an alternate initial permit fee. Such alternate initial permit fee shall not be less than the highest initial permit fee for any single alternative scenario set forth in the application and shall not be more than the sum of the initial permit fees for all alternative scenarios set forth in the application.
 - (ii) For applications where multiple schedules may be applicable to a particular piece of equipment the APCO shall determine the appropriate schedule to be applied.
 - (b) After the provisions for granting permits as set forth in Division 26 of the Health and Safety Code and these Rules and Regulations have been complied with, the applicant shall be notified, in writing, of the amount of the fee to be paid as the initial permit fee.
 - (i) Notice may be given by personal service, electronically, or by First Class mail.

- (4) Annual Permit to Operate Renewal Fee
- (a) A Permit to operate shall be annually renewable, upon payment of fees.
 - (b) The annual permit to operate renewal fee shall be calculated pursuant to the schedules herein.
 - (c) The annual permit to operate renewal fee shall be invoiced as specified in Section (B) above.
- (5) Authority to Construct Renewal Fee
- (a) An authority to construct may be renewed, upon payment of fees, pursuant to the provisions of District Rule 201.
 - (b) The authority to construct renewal fee shall be calculated pursuant to the schedules herein.
 - (i) For applications containing mutually exclusive alternative construction scenarios the APCO may, upon written request of the applicant, assess an alternate authority to construct renewal fee. Such alternate authority to construct renewal fee shall not be less than the highest authority to construct renewal fee for any single alternative scenario set forth in the application and shall not be more than the sum of the authority to construct renewal fees for all alternative scenarios set forth in the application.
 - (ii) For applications where multiple schedules may be applicable to a particular piece of equipment the APCO shall determine the appropriate schedule to be applied.
 - (c) An authority to construct may only be renewed for two (2) years after the initial date of issuance, unless the application is canceled or an extension of time pursuant to the provisions of District Rule 205 has been granted by the APCO.
 - (d) The authority to construct renewal fee shall be invoiced as specified in Section (B) above.
 - (e) When construction is completed prior to the expiration of the authority to construct, the authority to construct may thereupon act as a temporary permit to operate pursuant to the provisions of District Rule 202. The residual fee for the authority to construct, calculated as a pro-rated fee for the period between the completion of construction and the expiration date of the permit, shall be applied to a pro-rated initial permit fee for the same period. Any positive difference between the residual fee and the pro-rated initial permit fee shall be invoiced as set forth in Section (B) above.

(6) Change of Location or Ownership Fees

- (a) Permits, pursuant to the provisions of District Rule 209, are only valid for the location specified in the permit.
 - (i) Any person who applies for a permit requesting a change in the location of equipment included on a currently valid permit shall request in writing a change of location for the equipment and may be assessed an initial permit fee if the change in location also creates additional alteration(s), modification(s), addition(s) or revision(s) in either the subject permit or other permits at the same facility.
 - (ii) The person will be notified by mail, of the amount of the initial permit fee due as a result of the change of location and the due date for payment of the fee.
 - (iii) The APCO or his or her designee may, upon the applicant's written request, waive the initial permit fee.
- (b) Permits, pursuant to the provisions of District Rule 209, are only valid to the person named on the permit.
 - (i) Any person who applies for a permit requesting a change of ownership of equipment included on a currently valid permit shall be assessed a transfer fee of \$181.00 for each permit being transferred from one person to another.
 - (ii) The filing fee set forth in subsection (C)(1) are waived for applications solely requesting a change of ownership.
 - (iii) The transfer fee for applications solely requesting a change of ownership is due at the time the application is filed.
- (c) Any person submitting an application for a permit requesting a change of location and/or change of ownership which also requests alteration(s), addition(s) or revision(s) to the permit shall be assessed either the fees set forth in this Section or in subsection (C)(7) whichever is greater.

(7) Alteration, Modification, Addition or Revision Fees

- (a) Any person who applies for a permit requesting alteration(s), modification(s), addition(s), or revision(s) of the permit resulting from a change to equipment included on a currently valid permit shall be assessed a filing fee pursuant to subsection (C)(1) above and a permit revision fee.
- (b) The permit revision fee shall be calculated as follows:
 - (i) The initial permit fee for a permit which includes the alteration, addition or revision minus the previous year's annual permit to operate renewal fee, pro-rated, for the period between the date of

issuance for the permit containing the alteration addition or revisions, and the original permit(s) expiration date.

- (c) The permit revision fee shall be invoiced as set forth in Section (B) above.
 - (d) Any person submitting an application for a permit requesting a change of location and/or change of ownership which also requests alteration(s), addition(s) or revision(s) to the permit shall be assessed either the fees set forth in this Section or in subsection (C)(6), whichever is greater.
- (8) Fees Applicable when Permit Granted or Denied by Hearing Board
- (a) If a permit is granted by the Hearing Board after denial of an application by the APCO or after the application has been deemed denied pursuant to District Rule 215, the applicant shall be assessed the appropriate fees set forth in this rule.
 - (b) The applicant shall be notified, in writing, of the amount of the fee and the due date for payment of the fee.
 - (c) Previously paid fees are not refundable if the Hearing Board denies the issuance of a permit which was granted by the APCO.
- (9) Signed Duplicate or Corrected Permit Fees
- (a) A request for a signed duplicate permit or for administrative corrections to a permit, shall be made in writing by the permit holder.
 - (b) The permit holder shall be assessed a fee of \$82.00 for issuing each signed duplicate or corrected permit.
 - (c) The fee for a signed duplicate or corrected permit is due at the time the permit is requested.
- (10) Previously Unpermitted or Altered Equipment Fee
- (a) When equipment is built, erected, installed, altered, or replaced (except for identical replacement) without the owner or operator obtaining a permit to construct in accordance with District Rule 201, the owner or operator shall be assessed a previously unpermitted equipment fee.
 - (b) The previously unpermitted equipment fee shall be calculated as fifty percent (50%) of all applicable permit fees which would have been required for each year of unpermitted activity, plus the full amount of all applicable permit fees for the year immediately preceding the year when the permit to operate is granted.
 - (c) The unpermitted equipment fee is due when the permit to operate is granted.

- (d) The assessment of an unpermitted equipment fee shall not limit the District's right to pursue any other remedy provided for by law.
- (e) The provisions of this subsection shall not apply if a permit is required solely due to a change in District Rule 219.
- (f) The APCO may waive the unpermitted equipment fee for good cause upon the written application of the person assessed the fee.

(11) CEQA Review Fees

- (a) An application for a permit which is associated with a project subject to review under the California Environmental Quality Act (CEQA; Public Resources Code Section 21000 et seq.) shall pay, in addition to any other fees applicable pursuant to this rule, the District's cost of performing all environmental evaluation required pursuant to CEQA. Such costs shall include, but are not limited to:
 - (i) Cost of preparing any environmental study or Environmental Impact Report including the costs of any outside consulting assistance which the District may employ in connection with the preparation of such study or report;
 - (ii) Cost of publication and circulation of any required notice;
 - (iii) Cost of filing any required documents with another agency; and
 - (iv) Reasonable internal costs, including overhead, of processing and reviewing the required environmental documentation.

(12) Temporary Permits

- (a) An application for a permit which will be valid for thirty (30) days or less shall be assessed an initial permit fee of one-twelfth (1/12) the value calculated per section E below, or \$356.12, whichever is greater.

(13) Seasonal Cotton Gin Permits

- (a) The annual permit operating fees for permitted equipment at a seasonal cotton ginning operation (NAICS 115111) shall be one third the amount calculated in accordance with Schedule E below.

(14) Retail Gasoline Dispensing Equipment Minimum Fee

- (a) The annual permit operating fees for gasoline dispensing equipment shall be the greater of the fees calculated pursuant to Sections (E)(5) or (E)(6) as applicable.

(D) (Reserved)

(E) Schedules for Initial Permit Fee and Annual Permit Fee

(1) Schedule 1, Motor Horsepower

Any emission generating process using motors as a power source shall be assessed a permit fee based on the cumulative total rated horsepower of all equipment in the process train, with the exception of air pollution control or other equipment that may operate independently of the process, in accordance with the following schedule:

<u>HORSEPOWER RATING (hp)</u>	<u>INITIAL AND ANNUAL PERMIT FEE</u>
(a) Up to and including 40 hp	\$399.95
(b) 41 to and including 200 hp	\$136.99 plus \$6.57 per each hp
(c) 201 to and including 1,000 hp	\$827.31 plus \$31.24 per each 10 hp
(d) Greater than 1,000 hp	\$2,388.76 plus \$15.61 per each 10 hp

(2) Schedule 2, Fuel Burning Equipment

Any emission generating process in which fuel is burned, for the production of useful power, except for engine driven generators used for the intermittent production of electrical power not for resale, shall be assessed a permit fee based upon the design fuel consumption of the equipment expressed in British thermal units (Btu) per hour, using gross heating values of the fuel plus 2,550 Btu for each horsepower of associated motor driven equipment, in accordance with the following schedule:

<u>BRITISH THERMAL UNITS (BTU) PER HOUR</u>	<u>INITIAL AND ANNUAL PERMIT FEE</u>
(a) Up to and including 250,000 Btu	\$136.99 plus \$193.61 per each 100,000 Btu
(b) 250,001 to and including 1,000,000 Btu	\$347.01 plus \$109.57 per each 100,000 Btu
(c) 1,000,001 to and including 4,000,000 Btu	\$1,031.85 plus \$41.08 per each 100,000 Btu
(d) 4,000,001 to and including 10,000,000 Btu	\$1,360.58 plus \$32.90 per each 100,000 Btu
(e) 10,000,001 to and including 100,000,000 Btu	\$3,753.00 plus \$89.50 per each 1,000,000 Btu
(f) Greater than 100,000,000 Btu	\$10,418.90 plus \$22.85 per each 1,000,000 Btu

(3) Schedule 3, Electrical Energy

Any emission generating process which uses electrical energy, with the exception of motors covered in Schedule 1, shall be assessed a permit fee based on the total kilovolt-ampere (kVA) ratings, in accordance with the following schedule:

<u>KILOVOLT-AMPERE (kVA)</u>	<u>INITIAL AND ANNUAL PERMIT FEE</u>
(a) Up to and including 45 kVA	\$367.06

(b) Greater than 45 kVA \$350.65 plus \$0.40 per each kVA

(4) Schedule 4, Incinerator Equipment

Any equipment designed and used primarily to dispose of combustible refuse by wholly consuming the material charged leaving only the ashes or residue shall be assessed an initial and annual permit fee based on the maximum horizontal, inside, cross sectional area, in square feet, of the primary combustion chamber. The fee shall be \$367.06 plus \$23.76 per square foot.

(5) Schedule 5, Stationary Containers

Any stationary tank, reservoir, or other container with the exception of stationary storage tanks covered in Schedule 6 (subsection (E)(6)) herein, shall be assessed a permit fee on the following schedule of capacities in gallons or cubic equivalent:

<u>GALLONS</u>	<u>INITIAL AND ANNUAL PERMIT FEE</u>
(a) Up to and including 10,000 gallons	\$350.65
(b) 10,001 to and including 100,000 gallons	\$304.97 plus \$4.59 per each 1,000 gallons
(c) 100,001 to and including 2,000,000 gallons	\$672.07 plus \$8.95 per each 10,000 gallons
(d) Greater than 2,000,001 gallons	\$2,008.92 plus \$22.64 per each 100,000 gallons

(6) Schedule 6, Retail Gasoline Dispensing Equipment

Any fueling equipment used to dispense gasoline (as defined in District Rule 461 subsection (B)(2)) at a single retail location, including but not limited to, stationary gasoline storage tanks, dispensers, and vapor recovery systems where required, shall be assessed an initial and annual permit fee in accordance with the following schedule:

- (a) \$57.34 per single product nozzle.
- (b) \$57.34 per product for each multi-product nozzle.

(7) Schedule 7, Miscellaneous Permit Fees

Permits to operate the following equipment shall be assessed an initial and annual permit fee in accordance with the following schedule:

- (a) Each permit of a dry cleaning device: \$356.12.
- (b) Test Stand, Intermittent: \$356.12.
- (c) Spray coating equipment operated outside of a control enclosure: \$356.12.

- (d) Vapor degreasing equipment using non-Volatile Organic Compound (VOC) material only: \$356.12.
- (e) Portable abrasive blasting equipment: \$356.12.
- (f) Mobile asphalt or coal tar pitch roofing equipment with a capacity greater than 500 gallons: \$356.12.
- (g) Internal combustion engines of greater than or equal to fifty (50) brake horsepower driving electrical generators which meet any of the following criteria:
 - (i) Used at facilities normally serviced with commercial power, where the generators are used exclusively as emergency units during loss of commercial power: \$356.12.
 - (ii) Used at facilities normally serviced with an alternative energy supply including, but not limited to, photovoltaic power, where the generators are used exclusively as emergency units during loss of such alternative energy source but no more than 200 hours total per year: \$356.12.
 - (iii) Used to drive a fire pump or deluge pump that is used exclusively during fire emergency or testing: \$356.12.
- (h) Air Pollution Control Devices: \$319.59
 - (i) Air Pollution Control Devices for the purpose of this subsection are those devices which are not a part of the basic process train. For the purposes of this subsection such devices do not include product separators.
 - (ii) Collection systems and conveyors associated with Air Pollution Control Devices as defined in this subsection shall not be considered as part of the air pollution control device.
- (i) Any piece of equipment which has the potential to emit pollutants, but not included elsewhere in these schedules: \$356.12.
- (j) Each enclosure in which aerospace coating or stripping is performed which vents to atmosphere through more than one exhaust filtration system: \$1,759.62.

(8) Schedule 8, Direct-Fired Production Equipment

Any emission generating process in which fuel is burned in combination with other materials for the purpose of producing a salable product, shall be assessed a permit fee based on the total equivalent fuel consumption of the equipment expressed in British thermal units (Btu) per hour, using gross heating values of the fuel plus 2,550 Btu for each horsepower of associated motor driven equipment, in accordance with the following schedule:

<u>BRITISH THERMAL UNITS (BTU) PER HOUR</u>	<u>INITIAL AND ANNUAL PERMIT FEE</u>
(a) Up to and including 250,000 Btu	\$136.99 plus \$193.61 per each 100,000 Btu
(b) 250,001 to and including 1,000,000 Btu	\$347.01 plus \$109.57 per each 100,000 Btu
(c) 1,000,001 to and including 4,000,000 Btu	\$1,031.85 plus \$41.08 per each 100,000 Btu
(d) 4,000,001 to and including 10,000,000 Btu	\$1,360.58 plus \$32.90 per each 100,000 Btu
(e) 10,000,001 to and including 100,000,000 Btu	\$3,753.00 plus 85.24 per each 1,000,000 Btu
(f) Greater than 100,000,000 Btu	\$10,418.90 plus \$22.85 per each 1,000,000 Btu

(9) Schedule 9, Engine Driven Electric Generators

Generators used for the intermittent generation of electricity, other than for resale, where such generators provide power at the facility to assure continued operational capability should there be a loss of commercial power and/or to obtain a favorable commercial rate schedule shall be assessed a permit fee based upon the design fuel consumption of the equipment expressed in British thermal units (Btu) per hour, using gross heating values of the fuel, in accordance with the following schedule:

<u>BRITISH THERMAL UNITS (BTU) PER HOUR</u>	<u>INITIAL AND ANNUAL PERMIT FEE</u>
(a) Up to and including 250,000 Btu	\$136.99 plus \$193.61 per each 100,000 Btu
(b) 250,001 to and including 1,000,000 Btu	\$347.01 plus \$109.57 per each 100,000 Btu
(c) 1,000,001 to and including 4,000,000 Btu	\$1,031.85 plus \$41.08 per each 100,000 Btu
(d) 4,000,001 to and including 10,000,000 Btu	\$1,360.58 plus \$32.90 per each 100,000 Btu
(e) 10,000,001 to and including 100,000,000 Btu	\$3,753.00 plus \$89.50 per each 1,000,000 Btu
(f) Greater than 100,000,000 Btu	\$10,418.90 plus \$22.85 per each 1,000,000 Btu

(10) Schedule 10, Stand-By Equipment

Equipment used exclusively to provide continued operation of a process during maintenance or repair of an existing piece of regularly permitted equipment, shall be assessed an initial and annual permit fee of fifty percent (50%) of the appropriate fee schedule for that type of equipment or \$319.59, whichever is the greater.

(11) Schedule 11, Landfills

Any landfill required to install a gas collection system pursuant to the provisions of 40 CFR 60 Subpart Cc (commencing with 40 CFR 60.30c) or 40 CFR 60 Subpart WWW (commencing with 40 CFR 60.750) or 40 CFR Subpart XXX (commencing with 40 CFR 60.760), shall be assessed an initial and annual permit fee of \$1,759.62 per gas collection facility.

[SIP: Not in SIP.]

This page is left intentionally blank.

Rule 302 Other Fees

(A) General

(1) Purpose

- (a) This rule sets forth fees which may be charged for various activities, documents and services, including but not limited to, provision of publications, performing analysis, filing, evaluation and enforcement of plans and State Mandated Fees.

(2) Applicability

(a) This rule applies to

- (i) Any person subject to a fee listed herein.
- (ii) Any of the following governmental entities subject to a fee listed herein.
 - a. Federal, state and local government agencies or public districts shall pay the fees to the extent allowed pursuant to the provisions of Chapter 2, Division 7, Title 1 of the Government Code (commencing with Section 6103); Part 4, Division 26 of the Health and Safety (H&S) Code (commencing with Section 41500) and Part 6, Division 26 of the H&S Code (commencing with Section 44300).

(B) Definitions

The definitions contained in District Rule 102 shall apply unless the term is otherwise defined herein:

- (1) “Demolition Project” – The wrecking or taking out of any load-supporting structural member of a Structure subject to 40 CFR 61, Subpart M together with any related handling operations, or the intentional burning of such Structure.
- (2) “Installation” – Any building or structure or any group of buildings or structures at a single Demolition Project or Renovation Project site that are under control of the same owner or operator (or owner or operator under common control).
- (3) “Plan or Report” – A document required to be submitted to the District by District rule or regulation; or state or federal law or regulation, providing a description of actions or procedures necessary to accomplish the particular objective and containing those items set forth in the underlying requirement.

- (4) “Solar Project” – Any facility converting sunlight into electricity, including directly with photovoltaic cells and indirectly by using sunlight to heat a working fluid.”
- (5) “Source Test Protocol” – A test work plan or protocol includes a process description, field sampling methods, analytical test methods, test schedules, equipment calibration and a results presentation format used to determine the type and quantity of pollutants emitted from sources by sampling the effluent stream.
- (6) “Source Test Report” – A document that provides the analytical results from an emission source test used to determine the type and quantity of pollutants emitted from sources by sampling the effluent stream. The report should contain an executive summary, field sampling methods, analytical test methods, equipment calibration and a results presentation to determine the type and quantity of pollutants emitted from sources by sampling the effluent stream.
- (7) “Structure subject to 40 CFR 61, Subpart M” – Any institutional, commercial, public, industrial, or residential structure, Installation, or building (including any structure, Installation, or building containing condominiums or individual dwelling units operated as a residential cooperative, but excluding residential buildings having four (4) or fewer dwelling units); any ship; and any active or inactive waste disposal site. For the purposes of this definition, any building, structure, or Installation that contains a loft used as a dwelling is not considered a residential structure, installation, or building. Any structure, Installation or building that was previously subject to 40 CFR 61, Subpart M is not excluded, regardless of its current use or function.
- (8) “Renovation Project” – Altering a Structure subject to 40 CFR 61, Subpart M or one or more Structure(s) subject to 40 CFR 61, Subpart M components in any way, including the removal of asbestos-containing material from a Structure subject to 40 CFR 61, Subpart M component. Operations in which load-supporting structural members are wrecked or taken out are Demolition Projects.

(C) Payments, Adjustments and Refunds

- (1) Fees shall be paid when due as specified herein.
 - (a) Analysis Fees and Monitoring Device Fees
 - (i) Analysis and Monitoring Device fees shall be invoiced as follows:
 - a. Directly by the entity retained by the District to perform the test and or analysis;
 - b. By the District within thirty (30) days of receipt of an invoice by the District for testing and/or analysis services;
or
 - c. By the District within thirty (30) days of completion of the analysis of testing methodology and review of test results.

- (ii) If invoiced by the District, the person ordered to provide the analysis or test by the Air Pollution Control Officer (APCO) will be notified by First Class mail of the amount to pay and the due date of the invoice.
 - (iii) If the fee is not paid within thirty (30) days of the due date of the invoice shall constitute grounds for the denial, revocation or suspension of all permits to operate at sources subject to permit requirements and shall constitute a violation of this rule for any source, whether or not subject to permit requirements.
- (b) Asbestos Demolition/Renovation Fees
- (i) Asbestos Demolition/Renovation Fees shall be paid at the time of the submittal of the Demolition or Renovation notification.
 - (ii) Permit fees for Air Pollution Control Devices shall be paid pursuant to the provisions of District Rule 301.
 - (iii) If subsequent charges for Asbestos Demolition/Renovation Fees apply the District shall be invoiced within ten (10) days of the change resulting in the subsequent charges as follows:
 - a. The invoice shall be sent via First Class mail to the person submitting the notification at the address listed therein.
 - b. Payment of the fees shall be due thirty (30) days from the date of mailing.
 - c. If the fee is not paid within thirty (30) days of the due date of the invoice shall constitute grounds for the denial, revocation or suspension of all permits to operate at sources subject to permit requirements and shall constitute a violation of this rule for any source, whether or not subject to permit requirements.
- (c) Asbestos Waste Disposal Site Fees
- (i) Asbestos Waste Disposal Site Fees shall be invoiced and paid at the same time and in the same manner as permit fees set forth in District Rule 301.
- (d) Certificate of Occupancy Fee
- (i) Certificate of Occupancy Fee, if applicable, shall be paid prior to delivery of the official documentation showing the District's approval of the Certificate of Occupancy.
- (e) Emission Reduction Credit (ERC) Fees
- (i) The initial fee for the issuance, encumbrance, transfer or reclassification of ERCs shall be paid upon submission of the application for issuance, encumbrance, transfer or reclassification.
 - (ii) Analysis fees, if applicable, for the issuance of ERCs shall be invoiced within ten (10) days of the completion of the analysis as follows:

- a. The invoice shall be sent via First Class mail to the applicant.
- b. Payment of the fees shall be due thirty (30) days from the date of mailing.
- c. If the fee is not paid within thirty (30) days of the due date of the invoice shall refrain from issuing the ERCs.

(f) Plan and Report Fees

- (i) Plan and Report filing and evaluation fees shall be paid at the time of submission of the Plan or Report.
- (ii) If a Plan or Report analysis exceeds two (2) hours of District staff time then the District shall invoice the fee within ten (10) days of completion of the analysis but prior to the issuance of the approval of the Plan or Report.
 - a. The invoice shall be sent via First Class mail to the contact person indicated in the Plan or Report.
 - b. Payment of Plan or Report analysis Fee shall be due in thirty (30) days from the date of mailing.
 - c. If the fee is not paid within thirty (30) days of the due date of the invoice then the District shall refrain from approving the Plan or Report.
- (iii) If a Plan or Report requires an annual renewal the District shall invoice the renewal fee at least thirty (30) days prior to the expiration date.
 - a. The invoice shall be sent via First Class mail to the contact person indicated in the Plan or Report.
 - b. Payment of annual review fee shall be due in thirty (30) days from the date of mailing.
 - c. Fees not paid within thirty (30) days of the due date of the invoice shall constitute grounds for the denial, revocation or suspension of all permits to operate at sources subject to permit requirements and shall constitute a violation of this rule for any source, whether or not subject to permit requirements.

(g) Publication Fees

- (i) Publication fees shall be paid prior to the delivery of the publication requested.

(h) State Mandated Fees

- (i) State Mandated Fees shall be due and paid as specified in the regulation which imposes the mandate and allows the District to collect the state imposed fees for such mandate.

(2) Credit Card Payments

- (a) Fees may be paid by credit card directly from the District website.

- (b) If any person wishes to pay using a credit card, the person shall also pay any costs imposed by the company processing the credit card transaction.

(3) Refunds

- (a) Fees set forth in this rule are non-refundable unless otherwise listed below.

- (b) Asbestos Fee Refunds

- (i) Applicants who have paid Asbestos Fees and submitted a notification for a project that is subsequently not accomplished, may request a refund of the fee.
- (ii) The amount of the refund shall be calculated as the fee paid minus any amount expended by the District in labor to review, analyze, inspect or otherwise deal with the notification at the hourly labor rate specified in District Rule 301 subsection (C)(2)(c)(i) or the fee paid minus one (1) hour at the specified labor rate, whichever amount is less.

- (c) ERC Fee Refunds

- (i) If an application for the issuance of ERCs is withdrawn by the applicant within sixty (60) days of the date of the submittal of the application, the applicant shall be entitled to a refund of sixty percent (60%) of the application fee.

(4) Service Charge for Returned Checks

- (a) Any person who submits a check to the District on insufficient funds or on instructions to stop payment on the check, absent an overcharge or other legal entitlement to withhold payment, shall be subject to a \$25.00 service charge.

(D) Analysis Fees

- (1) Any person ordered by the APCO to provide an analysis of materials used by, or the determination of emissions from, any source of air contaminants shall pay all direct costs associated with such tests as invoiced by the entity which is retained by the District or retained by the owner/operator to perform the tests.
- (2) Any owner or operator of a facility from whom the District collects a sample shall pay all direct costs associated with such tests as invoiced by the entity which is retained by the District to perform the tests.
- (3) Any person subject to the provisions of subsection (D)(1) or (2) above shall also be assessed a fee for the reasonable time required by District staff to review the testing methodology and results.
 - (a) Such fee shall be calculated at the hourly labor rate specified in District Rule 301 subsection (C)(2)(c)(i) plus actual expenses.

- (4) Data and sample collection methods, analysis methods and the qualifications of testing personnel or firms shall be determined by the APCO.

(E) Asbestos Demolition/Renovation Fees

- (1) Any person who is required by the provisions of the National Emissions Standards for Hazardous Air Pollutants (NESHAP) for Asbestos as set forth in 40 Code of Federal Regulations, Part 61 (40 CFR 61), Subpart M, (and as adopted by reference in District Rule 1000 subsection (C)(2)(m)) to submit a written notice of intention to demolish, including but not limited to Demolitions Projects where no asbestos is present, and/or Demolition Projects by fire, shall pay a fee of \$153.00.
- (a) This fee may be waived by the APCO in those cases where a single notification is submitted for a Renovation and subsequent Demolition on the same building, provided that the notification meets all the requirements of 40 CFR 61, Subpart M for both projects.
- (2) Any person who is required by the provisions of the National Emissions Standards for Hazardous Air Pollutants (NESHAP) for Asbestos as set forth in 40 Code of Federal Regulations, Part 61 (40 CFR 61), Subpart M, (and as adopted by reference in District Rule 1000 subsection (C)(2)(m)) to submit a written notice of intention to renovate or abate shall pay a fee calculated as follows:
- (a) For Renovation projects involving the removal or stripping of more than 260 linear feet of pipe but less than 1,600 linear feet of pipe; or more than 160 square feet of material but less than 1,000 square feet of material, a fee of \$334.00, except as noted in subsection (E)(3).
- (b) For Renovation projects involving the removal or stripping of 1,600 linear feet or more of pipe but less than 8,000 linear feet of pipe; or 1,000 square feet or more of material but less than 5,000 square feet of material, a fee of \$578.00, except as noted in subsection (E)(3).
- (c) For Renovation projects involving the removal or stripping of 8,000 linear feet or more of pipe or 5,000 square feet or more of material, a fee of \$578.00 plus \$244.00 for each 8,000 lineal feet of pipe or fraction thereof over 8,000 lineal feet of pipe and for each 5,000 square feet of material or fraction thereof over 5,000 square feet of material, except as noted in subsection (E)(3).
- (3) Calculation of Linear Footage
- (a) Where the outside diameter of piping insulation (wrapping) is greater than 2.35 inches, the calculation of linear footage of pipe shall be converted to square footage, the square footage of material involved to be calculated using the following equation:

$$A = \frac{3.14159 \times L \times D}{12}$$

Where:

- A = Area in square feet
- L = Linear length of piping in feet
- D = Outside diameter of pipe insulation (wrap) in inches

Such projects shall thereafter be evaluated in terms of square footage and the appropriate fee determined on the basis of total amount of material in square feet.

(4) Permit Requirements

- (a) Each High-Efficiency Particulate Arrestance (HEPA) filter or other control device used to ventilate a work area must obtain a Permit to Operate and pay the applicable fees pursuant to District Rule 301 subsections (C)(1) and (E)(7)(h) for an air pollution control device. This permit is good for one (1) year from the date issued and may be used on any project within the District as long as the project notification contains a copy of the Permit to Operate.

(5) Subsequent Charges

- (a) If in the course of a Renovation Project pursuant to 40 CFR 61, Subpart M, it is determined that the project involves the removal or stripping of material such that the project requires a greater fee than was initially proposed, the owner or operator shall pay the balance of the fee.
- (b) If an owner/operator fails to report a change in any date as required by Rule 40 CFR 61, Subpart M, and the APCO determines that such failure necessitated expenditure of additional time by the District, over and above that upon which the fee is based, then the owner or operator shall pay an additional fee at the hourly labor rate specified in District Rule 301 subsection (C)(2)(c)(i), billable in quarter hour increments.

(F) Asbestos Waste Disposal Site Fees

- (1) The owner/operator of an asbestos waste disposal site subject to the provisions of the NESHAP for Asbestos as set forth in 40 CFR 61, Subpart M (and as adopted by reference in District Rule 1000 subsection (C)(2)(m)) including but not limited to; active and inactive landfills; incinerators; and convection or destruction processes, shall be assessed a fee to cover the cost of the review and evaluation of plans required by law or by District rules or regulations and any inspection and monitoring requirements related thereto.
 - (a) For each facility performing disposal of asbestos-containing material for manufacturing, fabricating, demolition, renovation and/or spraying operations, the owner or operator shall pay, in addition to the fees of District Rule 301, a fee of \$1,217.00per year.

- (b) For each waste disposal site actively receiving asbestos-containing material for disposal which is not covered by subsection (F)(1)(a) above, the owner/operator shall pay, in addition to the applicable fees pursuant to District Rule 301 and any applicable fees pursuant to subsection (J)(4), a fee of \$1,217.00 per year.
- (c) For each waste disposal site not actively receiving asbestos containing material for disposal but where asbestos-containing waste material was deposited, the owner/operator shall pay in addition to the applicable fees pursuant to District Rule 301 and any applicable fees pursuant to subsection (J)(4), a fee of \$244.00 per year.

(G) Certificate of Occupancy Fee

- (1) Any person required to obtain a final Certificate of Occupancy from a city or county within the District shall pay a fee of \$122.00 to the District for review of the project to ensure that the applicable portions of Regulation II – *Permits* and Regulation XIII – *New Source Review* have been met.
 - (a) This fee shall not apply to a Certificate of Occupancy required for residential structures or for any review taking less than one (1) hour of staff time to perform.

(H) Emissions Reduction Credit (ERC) Fee

- (1) Any person applying for the issuance, transfer encumbrance and/or reclassification of Emissions Reduction Credits (ERC) pursuant to the provisions of District Rule 1402 shall pay a fee as follows:
 - (a) Any person submitting an application for ERCs pursuant to District Rule 1402 subsection (B)(1) shall pay an initial fee of \$425.00 for each application submitted, and shall pay an analysis fee based upon the actual and reasonable labor time in excess of two (2) hours of labor, billed at the hourly labor rate specified in District Rule 301 subsection (C)(2)(c)(i).
 - (b) Any person submitting a document effecting an encumbrance of or transfer of ERCs pursuant to District Rule 1402 subsection (D)(2) - (4) shall pay a fee of \$91.00 for each document submitted.
 - (c) Any person who has received notification that the APCO has approved the reclassification of Class “B” ERCs to Class “A” ERCs shall pay a processing fee of \$62.00 at the time the affected Class “B” ERC certificates are submitted for conversion to Class “A” ERC certificates.
- (2) The District will not accept, process or issue an ERC certificate, record an encumbrance or process a transfer unless and until all applicable fees are paid in full.

(I) Monitoring Device Fees

- (1) Any owner/operator of a Facility with a Continuous Emissions Monitoring System (CEMS), Continuous Opacity Monitoring System (COMS), Continuous Emission Rate Monitoring System (CERMS) or other monitoring system required by state or federal law or District rule shall be assessed a fee to cover the costs of District activities related to insuring that such devices are functioning properly. District activities include but are not limited to the inspection, certification testing, review of certification testing, review of data for quality assurance, and assistance in investigating system malfunctions.
- (2) Any owner/operator of a Facility with a CEMS, COMS, CERMS or other monitoring system required by state or federal law or District rule required to certify that such devices are functioning properly shall pay all direct costs associated with such tests as invoiced by the entity which is retained by the owner/operator to perform the tests.
- (3) Such Monitoring Device Fee shall be calculated based upon the reasonable time required by District staff to perform the activities at the hourly labor rate specified in District Rule 301 subsection (C)(2)(c)(i) plus actual expenses.

(J) Plan and Report Analysis Fees

- (1) Air Toxics Plan and Report Analysis Fees
 - (a) Any person required to submit a Comprehensive Emissions Inventory Report (CEIR), Health Risk Assessment Plan, Health Risk Assessment, Risk Reduction Plan or Risk Reduction and Audit Plan pursuant to the provisions of District Rule 1320 or 1520 shall be assessed a Plan and Report Analysis Fee to cover the reasonable costs and time required for District staff to review and approve of the documentation submitted which exceeds two (2) hours.
 - (b) Such fee shall be calculated at the hourly labor rate specified in District Rule 301 subsection (C)(2)(c)(i) plus actual expenses.
- (2) Dust Control Plans
 - (a) Any person who is required to submit a Dust Control Plan (DCP) pursuant to the provisions of District Regulation IV, enforcement action, or at the direction of the APCO shall be assessed a plan filing and evaluation fee of \$634.20.
 - (i) Upon termination of construction activities, if a site stability evaluation is performed, the person holding the DCP shall be assessed an inspection fee of \$276.15.
 - (b) Any person required to resubmit the DCP annually pursuant to the provisions of District Regulation IV, enforcement action, or at the

direction of the APCO shall be assessed a plan resubmission filing and evaluation fee of \$276.15.

- (c) If a site inspection for compliance with the provisions of Regulation IV or the applicable DCP is performed, the person holding the DCP may be assessed a site inspection fee of \$276.15.
- (3) Source Test Protocol and Source Test Report Review Fees
- (a) Any person required to submit a Source Test Protocol or Source Test Report to the District pursuant to the provisions of any by District rule or regulation; or state or federal law or regulation shall be assessed a Source Test Protocol or Source Test Report Review Fee to cover the reasonable costs and time required for District staff to review and approve of the documentation submitted which exceeds two (2) hours.
 - (b) Such fee shall be calculated at the hourly labor rate specified in District Rule 301 subsection (C)(2)(c)(i) plus actual expenses.
- (4) Solid Waste Disposal Site Fees
- (a) Any owner/operator of a solid waste disposal site subject to H&S Code Section 41805.5 which is required to submit a Solid Waste Assessment Test (SWAT) Plan for District approval prior to conducting tests shall pay a filing fee of \$122.00.
 - (b) Any owner/operator required to submit a SWAT Report following the completion of testing shall pay a filing fee of \$122.00.
 - (c) Any owner/operator required to submit a SWAT Plan or Report shall also be assessed a SWAT Plan/Report Evaluation Fee.
 - (i) Such SWAT Plan/Report Evaluation Fee shall be calculated based upon the reasonable time required by District staff to review the applicable plan or report at the hourly labor rate specified in District Rule 301 subsection (C)(2)(c)(i) plus actual expenses.
- (5) California Business & Professions Code Division 10 Compliance Plan (B&P Div. 10 Compliance Plan)
- (a) Any operation regulated under Division 10 of the California Business & Professions Code shall file a B&P Div. 10 Compliance Plan no later than 10 days prior to the commencement of operations, within 10 days of any substantive change in the information provided in the B&P Div. 10 Compliance Plan, and annually prior to the expiration date of the B&P Div. 10 Compliance Plan.
 - (i) Such B&P Div. 10 Compliance Plan shall include information that is reasonably designed to ensure the ability to enforce provisions of Division 26 of the California Health & Safety Code and applicable

District Rules and Regulations as specified on the most recent official B&P Div. 10 Compliance Plan form issued by the APCO.

- (b) Any person filing a B&P Div. 10 Compliance Plan shall be assessed an annual Plan fee based on facility square footage. The fee shall be \$0.17 per square foot.
 - (i) Fees shall be submitted in conjunction with the submission of the Plan.
 - (ii) Annual renewal fee shall be invoiced at least 30 days before the expiration date.
 - (iii) A Plan update fee will not be required in conjunction with the submission of an update to the B&P Div. 10 Compliance Plan that is submitted not in conjunction with the annual renewal.

(6) Solar Project Permit Fees

- (a) Solar Projects shall be assessed a permit fee based on the actual acreage of the permit unit in accordance with the following schedule:

<u>ACREAGE (AC)</u>	<u>FEE</u>
(a) 10 or greater but less than 50	\$3,220
(b) 50 or greater but less than 100	\$8,041
(c) 100 or greater but less than 200	\$10,131
(d) 200 or greater but less than 300	\$12,222
(e) 300 or greater but less than 400	\$14,311
(f) 400 or greater but less than 500	\$16,401
(g) 500 or greater but less than 1,000	\$18,745
(h) 1,000 or greater but less than 2,000	\$20,836
(i) 2,000 or greater but less than 3,000	\$25,300
(j) 3,000 or greater but less than 4,000	\$32,200
(k) 4,000 or greater but less than 5,000	\$41,400
(l) 5,000 or greater	\$52,900

(K) Fees for District Publications

- (1) Any person receiving a publication for which a fee is charged shall be assessed the designated fee.

- (a) The APCO shall designate those publications, including information circulars, reports of technical work, or other reports, prepared by the District for which a fee shall be charged.
- (b) Such fee shall be established by the APCO in a sum not to exceed the cost of preparation and distribution of such documents. Such fees shall be deposited in the general funds of the District.
- (c) Any person shall be entitled to receive one (1) copy of any District publication without charge.
- (d) Nothing in this subsection shall be construed to limit the rights of any person or of the District pursuant to the California Public Records Act as set forth in Chapter 3.5, Division 7 of Title 1 (commencing with §6250) of the Government Code.

(L) State Mandated Fees

(1) Air Toxics “Hot Spots” Information and Assessment Fees

- (a) Any person subject to the provisions of the Air Toxics “Hot Spots” Information and Assessment Act as amended (H&S Code §§44300 et seq.) and the regulations promulgated thereunder shall be assessed an annual fee for the various state level components required by the Act. The fee schedule is set by the California Air Resources Board (CARB) and authorizes collection of the fee by the District pursuant to the provisions of the adopting regulation.

(2) Nonvehicular Source Fees

- (a) Any person subject to the provisions of Subchapter 3.8 of Division 3 of Title 17 of the California Code of Regulations, commencing with §90800 shall pay an annual fee as authorized by the provisions of the regulation. The fee schedule is set by CARB and authorizes collection of the fee by the District pursuant to the provisions of the adopting regulation.

(3) Portable Equipment Inspection

- (a) Any person subject to the Statewide Portable Equipment Registration Program (PERP) established by CARB pursuant to the provisions of H&S Code §§ 41750 et seq. and the regulations promulgated there under shall pay an inspection fee in the amount set forth in regulation for each registered portable engine or equipment unit inspected by the District.

(4) Other State Mandated Fees

- (a) Any person subject to the provisions of a state adopted regulation or rule that assesses a fee to cover District costs for implementing such regulation and authorizes the collection of the fee by the District shall be assessed such fee pursuant to the provisions of the adopting regulation.

Rule 303

Hearing Board Fees

(A) General

(1) Purpose

- (a) To set forth fees required for various proceedings brought before the Hearing Board.

(2) Applicability

- (a) This rule applies to all applicants or petitioners bringing proceedings before the Hearing Board including, but not limited to, Federal, State or local government agencies or public districts.
- (b) This rule shall not apply to petitions filed by the Air Pollution Control Officer (APCO).

(B) Fees

(1) Filing Fees

- (a) Every applicant or petitioner in a proceeding before the Hearing Board shall pay to the Hearing Board, at the time of filing, a Filing Fee of \$548.00 for each petition or application.

(2) Daily Appearance Fee

- (a) In addition to the Filing Fee, each petitioner or applicant with a proceeding (designated by a case number) before the Hearing Board shall pay a Daily Appearance Fee of \$669.00 per hearing day.
 - (i) This fee shall apply to the initial appearance before the full Hearing Board and all following appearances which pertain to the same proceeding as designated by case number.
 - (ii) After the initial appearance, the Daily Appearance Fee shall be waived for any appearance (pertaining to the same proceeding) which has duration of less than one (1) hour.
 - (iii) This fee shall apply regardless of the duration of the hearing, when the applicant is requesting a modification to an order for abatement.
 - (iv) This fee does not apply to single member hearings provided pursuant to Health & Safety Code §§ 40824, 40285, 42351.5 or 42359.5.

- (3) Publication Fees
 - (a) Upon demand and in addition to the payment of the foregoing fees, every petitioner for relief which requires published notice shall pay a fee to cover the actual cost of publication(s) of notice of hearing.
- (4) Group Variance Fees
 - (a) Each petitioner included in a petition for a group variance shall pay the Filing Fee and the Excess Emissions Fee.
 - (b) The Daily Appearance Fee and the Publication Fee shall be totaled and divided equally among the petitioners.
 - (c) A Product Variance shall be treated as a single entity variance for the purpose of this section.
- (5) Transcript Fees
 - (a) Any person requesting a transcript of the hearing shall pay the cost of such transcript. The parties to hearings and prehearing proceedings may be directed by the Hearing Board to pay the cost of transcripts necessary for the Hearing Board's determination of the matter, in such proportion as the Hearing Board may order.
- (6) Excess Emission Fee
 - (a) Each applicant or petitioner for a variance from these rules and regulations shall pay to the District, if ordered by the Hearing Board, an Excess Emission Fee based on the total amount of emissions discharged.
 - (i) This fee shall be calculated in accordance with the schedule set forth in Table I.
 - (ii) Where the total excess emissions cannot be readily calculated, the petitioner shall work in concert with District staff to establish the amount of Excess Emission Fees to be paid. In cases where District staff determines calculations or estimations cannot be made the petitioner shall pay the Minimum Excess Emission Fee as set forth in subsection (B)(6)(c).
 - (iii) In the event that more than one (1) rule limiting the discharge of the same contaminant are violated, the Excess Emission Fee shall consist of the fee for violation which will result in the payment of the greater sum. For the purposes of this subsection opacity rules and particulate mass emissions shall not be considered rules limiting discharge of the same contaminant.
 - (iv) The Excess Emission Fee shall be calculated by the petitioner based upon the requested number of days of operation under variance multiplied by the expected excess emissions.

- (v) If the amount of the excess emissions fee is less than the Minimum Excess Emission Fee the applicant or petitioner shall pay the higher amount.
- (vi) The Hearing Board may adjust the Excess Emission Fee based on evidence regarding emissions presented at the time of the hearing.
- (vii) The provisions of this subsection shall apply only to those rules or permit conditions that specify quantitative emission limits.

(b) Excess Visible Emission Fee

- (i) Each applicant or petitioner for a variance from District Rule 401 or Health and Safety Code Section 41701 shall pay to the District, if ordered by the Hearing Board, a Excess Visible Emission Fee based on the difference between the percent opacity allowed by District Rule 401 and the percent opacity of the emissions allowed by the variance from the source or sources operating under variance in accordance with the schedule set forth in Table II.
- (ii) In the event that an applicant or petitioner is exempt from the provisions of District Rule 401, the applicant or petitioner shall pay a fee calculated based upon the difference between the opacity allowed by variance and the opacity allowed under the provisions of Health and Safety Code, Section 41701, in accordance with the schedule set forth in Table II.
- (iii) The Excess Visible Emission Fee shall be calculated by the petitioner based upon the requested number of days of operation under variance multiplied by the expected excess visible emissions.
- (iv) The Hearing Board may adjust the Excess Visible Emissions Fee based on evidence regarding emissions presented at the time of the hearing.

(c) Minimum Excess Emission Fee

- (i) When a variance is granted from a rule or rules which limit the discharge of air contaminants, such that an Excess Emission Fee is due, a fee of at least \$122.00 per day, per source of emissions, shall be imposed and remitted.

(C) Payments Adjustments and Refunds

(1) Adjustment of Fees

- (a) If after the term of a variance for which emissions fee have been paid, the applicant or petitioner can establish, to the satisfaction of the APCO, that the emissions were actually less than those upon which the fee was based, or the Excess Emissions Fee calculations are otherwise incorrect, a pro rata refund shall be made.

- (i) If the adjusted Excess Emissions Fee is less than the Minimum Excess Emission Fee then the applicant or petitioner shall pay the higher amount, unless otherwise ordered by the Hearing Board.
- (2) Discretionary Powers
 - (a) Any person may allege that payment of any of the fees within this rule, excluding publication fees, will cause an unreasonable hardship, and may be excused from payment of such fees or a portion of such fees, by order of the Hearing Board if the Hearing Board, in its discretion, determines after hearing evidence thereon that payment of such fees would cause financial or other unreasonable hardship to the applicant or petitioner.
- (3) Emission Fee Refund
 - (a) In the event that the petition is withdrawn or the hearing is not held for any other reason, or the variance is denied, the applicant or petitioner shall be entitled to a full refund of the emission fees.
- (4) Fee Payment
 - (a) Filing Fees are due upon the filing of the petition.
 - (b) Daily Appearance Fees and Publication Fees and Transcript are due and payable within fifteen (15) days of notification of the amount due. Petitioners shall be notified in writing of the amount due.
 - (c) Excess Emissions Fees, Excess Visible Emissions Fees and Minimum Excess Emissions Fees as calculated on the petition, or ordered by the Hearing Board at the variance hearing, are due and payable within fifteen (15) days of notification of calculation and amount of such fee. Applicants or petitioners shall be notified in writing of the calculation and the amount due.
 - (d) Adjustments increasing the amount of the Excess Emissions Fee, Excess Visible Emission Fee or Minimum Excess Emission Fee, following District staff's verification of the emissions are due and payable within fifteen (15) days of notification of the amount due. Petitioners shall be notified in writing of the amount due.
 - (e) Notification may be given by personal service or by deposit in the First Class mail and shall be considered effective upon the date of personal service or five (5) days from the date of mailing.

- (f) For the purpose of this rule, the fee payment shall be considered to be received by the District if it is postmarked by the United States Postal Service on or before the expiration date stated on the billing notice. If the expiration date falls on a Saturday, Sunday, or a state holiday, the fee payment may be postmarked on the next business day following the Saturday, Sunday, or the state holiday with the same effect as if it had been postmarked on the expiration date.
 - (g) Invalidation for Failure to Pay Fees
 - (i) Failure to pay any fee when due shall automatically invalidate the variance.
 - (h) Request for Time Extension of Payment Due
 - (i) Whenever this rule requires fees to be paid by a certain date, in order to avoid invalidation of a variance or refusal of acceptance of other petitions, the applicant or petitioner may, for good cause, request the APCO to grant an extension of time, not to exceed ninety (90) days, within which the fees shall be paid. Any request for extension of time shall be presented in writing, and accompanied by a statement of reasons why the extension should be granted.
 - (i) The Hearing Board, upon good cause shown, may authorize incremental payments of Excess Emission Fees, Excess Visible Emission Fees or Minimum Excess Emission Fees.
 - (j) Service Charge for Returned Check
 - (i) Any person who submits a check to the District on insufficient funds or on instructions to stop payment on the check, absent an overcharge or other legal entitlement to withhold payment, shall be subject to a \$25.00 service charge.
- (5) Filing Fee Refunds
- (a) The Filing Fee or a portion of the Filing Fee may be refunded to the petitioner in the following circumstances:
 - (i) When the Hearing Board reverses the decision of the APCO in an appeal from denial or a conditional approval of a Authority to Construct or a Permit to Operate.
 - (ii) When the petition is withdrawn, and the applicant or petitioner notifies the Hearing Board in writing not less than four (4) days prior to the scheduled appearance, or the hearing is not held for any other reason, the applicant or petitioner shall be entitled to a refund of fifty percent (50%) of the filing fee.

(6) Waiver of Fees

- (a) All fees associated with this rule shall be waived for any petition for a variance filed as the result of any event declared to be a “state of emergency” by the local, state, or federal authorities.

TABLE I

SCHEDULE OF EXCESS EMISSIONS FEES

<u>AIR CONTAMINANT</u>	<u>DOLLARS PER TON</u>
Total organic gases, except those containing sulfur	\$122.00
Carbon monoxide	\$2.00
Oxides of nitrogen (expressed as nitrogen dioxide)	\$122.00
Oxides of sulfur (expressed as sulfur dioxide)	\$122.00
Particulate matter	\$122.00

This page intentionally left blank.

TABLE II
SCHEDULE OF EXCESS VISIBLE EMISSION FEE

For each source with opacity emissions in excess of twenty (20) percent, the allowable limit set forth in District Rule 401, or Section 41701 of the State Health and Safety Code, the fee is calculated as follows:

DISTRICT RULE 401

$$Fee = (Opacity^* \text{ equivalent} - 20) \times \text{number of days allowed by variance} \times \$3.00$$

HEALTH AND SAFETY CODE SECTION 41701

$$Fee = (Opacity^* \text{ equivalent} - 40) \times \text{number of days allowed by variance} \times \$3.00$$

*Where "Opacity" equals maximum opacity of emissions, in percent of equivalent opacity in terms of Ringelmann numbers, allowed by the variance.

This page intentionally left blank.



Draft
Staff Report
Proposed
Amendments to
Rule 301 – *Permit Fees*
Rule 302 – *Other Fees*
Rule 303 – *Hearing Board Fees*

For amendment on
August 24, 2020

**Mojave Desert
Air Quality
Management District**

14306 Park Avenue
Victorville, CA 92392-2310
760.245.1661 • Fax 760.245.2022

This page intentionally left blank.

STAFF REPORT
TABLE OF CONTENTS
 Regulation III – *Fees*

I. PURPOSE OF STAFF REPORT 1

II. EXECUTIVE SUMMARY 1

III. STAFF RECOMMENDATION 2

IV. LEGAL REQUIREMENTS CHECKLIST 3

V. DISCUSSION OF LEGAL REQUIREMENTS 4

 A. REQUIRED ELEMENTS/FINDINGS..... 4

 1. State Findings Required for Adoption of Rules & Regulations 4

 a. Necessity 4

 b. Authority 4

 c. Clarity 5

 d. Consistency 5

 e. Non-duplication 5

 f. Reference 5

 g. Public Notice & Comment, Public Hearing..... 6

 2. Federal Elements (SIP Submittals, Other Federal Submittals)..... 6

 B. WRITTEN ANALYSIS OF EXISTING REQUIREMENTS 6

 C. ECONOMIC ANALYSIS 6

 1. General..... 6

 2. Economic Analysis for Rule 301 – *Permit Fees*..... 7

 3. Economic Analysis for Rule 302 – *Other Fees* 7

 4. Economic Analysis for Rule 303 – *Hearing Board Fees* 7

 6. Incremental Cost Effectiveness..... 8

 D. ENVIRONMENTAL ANALYSIS (CEQA)..... 8

 E. SUPPLEMENTAL ENVIRONMENTAL ANALYSIS 8

 1. Potential Environmental Impacts 8

 2. Mitigation of Impacts..... 8

 3. Alternative Methods of Compliance 8

 F. PUBLIC REVIEW 9

VI. TECHNICAL DISCUSSION 9

 A. Source Description..... 9

 B. EMISSIONS 9

 C. CONTROL REQUIREMENTS..... 9

 D. PROPOSED RULE SUMMARY 9

 1. MD Rule 301 – *Permit Fees* 9

 2. MD Rule 302 – *Other Fees*..... 10

 3. MD Rule 303 – *Hearing Board Fees*..... 11

 E. RULE HISTORY 11

 F. HISTORICAL FINANCIAL BACKGROUND 12

 1. Financial Background for Rule 301 – *Permit Fees* 12

 2. Financial Background for Rule 302 – *Other Fees* 14

 3. Financial Background for Rule 303 – *Hearing Board Fees* 14

G. PROPOSITION 26 ANALYSIS..... 15

 1. Justification for Fee Adjustment to Rule 301 – *Permit Fees*..... 15

 2. Justification for Fee Adjustment to Rule 302 – *Other Fees* 16

 3. Justification for Fee Adjustment to Rule 303 – *Hearing Board Fees* 17

Appendix A - Iterated Version..... A-1

Appendix B - Public Notice Documents..... B-1

Appendix C - Public Comments and Responses..... C-1

Appendix D - California Environmental Quality Act Documentation D-1

Appendix E - Bibliography.....E-1

Appendix F - Cost Analysis.....F-1

Abbreviations and Acronyms

ATC	Authority to Construct
AVAQMD	Antelope Valley Air Quality Management District
BACT	Best Available Control Technology
BARCT	Best Available Retrofit Control Technology
CARB	California Air Resources Board
CCAA	California Clean Air Act
CCR	California Code of Regulations
CEQA	California Environmental Quality Act
CPI	Consumer Price Index
CTG	Control Techniques Guideline
CFR	Code of Federal Regulations
FCAA	Federal Clean Air Act
FND	Federal Negative Declaration
H&S Code	California Health and Safety Code
FONA	Federal Ozone Non-attainment Area
MDAB	Mojave Desert Air Basin
MDAQMD	Mojave Desert Air Quality Management District
NAAQS	National Ambient Air Quality Standard
NO _x	Oxides of Nitrogen
O ₃	Ozone
PTO	Permit to Operate
RACT	Reasonably Available Control Technology
SBCAPCD	San Bernardino County Air Pollution Control District
SCAQMD	South Coast Air Quality Management District
SIP	State Implementation Plan
USEPA	United States Environmental Protection Agency
VOC	Volatile Organic Compounds

This page intentionally left blank.

STAFF REPORT

Regulation III – Fees

I. PURPOSE OF STAFF REPORT

A staff report serves several discrete purposes. Its primary purpose is to provide a summary and background material to the members of the Governing Board. This allows the members of the Governing Board to be fully informed before making any required decision. It also provides the documentation necessary for the Governing Board to make any findings, which are required by law to be made prior to the approval or adoption of a document. In addition, a staff report ensures that the correct procedures and proper documentation for approval or adoption of a document have been performed. Finally, the staff report provides evidence for defense against legal challenges regarding the propriety of the approval or adoption of the document.

II. EXECUTIVE SUMMARY

On 07/01/93 the Mojave Desert Air Quality Management District (MDAQMD) was created by statute and assumed all the air pollution control responsibilities the San Bernardino County Air Pollution Control District (SBCAPCD). The rules in effect at that time remained in effect until such time as the Governing Board of the MDAQMD officially changed them. The MDAQMD Governing Board, at its very first meeting, reaffirmed all the rules and regulations of the SBCAPCD. Some of the rules contained in Regulation III – Fees have been subsequently amended, consolidated and rescinded.

The following rules of Regulation III are proposed for adoption or amendment:

- Amend Rule 301 – *Permit Fees* (last amended 06/24/19) to adjust fees five percent (5%)
- Amend Rule 302 – *Other Fees* (last amended 06/24/19) to adjust fees by five percent (5%), address Solar Project operations within District jurisdiction, and make minor changes for clarification and consistency.
- Amend Rule 303 – *Hearing Board Fees* (last amended 06/24/19) to adjust fees by five percent (5%) and make minor corrections for clarification.

Rules 301, 302, and 303 are proposed for amendment to ensure that the costs are aligned with the reasonable regulatory costs of the programs they support. The proposed five percent (5%) fee adjustment to Rules 301, 302, and 303 are designed to recover the rising costs associated with issuing licenses and permits, performing investigations, inspections, and audits, and the administrative enforcement and adjudication thereof. Rule 302 is also proposed for amendment to provide cost recovery for regulation of fugitive dust emissions as a result of Solar Projects within District jurisdiction.

Public hearings on the budget, the proposed fee adjustment to Rules 301, 302 and 303 as well as the proposed adoption of Rule 300 will be held on 06/08/20 and will be continued to 08/24/20 to receive comment from members of industry and the general public. The proposed amendments to Rules 301, 302, and 303, will be made available for public comments, and appropriate notice were published on or about 05/08/20 in compliance with the 30-day notice and comment period requirement.

To allow time to implement the proposed fee changes in the computerized billing system, Rule 301 is proposed to be effective on 01/01/2021, while Rules 302, and 303 are effective upon amendment.

III. STAFF RECOMMENDATION

Staff recommends that the Governing Board of the Mojave Desert Air Quality Management District amend Rule 301 – *Permit Fees*, Rule 302 – *Other Fees*, and Rule 303 – *Hearing Board Fees*, and approve the appropriate California Environmental Quality Act (CEQA) documentation.

IV. LEGAL REQUIREMENTS CHECKLIST

The findings and analysis as indicated below are required for the procedurally correct amendment of Regulation III – *Fees* rules. Each item is discussed, if applicable, in Section V. Copies of related documents are included in the appropriate appendices.

FINDINGS REQUIRED FOR RULES & REGULATIONS:

- Necessity
- Authority
- Clarity
- Consistency
- Non-duplication
- Reference
- Public Notice & Comment
- Public Hearing

REQUIREMENTS FOR STATE IMPLEMENTATION PLAN SUBMISSION (SIP):

- Public Notice & Comment
- Availability of Document
- Notice to Specified Entities (State, Air Districts, USEPA, Other States)
- Public Hearing
- Legal Authority to adopt and implement the document.
- Applicable State laws and regulations were followed.

ELEMENTS OF A FEDERAL SUBMISSION:

Elements as set forth in applicable Federal law or regulations.

CALIFORNIA ENVIRONMENTAL QUALITY ACT REQUIREMENTS (CEQA):

- Ministerial Action
- Exemption
- Negative Declaration
- Environmental Impact Report
- Appropriate findings, if necessary.
- Public Notice & Comment

SUPPLEMENTAL ENVIRONMENTAL ANALYSIS (RULES & REGULATIONS ONLY):

- Environmental impacts of compliance.
- Mitigation of impacts.
- Alternative methods of compliance.

OTHER:

- Written analysis of existing air pollution control requirements
- Economic Analysis
- Public Review

V. DISCUSSION OF LEGAL REQUIREMENTS

A. REQUIRED ELEMENTS/FINDINGS

This section discusses the State of California statutory requirements that apply to the proposed amendment of Regulation III. These are actions that need to be performed and/or information that must be provided in order to amend the rules in a procedurally correct manner.

1. State Findings Required for Adoption of Rules & Regulations:

Before adopting, amending, or repealing a rule or regulation, the Governing Board of the MDAQMD is required to make findings of necessity, authority, clarity, consistency, non-duplication, and reference based upon relevant information presented at the hearing. The information below is provided to assist the Governing Board in making these findings.

a. Necessity:

Rule 302 is proposed for amendment to address Solar Project operations within District jurisdiction.

The proposed amendments to Rules 301, 302, and 303 all adjust fees by five percent (5%) to recover the rising costs associated with issuing licenses and permits, performing investigations, inspections, and audits, and the administrative enforcement and adjudication thereof. Regular adjustments to fees in response to rising costs serve to minimize potentially dramatic future fee increases because incremental and periodic changes were not regularly implemented.

b. Authority:

The District has the authority pursuant to California Health and Safety Code (H&S Code) §40702 to adopt, amend, or repeal rules and regulations. The MDAQMD also has the authority to adopt and amend annual fees for the evaluation, issuance, and renewal of permits (H&S Code §§41240, 41330, 41512.7, 40711(a), 42310.5, 42311, and 42311.2), Hearing Board activities (H&S Code §§40864, 42311, and 42364), enforcement, inspections and air monitoring (H&S Code §§41240, 41330, 40701, 40715, 41512, 41512.5, 42311, 42311.2, 42707, and 42400 et seq.), planning and rule development (H&S Code §§41240, 41330, 41512.7, 40727.2, and 42311), registration and inspection of portable equipment (H&S Code §41752 and 13 CCR 2461), public records act compliance (Government Code 6253), and toxic “Hot Spots” (H&S Code §§44344.4, 44380, 44381, and 17 CCR 90703).

c. Clarity:

The proposed amendments to Regulation III are clear in that they are written so that the persons subject to the rules can easily understand the meaning. Applications of Regulation III are as follows:

Rule 301 applies to any person or organization applying for and/or holding an MDAQMD Authority to Construct (ATC) or Permit to Operate (PTO).

Rule 302 applies to any person or organization subject to other fees.

Rule 303 applies to any applicant or petitioner in a proceeding before the Hearing Board.

The proposed amendments to Rules 301, 302, and 303 have been developed to adjust fees by five percent (5%) to recover the rising costs associated with issuing licenses and permits, performing investigations, inspections, and audits, and the administrative enforcement and adjudication thereof, and to increase clarity for each of the affected groups. Rule 302 is proposed for amendment to address the Solar Projects within the District.

d. Consistency:

The proposed actions regarding Regulation III are in harmony with, and not in conflict with or contradictory to, any state law or regulation, federal law or regulation, or court decisions because these laws and regulations allow for the proposed amendments to the fee rules.

e. Non-duplication:

The proposed actions regarding Regulation III do not impose the same requirements as any existing state or federal law or regulation because H&S Code §40702 allows the District to adopt, amend, or repeal rules and regulations, and H&S Code §42311 and various other sections merely authorize the imposition of such fees but do not specify the types and amounts of fees to be imposed.

f. Reference:

The District has the authority pursuant to H&S Code §40702 to adopt, amend, or repeal rules and regulations and the authority pursuant to H&S Code §42311 and various other sections to adopt a schedule of fees.

g. Public Notice & Comment, Public Hearing:

Notice for the public hearing for the proposed actions regarding the amendment of Regulation III were published on or about 05/08/20 for the 06/08/20 Governing Board meeting. A public hearing was held on 06/08/20 and continued to 06/22/20. The hearing was again continued to 08/24/20. See Appendix “B” for a copy of the public notice. See Appendix “C” for copies of comments, if any, and District responses.

2. Federal Elements (SIP Submittals, Other Federal Submittals).

Submittals to United States Environmental Protection Agency (USEPA) are required to include various elements depending upon the type of document submitted and the underlying federal law that requires the submittal. Regulation III is a fee regulation and does not ordinarily require submission to USEPA. Various prior versions of Rule 301 were previously included in the State Implementation Plan (SIP) however USEPA removed this rule from the SIP on 01/18/02 (67 FR 2573; 40 CFR 52.220(c)(39)(iv)(C)). Rules 302 and 303 were also previously included in the SIP and removed by USEPA on 11/16/02 (69 FR 67062; 40 CFR 52.220(c)(127)(vii)(I)). USEPA has indicated that these rules are not required to be federally submitted.

B. WRITTEN ANALYSIS OF EXISTING REQUIREMENTS

H&S Code §40727.2 requires air districts to prepare a written analysis of all existing federal air pollution control requirements that apply to the same equipment or source type as the rule proposed for modification by the district. The proposed amendments to Regulation III only modify fees and provide minor clarification. These proposed amendments do not in themselves impose air pollution control requirements. Therefore, the preparation of a written analysis of existing pollution control requirements that apply to the same equipment or source type is not required.

C. ECONOMIC ANALYSIS

1. General.

Fees are a primary revenue source that supports the District’s efforts to implement and enforce the provisions of the Federal Clean Air Act (FCAA), the California Clean Air Act (CCAA), and District rules and regulations. Permit fee schedules reflect the expenditure required to provide analysis of applications, inspections of the regulated community, tracking the inventory of pollutants produced by the regulated industry, and enforcement of federal, state, and local mandates regarding air pollution among other mandatory District functions. The fee increase has also been implemented in response to Federal Fiscal Year Budgets, especially with steep decreases in EPA’s funding for the Fiscal Year 2020 budget.

2. Economic Analysis for Rule 301 – *Permit Fees*.

Staff is recommending adjustment to Rule 301 to recover the rising costs associated with issuing licenses and permits, performing investigations, inspections, and audits, and the administrative enforcement and adjudication thereof. Regular adjustments to fees in response to rising costs, serves to minimize potentially dramatic future fee increases because incremental and periodic changes were not regularly implemented.

The proposed amendments to Rule 301 provide for an overall increase of five percent (5%) in the costs of most permit related fees. The proposed five percent (5%) permit fee adjustment is projected to result in an overall added cost to industry of \$228,900.00. This cost increase is based on FY 2020 application and operating permit fee revenues.

The Permit Fee Amount Increase table below presents the current permit fees of several typical facilities, and the amount that the fee will increase based on the staff recommendation.

Permit Fee Amount Increase		
Typical Facility	Current average permit fee	Recommended 5% increase
Spray Booth	\$ 339.16	\$ 16.96
Emergency Generator	\$ 339.16	\$ 16.96
Gas Station	\$ 1,310.82	\$ 65.54
Engine	\$ 2,275.01	\$ 113.75
Batch Plant	\$ 15,225.49	\$ 761.27
Title V Facility	\$ 25,623.29	\$ 1,281.16
Large Source	\$ 203,614.67	\$ 10,180.73

3. Economic Analysis for Rule 302 – *Other Fees*.

The proposed amendments to Rule 302 include a five percent (5%) increase in fees to recover the rising costs associated with issuing licenses and permits, performing investigations, inspections, and audits, and the administrative enforcement and adjudication thereof. Proposed amendments to Rule 302 also address the recent development of Solar Projects within the District by requiring assessment fees of each project based on its respective acreage. This is done to provide cost recovery for the assessment and permitting of these facilities.

4. Economic Analysis for Rule 303 – *Hearing Board Fees*.

Hearing Board Fees are only imposed upon those persons requiring the services of the Hearing Board, specifically those challenging a permit issuance and those requesting a variance. The proposed adjustment to Rule 303 includes a five

percent (5%) increase designed to better reflect the actual labor costs involved in the variance process.

5. Incremental Cost Effectiveness.

Pursuant to H&S Code §40920.6, incremental cost effectiveness calculations are required for rules and regulations which are adopted or amended to meet the California Clean Air Act requirements for Best Available Retrofit Control Technology (BARCT) or “all feasible measures” to control volatile compounds, oxides of nitrogen, or oxides of sulfur. The proposed actions regarding Regulation III – *Fees* affects fees and rule structure, and therefore does not require this analysis.

D. ENVIRONMENTAL ANALYSIS (CEQA)

1. Through the process described below the appropriate CEQA process for the proposed amendment of Regulation III were determined.

a. The proposed actions regarding Regulation III meet the CEQA definition of “project”. They are not “ministerial” actions.

b. The proposed actions regarding Regulation III are exempt from CEQA review. There is no potential that the amendments might cause the release of additional air contaminants or create any adverse environmental impacts because the proposed amendments only adjust fees, makes minor format corrections, and provides clarification. Therefore, a Class 8 categorical exemption (14 Cal. Code Reg. §15308) applies. Copies of the documents relating to CEQA can be found in Appendix “D”.

E. SUPPLEMENTAL ENVIRONMENTAL ANALYSIS

1. Potential Environmental Impacts

The proposed actions regarding Regulation III do not have any potential environmental impacts because the amendments merely adjust fees, make minor format corrections, and provide clarification. The amendments do not have any impact upon emissions of air contaminants.

2. Mitigation of Impacts

N/A

3. Alternative Methods of Compliance

N/A

F. PUBLIC REVIEW

See Staff Report Section (V)(A)(1)(g) and Appendix “B”

VI. TECHNICAL DISCUSSION

A. SOURCE DESCRIPTION

The proposed actions regarding Regulation III – *Fees* will affect any person subject to the particular fees. Permit holders and applicants will be subject to the proposed amendments of Rule 301 – *Permit Fees*. Persons subject to Rule 302 – *Other Fees* include those requiring an analysis of emissions or materials; persons submitting asbestos demolition/renovation notices; facilities which are asbestos disposal sites; certificate of occupancy applicants where the application requires more than one (1) hour of review; persons applying for issuance, transfer or encumbrance of Emission Reduction Credits; Facilities requiring review of Monitoring Devices; persons needing the review and approval of certain types of plans; persons requesting specific publications and those subject to certain state mandated fees; Solar Project operations. Persons applying for a variance or challenging a permit issuance decision before the Hearing Board will be subject to the proposed amendments to Rule 303 – *Hearing Board Fees*.

B. EMISSIONS

The proposed actions regarding Regulation III adjust fees, make minor format corrections, provides clarification, and thus do not have an impact on emissions.

C. CONTROL REQUIREMENTS

The proposed actions regarding Regulation III adjusts fees, makes minor format corrections, provides clarification, and thus do not impose any new or additional control requirements.

D. PROPOSED RULE SUMMARY

This section gives a brief overview of the proposed actions regarding Regulation III. Only a brief summary of each section is included. Readers are encouraged to examine the *[bracketed and italicized]* notations contained in the iterated version of the rule contained in Appendix “A” for notations regarding movement and modification of specific sections and subsections.

1. MDAQMD Rule 301 – *Permit Fees*

Rule 301 – *Permit Fees*, includes a five percent (5%) increase in most fees to recover the rising costs associated with various permit activities required pursuant to the provisions of Regulation II – *Permits* and Regulation XIII – *New Source Review*.

Minor formatting and language changes have been incorporated for consistency and clarification within the rule, and are not individually identified when the meaning or intent is clear.

(A)(4)(a) – This subsection is amended to provide an effective date of 01/01/2021 to the most current proposed amendments.

(C)(1)(a) – A fee adjustment of five percent (5%) and rounded to the nearest dollar is added to the application filing fee.

(C)(2)(c)(i) – A fee adjustment of five percent (5%) is added to the labor rate.

(C)(6)(b)(i) – A fee adjustment of five percent (5%) and rounded to the nearest dollar is added to the change of ownership fee.

(C)(9)(b) – A fee adjustment of five percent (5%) and rounded to the nearest dollar is added to the signed duplicate or corrected permit fee.

(C)(12)(a) – This subsection is added to define District policy regarding assessment of fees for temporary permits.

(C)(13)(a) – This subsection is added to adjust annual permit operating fees for seasonal cotton gin permits.

(C)(14)(a) – This subsection is added to adjust annual permit operating fees for gasoline dispensing equipment.

(E) – A fee adjustment increases all fees in this section five percent (5%).

(E)(7)(j) – This subsection is added to adjust fees imposed on aerospace coating/stripping operations.

2. MDAQMD Rule 302 – *Other Fees*

Rule 302 – *Other Fees*, includes a five percent (5%) increase in most fees to recover the rising costs associated with various activities, documents and services, including but not limited to, provision of publications, performing analysis, filing, evaluation and enforcement of plans and state mandated fees.

Minor formatting and language changes have been incorporated for consistency and clarification within the rule, and are not individually identified when the meaning or intent is clear.

(E) – A fee adjustment increases all fees in this section five percent (5%).

(F) – A fee adjustment increases all fees in this section five percent (5%).

(G) – A fee adjustment increases all fees in this section five percent (5%).

(H) – A fee adjustment increases all fees in this section five percent (5%).

(J) – A fee adjustment increases all fees in this section five percent (5%).

(J)(5) – This subsection is added to address and impose fees on Solar Project operations.

3. MDAQMD Rule 303 – *Hearing Board Fees*

The amendment of Rule 303 includes a five percent (5%) increase in fees associated with various procedures brought before the Hearing Board.

Minor formatting and language changes have been incorporated for consistency and clarification within the rule, and are not individually identified when the meaning or intent is clear.

E. RULE HISTORY

On 07/01/93 the Mojave Desert Air Quality Management District (MDAQMD) was formed pursuant to statute. Pursuant to statute it also retained all the rules and regulations of the SBCAPCD until such time as the Governing Board of the MDAQMD wished to adopt, amend or rescind such rules. The MDAQMD Governing Board, at its very first meeting, reaffirmed all the rules and regulations of the SBCAPCD. The following rules are contained in Regulation III – *Fees*, and are proposed for amendment. A brief history of each rule proposed for amendment follows.

The version of Rule 301 – *Permit Fees* as amended on 01/01/90 was the rule in effect at this time. Rule 301 has been subsequently amended 10/23/94, 03/24/97, 09/28/98, 06/26/00, 09/23/02, 08/23/04, 06/27/05, 10/23/06, 06/25/07, 06/23/08, 06/28/10, 08/22/11, 06/25/12, 06/24/13, 06/23/14, 06/22/15, 06/27/16, 06/26/17, 06/25/18, and 06/24/19. The 06/24/19 version is the current version in the MDAQMD rulebook. In order to maintain the MDAQMD's sound financial standing, staff recommends the current proposed amendments to Rule 301 to adjust fees in the amount of five percent (5%). The District seeks to meet the need to recover the rising costs associated with issuing licenses and permits, performing investigations, inspections, and audits, and the administrative enforcement and adjudication thereof. Regular adjustments to fees in response to rising costs, serves to minimize potentially dramatic future fee increases because incremental and periodic changes were not regularly implemented.

Rule 302 – *Other Fees* was originally adopted on 11/20/89. On 06/22/15 Rule 302 was reorganized, and various other fees from Regulation III (Rules 304, 305, 306, 307, 308, 311 and 313) were consolidated into a single rule. Rule 302 has been subsequently amended 06/27/16, 06/26/17, 06/25/18, and 06/24/19. The 06/24/19 version is the current version in the MDAQMD rulebook. The proposed amendment includes a five percent (5%) increase in most fees to recover the rising costs associated with issuing licenses and permits, performing investigations, inspections, and audits, and the administrative enforcement and adjudication thereof. In addition, Rule 302 is proposed

for amendment to address the recent growth of Solar Project operations within the District.

Rule 303 – *Hearing Board Fees* was adopted 11/20/89, and subsequently amended 06/22/15, 06/27/16, 06/26/17, 06/25/18, and 06/24/19. The 06/24/19 version is the current version in the MDAQMD rulebook. Rule 303 is currently proposed to include a five percent (5%) increase in fees to recover the rising costs associated with various procedures brought before the Hearing Board.

F. HISTORICAL FINANCIAL BACKGROUND

1. Financial Background for Rule 301 – *Permit Fees*

The MDAQMD was formed in 1993 by an act of the Legislature to assume the duties of the former San Bernardino County Air Pollution Control District. The MDAQMD also assumed all the property and assets of the former district. In addition, for the first 2 years the district utilized 100 percent of the available motor vehicle fee funding (AB2766 funds) and reserves to cover operations and formation expenses. On 10/23/94 the Governing Board amended Rule 301 to add a one-time 7.44 percent fee surcharge on permit fees to provide additional funding to cover district formation costs. This surcharge expired in October 1995.

In fiscal year 1995/1996 the Governing Board established an allocation program for the AB2766 funds such that 50 percent of the funding was utilized by the District, 25 percent was passed through to the cities and 25 percent was used to fund a competitive grant program for transportation and mobile source related projects. During that fiscal year staff began to focus on technology and automation improvements as one method to control costs. To this end an internal accounting system was implemented and the development of a permit billing system that was separate from the County of San Bernardino was commenced. Discretionary spending was also substantially curtailed. On 03/24/97 the Governing Board amended Rule 301 to remove the expired surcharge and to eliminate fees for late payments. Many air districts utilize such late fees as a deterrent and gain substantial revenue in the process. Until the adoption of Rule 300 on 06/25/18, the MDAQMD was the only air district that does not charge this type of fee. Despite gains in efficiency due to automation and a decrease in spending, by the end of Fiscal Year 1996/1997 the MDAQMD's books were closed with a deficit of \$196,000, there were no reserves and revenue was declining.

The Governing Board adopted an austerity budget for fiscal year 1997/1998. In July of 1997 the MDAQMD obtained a contract for provision of services to the newly formed Antelope Valley Air Pollution Control District (AVAPCD). The services were provided to AVAPCD with a moderate surcharge on staff labor and a contract management fee. In June of 1998 the MDAQMD took the drastic step of reducing 6 positions for an approximate savings of \$210,000. In addition, the

permit billing system was put on line further improving automation and resulting in additional cost savings.

In fiscal year 1998/1999 the economy was improving and as a result revenue was increasing. The AVAPCD contract continued to provide a reliable source of revenue and funded 7 full time equivalent positions. On 09/28/98 the Governing Board amended Rule 301 to provide a five percent (5%) across the board adjustment in fees. It also reorganized the fee rule to incorporate the existing surcharges on application and annual permit fees into the fee amounts themselves for ease of use. Austerity measures remained in force and the MDAQMD began to rebuild cash reserves.

On 06/26/00 the Governing Board amended Rule 301 to provide a 2.8 percent CPI adjustment. This action also revised the fee calculation procedure for gas stations to reflect a technological change to gasoline dispensing units. A fee was also added to cover the costs of processing landfill permits that were required by Federal Law. There was no immediate revenue impact of the landfill fee, however, because none of the active landfills within the District were required to install gas collection systems under the Federal regulation.

By fiscal year 2000/2001 the MDAQMD was again on sound financial footing. There was a \$500,000 reserve. Staffing levels were stabilized as well as automation; careful monitoring of expenditures and the continuation of the AVAPCD (now Antelope Valley Air Quality Management District (AVAQMD)) contract enabled the MDAQMD to regain its financial health while maintaining a high quality of service to its permit holders. To ensure the continuation of this financial health, on 09/23/02 the Governing Board amended 301 to provide a 2.4 percent CPI adjustment effective on 11/01/02. Following this, Rule 301 was amended subsequently throughout the years as follows:

Amendment Date	Effective Date	Adjustment %
09/23/02	11/01/02	2.4%
08/23/04	01/01/05	2.75%
06/27/05	01/01/06	3.5%
10/23/06	01/01/07	4.0%
06/25/07	01/01/08	3.5%
06/23/08	01/01/09	3.1%
06/28/10	01/01/11	2.0%
08/22/11	01/01/12	2.3%
06/25/12	01/01/13	1.7%
06/24/13	01/01/14	2.0%
06/23/14	01/01/15	3.25%
06/22/15	01/01/16	3.0%
06/27/16	01/01/17	3.0%
06/25/18	01/01/19	5.0%
06/24/19	01/01/20	5.0%
06/22/20	01/10/20	5.0%

Upon reviewing District operating costs, the Budget Committee is recommending that a five percent (5%) fee adjustment will be adequate to recover the rising costs associated with issuing licenses and permits, performing investigations, inspections, and audits, and the administrative enforcement and adjudication thereof. Regular adjustments to fees and better cost recovery of staff analysis time in complex cases serve to minimize potentially dramatic future fee increases because incremental and periodic changes were not regularly implemented. Amendments to Rule 301 are proposed to be effective on 01/01/21 to allow time for adjustment of the permit billing system.

2. Financial Background for Rule 302 – *Other Fees*

Rules 302, 304, 305, 306, 307, 308, 309, 310, 311 and 313 were consolidated into a single rule, Rule 302 – *Other Fees*, on 06/22/15. These rules, in general, had not been adjusted since the 1990's. Up to that point, the costs associated with the programs tied to these rules had been subsidized by other District revenues. On 06/27/16, the Governing Board approved an amendment to Rule 302 adjusting fees by three percent (3%). On 06/26/17, the Governing Board approved an amendment to Rule 302 adjusting fees by two percent (2%). On 06/25/18, the Governing Board approved an amendment adjusting fees by five percent (5%). On 06/24/19, the Governing Board approved an amendment adjusting fees by five percent (5%). On 08/24/20, the Governing Board approved an amendment adjusting fees by five percent (5%).

Upon reviewing District operating costs, the Budget Committee is recommending a five percent (5%) increase to recover the rising costs associated with issuing licenses and permits, performing investigations, inspections, and audits, and the administrative enforcement and adjudication thereof. Regular adjustments to fees and better cost recovery of District staff time serves to minimize potentially dramatic future fee increases because incremental and periodic changes were not regularly implemented. Amendments to Rule 302 are proposed to be effective upon adoption.

3. Financial Background for Rule 303 – *Hearing Board Fees*

The fees contained in Rule 303 had not been adjusted since 1989 and were originally based upon the anticipated costs of providing variance services at that time. It is unclear from the rule adoption record whether such services were in part subsidized by permit fee revenue. Over subsequent years other district revenue, primarily permit fee revenue, had been used to subsidize the costs for this program. On 06/27/16, the Governing Board approved an amendment to Rule 303 adjusting fees by three percent (3%). On 06/26/17, the Governing Board approved an amendment to Rule 302 adjusting fees by two percent (2%). On 06/25/18, the Governing Board approved an amendment adjusting fees by five percent (5%). On 06/24/19, the Governing Board approved an amendment adjusting fees by five percent (5%). On 08/24/20, the Governing Board approved an amendment adjusting fees by five percent (5%).

Upon reviewing District operating costs, the Budget Committee is recommending a five percent (5%) increase to recover the rising costs associated with various procedures brought before the Hearing Board. Regular adjustments to fees and billable exceeding hours of District staff time spent towards permit analyses in response to rising costs, serves to minimize potentially dramatic future fee increases because incremental and periodic changes were not regularly implemented. Amendments to Rule 303 are proposed to be effective upon adoption.

G. PROPOSITION 26 ANALYSIS

On November 2, 2010 the California voters added Article XIIC §1(e) to the California Constitution (commonly referred to as Proposition 26). This provision added a new definition of “tax” which resulted in a variety of fees and charges imposed by local governmental entities to be subject to voter approval. The provisions also provided several exceptions to this voter approval requirement including but not limited to:

A charge imposed for a specific benefit conferred or privilege granted directly to the payer that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of conferring the benefit or granting the privilege.

A charge imposed for a specific government service or product provided directly to the payer that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of providing the service or product.

A charge imposed for the reasonable regulatory costs to a local government for issuing licenses and permits, performing investigations, inspections, and audits, enforcing agricultural marketing orders, and the administrative enforcement and adjudication thereof.

If a fee increase falls within one or more of these exceptions it is considered not a tax and thus not subject to voter approval

1. Justification for Fee Adjustment to Rule 301 – *Permit Fees*

In general, air district permit fees fall under one or more exemptions so long as they are reasonably related to the costs of issuance and enforcement of the permits. A similar requirement that air district fees be reasonably related to costs of district programs is found in Health & Safety Code §42311(a) and includes language indicating that a CPI adjustment is part of a measure of the reasonable increase in district costs. In addition, the California League of Cities in its April 2011 implementation guide for Prop 26¹ opined that a CPI increase is part of the reasonable regulatory cost of issuing a license or permits and thus does not need voter approval.

¹ <http://www.cacities.org/Resources-Documents/Policy-Advocacy-Section/Hot-Issues/Proposition-26-Implementation-Guide>

The proposed five percent (5%) fee increase constitutes only a portion of the total projected cost increases for fiscal year 2020/2021. The CPI for the Los Angeles/Riverside County between February 2019 and 2020 was 2.1 percent². Costs for the personnel involved in the issuance, investigation, inspection, audit, and enforcement of permits and District rules and regulations are projected to recover 80% of the \$245k estimated deficit directly related to the costs of permitting³. Therefore, the proposed fee adjustment is well within the provisions of Health & Safety Code §42311(a) and falls within the exemption found in Article XIII C §1(e)(3) of the California Constitution.

2. Justification for Fee Adjustment to Rule 302 – *Other Fees*

Adjustments to the fees in proposed Rule 302 would constitute either a charge for a specific benefit (Cal Constitution Article XIII C (1)(e)(1)) or a charge for a specific service not provided to those not charged (Cal Constitution Article XIII C (1)(e)(2)). As such the fees charged for such activities should not exceed the reasonable cost of providing the benefit or service. Once again Health & Safety Code §§40727.2, 41240, 41512, 41512.5 41715, 42311 and 44380, among others, limits various fees to the costs of the underlying program.

The proposed five percent (5%) fee increase constitutes only a portion of the total projected cost increases for fiscal year 2020/2021. The CPI for the Los Angeles/Riverside County between February 2019 and 2020 was 2.1 percent⁴. Costs for the personnel involved in the issuance, investigation, inspection, audit, and enforcement of permits and District rules and regulations are projected to recover 80% of the \$245k estimated deficit directly related to the costs of permitting⁵. Therefore, the proposed fee adjustment is well within the provisions of Health & Safety Code §42311(a) and falls within the exemption found in the California Constitution Article XIII C §1(e)(1), (2) or (3) as a reasonable cost of providing the associated benefit or service.

The proposed fee adjustment will also recover expenditures related to the costs of applicable state and District rules and regulations, reviewing and issuing the California Business & Professions Code Division 10 Compliance plan, performing facility inspections, and investigating and addressing public concerns and complaints. The fee has been calculated to represent the reasonable cost associated with the implementation of the California Business & Professions Code Division 10 Compliance Plan. The fee was calculated based on estimated staff hours, hourly cost, and average size of the facility. Descriptions of estimated hours spent and staff hourly rates are documented in the table below:

² <https://www.bls.gov/cpi/tables/supplemental-files/c-cpi-u-202002.pdf>

³ Includes both salary and benefit increases.

⁴ <https://www.bls.gov/cpi/tables/supplemental-files/c-cpi-u-202002.pdf>

⁵ Includes both salary and benefit increases.

Action Item		Est. Hours Spent	Loaded Staff Rate	Total Cost	Cost Per S/F
Pre-Inspection	AQS	3.00	\$ 64.77	\$ 194.31	
Administrative Support	Senior Executive Analyst	0.50	\$ 92.56	\$ 46.28	
Initial Review of Inspection/Engineering	Operations Manager Review	1.00	\$ 133.77	\$ 133.77	
Rule/Permit/Enforcement Review	Legal Review	0.50	\$ 153.39	\$ 76.70	
Rule/Permit/Enforcement Review	Board Legal Review	0.50	\$ 550.00	\$ 275.00	
Permit Change/Update	Engineer	0.50	\$ 80.87	\$ 40.44	
Post Review of Inspection/Engineering	Operations Manager - Inspector	1.00	\$ 133.77	\$ 133.77	
Invoicing/Mailing	Accounting	0.25	\$ 63.46	\$ 15.87	
Review of Plan	Engineering	0.50	\$ 89.72	\$ 44.86	
Review of Plan	Compliance	0.50	\$ 83.88	\$ 41.94	
Conformity to Rule	Planning	1.00	\$ 65.50	\$ 65.50	
Review of Plan and Rule	Deputy Director - Planning	0.50	\$ 130.51	\$ 65.26	
Final Approval	APCO Review	0.50	\$ 185.50	\$ 92.75	
	Total Annual Cost			\$ 1,226.45	\$ 0.16
	Total Combined Cost	10.25			
Based on the avg. size, 7500 sf-only 2 medium licenses currently permitted. Most small license holders @ 5,001 - 10,000 sf					

Staff will reevaluate the cost analysis each year to ensure the fee is reasonable and accurate in relation to the amount to time spent on each facility.

3. Justification for Fee Adjustment to Rule 303 – *Hearing Board Fees*

The District Hearing Board is a five (5) member quasi-judicial body formed pursuant to the provisions of H&S Code §§40800 et seq. The members are appointed by the Governing Board of the District for three (3) year terms (H&S Code §§40800, 40804) and consist of a lawyer, a professional engineer, a member of the medical profession and two public members. The Hearing Board performs the following functions:

Variances: A waiver of specific regulatory requirements for a limited period of time allowing a permitted facility to operate in violation of District Rules and Regulations under certain conditions while steps are taken to bring the facility into compliance.

Permit Appeals: A challenge to the Air Pollution Control Officer’s (APCO) action regarding a particular permit. The APCO may suspend, deny issuance of or decline renew a permit for a variety of reasons. Such actions may be challenged as inappropriate before the Hearing Board. In addition, third parties may request that a permit be revoked or may alleged that a permit has been improperly issued. Such allegations are also heard by the Hearing Board.

Abatement Orders: A quasi-judicial proceeding brought by the APCO that may ultimately result in an order requiring a source of air contaminants to take particular actions or cease operations.

Fees for variance actions would constitute either a charge for a specific benefit (Cal Constitution Article XIII C (1)(e)(1)) or a charge for a specific service not provided to those not charged (Cal Constitution Article XIII C (1)(e)(2)). As such the fees charged for variance activities should not exceed the reasonable cost of providing the benefit or service. A similar requirement that Hearing Board fees cover reasonable costs of the Hearing Board is found in Health & Safety Code §§42311(h) and 42364.

Fees for permit appeals are in effect charges for the administrative enforcement of permits. Once again, they are required to reflect the reasonably regulatory cost of such enforcement (Cal. Constitution Article XIII C (1)(e)(3); Health & Safety Code §§42311(h) and 42364). Permit appeals require many of the same activities and time commitments as those used in the preparation and hearing for variances. Excess emissions fees would not be applicable to these types of Hearing Board actions.

The proposed amended fees for variance actions includes a five percent (5%) increase to cover the rising costs associated with various procedures brought before the Hearing Board. The proposed five percent (5%) fee increase constitutes only a portion of the total projected cost increases for fiscal year 2020/2021. The CPI for the Los Angeles/Riverside County between February 2019 and 2020 was 2.1 percent⁶. Costs for the personnel involved in the issuance, investigation, inspection, audit, and enforcement of permits and District rules and regulations are projected to recover 80% of the \$245k estimated deficit directly related to the costs of permitting⁷. Therefore, the proposed fee adjustment is well within the provisions of Health & Safety Code §42311(a) and falls within the exemption found in Article XIII C §1(e)(3) of the California Constitution.

Abatement actions do not require fees since they are brought directly by the APCO as an enforcement measure and would thus be funded in part by general permit fees pursuant to District Rule 301.

⁶ <https://www.bls.gov/cpi/tables/supplemental-files/c-cpi-u-202002.pdf>

⁷ Includes both salary and benefit increases.

Appendix “A”

Regulation III - *Fees* Iterated Version

The iterated version is provided so that the changes to an existing rule may be easily found. The manner of differentiating text is as follows:

1. Underlined text identifies new or revised language.
2. ~~Lined out text~~ identifies language that is being deleted.
3. Normal text identifies the current language of the rule which will remain unchanged by the adoption of the proposed amendments.
4. *[Bracketed italicized text]* is explanatory material that is not part of the proposed language. It is removed once the proposed amendments are adopted.

Rule 301 – *Permit Fees*

Rule 302 – *Other Fees*

Rule 303 – *Hearing Board Fees*

This page intentionally left blank.

(Adopted: 07/09/76; Amended: 01/07/77; CARB Ex. Ord. G-73: 02/01/77; Readopted: 07/25/77; Amended: 08/22/85; Amended: 11/20/89; Amended: 01/01/90; Amended: 10/23/94; Amended: 03/24/97; Amended: 09/28/98; Amended: 06/26/00; Amended: 09/23/02; Amended: 08/23/04 effective 01/01/05; Amended: 06/27/05 effective 01/01/06; Amended: 10/23/06 effective 01/01/07; Amended: 6/25/07 effective 1/1/08; Amended: 06/23/2008 effective 01/01/2009; Amended: 06/28/10 effective 01/01/11; Amended: 08/22/11 effective 01/01/12; Amended: 06/25/12 effective 01/01/13; Amended: 06/24/13 effective 01/01/14; Amended: 06/23/14 effective 01/01/15; Amended: 06/22/15 effective 01/01/16; Amended: 06/27/16 effective 01/01/17; Amended: 06/26/17 effective 01/01/18; Amended: 06/25/18, 08/27/18 effective 01/01/19; Amended: 06/24/19 effective 01/01/20; Amended: 08/24/20 effective 01/01/2021)

RULE 301

Permit Fees

(A) General

(1) Purpose

- (a) This rule sets forth the fees required for various permit activities required pursuant to the provisions of Regulation II - *Permits* and Regulation XIII - *New Source Review*.

(2) Applicability

- (a) Any person subject to the provisions of Regulation II - *Permits* or Regulation XIII - *New Source Review* shall pay the fees set forth in this rule.
- (b) Federal, state or local governmental agencies or public districts shall pay the fees to the extent allowed pursuant to the provisions of Chapter 2, Division 7, Title 1 of the Government Code (commencing with §6103); Part 4, Division 26 and Part 6, Division 26 of the Health and Safety Code (commencing with §44300).

(3) Limitations

- (a) Revenue derived from permit fees shall be limited as required by Chapter 4 of Part 4, Division 26 of the Health and Safety Code.

(4) Effective Date

- (a) The amendments to this rule adopted on ~~06/22/19~~08/24/20 shall be effective on ~~01/01/2020~~01/01/2021.

(B) Requirements and Procedures

- (1) Fees, as specified herein, are required for the following activities relating to permits:
 - (a) The filing of a permit application.
 - (b) The evaluation of new or modified sources.
 - (c) The issuance of authority to construct(s).
 - (d) The issuance of permit(s) to operate.
 - (e) The issuance of duplicate or modified permits required by any of the following circumstances:
 - (i) Loss or destruction of a permit.
 - (ii) Change of equipment location to a site other than that described in the permit.
 - (iii) Transfer of ownership of the permit.
 - (iv) Alterations or additions to equipment as listed on the permit.
 - (f) Annual permit renewal.
- (2) Fees shall be paid when due as specified herein:
 - (a) Fees shall be invoiced at least thirty (30) days before the expiration date as shown on the permit. The owner/operator will be notified by First Class mail of the amount to be paid and the due date of the invoice.
 - (b) If the fee is not paid on or before the due date of the invoice the permit shall become delinquent on the due date or expire on its expiration date, whichever is sooner, and will thereafter no longer be valid.
 - (c) Within thirty (30) days after the due date of the invoice or expiration date of the permit, whichever is sooner, if the applicable fees remain unpaid the holder of the permit shall be notified in writing by First Class mail:
 - (i) That the permit has become delinquent for non-payment of fees and is no longer valid; and
 - (ii) Of the consequences of continuing to operate with an invalid permit.
 - (d) If the permit is delinquent for more than six (6) months the permit shall be terminated and become inactive in District records.

(3) Reinstatement of Permits

- (a) A permit which is delinquent but has not become inactive may be reinstated by payment in full of all outstanding fees, fines and penalties, including but not limited to other fees imposed pursuant to Regulation III – *Fees* and fines or penalties imposed pursuant to the provisions of Article 3, Chapter 4, Part 4 of Division 26 of the Health and Safety Code (commencing with §42400).
- (b) A permit which has become inactive may be reinstated by either of the following:
 - (i) The submittal of a new application, accompanied by payment of all previously accrued fees, fines and penalties, including but not limited to other fees imposed pursuant to Regulation III – *Fees* and fines or penalties imposed pursuant to the provisions of Article 3, Chapter 4, Part 4 of Division 26 of the Health and Safety Code (commencing with §42400) and the payment of any new fees which would apply to a similar new application; or
 - (ii) By submitting a written request to the APCO to reinstate the permit stating good cause for such reinstatement. The APCO or his or her designee shall review the request and may direct in writing that the permit be reinstated by payment in full of all outstanding fees, fines and penalties, including but not limited to other fees imposed pursuant to District Regulation III and fines or penalties imposed pursuant to the provisions of Article 3, Chapter 4, Part 4 of Division 26 of the Health and Safety Code (commencing with §42400).

(4) Refunds

- (a) No claim for refund for any fee required by this rule shall be honored unless:
 - (i) For initial permit fees, such claim is submitted within ninety (90) days after the permit was issued.
 - (ii) For renewal permit fees, such claim is submitted within ninety (90) days after the prior permit expiration date.
- (b) Refunds shall be pro-rated for the period between the date the request is received or prior permit expiration date, whichever is applicable, and the current permit expiration date.
- (c) Fees established as surcharges are not refundable and are assessed in addition to the schedules established for permit fees. Surcharges are assessed and applicable as specified herein.

- (d) The following fees are non-refundable:
 - (i) The filing fee set forth in section (C)(1).
 - (ii) Initial permit fees for Negative Air Machines and HEPA vacuums pursuant to section (E)(7)(h).

(5) Pro-rated fees

- (a) The APCO may pro-rate any of the following fees excluding any applicable filing fee:
 - (i) Initial Permit Fee;
 - (ii) Annual Permit to Operate Renewal Fee;
 - (iii) Permit to Construct Renewal Fee;
 - (iv) Alteration, Modification, Addition or Revision Fees.
- (b) Pro-rated fees shall be calculated based upon the fees and fee schedule in effect on the date of issuance of the permit to which the fees apply.
- (c) Fees shall be pro-rated for the period between the date of the issuance of the affected permit and the expiration of the permit.

(6) Credit Card Payment

- (a) If any person wishes to pay using a credit card, that person shall also pay the processing costs imposed by the company processing the transaction.

(C) Fees

(1) Filing Fee

- (a) Except as otherwise provided, any person who applies for the issuance of a new or modified permit shall be assessed a fee of ~~\$302.00~~\$317.00. This filing fee shall be submitted with the application.
- (b) The filing fee is non-refundable and shall not be applied to any subsequent application.
- (c) Applications shall not be accepted unless they are accompanied by the filing fee.
- (d) Applications for asbestos remediation equipment (including negative air machines and HEPA vacuums) shall not be accepted unless they are accompanied by the filing fee and annual permit fee as specified in section (C)(12)(a).

- (e) Applications for temporary permits shall not be accepted unless they are accompanied by the filing fee and annual permit fee as specified in section (E)(7)(h).

(2) Project Evaluation Fee for Complex Sources

- (a) Any person who submits an application on or after January 1, 1986, which is related to projects to construct or modify any of the following shall be assessed a project evaluation fee for complex sources.

- (i) Equipment associated with landfills;
- (ii) Equipment associated with resource recovery projects;
- (iii) Equipment associated with energy cogeneration projects;
- (iv) Equipment associated with electrical power plants;
- (v) Equipment associated with hazardous and toxic material and/or waste disposal or treatment facilities;
- (vi) Equipment subject to the provisions of District Rule 1303 Section (B);
- (vii) Equipment with emissions of a Hazardous Air Pollutant requiring a Health Risk Assessment pursuant to District Rule 1320 subsection (E)(3) or a case-by-case MACT determination pursuant to District Rule 1320 subsection (F)(2);
- (viii) Equipment subject to provisions of the Prevention of Significant Deterioration Program as administered by U.S. Environmental Protection Agency or District Rule 1600; and
- (ix) Any other permit units where the APCO or his or her designee has determined that an analysis required pursuant to these rules or regulations would require over two (2) hours of staff time to complete.

- (b) A deposit of \$6,500.00 to be applied toward the project evaluation fee for complex sources shall be paid within thirty (30) days of written notification by the District that the application is subject to this fee.

- (c) The project evaluation fee for complex sources shall be based on the District's total actual and reasonable labor time and other reasonable expenses for the evaluation required to develop a permit to construct and/or permit to operate.

- (i) This fee shall be calculated at a labor rate of ~~\$105.00~~\$110.00 per hour plus actual expenses.
- (ii) The fee shall accrue and be applied against the deposit.
- (iii) Should the District's costs as calculated pursuant to subsection (i) above not exceed the deposit; the remainder of the deposit will be returned to the applicant.
- (iv) Should the District's costs as calculated pursuant to subsection (i) above exceed the deposit the excess will be billed to the applicant.

- a. The applicant shall be notified, in writing, of the amount of any such excess fee and the due date for payment of the fee.
 - b. An accounting of costs and written notice to the applicant shall be issued to the applicant at least quarterly.
 - (d) Actual expenses of the District include consultant services which are engaged by the District for the purpose of project evaluations. When project evaluations are performed for the District under such a contract, the applicant will be assessed fees for the actual total and reasonable costs incurred by the District staff to oversee, review, and approve the evaluation as well as the actual cost to the District of the contractor evaluation.
 - (e) Actual expenses of the District include project notice fees which are incurred on behalf of public project notices.
 - (f) The provisions of subsection (B)(2) do not apply to this fee. If the applicant fails to pay the project evaluation fee for complex sources when due the APCO shall, after written notice to the applicant, cancel the application.
- (3) Initial Permit Fee
- (a) Except as otherwise provided in this rule, any person who applies for a permit shall, upon notification that the application has been approved, be assessed the initial permit fee for the issuance of a permit to construct or permit to operate in the amount prescribed in schedules set forth herein.
 - (i) For applications containing mutually exclusive alternative construction scenarios the APCO may, upon written request of the applicant, assess an alternate initial permit fee. Such alternate initial permit fee shall not be less than the highest initial permit fee for any single alternative scenario set forth in the application and shall not be more than the sum of the initial permit fees for all alternative scenarios set forth in the application.
 - (ii) For applications where multiple schedules may be applicable to a particular piece of equipment the APCO shall determine the appropriate schedule to be applied.
 - (b) After the provisions for granting permits as set forth in Division 26 of the Health and Safety Code and these Rules and Regulations have been complied with, the applicant shall be notified, in writing, of the amount of the fee to be paid as the initial permit fee.
 - (i) Notice may be given by personal service, electronically, or by First Class mail.

- (4) Annual Permit to Operate Renewal Fee
 - (a) A Permit to operate shall be annually renewable, upon payment of fees.
 - (b) The annual permit to operate renewal fee shall be calculated pursuant to the schedules herein.
 - (c) The annual permit to operate renewal fee shall be invoiced as specified in Section (B) above.

- (5) Authority to Construct Renewal Fee
 - (a) An authority to construct may be renewed, upon payment of fees, pursuant to the provisions of District Rule 201.
 - (b) The authority to construct renewal fee shall be calculated pursuant to the schedules herein.
 - (i) For applications containing mutually exclusive alternative construction scenarios the APCO may, upon written request of the applicant, assess an alternate authority to construct renewal fee. Such alternate authority to construct renewal fee shall not be less than the highest authority to construct renewal fee for any single alternative scenario set forth in the application and shall not be more than the sum of the authority to construct renewal fees for all alternative scenarios set forth in the application.
 - (ii) For applications where multiple schedules may be applicable to a particular piece of equipment the APCO shall determine the appropriate schedule to be applied.
 - (c) An authority to construct may only be renewed for two (2) years after the initial date of issuance, unless the application is canceled or an extension of time pursuant to the provisions of District Rule 205 has been granted by the APCO.
 - (d) The authority to construct renewal fee shall be invoiced as specified in Section (B) above.
 - (e) When construction is completed prior to the expiration of the authority to construct, the authority to construct may thereupon act as a temporary permit to operate pursuant to the provisions of District Rule 202. The residual fee for the authority to construct, calculated as a pro-rated fee for the period between the completion of construction and the expiration date of the permit, shall be applied to a pro-rated initial permit fee for the same

period. Any positive difference between the residual fee and the pro-rated initial permit fee shall be invoiced as set forth in Section (B) above.

(6) Change of Location or Ownership Fees

- (a) Permits, pursuant to the provisions of District Rule 209, are only valid for the location specified in the permit.
 - (i) Any person who applies for a permit requesting a change in the location of equipment included on a currently valid permit shall request in writing a change of location for the equipment and may be assessed an initial permit fee if the change in location also creates additional alteration(s), modification(s), addition(s) or revision(s) in either the subject permit or other permits at the same facility.
 - (ii) The person will be notified by mail, of the amount of the initial permit fee due as a result of the change of location and the due date for payment of the fee.
 - (iii) The APCO or his or her designee may, upon the applicant's written request, waive the initial permit fee.
- (b) Permits, pursuant to the provisions of District Rule 209, are only valid to the person named on the permit.
 - (i) Any person who applies for a permit requesting a change of ownership of equipment included on a currently valid permit shall be assessed a transfer fee of ~~\$172.00~~\$181.00 for each permit being transferred from one person to another.
 - (ii) The filing fee set forth in subsection (C)(1) are waived for applications solely requesting a change of ownership.
 - (iii) The transfer fee for applications solely requesting a change of ownership is due at the time the application is filed.
- (c) Any person submitting an application for a permit requesting a change of location and/or change of ownership which also requests alteration(s), addition(s) or revision(s) to the permit shall be assessed either the fees set forth in this Section or in subsection (C)(7) whichever is greater.

(7) Alteration, Modification, Addition or Revision Fees

- (a) Any person who applies for a permit requesting alteration(s), modification(s), addition(s), or revision(s) of the permit resulting from a change to equipment included on a currently valid permit shall be assessed a filing fee pursuant to subsection (C)(1) above and a permit revision fee.

- (b) The permit revision fee shall be calculated as follows:
 - (i) The initial permit fee for a permit which includes the alteration, addition or revision minus the previous year's annual permit to operate renewal fee, pro-rated, for the period between the date of issuance for the permit containing the alteration addition or revisions, and the original permit(s) expiration date.
 - (c) The permit revision fee shall be invoiced as set forth in Section (B) above.
 - (d) Any person submitting an application for a permit requesting a change of location and/or change of ownership which also requests alteration(s), addition(s) or revision(s) to the permit shall be assessed either the fees set forth in this Section or in subsection (C)(6), whichever is greater.
- (8) Fees Applicable when Permit Granted or Denied by Hearing Board
- (a) If a permit is granted by the Hearing Board after denial of an application by the APCO or after the application has been deemed denied pursuant to District Rule 215, the applicant shall be assessed the appropriate fees set forth in this rule.
 - (b) The applicant shall be notified, in writing, of the amount of the fee and the due date for payment of the fee.
 - (c) Previously paid fees are not refundable if the Hearing Board denies the issuance of a permit which was granted by the APCO.
- (9) Signed Duplicate or Corrected Permit Fees
- (a) A request for a signed duplicate permit or for administrative corrections to a permit, shall be made in writing by the permit holder.
 - (b) The permit holder shall be assessed a fee of \$82.00 for issuing each signed duplicate or corrected permit.
 - (c) The fee for a signed duplicate or corrected permit is due at the time the permit is requested.
- (10) Previously Unpermitted or Altered Equipment Fee
- (a) When equipment is built, erected, installed, altered, or replaced (except for identical replacement) without the owner or operator obtaining a permit to construct in accordance with District Rule 201, the owner or operator shall be assessed a previously unpermitted equipment fee.
 - (b) The previously unpermitted equipment fee shall be calculated as fifty percent (50%) of all applicable permit fees which would have been

required for each year of unpermitted activity, plus the full amount of all applicable permit fees for the year immediately preceding the year when the permit to operate is granted.

- (c) The unpermitted equipment fee is due when the permit to operate is granted.
- (d) The assessment of an unpermitted equipment fee shall not limit the District's right to pursue any other remedy provided for by law.
- (e) The provisions of this subsection shall not apply if a permit is required solely due to a change in District Rule 219.
- (f) The APCO may waive the unpermitted equipment fee for good cause upon the written application of the person assessed the fee.

(11) CEQA Review Fees

- (a) An application for a permit which is associated with a project subject to review under the California Environmental Quality Act (CEQA; Public Resources Code Section 21000 et seq.) shall pay, in addition to any other fees applicable pursuant to this rule, the District's cost of performing all environmental evaluation required pursuant to CEQA. Such costs shall include, but are not limited to:
 - (i) Cost of preparing any environmental study or Environmental Impact Report including the costs of any outside consulting assistance which the District may employ in connection with the preparation of such study or report;
 - (ii) Cost of publication and circulation of any required notice;
 - (iii) Cost of filing any required documents with another agency; and
 - (iv) Reasonable internal costs, including overhead, of processing and reviewing the required environmental documentation.

(12) Temporary Permits

- (a) An application for a permit which will be valid for thirty (30) days or less shall be assessed an initial permit fee of one-twelfth (1/12) the value calculated per section E below, or ~~\$339.16~~\$356.12, whichever is greater.

(13) Seasonal Cotton Gin Permits

- (a) The annual permit operating fees for permitted equipment at a seasonal cotton ginning operation (NAICS 115111) shall be one third the amount calculated in accordance with Schedule E below.

(14) Retail Gasoline Dispensing Equipment Minimum Fee

- (a) The annual permit operating fees for gasoline dispensing equipment shall be the greater of the fees calculated pursuant to Sections (E)(5) or (E)(6) as applicable.

(D) (Reserved)

(E) Schedules for Initial Permit Fee and Annual Permit Fee

(1) Schedule 1, Motor Horsepower

Any emission generating process using motors as a power source shall be assessed a permit fee based on the cumulative total rated horsepower of all equipment in the process train, with the exception of air pollution control or other equipment that may operate independently of the process, in accordance with the following schedule:

<u>HORSEPOWER RATING (hp)</u>	<u>INITIAL AND ANNUAL PERMIT FEE</u>
(a) Up to and including 40 hp	\$380.90 <u>\$399.95</u>
(b) 41 to and including 200 hp	\$130.47 <u>\$136.99</u> plus \$6.26 <u>\$6.57</u> per each hp
(c) 201 to and including 1,000 hp	\$787.91 <u>\$827.31</u> plus \$29.75 <u>\$31.24</u> per each 10 hp
(d) Greater than 1,000 hp	\$2,275.01 <u>\$2,388.76</u> plus \$14.87 <u>\$15.61</u> per each 10 hp

(2) Schedule 2, Fuel Burning Equipment

Any emission generating process in which fuel is burned, for the production of useful power, except for engine driven generators used for the intermittent production of electrical power not for resale, shall be assessed a permit fee based upon the design fuel consumption of the equipment expressed in British thermal units (Btu) per hour, using gross heating values of the fuel plus 2,550 Btu for each horsepower of associated motor driven equipment, in accordance with the following schedule:

<u>BRITISH THERMAL UNITS (BTU) PER HOUR</u>	<u>INITIAL AND ANNUAL PERMIT FEE</u>
(a) Up to and including 250,000 Btu	\$130.47 <u>\$136.99</u> plus \$184.39 <u>\$193.61</u> per each 100,000 Btu
(b) 250,001 to and including 1,000,000 Btu	\$330.49 <u>\$347.01</u> plus \$104.35 <u>\$109.57</u> per each 100,000 Btu
(c) 1,000,001 to and including 4,000,000 Btu	\$982.71 <u>\$1,031.85</u> plus \$39.12 <u>\$41.08</u> per each 100,000 Btu
(d) 4,000,001 to and including 10,000,000 Btu	\$1,295.79 <u>\$1,360.58</u> plus \$31.33 <u>\$32.90</u> per each 100,000 Btu
(e) 10,000,001 to and including 100,000,000 Btu	\$3,574.29 <u>\$3,753.00</u> plus \$85.24 <u>\$89.50</u> per each 1,000,000 Btu

(f) Greater than 100,000,000 Btu ~~\$9,922.76~~\$10,418.90 plus ~~\$21.76~~\$22.85 per each 1,000,000 Btu

(3) Schedule 3, Electrical Energy

Any emission generating process which uses electrical energy, with the exception of motors covered in Schedule 1, shall be assessed a permit fee based on the total kilovolt-ampere (kVA) ratings, in accordance with the following schedule:

<u>KILOVOLT-AMPERE (kVA)</u>	<u>INITIAL AND ANNUAL PERMIT FEE</u>
(a) Up to and including 45 kVA	\$349.58 <u>\$367.06</u>
(b) Greater than 45 kVA	\$333.95 <u>\$350.65</u> plus \$0.38 <u>\$0.40</u> per each kVA

(4) Schedule 4, Incinerator Equipment

Any equipment designed and used primarily to dispose of combustible refuse by wholly consuming the material charged leaving only the ashes or residue shall be assessed an initial and annual permit fee based on the maximum horizontal, inside, cross sectional area, in square feet, of the primary combustion chamber. The fee shall be ~~\$349.58~~\$367.06 plus ~~\$22.63~~\$23.76 per square foot.

(5) Schedule 5, Stationary Containers

Any stationary tank, reservoir, or other container with the exception of stationary storage tanks covered in Schedule 6 (subsection (E)(6)) herein, shall be assessed a permit fee on the following schedule of capacities in gallons or cubic equivalent:

<u>GALLONS</u>	<u>INITIAL AND ANNUAL PERMIT FEE</u>
(a) Up to and including 10,000 gallons	\$333.95 <u>\$350.65</u>
(b) 10,001 to and including 100,000 gallons	\$290.45 <u>\$304.97</u> plus \$4.37 <u>\$4.59</u> per each 1,000 gallons
(c) 100,001 to and including 2,000,000 gallons	\$640.07 <u>\$672.07</u> plus \$8.52 <u>\$8.95</u> per each 10,000 gallons
(d) Greater than 2,000,001 gallons	\$1,913.26 <u>\$2,008.92</u> plus \$21.56 <u>\$22.64</u> per each 100,000 gallons

(6) Schedule 6, Retail Gasoline Dispensing Equipment

Any fueling equipment used to dispense gasoline (as defined in District Rule 461 subsection (B)(2)) at a single retail location, including but not limited to, stationary gasoline storage tanks, dispensers, and vapor recovery systems where required, shall be assessed an initial and annual permit fee in accordance with the following schedule:

(a) ~~\$54.61~~\$57.34 per single product nozzle.

- (b) ~~\$54.61~~\$57.34 per product for each multi-product nozzle.

(7) Schedule 7, Miscellaneous Permit Fees

Permits to operate the following equipment shall be assessed an initial and annual permit fee in accordance with the following schedule:

- (a) Each permit of a dry cleaning device: ~~\$339.16~~\$356.12.
- (b) Test Stand, Intermittent: ~~\$339.16~~\$356.12.
- (c) Spray coating equipment operated outside of a control enclosure: ~~\$339.16~~\$356.12.
- (d) Vapor degreasing equipment using non-Volatile Organic Compound (VOC) material only: ~~\$339.16~~\$356.12.
- (e) Portable abrasive blasting equipment: ~~\$339.16~~\$356.12.
- (f) Mobile asphalt or coal tar pitch roofing equipment with a capacity greater than 500 gallons: ~~\$339.16~~\$356.12.
- (g) Internal combustion engines of greater than or equal to fifty (50) brake horsepower driving electrical generators which meet any of the following criteria:
 - (i) Used at facilities normally serviced with commercial power, where the generators are used exclusively as emergency units during loss of commercial power: ~~\$339.16~~\$356.12.
 - (ii) Used at facilities normally serviced with an alternative energy supply including, but not limited to, photovoltaic power, where the generators are used exclusively as emergency units during loss of such alternative energy source but no more than 200 hours total per year: ~~\$339.16~~\$356.12.
 - (iii) Used to drive a fire pump or deluge pump that is used exclusively during fire emergency or testing: ~~\$339.16~~\$356.12.
- (h) Air Pollution Control Devices: ~~\$304.37~~\$319.59
 - (i) Air Pollution Control Devices for the purpose of this subsection are those devices which are not a part of the basic process train. For the purposes of this subsection such devices do not include product separators.
 - (ii) Collection systems and conveyors associated with Air Pollution Control Devices as defined in this subsection shall not be considered as part of the air pollution control device.

- (i) Any piece of equipment which has the potential to emit pollutants, but not included elsewhere in these schedules: ~~\$339.16~~\$356.12.
- (j) Each enclosure in which aerospace coating or stripping is performed which vents to atmosphere through more than one exhaust filtration system: ~~\$1,675.83~~\$1,759.62.

(8) Schedule 8, Direct-Fired Production Equipment

Any emission generating process in which fuel is burned in combination with other materials for the purpose of producing a salable product, shall be assessed a permit fee based on the total equivalent fuel consumption of the equipment expressed in British thermal units (Btu) per hour, using gross heating values of the fuel plus 2,550 Btu for each horsepower of associated motor driven equipment, in accordance with the following schedule:

<u>BRITISH THERMAL UNITS (BTU) PER HOUR</u>	<u>INITIAL AND ANNUAL PERMIT FEE</u>
(a) Up to and including 250,000 Btu	\$130.47 <u>\$136.99</u> plus \$184.39 <u>\$193.61</u> per each 100,000 Btu
(b) 250,001 to and including 1,000,000 Btu	\$330.49 <u>\$347.01</u> plus \$104.35 <u>\$109.57</u> per each 100,000 Btu
(c) 1,000,001 to and including 4,000,000 Btu	\$982.71 <u>\$1,031.85</u> plus \$39.12 <u>\$41.08</u> per each 100,000 Btu
(d) 4,000,001 to and including 10,000,000 Btu	\$1,295.79 <u>\$1,360.58</u> plus \$31.33 <u>\$32.90</u> per each 100,000 Btu
(e) 10,000,001 to and including 100,000,000 Btu	\$3,574.29 <u>\$3,753.00</u> plus 85.24 per each 1,000,000 Btu
(f) Greater than 100,000,000 Btu	\$9,922.76 <u>\$10,418.90</u> plus \$21.76 <u>\$22.85</u> per each 1,000,000 Btu

(9) Schedule 9, Engine Driven Electric Generators

Generators used for the intermittent generation of electricity, other than for resale, where such generators provide power at the facility to assure continued operational capability should there be a loss of commercial power and/or to obtain a favorable commercial rate schedule shall be assessed a permit fee based upon the design fuel consumption of the equipment expressed in British thermal units (Btu) per hour, using gross heating values of the fuel, in accordance with the following schedule:

<u>BRITISH THERMAL UNITS (BTU) PER HOUR</u>	<u>INITIAL AND ANNUAL PERMIT FEE</u>
(a) Up to and including 250,000 Btu	\$130.47 <u>\$136.99</u> plus \$184.39 <u>\$193.61</u> per each 100,000 Btu
(b) 250,001 to and including 1,000,000 Btu	\$330.49 <u>\$347.01</u> plus \$104.35 <u>\$109.57</u> per each 100,000 Btu

(c) 1,000,001 to and including 4,000,000 Btu	\$982.71 <u>\$1,031.85</u> plus \$39.12 <u>\$41.08</u> per each 100,000 Btu
(d) 4,000,001 to and including 10,000,000 Btu	\$1,295.79 <u>\$1,360.58</u> plus \$31.33 <u>\$32.90</u> per each 100,000 Btu
(e) 10,000,001 to and including 100,000,000 Btu	\$3,574.29 <u>\$3,753.00</u> plus \$85.24 <u>\$89.50</u> per each 1,000,000 Btu
(f) Greater than 100,000,000 Btu	\$9,922.76 <u>\$10,418.90</u> plus \$21.76 <u>\$22.85</u> per each 1,000,000 Btu

(10) Schedule 10, Stand-By Equipment

Equipment used exclusively to provide continued operation of a process during maintenance or repair of an existing piece of regularly permitted equipment, shall be assessed an initial and annual permit fee of fifty percent (50%) of the appropriate fee schedule for that type of equipment or ~~\$304.37~~\$319.59, whichever is the greater.

(11) Schedule 11, Landfills

Any landfill required to install a gas collection system pursuant to the provisions of 40 CFR 60 Subpart Cc (commencing with 40 CFR 60.30c) or 40 CFR 60 Subpart WWW (commencing with 40 CFR 60.750) or 40 CFR Subpart XXX (commencing with 40 CFR 60.760), shall be assessed an initial and annual permit fee of ~~\$1,675.83~~\$1,759.62 per gas collection facility.

[SIP: Not in SIP.]

(Adopted: 11/20/89; Effective Date: 01/01/90;
Amended: 06/22/15; Amended: 06/27/16;
Amended: 06/26/17; Amended: 06/25/18, 08/27/18;
Amended: 06/24/19; Amended: 08/24/20)

Rule 302 Other Fees

(A) General

(1) Purpose

- (a) This rule sets forth fees which may be charged for various activities, documents and services, including but not limited to, provision of publications, performing analysis, filing, evaluation and enforcement of plans and State Mandated Fees.

(2) Applicability

- (a) This rule applies to

- (i) Any person subject to a fee listed herein.
- (ii) Any of the following governmental entities subject to a fee listed herein.
 - a. Federal, state and local government agencies or public districts shall pay the fees to the extent allowed pursuant to the provisions of Chapter 2, Division 7, Title 1 of the Government Code (commencing with Section 6103); Part 4, Division 26 of the Health and Safety (H&S) Code (commencing with Section 41500) and Part 6, Division 26 of the H&S Code (commencing with Section 44300).

(B) Definitions

The definitions contained in District Rule 102 shall apply unless the term is otherwise defined herein:

- (1) “Demolition Project” – The wrecking or taking out of any load-supporting structural member of a Structure subject to 40 CFR 61, Subpart M together with any related handling operations, or the intentional burning of such Structure.
- (2) “Installation” – Any building or structure or any group of buildings or structures at a single Demolition Project or Renovation Project site that are under control of the same owner or operator (or owner or operator under common control).
- (3) “Plan or Report” – A document required to be submitted to the District by District rule or regulation; or state or federal law or regulation, providing a description of

actions or procedures necessary to accomplish the particular objective and containing those items set forth in the underlying requirement.

- (4) “Solar Project” – Any facility converting sunlight into electricity, including directly with photovoltaic cells and indirectly by using sunlight to heat a working fluid.”
- (45) “Source Test Protocol” – A test work plan or protocol includes a process description, field sampling methods, analytical test methods, test schedules, equipment calibration and a results presentation format used to determine the type and quantity of pollutants emitted from sources by sampling the effluent stream.
- (56) “Source Test Report” – A document that provides the analytical results from an emission source test used to determine the type and quantity of pollutants emitted from sources by sampling the effluent stream. The report should contain an executive summary, field sampling methods, analytical test methods, equipment calibration and a results presentation to determine the type and quantity of pollutants emitted from sources by sampling the effluent stream.
- (67) “Structure subject to 40 CFR 61, Subpart M” – Any institutional, commercial, public, industrial, or residential structure, Installation, or building (including any structure, Installation, or building containing condominiums or individual dwelling units operated as a residential cooperative, but excluding residential buildings having four (4) or fewer dwelling units); any ship; and any active or inactive waste disposal site. For the purposes of this definition, any building, structure, or Installation that contains a loft used as a dwelling is not considered a residential structure, installation, or building. Any structure, Installation or building that was previously subject to 40 CFR 61, Subpart M is not excluded, regardless of its current use or function.
- (78) “Renovation Project” – Altering a Structure subject to 40 CFR 61, Subpart M or one or more Structure(s) subject to 40 CFR 61, Subpart M components in any way, including the removal of asbestos-containing material from a Structure subject to 40 CFR 61, Subpart M component. Operations in which load-supporting structural members are wrecked or taken out are Demolition Projects.

(C) Payments, Adjustments and Refunds

- (1) Fees shall be paid when due as specified herein.
 - (a) Analysis Fees and Monitoring Device Fees
 - (i) Analysis and Monitoring Device fees shall be invoiced as follows:
 - a. Directly by the entity retained by the District to perform the test and or analysis;
 - b. By the District within thirty (30) days of receipt of an invoice by the District for testing and/or analysis services; or
 - c. By the District within thirty (30) days of completion of the analysis of testing methodology and review of test results.

- (ii) If invoiced by the District, the person ordered to provide the analysis or test by the Air Pollution Control Officer (APCO) will be notified by First Class mail of the amount to pay and the due date of the invoice.
 - (iii) If the fee is not paid within thirty (30) days of the due date of the invoice shall constitute grounds for the denial, revocation or suspension of all permits to operate at sources subject to permit requirements and shall constitute a violation of this rule for any source, whether or not subject to permit requirements.
- (b) Asbestos Demolition/Renovation Fees
- (i) Asbestos Demolition/Renovation Fees shall be paid at the time of the submittal of the Demolition or Renovation notification.
 - (ii) Permit fees for Air Pollution Control Devices shall be paid pursuant to the provisions of District Rule 301.
 - (iii) If subsequent charges for Asbestos Demolition/Renovation Fees apply the District shall be invoiced within ten (10) days of the change resulting in the subsequent charges as follows:
 - a. The invoice shall be sent via First Class mail to the person submitting the notification at the address listed therein.
 - b. Payment of the fees shall be due thirty (30) days from the date of mailing.
 - c. If the fee is not paid within thirty (30) days of the due date of the invoice shall constitute grounds for the denial, revocation or suspension of all permits to operate at sources subject to permit requirements and shall constitute a violation of this rule for any source, whether or not subject to permit requirements.
- (c) Asbestos Waste Disposal Site Fees
- (i) Asbestos Waste Disposal Site Fees shall be invoiced and paid at the same time and in the same manner as permit fees set forth in District Rule 301.
- (d) Certificate of Occupancy Fee
- (i) Certificate of Occupancy Fee, if applicable, shall be paid prior to delivery of the official documentation showing the District's approval of the Certificate of Occupancy.
- (e) Emission Reduction Credit (ERC) Fees
- (i) The initial fee for the issuance, encumbrance, transfer or reclassification of ERCs shall be paid upon submission of the application for issuance, encumbrance, transfer or reclassification.
 - (ii) Analysis fees, if applicable, for the issuance of ERCs shall be invoiced within ten (10) days of the completion of the analysis as follows:

- a. The invoice shall be sent via First Class mail to the applicant.
- b. Payment of the fees shall be due thirty (30) days from the date of mailing.
- c. If the fee is not paid within thirty (30) days of the due date of the invoice shall refrain from issuing the ERCs.

(f) Plan and Report Fees

- (i) Plan and Report filing and evaluation fees shall be paid at the time of submission of the Plan or Report.
- (ii) If a Plan or Report analysis exceeds two (2) hours of District staff time then the District shall invoice the fee within ten (10) days of completion of the analysis but prior to the issuance of the approval of the Plan or Report.
 - a. The invoice shall be sent via First Class mail to the contact person indicated in the Plan or Report.
 - b. Payment of Plan or Report analysis Fee shall be due in thirty (30) days from the date of mailing.
 - c. If the fee is not paid within thirty (30) days of the due date of the invoice then the District shall refrain from approving the Plan or Report.
- (iii) If a Plan or Report requires an annual renewal the District shall invoice the renewal fee at least thirty (30) days prior to the expiration date.
 - a. The invoice shall be sent via First Class mail to the contact person indicated in the Plan or Report.
 - b. Payment of annual review fee shall be due in thirty (30) days from the date of mailing.
 - c. Fees not paid within thirty (30) days of the due date of the invoice shall constitute grounds for the denial, revocation or suspension of all permits to operate at sources subject to permit requirements and shall constitute a violation of this rule for any source, whether or not subject to permit requirements.

(g) Publication Fees

- (i) Publication fees shall be paid prior to the delivery of the publication requested.

(h) State Mandated Fees

- (i) State Mandated Fees shall be due and paid as specified in the regulation which imposes the mandate and allows the District to collect the state imposed fees for such mandate.

(2) Credit Card Payments

- (a) Fees may be paid by credit card directly from the District website.

- (b) If any person wishes to pay using a credit card, the person shall also pay any costs imposed by the company processing the credit card transaction.

(3) Refunds

- (a) Fees set forth in this rule are non-refundable unless otherwise listed below.

- (b) Asbestos Fee Refunds

- (i) Applicants who have paid Asbestos Fees and submitted a notification for a project that is subsequently not accomplished, may request a refund of the fee.
- (ii) The amount of the refund shall be calculated as the fee paid minus any amount expended by the District in labor to review, analyze, inspect or otherwise deal with the notification at the hourly labor rate specified in District Rule 301 subsection (C)(2)(c)(i) or the fee paid minus one (1) hour at the specified labor rate, whichever amount is less.

- (c) ERC Fee Refunds

- (i) If an application for the issuance of ERCs is withdrawn by the applicant within sixty (60) days of the date of the submittal of the application, the applicant shall be entitled to a refund of sixty percent (60%) of the application fee.

(4) Service Charge for Returned Checks

- (a) Any person who submits a check to the District on insufficient funds or on instructions to stop payment on the check, absent an overcharge or other legal entitlement to withhold payment, shall be subject to a \$25.00 service charge.

(D) Analysis Fees

- (1) Any person ordered by the APCO to provide an analysis of materials used by, or the determination of emissions from, any source of air contaminants shall pay all direct costs associated with such tests as invoiced by the entity which is retained by the District or retained by the owner/operator to perform the tests.
- (2) Any owner or operator of a facility from whom the District collects a sample shall pay all direct costs associated with such tests as invoiced by the entity which is retained by the District to perform the tests.
- (3) Any person subject to the provisions of subsection (D)(1) or (2) above shall also be assessed a fee for the reasonable time required by District staff to review the testing methodology and results.
 - (a) Such fee shall be calculated at the hourly labor rate specified in District Rule 301 subsection (C)(2)(c)(i) plus actual expenses.

- (4) Data and sample collection methods, analysis methods and the qualifications of testing personnel or firms shall be determined by the APCO.

(E) Asbestos Demolition/Renovation Fees

- (1) Any person who is required by the provisions of the National Emissions Standards for Hazardous Air Pollutants (NESHAP) for Asbestos as set forth in 40 Code of Federal Regulations, Part 61 (40 CFR 61), Subpart M, (and as adopted by reference in District Rule 1000 subsection (C)(2)(m)) to submit a written notice of intention to demolish, including but not limited to Demolitions Projects where no asbestos is present, and/or Demolition Projects by fire, shall pay a fee of ~~\$146.00~~\$153.00.

- (a) This fee may be waived by the APCO in those cases where a single notification is submitted for a Renovation and subsequent Demolition on the same building, provided that the notification meets all the requirements of 40 CFR 61, Subpart M for both projects.

- (2) Any person who is required by the provisions of the National Emissions Standards for Hazardous Air Pollutants (NESHAP) for Asbestos as set forth in 40 Code of Federal Regulations, Part 61 (40 CFR 61), Subpart M, (and as adopted by reference in District Rule 1000 subsection (C)(2)(m)) to submit a written notice of intention to renovate or abate shall pay a fee calculated as follows:

- (a) For Renovation projects involving the removal or stripping of more than 260 linear feet of pipe but less than 1,600 linear feet of pipe; or more than 160 square feet of material but less than 1,000 square feet of material, a fee of ~~\$318.00~~\$334.00, except as noted in subsection (E)(3).
- (b) For Renovation projects involving the removal or stripping of 1,600 linear feet or more of pipe but less than 8,000 linear feet of pipe; or 1,000 square feet or more of material but less than 5,000 square feet of material, a fee of ~~\$550.00~~\$578.00, except as noted in subsection (E)(3).
- (c) For Renovation projects involving the removal or stripping of 8,000 linear feet or more of pipe or 5,000 square feet or more of material, a fee of ~~\$550.00~~\$578.00 plus ~~\$232.00~~\$244.00 for each 8,000 lineal feet of pipe or fraction thereof over 8,000 lineal feet of pipe and for each 5,000 square feet of material or fraction thereof over 5,000 square feet of material, except as noted in subsection (E)(3).

(3) Calculation of Linear Footage

- (a) Where the outside diameter of piping insulation (wrapping) is greater than 2.35 inches, the calculation of linear footage of pipe shall be converted to square footage, the square footage of material involved to be calculated using the following equation:

$$A = \frac{3.14159 \times L \times D}{12}$$

Where:

- A = Area in square feet
- L = Linear length of piping in feet
- D = Outside diameter of pipe insulation (wrap) in inches

Such projects shall thereafter be evaluated in terms of square footage and the appropriate fee determined on the basis of total amount of material in square feet.

(4) Permit Requirements

- (a) Each High-Efficiency Particulate Arrestance (HEPA) filter or other control device used to ventilate a work area must obtain a Permit to Operate and pay the applicable fees pursuant to District Rule 301 subsections (C)(1) and (E)(7)(h) for an air pollution control device. This permit is good for one (1) year from the date issued and may be used on any project within the District as long as the project notification contains a copy of the Permit to Operate.

(5) Subsequent Charges

- (a) If in the course of a Renovation Project pursuant to 40 CFR 61, Subpart M, it is determined that the project involves the removal or stripping of material such that the project requires a greater fee than was initially proposed, the owner or operator shall pay the balance of the fee.
- (b) If an owner/operator fails to report a change in any date as required by Rule 40 CFR 61, Subpart M, and the APCO determines that such failure necessitated expenditure of additional time by the District, over and above that upon which the fee is based, then the owner or operator shall pay an additional fee at the hourly labor rate specified in District Rule 301 subsection (C)(2)(c)(i), billable in quarter hour increments.

(F) Asbestos Waste Disposal Site Fees

- (1) The owner/operator of an asbestos waste disposal site subject to the provisions of the NESHAP for Asbestos as set forth in 40 CFR 61, Subpart M (and as adopted by reference in District Rule 1000 subsection (C)(2)(m)) including but not limited to; active and inactive landfills; incinerators; and convection or destruction processes, shall be assessed a fee to cover the cost of the review and evaluation of plans required by law or by District rules or regulations and any inspection and monitoring requirements related thereto.
 - (a) For each facility performing disposal of asbestos-containing material for manufacturing, fabricating, demolition, renovation and/or spraying

operations, the owner or operator shall pay, in addition to the fees of District Rule 301, a fee of ~~\$1,159.00~~\$1,217.00 per year.

- (b) For each waste disposal site actively receiving asbestos-containing material for disposal which is not covered by subsection (F)(1)(a) above, the owner/operator shall pay, in addition to the applicable fees pursuant to District Rule 301 and any applicable fees pursuant to subsection (J)(4), a fee of ~~\$1,159.00~~\$1,217.00 per year.
- (c) For each waste disposal site not actively receiving asbestos containing material for disposal but where asbestos-containing waste material was deposited, the owner/operator shall pay in addition to the applicable fees pursuant to District Rule 301 and any applicable fees pursuant to subsection (J)(4), a fee of ~~\$232.00~~\$244.00 per year.

(G) Certificate of Occupancy Fee

- (1) Any person required to obtain a final Certificate of Occupancy from a city or county within the District shall pay a fee of ~~\$116.00~~\$122.00 to the District for review of the project to ensure that the applicable portions of Regulation II – *Permits* and Regulation XIII – *New Source Review* have been met.
 - (a) This fee shall not apply to a Certificate of Occupancy required for residential structures or for any review taking less than one (1) hour of staff time to perform.

(H) Emissions Reduction Credit (ERC) Fee

- (1) Any person applying for the issuance, transfer encumbrance and/or reclassification of Emissions Reduction Credits (ERC) pursuant to the provisions of District Rule 1402 shall pay a fee as follows:
 - (a) Any person submitting an application for ERCs pursuant to District Rule 1402 subsection (B)(1) shall pay an initial fee of ~~\$405.00~~\$425.00 for each application submitted, and shall pay an analysis fee based upon the actual and reasonable labor time in excess of two (2) hours of labor, billed at the hourly labor rate specified in District Rule 301 subsection (C)(2)(c)(i).
 - (b) Any person submitting a document effecting an encumbrance of or transfer of ERCs pursuant to District Rule 1402 subsection (D)(2) - (4) shall pay a fee of ~~\$87.00~~\$91.00 for each document submitted.
 - (c) Any person who has received notification that the APCO has approved the reclassification of Class “B” ERCs to Class “A” ERCs shall pay a processing fee of ~~\$59.00~~\$62.00 at the time the affected Class “B” ERC certificates are submitted for conversion to Class “A” ERC certificates.

- (2) The District will not accept, process or issue an ERC certificate, record an encumbrance or process a transfer unless and until all applicable fees are paid in full.

(I) Monitoring Device Fees

- (1) Any owner/operator of a Facility with a Continuous Emissions Monitoring System (CEMS), Continuous Opacity Monitoring System (COMS), Continuous Emission Rate Monitoring System (CERMS) or other monitoring system required by state or federal law or District rule shall be assessed a fee to cover the costs of District activities related to insuring that such devices are functioning properly. District activities include but are not limited to the inspection, certification testing, review of certification testing, review of data for quality assurance, and assistance in investigating system malfunctions.
- (2) Any owner/operator of a Facility with a CEMS, COMS, CERMS or other monitoring system required by state or federal law or District rule required to certify that such devices are functioning properly shall pay all direct costs associated with such tests as invoiced by the entity which is retained by the owner/operator to perform the tests.
- (3) Such Monitoring Device Fee shall be calculated based upon the reasonable time required by District staff to perform the activities at the hourly labor rate specified in District Rule 301 subsection (C)(2)(c)(i) plus actual expenses.

(J) Plan and Report Analysis Fees

- (1) Air Toxics Plan and Report Analysis Fees
 - (a) Any person required to submit a Comprehensive Emissions Inventory Report (CEIR), Health Risk Assessment Plan, Health Risk Assessment, Risk Reduction Plan or Risk Reduction and Audit Plan pursuant to the provisions of District Rule 1320 or 1520 shall be assessed a Plan and Report Analysis Fee to cover the reasonable costs and time required for District staff to review and approve of the documentation submitted which exceeds two (2) hours.
 - (b) Such fee shall be calculated at the hourly labor rate specified in District Rule 301 subsection (C)(2)(c)(i) plus actual expenses.

- (2) Dust Control Plans
- (a) Any person who is required to submit a Dust Control Plan (DCP) pursuant to the provisions of District Regulation IV, enforcement action, or at the direction of the APCO shall be assessed a plan filing and evaluation fee of ~~\$604.00~~\$634.20.
- (i) Upon termination of construction activities, if a site stability evaluation is performed, the person holding the DCP shall be assessed an inspection fee of ~~\$263.00~~\$276.15.
- (b) Any person required to resubmit the DCP annually pursuant to the provisions of District Regulation IV, enforcement action, or at the direction of the APCO shall be assessed a plan resubmission filing and evaluation fee of ~~\$263.00~~\$276.15.
- (c) If a site inspection for compliance with the provisions of Regulation IV or the applicable DCP is performed, the person holding the DCP may be assessed a site inspection fee of ~~\$263.00~~\$276.15.
- (3) Source Test Protocol and Source Test Report Review Fees
- (a) Any person required to submit a Source Test Protocol or Source Test Report to the District pursuant to the provisions of any by District rule or regulation; or state or federal law or regulation shall be assessed a Source Test Protocol or Source Test Report Review Fee to cover the reasonable costs and time required for District staff to review and approve of the documentation submitted which exceeds two (2) hours.
- (b) Such fee shall be calculated at the hourly labor rate specified in District Rule 301 subsection (C)(2)(c)(i) plus actual expenses.
- (4) Solid Waste Disposal Site Fees
- (a) Any owner/operator of a solid waste disposal site subject to H&S Code Section 41805.5 which is required to submit a Solid Waste Assessment Test (SWAT) Plan for District approval prior to conducting tests shall pay a filing fee of ~~\$116.00~~\$122.00.
- (b) Any owner/operator required to submit a SWAT Report following the completion of testing shall pay a filing fee of ~~\$116.00~~\$122.00.
- (c) Any owner/operator required to submit a SWAT Plan or Report shall also be assessed a SWAT Plan/Report Evaluation Fee.
- (i) Such SWAT Plan/Report Evaluation Fee shall be calculated based upon the reasonable time required by District staff to review the applicable plan or report at the hourly labor rate specified in District Rule 301 subsection (C)(2)(c)(i) plus actual expenses.

(5) California Business & Professions Code Division 10 Compliance Plan (B&P Div. 10 Compliance Plan)

(a) Any operation regulated under Division 10 of the California Business & Professions Code shall file a B&P Div. 10 Compliance Plan no later than 10 days prior to the commencement of operations, within 10 days of any substantive change in the information provided in the B&P Div. 10 Compliance Plan, and annually prior to the expiration date of the B&P Div. 10 Compliance Plan.

(i) Such B&P Div. 10 Compliance Plan shall include information that is reasonably designed to ensure the ability to enforce provisions of Division 26 of the California Health & Safety Code and applicable District Rules and Regulations as specified on the most recent official B&P Div. 10 Compliance Plan form issued by the APCO.

(b) Any person filing a B&P Div. 10 Compliance Plan shall be assessed an annual Plan fee based on facility square footage. The fee shall be ~~\$0.16~~\$0.17 per square foot.

(i) Fees shall be submitted in conjunction with the submission of the Plan.

(ii) Annual renewal fee shall be invoiced at least 30 days before the expiration date.

(iii) A Plan update fee will not be required in conjunction with the submission of an update to the B&P Div. 10 Compliance Plan that is submitted not in conjunction with the annual renewal.

(6) Solar Project Permit Fees

(a) Solar Projects shall be assessed a permit fee based on the actual acreage of the permit unit in accordance with the following schedule:

<u>ACREAGE (AC)</u>	<u>FEE</u>
<u>(a) 10 or greater but less than 50</u>	<u>\$3,220</u>
<u>(b) 50 or greater but less than 100</u>	<u>\$8,041</u>
<u>(c) 100 or greater but less than 200</u>	<u>\$10,131</u>
<u>(d) 200 or greater but less than 300</u>	<u>\$12,222</u>
<u>(e) 300 or greater but less than 400</u>	<u>\$14,311</u>
<u>(f) 400 or greater but less than 500</u>	<u>\$16,401</u>
<u>(g) 500 or greater but less than 1,000</u>	<u>\$18,745</u>
<u>(h) 1,000 or greater but less than 2,000</u>	<u>\$20,836</u>

<u>(i) 2,000 or greater but less than 3,000</u>	<u>\$25,300</u>
<u>(j) 3,000 or greater but less than 4,000</u>	<u>\$32,200</u>
<u>(k) 4,000 or greater but less than 5,000</u>	<u>\$41,400</u>
<u>(l) 5,000 or greater</u>	<u>\$52,900</u>

(K) Fees for District Publications

- (1) Any person receiving a publication for which a fee is charged shall be assessed the designated fee.
 - (a) The APCO shall designate those publications, including information circulars, reports of technical work, or other reports, prepared by the District for which a fee shall be charged.
 - (b) Such fee shall be established by the APCO in a sum not to exceed the cost of preparation and distribution of such documents. Such fees shall be deposited in the general funds of the District.
 - (c) Any person shall be entitled to receive one (1) copy of any District publication without charge.
 - (d) Nothing in this subsection shall be construed to limit the rights of any person or of the District pursuant to the California Public Records Act as set forth in Chapter 3.5, Division 7 of Title 1 (commencing with §6250) of the Government Code.

(L) State Mandated Fees

- (1) Air Toxics “Hot Spots” Information and Assessment Fees
 - (a) Any person subject to the provisions of the Air Toxics “Hot Spots” Information and Assessment Act as amended (H&S Code §§44300 et seq.) and the regulations promulgated thereunder shall be assessed an annual fee for the various state level components required by the Act. The fee schedule is set by the California Air Resources Board (CARB) and authorizes collection of the fee by the District pursuant to the provisions of the adopting regulation.
- (2) Nonvehicular Source Fees
 - (a) Any person subject to the provisions of Subchapter 3.8 of Division 3 of Title 17 of the California Code of Regulations, commencing with §90800 shall pay an annual fee as authorized by the provisions of the regulation. The fee schedule is set by CARB and authorizes collection of the fee by the District pursuant to the provisions of the adopting regulation.

(3) Portable Equipment Inspection

- (a) Any person subject to the Statewide Portable Equipment Registration Program (PERP) established by CARB pursuant to the provisions of H&S Code §§ 41750 et seq. and the regulations promulgated there under shall pay an inspection fee in the amount set forth in regulation for each registered portable engine or equipment unit inspected by the District.

(4) Other State Mandated Fees

- (a) Any person subject to the provisions of a state adopted regulation or rule that assesses a fee to cover District costs for implementing such regulation and authorizes the collection of the fee by the District shall be assessed such fee pursuant to the provisions of the adopting regulation.

This page intentionally left blank.

Rule 303

Hearing Board Fees

(A) General

- (1) Purpose
 - (a) To set forth fees required for various proceedings brought before the Hearing Board.
- (2) Applicability
 - (a) This rule applies to all applicants or petitioners bringing proceedings before the Hearing Board including, but not limited to, Federal, State or local government agencies or public districts.
 - (b) This rule shall not apply to petitions filed by the Air Pollution Control Officer (APCO).

(B) Fees

- (1) Filing Fees
 - (a) Every applicant or petitioner in a proceeding before the Hearing Board shall pay to the Hearing Board, at the time of filing, a Filing Fee of ~~\$522.00~~\$548.00 for each petition or application.
- (2) Daily Appearance Fee
 - (a) In addition to the Filing Fee, each petitioner or applicant with a proceeding (designated by a case number) before the Hearing Board shall pay a Daily Appearance Fee of ~~\$637.00~~\$669.00 per hearing day.
 - (i) This fee shall apply to the initial appearance before the full Hearing Board and all following appearances which pertain to the same proceeding as designated by case number.
 - (ii) After the initial appearance, the Daily Appearance Fee shall be waived for any appearance (pertaining to the same proceeding) which has duration of less than one (1) hour.
 - (iii) This fee shall apply regardless of the duration of the hearing, when the applicant is requesting a modification to an order for abatement.

- (iv) This fee does not apply to single member hearings provided pursuant to Health & Safety Code §§ 40824, 40285, 42351.5 or 42359.5.
- (3) Publication Fees
 - (a) Upon demand and in addition to the payment of the foregoing fees, every petitioner for relief which requires published notice shall pay a fee to cover the actual cost of publication(s) of notice of hearing.
- (4) Group Variance Fees
 - (a) Each petitioner included in a petition for a group variance shall pay the Filing Fee and the Excess Emissions Fee.
 - (b) The Daily Appearance Fee and the Publication Fee shall be totaled and divided equally among the petitioners.
 - (c) A Product Variance shall be treated as a single entity variance for the purpose of this section.
- (5) Transcript Fees
 - (a) Any person requesting a transcript of the hearing shall pay the cost of such transcript. The parties to hearings and prehearing proceedings may be directed by the Hearing Board to pay the cost of transcripts necessary for the Hearing Board's determination of the matter, in such proportion as the Hearing Board may order.
- (6) Excess Emission Fee
 - (a) Each applicant or petitioner for a variance from these rules and regulations shall pay to the District, if ordered by the Hearing Board, an Excess Emission Fee based on the total amount of emissions discharged.
 - (i) This fee shall be calculated in accordance with the schedule set forth in Table I.
 - (ii) Where the total excess emissions cannot be readily calculated, the petitioner shall work in concert with District staff to establish the amount of Excess Emission Fees to be paid. In cases where District staff determines calculations or estimations cannot be made the petitioner shall pay the Minimum Excess Emission Fee as set forth in subsection (B)(6)(c).
 - (iii) In the event that more than one (1) rule limiting the discharge of the same contaminant are violated, the Excess Emission Fee shall consist of the fee for violation which will result in the payment of the greater sum. For the purposes of this subsection opacity rules and particulate mass emissions shall not be considered rules limiting discharge of the same contaminant.

- (iv) The Excess Emission Fee shall be calculated by the petitioner based upon the requested number of days of operation under variance multiplied by the expected excess emissions.
- (v) If the amount of the excess emissions fee is less than the Minimum Excess Emission Fee the applicant or petitioner shall pay the higher amount.
- (vi) The Hearing Board may adjust the Excess Emission Fee based on evidence regarding emissions presented at the time of the hearing.
- (vii) The provisions of this subsection shall apply only to those rules or permit conditions that specify quantitative emission limits.

(b) Excess Visible Emission Fee

- (i) Each applicant or petitioner for a variance from District Rule 401 or Health and Safety Code Section 41701 shall pay to the District, if ordered by the Hearing Board, a Excess Visible Emission Fee based on the difference between the percent opacity allowed by District Rule 401 and the percent opacity of the emissions allowed by the variance from the source or sources operating under variance in accordance with the schedule set forth in Table II.
- (ii) In the event that an applicant or petitioner is exempt from the provisions of District Rule 401, the applicant or petitioner shall pay a fee calculated based upon the difference between the opacity allowed by variance and the opacity allowed under the provisions of Health and Safety Code, Section 41701, in accordance with the schedule set forth in Table II.
- (iii) The Excess Visible Emission Fee shall be calculated by the petitioner based upon the requested number of days of operation under variance multiplied by the expected excess visible emissions.
- (iv) The Hearing Board may adjust the Excess Visible Emissions Fee based on evidence regarding emissions presented at the time of the hearing.

(c) Minimum Excess Emission Fee

- (i) When a variance is granted from a rule or rules which limit the discharge of air contaminants, such that an Excess Emission Fee is due, a fee of at least ~~\$116.00~~\$122.00 per day, per source of emissions, shall be imposed and remitted.

(C) Payments Adjustments and Refunds

(1) Adjustment of Fees

- (a) If after the term of a variance for which emissions fee have been paid, the applicant or petitioner can establish, to the satisfaction of the APCO, that the emissions were actually less than those upon which the fee was based,

or the Excess Emissions Fee calculations are otherwise incorrect, a pro rata refund shall be made.

- (i) If the adjusted Excess Emissions Fee is less than the Minimum Excess Emission Fee then the applicant or petitioner shall pay the higher amount, unless otherwise ordered by the Hearing Board.

(2) Discretionary Powers

- (a) Any person may allege that payment of any of the fees within this rule, excluding publication fees, will cause an unreasonable hardship, and may be excused from payment of such fees or a portion of such fees, by order of the Hearing Board if the Hearing Board, in its discretion, determines after hearing evidence thereon that payment of such fees would cause financial or other unreasonable hardship to the applicant or petitioner.

(3) Emission Fee Refund

- (a) In the event that the petition is withdrawn or the hearing is not held for any other reason, or the variance is denied, the applicant or petitioner shall be entitled to a full refund of the emission fees.

(4) Fee Payment

- (a) Filing Fees are due upon the filing of the petition.
- (b) Daily Appearance Fees and Publication Fees and Transcript are due and payable within fifteen (15) days of notification of the amount due. Petitioners shall be notified in writing of the amount due.
- (c) Excess Emissions Fees, Excess Visible Emissions Fees and Minimum Excess Emissions Fees as calculated on the petition, or ordered by the Hearing Board at the variance hearing, are due and payable within fifteen (15) days of notification of calculation and amount of such fee. Applicants or petitioners shall be notified in writing of the calculation and the amount due.
- (d) Adjustments increasing the amount of the Excess Emissions Fee, Excess Visible Emission Fee or Minimum Excess Emission Fee, following District staff's verification of the emissions are due and payable within fifteen (15) days of notification of the amount due. Petitioners shall be notified in writing of the amount due.
- (e) Notification may be given by personal service or by deposit in the First Class mail and shall be considered effective upon the date of personal service or five (5) days from the date of mailing.

- (f) For the purpose of this rule, the fee payment shall be considered to be received by the District if it is postmarked by the United States Postal Service on or before the expiration date stated on the billing notice. If the expiration date falls on a Saturday, Sunday, or a state holiday, the fee payment may be postmarked on the next business day following the Saturday, Sunday, or the state holiday with the same effect as if it had been postmarked on the expiration date.
 - (g) Invalidation for Failure to Pay Fees
 - (i) Failure to pay any fee when due shall automatically invalidate the variance.
 - (h) Request for Time Extension of Payment Due
 - (i) Whenever this rule requires fees to be paid by a certain date, in order to avoid invalidation of a variance or refusal of acceptance of other petitions, the applicant or petitioner may, for good cause, request the APCO to grant an extension of time, not to exceed ninety (90) days, within which the fees shall be paid. Any request for extension of time shall be presented in writing, and accompanied by a statement of reasons why the extension should be granted.
 - (i) The Hearing Board, upon good cause shown, may authorize incremental payments of Excess Emission Fees, Excess Visible Emission Fees or Minimum Excess Emission Fees.
 - (j) Service Charge for Returned Check
 - (i) Any person who submits a check to the District on insufficient funds or on instructions to stop payment on the check, absent an overcharge or other legal entitlement to withhold payment, shall be subject to a \$25.00 service charge.
- (5) Filing Fee Refunds
- (a) The Filing Fee or a portion of the Filing Fee may be refunded to the petitioner in the following circumstances:
 - (i) When the Hearing Board reverses the decision of the APCO in an appeal from denial or a conditional approval of a Authority to Construct or a Permit to Operate.
 - (ii) When the petition is withdrawn, and the applicant or petitioner notifies the Hearing Board in writing not less than four (4) days prior to the scheduled appearance, or the hearing is not held for any other reason, the applicant or petitioner shall be entitled to a refund of fifty percent (50%) of the filing fee.

(6) Waiver of Fees

- (a) All fees associated with this rule shall be waived for any petition for a variance filed as the result of any event declared to be a “state of emergency” by the local, state, or federal authorities.

TABLE I

SCHEDULE OF EXCESS EMISSIONS FEES

<u>AIR CONTAMINANT</u>	<u>DOLLARS PER TON</u>
Total organic gases, except those containing sulfur	\$116.00 <u>\$122.00</u>
Carbon monoxide	\$2.00
Oxides of nitrogen (expressed as nitrogen dioxide)	\$116.00 <u>\$122.00</u>
Oxides of sulfur (expressed as sulfur dioxide)	\$116.00 <u>\$122.00</u>
Particulate matter	\$116.00 <u>\$122.00</u>

This page intentionally left blank.

TABLE II

SCHEDULE OF EXCESS VISIBLE EMISSION FEE

For each source with opacity emissions in excess of twenty (20) percent, the allowable limit set forth in District Rule 401, or Section 41701 of the State Health and Safety Code, the fee is calculated as follows:

DISTRICT RULE 401

$$\text{Fee} = (\text{Opacity}^* \text{ equivalent} - 20) \times \text{number of days allowed by variance} \times \$3.00$$

HEALTH AND SAFETY CODE SECTION 41701

$$\text{Fee} = (\text{Opacity}^* \text{ equivalent} - 40) \times \text{number of days allowed by variance} \times \$3.00$$

*Where "Opacity" equals maximum opacity of emissions, in percent of equivalent opacity in terms of Ringelmann numbers, allowed by the variance.

This page intentionally left blank.

Appendix “B”
Public Notice Documents

1. Proof of Publication – Daily Press, 04/28/20
2. Proof of Publication – Riverside Press Enterprise, 05/04/20
3. Notice of Availability

This page intentionally left blank.

**NOTICE OF
AVAILABILITY OF
DRAFT RULE AND
PUBLIC HEARING
REGARDING
PROPOSED
AMENDMENTS TO
REGULATION III - FEES**

NOTICE IS HEREBY GIVEN that the Governing Board of the MDAQMD will hold a public hearing regarding proposed amendments to *Regulation III - Fees* (specifically Rules 301, 302, and 303) and place mentioned above to comply with the requirements of Health & Safety Code §42311(e). An additional public hearing will be held on June 22, 2020 at 10:00 A.M. at the same place mentioned above.

Overall increases in operating expenses require adjustments in permit fees from time to time. The MDAQMD is proposing a fee increase of 5.00% to recover the rising costs associated with issuing licenses and permits, performing investigations, inspections, and audits, and the administrative enforcement and adjudication thereof, with the 5.00% increase in fees pertaining to Rule 301 – *Permit Fees* effective January 1, 2021 while the 5.00% increase in fees pertaining to Rule 302 – *Other Fees* and Rule 303 – *Hearing Board Fees* effective upon adoption of the proposed amendments. Rule 302 is also proposed for amendment to provide cost recovery for regulation of fugitive dust emissions as a result of Solar Projects within District jurisdiction.

If you would like a copy of the proposed amendments you may request one by calling (760) 245-1661. A copy will be posted on the MDAQMD website at www.mdaqmd.ca.gov. You are also invited to submit comments on proposed amendments to *Regulation III - Fees*. Comments regarding the proposed amendments may be submitted via email to public-comments@mdaqmd.ca.gov with the Subject Title: Regulation III Comments.

Written comments should be received on or before June 18, 2020 in order to be considered with a response. If you have any questions, please feel free to contact Ms. Jean Bracy (760-245-1661 extension 6214) or Mr. Alan De Salvio at (760) 245-1661 extension 6726).

Published in the
Daily Press
May 8, 2020
(F-70)

THE PRESS-ENTERPRISE

1825 Chicago Ave, Suite 100
Riverside, CA 92507
951-684-1200
951-368-9018 FAX

**PROOF OF PUBLICATION
(2010, 2015.5 C.C.P.)**

Publication(s): The Press-Enterprise

PROOF OF PUBLICATION OF

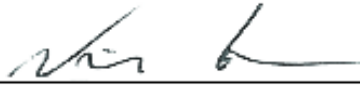
Ad Desc.: Reg III & Budget 2020 /

I am a citizen of the United States. I am over the age of eighteen years and not a party to or interested in the above entitled matter. I am an authorized representative of THE PRESS-ENTERPRISE, a newspaper in general circulation, printed and published daily in the County of Riverside, and which newspaper has been adjudicated a newspaper of general circulation by the Superior Court of the County of Riverside, State of California, under date of April 25, 1952, Case Number 54446, under date of March 29, 1957, Case Number 65673, under date of August 25, 1995, Case Number 267864, and under date of September 16, 2013, Case Number RIC 1309013; that the notice, of which the annexed is a printed copy, has been published in said newspaper in accordance with the instructions of the person(s) requesting publication, and not in any supplement thereof on the following dates, to wit:

05/08/2020

I certify (or declare) under penalty of perjury that the foregoing is true and correct.

Date: May 08, 2020
At: Riverside, California


Legal Advertising Representative, The Press-Enterprise

MOJAVE DESERT AQMD
14306 PARK AVE
ATTN: D. HERNANDEZ
VICTORVILLE, CA 92392

Ad Number: 0011382901-01

P.O. Number:

Ad Copy:



PUBLIC NOTICE
MOJAVE DESERT AIR QUALITY MANAGEMENT
DISTRICT

**NOTICE OF PUBLIC HEARING
PROPOSED BUDGET FOR FISCAL YEAR 2020-21**

NOTICE IS HEREBY GIVEN that the Governing Board of the Mojave Desert Air Quality Management District (MDAQMD) will hold a public hearing for the exclusive purpose of considering the Proposed Budget for Fiscal Year 2020-21. SAID HEARING may be conducted in the interests of public health and safety and in accordance with the guidelines set forth in the Governor's Order N-29-20 of March 7, 2020, via alternative means. Please see the application Governing Board Meeting Agenda of <https://www.mdaqmd.ca.gov/meetings/mtblmeeting-schedule> or call (760) 245-1661 extension 6244 for participation information.

DATE: June 8, 2020 **TIME:** 10:00 A.M.
LOCATION: 14306 Park Avenue, Victorville, CA 92392

Copies of the Proposed Budget for 2020-21 are posted online at www.mdaqmd.ca.gov. Paper copies may be ordered by written request and a check for \$2.00 made payable to the MDAQMD at 14306 Park Avenue, Victorville, CA 92392. An electronic copy may be obtained at no charge by e-mailing a request to jbracy@mdaqmd.ca.gov.

Contact Jean Bracy at (760) 245-1661, extension 6214 for further information.

NOTICE OF AVAILABILITY OF DRAFT RULE AND PUBLIC HEARING REGARDING PROPOSED AMENDMENTS TO REGULATION III - FEES

NOTICE IS HEREBY GIVEN that the Governing Board of the MDAQMD will hold a public hearing regarding proposed amendments to Regulation III - Fees (specifically Rules 301, 302, and 303) and plans mentioned above to comply with the requirements of Health & Safety Code §4231 (c). An additional public hearing will be held on June 22, 2020 at 10:00 A.M. at the same place mentioned above.

Overall increases in operating expenses require adjustments in permit fees from time to time. The MDAQMD is proposing a fee increase of 5.00% to recover the rising costs associated with issuing licenses and permits, performing investigations, inspections, and audits, and the administrative enforcement and adjudication thereof, with the 5.00% increase in fees pertaining to Rule 301 - Permit Fees effective January 1, 2021 while the 5.00% increase in fees pertaining to Rule 302 - Other Fees and Rule 303 - Hearing Board Fees effective upon adoption of the proposed amendments. Rule 302 is also proposed for amendment to provide cost recovery for regulation of fugitive dust emissions as a result of Solar Projects within District jurisdiction.

If you would like a copy of the proposed amendments you may request one by calling (760) 245-1661. A copy will be posted on the MDAQMD website at www.mdaqmd.ca.gov. You are also invited to submit comments on proposed amendments to Regulation III - Fees. Comments regarding the proposed amendments may be submitted via email to public-comments@mdaqmd.ca.gov with the Subject Title- Regulation III Comments.

Written comments should be received on or before June 10, 2020 in order to be considered with a response. If you have any questions, please feel free to contact Ms. Jean Bracy (760-245-1661 extension 6214) or Mr. Alan De Sa via call (760-245-1661 extension 6281).

500



PUBLIC NOTICE

MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT

NOTICE OF PUBLIC HEARING PROPOSED BUDGET FOR FISCAL YEAR 2020-21

NOTICE IS HEREBY GIVEN that the Governing Board of the Mojave Desert Air Quality Management District (MDAQMD) will hold a public hearing for the exclusive purpose of considering the Proposed Budget for Fiscal Year [2020-21](#). **SAID HEARING** may be conducted, in the interests of public health and safety and in accordance with the guidelines set forth in the Governor's Order N-29-20 of March 17, 2020, via alternative means. Please see the applicable Governing Board Meeting Agenda at <https://www.mdaqmd.ca.gov/meetings/meeting-schedule> or call (760) 245-1661 extension 6244 for participation information.

DATE: [June 8, 2020](#) **TIME:** **10:00 A.M.**
LOCATION: **14306 Park Avenue, Victorville, CA 92392**

Copies of the Proposed Budget for [2020-21](#) are posted on line at www.mdaqmd.ca.gov. Paper copies may be ordered by written request and a check for \$3.50 made payable to the MDAQMD at 14306 Park Avenue, Victorville, CA 92392. An electronic copy may be obtained at no charge by e-mailing a request to jbracy@mdaqmd.ca.gov.

Contact Jean Bracy at (760) 245-1661, extension 6214 for further information.

NOTICE OF AVAILABILITY OF DRAFT RULE AND PUBLIC HEARING REGARDING PROPOSED AMENDMENTS TO *REGULATION III - FEES*

NOTICE IS HEREBY GIVEN that the Governing Board of the MDAQMD will hold a public hearing regarding proposed amendments to *Regulation III - Fees* (specifically Rules 301, 302, and 303) and place mentioned above to comply with the requirements of Health & Safety Code §42311(e). An additional public hearing will be held on [June 22, 2020 at 10:00 A.M.](#) at the same place mentioned above.

Overall increases in operating expenses require adjustments in permit fees from time to time. The MDAQMD is proposing a fee increase of 5.00% to recover the rising costs associated with issuing licenses and permits, performing investigations, inspections, and audits, and the administrative enforcement and adjudication thereof, with the 5.00% increase in fees pertaining to Rule 301 – *Permit Fees* effective January 1, 2021 while the 5.00% increase in fees pertaining to Rule 302 – *Other Fees* and Rule 303 – *Hearing Board Fees* effective upon adoption of the proposed amendments. Rule 302 is also proposed for amendment to provide cost recovery for regulation of fugitive dust emissions as a result of Solar Projects within District jurisdiction.

If you would like a copy of the proposed amendments you may request one by calling (760) 245-1661. A copy will be posted on the MDAQMD website at www.mdaqmd.ca.gov. You are also invited to submit comments on proposed amendments to *Regulation III - Fees*. Comments regarding the proposed amendments may be submitted via email to public-comments@mdaqmd.ca.gov with the Subject Title: Regulation III Comments.

Written comments should be received on or before June 18, 2019 in order to be considered with a response. If you have any questions, please feel free to contact Ms. Jean Bracy (760-245-1661 extension 6214) or Mr. Alan De Salvio at (760 245-1661 extension 6726).

Appendix “C”
Public Comments and Responses

1. Frye Chapel & Mortuary of Blythe comments on MDAQMD Regulation III Amendments, May 15, 2020.

This page intentionally left blank.

Frye Chapel & Mortuary of Blythe

*633 N. 7th Street
Blythe, California 92225
760-922-4171 | Fax 760-922-7239
FD596*

May 15, 2020

*RE: NOTICE OF PUBLIC HEARING
JUNE 8, 2020*

Governing Board of the MDAQMD:

I am in receipt of your Notice of Public Hearing, Proposed Budget for Fiscal Year 2020-2021. The proposed amendments to Regulation III – Fees are ridiculous and out of control. Your suggestion that your operating costs are rising needs adjustment. Due to the effects of the COVID-19 in our country and in our area, our economy is dying, the air quality has improved immensely due to FEW people driving and going to work, permits are already too high and so on and so forth. Maybe you are able to keep your job, but not everyone is, and you are attempting to get blood where there is no more blood to spare. It is time to trim the excess in your department. There is always excess and ‘fluff’ in government agencies. That is factual when audits are completed by outside sources. Our nation is in a hardship and especially California with all the business lockdown orders from our Governor.

This is not the time to be seeking increases in fees from struggling and closed California businesses. The intentions are dark and seem to be a mechanical response to do ‘what has been done in the past’ rather than looking at the current climate and situation of our state. I highly suggest you reconsider and table the purpose of this hearing this year.

*Sydney Presley, President
Frye Chapel & Mortuary of Blythe*

District response to Comment #1

1. Comment noted.

Appendix “D”
California Environmental Quality Act
Documentation

1. Draft NOE – San Bernardino County
2. Draft NOE – Riverside County

This page intentionally left blank.



NOTICE OF EXEMPTION

TO: County Clerk
San Bernardino County
385 N. Arrowhead, 2nd Floor
San Bernardino, CA 92415

FROM: Mojave Desert
Air Quality Management District
14306 Park Ave
Victorville, CA 92392-2310

X MDAQMD Senior Executive Analyst

PROJECT TITLE: Amendment of MDAQMD Regulation III – *Fees*

PROJECT LOCATION – SPECIFIC: San Bernardino County portion of the Mojave Desert Air Basin and Palo Verde Valley portion of Riverside County.

PROJECT LOCATION – COUNTY: San Bernardino and Riverside Counties

DESCRIPTION OF PROJECT: Rules 301, 302, and 303 are proposed for amendment to ensure that the costs are aligned with the reasonable regulatory costs of the programs they support. The proposed five percent (5%) fee adjustment to Rules 301, 302, and 303 are designed to recover the rising costs associated with issuing licenses and permits, performing investigations, inspections, and audits, and the administrative enforcement and adjudication thereof. Rule 302 is also proposed for amendment to provide cost recovery for regulation of fugitive dust emissions as a result of Solar Projects within District jurisdiction.

NAME OF PUBLIC AGENCY APPROVING PROJECT: Mojave Desert AQMD

NAME OF PERSON OR AGENCY CARRYING OUT PROJECT: Mojave Desert AQMD

EXEMPT STATUS (CHECK ONE)

Ministerial (Pub. Res. Code §21080(b)(1); 14 Cal Code Reg. §15268)

Emergency Project (Pub. Res. Code §21080(b)(4); 14 Cal Code Reg. §15269(b))

X Categorical Exemption – Class 8 (14 Cal Code Reg. §15308)

REASONS WHY PROJECT IS EXEMPT: The proposed amendments to Regulation III are exempt from CEQA review. There is no potential that the amendments might cause the release of additional air contaminants or create any adverse environmental impacts because the proposed amendments only adjust fees, make minor format corrections, and provide clarification. Therefore, a Class 8 categorical exemption (14 Cal. Code Reg. §15308) applies.

LEAD AGENCY CONTACT PERSON: Brad Poiriez **PHONE:** (760) 245-1661

SIGNATURE: _____ **TITLE:** Executive Director **DATE:** August 24, 2020

DATE RECEIVED FOR FILING:



NOTICE OF EXEMPTION

TO: Clerk/Recorder
Riverside County
3470 12th St.
Riverside, CA 92501

FROM: Mojave Desert
Air Quality Management District
14306 Park Ave
Victorville, CA 92392-2310

X MDAQMD Senior Executive Analyst

PROJECT TITLE: Amendment of MDAQMD Regulation III – *Fees*

PROJECT LOCATION – SPECIFIC: San Bernardino County portion of the Mojave Desert Air Basin and Palo Verde Valley portion of Riverside County.

PROJECT LOCATION – COUNTY: San Bernardino and Riverside Counties

DESCRIPTION OF PROJECT: Rules 301, 302, and 303 are proposed for amendment to ensure that the costs are aligned with the reasonable regulatory costs of the programs they support. The proposed five percent (5%) fee adjustment to Rules 301, 302, and 303 are designed to recover the rising costs associated with issuing licenses and permits, performing investigations, inspections, and audits, and the administrative enforcement and adjudication thereof. Rule 302 is also proposed for amendment to provide cost recovery for regulation of fugitive dust emissions as a result of Solar Projects within District jurisdiction.

NAME OF PUBLIC AGENCY APPROVING PROJECT: Mojave Desert AQMD

NAME OF PERSON OR AGENCY CARRYING OUT PROJECT: Mojave Desert AQMD

EXEMPT STATUS (CHECK ONE)

Ministerial (Pub. Res. Code §21080(b)(1); 14 Cal Code Reg. §15268)

Emergency Project (Pub. Res. Code §21080(b)(4); 14 Cal Code Reg. §15269(b))

X Categorical Exemption – Class 8 (14 Cal Code Reg. §15308)

REASONS WHY PROJECT IS EXEMPT: The proposed amendments to Regulation III are exempt from CEQA review. There is no potential that the amendments might cause the release of additional air contaminants or create any adverse environmental impacts because the proposed amendments only adjust fees, make minor format corrections, and provide clarification. Therefore, a Class 8 categorical exemption (14 Cal. Code Reg. §15308) applies.

LEAD AGENCY CONTACT PERSON: Brad Poiriez **PHONE:** (760) 245-1661

SIGNATURE: _____ **TITLE:** Executive Director **DATE:** August 24, 2020

DATE RECEIVED FOR FILING:

Appendix “E” Bibliography

The following documents were consulted in the preparation of this staff report.

1. League of California Cities – *Proposition 26 Implementation Guide*. (April 2011): <http://www.cacities.org/Resources-Documents/Policy-Advocacy-Section/Hot-Issues/Proposition-26-Implementation-Guide>
2. CPI Detailed Report-February 2020: <https://www.bls.gov/cpi/tables/supplemental-files/c-cpi-u-202002.pdf>

This page intentionally left blank.

Appendix “F” Cost Analysis

1. Mojave Desert AQMD Cost Recovery Detail, 2020.

The Mojave Desert Air Quality Management District is a service-based agency and staffing costs account for 85% of the District's operating expenses. The District's mandated functions such as compliance, permit issuance, and permit administration are labor intensive. Therefore, the related fee revenue should be structured to support the relevant regulatory and administrative activities. Eighty (80%) percent of the District staff are involved in the full-time issuance of permits, the inspection and enforcement of such permits, or the administration of permit issuance, management, and/or renewals.

The budget includes anticipated revenue derived from a proposed 5% fee increase to permit and application fees. The proposed increase is expected to meet 80% of the \$274k estimated deficit directly related to the costs of permitting. Funds from other sources including AB2766 (Motor Vehicle Registration Fee Program), State subvention funds and other sources are used to recover the difference. Therefore, the proposed fee adjustment is well within the provisions of Health & Safety Code §42311(a) and falls within the exemption found in Article XIII C §1(e)(3) of the California Constitution.

NOTICE OF EXEMPTION



TO: Clerk/Recorder
Riverside County
3470 12th St.
Riverside, CA 92501
FROM: Mojave Desert
Air Quality Management District
14306 Park Ave
Victorville, CA 92392-2310

X MDAQMD Senior Executive Analyst

PROJECT TITLE: Amendment of MDAQMD Regulation III – Fees

PROJECT LOCATION – SPECIFIC: San Bernardino County portion of the Mojave Desert Air Basin and Palo Verde Valley portion of Riverside County.

PROJECT LOCATION – COUNTY: San Bernardino and Riverside Counties

DESCRIPTION OF PROJECT: Rules 301, 302, and 303 are proposed for amendment to ensure that the costs are aligned with the reasonable regulatory costs of the programs they support. The proposed five percent (5%) fee adjustment to Rules 301, 302, and 303 are designed to recover the rising costs associated with issuing licenses and permits, performing investigations, inspections, and audits, and the administrative enforcement and adjudication thereof. Rule 302 is also proposed for amendment to provide cost recovery for regulation of fugitive dust emissions as a result of Solar Projects within District jurisdiction.

NAME OF PUBLIC AGENCY APPROVING PROJECT: Mojave Desert AQMD

NAME OF PERSON OR AGENCY CARRYING OUT PROJECT: Mojave Desert AQMD

EXEMPT STATUS (CHECK ONE)

Ministerial (Pub. Res. Code §21080(b)(1); 14 Cal Code Reg. §15268)

Emergency Project (Pub. Res. Code §21080(b)(4); 14 Cal Code Reg. §15269(b))

X Categorical Exemption – Class 8 (14 Cal Code Reg. §15308)

REASONS WHY PROJECT IS EXEMPT: The proposed amendments to Regulation III are exempt from CEQA review. There is no potential that the amendments might cause the release of additional air contaminants or create any adverse environmental impacts because the proposed amendments only adjust fees, make minor format corrections, and provide clarification. Therefore, a Class 8 categorical exemption (14 Cal. Code Reg. §15308) applies.

LEAD AGENCY CONTACT PERSON: Brad Poiriez **PHONE:** (760) 245-1661

SIGNATURE: _____ **TITLE:** Executive Director **DATE:** August 24, 2020

DATE RECEIVED FOR FILING:

MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT

BRAD POIRIEZ, EXECUTIVE DIRECTOR

14306 Park Avenue, Victorville, CA 92392-2310 • 760.245.1661 • Fax 760.245.2022 • www.MDAQMD.ca.gov • @MDAQMD

NOTICE OF EXEMPTION



TO: County Clerk
San Bernardino County
385 N. Arrowhead, 2nd Floor
San Bernardino, CA 92415
FROM: Mojave Desert
Air Quality Management District
14306 Park Ave
Victorville, CA 92392-2310

X MDAQMD Senior Executive Analyst

PROJECT TITLE: Amendment of MDAQMD Regulation III – Fees

PROJECT LOCATION – SPECIFIC: San Bernardino County portion of the Mojave Desert Air Basin and Palo Verde Valley portion of Riverside County.

PROJECT LOCATION – COUNTY: San Bernardino and Riverside Counties

DESCRIPTION OF PROJECT: Rules 301, 302, and 303 are proposed for amendment to ensure that the costs are aligned with the reasonable regulatory costs of the programs they support. The proposed five percent (5%) fee adjustment to Rules 301, 302, and 303 are designed to recover the rising costs associated with issuing licenses and permits, performing investigations, inspections, and audits, and the administrative enforcement and adjudication thereof. Rule 302 is also proposed for amendment to provide cost recovery for regulation of fugitive dust emissions as a result of Solar Projects within District jurisdiction.

NAME OF PUBLIC AGENCY APPROVING PROJECT: Mojave Desert AQMD

NAME OF PERSON OR AGENCY CARRYING OUT PROJECT: Mojave Desert AQMD

EXEMPT STATUS (CHECK ONE)

- Ministerial (Pub. Res. Code §21080(b)(1); 14 Cal Code Reg. §15268)
- Emergency Project (Pub. Res. Code §21080(b)(4); 14 Cal Code Reg. §15269(b))
- X Categorical Exemption – Class 8 (14 Cal Code Reg. §15308)

REASONS WHY PROJECT IS EXEMPT: The proposed amendments to Regulation III are exempt from CEQA review. There is no potential that the amendments might cause the release of additional air contaminants or create any adverse environmental impacts because the proposed amendments only adjust fees, make minor format corrections, and provide clarification. Therefore, a Class 8 categorical exemption (14 Cal. Code Reg. §15308) applies.

LEAD AGENCY CONTACT PERSON: Brad Poiriez **PHONE:** (760) 245-1661

SIGNATURE: _____ **TITLE:** Executive Director **DATE:** August 24, 2020

DATE RECEIVED FOR FILING:

MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT

BRAD POIRIEZ, EXECUTIVE DIRECTOR

14306 Park Avenue, Victorville, CA 92392-2310 • 760.245.1661 • Fax 760.245.2022 • www.MDAQMD.ca.gov • @MDAQMD



PUBLIC NOTICE

MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT

NOTICE OF PUBLIC HEARING PROPOSED BUDGET FOR FISCAL YEAR 2020-21

NOTICE IS HEREBY GIVEN that the Governing Board of the Mojave Desert Air Quality Management District (MDAQMD) will hold a public hearing for the exclusive purpose of considering the Proposed Budget for Fiscal Year 2020-21. **SAID HEARING** may be conducted, in the interests of public health and safety and in accordance with the guidelines set forth in the Governor's Order N-29-20 of March 17, 2020, via alternative means. Please see the applicable Governing Board Meeting Agenda at <https://www.mdaqmd.ca.gov/meetings/meeting-schedule> or call (760) 245-1661 extension 6244 for participation information.

DATE: June 8, 2020 **TIME:** 10:00 A.M.
LOCATION: 14306 Park Avenue, Victorville, CA 92392

Copies of the Proposed Budget for 2020-21 are posted on line at www.mdaqmd.ca.gov. Paper copies may be ordered by written request and a check for \$3.50 made payable to the MDAQMD at 14306 Park Avenue, Victorville, CA 92392. An electronic copy may be obtained at no charge by e-mailing a request to jbracy@mdaqmd.ca.gov.

Contact Jean Bracy at (760) 245-1661, extension 6214 for further information.

NOTICE OF AVAILABILITY OF DRAFT RULE AND PUBLIC HEARING REGARDING PROPOSED AMENDMENTS TO *REGULATION III - FEES*

NOTICE IS HEREBY GIVEN that the Governing Board of the MDAQMD will hold a public hearing regarding proposed amendments to *Regulation III - Fees* (specifically Rules 301, 302, and 303) and place mentioned above to comply with the requirements of Health & Safety Code §42311(e). An additional public hearing will be held on June 22, 2020 at 10:00 A.M. at the same place mentioned above.

Overall increases in operating expenses require adjustments in permit fees from time to time. The MDAQMD is proposing a fee increase of 5.00% to recover the rising costs associated with issuing licenses and permits, performing investigations, inspections, and audits, and the administrative enforcement and adjudication thereof, with the 5.00% increase in fees pertaining to Rule 301 – *Permit Fees* effective January 1, 2021 while the 5.00% increase in fees pertaining to Rule 302 – *Other Fees* and Rule 303 – *Hearing Board Fees* effective upon adoption of the proposed amendments. Rule 302 is also proposed for amendment to provide cost recovery for regulation of fugitive dust emissions as a result of Solar Projects within District jurisdiction.

If you would like a copy of the proposed amendments you may request one by calling (760) 245-1661. A copy will be posted on the MDAQMD website at www.mdaqmd.ca.gov. You are also invited to submit comments on proposed amendments to *Regulation III - Fees*. Comments regarding the proposed amendments may be submitted via email to public-comments@mdaqmd.ca.gov with the Subject Title: Regulation III Comments.

Written comments should be received on or before June 18, 2019 in order to be considered with a response. If you have any questions, please feel free to contact Ms. Jean Bracy (760-245-1661 extension 6214) or Mr. Alan De Salvio at (760 245-1661 extension 6726).



Regulation III – *Fee Rules*

Rules 301, 302, and 303

Proposed for Hearing June 8, 2020

Amendment August 24, 2020

Alan De Salvio, Deputy Director - Operations

Necessity for Amending Reg III

- Rules 301, 302 and 303 were most recently adopted on June 24, 2019
 - These rules essentially specify the District's regulatory program fees, most notably including annual permit operating fees, permit application fees and asbestos program fees
 - These rules also specify uncommon miscellaneous fees including hourly charges, project review fees and Hearing Board/Variance fees



Necessity for Amending Reg III

- Staff is recommending a five percent general operating fee increase to meet 80% of the \$274,000 estimated deficit directly related to the costs of permitting.
- This recommended increase was reviewed by the Governing Board Budget Committee in May and is included in the proposed 2020/2021 budget for the District.



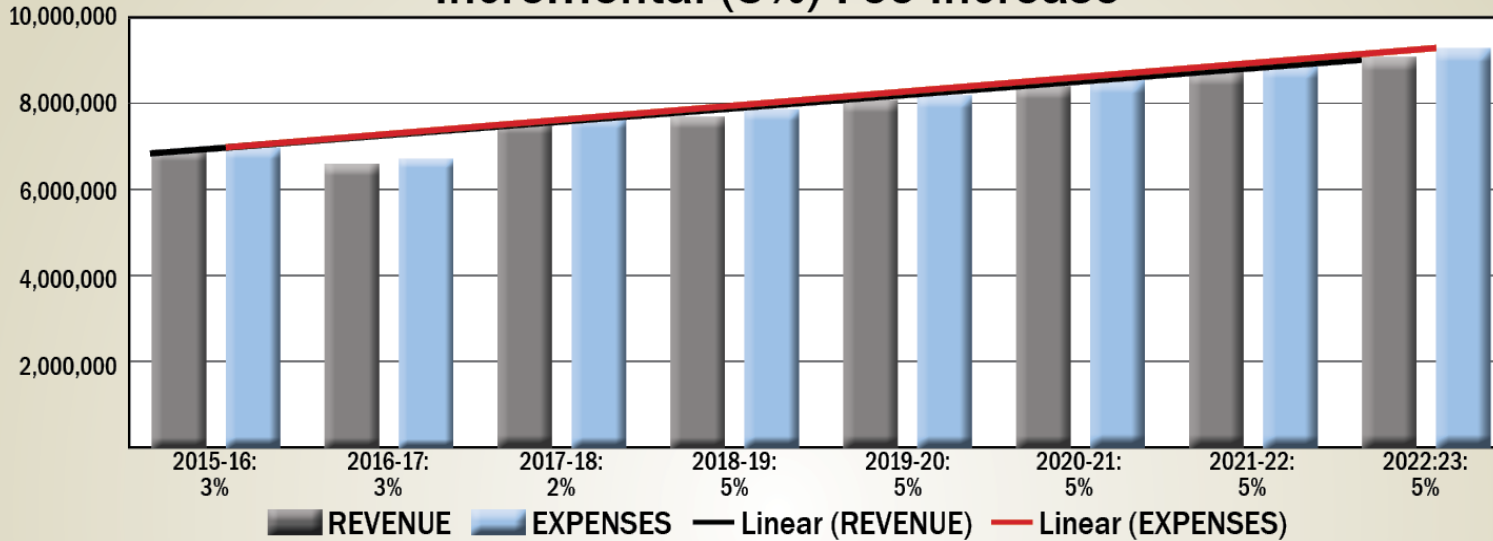
Summary of Proposed Amendments

- Rules 301, 302, and 303 are proposed for amendment to adjust fees by five percent (5%) to ensure that the costs are aligned with the reasonable regulatory costs of the programs they support and to make minor corrections for clarification.
- Rule 302 is also proposed for amendment to provide cost recovery for regulation of fugitive dust emissions from Solar Project Operations within the District.

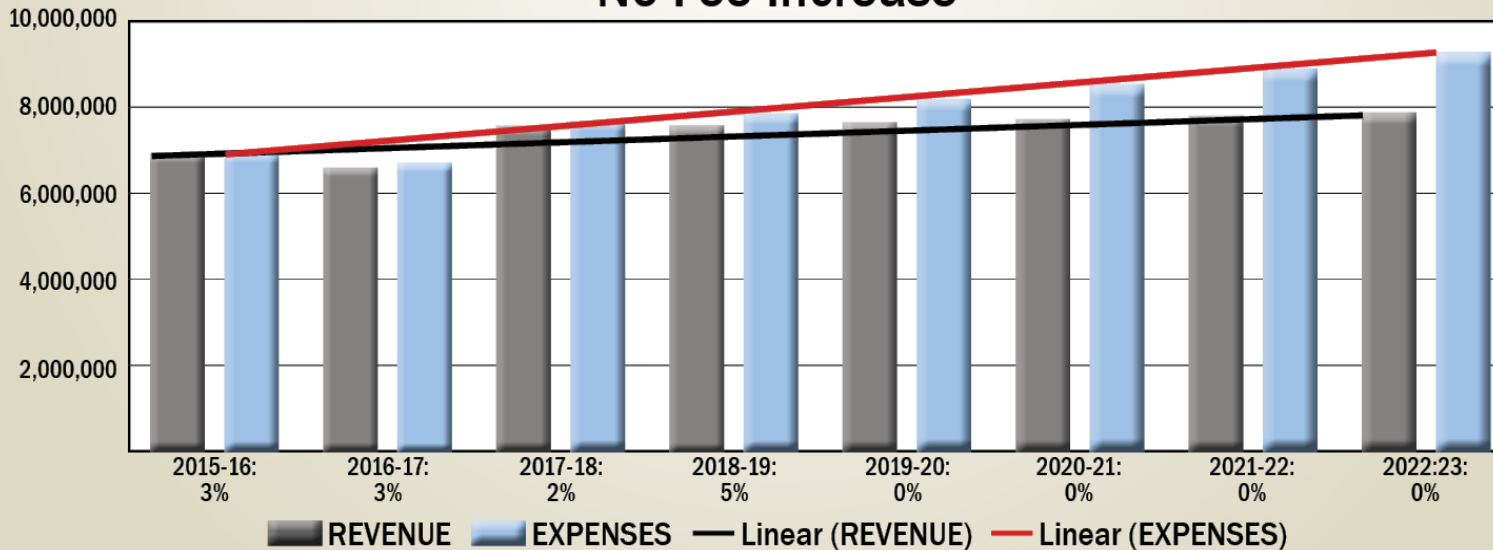


Budget Projections

Incremental (5%) Fee Increase



No Fee Increase



Estimated Fiscal Impact

- The recommended fee increase is estimated to increase a typical small facility annual operating fee by \$16, an average gas station annual operating fee by \$62, a typical Federal Operating Permit facility annual operating fee by \$1220, and a typical very large facility annual operating fee by \$9705.



Conclusion

- Staff recommends that the Governing Board amendment of Regulation III – Fees, receive staff report and public testimony, close public hearing, make a determination that the CEQA Categorical Exemption applies, waive reading of Resolution, and adopt Resolution making appropriate findings, certifying the Notice of Exemption amending Rules 301, 302, and 303.



Questions?

Thank you!



The following page(s) contain the backup material for Agenda Item: [Conduct a continued public hearing to consider the amendment of Rule 1114 – Wood Products Coating Operations: a. Open public hearing; b. Receive staff report; c. Receive public testimony; d. Close public hearing; e. Make a determination that the California Environmental Quality Act \(CEQA\) Categorical Exemption applies; f. Waive reading of Resolution; g. Adopt Resolution making appropriate findings, certifying the Notice of Exemption, amending Rule 1114 and directing staff actions. Presenter: Alan De Salvio, Deputy Director – Mojave Desert Operations.](#)

Please scroll down to view the backup material.

**MINUTES OF THE GOVERNING BOARD
OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
VICTORVILLE, CALIFORNIA**

AGENDA ITEM #17

DATE: August 24, 2020

RECOMMENDATION: Conduct a continued public hearing to consider the amendment of Rule 1114 – *Wood Products Coating Operations*: a. Open public hearing; b. Receive staff report; c. Receive public testimony; d. Close public hearing; e. Make a determination that the California Environmental Quality Act (CEQA) Categorical Exemption applies; f. Waive reading of Resolution; g. Adopt Resolution making appropriate findings, certifying the Notice of Exemption, amending Rule 1114 and directing staff actions.

SUMMARY: Rule 1114 – *Wood Products Coating Operations* is proposed for adoption to satisfy 42 U.S.C. §§7511a (FCAA §182) which requires that ozone non-attainment areas implement RACT for sources that are subject to CTGs and for major sources of ozone precursors.

BACKGROUND: The MDAQMD is proposing to update Rule 1114 – *Wood Products Coating Operations* to reflect current Federal RACT for the 2015 NAAQS ozone standard. This amendment will incorporate suggestions from the November 2018 Technical Support Document for EPA’s Rulemaking for the California State Implementation Plan for Rule 1114 (EPA-R09-OAR-2018-0512, 12/27/2018 as found at www.regulations.gov). This amendment will amend the emissions limit for High-Solids Stains coating category, require a Work Practice Implementation Plan, and reduce the general exemption limits from 55 gallons per year to 20 to be consistent with the CTG.

A Notice of Exemption, Categorical Exemption (Class 8; 14 Cal. Code Reg. §15308) will be prepared by the MDAQMD for the adoption of Rule 1114 – *Wood Products Coating Operations* pursuant to the requirements of CEQA.

REASON FOR RECOMMENDATION: Health & Safety Code §§40702 and 40703 require the Governing Board to hold a public hearing before adopting rules and regulation. Also, 42 U.S.C. §7410(l) (FCAA §110(l)) requires that all SIP revisions be adopted after public notice and hearing.

**MINUTES OF THE GOVERNING BOARD
OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
VICTORVILLE, CALIFORNIA**

AGENDA ITEM #17

PAGE 2

REVIEW BY OTHERS: This item was reviewed by Karen Nowak, District Counsel as to legal form and by Alan De Salvio, Deputy Director – Mojave Desert Operations on or before April 13, 2020.

FINANCIAL DATA: No increase in appropriation is anticipated.

PRESENTER: Alan De Salvio – Deputy Director, Operations

RESOLUTION NO. 01-_____

1 **A RESOLUTION OF THE GOVERNING BOARD OF THE MOJAVE**
2 **DESERT AIR QUALITY MANAGEMENT DISTRICT MAKING FINDINGS,**
3 **CERTIFYING THE NOTICE OF EXEMPTION AMENDING RULE 1114 – WOOD**
4 **PRODUCTS COATING OPERATIONS AND DIRECTING STAFF ACTIONS.**

5 On August 24, 2020, on motion by Member _____, seconded by
6 Member _____

7 and carried, the following resolution is adopted:

8 **WHEREAS**, the Mojave Desert Air Quality Management District (MDAQMD or
9 District) has authority pursuant to California Health and Safety Code (H&S Code) §§40702,
10 40725-40728 to adopt, amend or repeal rules and regulations; and

11 **WHEREAS**, the Federal Clean Air Act (FCAA) requires areas designated non-
12 attainment and classified moderate and above to implement Reasonably Available Control
13 Technology (RACT) for sources subject to Control Techniques Guidelines (CTG) documents
14 issued by United States Environmental Protection Agency (USEPA) and for “major sources”
15 of Volatile Organic Compounds (VOCs) and oxides of nitrogen (NO_x) which are ozone
16 precursors; and

17 **WHEREAS**, the District adopted the *70 ppb Ozone Standard Implementation*
18 *Evaluation (70 ppb O₃ Evaluation): RACT SIP Analysis; FNDs; and, Emission Statement*
19 *Certification* on October 28, 2019 to satisfy the District’s obligation for the 2015 NAAQS
20 ozone standard.

21 **WHEREAS**, the *70 ppb Ozone Evaluation* committed to amending Rule 1114 –
22 *Wood Products Coating Operations* to current Federal RACT; and

23 **WHEREAS**, the MDAQMD has a wood products coating operations rule which was
24 amended January 22, 2018 and approved as RACT into the SIP on July 2, 2019 (84 FR
25 31682).

26 **WHEREAS**, this RACT approval covered the 1997 and 2008 NAAQS ozone
27 standard, not the 2015 NAAQS ozone standard; and

28 **WHEREAS**, this Rule implements the RACT requirements found in *Control of*
 Volatile Organic Compound Emissions from Wood Furniture Manufacturing Operations

RESOLUTION NO. 01-_____

1 (EPA-453/R-96-007, April 1996) and *Control Techniques Guidelines: Industrial Cleaning*
2 *Solvents* (EPA 453/R-06-001, September 2006); and

3 **WHEREAS**, there are also two additional CTGs titled *Control of Volatile Organic*
4 *Emissions from Existing Stationary Sources – Volume VII: Factory Surface Coating of Flat*
5 *Wood Paneling* (EPA 450/2-78-032, June 1978) and *Control Techniques Guidelines for Flat*
6 *Wood Paneling Coatings* (EPA 453/R-06-004, September 2006) for which the District has
7 filed Federal Negative Declarations (October 28, 2019); and

8 **WHEREAS**, the District has several facilities that primarily coat wood products and
9 some additional facilities that may coat wood products as part of their operations; and

10 **WHEREAS**, there no current facilities that meet the specific applicability threshold
11 of the CTG titled *Control of Volatile Organic Compound Emissions from Wood Furniture*
12 *Manufacturing Operations* (sources located in nonattainment areas that emit, or have the
13 potential to emit, 25 tons/year or more of VOCs); and

14 **WHEREAS**, the MDAQMD proposing to update Rule 1114 – *Wood Products*
15 *Coating Operations* to reflect current Federal RACT for the 2015 NAAQS ozone standard;
16 and

17 **WHEREAS**, this amendment will incorporate suggestions from the November 2018
18 Technical Support Document for EPA’s Rulemaking for the California State Implementation
19 Plan for Rule 1114 (EPA-R09-OAR-2018-0512, 12/27/2018 as found at
20 www.regulations.gov); and

21 **WHEREAS**, this amendment will amend the emissions limit for High-Solids Stains
22 coating category, require a Work Practice Implementation Plan, and reduce the general
23 exemption limits from 55 gallons per year to 20 to be consistent with the CTG; and

24 **WHEREAS**, the proposed amendments to the Rule are necessary as indicated herein
25 and in the supporting documentation; and

26 **WHEREAS**, the MDAQMD has the authority pursuant to H&S Code §40702 to
27 amend rules and regulations; and

28 **WHEREAS**, the proposed amendments to Rule 1114 are clear in that the meaning

RESOLUTION NO. 01-_____

1 can be easily understood by the persons impacted by the Rule; and

2 **WHEREAS**, the amendments to Rule 1114 are in harmony with, and not in conflict
3 with, or contradictory to any state law or regulation, federal law or regulation, or court
4 decisions because the proposed rule is consistent with the CTG provisions and other District
5 rules deemed to meet RACT; and

6 **WHEREAS**, the proposed amendments do not impose the same requirements as any
7 existing state or federal regulation because CTGs are primarily guidance documents and not
8 enforceable in and of themselves.

9 **WHEREAS**, a rule is necessary to implement the applicable provisions of these
10 documents.; and

11 **WHEREAS**, the proposed amendments to Rule 1114 are necessary to satisfy 42
12 U.S.C. §§7511a (FCAA §182) which requires that ozone non-attainment areas implement
13 RACT for sources that are subject to CTGs and for major sources of ozone precursors.

14 **WHEREAS**, while the District does not have sources meeting the threshold in the
15 CTGs it does have major facilities which coat metal parts and products and thus a rule is
16 required; and

17 **WHEREAS**, a public hearing has been properly noticed and conducted, pursuant to
18 H&S Code §40725, concerning the amendments to Rule 1114; and

19 **WHEREAS**, a Notice of Exemption, a Categorical Exemption (Class 8, 14 CCR
20 §15308) for the proposed amendments to Rule 1114, completed in compliance with the
21 California Environmental Quality Act (CEQA), has been presented to the Governing Board
22 of the MDAQMD; each member having reviewed, considered and approved the information
23 contained therein prior to acting on the proposed amendments to Rule 1114 and the
24 Governing Board of the MDAQMD having determined that the proposed amendments will
25 not have any potential for resulting in any adverse impact upon the environment; and

26 **WHEREAS**, the Governing Board of the MDAQMD has considered the evidence
27 presented at the public hearing; and

28 **NOW, THEREFORE, BE IT RESOLVED**, that the Governing Board of the

RESOLUTION NO. 01-_____

1 MDAQMD finds that the amendments to Rule 1114 – *Wood Products Coating Operations*
2 are necessary, authorized, clear, consistent, non-duplicative and properly referenced; and

3 **BE IT FURTHER RESOLVED**, that the Governing Board of the MDAQMD
4 hereby makes a finding that the Class 8 Categorical Exemption (14 CCR §15308) applies and
5 certifies the Notice of Exemption for the proposed amendments to Rule 1114; and

6 **BE IT FURTHER RESOLVED**, that the Governing Board of the MDAQMD does
7 hereby adopt, pursuant to the authority granted by law, the proposed amendments to Rule
8 1114, as set forth in the attachments to this resolution and incorporated herein by this
9 reference; and

10 **BE IT FURTHER RESOLVED**, that this resolution shall take effect immediately
11 upon adoption, and that the Executive Office Manager is directed to file the Notice of
12 Exemption in compliance with the provisions of CEQA.

13
14
15 **PASSED, APPROVED and ADOPTED** by the Governing Board of the Mojave Desert Air
16 Quality Management District by the following vote:

17 **AYES:** **MEMBER:**

18 **NOES:** **MEMBER:**

19 **ABSENT:** **MEMBER:**

20 **ABSTAIN:** **MEMBER:**

21)

22 STATE OF CALIFORNIA)

23) **SS:**

24 COUNTY OF SAN BERNARDINO)

25)

26 I, Deanna Hernandez, Senior Executive Analyst of the Governing Board of the
27 Mojave Desert Air Quality Management District, hereby certify the foregoing to be a full,
28 true and correct copy of the record of the action as the same appears in the Official Minutes
of said Governing Board at its meeting of August 24, 2020.

RESOLUTION NO. 01-_____

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25
- 26
- 27
- 28

_____, Senior Executive Analyst
Mojave Desert Air Quality Management District

Rule 1114

Wood Products Coating Operations

(A) General

- (1) Purpose
 - (a) The purpose of this Rule is to limit the emission of Volatile Organic Compounds from Wood Products Coating Application Operations.
- (2) Applicability
 - (a) This Rule applies to Wood Products Coating Application Operations within the Mojave Desert Air Quality Management District.

(B) Definitions

The definitions contained in District Rule 102 – *Definition of Terms* shall apply unless the term is otherwise defined herein:

- (1) “Binders” – Non-volatile polymeric Organic Materials (resins) which form the surface film in Coating applications.
- (2) “Clear Sealer” – A Coating containing Binders, but not opaque pigments, which seals the Wood Products prior to application of the subsequent Coatings.
- (3) “Coating Application Operations” – A combination of Coating application steps which may include use of spray guns, flash-off areas, spray booths, ovens, conveyors, and/or other Equipment operated for the purpose of applying Coating materials and associated surface preparation and cleanup.
- (4) “Composite Wood” – A manufactured material consisting of tightly compressed wood fibers bonded with resins which includes, but is not limited to, particleboard, fiberboard and hardboard.
- (5) “Conversion Varnish” – A topcoat or sealer which is comprised of an alkyd or other resin, blended with amino resin, in a homogeneous liquid that, when acid catalyzed and applied, hardens by evaporation and polymerization.
- (6) “Crackle Lacquer” – A clear or Pigmented Topcoat intended to produce a cracked or crazed appearance when dry.

- (7) “Custom Replica Furniture” – New, made-to-order furniture that looks like antique furniture, rather than new furniture. It features detailed wood carvings and bruising of the wood to simulate antique furniture.
- (8) “Faux Finishes” – A finish intended to simulate a surface other than wood, including sand, slate, marble, metal, metal flake, or leather.
- (9) “Filler” – A material which is applied to a Wood Product, and whose primary function is to build up, or fill the voids and imperfections in the Wood Product to be coated.
- (10) “High-Solids Stains” – Stains containing more than one (1) pound of solids per gallon by weight.
- (11) “Imitation Wood Grain” – A hand applied finish that simulates the appearance of a specific natural wood grain.
- (12) “Leaf Finishes” – A finish used in conjunction with metal leaf or foil.
- (13) “Low-Solids Stains, Toners and Washcoats” – Stains, Toners and Washcoats containing one (1) pound of solids per gallon, or less, by weight.
- (14) “Low-Volume, Low-Pressure” (LVLP) – Spray Coating application Equipment with air pressure between 0.1 and 10.0 psig and air volume less than 15.5 cfm per spray gun and which operates at a maximum fluid delivery pressure of 50 psig.
- (15) “Medium Density Fiberboard (MDF) Coatings” – The initial Coating which is applied directly to the surface of MDF. MDF is a wood product composed of tightly compressed wood fibers bonded with resins, and has a density greater than 45 pounds per cubic foot.
- (16) “Mold-Seal Coating” – The initial Coating applied to a new mold or repaired mold to provide a smooth surface which, when coated with a mold release Coating, prevents products from sticking to the mold.
- (17) “New Wood Product” – A Wood Product which has not been previously coated. A Wood Product from which Coatings have been removed to repair flaws in initial Coating applications is a New Wood Product.
- (18) “Panel” – A flat piece of wood or Wood Products, usually rectangular, and used inside homes and mobile homes for wall decorations.
- (19) “Pigmented Primers, Sealers and Undercoats” – Opaque Coatings which contain Binders and colored pigments which are formulated to hide the wood surface, that are applied prior to the topcoat to provide a firm bond, level the wood product surface, or seal the wood product surface.

- (20) “Pigmented Topcoat” – A final opaque Coating which contains Binders and colored pigments, and is specifically formulated to hide the wood surface and form a solid protective film.
- (21) “Rate Per Day” – The amount applied between 12:00 a.m. and 11:59 p.m. on the same calendar day.
- (22) “Refinished Wood Product” – A post-consumer Wood Product which has had some or all of the Coatings removed, and to which new Coatings are applied in order to preserve or restore the post-consumer wood product to its original condition. A wood product from which Coatings have been removed to repair flaws in initial Coating applications is not a Refinished Wood Product.
- (23) “Shutter” – An exterior screen or cover for a window, usually hinged and often fitted with louvers. This includes non-functional Shutters.
- (24) “Simulated Wood Materials” – Materials, such as plastic, glass, metal, that are made to give a wood-like appearance or are processed like Wood Products.
- (25) “Stencil Coating” – An Ink or a pigmented Coating which is rolled or brushed onto a template or stamp in order to add identifying letters and/or numbers to Wood Products.
- (26) “Tint” – A colorant added in small quantities to a Stain to achieve a particular color for the finished product.
- (27) “Toner” – A Wash Coat which contains Binders and dyes or pigments to add Tint to a coated surface.
- (28) “VOC Content” – The weight of VOC per volume of Coating. VOC Content is VOC Regulatory, as defined in subsection (G)(4)(a)(i), for all Coatings except those in the Low Solids category. For Coating in the Low Solids category, the VOC Content is VOC Actual, as defined in subsection (G)(4)(a)(ii). If the Coating is a multi-component product, the VOC Content is VOC Content as mixed or catalyzed. If the Coating contains silanes, siloxanes, or other ingredients that generate ethanol or other VOCs during the curing process, the VOC content must include the VOCs emitted during curing.
- (29) “Wash Coat” – A Coating that contains no more than 1.0 pounds of solids per gallon, by weight, which is used to seal wood surfaces, prevent undesired staining, and control penetration.
- (30) “Wood Products” – Those surface coated room furnishings which include cabinets (kitchen, bath, and vanity), tables, chairs, beds, sofas, Shutters, art objects, and any other coated object made of solid wood and/or Composite Wood and/or made of Simulated Wood Material used in combination with solid wood or Composite Wood.

(C) Requirements

(1) Limits for VOC Content of Coatings & Adhesives for New Wood Products

- (a) Except as provided in subsections (C)(4) or (C)(5), no Person shall apply any Coatings to a New Wood Product if such materials have a VOC Content exceeding the applicable limits specified in Table 1. The VOC Content of Coatings, except Low-Solids Stains, Toners, Washcoats and Solvents shall be determined in accordance with subsection (G)(4)(a)(i) and (G)(2)(a). The VOC Content of Low-Solids Stains, Toners, Washcoats and Solvents shall be determined in accordance with subsection (G)(4)(a)(ii) and (G)(2)(a). VOC limits expressed in grams VOC per liter of Coating shall be used.

Table 1
VOC Content of Coatings and Adhesives for New Wood Products

Coating	g/L (lb/gal) Less Water and Less Exempt Compounds
General	275 (2.3)
Adhesives	250 (2.1)
Clear Sealers	275 (2.3)
Clear Topcoats	275 (2.3)
Conversion Varnish	550 (4.6)
Fillers	275 (2.3)
High-Solids Stains	240 (2.0)
Inks	500 (4.2)
Low-Solids Stains, Toners and Washcoats	120 (1.0)
Medium Density Fiberboard (MDF) Coatings	275 (2.3)
Mold Seal	750 (6.3)
Multi-Colored Coatings	275 (2.3)
Pigmented Primers, Sealers and Undercoats	275 (2.3)
Pigmented Topcoats	275 (2.3)

(2) Limits for VOC Content of Coatings & Adhesives for Refinishing, Repairing, Preserving or Restoring Wood Products

- (a) Except as provided in subsections (C)(4) or (C)(5), no Person shall apply any Coatings to refinish, repair, preserve or restore a wood product if such materials have a VOC Content exceeding the applicable limits specified in Table 2. The VOC Content of Coatings, except Low-Solids Stains, Toners, Washcoats and Solvents shall be determined in accordance with subsection (G)(4)(a)(i) and (G)(2)(a). The VOC Content of Low-Solids Stains, Toners, Washcoats and Solvents shall be determined in accordance

with subsection (G)(4)(a)(ii) and (G)(2)(a). VOC limits expressed in grams VOC per liter of Coating shall be used.

Table 2
VOC Content of Coatings and Adhesives for Refinishing,
Repairing, Preserving, or Restoring Wood Products

Coating	g/l (lb/gal) Less Water and Less Exempt Compounds
General	420 (3.5)
Clear Topcoats	680 (5.7)
Conversion Varnishes	550 (4.6)
Fillers	500 (4.2)
High-Solids Stains	700 (5.8)
Inks	500 (4.2)
Low-Solids Stains, Toners and Washcoats	480 (4.0)
Medium Density Fiberboard (MDF) Coatings	680 (5.7)
Mold-Seal Coating	750 (6.3)
Multi-Colored Coatings	680 (5.7)
Pigmented Coatings	600 (5.0)
Sealers	680 (5.7)

(3) Transfer Efficiency

(a) A Person or Facility shall not apply Coatings to Wood Products subject to the provisions of this Rule unless the Coating is applied with properly operating Equipment, according to manufacturer's suggested guidelines, and by the use of one of the following methods:

- (i) Flow Coat;
- (ii) Dip Coat;
- (iii) High-Volume Low-Pressure (HVLP) spray;
- (iv) Low-Volume Low-Pressure spray Equipment;
- (v) Paint brush;
- (vi) Hand roller;
- (vii) Roll Coater;
- (viii) Air-Assisted Airless Spray (for Touch-Up and Repair Coating only);
- (ix) Electrostatic Application Equipment; or
- (x) Such other Coating application methods as are demonstrated to the Air Pollution Control Officer to have a Transfer Efficiency equal to or better than achieved by HVLP spraying and for which written approval of the Air Pollution Control Officer has been obtained.

(4) Strippers, Surface Preparation, Clean-up Solvent and Equipment Cleaning

- (a) The requirements of this Section shall apply to any Person using Solvent for surface preparation and cleanup.
 - (i) A Person shall not use an organic compound for surface preparation or cleanup, except Strippers, with a VOC Content in excess of 25 Grams of VOC Per Liter of Material (0.21 pounds per gallon).
 - (ii) A Person shall use closed, non-leaking, and non-absorbent containers for the storage or disposal of cloth or paper used for Solvent surface preparation and cleanup.
 - (iii) A Person shall store fresh or spent Solvent in closed containers.
 - (iv) A Person shall not use organic compounds for the cleanup of spray Equipment, including paint lines, unless Equipment for collecting the cleaning compounds and minimizing their evaporation to the Atmosphere is used.
 - (v) Spray gun nozzles only, may be soaked in Solvent-based materials for cleaning, provided the container is not more than five (5) gallons in size, and is kept tightly covered at all times except when accessing the container.
 - (vi) A Person shall not use Solvent based VOC-containing materials for the clean-up of spray Equipment used in Wood Products Coating Application Operations, unless the spray Equipment is disassembled and cleaned in an enclosed gun cleaner.
 - (b) A Person shall not use a Stripper on wood products unless:
 - (i) The Stripper contains less than 200 Grams of VOC Per Liter of Material; or
 - (ii) The VOC composite partial vapor pressure for the Stripper is 2 mm Hg (0.04 psia) or less at 68 °F (20 °C), as calculated pursuant to subsection (G)(5).
- (5) Add-On Control System
- (a) In lieu of complying with the VOC Content limitations in subsection (C)(1), (C)(2), and/or (C)(4) above, air pollution Control Equipment with a capture and control system combined efficiency of at least 90 percent, as determined pursuant to subsections (G)(2)(b) and (G)(2)(c) of this Rule, may be used.
 - (b) A Person using Control Equipment pursuant to (C)(5)(a) shall submit to the APCO for approval an Operation and Maintenance Plan for the proposed emission control device and emission collection system and receive approval prior to operation of the Control Equipment. Such Plan shall:

- (i) Identify all key system operating parameters. Key system operating parameters are those necessary to ensure compliance with subsection (C)(5)(a), such as temperature, pressure, and/or flow rate; and
 - (ii) Include proposed inspection schedules, anticipated ongoing maintenance, and proposed recordkeeping practices regarding key operating system parameters.
- (6) Prohibition of Specifications
 - (a) Any Person shall not specify the use in the District of any Coating to be applied to any Wood Products subject to the provisions of this Rule that does not meet the limits and requirements of this Rule. The requirements of this paragraph shall apply to all written or oral contracts.
- (7) Compliance Statement Requirement
 - (a) The manufacturer of Coatings subject to this Rule shall include a statement of VOC Content as supplied on data sheets; including Coating components, expressed in grams per liter or pounds per gallon, excluding water and exempt Solvents.
- (8) Work Practice Implementation Plan Requirement
 - (a) Any Person subject to this Rule shall prepare and maintain a written work practice implementation plan ensuring that the following requirements are met:
 - (i) Finishing, Cleaning, and Washoff:
 - a. Covered storage of finishing, cleaning, and washoff materials.
 - b. Develop a written inspection and maintenance plan to address and prevent leaks. The plan must identify a monthly (minimum) inspection frequency and procedures for addressing malfunctions. Repairs to leaking equipment must be made within 15 days, unless replacement equipment has to be ordered.
 - c. Coatings must be applied with HVLP, electrostatic, and/or airless spray equipment. *[Control of VOC Emissions from Wood Furniture Manufacturing Operations as requested by EPA TSD combined with SCAQMD 481(c)(2) which is included in the SIP]*
 - (ii) Cleaning and Washoff Operations

- a. Gun/Line Cleaning
 - i. Cleaning solvent must be collected in a container that can be closed.
 - ii. Cleaning solvent containers must be closed when not in use.
- b. Spray Booth Cleaning
 - i. Use of organic solvents for spray booth cleaning is prohibited.
 - ii. Use strippable spray booth coating with a VOC content of no greater than 0.8 kg VOC/kg solids (1b VOC/lb solids).
 - iii. Do not use solvents unless cleaning conveyors or metal filters, or refurbishing the spray booth.
- c. Furniture Washoff
 - i. Cover washoff tanks when not in use.
 - ii. Minimize dripping by tilting and/or rotating pieces.
- d. General Cleaning/Washoff Activities
 - i. Cleaning and washoff accounting system.
 - aa. Log of quantity and type of solvent used for washoff and cleaning, the number of pieces washed off, and reason for washoff.
 - bb. Record quantity of spent solvent generated from each activity and its ultimate fate.
 - cc. Calculate net cleaning and washoff solvent usage quantities, accounting for disposal and recycling of spent solvent, monthly.
 - ii. Keep washoff tanks must be closed when not in use.

- iii. Minimize dragout by tilting and/or rotating part to drain as much solvent as possible and allowing sufficient dry time.
- iv. Maintain a log of the quantity and type of solvent used for washoff and cleaning, as well as the quantity of waste solvent shipped offsite, and the fate of this waste (recycling or disposal).
- v. Maintain a log of the number of pieces washed off, and the reason for the washoff.

(iii) Operator Training Requirements

The work practice implementation plan shall include an Operator training program with the following requirements:

- a. An Operator training program to train new employees must be implemented for hiring and retraining all employees annually. Any Person hired after the effective date of this Rule shall be trained upon hiring, and any existing Person hired before the effective date of this Rule shall be trained within 6 months of the effective date of this Rule.
- b. The Operator training program must address the requirements stated in Subsection (8)(a)(i), Subsection (8)(a)(ii), and Subsection (8)(a)(iii) of this Rule.
- c. The Operator training program shall also include:
 - i. A list of all current personnel by name and job description that are required to be trained;
 - ii. An outline of the subjects to be covered in the initial and refresher training for each position, or group of personnel;
 - iii. Lesson plans for courses to be given at the initial hire and the annual refresher training that include, at a minimum:
 - aa. Appropriate application techniques;
 - bb. Appropriate cleaning and washoff procedures;

- cc. Appropriate equipment setup and adjustment to minimize material usage and overspray; and
- dd. Appropriate management of cleanup wastes;
- iv. A description of the methods to be used at the completion of initial or refresher training to demonstrate and document successful completion and a record of the date each employee is trained.
- d. The Operator training program shall be written and retained onsite.

(iv) Record Requirements

Any Person subject to this Rule shall maintain onsite the work practice implementation plan and all records associated with fulfilling the requirements of that plan, including, but not limited to:

- a. Records demonstrating that the operator training program is in place;
- b. Records maintained in accordance with the inspection and maintenance plan;
- c. Copies of logs and other documentation developed to demonstrate that the other provisions of the work practice implementation plan are followed.

(v) General Work Practice Requirements

- a. Implementation plan must be developed and maintained onsite to demonstrate compliance with work practice requirements.
- b. The written work practice implementation plan shall be developed within no more than 60 days after the adoption of this Rule.
- c. The written work practice implementation plan shall be available for inspection by the District, upon request.

(D) Exemptions

- (1) The provisions of subsections (C)(1)(a), (C)(2)(a), (C)(3)(a) and (C)(4) of this Rule shall not apply to:
 - (a) The use of Aerosol Products.
 - (b) Facilities whose Rate Per Day of Coating use is less than one (1) gallon including any VOC-containing materials added to the original Coating as supplied by the manufacturer (only Coatings subject to this Rule shall be included in this calculation), and whose Wood Coating Application Operations do not emit more than 3 pounds of VOCs per day and not more than 200 pounds of VOCs per calendar year.
 - (c) Laminating of fiberglass, metal, or plastic sheets to wood Panels.
 - (d) The application of Coatings to musical instruments.
 - (e) The application of Coatings to billiard tables.
- (2) The provisions of subsection (C)(1)(a), and (C)(2)(a) shall not apply to Touch-Up and Repair Coatings or Stencil Coatings.
- (3) Any Facility classified as exempt or claiming to be exempt under this Section (D), shall meet the record keeping requirements of this Rule so as to be able to certify the exemption status.
- (4) Residential non-commercial operations are exempt from the provisions of this Rule.
- (5) Facilities which use less than 20 gallons per year of Wood Products Coatings and/or Strippers (singly or in any combination) are exempt from the provisions of this Rule with the exception of Section (F).
- (6) Coatings used to provide the following finishes are exempt from the provision of subsection (C)(1)(a) and (C)(2)(a), provided that the records are maintained as specified in Section (F):
 - (a) Crackle Lacquers;
 - (b) Faux Finishes;
 - (c) Imitation Wood Grain;
 - (d) Leaf Finishes.
- (7) Tints applied to Stains in quantities not to exceed one (1) pint of Tint in any operating day are exempt from all the provisions of this Rule, provided that the records are maintained as specified in Section (F).

(E) Administrative Requirements

(1) Rule 442 Applicability

- (a) Any Coating, Coating Operation, or Facility which is exempt from all or a portion of the VOC Content limits of this Rule shall comply with the provisions of Rule 442 regulating those exempted activities unless compliance with the limits specified in this Rule are achieved.

(F) Monitoring and Records

(1) Coating Records

- (a) Any Person subject to this Rule shall comply with the following requirements:
- (i) The Person shall maintain and have available during an inspection, a current list of Coatings in use which provides all of the Coating data necessary to evaluate compliance, including the following information, as applicable:
 - a. Coating, catalyst, and reducer used.
 - b. Mix ratio of components used.
 - c. VOC Content of Coating as applied.
 - d. A data sheet, material list, or invoice giving material name, manufacturer, identification, material application and VOC Content.
 - (ii) The Person shall maintain records on a daily basis including:
 - a. Coating and mix ratio of components used in the Coating; and
 - b. Quantity of each Coating applied.
 - (iii) The Person shall maintain records on a daily basis showing the type and amount of Solvent and Stripper used for cleanup, surface preparation, and paint removal.
- (b) Notwithstanding the provisions of subsection (F)(1)(a), a Person or Facility which exclusively uses Coating formulations compliant with subsection (C)(1)(a) and (C)(2)(a) may maintain usage records on a monthly basis.
- (c) Persons using Stains and/or Tints and subject to this Rule shall maintain records on a monthly basis that provide the following information:
- (i) Name, description, container size and actual VOC Content of any Tints used to color Stains.
 - (ii) Records of any Tint use shall be maintained on a daily basis.

- (2) Compliance Assurance Monitoring
- (a) Each Coating Application Operation subject to subparagraph (C)(1)(a) or (C)(2)(a) which is using air pollution abatement Equipment to meet the control requirement shall:
- (i) Utilize Compliance Assurance Monitoring, as approved by the APCO. Each monitoring device(s), mechanism and/or technique shall be calibrated/maintained in a manner approved by the APCO; and
- (ii) Maintain and produce daily records of key system operating parameters and maintenance procedures which will demonstrate continuous operation and compliance of the air pollution abatement Equipment during periods of emission-producing activities. Key system operating parameters are those necessary to ensure compliance with subsection (C)(5), such as temperatures, pressures and flow rates.
- (b) Compliance with subsection (C)(5) shall be determined by compliance testing as prescribed in subsections (G)(2)(b) and (c) and by evaluating Compliance Assurance Monitoring data.
- (4) All records for the previous five (5) year period maintained and produced pursuant to this Section shall be retained and available for inspection by the APCO upon request.

(G) Test Methods

- (1) A violation of the limits contained in this Rule, as determined by any one of these test methods, shall constitute a violation of this Rule.
- (2) The following specified test methods shall be used to determine compliance with the provisions of this Rule.
- (a) Determination of VOC Content and solids content: Samples of Coatings and Solvent as specified in Section (C) shall be analyzed as prescribed by EPA Reference Method 24 – *Determination of Volatile Matter Content, Water Content, Density, Volume Solids, and Weight Solids of Surface Coatings* for VOC Content and solids content (without correction for Exempt Compounds) and ASTM D4457-02(2008) - *Standard Test Method for Determination of Dichloromethane and 1,1,1-Trichloroethane in Paints and Coatings by Direct Injection into a Gas Chromatograph*, or ARB Method 432 – *Determination of Dichloromethane and 1,1,1-Trichloroethane in Paints and Coatings* (09/12/1989) for determination of emissions of Exempt Compounds. Perfluorocarbon compounds shall be assumed to be absent from a product or process unless a manufacturer or

Facility Operator identifies the specific individual compounds (from the broad classes of perfluorocarbon compounds) and the amounts present in the product or process and provides a test method acceptable to EPA and ARB which can be used to quantify the specific compounds.

- (b) Determination of Emissions: For any Owners and/or Operators who choose to comply with the provisions of Section (C)(1)(a) or (C)(2)(a) through the use of air pollution abatement Equipment, emission of VOCs shall be measured as prescribed by EPA Reference Method 25 – *Gaseous Nonmethane Organic Emissions* and EPA Reference Method 25A – *Determination of Total Gaseous Organic Concentration using a Flame Ionization Analyzer* for determination of VOC emissions (without correction for Exempt Compounds) and EPA Method 18 – *Volatile Organic Compounds by Gas Chromatography*, or ARB Method 422 – *Determination of Volatile Organic Compounds in Emissions from Stationary Sources (Exempt VOCs)* (12/13/1991) for measuring emission of Exempt Compounds.
 - (c) Determination of Overall Control Efficiency: The Overall Control Efficiency of air pollution abatement Equipment shall be determined by a minimum of three sampling runs conducted according to USEPA’s technical guidance document “Guidelines for Determining Capture Efficiency”, January 9, 1995, and 40 CFR 51, Appendix M, Methods 204-204F, as applicable.
- (3) Demonstration of Transfer Efficiency of alternative application methods subject to subsection (C)(3)(a) shall be conducted in accordance with South Coast Air Quality Management District’s “Spray Equipment Transfer Efficiency Test Procedure for Equipment User” (May 24, 1989), and South Coast Air Quality Management District “Guidelines for Demonstrating Equivalency With District Approved Transfer Efficiency Spray Gun” September 26, 2002.
- (4) Calculation of VOC Content:
- (a) For the purpose of determining compliance with the VOC Content limits in Section (C), the VOC Content of a Coating shall be determined by using the procedures in subsection (i) or (ii) below, as appropriate. If the manufacturer does not recommend thinning, the VOC Content must be calculated for the product as supplied. The VOC Content of a Tint Base shall be determined without Colorant that is added after the Tint Base is manufactured. Effective (1 year after date of adoption), if the Coating is a multi-component product, the VOC Content must be calculated as mixed or catalyzed. Effective (1 year after date of adoption), if the Coating contains Silanes, siloxanes, or other ingredients that generate ethanol or other VOCs during the curing process, the VOC Content must include the VOCs emitted during curing.

- (i) Regulatory VOC Content – The weight of VOC per combined volume of VOC and Coating solids, shall be calculated by the following equation:

$$VOC_{Regulatory} = \frac{W_v - W_w - W_{ec}}{V_m - V_w - V_{ec}}$$

Where:

- $VOC_{Regulatory}$ = Weight of VOC per liter of Coating, less water and less Exempt Compounds
- W_v = Weight of all volatile compounds, in grams
- W_w = Weight of water, in grams
- W_{ec} = Weight of Exempt Compounds, in grams
- V_m = Volume of Coating material, in liters
- V_w = Volume of water, in liters
- V_{ec} = Volume of Exempt Compounds, in liters

- (ii) Actual VOC Content – The weight (in grams) of VOC per liter of Wood Products Coating material is expressed as grams VOC per liter of material, and shall be calculated by the following equation:

$$VOC_{Actual} = \frac{W_v - W_w - W_{ec}}{V_m}$$

- VOC_{Actual} = Weight of VOC per liter of Coating
- W_v = Weight of all volatile compounds, in grams
- W_w = Weight of water, in grams
- W_{ec} = Weight of Exempt Compounds, in grams
- V_m = Volume of Coating material, including any added VOC-containing Solvents or reducers but excluding any colorant added to Tint the base in liters

(5) VOC Composite Partial Vapor Pressure:

$$PP_c = \frac{\sum_{i=1}^n (W_i)(VP_i)/(MW_i)}{\frac{W_w}{MW_w} + \frac{W_e}{MW_e} + \sum_{i=1}^n \frac{W_i}{MW_i}}$$

Where:

- PP_c = VOC composite partial pressure at 68 °F (20 °C), in mm Hg
- W_i = Weight of the “I”th VOC compound, in grams
- W_w = Weight of water, in grams
- W_e = Weight of Exempt Compounds, in grams
- MW_i = Molecular weight of the “I”th VOC compound, in (g/g-mole)
- MW_w = Molecular weight of water, in (g/g-mole)
- MW_e = Molecular weight of Exempt Compound, in (g/g-mole)
- VP_i = Vapor pressure of the “I”th VOC compound at 68 °F (20 °C), in mm Hg

- (6) Overall Control Efficiency (C.E.) shall be calculated using the following equations:

$$\text{Capture Efficiency (\%)} = \left(\frac{W_c}{W_e} \right) \times 100$$

Where:

- W_c = Weight of VOC entering control device
- W_e = Weight of VOC emitted from the source

$$\text{Control Device Efficiency (\%)} = \frac{(W_c - W_a)}{W_c} \times 100$$

Where:

- W_c = Weight of VOC entering control device
- W_a = Weight of VOC discharged from the control device

$$C.E. (\%) = \frac{(Capture\ Efficiency) \times (Control\ Device\ Efficiency)}{100}$$

See SIP Table at <http://www.mdaqmd.ca.gov/>

This page intentionally left blank.



Draft
Staff Report
Proposed
Amendments to
Rule 1114 – *Wood Products Coating Operations*

For Hearing June 8, 2020
For Adoption August 24, 2020

**Mojave Desert
Air Quality
Management District**

14306 Park Avenue
Victorville, CA 92392-2310
760.245.1661 • Fax 760.245.2022

This page intentionally left blank.

**STAFF REPORT
TABLE OF CONTENTS**

Rule 1114 – Wood Products Coating Operations

I. PURPOSE OF STAFF REPORT	1
II. EXECUTIVE SUMMARY	1
III. STAFF RECOMMENDATION	2
IV. LEGAL REQUIREMENTS CHECKLIST	3
V. DISCUSSION OF LEGAL REQUIREMENTS	4
A. REQUIRED ELEMENTS/FINDINGS.....	4
1. State Findings Required for Adoption of Rules & Regulations	4
a. Necessity	4
b. Authority	4
c. Clarity	4
d. Consistency	4
e. Nonduplication.....	5
f. Reference	5
g. Public Notice & Comment, Public Hearing.....	5
2. Federal Elements (SIP Submittals, Other Federal Submittals).....	5
a. Satisfaction of Underlying Federal Requirements	5
b. Public Notice and Comment	5
c. Availability of Document	6
d. Notice to Specified Entities	6
e. Public Hearing	6
f. Legal Authority to Adopt and Implement	6
g. Applicable State Laws and Regulations Were Followed.....	6
B. WRITTEN ANALYSIS OF EXISTING REQUIREMENTS	6
C. ECONOMIC ANALYSIS	7
1. General.....	7
2. Incremental Cost Effectiveness	8
D. ENVIRONMENTAL ANALYSIS (CEQA).....	8
E. SUPPLEMENTAL ENVIRONMENTAL ANALYSIS	8
1. Potential Environmental Impacts.....	8
2. Mitigation of Impacts	8
3. Alternative Methods of Compliance.....	8
F. PUBLIC REVIEW	8
VI. TECHNICAL DISCUSSION	9
A. SOURCE DESCRIPTION	9
B. EMISSIONS	9
C. CONTROL REQUIREMENTS.....	9
D. PROPOSED RULE SUMMARY	9
E. FCAA 110(l) (42 U.S.C. §7410(l)) ANALYSIS	10
F. SIP HISTORY	10
1. SIP History	10
a. SIP in the San Bernardino County Portion of MDAQMD	10

b. SIP in the Riverside County Portion of the MDAQMD 11

2. SIP Analysis 12

Appendix A - Iterated Version..... A-1

Appendix B - Public Notice Documents..... B-1

Appendix C - Public Comments and Responses..... C-1

Appendix D - California Environmental Quality Act Documentation D-1

Appendix E - Bibliography.....E-1

List of Acronyms

BACT	Best Available Control Technology
BARCT	Best Available Retrofit Control Technology
CARB	California Air Resources Board
CCAA	California Clean Air Act
CEQA	California Environmental Quality Act
CTG	Control Techniques Guidelines
FCAA	Federal Clean Air Act
H&S Code	California Health & Safety Code
MDAB	Mojave Desert Air Basin
MDAQMD	Mojave Desert Air Quality Management District
NO _x	Oxides of Nitrogen
RACM	Reasonably Available Control Measures
RACT	Reasonably Available Control Technology
SCAQMD	South Coast Air Quality Management District
SIP	State Implementation Plan
SO _x	Oxides of Sulfur
TAC	Technical Advisory Committee
USEPA	U.S. Environmental Protection Agency
VOC	Volatile Organic Compounds

This page intentionally left blank.

STAFF REPORT

Rule 1114 – *Wood Products Coating Operations*

I. PURPOSE OF STAFF REPORT

A staff report serves several discrete purposes. Its primary purpose is to provide a summary and background material to the members of the Governing Board. This allows the members of the Governing Board to be fully informed before making any required decision. It also provides the documentation necessary for the Governing Board to make any findings, which are required by law to be made prior to the approval or adoption of a document. In addition, a staff report ensures that the correct procedures and proper documentation for approval or adoption of a document have been performed. Finally, the staff report provides evidence for defense against legal challenges regarding the propriety of the approval or adoption of the document.

II. EXECUTIVE SUMMARY

The Federal Clean Air Act (FCAA) requires areas designated non-attainment and classified moderate and above to implement Reasonably Available Control Technology (RACT) for sources subject to Control Techniques Guidelines (CTG) documents issued by United States Environmental Protection Agency (USEPA) and for “major sources” of Volatile Organic Compounds (VOCs) and oxides of nitrogen (NO_x) which are ozone precursors. The District adopted the *70 ppb Ozone Standard Implementation Evaluation (70 ppb O₃ Evaluation): RACT SIP Analysis; FNDs; and, Emission Statement Certification* on October 28, 2019 to satisfy the District’s obligation for the 2015 NAAQS ozone standard. The *70 ppb Ozone Evaluation* committed to amending Rule 1114 – *Wood Products Coating Operations* to current Federal RACT. The MDAQMD has a wood products coating operations rule which was amended January 22, 2018 and approved as RACT into the SIP on July 2, 2019 (84 FR 31682).

This Rule implements the RACT requirements found in *Control of Volatile Organic Compound Emissions from Wood Furniture Manufacturing Operations* (EPA-453/R-96-007, April 1996) and *Control Techniques Guidelines: Industrial Cleaning Solvents* (EPA 453/R-06-001, September 2006). The source category covered by Rule 1114 is also subject to two additional CTGs titled *Control of Volatile Organic Emissions from Existing Stationary Sources – Volume VII: Factory Surface Coating of Flat Wood Paneling* (EPA 450/2-78-032, June 1978) and *Control Techniques Guidelines for Flat Wood Paneling Coatings* (EPA 453/R-06-004, September 2006) for which the District has filed Federal Negative Declarations (October 28, 2019).

The District has several facilities that primarily coat wood products and some additional facilities that may coat wood products as part of their operations. There are no current facilities that meet the specific applicability threshold of the CTG titled *Control of Volatile Organic Compound Emissions from Wood Furniture Manufacturing Operations* (sources located in nonattainment areas that emit, or have the potential to emit, 25 tons/year or more of VOCs).

The MDAQMD is proposing to update Rule 1114 – *Wood Products Coating Operations* to reflect current Federal RACT for the 2015 NAAQS ozone standard. This amendment will incorporate suggestions from the November 2018 Technical Support Document for EPA’s Rulemaking for the California State Implementation Plan for Rule 1114 (EPA-R09-OAR-2018-0512, 12/27/2018 as found at www.regulations.gov), amending the emissions limit for High-Solids Stains coating category, requiring a Work Practice Implementation Plan, and reducing the general exemption limits from 55 gallons per year to 20 to be consistent with the CTG.

III. STAFF RECOMMENDATION

Staff recommends that the Governing Board of the Mojave Desert Air Quality Management District amend proposed Rule 1114 – *Wood Products Coating Operations* and approve the appropriate California Environmental Quality Act (CEQA) documentation. This action is necessary to satisfy 42 U.S.C. §§7511a (FCAA §182) which requires that ozone non-attainment areas implement RACT for sources that are subject to CTGs and for major sources of ozone precursors as well as the District’s commitment to amend the rule in the *70 ppb O₃ Evaluation*.

IV. LEGAL REQUIREMENTS CHECKLIST

The findings and analysis as indicated below are required for the procedurally correct amendments to Rule 1114 – *Wood Products Coating Operations*. Each item is discussed, if applicable, in Section V. Copies of related documents are included in the appropriate appendices.

FINDINGS REQUIRED FOR RULES & REGULATIONS:

- X Necessity
- X Authority
- X Clarity
- X Consistency
- X Nonduplication
- X Reference
- X Public Notice & Comment
- X Public Hearing

REQUIREMENTS FOR STATE IMPLEMENTATION PLAN SUBMISSION (SIP):

- X Public Notice & Comment
- X Availability of Document
- X Notice to Specified Entities (State, Air Districts, USEPA, Other States)
- X Public Hearing
- X Legal Authority to adopt and implement the document.
- X Applicable State laws and regulations were followed.

ELEMENTS OF A FEDERAL SUBMISSION:

- N/A Elements as set forth in applicable Federal law or regulations.

CALIFORNIA ENVIRONMENTAL QUALITY ACT REQUIREMENTS (CEQA):

- N/A Ministerial Action
- N/A Exemption
- X Negative Declaration
- N/A Environmental Impact Report
- X Appropriate findings, if necessary.
- X Public Notice & Comment

SUPPLEMENTAL ENVIRONMENTAL ANALYSIS (RULES & REGULATIONS ONLY):

- X Environmental impacts of compliance.
- N/A Mitigation of impacts.
- N/A Alternative methods of compliance.

OTHER:

- X Written analysis of existing air pollution control requirements
- N/A Economic Analysis
- X Public Review

V. DISCUSSION OF LEGAL REQUIREMENTS

A. REQUIRED ELEMENTS/FINDINGS

This section discusses the State of California statutory requirements that apply to the proposed amendments to Rule 1114. These are actions that need to be performed and/or information that must be provided in order to amend the rule in a procedurally correct manner.

1. State Findings Required for Adoption of Rules & Regulations:

Before adopting, amending, or repealing a rule or regulation, the District Governing Board is required to make findings of necessity, authority, clarity, consistency, non-duplication, and reference based upon relevant information presented at the hearing. The information below is provided to assist the Board in making these findings.

a. Necessity:

The amendments to Rule 1114 are necessary to satisfy 42 U.S.C. §§7511a (FCAA §182) which requires that ozone non-attainment areas implement RACT for sources that are subject to CTGs and for major sources of ozone precursors. The District does not currently have sources meeting the threshold in the CTG, but does have an existing RACT rule.

b. Authority:

The District has the authority pursuant to California Health and Safety Code (H & S Code) §40702 to adopt, amend, or repeal rules and regulations.

c. Clarity:

The amendments to Rule 1114 are clear in that they are written so that the persons subject to the Rule can easily understand the meaning.

d. Consistency:

The amendments to Rule 1114 are in harmony with, and not in conflict with or contradictory to any state law or regulation, federal law or regulation, or court decisions. The rule is consistent with the CTG provisions and other District rules deemed to meet RACT.

e. Nonduplication:

The amendments to Rule 1114 do not impose the same requirements as any existing state or federal law or regulation, or court decision. CTGs are primarily guidance documents and not enforceable in and of themselves. A rule is necessary to implement the applicable provisions of these documents.

f. Reference:

The District has the authority pursuant to H&S Code §40702 to adopt, amend or repeal rules and regulations.

g. Public Notice & Comment, Public Hearing:

Notice for the public hearing for the proposed amendments to Rule 1114 will be published May 8, 2020 for the June 8, 2020 meeting. See Appendix “B” for a copy of the public notice. See Appendix “C” for copies of comments, if any, and District responses.

2. Federal Elements (SIP Submittals, Other Federal Submittals).

Submittals to USEPA are required to include various elements depending upon the type of document submitted and the underlying Federal law that requires the submittal. The information below indicates which elements are required for the proposed amendments to of Rule 1114 and how they were satisfied.

a. Satisfaction of Underlying Federal Requirements:

The FCAA requires areas designated non-attainment and classified moderate and above to implement RACT for sources subject to CTG documents issued by USEPA and for “major sources” of VOCs and NO_x that are ozone precursors. Because the District has an existing SIP rule for this CTG category, the District committed to adopting an updated RACT rule for wood products coating operations. While the District does not have sources meeting the threshold in the CTGs it does an existing approved RACT rule. The proposed amendments are based on the CTGs along with suggestions made in USEPA’s November 2018 Technical Support Document as found in Docket #EPA-R09-OAR-2018-0512 at www.regulations.gov.

b. Public Notice and Comment:

Notice for the public hearing for the proposed amendments to Rule 1114 will be published May 8, 2020 for the June 8, 2020 meeting. See Appendix “B” for a copy of the public notice. See Appendix “C” for copies of comments, if any, and District responses.

c. Availability of Document:

Copies of proposed amended Rule 1114 and the accompanying draft staff report will be made available to the public on April 24, 2020. The proposed amendments were reviewed by the Technical Advisory Committee (TAC), a committee consisting of a variety of regulated industry and local governmental entities, on March 19, 2020. It was the consensus of the TAC to recommend submittal of Rule 1114 to the Governing Board for adoption on June 8, 2020.

d. Notice to Specified Entities:

Copies of proposed amended Rule 1114 and the accompanying draft staff report will be sent to all affected agencies. The proposed amendments will be sent to CARB and USEPA on April 24, 2020.

e. Public Hearing:

A public hearing to consider the amendments to Rule 1114 was set for June 8, 2020.

f. Legal Authority to Adopt and Implement:

The District has the authority pursuant to H&S Code §40702 to adopt, amend, or repeal rules and regulations and to do such acts as may be necessary or proper to execute the duties imposed upon the District.

g. Applicable State Laws and Regulations Were Followed:

Public notice and hearing procedures pursuant to H&S Code §§40725-40728 have been followed. See Section (V)(A)(1) above for compliance with state findings required pursuant to H&S Code §40727. See Section (V)(B) below for compliance with the required analysis of existing requirements pursuant to H&S Code §40727.2. See Section (V)(C) for compliance with economic analysis requirements pursuant to H&S Code §40920.6. See Section (V)(D) below for compliance with provisions of the CEQA.

B. WRITTEN ANALYSIS OF EXISTING REQUIREMENTS

H&S Code §40727.2 requires air districts to prepare a written analysis of all existing federal air pollution control requirements that apply to the same equipment or source type as the rule proposed for modification by the district.

The FCAA requires areas designated non-attainment for ozone and classified moderate and above to adopt and maintain RACT rules to control the emissions of VOCs and NO_x for categories which the USEPA has adopted a CTG and for all categories where there are major stationary sources of air pollution (42 U.S.C. §7511a(b)(2), FCAA 182(b)(2)). For purposes of the FCAA, portions of the District have been designated non-attainment for ozone and classified severe-17.

The MDAQMD has a wood products coating operations rule which was amended January 22, 2018 and approved as RACT into the SIP on February 2, 2018 (83 FR 5921). This rule is subject to the CTG titled *Control of Volatile Organic Compound Emissions from Wood Furniture Manufacturing Operations* (EPA-453/R-96-007, April 1996) and the CTG titled *Control Techniques Guidelines: Industrial Cleaning Solvents* (EPA 453/R-06-001, September 2006). This source category is also subject to two additional CTGs titled *Control of Volatile Organic Emissions from Existing Stationary Sources – Volume VII: Factory Surface Coating of Flat Wood Paneling* (EPA 450/2-78-032, June 1978) and *Control Techniques Guidelines for Flat Wood Paneling Coatings* (EPA 453/R-06-004, September 2006). Since there are no flat wood paneling operations within the Districts jurisdiction Federal Negative Declarations were adopted for the two flat wood paneling coating CTGs on October 28, 2019. The proposed amendments to Rule 1114 are based on the CTGs, along with suggestions made in USEPA’s November 2018 Technical Support Document as found in Docket #EPA-R09-OAR-2018-0512 at www.regulations.gov

The District has several facilities that primarily coat wood products, and additional facilities that may coat wood products as part of their operations. There are no facilities that meet the specific applicability threshold of the CTG titled *Control of Volatile Organic Compound Emissions from Wood Furniture Manufacturing Operations* but the District has an existing RACT rule and the potential to have sources subject to the CTG applicability. Therefore, the District has chosen to update Rule 1114 to meet current federal RACT.

C. ECONOMIC ANALYSIS

1. General

RACT is defined as the lowest emissions limitation that a particular source is capable of meeting by the application of control technology that is reasonably available considering technological and economic feasibility (44 FR 53762, September 17, 1979). Rule 1114 is equivalent to rules that were determined by USEPA to fulfill RACT.¹ This determination by USEPA means that the provisions of Rule 1114 are, by definition, cost effective.

¹ San Diego County Air Pollution Control District Rule 67.11 – *Wood Products Coating Operations* (78 FR 21538, 04/11/2013); and, Placer County Air Pollution Control District Rule 236 – *Wood Products and Coating Operations* (76 FR 71886, 11/21/2011).

2. Incremental Cost Effectiveness

Pursuant to H&S Code §40920.6, incremental cost effectiveness calculations are required for rules and regulations which are adopted or amended to meet the California Clean Air Act (CCAA) requirements for Best Available Retrofit Control Technology (BARCT) or “all feasible measures” to control volatile compounds (VOCs), oxides of nitrogen (NO_x) or oxides of sulfur (SO_x). The amendment of Rule 1114 is not subject to incremental cost effectiveness calculations because it does not involve BARCT or “all feasible measures”.

D. ENVIRONMENTAL ANALYSIS (CEQA)

Through the process described below the appropriate CEQA process for the proposed amendments to Rule 1114 was determined.

1. The proposed amendments to Rule 1114 meet the CEQA definition of “project”. They are not “ministerial” actions.

2. The proposed amendments to Rule 1114 are exempt from CEQA review because the amendments will not create any adverse impacts on the environment. The proposed rule amendments are more stringent than the previous rule version. Because there is no potential that the amendments might cause the release of additional air contaminants or create any adverse environmental impacts, a Class 8 categorical exemption (14 Cal. Code Reg. §15308) applies. Copies of the documents relating to CEQA can be found in Appendix “D”.

E. SUPPLEMENTAL ENVIRONMENTAL ANALYSIS

1. Potential Environmental Impacts

There are no potential adverse environmental impacts of compliance with the adoption of Rule 1114. Rule 1114 will impose additional controls on VOCs, control device efficiency, work practices, surface preparation and cleanup solvent VOC limits.

2. Mitigation of Impacts

N/A

3. Alternative Methods of Compliance

N/A

F. PUBLIC REVIEW

See Staff Report Section (V)(A)(1)(g) and (2)(b), as well as Appendix “B”

VI. TECHNICAL DISCUSSION

A. SOURCE DESCRIPTION

Rule 1114 is applicable to wood products coating application operations, defined as room furnishings including cabinets (kitchen, bath and vanity), tables, chairs, beds, sofas, shutters, art objects, and any other coated object made of solid wood and/or composite wood and/or made of simulated wood material used in combination with solid wood or composite wood.

B. EMISSIONS

The proposed amendments update rule definitions, reduce VOC emissions by lowering coating limits, require a Work Practice Implementation Plan, and reduces the general low use exemption to be consistent with the November 2018 Technical Support Document for EPA's Rulemaking for the California State Implementation Plan for Rule 1114 (EPA-R09-OAR-2018-0512, 12/27/2018 as found at www.regulations.gov).

C. CONTROL REQUIREMENTS

Please see section (C) of the rule (Appendix A) for control requirements.

The amendments to Rule 1114 – *Wood Products Coating Operations* do not cause the release of additional air contaminants or create any environmental impacts.

Section (C)(1) High-Solids Stains Coating VOC limits has been modified according to the TSD (EPA-R09-OAR-2018-0512) to fulfill RACT.

Work practices have been further strengthened for cleanup of spray equipment.

D. PROPOSED RULE SUMMARY

This section gives a brief overview of the proposed amendments to Rule 1114.

Subsection (C)(1)(a) High-Solids Coating limits were lowered to those consistent with the CTG and TSD.

Subsection (C)(1)(a) Medium Density Fiberboard (MDF) Coating limits added at 275 g/L (2.3 lb/gal) less water and less exempt compounds with the same limits as the General Coating limits for consistency with MDAQMD 1114 Table 2.

Subsection (C)(2)(a) Any other Low-Solids Coatings limit removed for redundancy with General Coating limits.

Subsection (C)(8) was added to further strengthen the work practices for cleanup of spray requirement through a Work Practice Implementation Plan Requirement, as recommended by the TSD (EPA-R09-OAR-2018-0512 found at www.regulations.gov)

and according to the *Control of Volatile Organic Compound Emissions from Wood Furniture Manufacturing Operations* CTG (EPA-453/R-96-007 1996/04).

Subsection (D)(5) exemption limits were lowered for consistency with EPA recommendations.

E. FCAA 110(l) (42 U.S.C. §7410(l)) ANALYSIS

Rule 1114 was originally adopted 03/02/92, and subsequently amended 02/22/95, 11/25/96, and 01/22/18. The SIP approved version of Rule 1114 is the 01/22/18 amendment, approved on July 2, 2019 (84 FR 31682). This RACT approval covered the 1997 and 2008 NAAQS ozone standard, not the 2015 ozone standard. This version of the rule is the only rule applicable in the MDAQMD, including the Blythe/Palo Verde area of Riverside County that was acquired from the SCAQMD. The 110(l) analysis will be based on the differences between the 01/22/18 MDAQMD amendment and the current proposed amendment.

Several definitions have been relocated to existing Rule 102. Many terms are defined in multiple district rules. In addition, many of these definitions are exact or near exact duplicates of each other. Pursuant to Governing Board direction regarding streamlining, the Air Pollution Control Officer (APCO) has determined that shifting common definitions to Rule 102 and updating them for consistency will improve clarity. As per EPA recommendations in the TSD, the coating limit for High-Solids stains have been lowered, and the 55 gallons per year exemption has been lowered to 20 gallons per year. Moreover, a new requirement was added requiring facilities to put in place a Work Practice Implementation Plan to further strengthen work practices for cleanup of spray equipment. No part of the prior rule has been omitted. These changes and updates do not relax the rule, but rather, implement CTG provisions and thereby strengthen the rule.

F. SIP HISTORY

1. SIP History.

a. SIP in the San Bernardino County Portion of MDAQMD

On July 1, 1993 the MDAQMD was formed pursuant to statute. Pursuant to statute it also retained all the rules and regulations of the SBCAPCD until such time as the Governing Board of the MDAQMD wished to adopt, amend, or rescind such rules. The MDAQMD Governing Board, at its very first meeting, reaffirmed all the rules and regulations of the SBCAPCD. Rule 1114 was a new rule adopted by the MDAQMD on 03/02/1992. This version of the rule was submitted for inclusion in the SIP on 06/19/92 and presumably no action was taken. Rule 1114 was subsequently amended on November 25, 1996 and approved into the SIP (61 FR 18962, 04/30/1996), and amended again January 22, 2018 and approved at 84 FR 31682, 07/02/2019. The 2018 version of the rule is the current version in the SIP for the entire District. This

approval does not mention the removal of the Riverside County rules as discussed below.

b. SIP in the Riverside County (Blythe/Palo Verde Valley) Portion of the MDAQMD

One of the provisions of the legislations which created the MDAQMD allowed areas contiguous to the MDAQMD boundaries and within the same air basin to leave their current air district and become a part of the MDAQMD. On July 1, 1994 the area commonly known as the Palo Verde Valley in Riverside County, including the City of Blythe, left SCAQMD and joined the MDAQMD. Since USEPA adopts SIP revisions in California as effective within the jurisdictional boundaries of local air districts, when the local boundaries change the SIP as approved by USEPA for that area up to the date of the change remains as the SIP in that particular area. Upon annexation of the Blythe/Palo Verde Valley the MDAQMD acquired the SIP prior to July 1, 1994 that was effective in the Blythe/Palo Verde Valley. Therefore, the SIP history for the Blythe/Palo Verde Valley Portion of the MDAQMD is based upon the rules adopted and approved for that portion of Riverside County by SCAQMD.

SCAQMD originally adopted Rule 1104 – *Wood Flat Stock Coating Operations* on April 7, 1978, and this version was included in a mass adoption of SCAQMD rules for Riverside County as submitted on August 11, 1980 and approved 47 FR 25013, June 9, 1982. Rule 1104 was subsequently amended on December 7, 1984, May 5, 1989, March 2, 1990, December 7, 1990, March 1, 1991, and August 2, 1991.² The August 2, 1991 is the version of this rule effective in the SIP for the Blythe/Palo Verde Valley portion of SCAQMD upon annexation into the MDAQMD (40 CFR 52.220(c)(186)(i)(C)(1), 59 FR 32354, 06/23/1994).

SCAQMD also adopted Rule 1136 – *Wood Products Coatings* on September 16, 1983, and this version was adopted as part of SCAQMD rules for Riverside County as approved 40 CFR 52.220(c)(148)(vi)(B), 49 FR 39057, October 3, 1984. Rule 1136 was subsequently amended on August 5, 1988, May 5, 1989, March 2, 1990, June 28, 1990, November 2, 1990, December 7, 1990, August 2, 1991, and April 8, 1994.³ The August 2, 1991 is

² Rule 1104 was also amended August 13, 1999 subsequent to the annexation of the Blythe/Palo Verde Valley on July 1, 1994.

³ Rule 1136 was also amended August 12, 1994, September 8, 1995, and June 14, 1996, subsequent to the annexation of the Blythe/Palo Verde Valley on July 1, 1994.

the version of this rule effective in the SIP for the Blythe/Palo Verde Valley portion of SCAQMD upon annexation into the MDAQMD (40 CFR 52.220(c)(189)(i)(A)(4), 59 FR 17698, 04/14/94).

MDAQMD Rule 1114 – *Wood Products Coating Operations* as amended January 22, 2018 (84 FR 31682, July 2, 2019) was approved for the entire jurisdiction on the MDAQMD, but does not mention the removal of SCAQMD Rule 1104 or Rule 1136 as effective in the Riverside County Portion of the MDAQMD.

2. SIP Analysis.

Rule 1114 as amended on January 22, 2018 was submitted and approved for both the San Bernardino and Riverside County portions of the MDAQMD. Any provisions for this source category not included in Rule 1114 are covered by the applicable FND's as approved at 40 CFR 52.222(a)(1) and as updated by the MDAQMD on 10/28/2019 and submitted to USEPA for approval.

The District is requesting CARB to submit the current amended version of Rule 1114 for the San Bernardino County portion of the MDAB and for the Blythe/Palo Verde Valley portion of Riverside County. The District also requests removal of all prior versions of Rule 1104 and 1136 from the Blythe/Palo Verde Valley portion of the MDAQMD as their subject matter has been superseded by the approval of the previous version of Rule 1114, and that the Region IX SIPs webpage be updated to reflect the appropriate SIP information.

The MDAQMD is specifically requesting that CARB submit this action as a SIP revision along with a request that USEPA take the following actions:

- a. Approve the June 8, 2020 version of Rule 1114 as a part of the SIP for the entire jurisdiction of the MDAQMD.
- b. Withdraw any outstanding submittals of Rule 1114 for the MDAQMD especially for the Blythe/Palo Verde Valley area within the District, as new submissions are intended to supersede all prior submissions.
- c. Remove SCAQMD Rule 1104 – *Wood Flat Stock Coating Operations* for the Riverside County portion of the MDAQMD as listed at 40 CFR 52.220(c)(47)(i)(B), 40 CFR 52.220(c)(159)(v)(A), and 40 CFR 52.220(c)(186)(i)(C)(1).
- d. Remove SCAQMD Rule 1136 – *Wood Products Coatings* for the Riverside County portion of the MDAQMD as listed at 40 CFR 52.220(c)(148)(vi)(B) and 40 CFR 52.220(c)(189)(i)(A)(4).
- e. Update the Region IX SIP webpage to reflect the above actions.

Appendix “A”

Rule 1114 – *Wood Products Coating Operations* Iterated Version

The iterated version is provided so that the changes to an existing rule may be easily found. The manner of differentiating text is as follows:

1. Underlined text identifies new or revised language.
2. ~~Lined out text~~ identifies language which is being deleted.
3. Normal text identifies the current language of the rule which will remain unchanged by the adoption of the proposed amendments.
4. *[Bracketed italicized text]* is explanatory material that is not part of the proposed language. It is removed once the proposed amendments are adopted.

This page intentionally left blank.

Rule 1114

Wood Products Coating Operations

(A) General

- (1) Purpose
 - (a) The purpose of this Rule is to limit the emission of Volatile Organic Compounds from Wood Products Coating Application Operations.
- (2) Applicability
 - (a) This Rule applies to Wood Products Coating Application Operations within the Mojave Desert Air Quality Management District.

(B) Definitions

The definitions contained in District Rule 102 – *Definition of Terms* shall apply unless the term is otherwise defined herein:

- (1) “Binders” – Non-volatile polymeric Organic Materials (resins) which form the surface film in Coating applications.
- (2) “Clear Sealer” – A Coating containing Binders, but not opaque pigments, which seals the Wood Products prior to application of the subsequent Coatings.
- (3) “Coating Application Operations” – A combination of Coating application steps which may include use of spray guns, flash-off areas, spray booths, ovens, conveyors, and/or other Equipment operated for the purpose of applying Coating materials and associated surface preparation and cleanup.
- (4) “Composite Wood” – A manufactured material consisting of tightly compressed wood fibers bonded with resins which includes, but is not limited to, particleboard, fiberboard and hardboard.
- (5) “Conversion Varnish” – A topcoat or sealer which is comprised of an alkyd or other resin, blended with amino resin, in a homogeneous liquid that, when acid catalyzed and applied, hardens by evaporation and polymerization.
- (6) “Crackle Lacquer” – A clear or Pigmented Topcoat intended to produce a cracked or crazed appearance when dry.

- (7) “Custom Replica Furniture” – New, made-to-order furniture that looks like antique furniture, rather than new furniture. It features detailed wood carvings and bruising of the wood to simulate antique furniture.
- (8) “Faux Finishes” – A finish intended to simulate a surface other than wood, including sand, slate, marble, metal, metal flake, or leather.
- (9) “Filler” – A material which is applied to a Wood Product, and whose primary function is to build up, or fill the voids and imperfections in the Wood Product to be coated.
- (10) “High-Solids Stains” – Stains containing more than one (1) pound of solids per gallon by weight.
- (11) “Imitation Wood Grain” – A hand applied finish that simulates the appearance of a specific natural wood grain.
- (12) “Leaf Finishes” – A finish used in conjunction with metal leaf or foil.
- (13) “Low-Solids Stains, Toners and Washcoats” – Stains, Toners and Washcoats containing one (1) pound of solids per gallon, or less, by weight.
- (14) “Low-Volume, Low-Pressure” (LVLP) – Spray Coating application Equipment with air pressure between 0.1 and 10.0 psig and air volume less than 15.5 cfm per spray gun and which operates at a maximum fluid delivery pressure of 50 psig.
- (15) “Medium Density Fiberboard (MDF) Coatings” – The initial Coating which is applied directly to the surface of MDF. MDF is a wood product composed of tightly compressed wood fibers bonded with resins, and has a density greater than 45 pounds per cubic foot.
- (16) “Mold-Seal Coating” – The initial Coating applied to a new mold or repaired mold to provide a smooth surface which, when coated with a mold release Coating, prevents products from sticking to the mold.
- (17) “New Wood Product” – A Wood Product which has not been previously coated. A Wood Product from which Coatings have been removed to repair flaws in initial Coating applications is a New Wood Product.
- (18) “Panel” – A flat piece of wood or Wood Products, usually rectangular, and used inside homes and mobile homes for wall decorations.
- (19) “Pigmented Primers, Sealers and Undercoats” – Opaque Coatings which contain Binders and colored pigments which are formulated to hide the wood surface, that are applied prior to the topcoat to provide a firm bond, level the wood product surface, or seal the wood product surface.

- (20) “Pigmented Topcoat” – A final opaque Coating which contains Binders and colored pigments, and is specifically formulated to hide the wood surface and form a solid protective film.
- (21) “Rate Per Day” – The amount applied between 12:00 a.m. and 11:59 p.m. on the same calendar day.
- (22) “Refinished Wood Product” – A post-consumer Wood Product which has had some or all of the Coatings removed, and to which new Coatings are applied in order to preserve or restore the post-consumer wood product to its original condition. A wood product from which Coatings have been removed to repair flaws in initial Coating applications is not a Refinished Wood Product.
- (23) “Shutter” – An exterior screen or cover for a window, usually hinged and often fitted with louvers. This includes non-functional Shutters.
- (24) “Simulated Wood Materials” – Materials, such as plastic, glass, metal, that are made to give a wood-like appearance or are processed like Wood Products.
- (25) “Stencil Coating” – An Ink or a pigmented Coating which is rolled or brushed onto a template or stamp in order to add identifying letters and/or numbers to Wood Products.
- (26) “Tint” – A colorant added in small quantities to a Stain to achieve a particular color for the finished product.
- (27) “Toner” – A Wash Coat which contains Binders and dyes or pigments to add Tint to a coated surface.
- (28) “VOC Content” – The weight of VOC per volume of Coating. VOC Content is VOC Regulatory, as defined in subsection (G)(4)(a)(i), for all Coatings except those in the Low Solids category. For Coating in the Low Solids category, the VOC Content is VOC Actual, as defined in subsection (G)(4)(a)(ii). If the Coating is a multi-component product, the VOC Content is VOC Content as mixed or catalyzed. If the Coating contains silanes, siloxanes, or other ingredients that generate ethanol or other VOCs during the curing process, the VOC content must include the VOCs emitted during curing.
- (29) “Wash Coat” – A Coating that contains no more than 1.0 pounds of solids per gallon, by weight, which is used to seal wood surfaces, prevent undesired staining, and control penetration.
- (30) “Wood Products” – Those surface coated room furnishings which include cabinets (kitchen, bath, and vanity), tables, chairs, beds, sofas, Shutters, art objects, and any other coated object made of solid wood and/or Composite Wood and/or made of Simulated Wood Material used in combination with solid wood or Composite Wood.

(C) Requirements

(1) Limits for VOC Content of Coatings & Adhesives for New Wood Products

- (a) Except as provided in subsections (C)(4) or (C)(5), no Person shall apply any Coatings to a New Wood Product if such materials have a VOC Content exceeding the applicable limits specified in Table 1. The VOC Content of Coatings, except Low-Solids Stains, Toners, Washcoats and Solvents shall be determined in accordance with subsection (G)(4)(a)(i) and (G)(2)(a). The VOC Content of Low-Solids Stains, Toners, Washcoats and Solvents shall be determined in accordance with subsection (G)(4)(a)(ii) and (G)(2)(a). VOC limits expressed in grams VOC per liter of Coating shall be used.

Table 1
VOC Content of Coatings and Adhesives for New Wood Products

<u>Coating</u>	g/L (lb/gal) Less Water and Less Exempt Compounds
General	275 (2.3)
Adhesives	250 (2.1)
Clear Sealers	275 (2.3)
Clear Topcoats	275 (2.3)
Conversion Varnish	550 (4.6)
Fillers	275 (2.3)
High-Solids Stains	350 <u>240 (2.92.0)</u>
Inks	500 (4.2)
Low-Solids Stains, Toners and Washcoats	120 (1.0)
<u>Medium Density Fiberboard (MDF) Coatings</u>	<u>275 (2.3)</u>
Mold Seal	750 (6.3)
Multi-Colored Coatings	275 (2.3)
Pigmented Primers, Sealers and Undercoats	275 (2.3)
Pigmented Topcoats	275 (2.3)

[Response to TSD for CA SIP MDAQMD Rule 1114 – Wood Products Coating Operations, 11/1/2018 EPA-R09-OAR-2018-0512-0045 pg. 5]

(2) Limits for VOC Content of Coatings & Adhesives for Refinishing, Repairing, Preserving or Restoring Wood Products

- (a) Except as provided in subsections (C)(4) or (C)(5), no Person shall apply any Coatings to refinish, repair, preserve or restore a wood product if such materials have a VOC Content exceeding the applicable limits specified in Table 2. The VOC Content of Coatings, except Low-Solids Stains,

Toners, Washcoats and Solvents shall be determined in accordance with subsection (G)(4)(a)(i) and (G)(2)(a). The VOC Content of Low-Solids Stains, Toners, Washcoats and Solvents shall be determined in accordance with subsection (G)(4)(a)(ii) and (G)(2)(a). VOC limits expressed in grams VOC per liter of Coating shall be used.

Table 2
VOC Content of Coatings and Adhesives for Refinishing,
Repairing, Preserving or Restoring Wood Products

Coating	g/l (lb/gal) Less Water and Less Exempt Compounds
General	420 (3.5)
Clear Topcoats	680 (5.7)
Conversion Varnishes	550 (4.6)
Fillers	500 (4.2)
High-Solids Stains	700 (5.8)
Inks	500 (4.2)
Low-Solids Stains, Toners and Washcoats	480 (4.0)
Medium Density Fiberboard (MDF) Coatings	680 (5.7)
Mold-Seal Coating	750 (6.3)
Multi-Colored Coatings	680 (5.7)
Pigmented Coatings	600 (5.0)
Sealers	680 (5.7)
Any other Low Solids Coatings	480 (4.0)

(3) Transfer Efficiency

(a) A Person or Facility shall not apply Coatings to Wood Products subject to the provisions of this Rule unless the Coating is applied with properly operating Equipment, according to manufacturer's suggested guidelines, and by the use of one of the following methods:

- (i) Flow Coat;
- (ii) Dip Coat;
- (iii) High-Volume Low-Pressure (HVLP) spray;
- (iv) Low-Volume Low-Pressure spray Equipment;
- (v) Paint brush;
- (vi) Hand roller;
- (vii) Roll Coater;
- (viii) Air-Assisted Airless Spray (for Touch-Up and Repair Coating only);
- (ix) Electrostatic Application Equipment; or
- (x) Such other Coating application methods as are demonstrated to the Air Pollution Control Officer to have a Transfer Efficiency equal

to or better than achieved by HVLP spraying and for which written approval of the Air Pollution Control Officer has been obtained.

(4) Strippers, Surface Preparation, Clean-up Solvent and Equipment Cleaning

- (a) The requirements of this Section shall apply to any Person using Solvent for surface preparation and cleanup.
 - (i) A Person shall not use an organic compound for surface preparation or cleanup, except Strippers, with a VOC Content in excess of 25 Grams of VOC Per Liter of Material (0.21 pounds per gallon).
 - (ii) A Person shall use closed, non-leaking, and non-absorbent containers for the storage or disposal of cloth or paper used for Solvent surface preparation and cleanup.
 - (iii) A Person shall store fresh or spent Solvent in closed containers.
 - (iv) A Person shall not use organic compounds for the cleanup of spray Equipment, including paint lines, unless Equipment for collecting the cleaning compounds and minimizing their evaporation to the Atmosphere is used.
 - (v) Spray gun nozzles only, may be soaked in Solvent-based materials for cleaning, provided the container is not more than five (5) gallons in size, and is kept tightly covered at all times except when accessing the container.
 - (vi) A Person shall not use Solvent based VOC-containing materials for the clean-up of spray Equipment used in Wood Products Coating Application Operations, unless the spray Equipment is disassembled and cleaned in an enclosed gun cleaner.
- (b) A Person shall not use a Stripper on wood products unless:
 - (i) The Stripper contains less than 200 Grams of VOC Per Liter of Material; or
 - (ii) The VOC composite partial vapor pressure for the Stripper is 2 mm Hg (0.04 psia) or less at 68 °F (20 °C), as calculated pursuant to subsection (G)(5).

(5) Add-On Control System

- (a) In lieu of complying with the VOC Content limitations in subsection (C)(1), (C)(2), and/or (C)(4) above, air pollution Control Equipment with a capture and control system combined efficiency of at least 90 percent, as determined pursuant to subsections (G)(2)(b) and (G)(2)(c) of this Rule, may be used.
- (b) A Person using Control Equipment pursuant to (C)(5)(a) shall submit to the APCO for approval an Operation and Maintenance Plan for the proposed emission control device and emission collection system and

receive approval prior to operation of the Control Equipment. Such Plan shall:

- (i) Identify all key system operating parameters. Key system operating parameters are those necessary to ensure compliance with subsection (C)(5)(a), such as temperature, pressure, and/or flow rate; and
- (ii) Include proposed inspection schedules, anticipated ongoing maintenance, and proposed recordkeeping practices regarding key operating system parameters.

(6) Prohibition of Specifications

- (a) Any Person shall not specify the use in the District of any Coating to be applied to any Wood Products subject to the provisions of this Rule that does not meet the limits and requirements of this Rule. The requirements of this paragraph shall apply to all written or oral contracts.

(7) Compliance Statement Requirement

- (a) The manufacturer of Coatings subject to this Rule shall include a statement of VOC Content as supplied on data sheets; including Coating components, expressed in grams per liter or pounds per gallon, excluding water and exempt Solvents.

(8) Work Practice Implementation Plan Requirement

- (a) Any Person subject to this Rule shall prepare and maintain a written work practice implementation plan ensuring that the following requirements are met:

- (i) Finishing, Cleaning, and Washoff:

- a. Covered storage of finishing, cleaning, and washoff materials.

- b. Develop a written inspection and maintenance plan to address and prevent leaks. The plan must identify a monthly (minimum) inspection frequency and procedures for addressing malfunctions. Repairs to leaking equipment must be made within 15 days, unless replacement equipment has to be ordered.

- c. Coatings must be applied with HVLP, electrostatic, and/or airless spray equipment. [Control of VOC Emissions from Wood Furniture Manufacturing Operations as requested by EPA TSD combined with SCAQMD 481(c)(2) which is included in the SIP]

(ii) Cleaning and Washoff Operations

a. Gun/Line Cleaning

- i. Cleaning solvent must be collected in a container that can be closed.
- ii. Cleaning solvent containers must be closed when not in use.

b. Spray Booth Cleaning

- i. Use of organic solvents for spray booth cleaning is prohibited.
- ii. Use strippable spray booth coating with a VOC content of no greater than 0.8 kg VOC/kg solids (1b VOC/lb solids).
- iii. Do not use solvents unless cleaning conveyors or metal filters, or refurbishing the spray booth.

c. Furniture Washoff

- i. Cover washoff tanks when not in use.
- ii. Minimize dripping by tilting and/or rotating pieces.

d. General Cleaning/Washoff Activities

- i. Cleaning and washoff accounting system.
 - aa. Log of quantity and type of solvent used for washoff and cleaning, the number of pieces washed off, and reason for washoff.
 - bb. Record quantity of spent solvent generated from each activity and its ultimate fate.
 - cc. Calculate net cleaning and washoff solvent usage quantities, accounting for disposal and recycling of spent solvent, monthly.
- ii. Keep washoff tanks must be closed when not in use.

- iii. Minimize dragout by tilting and/or rotating part to drain as much solvent as possible and allowing sufficient dry time.
- iv. Maintain a log of the quantity and type of solvent used for washoff and cleaning, as well as the quantity of waste solvent shipped offsite, and the fate of this waste (recycling or disposal).
- v. Maintain a log of the number of pieces washed off, and the reason for the washoff.

(iii) Operator Training Requirements

The work practice implementation plan shall include an Operator training program with the following requirements:

- a. An Operator training program to train new employees must be implemented for hiring and retraining all employees annually. Any Person hired after the effective date of this Rule shall be trained upon hiring, and any existing Person hired before the effective date of this Rule shall be trained within 6 months of the effective date of this Rule.
- b. The Operator training program must address the requirements stated in Subsection (8)(a)(i), Subsection (8)(a)(ii), and Subsection (8)(a)(iii) of this Rule.
- c. The Operator training program shall also include:
 - i. A list of all current personnel by name and job description that are required to be trained;
 - ii. An outline of the subjects to be covered in the initial and refresher training for each position, or group of personnel;
 - iii. Lesson plans for courses to be given at the initial hire and the annual refresher training that include, at a minimum:
 - aa. Appropriate application techniques;
 - bb. Appropriate cleaning and washoff procedures;

cc. Appropriate equipment setup and adjustment to minimize material usage and overspray; and

dd. Appropriate management of cleanup wastes;

iv. A description of the methods to be used at the completion of initial or refresher training to demonstrate and document successful completion and a record of the date each employee is trained.

d. The Operator training program shall be written and retained onsite.

(iv) Record Requirements

Any Person subject to this Rule shall maintain onsite the work practice implementation plan and all records associated with fulfilling the requirements of that plan, including, but not limited to:

a. Records demonstrating that the operator training program is in place;

b. Records maintained in accordance with the inspection and maintenance plan;

c. Copies of logs and other documentation developed to demonstrate that the other provisions of the work practice implementation plan are followed.

(v) General Work Practice Requirements

a. Implementation plan must be developed and maintained onsite to demonstrate compliance with work practice requirements.

b. The written work practice implementation plan shall be developed within no more than 60 days after the adoption of this Rule.

c. The written work practice implementation plan shall be available for inspection by the District, upon request.

[Response to TSD for CA SIP MDAQMD Rule 1114 – Wood Products Coating Operations, 11/1/2018 EPA-R09-OAR-2018-0512-0045 pg. 5. Taken from Work Practice

Requirements of Control of Volatile Organic Compound Emissions from Wood Furniture Manufacturing Operations, EPA-453/R-96-007 1996/04).

(D) Exemptions

(1) The provisions of subsections (C)(1)(a), (C)(2)(a), (C)(3)(a) and (C)(4) of this Rule shall not apply to:

(a) The use of Aerosol-~~Coating~~ Products.

[Term revised to conform to District Rule 102]

(b) Facilities whose Rate Per Day of Coating use is less than one (1) gallon including any VOC-containing materials added to the original Coating as supplied by the manufacturer (only Coatings subject to this Rule shall be included in this calculation), and whose Wood Coating Application Operations do not emit more than 3 pounds of VOCs per day and not more than 200 pounds of VOCs per calendar year.

(c) Laminating of fiberglass, metal, or plastic sheets to wood Panels.

(d) The application of Coatings to musical instruments.

(e) The application of Coatings to billiard tables.

(2) The provisions of subsection (C)(1)(a), and (C)(2)(a) shall not apply to Touch-Up and Repair Coatings or Stencil Coatings.

(3) Any Facility classified as exempt or claiming to be exempt under this Section (D), shall meet the record keeping requirements of this Rule so as to be able to certify the exemption status.

(4) Residential non-commercial operations are exempt from the provisions of this Rule.

(5) Facilities which use ~~of~~ less than 55-20 gallons per year of Wood Products Coatings and/or Strippers (singly or in any combination) are exempt from the provisions of this Rule with the exception of Section (F).

[Response to TSD for CA SIP MDAQMD Rule 1114 – Wood Products Coating Operations, 11/1/2018 EPA-R09-OAR-2018-0512-0045 pg. 5]

(6) Coatings used to provide the following finishes are exempt from the provision of subsection (C)(1)(a) and (C)(2)(a), provided that the records are maintained as specified in Section (F):

(a) Crackle Lacquers;

- (b) Faux Finishes;
 - (c) Imitation Wood Grain;
 - (d) Leaf Finishes.
- (7) Tints applied to Stains in quantities not to exceed one (1) pint of Tint in any operating day are exempt from all the provisions of this Rule, provided that the records are maintained as specified in Section (F).

(E) Administrative Requirements

(1) Rule 442 Applicability

- (a) Any Coating, Coating Operation, or Facility which is exempt from all or a portion of the VOC Content limits of this Rule shall comply with the provisions of Rule 442 regulating those exempted activities unless compliance with the limits specified in this Rule are achieved.

(F) Monitoring and Records

(1) Coating Records

- (a) Any Person subject to this Rule shall comply with the following requirements:
 - (i) The Person shall maintain and have available during an inspection, a current list of Coatings in use which provides all of the Coating data necessary to evaluate compliance, including the following information, as applicable:
 - a. Coating, catalyst, and reducer used.
 - b. Mix ratio of components used.
 - c. VOC Content of Coating as applied.
 - d. A data sheet, material list, or invoice giving material name, manufacturer, identification, material application and VOC Content.
 - (ii) The Person shall maintain records on a daily basis including:
 - a. Coating and mix ratio of components used in the Coating; and
 - b. Quantity of each Coating applied.
 - (iii) The Person shall maintain records on a daily basis showing the type and amount of Solvent and Stripper used for cleanup, surface preparation, and paint removal.
- (b) Notwithstanding the provisions of subsection (F)(1)(a), a Person or Facility which exclusively uses Coating formulations compliant with

subsection (C)(1)(a) and (C)(2)(a) may maintain usage records on a monthly basis.

- (c) Persons using Stains and/or Tints and subject to this Rule shall maintain records on a monthly basis that provide the following information:
 - (i) Name, description, container size and actual VOC Content of any Tints used to color Stains.
 - (ii) Records of any Tint use shall be maintained on a daily basis.

(2) Compliance Assurance Monitoring

- (a) Each Coating Application Operation subject to subparagraph (C)(1)(a) or (C)(2)(a) which is using air pollution abatement Equipment to meet the control requirement shall:
 - (i) Utilize Compliance Assurance Monitoring, as approved by the APCO. Each monitoring device(s), mechanism and/or technique shall be calibrated/maintained in a manner approved by the APCO; and
 - (ii) Maintain and produce daily records of key system operating parameters and maintenance procedures which will demonstrate continuous operation and compliance of the air pollution abatement Equipment during periods of emission-producing activities. Key system operating parameters are those necessary to ensure compliance with subsection (C)(5), such as temperatures, pressures and flow rates.
- (b) Compliance with subsection (C)(5) shall be determined by compliance testing as prescribed in subsections (G)(2)(b) and (c) and by evaluating Compliance Assurance Monitoring data.

-
- (4) All records for the previous five (5) year period maintained and produced pursuant to this Section shall be retained and available for inspection by the APCO upon request.

(G) Test Methods

- (1) A violation of the limits contained in this Rule, as determined by any one of these test methods, shall constitute a violation of this Rule.

- (2) The following specified test methods shall be used to determine compliance with the provisions of this Rule.
- (a) Determination of VOC Content and solids content: Samples of Coatings and Solvent as specified in Section (C) shall be analyzed as prescribed by EPA Reference Method 24 – *Determination of Volatile Matter Content, Water Content, Density, Volume Solids, and Weight Solids of Surface Coatings* for VOC Content and solids content (without correction for Exempt Compounds) and ASTM D4457-02(2008) - *Standard Test Method for Determination of Dichloromethane and 1,1,1-Trichloroethane in Paints and Coatings by Direct Injection into a Gas Chromatograph*, or ARB Method 432 – *Determination of Dichloromethane and 1,1,1-Trichloroethane in Paints and Coatings* (09/12/1989) for determination of emissions of Exempt Compounds. Perfluorocarbon compounds shall be assumed to be absent from a product or process unless a manufacturer or Facility Operator identifies the specific individual compounds (from the broad classes of perfluorocarbon compounds) and the amounts present in the product or process and provides a test method acceptable to EPA and ARB which can be used to quantify the specific compounds.
 - (b) Determination of Emissions: For any Owners and/or Operators who choose to comply with the provisions of Section (C)(1)(a) or (C)(2)(a) through the use of air pollution abatement Equipment, emission of VOCs shall be measured as prescribed by EPA Reference Method 25 – *Gaseous Nonmethane Organic Emissions* and EPA Reference Method 25A – *Determination of Total Gaseous Organic Concentration using a Flame Ionization Analyzer* for determination of VOC emissions (without correction for Exempt Compounds) and EPA Method 18 – *Volatile Organic Compounds by Gas Chromatography*, or ARB Method 422 – *Determination of Volatile Organic Compounds in Emissions from Stationary Sources (Exempt VOCs)* (12/13/1991) for measuring emission of Exempt Compounds.
 - (c) Determination of Overall Control Efficiency: The Overall Control Efficiency of air pollution abatement Equipment shall be determined by a minimum of three sampling runs conducted according to USEPA’s technical guidance document “Guidelines for Determining Capture Efficiency”, January 9, 1995, and 40 CFR 51, Appendix M, Methods 204-204F, as applicable.
- (3) Demonstration of Transfer Efficiency of alternative application methods subject to subsection (C)(3)(a) shall be conducted in accordance with South Coast Air Quality Management District’s “Spray Equipment Transfer Efficiency Test Procedure for Equipment User” (May 24, 1989), and South Coast Air Quality Management District “Guidelines for Demonstrating Equivalency With District Approved Transfer Efficiency Spray Gun” September 26, 2002.

(4) Calculation of VOC Content:

(a) For the purpose of determining compliance with the VOC Content limits in Section (C), the VOC Content of a Coating shall be determined by using the procedures in subsection (i) or (ii) below, as appropriate. If the manufacturer does not recommend thinning, the VOC Content must be calculated for the product as supplied. The VOC Content of a Tint Base shall be determined without Colorant that is added after the Tint Base is manufactured. Effective (1 year after date of adoption), if the Coating is a multi-component product, the VOC Content must be calculated as mixed or catalyzed. Effective (1 year after date of adoption), if the Coating contains Silanes, siloxanes, or other ingredients that generate ethanol or other VOCs during the curing process, the VOC Content must include the VOCs emitted during curing.

(i) Regulatory VOC Content – The weight of VOC per combined volume of VOC and Coating solids, shall be calculated by the following equation:

$$VOC_{Regulatory} = \frac{W_v - W_w - W_{ec}}{V_m - V_w - V_{ec}}$$

Where:

$VOC_{Regulatory}$ = Weight of VOC per liter of Coating, less water and less Exempt Compounds

W_v = Weight of all volatile compounds, in grams

W_w = Weight of water, in grams

W_{ec} = Weight of Exempt Compounds, in grams

V_m = Volume of Coating material, in liters

V_w = Volume of water, in liters

V_{ec} = Volume of Exempt Compounds, in liters

(ii) Actual VOC Content – The weight (in grams) of VOC per liter of Wood Products Coating material is expressed as grams VOC per liter of material, and shall be calculated by the following equation:

$$VOC_{Actual} = \frac{W_v - W_w - W_{ec}}{V_m}$$

VOC_{Actual} = Weight of VOC per liter of Coating

W_v	=	Weight of all volatile compounds, in grams
W_w	=	Weight of water, in grams
W_{ec}	=	Weight of Exempt Compounds, in grams
V_m	=	Volume of Coating material, including any added VOC-containing Solvents or reducers but excluding any colorant added to Tint the base in liters

(5) VOC Composite Partial Vapor Pressure:

$$PP_C = \frac{\sum_{i=1}^n (W_i)(VP_i)/(MW_i)}{\frac{W_w}{MW_w} + \frac{W_e}{MW_e} + \sum_{i=1}^n \frac{W_i}{MW_i}}$$

Where:

PP_c	=	VOC composite partial pressure at 68 °F (20 °C), in mm Hg
W_i	=	Weight of the “I” _{th} VOC compound, in grams
W_w	=	Weight of water, in grams
W_e	=	Weight of Exempt Compounds, in grams
MW_i	=	Molecular weight of the “I” _{th} VOC compound, in (g/g-mole)
MW_w	=	Molecular weight of water, in (g/g-mole)
MW_e	=	Molecular weight of Exempt Compound, in (g/g-mole)
VP_i	=	Vapor pressure of the “I” _{th} VOC compound at 68 °F (20 °C), in mm Hg

(6) Overall Control Efficiency (C.E.) shall be calculated using the following equations:

$$\text{Capture Efficiency (\%)} = \left(\frac{W_c}{W_e} \right) \times 100$$

Where:

W_c = Weight of VOC entering control device

W_e = Weight of VOC emitted from the source

$$\text{Control Device Efficiency (\%)} = \frac{(W_c - W_a)}{W_c} \times 100$$

Where:

W_c = Weight of VOC entering control device

W_a = Weight of VOC discharged from the control device

$$C.E. (\%) = \frac{(\text{Capture Efficiency}) \times (\text{Control Device Efficiency})}{100}$$

See SIP Table at <http://www.mdaqmd.ca.gov/>

Appendix “B”
Public Notice Documents

1. Proof of Publication – Daily Press
2. Proof of Publication – Riverside Press Enterprise

This page intentionally left blank.

THE PRESS-ENTERPRISE

1325 Chicago Ave, Suite 100
Riverside, CA 92507
951-684-7200
951-308-0015 FAX

PROOF OF PUBLICATION
(2010, 2015.6 C.C.P.)

Publication(s): The Press-Enterprise

PROOF OF PUBLICATION OF

Ad Desc: _____

I am a citizen of the United States. I am over the age of eighteen years and not a party to or interested in the above entitled matter. I am an authorized representative of THE PRESS-ENTERPRISE, a newspaper in general circulation, printed and published daily in the County of Riverside, and which newspaper has been adjudicated a newspaper of general circulation by the Superior Court of the County of Riverside, State of California, under date of April 25, 1952, Case Number 54446, under date of March 25, 1957, Case Number 85873, under date of August 25, 1995, Case Number 287364, and under date of September 18, 2013, Case Number RIC 1303013; that the notice, or which the enclosed is a printed copy, has been published in said newspaper in accordance with the instructions of the person(s) requesting publication, and that in any supplement thereto on the following dates, to wit:

05/08/2020

I certify (or declare) under penalty of perjury that the foregoing is true and correct.

Date: May 08, 2020
At: Riverside, California



Legal Advertising Representative, The Press-Enterprise

MOJAVE DESERT AQMD
14300 PARK AVE
ATTN: C. HERNANDEZ
VICI/CRAVILLE, CA 92592

Ad Number: 30*1382682 01

P.O. Number: _____

Ad Copy: _____

NOTICE OF HEARING

NOTICE IS HEREBY GIVEN that the Governing Board of the Mojave Desert Air Quality Management District (MDAQMD) will conduct a public hearing on June 8, 2020 at 10:00 A.M. to consider adoption of the proposed rule amendments: Rule 1114 - Wood Products Coating Operations; Rule 1115 - Metal Parts & Products Coating Operations; Rule 1117 - Graphic Art and Paper, Film, Foil, and Fabric Coatings; and Rule 1118 - Aerospace Assembly, Network and Component Manufacturing Operations.

SAID HEARING may be conducted, in the interests of public health and safety and in accordance with the guidelines set forth in the Governing Board's Order 11-20-20 of March 17, 2020, via alternative means. Please see the applicable Governing Board Meeting Schedule Article at <http://www.mdaqmd.ca.gov/meetings/hearing-schedule> or call (760) 245-1661 extension 624 for participation information.

Rules 1114, 1115, 1117, and 1118 are proposed for amendment to satisfy 42 U.S.C. 8621g (Federal Clean Air Act (CAA) 7(b)) which requires that ozone non-attainment areas implement Reasonably Available Control Technology (RACT) for sources that are subject to Control Techniques Guidelines (CTG) and for major sources of ozone precursors. Copies of the proposed rules and Staff Reports are on file and may be obtained from the Senior Executive Analyst of the MDAQMD Office. Written comments may be submitted to Brad Pierce, APCD at 1434 Park Avenue, Victorville, CA 92392 2310. Written comments must be received not later than June 4, 2020 to be considered. If you have any questions regarding Rules 1114 or 1115 you may contact Kevin Hendraxon at (760) 245-1661 extension 4007 for further information. If you have any questions regarding Rule 1117 you may contact Tracy Walters at (760) 245-1661 extension 6122 for further information. If you have any questions regarding Rule 1118 you may contact Michele Zumwalt at (760) 245-1661 extension 5754 for further information. Trademarks are the property of their respective owners.

Pursuant to the California Environmental Quality Act (CEQA) the MDAQMD has determined that a Categorical Exemption (Class 3 - 14 Cal. Code Reg 153006) applies for each rule amendment and has prepared a Notice of Exemption for each action.

3/08

RECEIVED
MOJAVE DESERT AQMD
CLERK OF THE BOARD

MAY 08 2020

BY 

NOTICE OF HEARING

NOTICE IS HEREBY GIVEN that the Governing Board of the Mojave Desert Air Quality Management District (MDAQMD) will conduct a public hearing on **June 8, 2020 at 10:00 A.M.** to consider adoption of the proposed rule amendments: Rule 1114 – *Wood Products Coating Operation*; Rule 1115 – *Metal Parts & Products Coating Operations*; Rule 1117 – *Graphic Art and Paper, Film, Foil, and Fabric Coatings*; and, Rule 1118 – *Aerospace Assembly, Rework and Component Manufacturing Operations*.

SAID HEARING may be conducted, in the interests of public health and safety and in accordance with the guidelines set forth in the Governor’s Order N-29-20 of March 17, 2020, via alternative means. Please see the applicable Governing Board Meeting Agenda at <https://www.mdaqmd.ca.gov/meetings/meeting-schedule> or call (760) 245-1661 extension 6244 for participation information.

Rules 1114, 1115, 1117, and 1118 are proposed for amendment to satisfy 42 U.S.C. §§7511a (Federal Clean Air Act (FCAA) §182) which requires that ozone non-attainment areas implement Reasonably Available Control Technology (RACT) for sources that are subject to Control Techniques Guidelines (CTG) and for major sources of ozone precursors. Copies of the proposed rules and Staff Reports are on file and may be obtained from the Senior Executive Analyst at the MDAQMD Offices. Written comments may be submitted to Brad Poiriez, APCO at 14306 Park Avenue, Victorville, CA 92392-2310. Written comments must be received not later than June 4, 2020 to be considered. If you have any questions regarding Rules 1114 or 1115 you may contact Kevin Hendrawan at (760) 245-1661 extension 4007 for further information. If you have any questions regarding Rule 1117 you may contact Tracy Walters at (760) 245-1661 extension 6122 for further information. If you have any questions regarding Rule 1118 you may contact Michelle Zumwalt at (760) 245-1661 extension 5756 for further information. Traducción esta disponible por solicitud.

Pursuant to the California Environmental Quality Act (CEQA) the MDAQMD has determined that a Categorical Exemption (Class 8 – 14 Cal. Code Reg §15308) applies for each rule amendment and has prepared a *Notice of Exemption* for each action.

Appendix “C”

Public Comments and Responses

1. EPA comments on MDAQMD Rule 1114, May 19, 2020.

This page intentionally left blank.

1. EPA comments on MDAQMD Rule 1114, May 19, 2020

From: Schwartz, Robert <schwartz.robert@epa.gov>
Sent: Tuesday, May 19, 2020 3:22 PM
To: Kevin Hendrawan <KHendrawan@mdaqmd.ca.gov>
Cc: Lo, Doris <Lo.Doris@epa.gov>
Subject: Comments on draft MD Rule 1114

Kevin,

I wanted to follow up on one set of comments I had today during our call re: Rule 1114, Wood Products Coating Operations.

- Specifically, for the draft rule to be approvable by the EPA, Section (8)(a)(iii)(a) would require more specifics on the training program for it to be enforceable, e.g., training in specific areas such as coatings application techniques, equipment use, and cleanup/washoff activities. The 1996 CTG on wood furniture manufacturing provides some guidance in Table 5-2 (PDF page 161), on page 167, and in the model rule, appendix B (page B-14; page 254 of the PDF), as we discussed this morning.
- Additionally, the CTG requires records be maintained, including records for the work practice implementation plan and operator training, and should be included in Rule 1114. The CTG describes this on page 223, in the model rule, B-14, page 254 of the PDF; and B-29, page 269.

The references I've given in the CTG are not necessarily exhaustive; there may be other sections that discuss training and/or record keeping requirements. Please feel free to call or email if you have further questions.

Best regards,
Robert
Testing

Robert Schwartz
Rules Office, Air and Radiation Division
U.S. EPA, Region 9
75 Hawthorne St., San Francisco, CA 94105
(415) 972-3286

District response to Comment #1

The comment was made as a follow-up/clarification towards a prior verbal recommendation that suggested the District follow more stringent guidelines from the CTG regarding inclusion of a work implementation plan in Rule 1114. The comment was noted and incorporated appropriately into Rule 1114 as Subsection (C)(8).

Appendix “D”
California Environmental Quality Act
Documentation

2. Notice of Exemption – San Bernardino County
3. Notice of Exemption – Riverside County

This page intentionally left blank.

NOTICE OF EXEMPTION

TO: County Clerk
San Bernardino County
385 N. Arrowhead, 2nd Floor
San Bernardino, CA 92415
FROM: Mojave Desert
Air Quality Management District
14306 Park Ave
Victorville, CA 92392-2310



X MDAQMD Senior Executive Analyst

PROJECT TITLE: Amendment of Rule 1114 – *Wood Products Coating Operations*

PROJECT LOCATION – SPECIFIC: San Bernardino County portion of the Mojave Desert Air Basin and Palo Verde Valley portion of Riverside County.

PROJECT LOCATION – COUNTY: San Bernardino and Riverside Counties

DESCRIPTION OF PROJECT: The MDAQMD is proposing to update Rule 1114 – *Wood Products Coating Operations* to reflect current Federal RACT for the 2015 NAAQS ozone standard. This amendment will incorporate suggestions from the November 2018 Technical Support Document for EPA’s Rulemaking for the California State Implementation Plan for Rule 1114 (EPA-R09-OAR-2018-0512, 12/27/2018 as found at www.regulations.gov). This amendment will amend the emissions limit for High-Solids Stains coating category, require a Work Practice Implementation Plan, and reduce the general exemption limits from 55 gallons per year to 20 to be consistent with the CTG.

NAME OF PUBLIC AGENCY APPROVING PROJECT: Mojave Desert AQMD

NAME OF PERSON OR AGENCY CARRYING OUT PROJECT: Mojave Desert AQMD

EXEMPT STATUS (CHECK ONE)

- Ministerial (Pub. Res. Code §21080(b)(1); 14 Cal Code Reg. §15268)
- Emergency Project (Pub. Res. Code §21080(b)(4); 14 Cal Code Reg. §15269(b))

X Categorical Exemption – Class 8 (14 Cal Code Reg. §15308)

REASONS WHY PROJECT IS EXEMPT: The proposed amendments to Rule 1114 are exempt from CEQA review because the amendments will not create any adverse impacts on the environment. The proposed rule amendments are more stringent than the previous rule version. Because there is no potential that the amendments might cause the release of additional air contaminants or create any adverse environmental impacts, a Class 8 categorical exemption (14 Cal. Code Reg. §15308) applies.

LEAD AGENCY CONTACT PERSON: Brad Poiriez **PHONE:** (760) 245-1661

SIGNATURE: _____ **TITLE:** Executive Director **DATE:** June 8, 2020

DATE RECEIVED FOR FILING:



NOTICE OF EXEMPTION

TO: Clerk/Recorder
Riverside County
3470 12th St.
Riverside, CA 92501

FROM: Mojave Desert
Air Quality Management District
14306 Park Ave
Victorville, CA 92392-2310

X MDAQMD Senior Executive Analyst

PROJECT TITLE: Amendment of Rule 1114 – *Wood Products Coating Operations*

PROJECT LOCATION – SPECIFIC: San Bernardino County portion of the Mojave Desert Air Basin and Palo Verde Valley portion of Riverside County.

PROJECT LOCATION – COUNTY: San Bernardino and Riverside Counties

DESCRIPTION OF PROJECT: The MDAQMD is proposing to update Rule 1114 – *Wood Products Coating Operations* to reflect current Federal RACT for the 2015 NAAQS ozone standard. This amendment will incorporate suggestions from the November 2018 Technical Support Document for EPA’s Rulemaking for the California State Implementation Plan for Rule 1114 (EPA-R09-OAR-2018-0512, 12/27/2018 as found at www.regulations.gov). This amendment will amend the emissions limit for High-Solids Stains coating category, require a Work Practice Implementation Plan, and reduce the general exemption limits from 55 gallons per year to 20 to be consistent with the CTG.

NAME OF PUBLIC AGENCY APPROVING PROJECT: Mojave Desert AQMD

NAME OF PERSON OR AGENCY CARRYING OUT PROJECT: Mojave Desert AQMD

EXEMPT STATUS (CHECK ONE)

Ministerial (Pub. Res. Code §21080(b)(1); 14 Cal Code Reg. §15268)

Emergency Project (Pub. Res. Code §21080(b)(4); 14 Cal Code Reg. §15269(b))

X Categorical Exemption – Class 8 (14 Cal Code Reg. §15308)

REASONS WHY PROJECT IS EXEMPT: The proposed amendments to Rule 1114 are exempt from CEQA review because the amendments will not create any adverse impacts on the environment. The proposed rule amendments are more stringent than the previous rule version. Because there is no potential that the amendments might cause the release of additional air contaminants or create any adverse environmental impacts, a Class 8 categorical exemption (14 Cal. Code Reg. §15308) applies.

LEAD AGENCY CONTACT PERSON: Brad Poiriez **PHONE:** (760) 245-1661

SIGNATURE: _____ **TITLE:** Executive Director **DATE:** June 8, 2020

DATE RECEIVED FOR FILING:

Appendix “E” Bibliography

The following documents were consulted in the preparation of this staff report.

1. Technical Support Document for EPA’s Rulemaking for the California State Implementation Plan for Rule 1114 (EPA-R09-OAR-2018-0512, 12/27/2018 as found at www.regulations.gov)
2. *Control of Volatile Organic Emissions from Wood Furniture Manufacturing Operations*, EPA-453/R-96-007 April 1996.
3. *Control Techniques Guidelines for Flat Wood Paneling Coatings*, EPA 453/R-06-004 September 2006
4. *Control of Volatile Organic Emissions from Existing Stationary Sources – Volume VII: Factory Surface Coating of Flat Wood Paneling*, EPA 450/2-78-032 June 1978

This page intentionally left blank

NOTICE OF EXEMPTION



TO: Clerk/Recorder
Riverside County
3470 12th St.
Riverside, CA 92501
FROM: Mojave Desert
Air Quality Management District
14306 Park Ave
Victorville, CA 92392-2310

X MDAQMD Senior Executive Analyst

PROJECT TITLE: Amendment of Rule 1114 – *Wood Products Coating Operations*

PROJECT LOCATION – SPECIFIC: San Bernardino County portion of the Mojave Desert Air Basin and Palo Verde Valley portion of Riverside County.

PROJECT LOCATION – COUNTY: San Bernardino and Riverside Counties

DESCRIPTION OF PROJECT: The MDAQMD is proposing to update Rule 1114 – *Wood Products Coating Operations* to reflect current Federal RACT for the 2015 NAAQS ozone standard. This amendment will incorporate suggestions from the November 2018 Technical Support Document for EPA’s Rulemaking for the California State Implementation Plan for Rule 1114 (EPA-R09-OAR-2018-0512, 12/27/2018 as found at www.regulations.gov). This amendment will amend the emissions limit for High-Solids Stains coating category, require a Work Practice Implementation Plan, and reduce the general exemption limits from 55 gallons per year to 20 to be consistent with the CTG.

NAME OF PUBLIC AGENCY APPROVING PROJECT: Mojave Desert AQMD

NAME OF PERSON OR AGENCY CARRYING OUT PROJECT: Mojave Desert AQMD

EXEMPT STATUS (CHECK ONE)

- Ministerial (Pub. Res. Code §21080(b)(1); 14 Cal Code Reg. §15268)
- Emergency Project (Pub. Res. Code §21080(b)(4); 14 Cal Code Reg. §15269(b))

X Categorical Exemption – Class 8 (14 Cal Code Reg. §15308)

REASONS WHY PROJECT IS EXEMPT: The proposed amendments to Rule 1114 are exempt from CEQA review because the amendments will not create any adverse impacts on the environment. The proposed rule amendments are more stringent than the previous rule version. Because there is no potential that the amendments might cause the release of additional air contaminants or create any adverse environmental impacts, a Class 8 categorical exemption (14 Cal. Code Reg. §15308) applies.

LEAD AGENCY CONTACT PERSON: Brad Poiriez **PHONE:** (760) 245-1661

SIGNATURE: _____ **TITLE:** Executive Director **DATE:** August 24, 2020

DATE RECEIVED FOR FILING:

MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT

BRAD POIRIEZ, EXECUTIVE DIRECTOR

14306 Park Avenue, Victorville, CA 92392-2310 • 760.245.1661 • Fax 760.245.2022 • www.MDAQMD.ca.gov • @MDAQMD

NOTICE OF EXEMPTION



TO: County Clerk
San Bernardino County
385 N. Arrowhead, 2nd Floor
San Bernardino, CA 92415
FROM: Mojave Desert
Air Quality Management District
14306 Park Ave
Victorville, CA 92392-2310

X MDAQMD Senior Executive Analyst

PROJECT TITLE: Amendment of Rule 1114 – *Wood Products Coating Operations*

PROJECT LOCATION – SPECIFIC: San Bernardino County portion of the Mojave Desert Air Basin and Palo Verde Valley portion of Riverside County.

PROJECT LOCATION – COUNTY: San Bernardino and Riverside Counties

DESCRIPTION OF PROJECT: The MDAQMD is proposing to update Rule 1114 – *Wood Products Coating Operations* to reflect current Federal RACT for the 2015 NAAQS ozone standard. This amendment will incorporate suggestions from the November 2018 Technical Support Document for EPA’s Rulemaking for the California State Implementation Plan for Rule 1114 (EPA-R09-OAR-2018-0512, 12/27/2018 as found at www.regulations.gov). This amendment will amend the emissions limit for High-Solids Stains coating category, require a Work Practice Implementation Plan, and reduce the general exemption limits from 55 gallons per year to 20 to be consistent with the CTG.

NAME OF PUBLIC AGENCY APPROVING PROJECT: Mojave Desert AQMD

NAME OF PERSON OR AGENCY CARRYING OUT PROJECT: Mojave Desert AQMD

EXEMPT STATUS (CHECK ONE)

- Ministerial (Pub. Res. Code §21080(b)(1); 14 Cal Code Reg. §15268)
- Emergency Project (Pub. Res. Code §21080(b)(4); 14 Cal Code Reg. §15269(b))

X Categorical Exemption – Class 8 (14 Cal Code Reg. §15308)

REASONS WHY PROJECT IS EXEMPT: The proposed amendments to Rule 1114 are exempt from CEQA review because the amendments will not create any adverse impacts on the environment. The proposed rule amendments are more stringent than the previous rule version. Because there is no potential that the amendments might cause the release of additional air contaminants or create any adverse environmental impacts, a Class 8 categorical exemption (14 Cal. Code Reg. §15308) applies.

LEAD AGENCY CONTACT PERSON: Brad Poiriez **PHONE:** (760) 245-1661

SIGNATURE: _____ **TITLE:** Executive Director **DATE:** August 24, 2020

DATE RECEIVED FOR FILING:

MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT

BRAD POIRIEZ, EXECUTIVE DIRECTOR

14306 Park Avenue, Victorville, CA 92392-2310 • 760.245.1661 • Fax 760.245.2022 • www.MDAQMD.ca.gov • @MDAQMD



Rule 1114 – *Wood Products Coating Operations*

*Proposed for Amendment August 24, 2020
Alan De Salvio, Deputy Director - Operations*

Necessity for Amending Rule 1114

- The MDAQMD is proposing to update Rule 1114 – *Wood Products Coating Operations* to reflect current Federal RACT for the 2015 NAAQS ozone standard.
- The District has several facilities that primarily coat wood products and some additional facilities that may coat wood products as part of their operations.



Summary of Proposed Amendments

- Amend the emissions limit for High-Solids Stains coating category from 350 g/L (2.9 lb/gal) to 240 g/L (2.0 lb/gal).
- Require a Work Practice Implementation Plan to further strengthen the work practices of cleanup of spray operations.
- Reduce general exemption limits from 55 gallons per year to 20 gallons per year.



Summary of Proposed Amendments

- Minor changes made to definitions for consistency with Rule 102.



Conclusion

- The proposed amendments were discussed by the Technical Advisory Committee (TAC) at a meeting conducted on March 19, 2020. The TAC recommended adoption of the amendments to Rule 1115 – *Metal Parts & Products Coating Operations*.
- Staff recommends that the Governing Board of the Mojave Desert Air Quality Management District (MDAQMD or District) amend proposed Rule 1115 – *Metal Parts & Products Coating Operations* and approve the appropriate California Environmental Quality Act (CEQA) documentation.



Questions?

Thank you!



The following page(s) contain the backup material for Agenda Item: [Conduct a continued public hearing to consider the amendment of Rule 1117 – Graphic Arts and Paper, Film, Foil and Fabric Coatings: a. Open public hearing; b. Receive staff report; c. Receive public testimony; d. Close public hearing; e. Make a determination that the California Environmental Quality Act \(CEQA\) Categorical Exemption applies; f. Waive reading of Resolution; g. Adopt Resolution making appropriate findings, certifying the Notice of Exemption, amending the Rule and directing staff actions. Presenter: Alan De Salvio, Deputy Director – Mojave Desert Operations.](#)

Please scroll down to view the backup material.

**MINUTES OF THE GOVERNING BOARD
OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
VICTORVILLE, CALIFORNIA**

AGENDA ITEM #18

DATE: August 24, 2020

RECOMMENDATION: Conduct a continued public hearing to consider the amendment of Rule 1117 – *Graphic Arts and Paper, Film, Foil and Fabric Coatings*: a. Open public hearing; b. Receive staff report; c. Receive public testimony; d. Close public hearing; e. Make a determination that the California Environmental Quality Act (CEQA) Categorical Exemption applies; f. Waive reading of Resolution; g. Adopt Resolution making appropriate findings, certifying the Notice of Exemption, amending the Rule and directing staff actions.

SUMMARY: Rule 1117 is proposed for amendment to satisfy 42 U.S.C. §§7511a (FCAA §182) which requires that ozone non-attainment areas implement Reasonably Available Control Technology (RACT) for sources that are subject to Control Techniques Guidelines (CTG) and for major sources of ozone precursors. The amendment of Rule 1117 was continued from the June 8, 2020 Governing Board meeting to the August 24, 2020 Governing Board Meeting to allow time to address substantive comments.

BACKGROUND: The Federal Clean Air Act (FCAA) requires areas designated non-attainment and classified moderate and above to implement Reasonably Available Control Technology (RACT) for sources subject to Control Techniques Guidelines (CTG) documents issued by United States Environmental Protection Agency (USEPA) for “major sources” of Volatile Organic Compounds (VOCs) and oxides of nitrogen (NO_x) which are ozone precursors. The District adopted the *70 ppb Ozone Standard Implementation Evaluation (70 ppb O₃ Evaluation): RACT SIP Analysis; Federal Negative Declarations; and Emission Statement Certification* on October 28, 2019. In this document, the District committed to evaluating Rule 1117 – *Graphic Arts and Paper, Film, Foil and Fabric Coatings* for current federal RACT. Rule 1117 is subject to several CTGs: *Control Techniques Guidelines for Offset Lithographic Printing and Letterpress Printing* (EPA-453/R-06-002, September 2006); *Control Techniques Guidelines for Flexible Package Printing* (EPA-453/R-06-003, September 2006); and, *Control Techniques Guidelines for Paper, Film, and Foil Coatings* (EPA 453/R-07-003, September 2007).

**MINUTES OF THE GOVERNING BOARD
OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
VICTORVILLE, CALIFORNIA**

AGENDA ITEM #18

PAGE 2

The District has several facilities subject to the provisions of Rule 1117. At least one facility is permitted above the CTG threshold for offset lithography, thereby requiring the District to maintain a RACT rule for this source category. Rule 1117 - *Graphic Art and Paper, Film, Foil, and Fabric Coatings* was most recently amended September 28, 2009.

This rule amendment was approved in to the SIP (77 FR 12495, March 1, 2012) and determined to fulfill federal RACT at that time. As part of the *70 ppb O3 Evaluation RACT SIP Analysis*, the District examined similar rules for Districts with similar or more severe attainment status and determined that several of these rules have been amended and SIP approved subsequent to the most recent amendment of MDAQMD Rule 1117. The District determined that Rule 1117 required further analysis to determine if it still met RACT. Upon this analysis, the District determined to amend this rule to address recommendations made in the Technical Support Document (TSD), and to add CTG control strategies that reflect current federal RACT.

This item was noticed for the June 8, 2020 Governing Board meeting. The item was continued to the August 24, 2020 Governing Board meeting to address substantive comments from industry.

A Notice of Exemption, Categorical Exemption (Class8; 14 Cal. Code Reg. §15308) will be prepared by the MDAQMD for the amendment of Rule 1117 pursuant to the requirements of CEQA.

REASON FOR RECOMMENDATION: Health & Safety Code §§40702 and 40703 require the Governing Board to hold a public hearing before adopting rules and regulation. Also, 42 U.S.C. §7410(l) (FCAA §110(l)) requires that all SIP revisions be adopted after public notice and hearing.

REVIEW BY OTHERS: This item was reviewed by Karen Nowak, District Counsel as to legal form and by Alan De Salvio, Deputy Director – Mojave Desert Operations on or about August 10, 2020.

FINANCIAL DATA: No increase in appropriation is anticipated.

PRESENTER: Alan De Salvio, Deputy Director – Mojave Desert Operations

RESOLUTION NO. 01-_____

1 **A RESOLUTION OF THE GOVERNING BOARD OF THE MOJAVE**
2 **DESERT AIR QUALITY MANAGEMENT DISTRICT MAKING FINDINGS,**
3 **CERTIFYING THE NOTICE OF EXEMPTION, AMENDING RULE 1117 –**
4 **GRAPHIC ARTS AND PAPER, FILM, FOIL AND FABRIC COATINGS AND**
5 **DIRECTING STAFF ACTIONS.**

6 On August 24, 2020, on motion by Member _____, seconded by Member
7 _____, and carried, the following resolution is adopted:

8 **WHEREAS**, the Mojave Desert Air Quality Management District (MDAQMD) has
9 authority pursuant to California Health and Safety Code (H&S Code) §§40702, 40725-40728
10 to adopt, amend or repeal rules and regulations; and

11 **WHEREAS**, the Federal Clean Air Act (FCAA) requires areas designated non-
12 attainment and classified moderate and above to implement Reasonably Available Control
13 Technology (RACT) for sources subject to Control Techniques Guidelines (CTG) documents
14 issued by United States Environmental Protection Agency (USEPA) for “major sources” of
15 Volatile Organic Compounds (VOCs) and oxides of nitrogen (NO_x) which are ozone
16 precursors; and

17 **WHEREAS**, the District adopted the *70 ppb Ozone Standard Implementation*
18 *Evaluation (70 ppb O₃ Evaluation): RACT SIP Analysis; Federal Negative Declarations; and*
19 *Emission Statement Certification* on October 28, 2019; and

20 **WHEREAS**, in this document, the District committed to evaluating Rule 1117 –
21 *Graphic Arts and Paper, Film, Foil and Fabric Coatings* for current federal RACT; and

22 **WHEREAS**, Rule 1117 is subject to several CTGs: *Control Techniques Guidelines*
23 *for Offset Lithographic Printing and Letterpress Printing* (EPA-453/R-06-002, September
24 2006); *Control Techniques Guidelines for Flexible Package Printing* (EPA-453/R-06-003,
25 September 2006); and, *Control Techniques Guidelines for Paper, Film, and Foil Coatings*
26 (EPA 453/R-07-003, September 2007); and

27 **WHEREAS**, the District has several facilities subject to the provisions of Rule 1117
28 with at least one facility permitted above the CTG threshold for offset lithography, thereby
requiring the District to maintain a RACT rule for this source category; and

RESOLUTION NO. 01-_____

1 **WHEREAS**, Rule 1117 - *Graphic Art and Paper, Film, Foil, and Fabric Coatings*
2 was most recently amended September 28, 2009, approved in to the SIP (77 FR 12495,
3 March 1, 2012) and determined to fulfill federal RACT at that time; and

4 **WHEREAS**, as part of the *RACT SIP Analysis*, the District examined similar rules
5 for Districts with similar or more severe attainment status and determined that several of
6 these rules have been amended and SIP approved subsequent to the most recent amendment
7 of MDAQMD Rule 1117; and

8 **WHEREAS**, the District determined that Rule 1117 required further analysis to
9 determine if it still met RACT; and

10 **WHEREAS**, upon this analysis, the District determined to amend this rule to
11 incorporate recommendations from the 2011 Technical Support Document (TSD) for EPA’s
12 Direct Final Rulemaking for the California State Implementation Plan for Rule 1117 (EPA-
13 R09-OAR-2011-0990 as found at <https://www.regulations.gov>), and to add CTG control
14 strategies that reflect current federal RACT; and

15 **WHEREAS**, the proposed amendments to the Rule are necessary as indicated herein and in
16 the supporting documentation; and

17 **WHEREAS**, the MDAQMD has the authority pursuant to H&S Code §40702 to
18 amend rules and regulations; and

19 **WHEREAS**, the proposed amendments to Rule 1117 are clear in that the meaning
20 can be easily understood by the persons impacted by the Rule; and

21 **WHEREAS**, the amendments to Rule 1117 are in harmony with, and not in conflict
22 with, or contradictory to existing statutes, court decisions, or state or federal regulations
23 because the proposed amendments are consistent with CTG provisions; and

24 **WHEREAS**, the proposed amendments do not impose the same requirements as any
25 existing state or federal regulation because a CTG is primarily a guidance document and not
26 enforceable in and of itself, therefore a rule is necessary to implement the applicable
27 provisions of a CTG; and

28 **WHEREAS**, the proposed amendments to Rule 1117 are needed in order to satisfy 42

RESOLUTION NO. 01-_____

1 U.S.C. §§7511a (FCAA §182) which requires that ozone non-attainment areas implement
2 RACT for sources that are subject to CTGs and for major sources of ozone precursors; and

3 **WHEREAS**, a public hearing has been properly noticed and conducted, pursuant to
4 H&S Code §40725, concerning the amendments to Rule 1117; and

5 **WHEREAS**, notice for the public hearing for the proposed amendment of Rule 1117
6 was published May 8, 2020 for the June 8, 2020 Governing Board meeting; and

7 **WHEREAS**, at the June 8, 2020 Governing Board meeting, the item was continued to
8 the August 24, 2020 meeting to allow sufficient time to address substantive comments from
9 industry; and

10 **WHEREAS**, a Notice of Exemption, a Categorical Exemption (Class 8, 14 CCR
11 §15308) for the proposed amendments to Rule 1117, completed in compliance with the
12 California Environmental Quality Act (CEQA), has been presented to the MDAQMD Board;
13 each member having reviewed, considered and approved the information contained therein
14 prior to acting on the proposed amendments to Rule 1117, and the MDAQMD Board having
15 determined that the proposed amendments will not have any potential for resulting in any
16 adverse impact upon the environment; and

17 **WHEREAS**, the Board has considered the evidence presented at the public hearing;
18 and

19 **NOW, THEREFORE, BE IT RESOLVED**, that the Governing Board of the
20 MDAQMD finds that the amendments to Rule 1117 – *Graphic Art and Paper, Film, Foil,*
21 *and Fabric Coatings* are necessary, authorized, clear, consistent, non-duplicative and
22 properly referenced; and

23 **BE IT FURTHER RESOLVED**, that the Governing Board of the MDAQMD
24 hereby makes a finding that the Class 8 Categorical Exemption (14 CCR §15308) applies and
25 certifies the Notice of Exemption for the proposed amendments to Rule 1117; and

26 **BE IT FURTHER RESOLVED**, that the Board of the MDAQMD does hereby
27 adopt, pursuant to the authority granted by law, the proposed amendments to Rule 1117, as
28 set forth in the attachments to this resolution and incorporated herein by this reference; and

RULE 1117

Graphic Arts and Paper, Film, Foil and Fabric Coatings

(A) General

(1) Purpose

- (a) To reduce emissions of Volatile Organic Compounds (VOC) from Graphic Arts Printing Operations, Digital Printing Operations, and Paper, Film, Foil or Fabric Coating Operations.

(2) Applicability

- (a) This rule is applicable to any Graphic Arts Printing Operations, Digital Printing Operations, and Paper, Film, Foil or Fabric Coating Operation and to the Solvent cleaning materials and processes associated with such Operations.
- (b) This rule is applicable to any person who manufactures any Ink, Coating, or Adhesive containing VOC which is sold, offered for sale, or supplied for use in Graphic Arts and Paper, Film, Foil and Fabric Coating Operations in the District.

(B) Definitions

The definitions contained in District Rule 102 – *Definition of Terms* shall apply unless the term is otherwise defined herein. Defined terms are capitalized for ease of recognition.

- (1) “Application Equipment” – A device, including, but not limited to, a spray gun, brush, roller, and a printing press, used to apply Adhesives, Coatings, or Inks.
- (2) “Blanket” – A synthetic rubber mat used to transfer or “offset” an image from a printing plate to paper or other substrate, commonly used in Offset Lithography.
- (3) “Blanket Repair Material” – The material used in Offset Lithographic Printing to correct low spots in the press Blanket.
- (4) “Blanket Wash” – A Solvent used to remove Ink from the Blanket of a press.
- (5) “Coating” – The application of a uniform layer of material across the entire width of a substrate. Those machines which have both Coating and printing units should be considered as performing a printing Operation. Coating applications that are not performed in association with a printing Operation are considered Coating Operations and are not Graphic Arts Printing Operations.

- (6) “Coating Line” –A series of Coating applicators, flash-off areas, and any associated curing/drying equipment between one or more unwind/feed stations and one or more rewind/cutting stations.
- (7) “Coldset” – A Lithographic Printing process where non-Heatset Inks are applied.
- (8) “Conductive Ink” – Screen Printing Inks which transmit electricity and are used in the production of Electronic Circuits.
- (9) “Conventional Printing Operations” – Those printing Operations that utilize physical masters, stencils, screens or plates during the printing process. Conventional Printing Operations use technologies including but not limited to Offset Lithographic, Flexographic, Gravure, Letterpress, and Screen Printing.
- (10) “Die Coater (or Slit Coater)” – A type of Application Equipment that coats an object by flowing Coatings through a slit directly onto the object moving past the slit.
- (11) “Digital Printer” – A printing device that uses a computer-driven machine to transfer an electronic image to a substrate through the use of Inks, toners, or other graphic materials. Digital printing technologies include, but are not limited to, various forms of Ink Jet, Thermography, Electrophotography, Ionography, and Magnetography.
- (12) “Digital Printing Operations” – Those Operations that do not use a physical master, stencils, or plates but use digital data to control the deposition of Ink, toner, or dye to create images.
- (13) “Doctor Blade” – A blade used to scrape excess Ink from a printing plate or inking cylinder.
- (14) “Dye Sublimation” – An imaging process that vaporizes colorant with heat and pressure, and deposits it onto a substrate in order to simulate a continuous tone image. Dye Sublimation is a digital printing technology.
- (15) “Electron Beam Ink” – Ink that, when exposed to electron energy, crosslinks or solidifies in milliseconds.
- (16) “Electron Charge Deposition Printing” – See Ionography
- (17) “Electronic Circuit” – A product which consists of a substrate and a circuitry created by Screen Printing a Conductive Ink on the substrate.
- (18) “Electrophotography” – A digital printing technology that works by recording an image on a drum in the form of an electrostatic charge, which is then transferred to the substrate. Electrophotography includes such technologies as laser printers, xerography, and Liquid Electrophotography.

- (19) “Fabric Coating” – Any decorative or protective Coating or reinforcing material applied or impregnated into textile fabric, vinyl coated textile fabric, or vinyl sheets.
- (20) “Film Coating” – A Coating applied in a Web Coating process on any film substrate other than paper or fabric, including but not limited to typewriter ribbons, photographic film, magnetic tape, and metal foil gift wrap, but excluding Coatings applied to packaging used exclusively for food and health care products for human or animal consumption.
- (21) “Fine Arts Painting” – Any unique visual representation, consisting of paint, Ink, or other media, hand applied to a substrate of canvas, wood, paper, metal, or other material.
- (22) “Flexible Packaging” – Any package or part of a package the shape of which can readily be changed. Flexible Packaging includes, but is not limited to, bags, pouches, liners, and wraps utilizing paper, plastic, film, aluminum foil, metalized or coated paper or film, or any combination of these materials.
- (23) “Flexographic Printing” – The application of words, designs, or pictures to a substrate by means of a roll printing technique in which the pattern is applied to an image carrier made of rubber or other elastomeric material. The image to be printed is raised above the carrier surface, while the non-image area is not raised.
- (24) “Foil Coating” – A Coating applied in a Web Coating process on any foil substrate other than paper or fabric, including but not limited to typewriter ribbons, photographic film, magnetic tape, and metal foil gift wrap, but excluding Coatings applied to packaging used exclusively for food and health care products for human and animal consumption.
- (25) “Fountain Solution” – Solution composed mainly of water and contains at least one of the following materials: etchants such as mineral salts; hydrophilic gums; or other additives, which is applied to the image plate to maintain the hydrophilic properties of the non-image areas.
- (26) “Fugitive Emissions” – Uncollected emissions of VOC from any portion of the printing, Coating or Laminating Operation other than from the Dryer.
- (27) “Grams of VOC per Liter of Ink, Coating, Adhesive, or Wash Primer Less Water and Less Exempt Compounds (VOC Content)” – The weight of VOCs emitted during use, Coating, curing or drying per combined volume of VOC and of Ink, Coating, Adhesive, or Wash Primer solids.
- (28) “Graphic Arts Coating” – The application of a uniform layer of material across the entire width of a substrate. Those machines which perform both Coating and printing should be considered as performing a printing Operation. For purposes of this rule, digital printing is not considered a Graphic Arts Coating Operation.

- (29) “Graphic Arts Printing Operations” – Those Operations employing Conventional Printing Operations, or any Coating or Laminating process associated with Conventional Printing Operations to produce published products and packages. Solvent cleaning Operations performed in order to produce published products and packages are considered to be part of Graphic Arts Printing Operations.
- (30) “Gravure Printing” – An Intaglio Printing Operation in which the Ink is transferred from minute etched wells on a cylinder to the substrate, which is supported by an impression roller, with excess Ink removed from the cylinder by a Doctor Blade.
- (31) “Heatset Ink” – A quick-drying Ink in which the Solvents are vaporized by passing the printed surface through a Dryer.
- (32) “Ink” – A pigmented and/or dyed liquid or paste used in a graphic arts operation typically for printing, impressing, or transferring an image onto a substrate.
- (33) “Ink Jet” – A digital printing technology in which Ink is ejected through printheads onto a substrate to create an image.
- (34) “Intaglio Printing” – Printing done from a plate or cylinder in which the image is sunk below (etched or engraved into) the surface.
- (35) “Ion Deposition Printing” – See Ionography
- (36) “Ionography” – A Digital Printing technology that utilizes a directed array of ions to create a charge on a nonconductive surface to create an image. Ionography can also be known as ion deposition or electron charge deposition printing.
- (37) “Key System Operating Parameters” – Those parameters necessary to ensure compliance with subsection (C)(5), including, but not limited to, temperature, pressure drop, and air flow rate.
- (38) “Letterpress Printing” – A printing method where the image area is raised relative to the non-image area and the Ink is transferred to the paper directly from the image surface.
- (39) “Line” – The minimum equipment which is required for the application, drying, and/or curing of Inks, Ultraviolet Inks, and/or Coatings on a substrate, including the Ink and/or Coating applicators and drying systems, and associated Ink and Coating agitation and delivery systems.
- (40) “Liquid Electrophotography (LEP)” – A digital printing technology that records a latent electrostatic image on a photoconductive surface, such as a drum or belt. The image created by applying toner to the charged areas of the photoconductor is electrically transferred to an intermediate surface. In a second transfer process, the image is released from the Blanket surface to the final substrate, cooling rapidly as the substrate passes between the Blanket and an impression drum, causing the image to “peel off” the Blanket and be affixed to the substrate. This

Operation repeats itself on the one printing station for every color separation in the image.

- (41) “Liquid Leak” – A visible leak from a container at a rate of more than three drops per minute, or a visible liquid mist.
- (42) “Lithographic Printing” – Printing by a planographic method in which the image and non-image areas are on the same plane.
- (43) “Magnetography” – A digital printing technology whereby an image is printed using a magnetic toner, electromagnetic write heads, and magnetic fields on an imaging drum.
- (44) “Maintenance Cleaning” – A Solvent cleaning Operation or activity carried out to keep tools, machinery, equipment (excluding Ink, Coating, or Adhesive Application Equipment) or general work areas in clean and good operational condition.
- (45) “Matte Finish Ink” – A Specialty Ink which is applied on Non-Porous Substrates in Flexographic Printing Operations and contains at least five (5) percent by weight silicon dioxide flattening agent.
- (46) “Metallic Finish Ink” – A Ink which is applied on Non-Porous Substrates in Flexographic Printing Operations and contains at least 28 percent by weight elemental metal particles.
- (47) “Metallic Ink” – A Specialty Ink containing at least 50 grams of elemental metal particles per liter of Ink (0.4 lb/gal) as applied and which is not used in the manufacture of an electronic circuit.
- (48) “Non-Atomized Solvent Flow” – Solvents in the form of a liquid stream without the introduction of any Propellant.
- (49) “Non-Heatset Ink” – An Ink which dries by oxidation and/or absorption into the substrate and can be aided by exposure to infrared radiation or is cured via ultraviolet radiation without use of heat from Dryers or Ovens.
- (50) “Non-Leaking Container” – A container without Liquid Leak.
- (51) “Non-Porous” – Any substrate whose surface prevents penetration by water, including but not limited to foil, polyethylene, polypropylene, cellophane, metalized polyester, nylon, and polyethylene terephthalate (mylar), paper or paperboard coated with non-porous surface. Clay coated printing paper as defined by the American Paper Institute Classification System, and paperboard coated with clay to prevent water penetration, shall be considered Non-Porous.

- (52) “Offset Lithographic Printing” – A planographic method in which the image and non-image areas are on the same plane and where the Ink is transferred from an image plate on one cylinder to an image Blanket on a different cylinder. The Ink is finally transferred from the image Blanket to the surface to be printed.
- (53) “On-Press Component” – A part, component, or accessory of a press that is cleaned while still being physically attached to the press.
- (54) “Packaging Gravure” – Gravure Printing on paper, paperboard, foil, film or other substrates which are to be used to produce containers or packages.
- (55) “Pantone Ink” – An Ink created for color matching by combination of Process Inks.
- (56) “Paper Coating” – Any Coating applied on or impregnated into paper, including, but not limited to, Adhesive tapes and labels, book covers, post cards, office copier paper, drafting paper, and pressure sensitive tapes.
- (57) “Plastisizer” – A material used to keep plastic material soft and viscous.
- (58) “Plastisol” – A Coating that is a liquid dispersion of small particles of resins and Plastisizers that are fused to become a plastic.
- (59) “Porous” – A substrate whose surface does not prevent penetration by water, including but not limited to, paper, paperboard, and any paper product coated with a porous material.
- (60) “Process Ink” – The hues yellow, magenta, and cyan, plus black used in the four-color print process.
- (61) “Proof Press” – A press used only for printing a sample copy of a graphic art product to check the quality of print, color reproduction and editorial content.
- (62) “Publication Gravure” – Gravure Printing on a substrate which is subsequently formed into books, magazines, catalogues, brochures, directories, newspaper supplements or other types of printed material.
- (63) “Removable Press Component” – A part, component, or accessory of a press that is physically attached to the press but is disassembled and removed from the press prior to being cleaned. Rollers, Blankets, metering rollers, fountains, impression cylinders and plates shall not be considered as Removable Press Components.
- (64) “Resists” – Inks that are Screen Printed to form the required patterns, alphabets, numerals, designs, or symbols on the surface of the substrate; protect the Screen Printed or covered surface from the subsequent application of etching or plating solution; and are later removed from the substrate by a resist stripper. Resist applications include, but are not limited to, etched electronic circuits, display screens, chemical milling of parts, nameplates and signage.

- (65) “Roller Wash” – A Solvent used to remove Ink from the rollers of a press.
- (66) “Screen Printing” – A process where the Ink passes through a Web or a fabric to which a refined form of stencil has been applied. The stencil openings determine the form and dimensions of the imprint.
- (67) “Screen Printing Metallic Ink” – An Ink used in Screen Printing that contains greater than 50 grams of elemental metal per liter (0.4 lb/gal) of Ink as applied.
- (68) “Sheet-fed” – A Lithographic Printing process where individual sheets of substrate are fed into the press sequentially.
- (69) “Solvent Flushing” – The use of a Solvent to remove uncured Adhesives, uncured Inks, uncured Coatings, or contaminants from the internal surfaces and passages of equipment by flushing Solvent, by a Non-Atomized Solvent Flow, through the equipment.
- (70) “Specialty Flexographic Printing” – A Flexographic Printing on polyethylene or polypropylene food packaging, fertilizer bags, or liquid-tight food containers.
- (71) “Specialty Gravure Printing” – Printing that uses the gravure process for production of wall and floor covering, decorated household paper products such as towels and tissues, cigarette filter tips, vinyl upholstery, woodgrains, and a wide variety of other products.
- (72) “Specialty Ink” – An Ink that is applied only on Non-Porous Substrates in Flexographic Printing Operations, and is either:
- (a) A Metallic Ink that contains at least 28 percent elemental metallic powder, by weight; or
 - (b) A Matte Finish Ink containing at least five (5) percent silicon dioxide flattening agent, by weight.
- (73) “Substrate Retention Factor” – A fraction, expressed in percent, of VOCs in lithographic Inks which is retained in the substrate when the Inks dry by adsorption or absorption.
- (74) “Thermography” – A digital printing technology that creates an image via a chemical reaction that occurs when portions of a thermal-coated substrate are subjected to heat. Thermographic technologies include but are not limited to thermal wax transfer, multi-bit thermal wax transfer, and Dye Sublimation.
- (75) “Thin Film UV Ink” – An Ultraviolet Ink for which <0.2 g will cover an area of ≥ 225 cm² (35 in²).

- (76) “Ultraviolet (UV) Ink” – An Ink which dries by polymerization reaction by ultraviolet or electron beam radiation.
- (77) “VOC Composite Partial Vapor Pressure” – The sum of the partial pressure of the compounds defined as VOCs.
- (78) “Wash Primer” – A material that contains no more than five (5) percent, by weight, solid materials, and that is used to clean and/or to activate surfaces of paper or fabric.
- (79) “Waste Solvent Material” – Any Solvent which may contain dirt, oil, metal particles, sludge, and/or waste products, or wiping material containing VOCs including, but not limited to, paper, cloth, sponge, rag, or cotton swab used in Solvent cleaning.
- (80) “Water Slide Decal” – A decal that is Screen Printed onto treated paper stock and is removable from the stock by the dissolution of an underlying water- soluble Adhesive or similar carrier.
- (81) “Web” – A continuous sheet of substrate.
- (82) “Web Feed” – An automatic system which supplies substrate from a Web.
- (83) “Web Splicing Adhesive” – An Adhesive used to join two continuous rolls of substrate materials.

(C) Requirements

- (1) Graphic Arts Printing Operation
 - (a) An Operator performing a Graphic Arts Operation, not subject to (C)(2), (C)(3), and (C)(4), shall not use graphic arts materials containing VOC in excess of the limits in Table 1 and Table 2.

Table 1

VOC Content Limits for Inks, Coatings and Adhesives	
Material	Grams of VOC per liter (lb/gal), less water and less Exempt Compounds, as applied
Flexographic Ink on Porous Substrates	225 (1.88)
All other Inks	300 (2.5)
Coatings	300 (2.5)
Adhesives	150 (1.25)
Web Splicing Adhesives	150 (1.25)

Table 2

Fountain Solution	VOC Content Percent by Weight of As-Applied Product
Heatset Web Offset Lithography	
Containing Alcohol	
Chilled Using Refrigerated Chiller	3
Non-Chilled	1.6
Containing No Alcohol	
Chilled or Non-Chilled	5
Coldset Web Offset Lithography	
Containing No Alcohol	
Chilled or Non-Chilled	5
Sheet-fed Offset Lithography with maximum sheet size greater than 11 x 17 inches or a total solution reservoir greater than 1 gallon	
Containing Alcohol	
Chilled Using Refrigerated Chiller	8.5
Non-Chilled	5
Containing No Alcohol	
Chilled or Non-Chilled	5
All Other Presses	
Chilled Using Refrigerated Chiller	10
Non-Chilled	8

- (b) If a Facility is using the chilled VOC options in subsection (C)(1)(a) Table 2, the refrigerated chiller shall be equipped with a temperature gauge. The temperature of the Fountain Solution shall be maintained below 60 °F at all times.
- (2) Flexographic Specialty Ink
- (a) An Operator using a Flexographic Printing Operation shall not use a Specialty Ink in excess of the VOC limit in Table 3, and shall not use more than two (2) gallons of Specialty Inks in a calendar day and 120 gallons of Specialty Inks in a calendar year.

Table 3

VOC Content Limits for Flexographic Specialty Ink	
Material	Grams of VOC per liter (lb/gal), less water and less exempt compounds, as applied
Metallic Ink	460 (3.8)
Matte Finish Ink	535 (4.5)
Metallic Ink and Matte Finish Ink on Flexible Package Printing	383 (3.2)

- (b) Facilities with the potential to emit or with actual emissions of at least 10 tons VOC in any calendar year shall not use Specialty Inks with VOC content greater than 300 grams VOC per liter, less water and Exempt Compounds, as applied.

(3) Screen Printing Operation

- (a) An Operator using a Screen Printing Operation shall not use graphic arts materials in excess of the VOC content limits, as applied, in Table 4.

Table 4

VOC Content Limits for Screen Printing Inks, Coatings, and Adhesives	
Material	Grams of VOC per liter (lb/gal), less water and less Exempt Compounds
Inks and Coatings	400 (3.3)
Adhesives	150 (1.25)
Resists	600 (5.0)
Conductive Inks	850 (7.1)

(4) Paper, Film, Foil, or Fabric Coating Operations

- (a) An Operator using a Paper, Film, Foil, or Fabric Coating Operation shall not use any Coating or Wash Primer in excess of the VOC content limits, as applied, in Table 5.

Table 5

VOC Content Limits of Paper, Film, Foil, or Fabric Coating and Wash Primer	
Material	VOC Content Limit
Coating	265 gm/liter (2.2 lb/gal) of Coating, less water and less Exempt Compounds
Wash Primer	265 gm/liter (2.2 lb/gal) of Coating, less water and less Exempt Compounds
Plastisols	20 gm/liter (0.16 lb/gal)

- (b) An Operator performing pressure sensitive tape and label surface Coating Operations shall not use any VOC content materials or combinations of materials that exceed a VOC content of either 0.20 kg of VOC/kg of solids (0.20 lb VOC/lb of solids), as applied, or an additional limit of 0.067 kg VOC/kg of Coating (0.067 lb of VOC/lb of Coating), as applied.

(5) Approved VOC Emission Control System

- (a) Heatset Web Offset Lithographic or Letterpress

An Operator performing Heatset Web Offset Lithographic or Letterpress Printing that has greater than 25 tpy potential to emit prior to controls shall use an add-on Control Device on the Dryers, as follows:

- (i) Heatset Web offset lithographic or letterpress printer Control Device installed on or prior to July 31, 2010 shall have an overall capture and control efficiency of 90 percent.
 - (ii) Heatset Web offset lithographic or letterpress printer Control Device installed on or after August 1, 2010 shall have an overall capture and control efficiency of 95 percent.
- (b) In lieu of the requirements of subsection (C)(1), (C)(2), (C)(3), and (C)(4), emissions of VOC may be controlled by an emission capture and control system, which reduces VOC emissions to the atmosphere, provided that:
- (i) The VOC emission control system is approved, in writing, by the Air Pollution Control Officer (APCO).
 - (ii) During continuous operation, not to exceed 24 hours, the VOC emission control system shall have a minimum overall VOC capture and control efficiency as specified in Table 6.

Table 6

VOC Emission Control System Overall Capture and Control Efficiency	
Process	Overall VOC capture and control efficiency %, by weight
Flexible Package Printing (All Technologies)	80%
Publication Gravure	85%
Flexographic Printing Operations	80%
Other Printing Operations, excluding Heatset Web Offset Lithographic Printing Press	75%
Paper, Film, Foil, or Fabric Coating Operations	90%

- (c) The collection system shall vent all drying Oven exhaust to the Control Device and shall have one or more inlets for collection of Fugitive Emissions; and,
- (d) During any period of operation of a recuperative thermal oxidizer, combustion temperature shall be continuously monitored and recorded at least once every 15 minutes or for a regenerative thermal oxidizer, the minimum operational or set point temperature shall be continuously monitored and recorded at least once every 15 minutes, be maintained at a 3-hour average temperature no less than 50 °F below the minimum required operational temperature; and,

- (e) During any period of operation of a catalytic oxidizer, inlet gas temperature shall be continuously monitored and recorded at least once every 15 minutes and shall be maintained at a 3-hour average temperature no less than 50 °F below the minimum required operational temperature; and,
 - (f) Appropriate permit(s) for the emission capture and control system are obtained pursuant to District regulations.
 - (g) The VOC emission control system shall reduce VOC emissions, at all times, to a level that is not greater than the emissions which would have been achieved through the use of compliant materials, compliant equipment or compliant work practices in subsections (C)(1), (C)(2), (C)(3), (C)(4), and (C)(7).
- (6) Coating Application Equipment

No Operator shall apply Coatings unless Coatings are applied with equipment operated according to manufacturer's specifications, and only by the use of one of the following types of Coating Application Equipment:

- (a) Flow Coater;
- (b) Roll Coater;
- (c) Dip Coater;
- (d) Foam Coater;
- (e) Die Coater;
- (f) Hand Application Methods; or
- (g) High-volume, low-pressure (HVLP) spray for air dried Coatings.
 - (i) For HVLP spray guns manufactured prior to January 1, 1996, the end user shall demonstrate that the gun meets HVLP spray equipment standards. Satisfactory proof will be either in the form of manufacturer's published technical material or by a demonstration using a certified air pressure tip gauge, measuring the air atomizing pressure dynamically at the center of the air cap and at the air horns.
 - (ii) A person shall not sell or offer for sale for use within the District any HVLP spray gun without a permanent marking denoting the maximum inlet air pressure in psig at which the gun will operate.
- (h) For Coatings with a Viscosity of 200 centipoise or greater, as applied, airless spray, air-assisted airless spray, and air-atomized spray may also be used.

- (i) Other Coating application methods which are demonstrated to the APCO to be capable of achieving at least 65 percent transfer efficiency as determined in accordance with Section (F). Prior written approval from the APCO shall be obtained for each alternative method used.
 - (j) In lieu of complying with subsection (C)(6)(a) through (C)(6)(i), an Operator may control emissions from the Coating Application Equipment with a VOC emission control system that meets the requirements of subsection (C)(5).
- (7) Solvent Cleaning
- (a) An Operator shall not use Solvents for cleaning Operations that exceed the VOC content limits specified in Table 7.

Table 7
VOC Content Limits for Solvent Cleaning

Type of Solvent Cleaning Operation	VOC Content Limit grams of VOC/liter of material (lb/gal)
A. Product Cleaning During Manufacturing Process; or Surface Preparation for Coating, Ink, or Adhesive Application	25 (0.21)
B. Repair and Maintenance Cleaning	25 (0.21)
C. Cleaning of Coating or Adhesive Application Equipment	25 (0.21)
D. Cleaning of Ink Application Equipment	
1. General	25 (0.21)
2. Flexographic Printing	25 (0.21)
3. Specialty Flexographic Printing	100 (0.83)
4. Gravure Printing	
a. Publication	100 (0.83)
b. Packaging	25 (0.21)
5. Lithographic (Offset) or Letterpress Printing	
a. Roller Wash - Step 1	100 (0.83)
b. Roller Wash - Step 2; Roller Wash - not specified; Blanket Wash, and On-Press Components	100 (0.83)
c. Removable Press Components	25 (0.21)
6. Screen Printing	100 (0.83)
7. Ultraviolet Ink/Electron Beam Ink Application Equipment (except Screen Printing)	100 (0.83)

- (b) The following cleaning Operations may be performed outside of an APCO-approved VOC emission control system and using Solvent with VOC content greater than 25 g/L:
 - (i) Wipe Cleaning;
 - (ii) Application of Solvent from hand-held spray bottles from which Solvents are dispensed without a Propellant induced force;
 - (iii) Non-Atomized Solvent Flow method in which the cleaning Solvent is collected in a container or a collection system which is closed except for Solvent collection openings and, if necessary, openings to avoid excessive pressure build-up inside the container; or
 - (iv) Solvent Flushing method in which the cleaning Solvent is discharged into a container that is closed except for Solvent collection openings and, if necessary, openings to avoid excessive pressure build-up inside the container. The discharged Solvent from the equipment must be collected into containers without atomizing into the open air. The Solvent may be flushed through the system by air or hydraulic pressure, or by pumping.
- (c) Solvent shall not be atomized into the open air unless it is vented to a VOC emission control system that complies with subsection (C)(5). This provision shall not apply to printing Operations where the roller or Blanket Wash is applied automatically and the cleaning of nozzle tips of automated spray equipment systems, except for robotic systems, and cleaning with spray bottles or containers described in subsection (C)(7)(b)(ii).
- (d) An Operator shall not use VOC-containing materials to clean spray equipment used for the application of Coatings, Adhesives, or Ink, unless an enclosed system or equipment that is proven to be equally effective at controlling emissions is used for cleaning. If an enclosed system is used, it must totally enclose spray guns, cups, nozzles, bowls, and other parts during washing, rinsing and draining procedures, and it must be used according to the manufacturer's recommendations and must be closed when not in use.
- (e) In lieu of complying with the provisions of subsections (C)(7)(a) through (C)(7)(d), an Operator may control emissions from cleaning Operations with an APCO-approved VOC emission control system that meets the requirements of subsection (C)(5).
- (8) An Operator shall store or dispose of fresh or spent Solvents, Waste Solvent Materials, Coatings, Adhesives, catalysts, Thinners, and Ink in Non-Absorbent, Non-Leaking Containers, which shall be kept closed except when adding or removing material, during cleaning Operations, or when the container is empty.

- (9) VOC material wastes (including but not limited to liquid wastes, rags, and packaging) shall be disposed of in a manner consistent with Federal, State, and local hazardous waste regulations.
- (10) The manufacturer of any Ink, Coating, or Adhesive, except Thin Film UV Ink, which is sold, offered for sale, or supplied for use in Packaging Gravure, Publication Gravure, or Flexographic Printing Operations in the District shall include the following information on the product container or Safety Data Sheet (SDS) supplied with the product:
 - (a) Material name, manufacturer identification, specific mixing instructions, density, and VOC Content, as applied.
 - (b) The VOC Content of Inks (except Thin Film UV Ink), Coatings, and Adhesives expressed as defined in subsection (B)(27).
- (11) Work Practices
 - (a) An Operator shall properly use and properly operate all graphic arts printing technologies as directed and/or specified by the manufacturer of the printer or graphic arts material.
 - (b) Solvent containers and mixing tanks must be kept closed or covered except when filling, draining, or conducting cleaning operations.
 - (c) Used shop towels, rags and wipes shall be kept in closed containers.
 - (d) Spray guns shall be cleaned in an enclosed system.
 - (e) Recycled solvents shall be used for cleaning if available and practical.
 - (f) Cleaning materials shall be conveyed from one location to another in closed containers or pipes.

(D) Exemptions

- (1) The requirements of this rule, except for the recordkeeping requirements of subsection (E)(6), shall not apply to the following Operations except for Paper, Film, Foil, or Fabric Coating Operations that emit less than 200 pounds of VOC per 12 rolling consecutive calendar months.

- (2) The requirements of this rule shall not apply to:
 - (a) Proof Presses;
 - (b) The application of Coatings and use of cleaning Solvents in creating Fine Art Paintings;
 - (c) Stripping of Cured Coatings, Cured Adhesives, and Cured Inks, except the Stripping of such materials from spray Application Equipment;
 - (d) Cleaning Operations in printing pre-press or graphic arts pre-press areas, including the cleaning of film processors, color scanners, plate processors, films, and plates.
 - (e) Blanket Repair Materials used in containers of four (4) fluid ounces or less.
 - (f) Digital Printers and Digital Printing Operations except for recordkeeping requirements in subsection (E)(5).
 - (g) Screen Printing of Waterslide Decals.
 - (h) Cleaning of plastic-based or vinyl-based substrates for use in the Screen Printing process when using UV curable Ink and Coating systems.
 - (i) 110 gallons per year of cleaning materials which meet neither the limits in subsection (C)(7)(a) Table 7, subsection (D)(6), or work practices.
- (3) The provisions of Section (C) shall not apply to the application of Adhesives and Coatings via Aerosol Products.
- (4) This rule shall not apply to laboratory tests or analyses, Bench Scale, or Research and Development Projects.
- (5) This rule shall not limit the VOC content of Thin Film UV Inks.
- (6) Cleaning materials with a VOC Composite Partial Vapor Pressure less than 8 mm Hg at 20 °C are exempt from subsection (C)(7)(a) of this rule.
- (7) The provisions of subsection (C)(1)(a) Table 2 do not apply to any Sheet-fed Lithographic presses with maximum sheet size 11x17 inches or smaller or to any press with total Fountain Solution reservoir of less than one (1) gallon.
- (8) The provisions of subsection(C)(5)(a) do not apply to any Heatset press used for book printing or that has a maximum Web width of 22.0 inches or less.

(E) Monitoring and Records

Unless otherwise noted, all VOC content and density values recorded pursuant to the requirements of this rule shall be for the material as applied. Graphic Arts and Paper, Film, Foil and Fabric Coating Operations subject to this rule shall maintain the following records and information:

- (1) For each Ink, Coating, and Adhesive, Fountain Solution, Wash Primer, and Solvent in use and in storage:
 - (a) A SDS or product data sheet giving material name, manufacturer identification, specific mixing instructions, and density; and
 - (b) VOC Content as applied.
- (2) Compliant Materials Records

If only Inks, Coatings, and Adhesives meeting the specification found in Section (C) are used:

- (a) Records on a monthly basis showing the amount of Ink used. Ink use records shall be maintained using one of the following options:
 - (i) Group the quantity of all Inks used and identify the maximum VOC content figure and use the minimum density of 1,010 gm/liter (8.44 lb/gal);
 - (ii) Itemize Process Inks and Pantone Inks separately and use the specific VOC content and density value for each Process Ink, and the highest VOC content and the maximum density of 1,010 gm/liter (8.44 lb/gal) for Pantone Inks;
 - (iii) Report Process Inks and Pantone Inks separately and use the maximum VOC content and minimum density value for both process and Pantone Inks, or use the density of 1,010 gm/liter (8.44 lb/gal) for Pantone Inks; or
 - (iv) Itemize each Ink and Pantone Ink and use the specific VOC content and density value for each.
- (b) Records on a monthly basis showing the amount of Coating, Adhesive, Wash Primer, and Solvent (including cleaning Solvent) used. Itemize each Coating, Adhesive, Wash Primer, and Solvent and use the specific VOC content and density value for each.
- (c) Record, on a monthly basis, the type, amount, and percent VOC by volume of Fountain Solution used.

(3) Non-Compliant Materials Records

If Inks, Coatings, Adhesives, Fountain Solutions, Wash Primers, and Solvents (including non-compliant cleaning Solvent) which do not meet the specifications found in Section (C) are used and compliance is achieved through the use of add-on emission control equipment pursuant to subsection (C)(5):

- (a) Records on a daily basis showing the type and amount of Inks, Coatings, Adhesives, Fountain Solutions, Wash Primers, and Solvents (including non-compliant cleaning Solvent) used and itemized using the specific VOC content and density value for each.
- (b) Daily records of Key System Operating Parameters which will demonstrate continuous Operation and compliance of the emission Control Device during periods of emission producing activities. Key System Operating Parameters are those necessary to ensure compliance with VOC capture and control requirements pursuant to subsection (C)(5) (including but not limited to temperatures, pressures, and flow rates). Such records shall be kept in the form and manner as prescribed by the APCO.

(4) Records for Flexographic Specialty Inks

If flexographic Specialty Inks are used pursuant to subsection (C)(2), record, on a monthly basis, the type and amount of each Specialty Ink used.

(5) Digital Printing Records

- (a) Digital Printing Operations shall keep records in accordance with (E)(5)(b) for each Digital Printer that:
 - (i) Uses Solvent-based Inks and has a print capacity of 1,000 ft²/hr or more; or
 - (ii) Uses water-based Inks, or UV Inks and has a print capacity of 10,000 ft²/hr or more,
- (b) Operators with printers subject to subsection (E)(5)(a) shall keep the following records:
 - (i) A current file of Inks, Coatings, Adhesives, and Solvents in use and in storage. The file shall include a SDS or product data sheet showing the material name, manufacturer's name, VOC content as applied, specific mixing instructions, and density.
 - (ii) Monthly records of the type, and amount of each Ink, Coating, and/or Adhesive used.
 - (iii) Monthly records of the type, and amount of Solvent used for thinning the Ink, Coating, or Adhesive, and for cleaning.

- (6) If the facility is claiming exempt status pursuant to Section (D), the facility shall maintain adequate records on a monthly basis to demonstrate the exempt status. The Operator who becomes subject to the emission limits/standards of this rule through loss of exemption in Section (D) shall not operate the subject equipment, except as required for obtaining a new or modified Permit-to-Operate, until the Operator demonstrates that the Operation is in full compliance with the requirements of this rule.
- (7) Any record required or produced pursuant to this rule shall be retained on site for a minimum of five (5) years and shall be made available to the APCO, CARB, or USEPA upon request.
- (8) Retention Factors and Capture Efficiencies

For the purposes of determining compliance with emissions limits from Offset Lithographic Printing Operations, and determining eligibility for exemption under subsection (D)(1) of this rule, the following Substrate Retention Factors and Capture Efficiencies shall be used:

- (a) The following Substrate Retention Factors shall be used to determine the portion of VOC contained in Inks and cleaning solution retained in the printed Web or shop towels used for cleaning:
 - (i) 20 percent Substrate Retention Factor for Heatset Inks printed on absorptive substrates (80 percent of the VOC in the ink emitted during the printing process is available for Capture and Control by an Add-on Air Pollution Control Device).
 - (ii) 95 percent Substrate Retention Factor for Non-Heatset Inks (5 percent of the VOC in the ink emitted during the printing process is available for Capture and Control by an Add-on Air Pollution Control Device).
 - (iii) 50 percent VOC retention factor for low VOC composite vapor pressure cleaning materials in shop towels where:
 - a. VOC Composite Partial Vapor Pressure of the cleaning material is less than 10 mm Hg at 20 °C; and
 - b. Cleaning material and shop towels are kept in closed containers.
- (b) The following Capture Efficiencies shall be used to determine the portion of VOC contained in Inks, Fountain Solutions, and Automatic Blanket Washes captured in the press Dryer for control by Add-on Air Pollution Control Device:
 - (i) 40 percent VOC carryover (capture) factor for Automatic Blanket wash solutions with a VOC Composite Partial Vapor Pressure of the cleaning material is less than 10 mm Hg at 20 °C.

- (ii) 70 percent VOC carryover (capture) factor for alcohol substitutes in Fountain Solution.
- (iii) A 100 percent VOC Capture Efficiency shall be used for Inks. All the VOC in the Ink that is not retained is assumed to be volatilized in the press Dryer. Capture efficiency testing for Heatset dryers is not required if it is demonstrated that pressure in the Dryer is negative relative to the surrounding press room and the airflow is into the Dryer.

These Substrate Retention Factors shall not be used when determining compliance of Inks with applicable VOC content limits specified in this rule, and Heatset and Non-Heatset lithographic Inks shall meet the VOC content limits specified in subsection (C)(1), Table 1.

(F) Test Methods

The VOC content of materials subject to the provisions of this rule and overall capture and control efficiency of VOC emission control systems shall be determined by the following test methods specified in subsections (F)(1) through (F)(9), or alternative test methods approved by the APCO, USEPA, and CARB.

- (1) Except for UV Inks, the VOC content of Inks, Adhesives, Fountain Solutions, Solvents and Coatings shall be determined by using EPA Method 24 or 24A as applicable. The VOC content of UV Inks, except for Thin Film UV Inks, shall be determined by using American Society of Testing and Materials (ASTM) D5403-93 (2007) (Test Methods for Volatile Content of Radiation Curable Materials).
- (2) Exempt Compound Content: Exempt compound content shall be determined by using ARB Method 432, "Determination of Dichloromethane and 1,1,1-Trichloroethane in Paints and Coatings," September 12, 1989; ARB Method 422 "Determination of Volatile Organic Compounds in Emission from Stationary Sources," December 13, 1991; or, South Coast Air Quality Management District (SCAQMD) Method 303-91 "Determination of Exempt Compounds," February 1993.
- (3) The content of silicon dioxide as a flattening agent in a Matte Finish Ink shall be determined by using the latest EPA approved revision of ASTM D717-86 (Standard Test Methods for Analysis of Magnesium Silicate Pigment).
- (4) The metal content of Metallic Inks shall be determined by SCAQMD Test Method 318-95, July 1996, (Determination of Weight Percent Elemental Metal in Coatings by X-Ray Diffraction).
- (5) Determination of emissions of VOC from spray gun cleaning systems shall be made using SCAQMD method "General Test Method for Determining Solvent Losses from Spray Gun Cleaning Systems," October 3, 1989.

- (6) The transfer efficiency of alternative Coating application methods shall be determined in accordance with the SCAQMD method “Spray Equipment Transfer Efficiency Test Procedure for Equipment User,” May 24, 1989.
- (7) Determination of Overall Capture and Control Efficiency of VOC Emission Control Systems
- (a) The Capture Efficiency of a VOC emission control system’s collection device(s) shall be determined according to EPA’s “Guidelines for Determining Capture Efficiency,” January 9, 1995 and 40 CFR 51, Appendix M, Test Methods 204-204F, as applicable.
- (i) Method 204 shall not be used for Heatset Web Offset Lithographic presses and Heatset Web Letterpress presses, where the negative Dryer pressure is established during the initial test using an airflow direction indicator, such as a smoke stick or aluminum ribbons, or differential pressure gauge.
- (b) The control efficiency of a VOC emission control system’s VOC Control Device(s) shall be determined using EPA Test Methods 2, 2A, or 2D for measuring flow rates and EPA Test Methods 25, 25A, or 25B for measuring total gaseous organic concentrations at the inlet and outlet of the Control Device(s). EPA Method 18 or ARB Method 422 “Determination of Volatile Organic Compounds in Emission from Stationary Sources,” December 13, 1991 shall be used to determine the emissions of Exempt Compounds.
- (c) Capture Efficiency shall be calculated using the following equation:

$$\text{Capture Efficiency} = \left[W_c / W_e \right] \times 100$$

Where:

- W_c = Weight of VOC entering Control Device
 W_e = Weight of VOC emitted from the Operation

- (d) Control Device Efficiency shall be calculated using the following equation:

$$\text{Control Device Efficiency} = \left[(W_c - W_d) / W_c \right] \times 100$$

Where:

W_c = Weight of VOC entering Control Device
 W_d = Weight of VOC discharged from the Control Device

- (e) For VOC emission control systems that consist of a single VOC emission collection device connected to a single VOC emission Control Device, the overall capture and control efficiency shall be calculated by using the following equation:

$$CE_{Capture,Control} = (CE_{capture} \times CE_{control})/100$$

Where:

$CE_{Capture,Control}$ = Overall Capture and Control Efficiency, in percent
 $CE_{Capture}$ = Capture Efficiency of the collection device, in percent, as determined in subsection (F)(7)(a)
 $CE_{Control}$ = Control Efficiency of the Control Device, in percent, as determined in subsection (F)(7)(b).

- (f) The following equation shall be used to determine if the minimum required overall capture and control efficiency of an emission control system is at an equivalent or greater level of VOC reduction as would be achieved using compliant materials, equipment, or work practices, as stated in subsection (C)(5)(g).

$$CE = \left[1 - \left(\frac{VOC_{LWc}}{VOC_{LWn,Max}} \times \frac{1 - \left(\frac{VOC_{LWn,Max}}{D_{n,Max}} \right)}{1 - \left(\frac{VOC_{LWc}}{D_c} \right)} \right) \right] \times 100$$

Where:

CE = Minimum Required Overall Capture and Control Efficiency, percent
 VOC_{LWc} = VOC Limit, less water and less Exempt Compounds
 $VOC_{LWn,Max}$ = Maximum VOC content of noncompliant Ink (or Coating or Adhesive) used in conjunction with a Control Device, less water and less Exempt Compounds
 $D_{n,Max}$ = Density of Solvent, reducer, or Thinner contained in the noncompliant Ink (or Coating or Adhesive), containing the maximum VOC content of the multi-

component Ink (or Coating, or Adhesive) printing
Line

D_c = Density of corresponding Solvent, reducer, or Thinner used in the compliant Ink (or Coating, or Adhesive) system = 880 gm/liter.

- (g) The weight of VOCs emitted during use, Coating, curing or drying per combined volume of VOC and of Ink, Coating, Adhesive, or Wash Primer solids and can be calculated by the following equation:

$$\frac{\text{Grams VOC}_{LWC}}{\text{Liter of Coating}} = \frac{(W_s - W_w - W_{es})}{(V_m - V_w - V_{es})}$$

Where:

W_s = Weight of volatile compounds, in grams
 W_w = Weight of water, in grams
 W_{es} = Weight of Exempt Compounds, in grams
 V_m = Volume of material, in liters
 V_w = Volume of water, in liters
 V_{es} = Volume of Exempt Compounds, in liters

- (h) Grams of VOC per Liter of Material:

$$\frac{\text{Grams of VOC}}{\text{Liter of Material}} = \left[\frac{(W_s - W_w - W_{es})}{V_m} \right]$$

Where:

W_s = Weight of volatile compounds, in grams
 W_w = Weight of water, in grams
 W_e = Weight of Exempt Compounds, in grams
 V_m = Volume of materials, in liters

- (8) Thin Film UV Ink coverage shall be calculated using the following equation:

$$C = F \times A \times D_c$$

Where:

C = Amount of Ink added to the substrate in grams
 F = Manufacturer's recommended film thickness in cm (or in)
 A = Area of substrate in cm² (or in²)
 D_c = Density of Ink in g/cm³ (or g/in³)

- (9) VOC Composite Partial Vapor Pressure shall be calculated using the following equation:

$$PP_c = \frac{\sum_{i=1}^n \frac{(W_i)(VP_i)}{MW_i}}{\frac{W_w}{MW_w} + \frac{W_e}{MW_e} + \sum_{i=1}^n \frac{W_i}{MW_i}}$$

Where:

- W_i = Weight of the “i”th VOC compound, in grams.
- W_w = Weight of water, in grams.
- W_e = Weight of Exempt Compound, in grams
- MW_i = Molecular weight of the “i”th VOC compound, in grams per gram-mole.
- MW_e = Molecular weight of Exempt Compound, in grams per gram-mole.
- PP_c = VOC composite partial pressure at 20°C, in mm Hg.
- VP_i = Vapor pressure of the “i”th VOC compound at 20°C, in mm Hg.

- (10) When one or more test method or set of test methods are specified for any testing, a violation of any requirement of this rule established by any one of the specified test methods or set of test methods shall constitute a violation of the rule.

See SIP Table at <https://www.mdaqmd.ca.gov/rules/overview>



Rule 1117 – Graphic Arts and Paper, Film, Foil and Fabric Coatings

*Continued from June 8, 2020
For Amendment August 24, 2020
Alan De Salvio, Deputy Director - Operations*

Necessity for Amending Rule 1117

- The Federal Clean Air Act (FCAA) requires areas designated non-attainment and classified moderate and above to implement Reasonably Available Control Technology (RACT) for sources subject to Control Techniques Guidelines (CTG) documents issued by United States Environmental Protection Agency (USEPA) for “major sources” of Volatile Organic Compounds (VOCs) and oxides of nitrogen (NO_x) which are ozone precursors.
- The MDAQMD adopted the 70 ppb Ozone Evaluation on October 28, 2019, and committed to evaluating Rule 1117.



Necessity for Amending Rule 1117

- As part of the RACT evaluation, the District reviewed the following:
 - Similar rules for Districts with comparable or more severe attainment status
 - CTG Provisions (*Control Techniques Guidelines for Offset Lithographic Printing and Letterpress Printing; Control Techniques Guidelines for Flexible Package Printing; and, Control Techniques Guidelines for Paper, Film, and Foil Coatings*)
 - Technical Support Document (TSD) for the 2009 amendment of Rule 1117
- Upon completing this evaluation, the District determined to amend Rule 1117 to incorporate recommendations from the TSD, and to add CTG control strategies that reflect current federal RACT.
- The amendment of Rule 1117 fulfills the commitment made in the *70 ppb Ozone Evaluation*.



Public Outreach

- **Public Mailing, April 20, 2020**
 - Affected permitted sources
 - Potentially affected non-permitted sources located through online search/yellow pages/etc. (Even though a source is not permitted, they are subject to coating limits)
 - Rule Development Contacts
 - Website Posting
 - CARB
 - USEPA
- **TAC Review**
 - March 19, 2020



Public Comment

- Rule amendment was continued from June 8, 2020 to August 24, 2020 to address substantive comments received from industry.
- The District was able to incorporate most comments requested by industry into the current proposed draft rule.
- A complete list of comments and responses are contained in Appendix “C” of the Staff Report.

Summary of Proposed Amendments

- **Applicability**

- Amended Rule 1117 is applicable to any graphic arts printing operations, digital printing operations, and paper, film, foil or fabric coating operation and to the solvent cleaning materials and processes associated with such operations.
- Amended Rule 1117 is also applicable to any person who manufactures any ink, coating, or adhesive containing VOC which is sold, offered for sale, or supplied for use in graphic arts and paper, film, foil and fabric coating operations in the District.



Summary of Proposed Amendments

- **General**
 - Past effective dates have been removed.
- **Definitions**
 - Many definitions that have a general meaning have been moved to Rule 102 – Definition of *Terms (completed in the April 27, 2020 amendment of Rule 102)*.
 - Equations that were included in definitions have been moved to calculation section.
 - Several definitions have been added, modified, or removed at industry request for clarity and consistency.



Summary of Proposed Amendments

- **Requirements**

- Table 2 has been modified to include more compliance approaches. The CTG describes these approaches as having the same level of control. Language has been added to support the refrigerated chiller option.
- Table 4 has been modified to remove unnecessary material descriptors, and to add industry requested category. Both changes are to provide consistency with adjacent District rules.
- Table 6 has been modified to properly reflect existing rule provisions for clarity.
- Monitoring requirements for recuperative thermal oxidizers and catalytic oxidizers have been modified at industry request.
- Coating application method has been added for high viscosity coatings, consistent with recent coating rule provisions.

Summary of Proposed Amendments

- **Exemptions**

- Several exemptions added consistent with CTG and other District rules at the request of industry.

- **Monitoring and Recordkeeping**

- Daily recordkeeping for those facilities using compliant materials has been changed from daily to monthly. This provision is consistent with SCAQMD and SJVUAPCD rules. Industry provided cost justification for this request.
- Substrate retention factors have been added at the request of industry, consistent with CTG provisions.

- **Test Methods**

- Updated referenced test method dates pursuant to TSD recommendations.
- Equations relocated from definition section.
- Several sections and equations have been added for clarification at the request of industry.

Conclusion

- Proposed amendments to Rule 1117 were discussed by the TAC on March 19, 2020.
- The District has included many changes and provisions as requested by industry in the current version of the rule presented for amendment.
- Staff recommends that the Governing Board of the Mojave Desert Air Quality Management District (MDAQMD or District) adopt amended Rule 1117 – *Graphic Arts and Paper, Film, Foil and Fabric Coatings* and approve the appropriate California Environmental Quality Act (CEQA) documentation.



Questions?

