ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT

GOVERNING BOARD
REGULAR MEETING

AGENDA

TUESDAY, JUNE 20, 2017
10:00 A.M.

LOCATION
AVAQMD District Office
43301 Division Street, Suite 206
Lancaster, CA 93535
661-723-8070

BOARD MEMBERS
Marvin Crist, Chair, City of Lancaster
Ron Hawkins, Vice Chair, Los Angeles County
Vern Lawson, Los Angeles County
Ken Mann, City of Lancaster
Steven Hofbauer, City of Palmdale
Austin Bishop, City of Palmdale
Newton Chelette, Public Member

Call to Order – 10:00 a.m.

Pledge of Allegiance.

Roll Call.

Public Comments on any Agenda Item will be heard at the time of discussion of the Agenda Item. Public Comments not pertaining to Agenda Items will be heard during the PUBLIC COMMENT period, below.

1. **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, staff member or member of the public requests an item be held for discussion under DEFERRED ITEMS.

2. Approve Minutes from Regular Governing Board Meeting of May 16, 2017. Presenter: Crystal Goree.

3. Monthly Activity Report. Receive and File. Presenter: Bret Banks.

4. Monthly Grant Fund Summary. Receive and File. Presenter: Bret Banks.

5. Receive and file the Financial Report for FY 17, the period April 2017 which provides financial information and budget performance concerning the current fiscal status of the District. Presenter: Jean Bracy.

6. Approve payment to MDAQMD in the total amount of $107,020.53, subject to availability of funds, for services provided during the month of April 2017. Presenter: Jean Bracy.

7. Adopt a Resolution for the Election of Directors to the Special District Risk Management Authority Board of Directors to re-elect the three incumbents and one new director. Presenter: Bret Banks.

ITEMS FOR DISCUSSION

DEFERRED ITEMS

PUBLIC HEARINGS

8. Conduct a Continued Public Hearing to receive comments and staff presentation for the proposed AVAQMD Budget for FY 2017-18: a. Open public hearing; b. Receive staff report; c. Receive public testimony; d. Close public hearing; e. Adopt a resolution approving and adopting the budget for FY 2017-18. Presenter: Bret Banks.

9. Conduct a public hearing to consider the adoption of Rule 1151.1 – *Motor Vehicle Assembly Coating Operations*: a. Open 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 adopting Rule 1151.1 – *Motor Vehicle Assembly Coating Operations* and directing staff actions. Presenter: Barbara Lods.

NEW BUSINESS

10. Approve spending authority for the District consistent with the Fiscal Year 2016-17 Budget until the FY 2017-18 Budget is adopted. Presenter: Bret Banks.

11. Authorize the Executive Director/APCO and staff to implement an On-Road Vehicle Work Plan and updates to the District's Carl Moyer Program Policies and Procedures pursuant to the California Air Resources Board approval of the 2017 Carl Moyer Program Guidelines as of April 27, 2017 and as to approved form by the California Air Resources Board. Presenter: Julie McKeehan.

12. Award an amount not to exceed $170,159 in Carl Moyer Program funds to High Desert Dairy for the replacement of one (1) older diesel-powered tractor with newer, cleaner technology; and 2) 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: Julie McKeehan.

13. 1) Award an amount not to exceed of $84,000 from Mobile Source Emissions Reduction Program funds for the purchase of three (3) Mean Green CXR-60 industrial electric lawn mowers; and 2) 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: Bret Banks.

ADMINISTRATIVE ITEMS

14. Reports:

Governing Board Counsel.

Executive Officer/APCO, Staff.

15. Board Member Reports and Suggestions for Future Agenda Items.

Adjourn to Regular Governing Board Meeting of Tuesday, July 18, 2017.

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 at, or prior to, the public hearing.

Due to time constraints and the number of persons wishing to give oral testimony, time restrictions may be placed on oral testimony regarding the above proposals. You may wish to make your comments in writing to assure that you are able to express yourself adequately.

In compliance with the Americans with Disabilities act, if special assistance is needed to participate in the Board Meeting, please contact the Administrative Secretary during regular business hours at 661-723-8070, ext. 1. 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 the District Office at 43301 Division Street, Suite 206, Lancaster, CA 93535 or by contacting the Administrative Secretary at 661-723-8070, ext. 1 or by email at cgoree@avaqmd.ca.gov
Mailed & Posted on: Tuesday, 6/13/17.

_____
Crystal Goree, Administrative Secretary

ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT
GOVERNING BOARD

******NOTICE OF REGULAR MEETING******

NOTICE IS HEREBY GIVEN that the Governing Board of the Antelope Valley Air Quality Management District (District) will conduct a Regular Meeting on Tuesday, June 20, 2017 at 10:00 a.m.

SAID MEETING will be conducted in the Antelope Valley Air Quality Management District Offices Conference Room, 43301 Division Street, Suite 206, Lancaster, California, 93535. Interested persons may attend and submit oral and/or written comments/statements at the meeting. It is requested that written comments/statements be submitted prior to the meeting.

A copy of the Agenda will be duly posted and may also be reviewed at the office of the Antelope Valley Air Quality Management District, 43301 Division Street, Suite 206, Lancaster, California 93535.

ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT
GOVERNING BOARD

CRYSTAL GOREE
ADMINISTRATIVE SECRETARY
PHONE: (661) 723-8070, Ext. 1.

Mailed and Posted: **Tuesday, 6/13/17**
DATE

ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT
GOVERNING BOARD MEETING
TUESDAY, MAY 16, 2017
ANTELOPE VALLEY DISTRICT OFFICE
LANCASTER, CA

MINUTES

Board Members Present:
Marvin Crist, Chair, City of Lancaster
Ron Hawkins, Vice Chair, Los Angeles County
Steve Hofbauer, City of Palmdale
Austin Bishop, City of Palmdale
Vern Lawson, Los Angeles County
Ken Mann, City of Lancaster

Board Members Absent:
Newton Chelette, Public Member

CALL TO ORDER

Chair Crist called the meeting to order at 10:00 a.m. Board Member Hofbauer led the Pledge of Allegiance. Roll call was taken.

PUBLIC COMMENT

Agenda Item #1
None.

CONSENT CALENDAR

Agenda Item #2 - Approve Minutes from Regular Governing Board Meeting of April 18, 2017. Presenter: Crystal Goree.
Upon Motion by Hofbauer, Seconded by Bishop, and carried unanimously, the Board **Approved** Minutes from Regular Governing Board Meeting of April 18, 2017.

Agenda Item #3 – Monthly Activity Report. Receive and file. Presenter: Bret Banks.
Upon Motion by Hofbauer, Seconded by Bishop, and carried unanimously, the Board Received and Filed Activity Report.

Agenda Item #4 – Monthly Grant Fund Summary. Receive and file.
Presenter: Bret Banks.
Upon Motion by Hofbauer, Seconded by Bishop, and carried unanimously, the Board Received and Filed Monthly Grant Fund Summary.

Agenda Item #5 - The Financial Report for FY 17, March 2017 is provided to the Governing Board for information concerning the current fiscal status of the District.
Presenter: Jean Bracy.
Upon Motion by Hofbauer, Seconded by Bishop, and carried unanimously, the Board Received and Filed the Financial Report.

Agenda Item #6 - Approve payment to MDAQMD in the total amount of $105,813.67, subject to availability of funds, for services provided during the month of March 2017. Presenter: Jean Bracy.
Upon Motion by Hofbauer, Seconded by Bishop, and carried unanimously, the Board Approved payment to MDAQMD in the total amount of $105,813.67, subject to availability of funds, for services provided during the month of March 2017.

ITEMS FOR DISCUSSION

DEFERRED
None.

PUBLIC HEARINGS

Agenda Item #7 - Conduct Public Hearing to consider the proposed AVAQMD Budget for FY 2017-18: a. Open public hearing; b. Receive staff report; c. Receive public testimony; d. Close public hearing; e. Continue to the meeting of June 20, 2017 for adoption. Presenter: Bret Banks.
Chair Crist opened Public Hearing. Bret Banks provided background information and staff report. Mr. Banks shared PowerPoint presentation on FY 17/18 Budget Development Overview. Items discussed included Budget Foundation and Development Strategies, the Motor Vehicle Registration Fee Program and District Fee Increase Impact and Comparison. There was no public comment. Bret Banks introduced Laquita Cole, District Finance Manager. Mr. Banks answered questions from the Board. Discussion ensued. Chair Crist directed Bret Banks to average the three (3) tiers for the Mojave Desert Air Quality Management District (MDAQMD) for the fee increase and provide information to the Board at the next regularly scheduled meeting. Chair Crist continued Public Hearing to June 20, 2017.

NEW BUSINESS

Agenda Item #8 – 1) Award an amount not to exceed $37,748 in Carl Moyer Program and Mobile Source Emission Reductions Program (AB 2766) funds to American Plumbing Services for the replacement of an older light-heavy duty diesel vehicle with new, Compressed Natural Gas (CNG) engine technology; and 2) 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: Julie McKeehan.
Julie McKeehan provided background information and staff recommendation. Upon Motion by Hofbauer, Seconded by Hawkins, with Austin Bishop recusing himself, the Board unanimously approved to award an amount not to exceed $37,748 in Carl Moyer

Program and Mobile Source Emission Reductions Program (AB 2766) funds to American Plumbing Services for the replacement of an older light-heavy duty diesel vehicle with new, Compressed Natural Gas (CNG) engine technology; and 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 #9 – 1) Award an amount not to exceed $39,500 in Carl Moyer Program and Mobile Source Emission Reductions Program (AB 2766) funds to Antelope Valley Fair Association to retire one (1) diesel forklift with newer, cleaner technology; and 2) 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: Julie McKeehan.
Julie McKeehan provided background information and staff recommendation. Upon Motion by Mann, Seconded by Hawkins, with Austin Bishop recusing himself, the Board unanimously approved to award an amount not to exceed $39,500 in Carl Moyer Program and Mobile Source Emission Reductions Program (AB 2766) funds to Antelope Valley Fair Association to retire one (1) diesel forklift with newer, cleaner technology; and 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.

ADMINISTRATIVE ITEMS

Agenda Item #10 - Reports

Governing Board Counsel – None.

Executive Director/APCO – Bret Banks provided an update on the sheep grazing policy. With the exception of one active grazing permit for a long-time local landowner, who grazes his sheep on his own land, the policy severely limits grazing throughout the Antelope Valley.

Bret Banks shared PowerPoint presentation on the 2017 Carl Moyer Program Changes. Information discussed included Senate Bill (SB) 513, cost effectiveness, infrastructure, and project co-funding.

Chair Crist directed Bret Banks to agendize grant application for High Desert Dairy prior to the Board making changes to the grant percentage. Chair Crist also directed Mr. Banks to come back with a proposed program, ranking system, and prioritization of projects for the Board's review.

Chair Crist commented on expanding the Carl Moyer Project. Discussion ensued regarding the equitable delegation of funds.

Bret Banks announced the workshop demonstration for electric riding lawn mowers, Wednesday, 5/31/17, 10:00 a.m. at Clear Channel Stadium, Lancaster. Three (3) mowers will be available for demonstration.

Agenda Item #11 – Board Member Reports and Suggestions For Future Agenda Items.

None.

The meeting was adjourned at 10:45 a.m. to the next regularly scheduled Governing Board Meeting, Tuesday, June 20, 2017, 10:00 a.m.

Item #3 - Monthly Activity Report – May 2017

	May 2017	May 2016	YTD (7/1/17)
Complaints	4	2	33
Complaint Investigations	4	2	33
Asbestos Notifications	8	16	49
Asbestos Inspections	0	0	0
Facility Inspections	45	48	360
Facility Inspections Completed (%)	99	89	97
Permit Inspections	85	79	672
Permit Inspections in Compliance (%)	85	98	97
Notice of Violation (NOV)	0	1	9

Outstanding NOVs

- AV00000187, Issued 02/2016

Project Comment Letters – May 2017

None

		AVAQMD CEQA PROJECTS				
		BOARD MEETING				
		06/20/2017				
Date Rec'd	Location	Project Name	Description	Comment	Date Due	Date Sent
04/24/2017	COP	Self Storage	Site Plan Review 17-001 for proposed construction of 87,610 sf storage facility on 4.16 acres located at Avenue R-8 & Sierra Hwy	Rule 403	05/24/17	05/26/17
05/17/2017	LAC	Centennial Project	Draft EIR for Centennial Project CUP 02-232	No Comment	07/17/17	05/26/17
05/22/2017	COL	Gas Station	CUP 16-03 for proposed gas station w/ mini mart located on the corner of Avenue I & Sierra Hwy	Asbestos Notif,Rule 403,Permits,CARB Equip	06/16/17	05/26/17
05/16/2017	COL	Lancaster Health District Master Plan	Draft EIR	No Comment	06/13/17	05/26/17
05/22/2017	COL	Self Storage	NOA/NOI to adopt a Mit Neg Dec for CUP 17-06 for proposed construction of a self storage facility on 6.05 acres located at Avenue J-8 & 20th West	Rule 403	06/16/17	05/26/17

ITEM # 4 - MONTHLY GRANT FUND SUMMARY

AB 2766 ($4 DMV Fee) Annual Allocation for Mobile Projects **$407,605.00**

AB 923 ($2 DMV Fee) Annual Allocation for Mobile Projects **$581,000.00**

AB 2766 & AB 923 CURRENT BALANCES

AB 2766 PROJECT & ADMIN. FUNDS

Action Date	*Project Name*	*Approved Action*	
Mar-14	AFV Program Add'l Funds AV0314#12	-100000.00	paid
Mar-14	Sommer Haven Ranch International AV0314#15	-25000.00	paid
Mar-14	Hemme Hay & Feed (2) Retrofit Project AV0314#10	-16337.00	paid
Mar-14	AVC Equipment Replacement AV0314#14	-26160.00	paid
Mar-14	AFV Program Add'l Funds AV0414#11	-61200.92	paid
Apr-14	Antelope Valley Fair Assoc. CNG Bus Engine Repair AV0414#10	-11193.96	paid
Apr-14	AFV Program Add'l Funds AV0414#11	-101524.52	paid
Jun-14	AFV Program Add'l Funds AV0414#11	-24742.69	paid
May-14	Antelope Valley Mall Electric Infrastructure AV0514#13	-45817.00	paid
Jul-14	Antelope Valley HSD AV0714#9	-13500.00	paid
Jul-14	City of Palmdale Electric Infrastructure AV0714#10	-49729.00	paid
Aug-14	AFV Program Add'l Fnds AV0414#11	-14425.00	paid
Aug-14	AVEK Water Agency AV0814#9	-12000.00	paid
Aug-14	Yates Trucking Inc. AV0814#10	-15761.00	paid
Dec-14	City of Lancaster Traction Seal Project AV1214#9	-200000.00	paid
Jan-15	R & R Pipeline, Inc. Grant Funds Returned	20700.00	rec'd
Jan-15	AFV Program Add'l Funds AV0414#11	-17000.00	paid
Mar-15	Projected AFV applications for 2015	-60000.00	paid
Apr-15	Return of Truck Retrofit Funds	6718.00	rec'd
Jun-15	AVTA - Public Transit Programs AV0615#11 /0715#S-1	-178000.00	paid
Oct-15	AFV Program Add'l Funds AV0414#11	-14000.00	paid
Feb-16	LA County Sheriff's Alt. Patrol Project AV0216#9	-50000.00	paid
Mar-16	AVC Equipment Replacement AV0314#14	-1886.00	paid
Mar-16	AVLAW, LLC EV Charging Repair AV0316#11	-2117.00	paid
Apr-16	AV Produce TRU Replacement Project AV0416#12	-16203.00	paid
Apr-16	LA County Sheriff's Bio Diesel Truck Project AV0416#11	-50000.00	paid
Jul-16	City of Palmdale Electric Infrastructure ADA Req AV0716#10	-59700.00	paid
Aug-16	AFV Program Add'l Funds AV0816#9	-34500.00	paid
Aug-16	AVC Free Fare Pilot Program for Students AV0816#7	-30000.00	paid
Sep-16	LA Cty Sheriff's Bike Patrol Proj. Palmdale/Lancaster AV0916#11	-35143.00	pending
Sep-16	AVTA - Public Transit Programs AV0916#8	120000.00	pending
Dec-16	A-Z Engine Systems Repair AV0117#	-5794.00	pending
Feb-17	AFV Program Add'l Funds AV0117#	-40000.00	pending
Mar-17	VAVR Program - Projects to EES AV0317#9	-60000.00	pending
May-17	American Plumbing Services AV0517#?	-37748.00	
May-17	AV Fair Assoc. AV0517#?	-24370.00	

AB 2766 PROJECTS CURRENT BALANCE **$308,505.38**

Action Date	*Project Name*	*Pending Action*
	No Pending Projects	

AB 2766 PROJECTS BALANCE PENDING APPROVAL **$308,505.38**

AB 923 PROJECT & ADMIN. FUNDS

Action Date	*Project Name*	*Approved Action*	
Jan-15	AVSTA CNG School Bus Purchase AV0115#7	-100000.00	paid
Apr-15	Calandri SonRise Farms ERP Project #3 AV0415#8	-78372.75	paid
Apr-15	2016 Lawn Mower Exchange Program	-11200.00	paid
May-15	Gene Wheeler Farms ERP Project #2 AV0515#10	-142010.00	paid
Aug-15	VAVR Program - Projects & Admin. to EES AV0815#6	-60000.00	paid
Nov-15	Calandri SonRise Farms Repower Project #4 AV1115#9	-116471.00	paid
Jan-16	Antelope Valley Farming ERP Project #1 AV0116#8	-181530.00	paid
Mar-16	Ebee Streetlight EV Charging Project AV0316#10	-25000.00	pending
Apr-16	VAVR Program - Admin to EES AV0416#10	-60000.00	paid
Apr-16	2016 Lawn Mower Exchange Program	-11200.00	paid
Aug-16	Calandri SonRise Farms Harvesting Project AV0816#8	-406,065.00	pending
Oct-16	Antelope Valley Farming ERP Project #2 AV1016#10	-12,940.38	paid
Dec-16	AVSTA CNG Tank Replacement AV1216#11	-63,377.00	pending
Dec-16	SCE Charge Ready Pilot Project AV1216#10	-48,819.20	pending
Feb-17	City of Pamdale Vanpool/Infrastructure Project AV0117#12	-164,928.00	pending
Feb-17	City of Lancaster Vanpool/Infrastructure Project AV0117#11	-61,925.00	pending
Mar-17	2017 Lawn Mower Exchange Program	-10,730	pending
AB 923 PROJECTS CURRENT BALANCE		**$88,156.82**	

Action Date	*Project Name*	*Pending Action*
	No Pending Projects	
AB 923 PROJECTS BALANCE PENDING APPROVAL		**$88,156.82**

CARL MOYER PROGRAM PROJECT FUNDS

Mar-15	**Carl Moyer Prog. Funds Year 17 Awarded to AVAQMD**	**637511.00**	recv'd
Mar-15	**Carl Moyer Interest (FY 13-14) added to Year 16**	**834.45**	recv'd
Apr-15	Calandri SonRise Farms ERP Project #3 AV0415#8	-284211.25	paid
Apr-15	High Desert Dairy ERP Project #3 AV0415#7	-134239.00	paid
Nov-15	Bill's Landscaping ERP Project #1 AV1115#7	-78873.00	paid
Nov-15	Gall Brothers Engineering ERP Project #1 AV1115#8	-138715.00	paid
Feb-16	**MDAQMD Year 16 Transfer AV0216#7**	**324480.00**	recv'd
Mar-16	High Desert Dairy ERP Project #4 AV0316#8	-139,224.00	paid
Mar-16	Calandri SonRise Farms ERP Project #5 AV0316#9	-83,983.00	paid
Mar-15	**Carl Moyer Prog. Funds Year 18 Awarded to AVAQMD**	**659588.00**	recv'd
Apr-16	Lane Ranch & Co. ERP Project AV0416#8	-99,989.56	paid
Apr-16	Bill's Landscaping ERP Project #2 AV0416#9	-79,916.00	paid
Jun-16	Calandri SonRise Farms Forklift Project #6 AV0616#8	-60,985.00	paid
Jun-16	Antelope Valley Fair Assoc. Forklift Project AV0616#9	-51,460.00	paid
Jul-16	Bolthouse ERP Project AV0716#11	-18,927.00	paid
Jul-16	South Pac Industries ERP Project AV0716#9	-181,114.00	paid
Sep-16	High Desert Dairy ERP Project #4 AV0916#9	-158,663.00	paid
Sep-16	Gall Brothers Engineering ERP Project #2 AV0916#10	-77,896.00	paid
Oct-16	Antelop Valley Farming ERP Project #2 AV1016#10	-34,943.62	paid
Apr-17	Carl Moyer Prog. Funds Year 19 Tentative Allocation	**669,301.00**	pending
May-17	AV Fair Assoc. AV0517#?	-15,130.00	pending
CARL MOYER PROJECTS CURRENT BALANCE		**$655,666.00**	
Jun-17	High Desert Dairy ERP Project #6 AV0617#	-170,159.00	
CARL MOYER PROJECTS BALANCE PENDING APPROVAL		**$485,507.00**	

MINUTES OF THE GOVERNING BOARD
OF THE ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT
LANCASTER, CALIFORNIA

AGENDA ITEM **5**

DATE: June 20, 2017

RECOMMENDATION: Receive and file.

SUMMARY: Receive and file the Financial Report for FY 17, the period April 2017 which provides financial information and budget performance concerning the current fiscal status of the District.

BACKGROUND: The Financial Reports provide financial and budget performance information and reflects the business activities of the District for the period referenced. Staff is available to answer questions as needed.

BALANCE SHEET – The Balance Sheet is a "snapshot" of the District's resources, shown per fund. The Change in Net Position indicates the dynamic status of revenue and expenses for the period; it does not reflect the District's cash position.

STATEMENT OF REVENUES & EXPENDITURES – This report describes the financial activities only for the month for each of the District's funds and does not reflect the District's cash position.

STATEMENTS OF ACTIVITY (for all District funds) – The target variance for April 2017 is 83% of Fiscal Year 2017.

- ***District Wide*** reports the expenses paid directly from the District's operating account and grant funds. Negative amounts usually indicate expenses made from accumulated grant funds. "Adjustments to Revenue" usually reflects the cancellation of permits. "Permitting" revenue represents invoices issued for annual permit renewals and always assumes the expectation of revenue for those facilities with valid operating permits. Cancelling permits impacts the expected revenue.
- ***Contracted Services*** reports the expenses made by the contractor (MDAQMD) and passed through to the District.
- ***Report Recap*** is the consolidated report which reflects the revenues received and expenses made during the period and year to date against the adopted budget for FY 17. The line item Program Costs includes those payments made from the District's grant funds (AB 2766, AB 923, and Carl Moyer Fund).

cc: Jean Bracy
Laquita Cole
Michelle Powell

MINUTES OF THE GOVERNING BOARD
OF THE ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT
LANCASTER, CALIFORNIA

AGENDA ITEM **5**

BANK REGISTER WELLS FARGO OPERATING – This report lists the deposits to and payments made from the District's primary operating account which is deposited at Wells Fargo Bank. Periodically the account is reimbursed from the funds on deposit with the Los Angeles County Auditor/Controller.

BANK REGISTERS LA COUNTY: GENERAL FUND, AB 2766 U5R, LA COUNTY AB 923, and LA COUNTY CARL MOYER U5S – These reports list deposits to and payments made from the District's Grant Fund Accounts, held in trust at the Los Angeles County Auditor/Controller. The items from the Grand Fund accounts are the activity are shown on the Statement of Activity as "Program Costs."

DISTRICT CARDS – This report shows the purchases made using the District's Mastercard for the referenced period(s).

REASON FOR RECOMMENDATION: Receive and file.

REVIEW BY OTHERS: This item was reviewed by Allison Burns, Special Counsel as to legal form and by Bret Banks, Executive Director/APCO (AVAQMD) on or about June 5, 2017.

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

PRESENTER: Jean Bracy, Deputy Director – Administration

Antelope Valley AQMD

Balance Sheet - Governmental Funds

As of April 30, 2017

Financial Report

	General Fund	AB2766 Mobile Emissions	AB923 Mobile Emissions	Carl Moyer	Total
Assets					
Current Assets					
Cash	1,145,342.31	506,805.92	838,542.16	153,055.10	2,643,745.49
Cash Held For Other Fund	44,292.97	7,412.38	(17,858.79)	(33,846.56)	0.00
Receivables	33,364.70	0.00	0.00	0.00	33,364.70
Pre-Paids	3,709.51	0.00	0.00	0.00	3,709.51
Total Current Assets	**1,226,709.49**	**514,218.30**	**820,683.37**	**119,208.54**	**2,680,819.70**
Total Assets	**1,226,709.49**	**514,218.30**	**820,683.37**	**119,208.54**	**2,680,819.70**
Liabilities and Net Position					
Current Liabilities					
Payables	422,021.11	0.00	7,130.77	18,643.90	447,795.78
Due to Others	1,563.00	0.00	0.00	0.00	1,563.00
Unearned Revenue	0.00	0.00	0.00	547,711.31	547,711.31
Total Current Liabilities	**423,584.11**	**0.00**	**7,130.77**	**566,355.21**	**997,070.09**
Restricted Fund Balance	0.00	566,746.99	853,660.32	(257,788.23)	1,162,619.08
Cash Reserves	370,000.00	0.00	0.00	0.00	370,000.00
Unassigned Fund Balance	264,384.56	0.00	0.00	0.00	264,384.56
Pre-Paid	3,709.51	0.00	0.00	0.00	3,709.51
Change in Net Position	165,031.31	(52,528.69)	(40,107.72)	(189,358.44)	(116,963.54)
Total Liabilities & Net Position	**1,226,709.49**	**514,218.30**	**820,683.37**	**119,208.54**	**2,680,819.70**

Antelope Valley AQMD

Statement of Revenues & Expenditures

For the Period Ending April 30, 2017

Financial Report

	General Fund	AB2766 Mobile Emissions Program	AB923 Mobile Emissions Program	Carl Moyer Program	Total Governmental Funds
Revenues					
Application and Permit Fees	34,860.06	0.00	0.00	0.00	34,860.06
AB 2766 and Other Program Revenues	64,912.66	34,689.32	49,537.06	0.00	149,139.04
Fines	2,300.00	0.00	0.00	0.00	2,300.00
Investment Earnings	978.99	482.33	936.28	440.72	2,838.32
Federal and State	0.00	0.00	0.00	0.00	0.00
Miscellaneous Income	0.00	0.00	0.00	0.00	0.00
Total Revenues	**103,051.71**	**35,171.65**	**50,473.34**	**440.72**	**189,137.42**
Expenditures					
Program Staff	85,127.80	0.00	1,649.47	5,836.48	92,613.75
Services and Supplies	23,119.05	1,000.00	149,537.19	0.00	173,656.24
Contributions to Other Participants	0.00	0.00	0.00	0.00	0.00
Capital Outlay Improvements and Equipment	1,206.21	0.00	0.00	0.00	1,206.21
Total Expenditures	**109,453.06**	**1,000.00**	**151,186.66**	**5,836.48**	**267,476.20**
Excess Revenue Over (Under) Expenditures	**(6,401.35)**	**34,171.65**	**(100,713.32)**	**(5,395.76)**	**(78,338.78)**

Antelope Valley AQMD

Statement of Activity - MTD, MTM and YTD

For 4/30/2017

00 District Wide

	M-T-D Actual	Y-T-D Actual	Y-T-D Budget	% Budget to Actual
Revenues				
Permitting	39,053.73	628,653.42	637,480.00	(0.99)
Programs	149,174.04	1,927,730.83	2,396,065.00	(0.80)
Revenue - Other	0.00	1,416.82	0.00	0.00
Application Fees	2,712.00	40,509.00	47,500.00	(0.85)
State Revenue	0.00	130,008.15	126,000.00	(1.03)
Fines & Penalties	0.00	20,750.00	12,000.00	(1.73)
Interest Earned	2,838.32	18,394.31	13,300.00	(1.38)
Adjustments to Revenue	(4,640.67)	(13,278.37)	0.00	0.00
Total Revenues	**189,137.42**	**2,754,184.16**	**3,232,345.00**	**(0.85)**
Expenses				
Office Expenses	6,011.59	68,812.52	90,180.00	0.76
Communications	1,603.40	16,164.58	23,500.00	0.69
Vehicles	972.22	7,586.03	9,500.00	0.80
Program Costs	150,537.19	1,661,073.73	1,637,438.00	1.01
Travel	461.29	5,280.13	6,500.00	0.81
Professional Services				
Financial Audit & Actuarial Svcs	0.00	12,500.00	12,000.00	1.04
Research Studies	0.00	0.00	6,000.00	0.00
Consulting Fees	0.00	2,114.60	3,000.00	0.70
Stipends	500.00	4,400.00	8,400.00	0.52
Maintenance & Repairs	225.00	3,985.00	7,000.00	0.57
Non-Depreciable Inventory	(1,000.00)	5,365.74	6,300.00	0.85
Dues & Subscriptions	850.00	7,665.90	10,500.00	0.73
Legal	253.46	14,265.67	17,000.00	0.84
Miscellaneous Expense	41.52	652.01	800.00	0.82
Capital Expenditures	0.00	0.00	10,000.00	0.00
Total Expenses	**160,455.67**	**1,809,865.91**	**1,848,118.00**	**0.98**
Program Staff				
Program Staff	0.00	0.00	94,227.00	0.00
Total Program Staff	**0.00**	**0.00**	**94,227.00**	**0.00**
Excess Revenue Over (Under) Expenditures	**28,681.75**	**944,318.25**	**1,290,000.00**	**(0.73)**

Antelope Valley AQMD
Statement of Activity - MTD, MTM and YTD
For 4/30/2017

10 Contracted Services

	M-T-D Actual	Y-T-D Actual	Y-T-D Budget	% Budget to Actual
Revenues				
Expenses				
Office Expenses	0.00	1,993.87	6,200.00	0.32
Vehicles	0.00	0.00	500.00	0.00
Travel	45.48	400.76	3,000.00	0.13
Professional Services				
Payroll Contract	12.22	190.73	300.00	0.64
Financial Audit & Actuarial Svcs	13,142.87	130,793.94	155,635.00	0.84
Maintenance & Repairs	0.00	333.33	0.00	0.00
Non-Depreciable Inventory	0.00	48.38	0.00	0.00
Capital Expenditures	1,206.21	1,597.09	13,000.00	0.12
Total Expenses	**14,406.78**	**135,358.10**	**178,635.00**	**0.76**
Program Staff				
Program Staff	92,613.75	925,923.69	1,111,365.00	0.83
Total Program Staff	**92,613.75**	**925,923.69**	**1,111,365.00**	**0.83**
Excess Revenue Over (Under) Expenditures	**(107,020.53)**	**(1,061,281.79)**	**(1,290,000.00)**	**(0.82)**

Antelope Valley AQMD
Statement of Activity - MTD, MTM and YTD
For 4/30/2017

Report Recap

	M-T-D Actual	Y-T-D Actual	Y-T-D Budget	% Budget to Actual
Revenues				
Permitting	39,053.73	628,653.42	637,480.00	(0.99)
Programs	149,174.04	1,927,730.83	2,396,065.00	(0.80)
Revenue - Other	0.00	1,416.82	0.00	0.00
Application Fees	2,712.00	40,509.00	47,500.00	(0.85)
State Revenue	0.00	130,008.15	126,000.00	(1.03)
Fines & Penalties	0.00	20,750.00	12,000.00	(1.73)
Interest Earned	2,838.32	18,394.31	13,300.00	(1.38)
Adjustments to Revenue	(4,640.67)	(13,278.37)	0.00	0.00
Total Revenues	**189,137.42**	**2,754,184.16**	**3,232,345.00**	**(0.85)**
Expenses				
Office Expenses	6,011.59	70,806.39	96,380.00	0.73
Communications	1,603.40	16,164.58	23,500.00	0.69
Vehicles	972.22	7,586.03	10,000.00	0.76
Program Costs	150,537.19	1,661,073.73	1,637,438.00	1.01
Travel	506.77	5,680.89	9,500.00	0.60
Professional Services				
Payroll Contract	12.22	190.73	300.00	0.64
Financial Audit & Actuarial Svcs	13,142.87	143,293.94	167,635.00	0.85
Research Studies	0.00	0.00	6,000.00	0.00
Consulting Fees	0.00	2,114.60	3,000.00	0.70
Stipends	500.00	4,400.00	8,400.00	0.52
Maintenance & Repairs	225.00	4,318.33	7,000.00	0.62
Non-Depreciable Inventory	(1,000.00)	5,414.12	6,300.00	0.86
Dues & Subscriptions	850.00	7,665.90	10,500.00	0.73
Legal	253.46	14,265.67	17,000.00	0.84
Miscellaneous Expense	41.52	652.01	800.00	0.82
Capital Expenditures	1,206.21	1,597.09	23,000.00	0.07
Total Expenses	**174,862.45**	**1,945,224.01**	**2,026,753.00**	**0.96**
Program Staff				
Program Staff	92,613.75	925,923.69	1,205,592.00	0.77
Total Program Staff	**92,613.75**	**925,923.69**	**1,205,592.00**	**0.77**
Excess Revenue Over (Under) Expenditures	**(78,338.78)**	**(116,963.54)**	**0.00**	**0.00**

Antelope Valley AQMD

Bank Register from 4/01/2017 to 4/30/2017

Wells Fargo Operating

Check/Ref	Date	Name/Description	Check Amount	Deposit Amount	Account Balance
0000259	4/03/2017	Credit Card Transaction - Granite Construction	0.00	642.00	259,810.19
0000259	4/03/2017	Credit Card Transacation - Ed Grush General Contractor	0.00	575.00	260,385.19
0003162	4/03/2017	[10518] AUSTIN BISHOP-GB Mtg 2/21/17	100.00	0.00	260,285.19
0003163	4/03/2017	[10055] NEWTON CHELETTE-Invoices gbm0221-06, gbm0321-04	200.00	0.00	260,085.19
0003164	4/03/2017	[10057] MARVIN CRIST-Invoices gbm0221-02, gbm0321-01	200.00	0.00	259,885.19
0003165	4/03/2017	[10058] RONALD HAWKINS-Invoices gbm0221-04, gbm0321-02	200.00	0.00	259,685.19
0003166	4/03/2017	[10503] STEVEN D HOFBAUER-Invoices gbm0221-01, gbm0321-05	200.00	0.00	259,485.19
0003167	4/03/2017	[10054] KENNETH MANN-Invoices gbm0221-03, gbm0321-03	200.00	0.00	259,285.19
0003168	4/03/2017	[10026] MOJAVE DESERT AQMD-DEC FY17	105,581.48	0.00	153,703.71
0003169	4/03/2017	[10050] WOELFL FAMILY TRUST-Office Lease April 2017	4,330.76	0.00	149,372.95
	4/11/2017	Service Charge	41.52	0.00	149,331.43
0003170	4/13/2017	[10006] BANK OF THE WEST-CC Charges March 2017	425.32	0.00	148,906.11
0003171	4/13/2017	[10502] DIGITAL DEPLOYMENT INC-Webhosting 2/19/17 - 3/18/17	200.00	0.00	148,706.11
0003172	4/13/2017	[10059] ENTERPRISE FLEET MANAGEMENT-Fleet Maintenance Charges March 17	32.00	0.00	148,674.11
0003173	4/13/2017	[10071] MAIL FINANCE-Postage meter lease May 2017	94.46	0.00	148,579.65
0003174	4/13/2017	[10260] QCS BUILDING SERVICES-Janitorial Service April 2017	225.00	0.00	148,354.65
0003175	4/13/2017	[10039] SPARKLETTS-Water Delivery Service March 2017	34.43	0.00	148,320.22
0003176	4/13/2017	[10043] SOCALGAS-Gas service March 2017	74.27	0.00	148,245.95
0003177	4/13/2017	[10072] USPS/NEOPOST-Pre paid Postage replenishment	1,000.00	0.00	147,245.95
0003178	4/13/2017	[10045] VERIZON BUSINESS-Invoices 60000714141607, Z6008655	1,469.72	0.00	145,776.23
0003179	4/13/2017	[10046] VERIZON CALIFORNIA-Long Distance Charges March 2017	27.71	0.00	145,748.52
0003180	4/13/2017	[10063] VOYAGER FLEET SYSTEMS-Fuel card charges March 2017	289.71	0.00	145,458.81
0000264	4/13/2017	Credit Card Transaction - Siam Grocery	0.00	212.00	145,670.81
0003181	4/26/2017	[10076] ANTELOPE VALLEY AQMD-Credit Card Transactions - March 2017	15,569.03	0.00	130,101.78
0003182	4/26/2017	[10518] AUSTIN BISHOP-GB Mtg 4/18/17	100.00	0.00	130,001.78
0003183	4/26/2017	[10405] CANON FINANCIAL SERVICES-Copier Lease May 2017	297.49	0.00	129,704.29
0003184	4/26/2017	[10012] CAPCOA-2017 CAPCOA Membership Dues	850.00	0.00	128,854.29
0003185	4/26/2017	[10055] NEWTON CHELETTE-GB Mtg 4/18/17	100.00	0.00	128,754.29
0003186	4/26/2017	[10057] MARVIN CRIST-GB Mtg 4/18/17	100.00	0.00	128,654.29
0003187	4/26/2017	[02233] D & J PRINTING INC - BANG PRINTING-Refund of Air Toxic Hot Spot Fee	70.00	0.00	128,584.29
0003188	4/26/2017	[10058] RONALD HAWKINS-GB Mtg 4/18/17	100.00	0.00	128,484.29
0003189	4/26/2017	[10503] STEVEN D HOFBAUER-GB Mtg 4/18/17	100.00	0.00	128,384.29
0003190	4/26/2017	[00069] SOUTHERN CALIFORNIA EDISON-Electric Service April 2017	435.57	0.00	127,948.72
0003191	4/26/2017	[10455] STRADLING YOCCA CARLSON & RAUTH-District Counsel Legal Service through Feb 28, 2017	1,250.00	0.00	126,698.72
0003192	4/26/2017	[10050] WOELFL FAMILY TRUST-Office Lease May 2017	4,330.76	0.00	122,367.96
0000263	4/27/2017	Credit Card Transaction - Duke Engineering	0.00	575.00	122,942.96
		Total for Report:	**138,229.23**	**2,004.00**	

Antelope Valley AQMD

Bank Register from 4/01/2017 to 4/30/2017

LA County General Fund P6A

Check/Ref	Date	Name/Description	Check Amount	Deposit Amount	Account Balance
	4/01/2017	Interest Earned	0.00	978.99	875,248.37
0000259	4/10/2017	Daily Deposit	0.00	17,512.98	892,761.35
0000260	4/13/2017	Daily Deposit	0.00	9,165.21	901,926.56
0000261	4/13/2017	Daily Deposit	0.00	22,212.20	924,138.76
0000262	4/17/2017	Daily Deposit	0.00	150,628.04	1,074,766.80
0082810	4/19/2017	Transfer AB2766 - February 2017	34,689.32	0.00	1,040,077.48
0082811	4/19/2017	Transfer AB923 - February 2017	49,537.06	0.00	990,540.42
0000263	4/25/2017	Daily Deposit	0.00	1,386.22	991,926.64
		Total for Report:	**84,226.38**	**201,883.64**	

Antelope Valley AQMD

Bank Register from 4/01/2017 to 4/30/2017

LA County AB2766 U5R

Check/Ref	Date	Name/Description	Check Amount	Deposit Amount	Account Balance
	4/01/2017	Interest Earned	0.00	482.33	473,116.60
0082810	4/19/2017	Transfer AB2766 - February 2017	0.00	34,689.32	507,805.92
M17-63	4/19/2017	[10311] URIBE, JORGE-AB2766 Grant	1,000.00	0.00	506,805.92
		Total for Report:	**1,000.00**	**35,171.65**	

Antelope Valley AQMD

Bank Register from 4/01/2017 to 4/30/2017

LA County AB923

Check/Ref	Date	Name/Description	Check Amount	Deposit Amount	Account Balance
	4/01/2017	Interest Earned	0.00	936.28	938,542.29
0082811	4/19/2017	Transfer AB923 - February 2017	0.00	49,537.06	988,079.35
M17-60	4/19/2017	[10084] ENVIRONMENTAL ENGINEERING STUDIES VAVR-AB923 Grant	5,000.00	0.00	983,079.35
M17-61	4/19/2017	[01569] CALANDRI/SONRISE FARMS, LP-AB923 Grant	81,213.00	0.00	901,866.35
M17-62	4/19/2017	[01190] ANTELOPE VALLEY SCHOOLS TRANSPORTATION AGENCY-AB923 Grant	63,324.19	0.00	838,542.16
		Total for Report:	**149,537.19**	**50,473.34**	

Antelope Valley AQMD

Bank Register from 4/01/2017 to 4/30/2017

LA County Carl Moyer U5S

Check/Ref	Date	Name/Description	Check Amount	Deposit Amount	Account Balance
	4/01/2017	Interest Earned	0.00	440.72	154,760.10
C17-20	4/16/2017	[10084] ENVIRONMENTAL ENGINEERING STUDIES VAVR-Moyer Grant	1,705.00	0.00	153,055.10
		Total for Report:	**1,705.00**	**440.72**	

Antelope Valley AQMD

Bank Register from 4/01/2017 to 4/30/2017

District Cards

Check/Ref	Date	Name/Description	Check Amount	Deposit Amount	Account Balance
0000025	4/13/2017	April 2017 Payment	0.00	425.32	437.83
0000139	4/15/2017	[10069] BRET BANKS-Monthly lease payment for storage unit for the long term storage of District records and documents.	139.00	0.00	298.83
0000140	4/15/2017	[10069] BRET BANKS-Airport Parking Enf Managers Meeting	30.00	0.00	268.83
0000141	4/15/2017	[10069] BRET BANKS-Airfare CAPCOA Enf Mgrs Meeting	137.88	0.00	130.95
0000142	4/15/2017	[10070] BARBARA LODS-Walmart-toaster oven	43.41	0.00	87.54
0000143	4/15/2017	[10070] BARBARA LODS-Staples-paper clips & pens	21.50	0.00	66.04
0000144	4/15/2017	[10070] BARBARA LODS-Sam's Club-water,paper,coffee	53.53	0.00	12.51
		Total for Report:	**425.32**	**425.32**	

MINUTES OF THE GOVERNING BOARD
OF THE ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT
LANCASTER, CALIFORNIA

AGENDA ITEM **6**

DATE: June 20, 2017

RECOMMENDATION: Approve payment to MDAQMD in the total amount of $107,020.53, subject to availability of funds, for services provided during the month of April 2017.

SUMMARY: The District contracts for services with MDAQMD; invoices for services are presented for payment.

CONFLICT OF INTEREST: None

BACKGROUND: Key expenses are staff; six positions are assigned to the local office. In this billing format staff time conducted in the performance of administering the Carl Moyer and AB 2766 programs is listed separately for program accountability. The Carl Moyer Program is a source of revenue used to reimburse some program administrative expenses. Operating expenses are paid directly and accounted in the Financial Report. Staff will be available to answer questions as needed.

This payment request represents services rendered for April 2017 in the amount of $107,020.53, including amounts accrued for services rendered or supplies purchased but not yet billed or paid this fiscal year.

REASON FOR RECOMMENDATION: The AVAQMD Governing Board must authorize all payments to the MDAQMD.

REVIEW BY OTHERS: This item was reviewed by Allison Burns, Special Counsel as to legal form; and by Bret Banks, Executive Director/APCO, on or before June 5, 2017.

FINANCIAL DATA: The contract and direct expenditure amounts are part of the approved District budget for FY 17. No change in appropriations is anticipated as a result of the approval of this item.

PRESENTER: Jean Bracy, Deputy Director/Administration

cc: Jean Bracy
Laquita Cole
Michelle Powell

Mojave Desert AQMD
14306 Park Avenue
Victorville, CA 92392
760.245.1661

Due Date **DUE UPON RECEIPT**
Invoice Date **4/30/2017**
Invoice Number **41609**

I N V O I C E

Bill To :

ANTELOPE VALLEY AQMD
43301 DIVISION ST. SUITE 206
LANCASTER, CA 93535

Company ID **10193**

FY17	Amount
Office Expenses	12.22
Travel & Training	45.48
Capital Expenditures	1,206.21
AB2766	6,528.34
AV AB923	1,649.47
Carl Moyer Program	5,836.48
Portable Equipment Registration Program	196.28
Title V Fee	329.92
Section 103 (PM 2.5)	506.84
Program Staff	77,566.42
Overhead	13,142.87

TO INSURE PROPER CREDIT -
PLEASE INCLUDE A COPY OF THE INVOICE WITH YOUR PAYMENT

FOR CREDIT CARD PAYMENTS
PLEASE VISIT www.mdaqmd.ca.gov

MAKE CHECKS PAYABLE TO MOJAVE DESERT AQMD	**Invoice Total**	**107,020.53**
	Amount Paid	**0.00**
PLEASE INCLUDE THE INVOICE NUMBER ON THE CHECK	**Balance Due**	**107,020.53**

ANTELOPE VALLEY AQMD
Program Staff
FY 2016-17

Program	FY 15-16 Contracted Hours	Calendar Yr 2015 Actual Hours*	FY 16-17 Contracted Hours	Average Contract Cost/hr	Annual Contract Cost	FTE
Lancaster Office	**12,480**	**12,480**	**12,480**	$65.51	$817,595	6.00
Planning, Grants, and Rulemaking	**250**	**255**	**265**	95	25,206	0.13
Air Monitoring and Surveillience	**525**	**431**	**440**	82	36,184	0.21
Compliance	**250**	**303**	**310**	94	29,089	0.15
Stationary Sources	**150**	**259**	**270**	77	20,781	0.13
Executive Management and Legal	**750**	**627**	**630**	124	78,015	0.30
Community Relations & Education	**100**	**75**	**80**	95	7,635	0.04
Administration	**1,100**	**1,087**	**1,115**	87	96,860	0.54
TOTAL	**15,605**	**15,517**	**15,590**		**$ 1,111,365**	**7.50**
Full Time Equivalents (FTE)	**7.50**	**7.46**	**7.50**			
Administrative Costs			**14.00%**			

Fiscal Year Comparison:	Contract Cost	FTE
Fiscal Year 2015-16	$ 1,237,940	7.50
Fiscal Year 2016-17	$ 1,111,365	7.50
Percent Change:	-11.4%	-5%

*Hours for calendar year 2015 are provided as a point of reference compared to last fiscal year and next fiscal year.

MINUTES OF THE GOVERNING BOARD
OF THE ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT
LANCASTER, CALIFORNIA

AGENDA ITEM **7**

DATE: June 20, 2017

RECOMMENDATION: Adopt a Resolution for the Election of Directors to the Special District Risk Management Authority Board of Directors to re-elect the three incumbents and one new director.

SUMMARY: As a member agency of the Special Districts Risk Management Authority (SDRMA), the AVAQMD has the opportunity to select members to that Board of Directors. This item recommends completing the ballot and selecting the three incumbents and one other as the Board's selection.

BACKGROUND: The AVAQMD participates in the SDRMA insurance pool with other special districts for liability coverage. As a member agency, the AVAQMD has the opportunity to participate in the election of the members of that Board of Directors. Four of seven seats are up for election for four year terms beginning January 2018.

This action recommends re-electing the incumbents: Mike Scheafer, David Aranda, and Jean Bracy. The recommendation for the fourth seat is made considering the candidates' experience, the District where they serve, and their geographic location within the State. Consideration is also given to the expertise they might bring to the existing Board which represents a variety of districts and public service activities.

This action recommends a vote for Tim Unruh, the District Manager from Kern County Cemetery District No. 1. Of the other candidates, one is from Apple Valley, another is from a southern California cemetery district, and one provided inadequate information for an evaluation.

cc: Jean Bracy

REASON FOR RECOMMENDATION: The authority to elect officers to this Board of Directors rests with the governing body of each SDRMA member by resolution.

REVIEW BY OTHERS: This item was reviewed by Allison Burns, Special Counsel as to legal form on or before June 9,2017.

FINANCIAL DATA: This action has no financial impact

PRESENTER: Bret Banks, Executive Director/APCO

RESOLUTION NO. _____

A RESOLUTION OF THE GOVERNING BODY OF THE
Antelope Valley Air Quality Management District
FOR THE ELECTION OF DIRECTORS TO THE SPECIAL DISTRICT
RISK MANAGEMENT AUTHORITY BOARD OF DIRECTORS

WHEREAS, Special District Risk Management Authority (SDRMA) is a Joint Powers Authority formed under California Government Code Section 6500 et seq., for the purpose of providing risk management and risk financing for California special districts and other local government agencies; and

WHEREAS, SDRMA's Sixth Amended and Restated Joint Powers Agreement specifies SDRMA shall be governed by a seven member Board of Directors nominated and elected from the members who have executed the current operative agreement and are participating in a joint protection program; and

WHEREAS, SDRMA's Sixth Amended and Restated Joint Powers Agreement Article 7 - Board of Directors specifies that the procedures for director elections shall be established by SDRMA's Board of Directors; and

WHEREAS, SDRMA's Board of Directors approved Policy No. 2017-03 Establishing Guidelines for Director Elections specifies director qualifications, terms of office and election requirements; and

WHEREAS, Policy No. 2017-03 specifies that member agencies desiring to participate in the balloting and election of candidates to serve on SDRMA's Board of Directors must be made by resolution adopted by the member agency's governing body.

NOW, THEREFORE, BE IT RESOLVED that the governing body of the Antelope Valley Air Quality Management District selects the following candidates to serve as Directors on the SDRMA Board of Directors:

(continued)

SDRMA

OFFICIAL 2017 ELECTION BALLOT
SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY
BOARD OF DIRECTORS

VOTE FOR ONLY FOUR (4) CANDIDATES

Mark each selection directly onto the ballot, voting for no more than four (4) candidates. Each candidate may receive only one (1) vote per ballot. A ballot received with more than four (4) candidates selected will be considered invalid and not counted. All ballots must be sealed and received by mail or hand delivery in the enclosed self-addressed, stamped envelope at SDRMA on or before 4:30 p.m., Tuesday, August 29, 2017. Faxes or electronic transmissions are NOT acceptable.

O **TIMOTHY UNRUH**
District Manager, Kern County Cemetery District No. 1

O **JAMES M. HAMLIN (Jim)**
Board Director, Burney Water District

O **MIKE SCHEAFER** (INCUMBENT)
Director/President, Costa Mesa Sanitary District

O **MICHAEL J. KAREN**
Board Director, Apple Valley Fire Protection District

O **DAVID ARANDA** (INCUMBENT)
General Manager, Mountain Meadows Community Services District

O **CINDI BEAUDET**
General Manager, Temecula Public Cemetery District

O **JEAN BRACY, SDA** (INCUMBENT)
Deputy Director - Administration, Mojave Desert Air Quality Management District

ADOPTED this day of_____, 2017 by the Antelope Valley Air Quality Management District by the following roll call votes listed by name:

AYES :

_____ NOES:

_____ ABSTAIN:

_____ ABSENT :

_____

ATTEST:

APPROVED:

_____

_____

Special District Risk Management Authority
Board of Directors
Candidate's Statement of Qualifications

This information will be distributed to the membership with the ballot, "exactly as submitted" by the candidates – no attachments will be accepted. No statements are endorsed by SDRMA.

Nominee/Candidate	Timothy Unruh
District/Agency	Kern County Cemetery District No.1
Work Address	18662 Santa Fe Way, PO Box 354, Shafter, CA 93263
Work Phone	661-746-3921 Home Phone661-746-6725

Why do you want to serve on the SDRMA Board of Directors? (Response Required)

The work of SDRMA is critical to the everyday operations of a Special District. Knowing that the district and the board is protected gives a 'Peace of Mind' to our daily operations. Sitting on this Board will give me an opportunity to give back to SDRMA and its membership. As a manager of a moderate sized Special District, I am especially interested in maintaining an involvement from that small district perspective. It is imperative that SDRMA maintains cost effective service to the Special District community and it's important that smaller districts have a voice in their insurance needs.

What Board or committee experience do you have that would help you to be an effective Board Member? (SDRMA or any other organization) (Response Required)

I spent three years as a Director for CSDA including one year as Legislation Committee Chairman. I currently sit on the CSDA Legislation Committee and am a Special District Administrator (SDA). Our District is in its fourth term as a District of Distinction which now includes the Transparency Certification. I currently sit as a Director with a city appointment on Kern Mosquito and Vector board. I have been a Director of the California Association of Public Cemeteries for 15 years and currently am Chairman of the Legislation Committee. I have been involved with the Kern County Special Districts Association since 1995 from when we worked to obtain LAFCo representation for Special Districts.

Most importantly, I have been a manager for the Kern County Cemetery District for 30 years and work daily to keep our cemetery district strong and effective in our community. To that end, I have the SDRMA General Safety Specialist Certification and with that training I work for a compliant, safe and healthy working relationship with our staff.

Special District Risk Management Authority
Board of Directors
Candidate's Statement of Qualifications

What special skills, talents, or experience (including volunteer experience) do you have? (Response Required)

I feel that community history is very important and am a volunteer with the local Historical Society. I also have sat on the local school board and have been involved with our youth through our church as well as our community through sports and especially by giving our young people a safe and entertaining place to visit after our home football games.

This being said, I feel that I am a committed and thorough person who knows that to get things done you must be involved and be able to think out of the box in difficult situations. You must listen to those around you and sometimes that means keeping one's mouth shut.

I have worked as a Manager for many years and understand the needs of special districts. What SDRMA offers is an integral part of special district operations and I feel that I can bring a passion for the practical needs of Special Districts.

What is your overall vision for SDRMA? (Response Required)

SDRMA has shown great concern for the Special Districts in California as is seen in their commitment to meeting our insurance needs. This is done by listening to the membership and continuing to work on being a better and complete insurance stop. I feel that the Health Insurance part of their programs will be the next large growth area. As we deal with PERB's and the needs of our work force, this area will help to meet the needs of our agencies.

Their education is excellent and they have defined their role in local government very well. It will be necessary to maintain this role and work to educate the membership. SDRMA's commitment to be a cost-effective insurance provider has work well in the past and will continue to do so as long as the Board and staff work together to fulfill their mission statement.

I certify that I meet the candidate qualifications as outlined in the SDRMA election policy. I further certify that I am willing to serve as a director on SDRMA's Board of Directors. I will commit the time and effort necessary to serve. Please consider my application for nomination/candidacy to the Board of Directors.

Candidate Signature Timothy W. Shank Date: April 24, 2017

Special District Risk Management Authority
Board of Directors
Candidate's Statement of Qualifications

This information will be distributed to the membership with the ballot, "exactly as submitted" by the candidates – no attachments will be accepted. No statements are endorsed by SDRMA.

Nominee/Candidate: James M. Hamlin (Jim)

District/Agency: Burney Water & Sewer District

Work Address: 20541 Burney Court, Burney, Ca. 96013

Work Phone: (530) 335-2040 Home Phone: (530) 335-2040

Why do you want to serve on the SDRMA Board of Directors? (Response Required)

Able to look at acturail evidence. Being able to set adequate rates for both Insurance program and districts. SDRMA needs to operate as a business.

What Board or committee experience do you have that would help you to be an effective Board Member? (SDRMA or any other organization) (Response Required)

Servved on hospital district for 241/2 years, California Hospital District board for 8 years, Burney water Sewer board for three years. I had my own insurance brokerage for 43 years. I did not have an E & O Claim.

Special District Risk Management Authority
Board of Directors
Candidate's Statement of Qualifications

What special skills, talents, or experience (including volunteer experience) do you have? (Response Required)

see previous question

What is your overall vision for SDRMA? (Response Required)

SDRMA muist operate as a viable business. Many district carriers and board members are reluctant to raise rates. When I served on Ca. Hospital Board, many of the board members were not willing to operate as a business because it would affect their hospitals bottom line.

I certify that I meet the candidate qualifications as outlined in the SDRMA election policy. I further certify that I am willing to serve as a director on SDRMA's Board of Directors. I will commit the time and effort necessary to serve. Please consider my application for nomination/candidacy to the Board of Directors.

Candidate Signature James M Hamlin Date 4-1-2017

Special District Risk Management Authority
Board of Directors
Candidate's Statement of Qualifications

This information will be distributed to the membership with the ballot, "exactly as submitted" by the candidates – no attachments will be accepted. No statements are endorsed by SDRMA.

Nominee/Candidate MIKE SCHEAFER
District/Agency COSTA MESA SANITARY DISTRICT
Work Address 1551-B BAKER ST, COSTA MESA, CA 92626
Work Phone 714-435-0300 Home Phone 714-552-9858

Why do you want to serve on the SDRMA Board of Directors? (Response Required)

As an incumbent on the SDRMA Board I wish to continue providing the service and knowledge that I have been consistent with during my current term. As an insurance professional for over 44 years I bring the experience needed to mangage the risks Districts are faced with. Over my term I have consistently made decisions to provide the protections necessary at the most affordable cost. Districts continue to encounter new challenges to their risk management programs. My years of experience, my continued involvement in insurance education and my desire to protect make me a sound choice to continue on the Board of SDRMA.

What Board or committee experience do you have that would help you to be an effective Board Member? (SDRMA or any other organization) (Response Required)

Current SDRMA Board Member. President Costa Mesa Sanitary District Board of Directors. Former City Councilmember for the City of Costa Mesa. Former Parks and Recreation Commissioner for the City of Costa Mesa.

Leadership positions, including Board President for the following: Little League Baseball, Boys and Girls Club of the Harbor Area, Costa Mesa Senior Center, The Albert Dixon Memorial Foundation (non profit providing funds for other non-profit agencies).

Over 30 years experience with Lions Clubs International. Served as District Governor, Club President several times. Chaired the California Convention Committee several times. Membership in the organization continues.

My leadership role in all these organizations gave, and give, me experience in the risks that face each. My insurance experience helps me make prudent decisions when challenged with those risks.

Special District Risk Management Authority
Board of Directors
Candidate's Statement of Qualifications

What special skills, talents, or experience (including volunteer experience) do you have? (Response Required)

Many of the orgnaizations that I have either been elected to or volunteered for quickly put me in a leadership role. They recognized my ability to handle the risks and challenges the organizations meet. I was able to steer those organizations in a clear path to minimize the risk.

I continue to hold a teaching credential in Insurance Education with the local community college District. Additionally I was a professor of Insurance Continuing Education for many years. I have a passion for passing on the knowledge I have acquired over my career.

I have always faced the risk management challenges of any organization with the confidence that the desired outcomes would be realized.

What is your overall vision for SDRMA? (Response Required)

My vision is to continue providing the protection and service to the Special Districts that make them strong in their risk managent efforts. I will continue to work for those ends while keeping strong my conviction that rates need to be adequate yet affordable for the Districts.

New technologies, changes in legislation, make it extremely difficult for Districts to keep up with the factors posing new challenges to risk management, insurance,etc. My experience in those areas, my position as an elected official, make me keenly aware of how to protect the Districts.

I will continue to be committed to making SDRMA the leader in protecting the risk management needs of our Special Districts.

I certify that I meet the candidate qualifications as outlined in the SDRMA election policy. I further certify that I am willing to serve as a director on SDRMA's Board of Directors. I will commit the time and effort necessary to serve. Please consider my application for nomination/candidacy to the Board of Directors.

Candidate Signature _____ Date 4/25/17

Special District Risk Management Authority
Board of Directors
Candidate's Statement of Qualifications

This information will be distributed to the membership with the ballot, "exactly as submitted" by the candidates – no attachments will be accepted. No statements are endorsed by SDRMA.

Nominee/Candidate ___Michael J. Karen_____
District/Agency ___Apple Valley Fire Board_____
Work Address ___N/A_____
Work Phone ___N/A_____ Home Phone___760-713-3273_____

Why do you want to serve on the SDRMA Board of Directors? (Response Required)

I would be honored to serve on the SDRMA Board of Directors because I am interested in not only risk management, but insurance as well. I have run my own company and have seen first hand how accidents can affect the bottom line.

What Board or committee experience do you have that would help you to be an effective Board Member? (SDRMA or any other organization) (Response Required)

I was appointed to the Apple Valley Fire Board in February of 2016. I was re-elected the same year. During my time on the board, I have already been a part of many great things. The board and I helped to pass Measure A which funds our district in perpetuity. We also passed and have streamlined the budget. I have also been a part of evaluations as well.

Special District Risk Management Authority
Board of Directors
Candidate's Statement of Qualifications

What special skills, talents, or experience (including volunteer experience) do you have? (Response Required)

I have been a business owner, and I am a Veteran of Desert Strike/Desert Storm. I am a member of the Apple Valley Chamber of Commerce, Victor Valley Republican, and the Community Emergency Response Team (CERT). I am an elected member of the Republican Central Committee as well as a Director for the Apple Valley Fire District. I have donated my time to seniors, the needy, and Salvation Army. I was also a Man About Town nominee for the High Desert Phoenix Foundation.

What is your overall vision for SDRMA? (Response Required)

As a Director, I would work to promote education in the districts. I would also build coalitions to keep the rates competitive. I hope to work with the board on any and all issues facing all of our districts. I would love to be elected to such a distinguished team!

I certify that I meet the candidate qualifications as outlined in the SDRMA election policy. I further certify that I am willing to serve as a director on SDRMA's Board of Directors. I will commit the time and effort necessary to serve. Please consider my application for nomination/candidacy to the Board of Directors.

Candidate Signature _____ Date 4-20-17

Special District Risk Management Authority
Board of Directors
Candidate's Statement of Qualifications

This information will be distributed to the membership with the ballot, "exactly as submitted" by the candidates – no attachments will be accepted. No statements are endorsed by SDRMA.

Nominee/Candidate: David Aranda
District/Agency: Mountain Meadows Community Services District
Work Address: 17980 Highline Rd - Tehachapi CA 93561
Work Phone: 661-822-7616 Home Phone: 661-300-1231

Why do you want to serve on the SDRMA Board of Directors? (Response Required)

Working with six other board members and the staff, as a team is challenging and rewarding.

Over the years of my service on the SDRMA Board I hope the members have found my input to be beneficial and it is my desire to continue to look after the members receiving the best service at a fair cost.

What Board or committee experience do you have that would help you to be an effective Board Member? (SDRMA or any other organization) (Response Required)

Service on SDRMA
Service on SDWCA - I was part of the group that consolidate two entities into one entity which was very cost effective
Service on SDLF
Past Service on CSDA - current Education Committee member

Special District Risk Management Authority
Board of Directors
Candidate's Statement of Qualifications

What special skills, talents, or experience (including volunteer experience) do you have? (Response Required)

Serving as a General MANAger over the past twenty plus years and serving as a Board member ASists me in understanding the proper process that benefits the operation of SDRMA
Eighteen years of experance with SDRMA provides a good knowledge base to benefit the members

What is your overall vision for SDRMA? (Response Required)

1) Continue to provides excellent service
2) Continue the balance of a financially strong pool that provides great policy coverage at the best pricing possible.
3) Serve the members with cutting edge software customer service oriented employees and a Board that remembers who we are serving!

I certify that I meet the candidate qualifications as outlined in the SDRMA election policy. I further certify that I am willing to serve as a director on SDRMA's Board of Directors. I will commit the time and effort necessary to serve. Please consider my application for nomination/candidacy to the Board of Directors.

Candidate Signature [signature] Date 4-20-17

Special District Risk Management Authority
Board of Directors
Candidate's Statement of Qualifications

This information will be distributed to the membership with the ballot, "exactly as submitted" by the candidates – no attachments will be accepted. No statements are endorsed by SDRMA.

Nominee/Candidate	Cindi Beaudet
District/Agency	Temecula Public Cemetery District
Work Address	41911 C Street, Temecula CA 92592
Work Phone	(951)699-1630 Home Phone (951)541-8736

Why do you want to serve on the SDRMA Board of Directors? (Response Required)

As a member of SDRMA, I've learned first hand the risk and challenges that comes with my type of Special District. I think it is important to have an active and knowlegeable voice representing our industry and districts and that understands the role special districts play and their importance. I will bring sound policy principles to the table and work with my fellow board members in the spirit of collaboration to ensure SDRMA continues to be a cost effective, high quality risk management service.

What Board or committee experience do you have that would help you to be an effective Board Member? (SDRMA or any other organization) (Response Required)

I have played an active role in the cemetery industry in both the private sector and with special districts for almost two decades and was elected in 2006 to the Board of California Association of Public Cemeteries (CAPC). While on the Board for CAPC one of my roles was Education Committee Chair, working with executive staff to identify learning and certification opportunities for our members. This experience has provided me with the skills and knowledge of board development, procedures, protocol and policy development.

Special District Risk Management Authority
Board of Directors
Candidate's Statement of Qualifications

What special skills, talents, or experience (including volunteer experience) do you have? (Response Required)

Since 2004 I have served as General Manager to the Temecula Public Cemetery District. I consider myself to be well versed in cemetery leadership, risk mitigation, best management practices and risk reduction. I hold a life insurance license from the State of California. I am an advocate for the cemetery profession, serving as a formal mentor for CAPC. I am engaged and involved heavily in my community and understand first hand the challenges and risk associated with cemetery operations and management.

What is your overall vision for SDRMA? (Response Required)

My overall vision for SDRMA is that it appropriately and accurately addresses the risk and mitigation needs of all its members in a thoughtful and deliberate manner, considering the size, scope and nuances of each type of public agency. This thoughtful consideration will provide better service to our members while maintaining the cost effective quality programs SDRMA continues to offer.

I certify that I meet the candidate qualifications as outlined in the SDRMA election policy. I further certify that I am willing to serve as a director on SDRMA's Board of Directors. I will commit the time and effort necessary to serve. Please consider my application for nomination/candidacy to the Board of Directors.

Candidate Signature _____ Date 4/27/17

Special District Risk Management Authority
Board of Directors
Candidate's Statement of Qualifications

This information will be distributed to the membership with the ballot, "exactly as submitted" by the candidates – no attachments will be accepted. No statements are endorsed by SDRMA.

Nominee/Candidate	Jean Bracy, SDA
District/Agency	Mojave Desert Air Quality Management District
Work Address	14306 Park Ave., Victorville, CA 92392
Work Phone	760-245-1661

Why do you want to serve on the SDRMA Board of Directors?

I have served on the SDRMA Board of Directors since 2010. In 2017 I was elected by the Board to be the **Board President**. The Board strives to provide a variety of avenues for members to be successful and has adopted many important programs and policies aimed to provide members **cost effective coverage**. Each year, the Board **carefully considered** rates for services and from 2009 to 2016 voted to hold rates flat for the property/liability program. Through strategic planning SDRMA has a **strong financial base**. SDRMA has included **Cyber Coverage**; provided a **FREE Law Legal Hotline**; established a **multiple-policy discount** (5%) for each member who belongs to both the property/liability and the workers compensation programs; shares investment earnings with members through a **longevity distribution**; established the **loss prevention allowance funds** which reimburses members for safety-related costs up to $1,000; launched and enhanced the SDRMA **interactive website**; provided **FREE online training** through Target Solutions; launched a **Safety Specialist Certificate** program; and contracted with Company Nurse to provide **FREE screening services** for work-related injury cases. I have worked closely with **SDRMA for 17 years**. I am attracted to its member-focused, pro-active, and positive mission. I would like to see – and be a part of – SDRMA continue this member-centric approach.

What Board or committee experience do you have that would help you to be an effective Board Member? (SDRMA or any other organization)

I am serving my eighth year on the **SDRMA Board of Directors** and in 2017 I am the Board President. I am serving my fifth year on the Board of Directors for the **Special District Leadership Foundation** (SDLF) and I am the Board Secretary. On this Board I have been part of the continuing expansion of the SDLF programs, including the premier program, **District of Distinction**, also the Special District Administrator Certificate, the Recognition of Special District Governance, and the District Transparency Certificate of Excellence.

My career experience with special districts has helped me to understand the issues specific to smaller organizations. I have learned what it really means for an organization to do more with less. I have also learned that political realities for special districts are distinct from other forms of governments. As the Deputy Director – Administration for the Mojave Desert Air Quality Management District, I am the staff representative to the Governing Board Committees for Budget and Personnel. I am a member of and have chaired the California Air Pollution Control Officers Association (CAPCOA), statewide committees for Fiscal and Human Resource officers. I organized and have chaired the Alternate Fuel Task Force for the Mojave Desert air basin; I have represented the District in the Antelope Valley Clean Cities Coalition.

My working opportunities have crossed several public service types. I served as the Victorville city representative to the Technical Advisory Committee for the Victor Valley Transit Authority and as the City representative and officer on the Executive Committee of the Regional Economic Development Authority. I volunteered four years on the Board of Directors of the Victor Valley Federal Credit Union. For six years, I worked as an adjunct professor at Victor Valley Community College teaching Public Works Administration.

Special District Risk Management Authority
Board of Directors
Candidate's Statement of Qualifications

What special skills, talents, or experience (including volunteer experience) do you have?

As professional and as a volunteer, I have a wide range of experiences with organizational structures, long term and vision planning, development of staff and volunteers, and resource and program management. My experience of leading organizational activities and implementing change for growth includes bringing together intergenerational and multicultural groups to achieve common goals.

I am an effective manager with expertise in efficient and productive management implementing process improvements in finance, human resources, risk management, and a wide variety of related administrative and organizational functions. I have led highly skilled teams to support the achievement of overall agency goals and objectives.

I earned a Master's Degree in Public Administration from California State University, San Bernardino

I earned the Special District Administrator Certification from the Special Districts Leadership Foundation

I earned the Recognition of Special District Governance from the Special Districts Leadership Foundation

I earned the Masters Certification in Labor Relations from the California Public Employers Labor Relations Association (CALPELRA)

What is your overall vision for SDRMA?

I want to continue contributing my experience and expertise to SDRMA's overall function to further strengthen and enhance the lines of services provided by SDRMA. I want to see members educated to be wise in their management to reduce costs and deliver their very important missions to their communities. I want to be part of the mission to enhance the member's experience through claims management and education that leads to loss prevention.

I certify that I meet the candidate qualifications as outlined in the SDRMA election policy. I further certify that I am willing to serve as a director on SDRMA's Board of Directors. I will commit the time and effort necessary to serve. Please consider my application for nomination/candidacy to the Board of Directors.

Candidate Signature Jan Bailey Date 2-27-17

MINUTES OF THE GOVERNING BOARD
OF THE ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT
LANCASTER, CALIFORNIA

AGENDA ITEM **8**

DATE: June 20, 2017

RECOMMENDATION: Conduct a Continued Public Hearing to receive comments and staff presentation for the proposed AVAQMD Budget for FY 2017-18: a. Open public hearing; b. Receive staff report; c. Receive public testimony; d. Close public hearing; e. Adopt a resolution approving and adopting the budget for FY 2017-18.

SUMMARY: The AVAQMD Budget for Fiscal Year 2017-18 is presented to the Governing Board for adoption and implementation beginning July 1, 2017.

BACKGROUND: A budget represents a financial plan to meet the anticipated obligations and challenges for the fiscal year beginning July 1. The proposed AVAQMD FY 2017-18 Budget document included in this item identifies the budget expenses estimated to perform the District's services, activities and projects and the estimated available revenues to meet those expenses for the fiscal year beginning July 1, 2017.

A proposed budget summary and supporting documentation was prepared and made available in accordance with the 30 day Public Notice Requirement of Health and Safety Code §40131(a)(1). All persons within the Antelope Valley Air Quality Management District jurisdiction who were subject to fees during the prior fiscal year were properly notified of the availability of the information (pursuant to H&S §40131(a)(2)). A Public Hearing for the purpose of reviewing the budget and taking public comment, as required by H&S § 40131(a)(3), was held May 16, 2017, and continued to this meeting.

The AVAQMD contracts with the Mojave Desert Air Quality Management District for most services. The budget documents reflect the contracted services to be provided during the fiscal year.

REASON FOR RECOMMENDATION: Health and Safety Code §40131 requires that Districts adopt an annual budget. Adoption of the budget will enable the AVAQMD Governing Board to make adequate financial plans and will ensure that the District can administer their respective functions in accordance with such plans.

REVIEW BY OTHERS: This item was reviewed by Allison K. Burns, Special Counsel as to legal form on or about June 5, 2017.

cc: Jean Bracy
Laquita Cole
Michelle Powell

FINANCIAL DATA: The FY 2017-18 Budget for expenses (all funds) totals $3,488,754, with anticipated revenues of $3,488,754. A Committed Fund Balance designated for Operating Cash Reserves will be funded in the amount of $385,000.

PRESENTER: Bret Banks, Executive Director/APCO

RESOLUTION NO.

A RESOLUTION OF THE GOVERNING BOARD OF THE ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT APPROVING AND ADOPTING THE PROPOSED OPERATING BUDGET FOR FISCAL YEAR 2017-18.

On June 20, 2017, on motion by Member _____, seconded by Member _____, and carried, the following resolution is adopted:

WHEREAS, the Air Pollution Control Officer has submitted to the Governing Board an annual budget for the Antelope Valley Air Quality Management District (AVAQMD) for the fiscal year 2017-18; and

WHEREAS, a proposed budget summary and supporting documentation were prepared and made available in accordance with the 30 day Public Notice requirement (Health and Safety Code §40131(a)(1)); and

WHEREAS, all persons within the District area who were subject to fees during the prior fiscal year were properly notified of the availability of the information (Health and Safety Code §40131(a)(2)); and

WHEREAS, a separate Public Hearing for the exclusive purpose of reviewing the budget and taking public comment, as required by Health and Safety Code §40131(a)(3), was held on May 16, 2017 and continued to June 20, 2017; and

WHEREAS, the annual budget contains estimates of the services, activities and programs comprising the budget, and contains expenditure requirements and their resources available to the AVAQMD; and

WHEREAS, the expenses budgeted for all funds for fiscal year 2017-18 are $3,488,754.00 (Three Million Four Hundred Eighty Eight Thousand, Seven Hundred Fifty Four Dollars); and

WHEREAS, the revenue budgeted from all funds for fiscal year 2017-16 is $3,488,754.00 (Three Million Four Hundred Eighty Eight Thousand, Seven Hundred Fifty Four Dollars); and

WHEREAS, the annual budget will enable the AVAQMD Governing Board to make adequate financial plans and will ensure that the AVAQMD officers can administer their respective functions in accordance with such plans,

NOW, THEREFORE, BE IT RESOLVED, by the AVAQMD Governing Board, the following:

The Air Pollution Control Officer, or designee, is authorized and hereby directed to execute the initial and final applications for potential State subvention funds for Fiscal Year 2017-18.

The annual budget for the AVAQMD for the fiscal year 2017-18 is hereby approved and adopted, and the amounts of proposed expenditures, as specified, are appropriate for the account classifications as herein specified.

A. The 2017-18 Budget for expenses is hereby adopted, establishing the following:

ACCOUNT CLASSIFICATION	2017-18 ADOPTED BUDGET
Personnel Expenses	$1,193,926
Operating Expenses	426,100
Program (Grant) Expenses	1,784,228
Capital Expenses	84,500
TOTAL EXPENSE BUDGET	**$3,488,754**

B. The 2015-16 Budget for revenue is hereby adopted, establishing a revenue base for the expenditures noted above:

ACCOUNT CLASSIFICATION	2017-18 ADOPTED BUDGET
Permit Fees	$740,000
Application Fees	51,450
Fines & Penalties	15,000
Interest Income (all funds)	15,900
Revenue from (Grant) Programs	2,537,404
State Revenue	129,000
TOTAL REVENUE BUDGET	$3,488,754
Committed Fund Balance for Cash Reserves	$385,000

Pursuant to Section 53901 of the California Government Code, the Clerk of the Board shall file a copy of this resolution with the Auditor of the County of Los Angeles, as required.

BE IT FURTHER RESOLVED, that this Resolution shall take effect immediately upon adoption.

PASSED, APPROVED AND ADOPTED by the Governing Board of the Antelope Valley Air Quality Management District by the following vote:

AYES:	MEMBER:
NOES:	MEMBER:
ABSENT:	MEMBER:
ABSTAIN:	MEMBER:

STATE OF CALIFORNIA)
)
) ss:
COUNTY OF LOS ANGELES)

I, Crystal Goree, Deputy Clerk of the Governing Board of the Antelope Valley Air Quality Management District, hereby certify the foregoing to be a full, 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 June 20, 2017.

_____, Deputy Clerk, of the Governing Board, Antelope Valley Quality Management District

43301 Division St.
Suite 206
Lancaster, CA 93535
(661) 723-8070
www.avaqmd.ca.gov

"It's a Breath of Fresh Air"

Proposed

BUDGET

FISCAL YEAR 2017-18

April 14, 2017

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43301 Division St., Suite 206
Lancaster, CA 93535

(661) 723-8070
www.avaqmd.ca.gov

April 14, 2017

Governing Board of the
Antelope Valley Air Quality Management District

This is the budget of the Antelope Valley Air Quality Management District (AVAQMD) for Fiscal Year 2017-18. This document provides for the required, necessary and desired services as established by this Governing Board and various Federal, State, and local regulations. A budget is designed to provide the Board and staff with a tool from which sound fiscal management decisions may be made.

The Consolidated Budget includes estimated revenues and expenses for all AVAQMD activity, including the grant programs. The General Fund Revenue Budget, in the amount of $1,625,950 is a projected 7.3% increase from the prior fiscal year, due in part to a recommended 12% increase imposed January 1, 2017, and a proposed 7.5% increase on annual renewal fees and applications (Rule 301), and 15% on Plan Fees (Rule 302) effective January 1, 2018.

The General Fund Expense Budget, in the amount of $1,625,950 reflects an overall increase of 7.3% from the budget for FY 2015-16. The planned expenditures include continuing projects to help streamline government and regulatory functions. The AVAQMD contracts most of its services from the Mojave Desert Air Quality Management District.

The AVAQMD is a service based agency in which program staff (salaries and benefits for 7.5 full time equivalent - FTE) will comprise 71.4% of the operations budget. The office is supported with six full time positions. Additional services are provided as needed under contract with the Mojave Desert AQMD.

This proposed budget represents a financial plan to meet obligations and challenges for Fiscal Year 2018.

Bret S. Banks
Executive Director/
Air Pollution Control Officer

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"It's a breath of fresh air"

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Antelope Valley AQMD
"It's a breath of fresh air"

INTRODUCTION

The Antelope Valley Air Quality Management District continues to successfully reach the industry and sources that may be affected by air quality regulations. A practice of routine inspections ensures compliance to local, state and federal air quality regulations. Proactive contact with local businesses has generated interest in environmental issues and increased compliance rates.

The District approaches air quality regulations in a manner that is responsive and accessible. Growth and new programs demand that the District continue to strive to streamline government, become more efficient, and conserve resources without limiting or decreasing the service provided to the regulated community. Several ongoing programs and projects, with their associated costs, address these efficiency issues.

The AVAQMD contracts most of its services from the Mojave Desert Air Quality Management District (MDAQMD). MDAQMD staff is used for specific expertise to support the Antelope Valley office and provide a full service agency. Certain administrative functions and support of the AVAQMD are performed at Mojave Desert AQMD's Victorville location.

DISTRICT PROGRAMS AND PROJECTS

Community Outreach

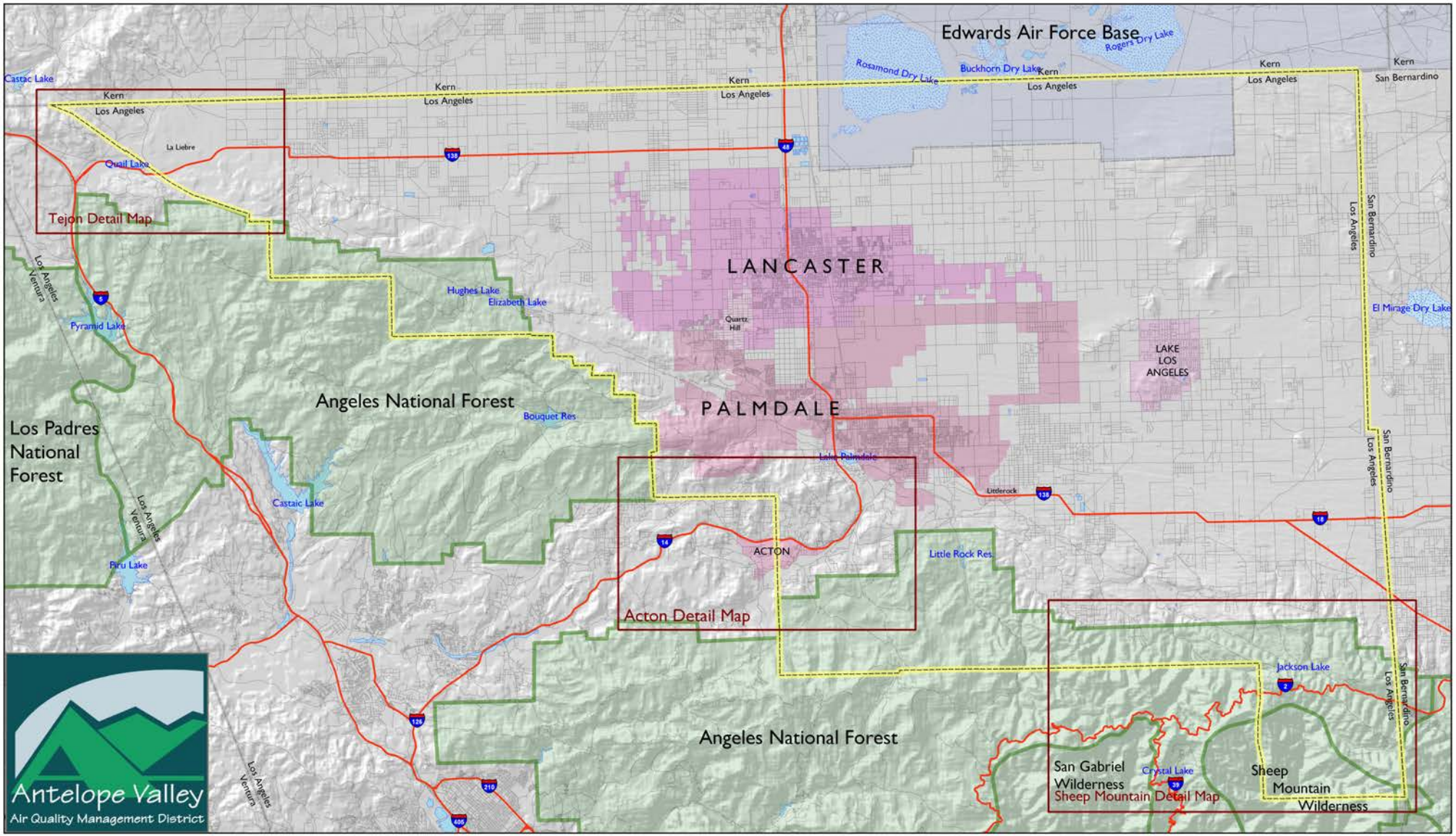
The District strives to be known throughout the community as a partner in the development of the local economy while protecting human health and the environment. This representation is achieved by providing information through participation in community events such as the Antelope Valley Board of Trade Business Outlook Conference, school education programs, and business opportunity forums.

Mobile Emissions Reduction Program

This grant program encourages projects sponsored by private or public agencies that reduce the impact of pollution generated by mobile emission sources in the Antelope Valley region. The Governing Board awards grants using funds collected from vehicle registrations (AB 2766 and AB 923) and awarded by the State of California through the Carl Moyer program (State of California).

AVAQMD Website

Providing information to the general public may be the most important investment the District can make to impact the future air quality of the region. Using the internet allows the District to provide a contemporary medium to reach the public with the latest version of the District rulebook, application for permits and other forms, and air quality information, including forecasting and real-time air quality data. The site also has links to regional ozone maps found at **http://www.avaqmd.ca.gov/**



Edwards Air Force Base
National Forest
Air Quality Management District Border
County Lines
Bodies of Water
Dry Lakes
Highways
Roads

Antelope Valley Air Quality Management District Boundary

0 5 10 15 20 Kilometers
0 5 10 15 20 Miles

Governing Board Members
April 2017

Marvin Crist, *Chair*
City of Lancaster

Ronald A. Hawkins, Vice Chair
Los Angeles County
District Supervisor Appointment

Austin Bishop
City of Palmdale

Steven Hofbauer
City of Palmdale

Ken Mann
City of Lancaster

Vern Lawson
Los Angeles County
District Supervisor Appointment

Newton Chelette
Public Member

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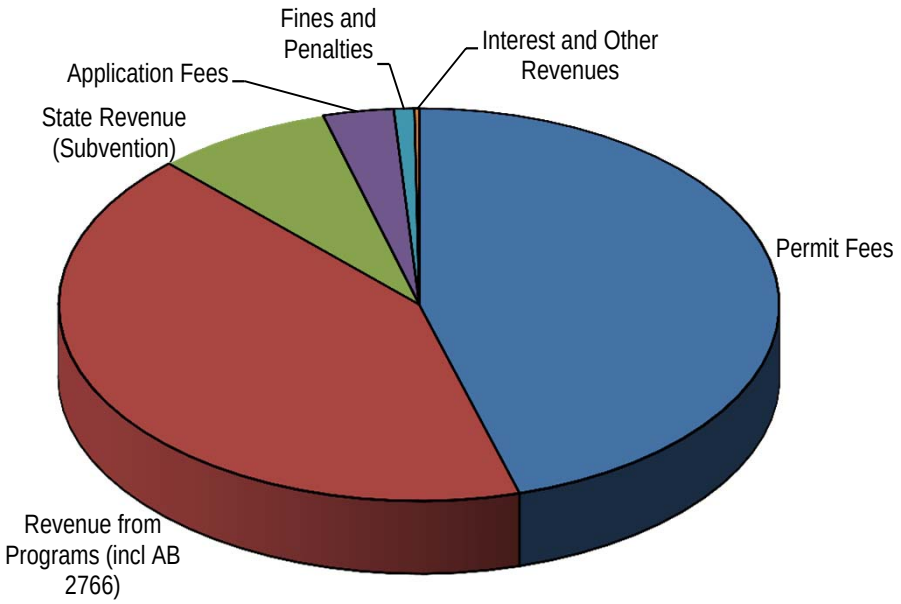
Antelope Valley AQMD
Consolidated Budget (All Funds)

	Adopted Budget FY 2017	End-of-Year Estimate FY 2017	Adopted Budget FY 2018
Revenues			
Permit Fees	637,480	735,093	740,000
Application Fees	47,500	52,154	51,450
Fines & Penalties	12,000	21,150	15,000
Interest Income	13,300	19,464	15,900
Revenue from Programs	2,396,065	2,728,518	2,537,404
State Revenue	126,000	130,008	129,000
Total Revenues	**3,232,345**	**3,686,387**	**3,488,754**
Expenses			
Personnel Expenses			
Program Staff	1,205,592	1,083,865	1,193,926
Total Personnel Expenses	**1,205,592**	**1,083,865**	**1,193,926**
Operating Expenses			
Communications	23,500	18,697	43,500
Dues & Subscriptions	10,500	6,776	10,500
Non-Depreciable Inventory	6,300	6,366	8,000
Legal	17,000	18,043	19,000
Professional Services	185,335	210,713	221,750
Maintenance & Repairs	7,000	6,010	6,575
Training & Travel	9,500	5,672	11,000
Vehicles	10,000	8,284	10,500
Office Expenses	96,380	83,896	94,475
Program Expenses	1,637,438	1,976,258	1,784,228
Miscellaneous Expenses	800	733	800
Total Operating Expenses	**2,003,753**	**2,341,448**	**2,210,328**
Capital Expenses			
Furniture & Fixtures	0	0	25,000
Equipment	0	0	12,000
Vehicles	0	0	25,000
Computers	0	0	20,000
Software	23,000	782	2,500
Total Capital Expenses	**23,000**	**782**	**84,500**
Total Expenses	**3,232,345**	**3,426,095**	**3,488,754**
Cash To (From) Reserves	**0**	**260,292**	**0**

Antelope Valley AQMD
General Fund
Sources of Estimated Revenue
Fiscal Year 2017-18



REVENUE TYPES	AMOUNT	% of Total
Permit Fees	740,000	45.51%
Revenue from Programs (incl AB 2766)	687,000	42.25%
State Revenue (Subvention)	129,000	7.93%
Application Fees	51,450	3.16%
Fines and Penalties	15,000	0.92%
Interest and Other Revenues	3,500	0.22%
TOTAL	1,625,950	100%

Antelope Valley AQMD
General Fund Budget
Revenue Detail

	Adopted Budget FY 2017	End-ofYear Estimates FY 2017	Proposed Budget FY 2018
Revenues			
Permit Fees			
Permit Fees Rev	545,000	612,853	625,000
Asbestos Demo/Reno Rev	65,000	82,271	72,000
Title V Rev	4,480	4,000	4,000
Rule Revenue	23,000	35,969	39,000
	637,480	735,093	740,000
Application Fees			
Permit Application Fees	46,000	50,204	49,450
AG Application Fees	1,500	1,950	2,000
	47,500	52,154	51,450
Fines & Penalties			
Notice of Violations Fee	12,000	21,150	15,000
	12,000	21,150	15,000
Interest Income			
Interest Revenue	3,300	5,791	3,500
	3,300	5,791	3,500
Other Revenue			
Revenue from Programs			
AB2766 Program	686,250	773,394	685,000
Hot Spots	3,000	2,298	2,000
	689,250	775,692	687,000
State Revenue			
PERP Regulation	27,000	30,517	30,000
State Subvention	99,000	99,491	99,000
	126,000	130,008	129,000
Total General Fund Revenues	**1,515,530**	**1,719,888**	**1,625,950**

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AIR QUALITY PROGRAM DESCRIPTIONS and Projects

Community Relations and Education Program

The Antelope Valley Air Quality Management District conducts public information and education programs in order to fulfill the requirement of the California Clean Air Act of 1988. The task is to inform the public about air pollution, its sources, health effects on humans, and damage to the environment. Education is provided on methods of control and to encourage individual means of reducing pollution.

The programs are targeted to many audiences: academia, the general adult population, elementary to college level students, as well as business and industry. This information uses pamphlets, brochures, public reports, newsletters, public workshops and conferences, presentations, exhibits, and other multimedia promotions. In addition, press releases, press conferences and air quality forecasts are provided to the local media on an ongoing basis as a means of keeping the public informed.

Air Quality Monitoring Program

Air Quality Surveillance participates in an ambient air monitoring and meteorological network to track air quality trends with an air monitoring station in Lancaster. The station is part of the State and Local Air Monitoring System (SLAMS) network.

A computer operated data acquisition system collects daily and real time levels of pollutants. These data are reported to the California Air Resources Board (CARB), Federal Environmental Protection Agency (EPA), regulated industry and the general public. This information is also used to provide pollution episode forecast and notification to school systems and the general population in the event of harmful levels of pollution.

Compliance Program

The District's responsibility is to protect the health and welfare of the public by assisting the regulated community in complying with Federal, State and Local regulatory requirements. This responsibility is carried out through various programs and activities:

- Comprehensive annual (for most) inspections are performed to verify compliance to air quality regulations.
- Investigation of citizen complaints pertaining to air related matters
- Legal case development when necessary to address non-complying situations
- Federal Asbestos Demolition and Renovation Program
- State-mandated Variance Program
- Continuous Emissions Monitoring Programs
- Reporting to the Environmental Protection Agency's AIRS and Significant Violator programs
- Source testing or stack sampling is the process that evaluates the emissions for industrial facilities to determine compliance with permit conditions.

Stationary Sources Program

One of the District's primary responsibilities is to process applications for permits in accordance with all applicable local, State, and Federal regulations. These permits are required for projects that propose industrial and/or commercial processes that have a potential to emit or control an air contaminant. The wide range of requirements applied depends on the type and size of the proposed project.

District staff provides technical reviews of official documents, such as test reports, risk assessments, EIS/EIR's, as well as technical assistance to permit applicants, other agencies, and manufacturers. The District implements and manages:

- Title III & V Programs. The Title III program is the federal toxic program specifically for Title V facilities. Title V (EPA Regulation) is a Federal Operating Permits Program required by the 1990 Clean Air Act. This program requires the District to develop and implement a Federal Permitting Program approved by the Environmental Protection Agency (EPA) for sources of a certain capacity.
- Emissions Inventory. This program to maintains an active inventory of the sources of criteria air pollutants within the District and measures progress towards attainment and maintaining compliance with National and State Ambient Air Quality Standards. State and Federal Law require this program.
- Toxic Emissions Inventory. (Air Toxic "Hot Spot" Information and Assessment Act of 1987) This program assesses the amounts, types and health impacts of air toxics produced from stationary sources.

Planning, Rulemaking

The District promulgates rules and plans in accordance with State and Federal attainment and maintenance planning requirements in order to achieve and maintain regional compliance with the various ambient air quality standards.

Planning staff serve as the District liaison with regional, State and Federal governments, ensuring District compliance with applicable requirements and significant developments. Planning staff also perform California Environmental Quality Act (CEQA) review and comment functions in the District's role as the expert agency for air quality. Staff in Planning and Rulemaking implement and maintain the following programs:

- California Ambient Air Quality Standards Attainment Planning, as codified in the California Clean Air Act and subsequent state legislation. This program currently focuses on the California ozone standard.
- National Ambient Air Quality Standards (NAAQS), as codified in the Federal Clean Air Act, the Clean Air Act Amendments and subsequent Federal legislation. This program currently focuses on the National one-hour and eight-hour ozone standards, the National 24-hour, annual PM10 standards, and National 24-hour, annual PM2.5 standards.
- Federal General and Transportation Conformity, entailing regional project review and comment
- California Environmental Quality Act (CEQA), requiring local and regional project review

- National Environmental Protection Act (NEPA), requiring local and regional project review

Mobile Source Emission Reduction Program

This program provides grants to projects that reduce emissions from mobile sources (and other limited categories). Funding for the grants include AB 2766 funds (four dollars assessed by the District's Governing Board and collected by the California Department of Motor Vehicles on motor vehicle registrations) as may be periodically allocated by the Governing Board and all funds under the Carl Moyer Program. Calls for projects, eligibility determinations, and Governing Board award are all part of the process that makes funds available to the region for qualified emission reducing projects.

Funds collected under AB 923 allows air districts in state non-attainment areas to adopt an additional two dollar surcharge on motor vehicle registration fees to be used strictly for incentive-based emission reduction funding programs. The use of the additional fees is limited to projects eligible for grants under the Carl Moyer Program, the purchase of school buses under the Lower-Emission School Bus Program, light-duty scrap or repair programs and unregulated agricultural sources.

Carol Moyer Grant Program Funds are distributed by the California Air Resources Board for projects obligated by the District under this state regulated program. Projects are awarded on a formula basis according to specific criteria and cost effectiveness.

Antelope Valley AQMD
General Fund
District Wide Expense Budget Detail

	Adopted Budget FY 2017	End-of-Year Estimates FY 2017	Proposed Budget FY 2018
Expenses			
Personnel Expenses			
Operating Expenses			
Communications			
Telephones	5,000	2,313	2,000
Long Distance Charges	500	257	500
Cellular Phones	0	250	0
Internet	12,000	14,111	15,000
Web Hosting	4,000	1,500	4,000
Tech Support	2,000	266	22,000
	23,500	18,697	43,500
Dues & Subscriptions			
Memberships & Sponsorships	10,000	6,391	10,000
Publications & Subscriptions	500	385	500
	10,500	6,776	10,500
Non-Depreciable Inventory			
Furniture & Fixtures Exp	2,500	453	2,500
Machinery & Equipment Exp	3,500	3,503	3,500
Safety Equipment Exp	300	2,410	2,000
	6,300	6,366	8,000
Legal			
Legal Notices	2,000	3,630	4,000
Legal Services	15,000	14,413	15,000
	17,000	18,043	19,000
Professional Services			
Financial Services	12,000	0	0
Research Studies	6,000	6,000	6,000
Consulting Fees	3,000	2,465	3,000
Stipends	8,400	5,300	8,400
	29,400	13,765	17,400
Maintenance & Repairs			
General Bldg. Maintenance	2,000	1,735	2,000
Custodial Services	3,000	2,700	3,000
Equipment Repair	2,000	1,575	1,575
	7,000	6,010	6,575
Training & Travel			
Training	3,000	1,408	3,000
Travel	3,000	3,509	7,000
Mileage	500	0	0
	6,500	4,917	10,000

Antelope Valley AQMD
General Fund
District Wide Expense Budget Detail

	Adopted Budget FY 2017	End-of-Year Estimates FY 2017	Proposed Budget FY 2018
Vehicles			
Vehicle Gas & Oil	5,000	4,099	5,000
Vehicle Maintenance	2,500	1,001	2,500
Vehicle Repairs	0	499	0
Vehicle Insurance	2,000	2,685	3,000
	9,500	8,284	10,500
Office Expenses			
Software	3,500	3,560	3,500
Utilities	6,600	6,764	6,600
Supplies	3,200	3,563	3,500
Facility Leases	56,000	53,387	58,000
Equipment Lease	8,000	5,191	7,000
Postage	600	209	300
Courier	175	33	175
Printing/Shredding Services	855	397	450
Security	750	467	750
Liability Insurance	8,000	5,997	7,000
Meeting Expenses	500	321	500
Community Relations	2,000	2,072	2,000
	90,180	81,961	89,775
Program Expenses			
Program Expenditures	10,000	8,854	10,000
Contributions to Other Agencies	4,850	500	4,850
	14,850	9,354	14,850
Miscellaneous Expenses			
Bank Fees	800	733	800
	800	733	800
Total Operating Expenses	**215,530**	**174,906**	**230,900**
Capital Expenses			
Furniture & Fixtures	0	0	25,000
Equipment	0	0	12,000
Vehicles	0	0	25,000
Computers	0	0	20,000
Software	10,000	0	0
Total Capital Expenses	**10,000**	**0**	**82,000**
Total Expenses	**225,530**	**174,906**	**312,900**

SUPPORT PROGRAM DESCRIPTIONS

Executive Office

The Executive Office is responsible to the Governing Board for the general administration and coordination of all District operations and programs, including those programs mandated by the Federal Environmental Protection Agency and the California Air Resources Board. This office monitors state and federal legislation affecting the District and advises the Governing Board on actions required to protect the interests of the District.

The Governing Board, with seven members, meets monthly and members receive $100.00 stipend per meeting plus travel expenses. The Hearing Board, with five members, meets as needed and members may receive $100.00 stipend per meeting plus travel expenses. The Rule Development Committee meets periodically with members of District staff and permitted facilities.

Legal Counsel

Special Counsel to the Governing Board serves as general legal counsel to the Governing Board, the Air Pollution Control Officer and the District, providing general public agency legal services regarding the Brown Act, the Political Reform Act, California Environmental Quality Act, as well the Administrative Code, contracts, personnel matters, civil actions, and related litigation. District Counsel also provides legal advice and opinions on mandates specific to air districts such as the Federal Clean Air Act, California air pollution control laws and air quality rules and regulations. District Counsel exercises authority to bring civil actions in the name of the people of the State of California for violations of various air quality laws and regulations. The District Counsel also represents the District in actions brought before the Hearing Board.

Special Counsel to the Governing Board also analyzes legislative bills proposed in the California Legislature that may impact the District, proposes strategies, and provides information to the Governing Board regarding such legislation.

Operations

Operations activities include staff technical training, establishing program policies and procedures, monitoring workflow and performance levels, violation settlement negotiations, public information, inter- and intra-agency coordination, committee representation, program planning and streamlining, as well as being responsible for fostering a positive working relationship with the regulated community.

District memberships include the California Air Pollution Control Officers Association, the California Special Districts Association, and Antelope Valley Board of Trade, California Natural Gas Vehicle Coalition, Antelope Valley College President's Circle, Los Angeles County Farm Bureau.

The Clerk of the Board records official minutes of all meetings of the Governing Board; maintains the files for all actions of the Governing Board and distributes copies of orders and directives of the Board to appropriate agencies and members of the public; schedules, prepares and distributes the Board agenda. The Clerk also serves the Hearing Board, gives notice of hearings, distributes recommendations of particular boards and maintains the conflict of interest files for the District.

Administrative Services

The Administrative Services office provides financial, administrative and personnel management services to the operating divisions of the District. The office prepares the annual budget and controls expenditures by providing information regarding expenditures and the availability of budgeted funds. The office also purchases equipment and supplies. Invoices for a variety of fees are issued, collected, deposited and accounted for through the Compliance and Permit System (CAPS). This office also manages the District's computer information systems, risk management, fleet and facility management, and fixed assets.

Antelope Valley AQMD
General Fund
Contracted Services Expense Budget Detail

	Adopted Budget FY 2017	End-of-Year Estimates FY 2017	Proposed Budget FY 2018
Expenses			
Personnel Expenses			
Program Staff	1,111,365	1,083,865	1,100,000
Total Personnel Expenses	**1,111,365**	**1,083,865**	**1,100,000**
Operating Expenses			
Communications			
Dues & Subscriptions			
Non-Depreciable Inventory			
Legal			
Professional Services			
Payroll Contract	300	102	150
Financial Services	155,635	196,846	204,200
	155,935	196,948	204,350
Maintenance & Repairs			
Training & Travel			
Training	1,000	400	500
Travel	1,000	355	500
Mileage	1,000	0	0
	3,000	755	1,000

Antelope Valley AQMD
General Fund
Contracted Services Expense Budget Detail

	Adopted Budget FY 2017	End-of-Year Estimates FY 2017	Proposed Budget FY 2018
Vehicles			
Vehicle Gas & Oil	500	0	0
	500	0	0
Office Expenses			
Software	5,000	1,099	3,450
Supplies	100	85	150
Postage	1,000	751	1,000
Printing/Shredding Services	0	0	100
Meeting Expenses	100	0	0
	6,200	1,935	4,700
Program Expenses			
Program Expenditures	0	405	500
	0	405	500
Miscellaneous Expenses			
Total Operating Expenses	**165,635**	**200,043**	**210,550**
Capital Expenses			
Software	13,000	782	2,500
Total Capital Expenses	**13,000**	**782**	**2,500**
Total Expenses	**1,290,000**	**1,284,690**	**1,313,050**

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Antelope Valley AQMD
General Fund Consolidated Budget

	Adopted Budget FY 2017	End-of-Year Estimate FY 2017	Proposed Budget FY 2018
Revenues			
Permit Fees	637,480	735,093	740,000
Application Fees	47,500	52,154	51,450
Fines & Penalties	12,000	21,150	15,000
Interest Income	3,300	5,791	3,500
Revenue from Programs	689,250	775,692	687,000
State Revenue	126,000	130,008	129,000
Total Revenues	**1,515,530**	**1,719,888**	**1,625,950**
Expenses			
Personnel Expenses			
Program Staff	1,111,365	1,083,865	1,100,000
Total Personnel Expenses	**1,111,365**	**1,083,865**	**1,100,000**
Operating Expenses			
Communications	23,500	18,697	43,500
Dues & Subscriptions	10,500	6,776	10,500
Non-Depreciable Inventory	6,300	6,366	8,000
Legal	17,000	18,043	19,000
Professional Services	185,335	210,713	221,750
Maintenance & Repairs	7,000	6,010	6,575
Training & Travel	9,500	5,672	11,000
Vehicles	10,000	8,284	10,500
Office Expenses	96,380	83,896	94,475
Program Expenses	14,850	9,759	15,350
Miscellaneous Expenses	800	733	800
Total Operating Expenses	**381,165**	**374,949**	**441,450**
Capital Expenses			
Furniture & Fixtures	0	0	25,000
Equipment	0	0	12,000
Vehicles	0	0	25,000
Computers	0	0	20,000
Software	23,000	782	2,500
Total Capital Expenses	**23,000**	**782**	**84,500**
Total Expenses	**1,515,530**	**1,459,596**	**1,625,950**
Cash To (From) Reserves	**0**	**260,292**	**0**

Expense Category	Expense Description
Operating Expenses	
Communications	Services for telephone, internet, video teleconferencing, web hosting, cloud backup, disaster recovery solution, and related tech support
Dues & Subscriptions Membership	Memberships with California Air Pollution Control Officers Association (CAPCOA), California Special Districts Association (CSDA), Antelope Valley Board of Trade (AVBOT), Greater Antelope Valley Economic Alliance (GAVEA), Antelope Valley College President's Circle, Los Angeles County Farm Bureau; retail merchants
Non-Depreciable Inventory	Small office equipment, field equipment, replaces PCs as needed, safety equipment
Legal	Charges for public noticing requirements; third party contract for Special Counsel to the Governing Board
Professional Services	
Financial Services	Contracted: Overhead charges to the Mojave Desert Air Quality Management District for contract services
Research Studies	Funds designated for consultant services to support or develop strategies designated by the District for air quality specific projects in the Antelope Valley
Consultant Fees	District Wide: Allowances for professional services, as needed.
Stipends	Board member stipend based on maximum number of meetings (Governing Board and Hearing Board).
Training & Travel	Staff support for training in Environmental Cross Media, VEE Recertification, Asbestos, CARB Source Specific Training, staff training, participation in California Air Pollution Control Officers Association (CAPCOA), general training, Board member development and training, and associated travel costs.
Vehicles	Fuel, oil, maintenance for the District's fleet of four light duty vehicles

Expense Category	Expense Description
Office Expenses	
Software	Annual maintenance contracts, network server maintenance, and desktop solutions
Liability insurance	The District is a member of the Special District Risk Management Authority (SDRMA), a risk management pool for liability insurance and related coverage.
Community Relations	Products, events, and publications (public service Recognition such as the AIRE awards, promotional items for community outreach events; special event fees for Looking Good Lancaster, Antelope Valley Board of Trade Business Outlook Conference, and Salute to Youth)
Program Expenses	
Program Expenditures	Expenses and activities eligible for use of restricted funds
Contributions to Other Agencies	Keystone Science School, sponsor one local teacher; Mojave Environmental Education Consortium (MEEC); funds designated from the General Fund for specific local area grants (annual lawn mower exchange program
Capital Expenditures	
Furniture & Fixtures	Update District's phone system
Equipment	Replace –as needed - air monitoring equipment (greater than $5,000)
Vehicles	Replace one fleet vehicle
Computers	Upgrade or replace District network computer components

Antelope Valley AQMD
Program Funds Consolidated Budget Detail

	Adopted Budget FY 2017	End-of-Year Estimates FY 2017	Proposed Budget FY 2018
Revenues			
Administrative Funding	94,227	93,450	93,926
AB2766 Program	391,000	416,594	505,000
Carl Moyer Program	659,588	847,877	657,478
AB923 Program	562,000	594,905	594,000
Interest Revenue	10,000	13,673	12,400
Total Consolidated Program Revenue	**1,716,815**	**1,966,499**	**1,862,804**
Expenses			
Program Staff	94,227	0	93,926
Program Expenditures	1,622,588	1,920,282	1,763,378
Program Expenditures - Administrative Grants	0	46,217	5,500
Total Consolidated Program Expense	**1,716,815**	**1,966,499**	**1,862,804**

Antelope Valley AQMD
Program Funds AB2766 Budget Detail

	Adopted Budget FY 2017	End-of-Year Estimates FY 2017	Proposed Budget FY 2018
Revenues			
AB2766 Program	391,000	416,594	505,000
Interest Revenue	2,500	3,259	3,000
Total AB2766 Program Revenue	**393,500**	**419,853**	**508,000**
Expenses			
Program Expenditures	393,500	419,853	508,000
Total AB2766 Program Expense	**393,500**	**419,853**	**508,000**

Antelope Valley AQMD
Program Funds AB923 Budget Detail

	Adopted Budget FY 2017	End-of-Year Estimates FY 2017	Proposed Budget FY 2018
Revenues			
AB923 Program	562,000	594,905	594,000
Interest Revenue	5,500	6,143	5,500
Total AB923 Program Revenue	**567,500**	**601,048**	**599,500**
Expenses			
Program Expenditures	567,500	601,048	594,000
Program Expenditures - Administrative Grants	0	0	5,500
Total AB923 Program Expense	**567,500**	**601,048**	**599,500**

Antelope Valley AQMD
Program Funds Carl Moyer Budget Detail

	Adopted Budget FY 2017	End-of-Year Estimates FY 2017	Proposed Budget FY 2018
Revenues			
Administrative Funding	94,227	93,450	93,926
Carl Moyer Program	659,588	847,877	657,478
Interest Revenue	2,000	4,271	3,900
Total Carl Moyer Program Revenue	**755,815**	**945,598**	**755,304**
Expenses			
Program Staff	94,227	0	93,926
Program Expenditures	661,588	899,381	661,378
Program Expenditures - Administrative Moyer Rnd 14	0	46,217	0
Total Carl Moyer Program Expense	**755,815**	**945,598**	**755,304**

Historical Data & Summary - All Funds

	FY2013	FY2014 ACTUAL	FY2015 ACTUAL	FY2016 ACTUAL
Revenues				
Permit Revenue		560,820.57	640,970.95	483,991.98
Application Fees		37,069.80	70,157.20	60,583.60
Fines & Penalties		57,122.66	15,263.00	64,280.14
Program Revenue		1,018.00	1,562.98	1,193.00
AB 2766		1,091,102.81	1,114,744.40	1,170,027.26
AB 923		543,301.26	559,552.99	573,756.36
Carl Moyer		1,297,541.71	598,938.89	692,724.47
PERP		35,617.84	36,123.85	27,419.43
Subvention		99,287.00	99,114.93	99,003.38
Interest Earned		17,971.42	14,806.59	18,990.52
Revenue - Other		15.00	477.12	4,857.85
Total Revenues		3,740,868.07	3,151,712.90	3,196,827.99
Expenses				
Program Staff (Salaries & Benefits)		1,082,352.98	1,168,959.00	1,217,895.04
Operating Expenses		220,480.03	190,576.66	247,373.80
Capital Expenditures		73,608.92	32,471.04	15,950.00
Program Costs[1]		4,098,335.21	1,449,906.54	1,867,458.94
Total Expenses		5,474,777.14	2,841,913.24	3,348,677.78
Revenue Over/Under Expenditures		(1,733,909.07)	309,799.66	(151,849.79)
Changes in Fund Balance				
Restricted Fund Balance		(1,756,865.98)	243,569.74	(210,720.42)
Cash Reserves		20,000.00	30,000.00	0.00
Unassigned Fund Balance		1,656.86	36,770.69	54,293.08
Pre-Paid		1,300.05	(540.77)	4,577.55
Total Change in Fund Balance		(1,733,909.07)	309,799.66	(151,849.79)
Applied increases to application and annual permit renewal fees (aplied January 1)		*15%*	*15%*	*12%*
Restricted Fund Balance	2,886,635.74	1,129,769.76	1,373,339.50	1,162,619.08
Cash Reserves	320,000.00	340,000.00	370,000.00	370,000.00
Unassigned Fund Balance	170,036.61	171,693.47	208,464.16	262,757.24
Pre-Paid	0.00	1,300.05	759.28	5,336.83
Total Fund Balance Designations	3,376,672.35	1,642,763.28	1,952,562.94	1,800,713.15

[1] Expenses in Program Costs may utilize funds accumulated from prior years.

ANTELOPE VALLEY AQMD
FUND BALANCE DESCRIPTIONS

The Antelope Valley AQMD Fund Balances are designated according to Governing Board Policy 07-01, summarized in the following:

COMMITTED

Operating Cash Reserves
The amount is equivalent to 25% of the Operating Expenses. The fund may be increased to provide protection against uncertain economic times.

RESTRICTED

Mobile Emissions Reduction Grant (AB 2766) Fund
These funds are collected on motor vehicle registrations ($4 each) in the Antelope Valley region. Funds are "allocated on a competitive basis to local government entities and other organizations capable of effectively using funds to reduce mobile emissions." A Work Plan adopted by the Governing Board provides the grant program guidelines.

Incentive Based Emission Reduction Funding (AB 923)
These funds are collected on motor vehicle registrations ($2 each) in the Antelope Valley region beginning October 1, 2005. Funds are granted by the Governing Board for specific projects as allowed in the Health and Safety Code §44229.

Carl Moyer Grant Program Funds
These funds may be distributed by the California Air Resources Board for projects obligated by the District under this state regulated program. Projects are awarded on a competitive basis.

Unassigned Fund Balance
The Unassigned Fund Balance is the representation of the net resources not allocated to the categories described above. This category appears only on the agency Balance Sheet.

BUDGET CATEGORY DESCRIPTIONS

REVENUE	
Permit Fees	
Permit Fees Rev	Initial Operating and Annual Renewal Permit Fees
Asbestos Demo/Reno Rev	Fees for Permits related to Asbestos Removal - Rule 302
Title V Permit Rev	Permit fees for Federal Permit Program
Application Fees	
ERC Application Fees	Emission Reduction Credit
New Source Review	Project Evaluation for Complex Source-Rule 301
Permit Application Fees	Filing of new permits and permit changes
Variance Filing Fees	Filing fee for each petition to District Hearing Board -Rule 303
AG Application Fees	
Fine & Penalties	
Excess Emissions Fees	Fee charged when a variance is granted by Hearing Board - Rule 303
Notice of Violations Fees	Fee Charged for unpermitted source, or violation of permit condition
Interest Income	
Interest Revenue	Interest on funds held on deposit, all funds
Other Revenue	
Revenue from Programs	
Administrative Funding	A portion of the Carl Moyer Program pass thru funds are allowed to cover administration costs to administer the program
AB2766 Mobile Emissions Program	Revenue received through DMV vehicle registration
Carl Moyer Admin Funding	A portion of the Carl Moyer Program pass thru funds are allowed to cover administration costs to administer the program
California Clean Air Act Fees	State mandated fee collected on behalf of California Air Resources Board.
Hot Spots	State mandated fee: "Air Toxic "Hot Spot" Information and Assessment Act of 1987
State Revenue	
PERP State Funds	Portable Engine Registration Program. The State of California collects fees from owners of portable engines and the District provides periodic compliance inspections
State Subvention	Funds received from state budget to supplement Permitting and Air Monitoring/District activities

BUDGET CATEGORY DESCRIPTIONS

EXPENSES	
Personnel Expenses (Program Staff)	Contracted costs to provide staff for District operations
OPERATING EXPENSES	
Communications	Telephones, cellular phones, video teleconferencing, internet, cable service, web hosting, and related tech support
Dues & Subscriptions	District memberships and sponsorships, publications and subscriptions
Non-Depreciable Inventory	Items purchased for furniture, equipment, machinery, and safety equipment costing less that $5,000
Legal	Outsourced legal services for Governing Board, Hearing Board; publication costs for required notices
Professional Services	Support contract expenses: financial services including annual fiscal audit, research studies consulting fees, Board stipends
Maintenance & Repairs	General building maintenance, custodial services, on site equipment repair
Training & Travel	Employee training; professional development and related travel expenses; general travel expenses
Vehicles	Fuel and oil, maintenance and repair, insurance for District's fleet
Office Expenses	Software, utilities, Supplies, equipment leases, postage, courier, printing and shredding services, security, liability insurance, meeting expenses and community relations
Program Expenses	Expenses attributable to the use of special funds: AB 2766 eligible expenses, Carl Moyer grant program expenses, Board authorized grants from the General Fund (such as
CAPITAL EXPENSES	
Furniture & Fixtures	Threshold: $5,000
Equipment	Threshold: $5,000
Vehicles	Vehicles purchased
Computers	Threshold: $5,000
Software	Capitalized costs associated with major application software

ACRONYMS

AB2766	Enabling legislation of 1990 for collection of fees for mobile source reduction projects (Assembly Bill 2766 was codified in the Health & Safety Code §44220*ff*)
AIRS	Aerometric Information Retrevial System - Compliance data reporting to EPA
APCD	Air Pollution Control District
APCO	Air Pollution Control Officer
AQMD	Air Quality Management District
ARB	Air Resources Board
AVAQMD	Antelope Valley Air Quality Management District
BACT	Best Available Control Technolgoy
CAA	Clean Air Act
CAPCOA	California Air Pollution Control Officers Association
CAPP	Clean Air Patrol Program
CAPS	Compliance and Permit System (permit tracking database)
CARB	California Air Resources Board
CNGVC	California Natural Gas Vehicle Coalition
CRE	Community Relations and Education
CREEC	California Regional Environmental Education Community
CSDA	California Special Districts Association
DAPCO	Deputy Air Pollution Control Officer
EPA	Environmental Protection Agency
ERC	Emmission Reduction Credit
FY	Fiscal Year
ICTC	Interstate Clean Transportation Corridor - a geographic area targeted for providing alternate fuel to goods movement vehicles.
MACT	Maximum Achievable Control for Toxics
MEEC	Mojave Environmental Education Consortium
MDAQMD	Mojave Desert Air Quality Management District
MOU	Memorandum of Understanding between the District and non exempt employees represented by the San Bernardino Public Employees Association
NAAQS	National Ambient Air Quality Standards
NESHAP	National Emissions Standard for Hazardous Pollutants
NSPS	New Source Performance Standards
OPEB	Other Post Employment Benefits
PARS	Public Agency Retirement Services
PERP	Portable Equipment Registration Program
PSD	Prevention of Significant Deterioration
PTBS	Permit Tracking and Billing System
SDRMA	Special Districts Risk Management Authority
SLAMS	State and Local Air Monitoring Stations
TAC	Technical Advisory Committee
VPN	Virtual Private Network - a secure method of transmitting data via the internet

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MINUTES OF THE GOVERNING BOARD
OF THE ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT
LANCASTER, CALIFORNIA

DATE: 06/20/2017

RECOMMENDATION: Conduct a public hearing to consider the adoption of Rule 1151.1 – *Motor Vehicle Assembly Coating Operations*: a. Open 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 adopting Rule 1151.1 – *Motor Vehicle Assembly Coating Operations* and directing staff actions.

SUMMARY: Rule 1151.1 is proposed for adoption 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 Technique Guidelines (CTGs) and for major sources of ozone precursors.

CONFLICT OF INTEREST: None

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 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 *8-Hour Reasonably Available Control Technology – State Implementation Plan Analysis (RACT SIP Analysis)* in July, 2015 for the 2008 75 ppb ozone National Ambient Air Quality Standards (NAAQS). This document committed to adopting a rule for facilities that coat bodies and/or body parts for new, motor vehicles, light-duty truck and heavier vehicles, to meet current Federal RACT. This rule is subject to the CTG's titled *Control Techniques Guidelines for Automobile and Light-Duty Truck Assembly Coatings* (EPA-453/R-08-006, September 2008); *Control Techniques Guidelines for Miscellaneous Metal and Plastic Parts Coatings* (EPA-453/R-08-003, September 2008); *Protocol for Determining the Daily Volatile Organic Emission Rate of Automobile and Light-Duty Truck Primer-Surfacer and Topcoat Operations* (EPA-453/R-08-002, September 2008); *A Guideline for Surface Coating*

Cc: Barbara Lods

Calculations (EPA-340/1-86-016, July 1986) and *Control of Volatile Organic Emissions from-Existing Stationary Sources – Volume II: Surface Coating of Can, Coils, Paper, Fabrics, Automobiles, and Light-Duty Trucks* (EPA-450/2-77-008, May 1977). The District has one facility that is a vehicle assembly coating operation. The AVAQMD is now proposing to adopt Rule 1151.1 – *Motor Vehicle Assembly Coating Operations* to reflect current federal RACT as determined by CTG requirements.

The proposed adoption of Rule 1151.1 addresses the *RACT SIP Analysis* commitments to amend Rule 1151 *Motor Vehicle And Mobile Equipment Coating Operations* to incorporate provisions of the CTG for *Automobile and Light-Duty Truck Assembly Coating Operations* as applicable to "Heavier" vehicles, which includes all vehicles that meet the definition of the term "other motor vehicle" as defined at 40 CFR §63.3176. For clarity, the District has proposed the adoption of new Rule 1151.1 to address the purpose, definitions, VOC content for coatings, record keeping requirements control device efficiency, work practices, , and test methods. BYD Coach and Bus is not a major source, but is permitted above the CTG threshold. The adoption of Rule 1151.1 is based on the CTGs, NESHAP, and various district rules deemed to be RACT by USEPA, including San Joaquin Valley Unified Air Pollution Control District (SJVUAPCD) Rule 4602 – *Motor Vehicle Assembly Coatings* (09/17/2009, 76 FR 67369, 11/01/2011*)*.

A Notice of Exemption, Categorical Exemption (Class 8; 14 Cal. Code Reg. §15308) will be prepared by the AVAQMD for the adoption of Rule 1151.1 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. 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 as to legal form by Karen Nowak, District Counsel and by Bret Banks, Executive Director/APCO on or before 06/07/2017.

FINANCIAL DATA: No increase in appropriation is anticipated.

PRESENTER: Bret Banks, Executive Director/APCO

RESOLUTION _____

A RESOLUTION OF THE GOVERNING BOARD OF THE ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT MAKING FINDINGS, CERTIFYING THE NOTICE OF EXEMPTION, AMENDING RULE 1151.1-MOTOR VEHICLE ASSEMBLY COATING OPERATIONS AND DIRECTING STAFF ACTIONS.

On, June 20, 2017, on motion by Member Board Member Name, seconded by Member Board Member Name, and carried, the following resolution is adopted:

WHEREAS, the Antelope Valley Air Quality Management District (AVAQMD) has authority pursuant to California Health and Safety Code (H&S Code) §§40702, 40725-40728 to adopt, amend or repeal rules and regulations; and

WHEREAS, the Antelope Valley Air Pollution Control District (AVAPCD) was created by statute on July 1, 1997, with a jurisdiction of the Los Angeles County portion of the South Coast Air Quality Management District (SCAQMD) that was not within the South Coast Air Basin; and

WHEREAS, SCAQMD rules in effect in the AVAPCD remained in effect until the AVAPCD Governing Board superseded or amended them; and

WHEREAS, on January 1, 2002 the AVAQMD was formed pursuant to statute (H&S Code §§41300 et seq) to replace the AVAPCD; and

WHEREAS, the rules of the AVAPCD also remain in effect until the AVAQMD Governing Board supersedes or amends them; and

WHEREAS, 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 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; and

WHEREAS, the District adopted the *8-Hour Reasonably Available Control Technology – State Implementation Plan Analysis (RACT SIP Analysis)* in July, 2015 for the 2008 75 ppb ozone National Ambient Air Quality Standards (NAAQS); and

WHEREAS, this document committed to adopting a rule for facilities that coat bodies and/or body parts for new, motor vehicles, light-duty truck and heavier vehicles, to meet current Federal RACT; and

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WHEREAS, this rule is subject to the CTG's titled *Control Techniques Guidelines for Automobile and Light-Duty Truck Assembly Coatings* (EPA-453/R-08-006, September 2008); *Control Techniques Guidelines for Miscellaneous Metal and Plastic Parts Coatings* (EPA-453/R-08-003, September 2008); *Protocol for Determining the Daily Volatile Organic Emission Rate of Automobile and Light-Duty Truck Primer-Surfacer and Topcoat Operations* (EPA-453/R-08-002, September 2008); *A Guideline for Surface Coating Calculations* (EPA-340/1-86-016, July 1986) and *Control of Volatile Organic Emissions from-Existing Stationary Sources – Volume II: Surface Coating of Can, Coils, Paper, Fabrics, Automobiles, and Light-Duty Trucks* (EPA-450/2-77-008, May 1977); and

WHEREAS, the District has one facility that is a vehicle assembly coating operation; and

WHEREAS, the AVAQMD is now proposing to adopt Rule 1151.1 – *Motor Vehicle Assembly Coating Operations* to reflect current federal RACT as determined by CTG requirements; and

WHEREAS, the proposed adoption of Rule 1151.1 addresses the 2015 *RACT SIP Analysis* commitment to amend Rule 1151 *Motor Vehicle And Mobile Equipment Coating Operations* to incorporate provisions of the CTG for *Automobile and Light-Duty Truck Assembly Coating Operations* as applicable to "Heavier" vehicles, which includes all vehicles that meet the definition of the term "other motor vehicle" as defined at 40 CFR §63.3176; and

WHEREAS, for clarity, the District has proposed the adoption of new Rule 1151.1 to address the purpose, definitions, VOC content limit for coatings, record keeping requirements control device efficiency, work practices, and test methods; and

WHEREAS, the District has one facility that is a vehicle assembly coating operation for "heavier" vehicles; and

WHEREAS, BYD Coach and Bus is not a major source, but is permitted above the CTG threshold, and therefore the District must adopt a rule to reflect current Federal RACT; and

WHEREAS, the proposed rule is based on the CTGs, and various district rules deemed to be RACT by USEPA, including San Joaquin Valley Unified Air Pollution Control District (SJVUAPCD) Rule 4602 – *Motor Vehicle Assembly Coatings (*09/17/2009, 76 FR 67369, 11/01/2011; and

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RESOLUTION _____

WHEREAS, the proposed adoption of Rule 1151.1 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; and

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WHEREAS the District has the authority pursuant to California Health and Safety Code (H&S Code) §40702 to adopt, amend or repeal rules and regulations; and

WHEREAS, the proposed adoption of Rule 1151.1 is clear in that it is written so that the persons subject to the rule can easily understand the meaning; and

WHEREAS, the proposed adoption of Rule 1151.1 is in harmony with, and not in conflict with or contradictory to any state law or regulation, federal law or regulation, or court decisions; and

WHEREAS, .it does not interfere with any federal applicable requirement concerning attainment or Reasonable Further Progress (RFP) pursuant to the FCAA; and

WHEREAS, the proposed adoption of Rule 1151.1 does not impose the same requirements as any existing state or federal law or regulation because the District is adopting this rule in response to federal VOC RACT requirements; and

WHEREAS, a public hearing has been properly noticed and conducted, pursuant to H&S Code §40725, concerning the proposed adoption of Rule 1151.1; and

WHEREAS, a Notice of Exemption, a Categorical Exemption (Class 8, 14 CCR §15308) for the proposed adoption of Rule 1151.1, completed in compliance with the California Environmental Quality Act (CEQA), has been presented to the AVAQMD Board; each member having reviewed, considered and approved the information contained therein prior to acting on the proposed amendments to Rule 219, and the AVAQMD Board having determined that the proposed amendments will not have any potential for resulting in any adverse impact upon the environment; and

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

NOW, THEREFORE, BE IT RESOLVED, that the Governing Board of the AVAQMD finds that the proposed adoption of Rule 1151.1- *Motor Vehicle Assembly Coating Operation* are necessary, authorized, clear, consistent, non-duplicative and properly referenced; and

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BE IT FURTHER RESOLVED, that the Governing Board of the AVAQMD hereby makes a finding that the Class 8 Categorical Exemption (14 CCR §15308) applies and certifies the Notice of Exemption for the proposed adoption of Rule 1151.1; and

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BE IT FURTHER RESOLVED, that the Board of the AVAQMD does hereby adopt, pursuant to the authority granted by law, proposed Rule 1151.1, as set forth in the attachments to this resolution and incorporated herein by this reference; and

BE IT FURTHER RESOLVED, that this resolution shall take effect immediately upon adoption, that the Clerk of the Board is directed to file the Notice of Exemption in compliance with the provisions of CEQA.

PASSED, APPROVED AND ADOPTED by the Governing Board of the Antelope Valley Air Quality Management District by the following vote:

AYES:	MEMBER:
NOES:	MEMBER:
ABSENT:	MEMBER:
ABSTAIN:	MEMBER:

STATE OF CALIFORNIA)
) SS:
COUNTY OF LOS ANGELES)

I, Crystal Goree, Deputy Clerk of the Governing Board of the Antelope Valley Air Quality Management District, hereby certify the foregoing to be a full, 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 June 20, 2017.

_____
Deputy Clerk of the Governing Board,
Antelope Valley Air Quality Management District.

RULE 1151.1
Motor Vehicle Assembly Coating Operations

(A) General

(1) Purpose

(a) The purpose of this rule is to reduce emissions of Volatile Organic Compounds (VOCs) from Coatings and solvents associated with Motor Vehicle Assembly Coating Operations.

(2) Applicability

(a) This rule is applicable to all Motor Vehicle Assembly Coating Operations who apply Coatings that contain VOCs to new Motor Vehicles, new Light-Duty Trucks, new Heavier Vehicles and other parts that are coated along with these body or body parts during the vehicle assembly process and associated solvent cleaning activities.

(b) This rule does not apply to any operation that is subject to the provisions of Rule 1151 - *Motor Vehicle and Mobile Equipment Coating Operations*.

(c) The provisions of this rule shall not apply to materials supplied in containers with a net volume of 16 fluid ounces or less, or a net weight of one (1) pound or less.

(d) Except for record keeping requirements in section (D), the provisions of this rule shall not apply to an operation where the total actual VOC emissions from all Motor Vehicle Coating Operations, including related cleaning activities, at that facility are less than 15 pounds per day before consideration of controls.

(e) Any Motor Vehicle Application Line exempt from all or a portion of this rule shall comply with the provisions of Rule 442 – *Usage of Solvents*.

(B) Definitions

For the purpose of this rule, the following definitions shall apply:

(1) "Adhesive" – Any chemical substance, including glass bonding Adhesive, used at an Automobile, Light-Duty Truck or Heavier Vehicle assembly Coating facility, applied for the purpose of bonding two vehicle surfaces together without regard to the substrates involved.

(2) "Air Pollution Control Officer (APCO)" – The person appointed to the position of Air Pollution Control Officer of the District pursuant to the provisions of California Health & Safety Code §40750 and his or her designee.

(3) "Application Line" – The portion of a Motor Vehicle Assembly production line which applies surface and other Coatings to Motor Vehicle bodies, hoods, fenders, cargo boxes, doors, and grill opening panels.

(4) "Assembly Line" – An arrangement of industrial equipment and workers in which the product passes from one specialized operation to another until complete, by either automatic or manual means.

(5) "Automobile" – A Motor Vehicle designed to carry up to eight passengers, excluding vans, sport utility vehicles, and Motor Vehicles designed primarily to transport light loads of property.

(6) "Basecoat" – A pigmented Topcoat which is the first Topcoat applied as part of a Multistage Topcoat System.

(7) "Basecoat/Clearcoat (BC/CC)" – A Topcoat consisting of a base coat portion and a clear coat portion.

(8) "Bedliner" – Multi-component Coating, used at an Automobile or Light-Duty Truck or Heavier Vehicle assembly Coating facility, applied to a cargo bed after the application of Topcoat and outside of the Topcoat operation to provide additional durability and chip resistance.

(9) "Brush Coating" – The manual application of coatings using brushes or rollers.

(10) "Capture Efficiency" - The percentage of Volatile Organic Compounds used, emitted, evolved, or generated by the operation, that are collected and directed to an air pollution control device.

(11) "Catalyst" –A substance whose presence enhances the reaction between chemical compounds.

(12) "Cavity Wax" – A Coating used at an Automobile, Light-Duty Truck or Heavier Vehicle assembly Coating facility, applied into the cavities of the vehicle primarily for the purpose of enhancing corrosion protection.

(13) "Clearcoat" – A Topcoat which contains no pigments or only transparent pigments and which is the final Topcoat applied as part of a Multistage Topcoat System.

(14) "Coating(s)" – A material which is applied to a surface in order to beautify and/or protect such surface.

(15) "Coating Solids" – The nonvolatile portion of the Coating.

(16) "Continuous Coating" – An enclosed Coating system where spray nozzles coat parts and products as they are conveyed through the enclosure. Water wash zones control the inlet and outlet of the enclosure. Excess Coating drains into a recirculation system.

(17) "Deadener" – A Coating used at an Automobile, Light-Duty Truck or Heavier Vehicle assembly Coating facility, applied to selected vehicle surfaces primarily for the purpose of reducing the sound of road noise in the passenger compartment.

(18) "Dip Coating" – Process in which a substrate is immersed in a solution (or dispersion) containing the Coating material, and then withdrawn.

(19) "Electrodeposition" – A Dip Coating application method where the Coating solids are given an electrical charge which is then attracted to a substrate.

(20) "Electrodeposition Primer (EDP)" – A process of applying a protective, corrosion-resistant waterborne Primer on exterior and interior surfaces that provides thorough coverage of recessed areas. It is a Dip Coating method that uses an electrical field to apply or deposit the conductive Coating onto the part. The object being painted acts as an electrode that is oppositely charged from the particles of paint in the dip tank. Also referred to as E-Coat, Uni-Prime, and ELPO Primer.

(21) "Electrostatic Spray Application" – A method of applying Coatings whereby the atomized Coating droplets are charged and subsequently deposited on the substrate by electrostatic attraction.

(22) "Emission Control System" – Any combination of capture system and control devices used to reduce VOC emissions from Motor Vehicle Assembly Coating Operations.

(23) "Exempt Compounds" – Those compounds listed in 40 CFR 51.100(s).

(24) "Final Repair" – The operations performed and Coating(s) applied to completely-assembled Motor Vehicles or to parts that are not yet on a completely assembled vehicle to correct damage or imperfections in the Coating. The curing of the Coatings applied in these operations is accomplished at a lower temperature than that used for curing Primer-Surfacer and Topcoat. This lower temperature cure avoids the need to send parts that are not yet on a completely assembled vehicle through the same type of curing process used for Primer-Surfacer and Topcoat and is necessary to protect heat sensitive components on completely assembled vehicles.

(25) "Flow Coating" – A Coating application system, with no air supplied to the nozzle, where Coatings flow over the part and the excess Coating drains back into the collection system.

(26) "Formulation Data" – The actual product recipe which itemizes all the ingredients contained in a product including VOCs and the quantities thereof used by the manufacturer to create the product. Material Safety Data Sheets (MSDS) are not considered Formulation Data.

(27) "Gasket/Gasket Sealing Material" – Fluid used at an Automobile, Light-Duty Truck or Heavier Vehicle assembly Coating facility, applied to coat a gasket or replace and perform the same function as a gasket. Automobile, Light-Duty Truck and Heavier Vehicle Gasket/Gasket Sealing Material includes room temperature vulcanization (RTV) seal material.

(28) "Glass Bonding Primer" – Primer, used at an Automobile, Light-Duty Truck or Heavier Vehicle assembly Coating facility, applied to windshield or other glass, or to body openings, to prepare the glass or body opening for the application of glass bonding, Adhesives or the installation of Adhesive bonded glass. Automobile, Light-Duty Truck or Heavier Vehicle Glass Bonding Primer includes Glass Bonding Primers that perform both functions (cleaning and priming of the windshield or other glass, or body openings) prior to the application of Adhesive or the installation of Adhesive bonded glass.

(29) "Grams of VOC per Liter of Coating Excluding Water and Exempt Compounds (VOC Regulatory)" – The weight of VOC per combined volume of VOC and Coating solids and can be calculated by the following equation:

Grams of VOC per Liter of Coating Excluding Water and Exempt Compounds: $= \frac{W_s - W_w - W_{ec}}{V_m - V_w - V_{ec}}$

Where:

W_s = weight of volatile compounds in grams
W_w = weight of water, in grams
W_{ec} = weight of Exempt Compounds, in grams
V_m = volume of material, in liters
V_w = volume of water, in liters
V_{ec} = volume of Exempt Compounds, in liters

(30) "Grams of VOC per liter of Material (VOC Actual)" – The weight of VOC per volume of material and can be calculated by the following equation:

$$Grams\ of\ VOC\ per\ Liter\ of\ Material = \frac{W_s - W_w - W_{ec}}{V_m}$$

Where:

W_s = weight of volatile compounds, in grams
W_w = weight of water, in grams
W_{ec} = weight of Exempt Compounds, in grams
V_m = volume of material, in liters

(31) "Hand Application Methods" – The application of Adhesive or Sealant by manually held equipment. Such equipment includes paint brush, hand roller, trowel, spatula, dauber, rag, sponges, and mechanically and/or pneumatic-driven syringes without atomization of the materials.

(32) "Heat Resistant Coating" – Coatings which, during normal use, must withstand temperatures of at least 400 °F.

(33) "Heavier Vehicles" – A self-propelled vehicle designed for transporting persons or property on a street or highway that has a gross vehicle weight rating over 8,500 pounds.

(34) "High-Volume, Low-Pressure (HVLP) Spray Equipment" – Equipment used to apply materials by means of a spray gun which is designed and intended to be operated, and which is operated, between 0.1 and 10.0 pounds per square inch gauge (psig) of air atomizing pressure measured dynamically at the center of the air cap and at the air horns.

(35) "Impact Resistant Coating" – Any Coating which is applied to a rocker panel for the purpose of chip resistance to road debris.

(36) "In-line Repair" – Operation performed and Coating(s) applied to correct damage or imperfections in the Topcoat on parts that are not yet on a completely assembled vehicle. The curing of the Coatings applied in these operations is accomplished at essentially the same temperature as that used for curing the previously applied Topcoat. This can also be referred to as high bake repair or high bake reprocess. In-line Repair is considered part of the Topcoat operation.

(37) "Light-Duty Truck" – Vans, sport utility vehicles, and motor vehicles designed primarily to transport light loads of property, with a gross Motor Vehicle weight rating of 8,500 pounds or less.

(38) "Lubricating Wax/Compound" – Protective lubricating material, used at an Automobile, Light-Duty Truck or Heavier Vehicle assembly Coating facility, applied to vehicle hubs and hinges.

(39) "Motor Vehicles" – Automobiles, Light-Duty Trucks, and Heavier Vehicles as defined herein.

(40) "Motor Vehicle Assembly Coating Operation" – Any person who applies Coatings to new Automobiles, Light-Duty Trucks, Heavier Vehicles, or body parts for new Automobiles, Light-Duty Trucks, or Heavier Vehicles, and other parts coated along with these bodies or body parts during the assembly process, and associated solvent cleaning activities.

(41) "Multistage Topcoat System" – Any Basecoat/Clearcoat Topcoat system or any Three-Stage Topcoat System, manufactured as a system, and used as specified by the manufacturer.

(42) "Overall Control Efficiency" – The product of capture and control efficiencies.

(43) "Primer" – Any Coating which is labeled and formulated for application to a substrate to provide 1) a bond between the substrate and subsequent coats, 2) corrosion resistance, 3) a smooth substrate surface, or 4) resistance to penetration of subsequent coats, and on which a subsequent Coating is applied. Primers may be pigmented.

(44) "Primer Sealer" – Any Coating which is labeled and formulated for application prior to the application of a color Coating for the purpose of color uniformity, or to promote the ability of the underlying Coating to resist penetration by the color Coating.

(45) "Primer-Surfacer" – An intermediate protective Coating applied over the Electrodeposition Primer and under the Topcoat. Primer-Surfacer provides adhesion, protection, and appearance properties to the total finish. Primer-Surfacer may also be called guide coat or surfacer. Primer-Surfacer operations may include other Coating(s) (e.g., anti-chip, lower-body anti-chip, chip-resistant edge Primer, spot Primer, blackout, Deadener, interior color, Basecoat replacement Coating, etc.) that is (are) applied in the same spray booth(s).

(46) "Reactive Adhesive" – An Adhesive system composed, in part, of volatile monomers that react during the adhesive curing reaction, and, as a result, do not evolve from the film during use. These volatile components instead become integral parts of the Adhesive through chemical reaction. At least 70 percent of the liquid components of the system, excluding water, react during the process.

(47) "Reducer/Thinner" – Any volatile liquid used to reduce the viscosity of the Coating, but not used for Cleaning Operations. This liquid may be solvents, diluents, or both.

(48) "Roll Coating" – The application of Coatings from a paint trough to a flat surface by a mechanical series of rollers.

(49) "Sealer" – High viscosity material, used at an Automobile, Light-Duty Truck or Heavier Vehicle assembly Coating facility, generally, but not always, applied in the paint shop after the body has received an Electrodeposition Primer Coating and before the application of subsequent Coatings (e.g., Primer-Surfacer). The primary purpose of Automobile, Light-Duty Truck or Heavier Vehicle Sealer is to fill body joints completely so that there is no intrusion of water, gases or corrosive materials into the passenger area of the body compartment. Such materials are also referred to as sealant, sealant Primer, or caulk.

(50) "Solids Turnover Ratio" – The ratio of total volume of Coating solids that is added to the EDP system in a calendar month divided by the total volume design capacity of the EDP system.

(51) "Solvent Cleaning Operation" – The removal of loosely held uncured Adhesives, uncured inks, uncured Coatings, and contaminants which include, but are not limited to, dirt, soil, and grease from parts, products, tools, machinery, equipment, and general work areas. Each distinct method of cleaning in a cleaning process which consists of a series of cleaning methods shall constitute a separate Solvent Cleaning Operation.

(52) "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.

(53) "Surface Preparation" – The removal of contaminants from a surface prior to the application of Coatings, inks, or Adhesives or before proceeding to the next step of a manufacturing process.

(54) "Technical Data Sheet" – A document that defines physical values of the product when mixed as recommended with the listed components.

(55) "Three-Stage Topcoat System" – A Topcoat system composed of a basecoat portion, a midcoat portion, and a transparent Clearcoat portion.

(56) "Topcoat" – The final Coating system applied to provide the final color and/or a protective finish. The Topcoat may be a monocoat color or Basecoat/Clearcoat system. In-line Repair and two-tone are part of a Topcoat. Topcoat operations may include other Coating(s) (e.g., blackout, interior color, etc.) that is (are) applied in the same spray booth(s).

(57) "Transfer Efficiency (TE)" – The ratio of the weight (or volume) of Coating solids adhering to an object to the total weight (or volume) of Coating solids used in the application process expressed as a percentage.

(58) "Trunk Interior Coating" – A Coating, used at an Automobile, Light-Duty Truck or Heavier Vehicle assembly Coating facility outside of the Primer-Surfacer and Topcoat operations, applied to the trunk interior to provide chip protection.

(59) "Underbody Coating" – A Coating, used at an Automobile, Light-Duty Truck or Heavier Vehicle assembly Coating facility, applied to the undercarriage or firewall to prevent corrosion and/or provide chip protection.

(60) "VOC Actual" - This definition is the same as the definition of Grams of VOC per Liter of Material as listed under subsection (B)(31).

(61) "VOC Regulatory" – This definition is the same as the definition of Grams of VOC per Liter of Coating Less Water and Less Exempt Compounds as listed under subsection (B)(30).

(62) "Volatile Organic Compound (VOC)" –Any compound of carbon, excluding carbon monoxide, carbon dioxide, carbonic acid, metallic carbides or carbonates, ammonium carbonate, and Exempt Compounds, which participate in atmospheric photochemical reactions.

(63) "Weatherstrip Adhesive" – Adhesive, used at an Automobile, Light-Duty Truck or Heavier Vehicle assembly Coating facility, applied to weatherstripping materials for the purpose of bonding the weatherstrip material to the surface of the vehicle.

(64) "Wipe Cleaning" – A Solvent Cleaning activity performed by hand rubbing an absorbent material such as a rag, paper, sponge, brush, or cotton swab containing solvent.

(C) Requirements

(1) VOC Content of Coatings

(a) An operator of a Motor Vehicle Assembly Operation shall not apply a Coating that has a VOC content in excess of the limits contained in Table 1 or Table 2 of this subsection, except as provided in Section (C)(2).

(b) The pounds of VOC per gallon of Coating solids deposited shall be calculated according to the following formula using content average listed on the suppliers Technical Data Sheet:

$$Coating\ Density[\frac{lb\ \ coating}{gal\ coating}] \times \frac{(Wv-(Ww+Wec))}{lb\ coating} \times \frac{1\ gal\ coating}{Vs} = \frac{lb\ VOC}{gal\ solids}$$

$$\frac{lb\ VOC}{gal\ solids} \times \frac{l\ gal\ solids\ used}{TE} = \frac{lb\ VOC}{gal\ solids\ deposited}$$

Where:

Coating Density (lb Coating)	=	Pound per Gallon (Average)
W_v	=	Weight percent volatiles lb (Average)
W_w	=	Weight percent water (Average)
W_{ec}	=	Weight percent exempt VOC (Average)
V_s	=	Volume percent (gallon of solids)-(Average)
TE	=	Transfer Efficiency-ratio

(c) If a coating(s) is determined to be non-compliant pursuant to the calculation in (C)(1)(b), and more than one coating in the same assembly coating process is used in the same day, the following daily weighted average calculation may be used to determine compliance within each assembly coating process:

(i) Determine $\frac{lb\ VOC}{gal\ solids\ deposited}$ as per the equation in (C)(1)(b) for each coating used within a specific process.

(ii) The daily weighted average is the quotient of total VOCs (pounds), (within a specific process) divided by total gallons solids deposited (within a specific process).

Table l
VOC Emission Limits for Motor Vehicle Assembly Coating Operations

Assembly Coating Process	**VOC Emission Limit**		
Electrodeposition Primer operations (including application area, spray/rinse stations, and curing oven)	When Solids Turnover Ratio (R_T)≥0.16	When 0.040 ≤ R_T <0.160	When R_T < .040
	0.084 kg VOC /liter (0.7 lb/gal) Coating solids applied	0.084 x 350 $^{0.160- R_T}$ kg VOC/liter (0.084 x 350 $^{0.160- R_T}$ x 8.34 lb/gal) Coating solids applied	No VOC emission limit
Primer-Surfacer operations (including application area, flash off area, and oven)	1.44 kg of VOC/liter of deposited solids (12.0 lb VOC/gal of deposited solids) using the calculation in (C)(1)(b), or for non-compliant coating(s),using the daily weighted average calculation in (C)(1)(c)		
Topcoat operations (including application area, flash-off area, and oven)	1.44 kg of VOC/liter of deposited solids (12.0 lb VOC/gal of deposited solids) using the calculation in (C)(1)(b), or for non-compliant coating(s),using the daily weighted average calculation in (C)(1)(c)		
Combined Primer-Surfacer and Topcoat operations	1.44 kg of VOC/liter of deposited solids (12.0 lb VOC/gal of deposited solids) using the calculation in (C)(1)(b), or for non-compliant coating(s),using the daily weighted average calculation in (C)(1)(c)		
Final Repair operations	0.58 kg VOC/liter (4.8 lb VOC/gallon of Coating) less water and less exempt solvents on a daily weighted average basis or as an occurrence weighted average.		

Table 2
VOC Content Limits for Miscellaneous Materials Used at Motor Vehicle Assembly Coating Operations (grams of VOC per liter of Coating, excluding water and Exempt Compounds, as applied.)

Material	VOC Emission Limit, as applied, in grams per liter (pounds per gallon)
Glass Bonding Primer	900 (7.5)
Adhesive	250 (2.1)
Cavity Wax	650 (5.4)
Sealer	650 (5.4)
Deadener	650 (5.4)
Gasket/Gasket Sealing Material	200 (1.7)
Underbody Coating	650 (5.4)
Trunk Interior Coating	650 (5.4)
Bedliner	200 (1.7)
Weatherstrip Adhesive	750 (6.3)
Lubricating Wax/Compound	700 (5.8)

(2) Emission Control System Requirements

(a) In lieu of complying with the requirements in section (C)(1), an operator may use a Emission Control System that meets all of the following requirements:

(i) The Emission Control System, consisting of collection and control devices, shall be approved in writing by the APCO.

(ii) The approved Emission Control System shall achieve an overall capture and control efficiency of at least 90 percent by weight as calculated according to section (C)(2)(a)(iv).

(iii) Use of an Emission Control System shall result in VOC emissions equal to or less than VOC emissions which would result from compliance with the applicable requirements of section (C)(1), (C)(3) or (C)(4).

(iv) The minimum required control efficiency of an Emission Control System at which an equivalent or greater level of VOC reduction will be achieved shall be calculated by the following equation:

$$C.E. = [\ 1- \{\ \frac{(VOC_{LWc})}{(VOC_{LWn,Max})}\ x\ \frac{1-(\frac{VOC_{LWn,Max})}{D_{n,Max}}}{1-(\frac{VOC_{LWc}}{D_c})}\ \}\ ]\ x\ 100$$

Where: $C.E.$ = Overall Control Efficiency, percent

VOC_{LWc} = VOC Limit less water and less Exempt compounds

$VOC_{LWn,Max}$ = Maximum VOC content of non-compliant Coating used in conjunction with a control device, less water and Exempt compounds.

$D_{n,Max}$ = Density of solvent, Reducer/Thinner contained in the non-compliant Coating.

D_c = Density of corresponding solvent, Reducer/Thinner used in the compliant Coating system.

(3) Coating Application Methods

(a) The operator shall apply Coatings using one of the following methods:

(i) Brush, Dip or Roll Coating; or
(ii) Electrostatic Application; or
(iii) Flow Coating; or
(iv) Continuous Coating; or
(v) High Volume, Low Pressure (HVLP) spray equipment operated in accordance with the manufacturer's recommendations.

(b) Any other Coating application method which is demonstrated in accordance with the provisions of (E)(1)(e) to be capable of achieving equivalent or better Transfer Efficiency than the automotive Coating application listed in (C)(3)(a)(v), provided written approval from the APCO is obtained prior to use.

(c) In lieu of compliance with Section (C)(1) , an operator may control emissions from application equipment with a VOC Emission Control System that meets the requirements of section (C)(2).

(4) Solvent Cleaning Operations

(a) Solvent Cleaning Operations shall use solvents that have a VOC content equal to or less than 25 grams VOC/liter of cleaning material as calculated using the equations listed in section (B)(30).

(b) Cleaning activities that use solvents shall be performed by one or more of the following methods:

(i) Wipe Cleaning; or
(ii) Application of solvent from hand-held spray bottles from which solvents are dispensed without a propellant induced force; or
(iii) Non-atomized solvent flow method in which the cleaning system 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 an APCO approved VOC Emission Control System that complies with section (C)(2). This provision shall not apply to the cleaning of nozzle tips of automated spray equipment systems, except for robotic systems and cleaning with spray bottles or containers described in section (C)(4)(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; when not in use, it must be closed.

(e) In lieu of complying with sections (C)(4)(a) through (C)(4)(d), an operator may control VOC emissions from solvent cleaning with an APCO approved VOC Emission Control System that meets the requirements of section (C)(2).

(5) Solvent Disposal and Storage

(a) The operator shall store or dispose of fresh or spent solvents, waste solvent cleaning materials such as cloth, paper, Coating, Adhesives, Catalysts and thinners in closed, non-absorbent and non-leaking containers. The containers shall remain closed at all times except when depositing or removing the contents of the containers or when the container is empty.

(6) Work Practice Plan

(a) The operator shall develop a work practice plan to reduce VOC emissions from Automobile, Light-Duty Truck and Heavier Vehicle assembly Coating-related activities which include, but are not limited to:

(i) Store all VOC-containing Coatings, thinners and Coating-related waste materials in closed containers
(ii) Ensure that mixing and storage containers used for VOC-containing Coatings, thinners and Coating-related waste materials are kept closed at all times except when depositing or removing these materials
(iii) Minimize spills of VOC-containing Coatings, thinners, and Coating-related waste materials
(iv) Transport VOC-containing Coatings, thinners, and Coating-related waste materials from one location to another in closed containers or pipes
(v) Minimize VOC emission from cleaning of storage, mixing and transporting equipment.

(b) The operator shall develop and implement a work practice plan to minimize VOC emissions from cleaning and from purging of equipment associated with new Motor Vehicle Assembly Coating Operations for which emission limits are required by this rule. The plan should specify practices and procedures to ensure VOC emissions from the following operations are minimized:

(i) Vehicle Body wiping;
(ii) Coating line purging;
(iii) Flushing of Coating systems;
(iv) Cleaning of spray booth grates, walls and equipment;
(v) Cleaning external spray booth areas; and
(vi) Other housekeeping measures.
(vii) If an operator has a 2004 National Emission Standard for Hazardous Pollutants (NESHAP) (40 CFR, part 63, subpart IIII) work practice plan in place, instead of creating another work practice plan to address VOC emissions, the operator shall add to its NESHAP work practice plan procedures for minimizing non-hazardous air pollutants (HAP) VOC emissions.

(D) Record Keeping Requirements

(1) All persons subject to this rule and any person claiming any exemption under sections (A)(2) shall comply with the following requirements

(a) Maintain and have available during an inspection, a current list of Coatings and solvents in use which provides all of the Coating data necessary to evaluate compliance, including the following information:

(i) The name and manufacturer;
(ii) The mix ratio of components used;
(iii) The VOC Actual and the VOC Regulatory content of each Coating as applied, or VOC content for each solvent;
(iv) Current Technical Data Sheet, Product Data Sheet or an equivalent manufacturers document for each coating and solvent, which provide the physical properties necessary to determine the lb VOC/Coating Solids deposited.
(v) Purchase records identifying the automotive category, name and the total volume of all coatings and solvents.

(b) Maintain records on a daily basis including:

(i) Coating category and mix ratio of components used in the Coating; and
(ii) Volume of each Coating applied (gallons); and
(iii) Application method used to apply Coating; and,
(iv) VOC content ((pounds per gallon) or (grams per liter)) and, for Dip Coating operations, viscosity (cSt) of Coating; and
(v) Non-compliant coatings that use the daily weighted average calculation (C)(1)(c)

(c) Maintain records on a monthly basis for Surface Preparation and Cleaning Operations including:

(i) The name and manufacturer of the solvent used, including methylene chloride MeCl.
(ii) The amount of each solvent and MeCl consumed for any use, in gallons.
(iii) The weight percentage of each solvent and MeCl consumed for any use.

(d) Such records shall be retained and available for inspection by the APCO for a minimum of five (5) years.

(2) An operator using an Emission Control System as a means of complying with the provisions in section (C) shall maintain daily records of key system operating parameters which will demonstrate continuous operation and compliance of the Emission Control System during periods of emission producing activities. Key system operating parameters are those necessary to ensure compliance with VOC limits. The parameters include, but are not limited to temperature, pressures and flowrates.

(E) Test Methods

(1) The following test methods are incorporated by reference herein and shall be used to determine compliance with the provisions of the rule. Alternate test methods may be used, provided they are approved by the APCO, ARB and USEPA.

(a) VOC content of Coatings, other than reactive Adhesives, used at Motor Vehicle Assembly Coating Operations shall be determined using USEPA Method 24 and analysis of halogenated Exempt Compounds shall be analyzed by ARB Method 432.

(b) The procedure for reactive Adhesives in appendix A of the NESHAP for surface Coating of plastic parts (40 CFR Part 63, subpart PPPP) shall be used to determine the VOC content of reactive Adhesives.

(c) The manufacturer's Formulation Data shall be accepted as an alternative to these methods. If there is a disagreement between manufacturer's Formulation Data and the results of a subsequent test, use the test method results unless the facility can make a demonstration to the APCO's satisfaction that the manufacturer's Formulation Data are correct.

(d) Determination of emissions of VOC from spray gun cleaning systems shall be made using South Coast Air Quality Management District (SCAQMD) "General Test Method for Determining Solvent Losses from Spray Gun Cleaning Systems," October 3, 1989.

(e) 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 and SCAQMD "Guidelines for Demonstrating Equivalency With District Approved Transfer Efficiency Spray Gun", September 26, 2002.

(2) Determination of Efficiency of Emission Control System

(a) The Capture Efficiency of the Emission Control System as specified in paragraph (C)(2) shall be determined by the procedures presented in the USEPA technical guidance document, "Guidelines for Determining Capture Efficiency", January 9, 1995 and 40 CFR 51, Appendix M, Methods 204-204f as applicable for determination of capture efficiency. Alternate test methods may be used, provided they are approved by the APCO, ARB and USEPA.

(b) The control efficiency of a VOC Emission Control System as specified in paragraph (C)(2) and the VOC content in the control device exhaust gases, measured and calculated as carbon, shall be determined by the USEPA Test Methods 25, 25A, or SCAQMD Method 25.1 (Determination of Total Gaseous Non-Methane Organic Emissions as Carbon) as applicable. USEPA Test Method 18 or ARB Method 432 shall be used to determine emissions of Exempt Compounds.

(3) 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:

$CE_{CAPTURE\ AND\ CONTROL}$	=	$[CE_{CAPTURE} \times CE_{CONTROL}]/100$
WHERE:		
$CE_{CAPTURE\ AND\ CONTROL}$	=	Overall Capture and Control Efficiency, in percent
$CE_{CAPTURE}$	=	Capture Efficiency of the collection device, in percent, as determined in section (E)(2)(a)
$CE_{CONTROL}$	=	Control Efficiency of the control device, in percent, as determined in section (E)(2)(b)

(4) Multiple Test Methods

(a) When more than one test method or set of 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 www.avaqmd.ca.gov

Antelope Valley
Air Quality Management District

Draft

Staff Report
Proposed Adoption of
Rule 1151.1 – *Motor Vehicle Assembly Coating Operations*

For adoption on
June 20, 2017

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STAFF REPORT
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STAFF REPORT
Rule 1151.1 - *Motor Vehicle Assembly 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 Antelope Valley Air Pollution Control District (AVAPCD) was created by statute on July 1, 1997, with a jurisdiction of the Los Angeles County portion of the South Coast Air Quality Management District (SCAQMD) that was not within the South Coast Air Basin. SCAQMD rules in effect in the AVAPCD remained in effect until the AVAPCD Governing Board superseded or amended them. On January 1, 2002 the AVAQMD was formed pursuant to statute (Health & Safety Code §§41300 et seq.) to replace the AVAPCD. The rules of the AVAPCD also remain in effect until the AVAQMD Governing Board supersedes or amends them.

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 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 *8-Hour Reasonably Available Control Technology – State Implementation Plan Analysis (RACT SIP Analysis)* in July, 2015 for the 2008 75 ppb ozone National Ambient Air Quality Standards (NAAQS). This document committed to adopting a rule for facilities that coat bodies and/or body parts for new, motor vehicles, light-duty truck and heavier vehicles, to meet current Federal RACT. This rule is subject to the CTG's titled *Control Techniques Guidelines for Automobile and Light-Duty Truck Assembly Coatings* (EPA-453/R-08-006, September 2008); *Control Techniques Guidelines for Miscellaneous Metal and Plastic Parts Coatings* (EPA-453/R-08-003, September 2008); *Protocol for Determining the Daily Volatile Organic Emission Rate of Automobile and Light-Duty Truck Primer-Surfacer and Topcoat Operations* (EPA-453/R-08-002, September 2008); *A Guideline for Surface Coating Calculations* (EPA-340/1-86-016, July 1986) and *Control of Volatile Organic Emissions from-Existing Stationary Sources – Volume II: Surface Coating of Can, Coils, Paper, Fabrics, Automobiles, and Light-Duty Trucks* (EPA-450/2-77-008, May 1977). The District has one facility that is a vehicle assembly coating operation. The AVAQMD is now proposing to adopt Rule 1151.1 – *Motor Vehicle Assembly Coating Operations* to reflect current federal RACT as determined by CTG requirements.

The proposed adoption of Rule 1151.1 addresses the 2015 *RACT SIP Analysis* commitment to amend Rule 1151 *Motor Vehicle And Mobile Equipment Coating Operations* to incorporate provisions of the CTG for *Automobile and Light-Duty Truck Assembly Coating Operations* as applicable to "Heavier" vehicles, which includes all vehicles that meet the definition of the term "other motor vehicle" as defined at 40 CFR §63.3176. For clarity, the District has proposed the adoption of new Rule 1151.1 to address the purpose, definitions, VOC content limit for coatings, record keeping requirements control device efficiency, work practices, and test methods. The District has one facility that is a vehicle assembly coating operation for "heavier" vehicles. BYD Coach and Bus is not a major source, but is permitted above the CTG threshold, and therefore the District must adopt a rule to reflect current Federal RACT. The proposed rule is based on the CTGs, and various district rules deemed to be RACT by USEPA, including San Joaquin Valley Unified Air Pollution Control District (SJVUAPCD) Rule 4602 – *Motor Vehicle Assembly Coatings (*09/17/2009, 76 FR 67369, 11/01/2011*)*.

III. STAFF RECOMMENDATION

Staff recommends that the Governing Board of the Antelope Valley Air Quality Management District (AVAQMD or District) adopt proposed Rule 1151.1 - *Motor Vehicle Assembly Coating Operations* and approve the appropriate California Environmental Quality Act (CEQA) documentation. This action is necessary 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.

IV. LEGAL REQUIREMENTS CHECKLIST

The findings and analysis as indicated below are required for the procedurally correct adoption of Rule 1151.1 – *Motor Vehicle Assembly 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

X 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 adoption of Rule 1151.1. These are actions that need to be performed and/or information that must be provided in order to adopt 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 proposed adoption of Rule 1151.1 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.

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 proposed adoption of Rule 1151.1 is clear in that it is written so that the persons subject to the rule can easily understand the meaning.

d. Consistency:

The proposed adoption of Rule 1151.1 is in harmony with, and not in conflict with or contradictory to any state law or regulation, federal law or regulation, or court decisions. It does not interfere with any federal applicable requirement concerning attainment or Reasonable Further Progress (RFP) pursuant to the FCAA.

e. Nonduplication:

The proposed adoption of Rule 1151.1 does not impose the same requirements as any existing state or federal law or regulation

because the District is adopting this rule in response to federal VOC RACT requirements.

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 adoption of Rule 1151.1 will be published on May 19, 2017. 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 adoption of Rule 1151.1 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 source that is permitted above the CTG threshold, the District committed to adopting an updated RACT rule for motor vehicle assembly operations as part of the *RACT SIP Analysis*. The AVAQMD is proposing to adopt Rule 1151.1 – *Motor Vehicle Assembly Coating Operations* to reflect current federal RACT as determined by CTG requirements, other related national rules and guidance, and the rules of other California nonattainment agencies. USEPA approved San Joaquin Valley Unified Air Pollution Control District (SJVUAPCD) Rule 4602 – *Motor Vehicle Assembly Coatings (*09/17/2009, 76 FR 67369, 11/01/2011*)* as RACT, and this rule was used as a basis for this adoption.

b. Public Notice and Comment:

Notice for the public hearing for the proposed adoption of Rule 1151.1 will be published on May 19, 2017. 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 Rule 1151.1 and the accompanying draft staff report will be made available to the public on or before May 5, 2017.

d. Notice to Specified Entities:

Copies of proposed Rule 1151.1 and the accompanying draft staff report were sent to all affected agencies. The proposed rule was sent to the California Air Resources Board (CARB) and USEPA on or before May 5, 2017.

e. Public Hearing:

A public hearing to consider the proposed adoption of Rule 1151.1 has been set for June 20, 2017.

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, the District has been designated non-attainment for ozone and classified severe-17.

The AVAQMD committed to adopting a RACT rule for motor vehicle assembly coating operations as part of the recently adopted *RACT SIP Analysis*.

C. ECONOMIC ANALYSIS

1. General

Rule 1151.1 is equivalent to a rule that was determined by USEPA to be RACT, so cost effectiveness is not applicable.[1]

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 adoption of Rule 1151.1 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 adoption of Rule 1151.1 was determined.

1. The proposed adoption of Rule 1151.1 meets the CEQA definition of "project". They are not "ministerial" actions.

2. The proposed adoption of Rule 1151.1 is exempt from CEQA review because the adoption will not create any adverse impacts on the environment. Because there is no potential that the rule 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

The District does not anticipate any potential environmental impacts with the adoption of Rule 1151.1. The proposed adoption will address the purpose, definitions, VOC content limit for coatings, record keeping requirements, control device efficiency, work practices, and test methods.

[1] San Joaquin Valley Unified Air Pollution Control District (SJVUAPCD) Rule 4602 – *Motor Vehicle Assembly Coatings (*09/17/2009, 76 FR 67369, 11/01/2011*).*

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

This rule is applicable to all motor vehicle assembly coating operations who apply coatings that contain VOCs to new motor vehicles, new light-duty trucks, new heavier vehicles and other parts that are coated along with these body or body parts during the vehicle assembly process and associated solvent cleaning activities. This rule does not apply to any operation that is subject to the provisions of Rule 1151 - *Motor Vehicle and Mobile Equipment Coating Operations*.

B. EMISSIONS

The adoption of Rule 1151.1 does not cause the release of additional air contaminants or create any environmental impacts. Standards for VOC content, control equipment, cleaning equipment and methods, and work practices have been proposed.

C. CONTROL REQUIREMENTS

Please see section (C) of the rule (Appendix A) for control requirements. Control requirements consist of VOC content, control equipment, and cleaning equipment and methods, and work practices.

D. PROPOSED RULE SUMMARY

This section gives a brief overview of the proposed Rule 1151.1.

Proposed Rule 1151.1 is applicable to all Motor Vehicle Assembly Coating Operations who apply Coatings that contain VOCs to new Motor Vehicles, new Light-Duty Trucks, new Heavier Vehicles and other parts that are coated along with these body or body parts during the vehicle assembly process and associated solvent cleaning activities. It is formatted in standard AVAQMD rule format, including sections containing Purpose, Applicability, Definitions, Requirements, Record Keeping Requirements, and Test Methods.

Section (C) The District has one facility that is a heavier vehicle assembly coating operation, BYD Coach and Bus (BYD). However, BYD is an atypical assembly line coating operation in that the vehicle moves between separate paint spray booths throughout the assembly process. The CTG recommends the use of the revised Automobile Topcoat Protocol (Protocol) to determine VOC compliance. After review of the revised Protocol by District staff and USEPA Region 9, it was determined the Protocol was not appropriate for the assembly coating process used at this facility. USEPA Region 9 suggested the use of an alternative calculation derived from *Guide for Surface Coating Calculation*, EPA-340/1-86-016. In Table 1, all coatings in the Primer Surfacer operation, Topcoat operation and Combined Primer-Surfacer and Topcoat operation must use the calculation in (C)(1)(b) to determine VOC compliance. If the coating is determined to be non-compliant per (C)(1)(b), the calculation in (C)(1)(c), daily weighted average of all coatings used, in each specific process, may be used as an alternative method to determine compliance with the specified limits

The content of the rule was derived from San Joaquin Valley Unified Air Pollution Control District (SJVUAPCD) Rule 4602 – *Motor Vehicle Assembly Coatings* (09/17/2009, 76 FR 67369, 11/01/2011). The CTG for *Automobile and Light-Duty Truck Assembly Coating Operations* (EPA-453/R-08-006 September 2008); CTG for *Miscellaneous Metal and Plastic Parts Coatings* (EPA-453/R-08-003 September 2008); *Protocol for Determining the Daily Volatile Organic Emission Rate of Automobile and Light-Duty Truck Primer-Surfacer and Topcoat Operations* (EPA-453/R-08-002, September 2008); *A Guideline for Surface Coating Calculations* (EPA-340/1-86-016 July 1986) and *Control of Volatile Organic Emissions from-Existing Sources-Volume II: Surface Coating of Cans, Coils, Paper, Fabrics, Automobiles, and Light-Duty* Trucks (EPA-450/2-77-008 May 1977) were also referenced.

E. SIP HISTORY

1. SIP History.

Prior to 1975 the original air district for the Antelope Valley region was the Los Angeles County Air Pollution Control District that had a jurisdiction covering the entire county of Los Angeles. In 1975, the Southern California APCD was created. It was a joint powers authority that had a jurisdiction covering all of the counties of Los Angeles, Orange, Riverside and San Bernardino. The SCAQMD came into existence pursuant to statute on February 1, 1976 and originally covered only the areas within the South Coast Air Basin (SCAB). The legislation was thereafter amended to allow non-SCAB areas to "opt in." Los Angeles County exercised this option and thus the Antelope Valley became a part of SCAQMD. On July 1, 1997 the AVAPCD replaced the SCAQMD as the agency with jurisdiction over the Los Angeles County portion of the Mojave Desert Air Basin (MDAB). On January 1, 2002 the AVAPCD was replaced by the AVAQMD. Pursuant to both statutory changes, the rule and regulations of the predecessor district were retained until the Governing Board adopted, amended or rescinded them. At the first meeting of both the AVAPCD and the AVAQMD,

the respective Governing Boards reaffirmed all the rules and regulations in effect at the time the agency changed.

The jurisdiction of the AVAPCD and the AVAQMD were specified in the statutes as the portion of the Los Angeles County contained within the MDAB. The MDAB was formerly known as the Southeast Desert Air Basin (SEDAB). In 1997 the SEDAB was split into the MDAB and the Salton Sea Air Basin. Descriptions of these air basins can be found in 17 Cal. Code Regs. §§60109 and 60144. Since USEPA adopts SIP revisions in California as effective within jurisdictional boundaries of local air districts, when the local air district 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. Thus, upon creation of the AVAPCD on July 1, 1997 the AVAPCD acquired the SIP applicable to the Antelope Valley portion of the SCAQMD that was effective as of June 30, 1997. Likewise the AVAQMD acquired the SIP that was effective in the jurisdiction of the AVAPCD as of December 31, 2000. Therefore, the SIP history for this region is based upon the rules adopted, effective, and approved for the Antelope Valley by SCAQMD.

There is no equivalent document to Rule 1151.1 currently in the AVAQMD SIP.

2. SIP Analysis.

The District will request CARB to submit Rule 1151.1 as a new rule for inclusion in the current SIP version in effect. This submission 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.

Appendix "A"

Rule 1151.1 – *MOTOR VEHICLE ASSEMBLY 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 rule.

4. *[Bracketed italicized text]* is explanatory material that is not part of the proposed language. It is removed once the proposed rule is adopted.

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RULE 1151.1
MOTOR VEHICLE ASSEMBLY COATING OPERATIONS[2]

(A) General

(1) Purpose

(a) The purpose of this rule is to reduce emissions of Volatile Organic Compounds (VOCs) from Coatings and solvents associated with Motor Vehicle Assembly Coating Operations.

(2) Applicability

(a) This rule is applicable to all Motor Vehicle Assembly Coating Operations who apply Coatings that contain VOCs to new Motor Vehicles, new Light-Duty Trucks, new Heavier Vehicles and other parts that are coated along with these body or body parts during the vehicle assembly process and associated solvent cleaning activities.

(b) This rule does not apply to any operation that is subject to the provisions of Rule 1151 - *Motor Vehicle and Mobile Equipment Coating Operations*.

(c) The provisions of this rule shall not apply to materials supplied in containers with a net volume of 16 fluid ounces or less, or a net weight of one (1) pound or less.

(d) Except for record keeping requirements in section (D), the provisions of this rule shall not apply to an operation where the total actual VOC emissions from all Motor Vehicle Coating Operations, including related cleaning activities, at that facility are less than 15 pounds per day before consideration of controls.

(e) Any Motor Vehicle Application Line exempt from all or a portion of this rule shall comply with the provisions of Rule 442 – *Usage of Solvents*.

(B) Definitions

For the purpose of this rule, the following definitions shall apply:

(1) "Adhesive" - Any chemical substance, including glass bonding Adhesive, used at an Automobile, Light-Duty Truck or Heavier Vehicle assembly Coating facility,

[2] This rule is primarily derived from SJVUAPCD Rule 4602, as amended 9/17/2009, unless otherwise noted

applied for the purpose of bonding two vehicle surfaces together without regard to the substrates involved.

(2) "Air Pollution Control Officer (APCO)" – The person appointed to the position of Air Pollution Control Officer of the District pursuant to the provisions of California Health & Safety Code §40750 and his or her designee. *[Added definition for clarification purposes pursuant to AVAQMD Rule 102 - Definitions]*

(3) "Application Line" – The portion of a Motor Vehicle Assembly production line which applies surface and other Coatings to Motor Vehicle bodies, hoods, fenders, cargo boxes, doors, and grill opening panels.

(4) "Assembly Line" - An arrangement of industrial equipment and workers in which the product passes from one specialized operation to another until complete, by either automatic or manual means.

(5) "Automobile" – A Motor Vehicle designed to carry up to eight passengers, excluding vans, sport utility vehicles, and Motor Vehicles designed primarily to transport light loads of property.

(6) "Basecoat" - A pigmented Topcoat which is the first Topcoat applied as part of a Multistage Topcoat System.

(7) "Basecoat/Clearcoat (BC/CC)" - A Topcoat consisting of a base coat portion and a clear coat portion.

(8) "Bedliner" - Multi-component Coating, used at an Automobile or Light-Duty Truck or Heavier Vehicle assembly Coating facility, applied to a cargo bed after the application of Topcoat and outside of the Topcoat operation to provide additional durability and chip resistance.

(9) "Brush Coating" – The manual application of coatings using brushes or rollers.

(10) "Capture Efficiency" - The percentage of Volatile Organic Compounds used, emitted, evolved, or generated by the operation, that are collected and directed to an air pollution control device.

(11) "Catalyst" - A substance whose presence enhances the reaction between chemical compounds.

(12) "Cavity Wax" - A Coating used at an Automobile, Light-Duty Truck or Heavier Vehicle assembly Coating facility, applied into the cavities of the vehicle primarily for the purpose of enhancing corrosion protection.

(13) "Clearcoat" - A Topcoat which contains no pigments or only transparent pigments and which is the final Topcoat applied as part of a Multistage Topcoat System.

(14) "Coating(s)" - A material which is applied to a surface in order to beautify and/or protect such surface.

(15) "Coating Solids" – The nonvolatile portion of the Coating. *[as per 40 CFR 63.3176]*

(16) "Continuous Coating" – An enclosed Coating system where spray nozzles coat parts and products as they are conveyed through the enclosure. Water wash zones control the inlet and outlet of the enclosure. Excess Coating drains into a recirculation system.

(17) "Deadener" – A Coating used at an Automobile, Light-Duty Truck or Heavier Vehicle assembly Coating facility, applied to selected vehicle surfaces primarily for the purpose of reducing the sound of road noise in the passenger compartment.

(18) "Dip Coating" - Process in which a substrate is immersed in a solution (or dispersion) containing the Coating material, and then withdrawn.

(19) "Electrodeposition" - A Dip Coating application method where the Coating solids are given an electrical charge which is then attracted to a substrate.

(20) "Electrodeposition Primer (EDP)" – A process of applying a protective, corrosion-resistant waterborne Primer on exterior and interior surfaces that provides thorough coverage of recessed areas. It is a Dip Coating method that uses an electrical field to apply or deposit the conductive Coating onto the part. The object being painted acts as an electrode that is oppositely charged from the particles of paint in the dip tank. Also referred to as E-Coat, Uni-Prime, and ELPO Primer.

(21) "Electrostatic Spray Application" – A method of applying Coatings whereby the atomized Coating droplets are charged and subsequently deposited on the substrate by electrostatic attraction *[Derived from AV Rule 1151 for consistency]*

(22) "Emission Control System" – Any combination of capture system and control devices used to reduce VOC emissions from Motor Vehicle Assembly Coating Operations. *[Derived from AV Rule 1151 for consistency]*

(23) "Exempt Compounds" - Those compounds listed in 40 CFR 51.100(s). *[Derived from AV Rule 1151 for consistency]*

(24) "Final Repair" – The operations performed and Coating(s) applied to completely-assembled Motor Vehicles or to parts that are not yet on a completely assembled vehicle to correct damage or imperfections in the Coating. The curing of the Coatings applied in these operations is accomplished at a lower temperature than that used for curing Primer-Surfacer and Topcoat. This lower temperature cure avoids the need to send parts that are not yet on a completely assembled vehicle through the same type of curing process used for Primer-Surfacer and Topcoat and is necessary to protect heat sensitive components on completely assembled vehicles.

(25) "Flow Coating" - A Coating application system, with no air supplied to the nozzle, where Coatings flow over the part and the excess Coating drains back into the collection system.

(26) "Formulation Data" - The actual product recipe which itemizes all the ingredients contained in a product including VOCs and the quantities thereof used by the manufacturer to create the product. Material Safety Data Sheets (MSDS) are not considered Formulation Data. *[Definition pursuant to SC Rule 1113]*

(27) "Gasket/Gasket Sealing Material" - Fluid used at an Automobile, Light-Duty Truck or Heavier Vehicle assembly Coating facility, applied to coat a gasket or replace and perform the same function as a gasket. Automobile, Light-Duty Truck and Heavier Vehicle Gasket/Gasket Sealing Material includes room temperature vulcanization (RTV) seal material.

(28) "Glass Bonding Primer" - Primer, used at an Automobile, Light-Duty Truck or Heavier Vehicle assembly Coating facility, applied to windshield or other glass, or to body openings, to prepare the glass or body opening for the application of glass bonding, Adhesives or the installation of Adhesive bonded glass. Automobile, Light-Duty Truck or Heavier Vehicle Glass Bonding Primer includes Glass Bonding Primers that perform both functions (cleaning and priming of the windshield or other glass, or body openings) prior to the application of Adhesive or the installation of Adhesive bonded glass.

(29) "Grams of VOC per Liter of Coating Excluding Water and Exempt Compounds (VOC Regulatory)" - The weight of VOC per combined volume of VOC and Coating solids and can be calculated by the following equation:

Grams of VOC per Liter of Coating Excluding Water and Exempt Compounds: $= \frac{W_s - W_w - W_{ec}}{V_m - V_w - V_{ec}}$

Where:

W_s = weight of volatile compounds in grams
W_w = weight of water, in grams
W_{ec} = weight of Exempt Compounds, in grams
V_m = volume of material, in liters
V_w = volume of water, in liters
V_{ec} = volume of Exempt Compounds, in liters

(30) "Grams of VOC per liter of Material (VOC Actual)" - The weight of VOC per volume of material and can be calculated by the following equation:

$$Grams\ of\ VOC\ per\ Liter\ of\ Material = \frac{W_s - W_w - W_{ec}}{V_m}$$

Where:

W_s = weight of volatile compounds, in grams
W_w = weight of water, in grams
W_{ec} = weight of Exempt Compounds, in grams
V_m = volume of material, in liters

(31) "Hand Application Methods" - The application of Adhesive or Sealant by manually held equipment. Such equipment includes paint brush, hand roller, trowel, spatula, dauber, rag, sponges, and mechanically and/or pneumatic-driven syringes without atomization of the materials.

(32) "Heat Resistant Coating" - Coatings which, during normal use, must withstand temperatures of at least 400°F.

(33) "Heavier Vehicles" - A self-propelled vehicle designed for transporting persons or property on a street or highway that has a gross vehicle weight rating over 8,500 pounds.

(34) "High-Volume, Low-Pressure (HVLP) Spray Equipment" - Equipment used to apply materials by means of a spray gun which is designed and intended to be operated, and which is operated, between 0.1 and 10.0 pounds per square inch gauge (psig) of air atomizing pressure measured dynamically at the center of the air cap and at the air horns. *[Clarified for consistency with AV Rule 1151]*

(35) "Impact Resistant Coating" - Any Coating which is applied to a rocker panel for the purpose of chip resistance to road debris.

(36) "In-line Repair" - Operation performed and Coating(s) applied to correct damage or imperfections in the Topcoat on parts that are not yet on a completely assembled vehicle. The curing of the Coatings applied in these operations is accomplished at essentially the same temperature as that used for curing the previously applied Topcoat. This can also be referred to as high bake repair or high bake reprocess. In-line Repair is considered part of the Topcoat operation.

(37) "Light-Duty Truck" - Vans, sport utility vehicles, and motor vehicles designed primarily to transport light loads of property, with a gross Motor Vehicle weight rating of 8,500 pounds or less.

(38) "Lubricating Wax/Compound" - Protective lubricating material, used at an Automobile, Light-Duty Truck or Heavier Vehicle assembly Coating facility, applied to vehicle hubs and hinges.

(39) "Motor Vehicles" – Automobiles, Light-Duty Trucks, and Heavier Vehicles as defined herein.

(40) "Motor Vehicle Assembly Coating Operation" - Any person who applies Coatings to new Automobiles, Light-Duty Trucks, Heavier Vehicles, or body parts for new Automobiles, Light-Duty Trucks, or Heavier Vehicles, and other parts coated along with these bodies or body parts during the assembly process, and associated solvent cleaning activities.

(41) "Multistage Topcoat System" - Any Basecoat/Clearcoat Topcoat system or any Three-Stage Topcoat System, manufactured as a system, and used as specified by the manufacturer.

(42) "Overall Control Efficiency" - The product of capture and control efficiencies.

(43) "Primer" - Any Coating which is labeled and formulated for application to a substrate to provide 1) a bond between the substrate and subsequent coats, 2) corrosion resistance, 3) a smooth substrate surface, or 4) resistance to penetration of subsequent coats, and on which a subsequent Coating is applied. Primers may be pigmented. *[Derived from AV Rule 1151 for consistency]*

(44) "Primer Sealer" – Any Coating which is labeled and formulated for application prior to the application of a color Coating for the purpose of color uniformity, or to promote the ability of the underlying Coating to resist penetration by the color Coating. *[Derived from CARB's SCM for Automotive Coatings, as approved October 20, 2005, Section 3.25]*

(45) "Primer-Surfacer" - An intermediate protective Coating applied over the Electrodeposition Primer and under the Topcoat. Primer-Surfacer provides adhesion, protection, and appearance properties to the total finish. Primer-Surfacer may also be called guide coat or surfacer. Primer-Surfacer operations may include other Coating(s) (e.g., anti-chip, lower-body anti-chip, chip-resistant edge Primer, spot Primer, blackout, Deadener, interior color, Basecoat replacement Coating, etc.) that is (are) applied in the same spray booth(s). *[Derived from CTG]*

(46) "Reactive Adhesive" – An Adhesive system composed, in part, of volatile monomers that react during the adhesive curing reaction, and, as a result, do not evolve from the film during use. These volatile components instead become integral parts of the Adhesive through chemical reaction. At least 70 percent of the liquid components of the system, excluding water, react during the process. *[as per 40 CFR 63.4581]*

(47) "Reducer/Thinner" - Any volatile liquid used to reduce the viscosity of the Coating, but not used for Cleaning Operations. This liquid may be solvents, diluents, or both. *[Derived from AV Rule 1151 for consistency]*

(48) "Roll Coating" - The application of Coatings from a paint trough to a flat surface by a mechanical series of rollers.

(49) "Sealer" - High viscosity material, used at an Automobile, Light-Duty Truck or Heavier Vehicle assembly Coating facility, generally, but not always, applied in the paint shop after the body has received an Electrodeposition Primer Coating and before the application of subsequent Coatings (e.g., Primer-Surfacer). The primary purpose of Automobile, Light-Duty Truck or Heavier Vehicle Sealer is to fill body joints completely so that there is no intrusion of water, gases or corrosive materials into the passenger area of the body compartment. Such materials are also referred to as sealant, sealant Primer, or caulk.

(50) "Solids Turnover Ratio" - The ratio of total volume of Coating solids that is added to the EDP system in a calendar month divided by the total volume design capacity of the EDP system.

(51) "Solvent Cleaning Operation" - The removal of loosely held uncured Adhesives, uncured inks, uncured Coatings, and contaminants which include, but are not limited to, dirt, soil, and grease from parts, products, tools, machinery, equipment, and general work areas. Each distinct method of cleaning in a cleaning process which consists of a series of cleaning methods shall constitute a separate Solvent Cleaning Operation. *[Derived from AV Rule 1151 for consistency]*

(52) "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.

(53) "Surface Preparation" - The removal of contaminants from a surface prior to the application of Coatings, inks, or Adhesives or before proceeding to the next step of a manufacturing process.

(54) "Technical Data Sheet" – A document that defines physical values of the product when mixed as recommended with the listed components.*[as per Axalta Coating]*

(55) "Three-Stage Topcoat System" - A Topcoat system composed of a basecoat portion, a midcoat portion, and a transparent Clearcoat portion.

(56) "Topcoat" - The final Coating system applied to provide the final color and/or a protective finish. The Topcoat may be a monocoat color or Basecoat/Clearcoat system. In-line Repair and two-tone are part of a Topcoat. Topcoat operations may include other Coating(s) (e.g., blackout, interior color, etc.) that is (are) applied in the same spray booth(s). *[Derived from CTG]*

(57) "Transfer Efficiency (TE)" - The ratio of the weight (or volume) of Coating solids adhering to an object to the total weight (or volume) of Coating solids used in the application process expressed as a percentage.

(58) "Trunk Interior Coating" – A Coating, used at an Automobile, Light-Duty Truck or Heavier Vehicle assembly Coating facility outside of the Primer-Surfacer and Topcoat operations, applied to the trunk interior to provide chip protection.

(59) "Underbody Coating" – A Coating, used at an Automobile, Light-Duty Truck or Heavier Vehicle assembly Coating facility, applied to the undercarriage or firewall to prevent corrosion and/or provide chip protection.

(60) "VOC Actual" - This definition is the same as the definition of Grams of VOC per Liter of Material as listed under subsection (B)(31).

(61) "VOC Regulatory" - This definition is the same as the definition of Grams of VOC per Liter of Coating Less Water and Less Exempt Compounds as listed under subsection (B)(30).

(62) "Volatile Organic Compound (VOC)" - Any compound of carbon, excluding carbon monoxide, carbon dioxide, carbonic acid, metallic carbides or carbonates, ammonium carbonate, and Exempt Compounds, which participate in atmospheric photochemical reactions.*[as per comment from EPA, Stan Tong]*

(63) "Weatherstrip Adhesive" - Adhesive, used at an Automobile, Light-Duty Truck or Heavier Vehicle assembly Coating facility, applied to weatherstripping materials for the purpose of bonding the weatherstrip material to the surface of the vehicle.

(64) "Wipe Cleaning" - A Solvent Cleaning activity performed by hand rubbing an absorbent material such as a rag, paper, sponge, brush, or cotton swab containing solvent.

(C) Requirements

(1) VOC Content of Coatings

(a) An operator of a Motor Vehicle Assembly Operation shall not apply a Coating that has a VOC content in excess of the limits contained in Table 1 or Table 2 of this subsection, except as provided in Section (C)(2).

(b) The daily VOC average per gallon of Coating solids deposited shall be calculated according to the following formula using content listed on the suppliers Technical Data Sheet:

$$Coating\ Density[\frac{lb\ \ coating}{gal\ coating}] \times \frac{(Wv-(Ww+Wec))}{lb\ coating} \times \frac{1\ gal\ coating}{Vs} = \frac{lb\ VOC}{gal\ solids}$$

$$\frac{lb\ VOC}{gal\ solids} \times \frac{l\ gal\ solids\ used}{TE} = \frac{lb\ VOC}{gal\ solids\ deposited}$$

Where:

Coating Density (lb Coating)=	Pound per Gallon (Average)
Wv=	Weight percent volatiles lb (Average)
Ww=	Weight percent water (Average)
Wec=	Weight percent exempt VOC (Average)
$V_{s=}$	Volume percent (gallon of solids)-(Average)
TE=	Transfer Efficiency-ratio

[calculation derived from A Guideline for Surface Coating Calculations (EPA-340/1-86-016, July 1986) as per Stan Tong]

(c) If a coating(s) is determined to be non-compliant pursuant to the calculation in (C)(1)(b), and more than one coating in the same assembly coating process is used in the same day, the following daily weighted average calculation may be used to determine compliance within each assembly coating process:

(i) Determine $\frac{lb\ VOC}{gal\ solids\ deposited}$ as per the equation in (C)(1)(b) for each coating used within a specific process.

(ii) The daily weighted average is the quotient of total VOCs (pounds), (within a specific process) divided by total gallons solids deposited (within a specific process).

Table l VOC Emission Limits for Motor Vehicle Assembly Coating Operations

Assembly Coating Process	**VOC Emission Limit**		
Electrodeposition Primer operations (including application area, spray/rinse stations, and curing oven)	When Solids Turnover Ratio (R_T)≥0.16	When 0.040 ≤ R_T <0.160	When R_T < .040
	0.084 kg VOC /liter (0.7 lb/gal) Coating solids applied	$0.084 \times 350^{0.160 - R_T}$ kg VOC/liter ($0.084 \times 350^{0.160 - R_T} \times 8.34$ lb/gal) Coating solids applied	No VOC emission limit
Primer-Surfacer operations (including application area, flash off area, and oven)	1.44 kg of VOC/liter of deposited solids (12.0 lb VOC/gal of deposited solids) using the calculation in (C)(1)(b), or for non-compliant coating(s),using the daily weighted average calculation in (C)(1)(c)		
Topcoat operations (including application area, flash-off area, and oven)	1.44 kg of VOC/liter of deposited solids (12.0 lb VOC/gal of deposited solids) using the calculation in (C)(1)(b), or for non-compliant coating(s),using the daily weighted average calculation in (C)(1)(c)		
Combined Primer-Surfacer and Topcoat operations	1.44 kg of VOC/liter of deposited solids (12.0 lb VOC/gal of deposited solids) using the calculation in (C)(1)(b), or for non-compliant coating(s),using the daily weighted average calculation in (C)(1)(c)		
Final Repair operations	0.58 kg VOC/liter (4.8 lb VOC/gallon of Coating) less water and less exempt solvents on a daily weighted average basis or as an occurrence weighted average.		

Table 2 VOC Content Limits for Miscellaneous Materials Used at Motor Vehicle Assembly Coating Operations (grams of VOC per liter of Coating, excluding water and Exempt Compounds, as applied.)

Material	VOC Emission Limit, as applied, in grams per liter (pounds per gallon)
Glass Bonding Primer	900 (7.5)
Adhesive	250 (2.1)
Cavity Wax	650 (5.4)
Sealer	650 (5.4)
Deadener	650 (5.4)
Gasket/Gasket Sealing Material	200 (1.7)
Underbody Coating	650 (5.4)
Trunk Interior Coating	650 (5.4)
Bedliner	200 (1.7)
Weatherstrip Adhesive	750 (6.3)
Lubricating Wax/Compound	700 (5.8)

(2) Emission Control System Requirements

(a) In lieu of complying with the requirements in section (C)(1), an operator may use a Emission Control System that meets all of the following requirements:

(i) The Emission Control System, consisting of collection and control devices, shall be approved in writing by the APCO.

(ii) The approved Emission Control System shall achieve an overall capture and control efficiency of at least 90 percent by weight as calculated according to section (C)(2)(a)(iv).

(iii) Use of an Emission Control System shall result in VOC emissions equal to or less than VOC emissions which would result from compliance with the applicable requirements of section (C)(1), (C)(3) or (C)(4).

(iv) The minimum required control efficiency of an Emission Control System at which an equivalent or greater level of VOC reduction will be achieved shall be calculated by the following equation:

$$C.E. = [\ 1- \{\ \frac{(VOC_{LWc})}{(VOC_{LWn,Max})}\ x\ \frac{1-(\frac{VOC_{LWn,Max})}{D_{n,Max}}}{1-(\frac{VOC_{LWc}}{D_c})}\ \}\ ]\ x\ 100$$

Where: C.E. = Overall Control Efficiency, percent

VOC_{LWc} = VOC Limit less water and less Exempt compounds

$VOC_{LWn,Max}$ = Maximum VOC content of non-compliant Coating used in conjunction with a control device, less water and Exempt compounds.

$D_{n,Max}$ = Density of solvent, Reducer/Thinner contained in the non-compliant Coating.

D_c = Density of corresponding solvent, Reducer/Thinner used in the compliant Coating system.

(3) Coating Application Methods

(a) The operator shall apply Coatings using one of the following methods:

(i) Brush, Dip or Roll Coating; or
(ii) Electrostatic Application; or
(iii) Flow Coating; or
(iv) Continuous Coating; or
(v) High Volume, Low Pressure (HVLP) spray equipment operated in accordance with the manufacturer's recommendations.

(b) Any other Coating application method which is demonstrated in accordance with the provisions of (E)(1)(e) to be capable of achieving equivalent or better Transfer Efficiency than the automotive Coating application listed in (C)(3)(a)(v), provided written approval from the APCO is obtained prior to use.*[pursuant to SCAQMD Rule 1151(d)(6)(v)]*

(c) In lieu of compliance with Section (C)(1) , an operator may control emissions from application equipment with a VOC Emission Control System that meets the requirements of section (C)(2).

(4) Solvent Cleaning Operations

(a) Solvent Cleaning Operations shall use solvents that have a VOC content equal to or less than 25 grams VOC/liter of cleaning material as calculated using the equations listed in section (B)(30).

(b) Cleaning activities that use solvents shall be performed by one or more of the following methods:

(i) Wipe Cleaning; or
(ii) Application of solvent from hand-held spray bottles from which solvents are dispensed without a propellant induced force; or
(iii) Non-atomized solvent flow method in which the cleaning system 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 an APCO approved VOC Emission Control System that complies with section (C)(2). This provision shall not apply to the cleaning of nozzle tips of automated spray equipment systems, except for robotic systems and cleaning with spray bottles or containers described in section (C)(4)(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; when not in use, it must be closed.*[pursuant to SJVUAPCD Rule 4602, 5.4.5]*

(e) In lieu of complying with sections (C)(4)(a) through (C)(4)(d), an operator may control VOC emissions from solvent cleaning with an APCO approved VOC Emission Control System that meets the requirements of section (C)(2).

(5) Solvent Disposal and Storage

(a) The operator shall store or dispose of fresh or spent solvents, waste solvent cleaning materials such as cloth, paper, Coating, Adhesives, Catalysts and thinners in closed, non-absorbent and non-leaking containers. The containers shall remain closed at all times except when depositing or removing the contents of the containers or when the container is empty.

(6) Work Practice Plan

(a) The operator shall develop a work practice plan to reduce VOC emissions from Automobile, Light-Duty Truck and Heavier Vehicle assembly Coating-related activities which include, but are not limited to:

(i) Store all VOC-containing Coatings, thinners and Coating-related waste materials in closed containers
(ii) Ensure that mixing and storage containers used for VOC-containing Coatings, thinners and Coating-related waste materials are kept closed at all times except when depositing or removing these materials
(iii) Minimize spills of VOC-containing Coatings, thinners, and Coating-related waste materials
(iv) Transport VOC-containing Coatings, thinners, and Coating-related waste materials from one location to another in closed containers or pipes
(v) Minimize VOC emission from cleaning of storage, mixing and transporting equipment.

(b) The operator shall develop and implement a work practice plan to minimize VOC emissions from cleaning and from purging of equipment associated with new Motor Vehicle Assembly Coating Operations for which emission limits are required by this rule. The plan should specify practices and procedures to ensure VOC emissions from the following operations are minimized:

(i) Vehicle Body wiping;
(ii) Coating line purging;
(iii) Flushing of Coating systems;
(iv) Cleaning of spray booth grates, walls and equipment;
(v) Cleaning external spray booth areas; and
(vi) Other housekeeping measures.
(vii) If an operator has a 2004 National Emission Standard for Hazardous Pollutants (NESHAP) (40 CFR, part 63, subpart IIII) work practice plan in place, instead of creating another work practice plan to address VOC emissions, the operator shall add to its NESHAP work practice plan procedures for minimizing non-hazardous air pollutants (HAP) VOC emissions.

(D) Record Keeping Requirements

(1) All persons subject to this rule and any person claiming any exemption under sections (A)(2) shall comply with the following requirements:*[as per AV Rule 1151 to have consistency with coating recordkeeping requirements]*

(a) Maintain and have available during an inspection, a current list of Coatings and solvents in use which provides all of the Coating data necessary to evaluate compliance, including the following information:

(i) The name and manufacturer;
(ii) The mix ratio of components used;
(iii) The VOC Actual and the VOC Regulatory content of each Coating as applied, or VOC content for each solvent;
(iv) Current Technical Data Sheet, Product Data Sheet or an equivalent manufacturers document for each coating and solvent, which provide the physical properties necessary to determine the lb VOC/Coating Solids deposited. *[Pursuant to SCAQMD Rule 1115]*
(v) Purchase records identifying the automotive category, name and the total volume of all coatings and solvents. *[pursuant to SCAQMD Rule 1115]*

(b) Maintain records on a daily basis including:

(i) Coating category and mix ratio of components used in the Coating; and
(ii) Volume of each Coating applied (gallons); and
(iii) Application method used to apply Coating; and,
(iv) VOC content ((pounds per gallon) or (grams per liter)) and, for Dip Coating operations, viscosity (cSt) of Coating; and
(v) Non-compliant coatings that use the daily weighted average calculation (C)(1)(c).

(c) Maintain records on a monthly basis for Surface Preparation and Cleaning Operations including:

(i) The name and manufacturer of the solvent used, including methylene chloride MeCl.
(ii) The amount of each solvent and MeCl consumed for any use, in gallons.
(iii) The weight percentage of each solvent and MeCl consumed for any use.

(d) Such records shall be retained and available for inspection by the APCO for a minimum of five (5) years.

(2) An operator using an Emission Control System as a means of complying with the provisions in section (C) shall maintain daily records of key system operating parameters which will demonstrate continuous operation and compliance of the Emission Control System during periods of emission producing activities. Key system operating parameters are those necessary to ensure compliance with VOC limits. The parameters include, but are not limited to temperature, pressures and flowrates.

(E) Test Methods

(1) The following test methods are incorporated by reference herein and shall be used to determine compliance with the provisions of the rule. Alternate test methods may be used, provided they are approved by the APCO, ARB and USEPA.

(a) VOC content of Coatings, other than reactive Adhesives, used at Motor Vehicle Assembly Coating Operations shall be determined using USEPA Method 24 and analysis of halogenated Exempt Compounds shall be analyzed by ARB Method 432.

(b) The procedure for reactive Adhesives in appendix A of the NESHAP for surface Coating of plastic parts (40 CFR Part 63, subpart PPPP) shall be used to determine the VOC content of reactive Adhesives.

(c) The manufacturer's Formulation Data shall be accepted as an alternative to these methods. If there is a disagreement between manufacturer's Formulation Data and the results of a subsequent test, use the test method results unless the facility can make a demonstration to the APCO's satisfaction that the manufacturer's Formulation Data are correct.

(d) Determination of emissions of VOC from spray gun cleaning systems shall be made using South Coast Air Quality Management District (SCAQMD) "General Test Method for Determining Solvent Losses from Spray Gun Cleaning Systems," October 3, 1989.

(e) 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 and SCAQMD "Guidelines for Demonstrating Equivalency With District Approved Transfer Efficiency Spray Gun", September 26, 2002.

(2) Determination of Efficiency of Emission Control System

(a) The Capture Efficiency of the Emission Control System as specified in paragraph (C)(2) shall be determined by the procedures presented in the USEPA technical guidance document, "Guidelines for Determining Capture

Efficiency", January 9, 1995 and 40 CFR 51, Appendix M, Methods 204-204f as applicable for determination of capture efficiency. Alternate test methods may be used, provided they are approved by the APCO, ARB and USEPA.

(b) The control efficiency of a VOC Emission Control System as specified in paragraph (C)(2) and the VOC content in the control device exhaust gases, measured and calculated as carbon, shall be determined by the USEPA Test Methods 25, 25A, or SCAQMD Method 25.1 (Determination of Total Gaseous Non-Methane Organic Emissions as Carbon) as applicable. USEPA Test Method 18 or ARB Method 432 shall be used to determine emissions of Exempt Compounds.

(3) 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:

$CE_{CAPTURE\ AND\ CONTROL} = [CE_{CAPTURE} \times CE_{CONTROL}]/100$

WHERE:

$CE_{CAPTURE\ AND\ CONTROL}$	=	Overall Capture and Control Efficiency, in percent
$CE_{CAPTURE}$	=	Capture Efficiency of the collection device, in percent, as determined in section (E)(2)(a)
$CE_{CONTROL}$	=	Control Efficiency of the control device, in percent, as determined in section (E)(2)(b)

(4) Multiple Test Methods

(a) When more than one test method or set of 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.

Appendix "B"
Public Notice Documents

1. Draft Proof of Publication – Antelope Valley Press 05/19/2017

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NOTICE OF HEARING

NOTICE IS HEARBY GIVEN that the Governing Board of the Antelope Valley Air Quality Management District (AVAQMD) will conduct a public hearing on June 20, 2017 at 10:00 A.M. to consider the proposed adoption of Rule 1151.1 – *Motor Vehicle Assembly Coating Operations*.

SAID HEARING will be conducted in the Governing Board Chambers located at the AVAQMD offices, 43301 Division Street, Suite 206, Lancaster, CA 93535-4649 where all interested persons may be present and be heard. Copies of the proposed adoption of Rule 1151.1 – *Motor Vehicle Assembly Coating Operations* and the Staff Report are on file and may be obtained from the Clerk of the Governing Board at the AVAQMD Offices. Written comments may be submitted to Bret Banks, Executive Director/APCO at the above office address, and should be received no later than June 19, 2017 to be considered. If you have any questions, you may contact Barbara Lods at (661) 723-8070 x3 or via E-mail at blods@avaqmd.ca.gov for further information. Traducción esta disponible por solicitud

The proposed adoption of Rule 1151.1 addresses the 2015 *RACT SIP Analysis* commitment to amend Rule 1151 *Motor Vehicle And Mobile Equipment Coating Operations* to incorporate provisions of the CTG for *Automobile and Light-Duty Truck Assembly Coating Operations* as applicable to "Heavier" vehicles, which includes all vehicles that meet the definition of the term "other motor vehicle" as defined at 40 CFR §63.3176. For clarity, the District has proposed the adoption of new Rule 1151.1 to address the purpose, definitions, VOC content limit for coatings, record keeping requirements control device efficiency, work practices, and test methods. The District has one facility that is a vehicle assembly coating operation for "heavier" vehicles. BYD Coach and Bus is not a major source, but is permitted above the CTG threshold, and therefore the District must adopt a rule to reflect current Federal RACT. The proposed rule is based on the CTGs, and various district rules deemed to be RACT by USEPA, including San Joaquin Valley Unified Air Pollution Control District (SJVUAPCD) Rule 4602 – *Motor Vehicle Assembly Coatings (*09/17/2009, 76 FR 67369, 11/01/2011*)*.

Pursuant to the California Environmental Quality Act (CEQA) the AVAQMD has determined that a Categorical Exemption (Class 8 – 14 Cal. Code Reg §15308) applies and has prepared a *Notice of Exemption* for this action.

CRYSTAL GOREE
Deputy Clerk of the Board
Antelope Valley Air Quality Management District

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Appendix "C"

Public Comments and Responses

1. No comments received at this time.

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Appendix "D"
California Environmental Quality Act
Documentation

1. Notice of Exemption – Los Angeles County

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NOTICE OF EXEMPTION

TO: Los Angeles County Clerk
12400 E. Imperial Hwy, #1001
Norwalk, CA 90650

FROM: Antelope Valley
Air Quality Management District
43301 Division Street, Suite 206
Lancaster, CA 93535-4649

X AVAQMD Clerk of the Governing Board

PROJECT TITLE: Rule 1151.1 – *Motor Vehicle Assembly Coating Operations*

PROJECT LOCATION – SPECIFIC: Los Angeles County portion of the Mojave Desert Air Basin.

PROJECT LOCATION – COUNTY: Los Angeles County

DESCRIPTION OF PROJECT: The proposed adoption of 1151.1 – *Motor Vehicle Assembly Coating* Operations will satisfy 42 U.S.C. §§7511a (Federal Clean Air Act §182) which requires that ozone non-attainment areas implement Reasonably Available Control Technology (RACT) for sources that are subject to Control Techniques Guidelines (CTG) documents issued by the United States Environmental Protection Agency (USEPA) and for "major sources" of volatile organic compounds (VOCs) and oxides of nitrogen (NOx) which are ozone precursors.

NAME OF PUBLIC AGENCY APPROVING PROJECT: Antelope Valley AQMD

NAME OF PERSON OR AGENCY CARRYING OUT PROJECT: Antelope Valley 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 adoption of Rule 1151.1 is exempt from CEQA review because the proposed adoption will not create any adverse impacts on the environment. Rule 1151.1 will impose controls on VOC limits, control equipment, cleaning equipment and methods, work practices, exemptions and test methods. Because there is no potential that the adoption 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: Bret Banks **PHONE:** (661) 723-8070

SIGNATURE: _____
TITLE: Executive Director/APCO **DATE**: June 20, 2017

DATE RECEIVED FOR FILING:

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Appendix "E"
Bibliography

The following documents were consulted in the preparation of this staff report.

1. *Control Techniques Guidelines for Automobile and Light-Duty Truck Assembly Coatings* (EPA-453/R-08-006, September 2008).
2. *Control Techniques Guidelines for Miscellaneous Metal and Plastic Parts Coatings* EPA (453/R-08-003, September 2008).
3. *Protocol for Determining the Daily Volatile Organic Emission Rate of Automobile and Light-Duty Truck Primer-Surfacer and Topcoat Operations* (EPA-453/R-08-002, September 2008)
4. *A Guideline for Surface Coating Calculations* (EPA-340/1-86-016, July 1986).
5. *Control of Volatile Organic Emissions from-Existing Stationary Sources – Volume II: Surface Coating of Can, Coils, Paper, Fabrics, Automobiles, and Light-Duty Trucks* (EPA-450/2-77-008, May 1977)
6. SJVUAPCD Rule 4602 – *Motor Vehicle Assembly Coatings,* September 17, 2009
7. AVAQMD Rule 1151 – *Motor Vehicle and Mobile Equipment Coating Operations,* June 19, 2012.
8. SCAQMD Rule 1115 – *Motor Vehicle Assembly Line Coating Operations,* May 12, 1995
9. Title 40-Chapter I-Subchapter C-Part 63-Subpart IIII-Section 63.3176, 40 CFR 63.3176 – *What definitions apply to this subpart*.
10. Title 40-Chapter I-Subchapter C-Part 63-Subpart PPPP-Section 63.4581, 40 CFR 63.4581-*What definitions apply to this subpart*.

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MINUTES OF THE GOVERNING BOARD
OF THE ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT
LANCASTER, CALIFORNIA

AGENDA ITEM **10**

DATE: June 20, 2017

RECOMMENDATION: Approve spending authority for the District consistent with the Fiscal Year 2016-17 Budget until the FY 2017-18 Budget is adopted.

SUMMARY: Spending authority under the FY 2016-17 Budget effectively expires June 30, 2017. This extension of spending authority will allow the District to continue business until the adoption of a budget for FY 2017-18.

BACKGROUND: In the event the Governing Board does not adopt a budget for FY 2017-18, this item will allow the District to continue conducting business until such time as a budget is adopted.

This action is consistent with Governing Board Policy 11-05 adopted by the Governing Board on January 18, 2011. This policy authorizes the amount in the budget from the preceding year to be deemed appropriate, excluding capital expenses and residual equity transfers unless specifically approved by the Governing Board.

REASON FOR RECOMMENDATION: The Governing Board has the authority to continue the spending authority of the current budget into the next fiscal year.

REVIEW BY OTHERS: This item was reviewed by Allison K. Burns, Special Counsel as to legal form on or about June 5, 2017.

FINANCIAL DATA: This action will not require any additional appropriation.

PRESENTER: Bret Banks, Executive Director/APCO

cc: Jean Bracy
Laquita Cole
Michelle Powell

MINUTES OF THE GOVERNING BOARD
OF THE ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT
LANCASTER, CALIFORNIA

AGENDA ITEM **11**

DATE: June 20, 2017

RECOMMENDATION: Authorize the Executive Director/APCO and staff to implement an On-Road Vehicle Work Plan to the AVAQMD's Carl Moyer Program pursuant to the California Air Resources Board approval of the 2017 Carl Moyer Program Guidelines as of April 27, 2017 and as to approved form by the California Air Resources Board.

SUMMARY: This item authorizes the Executive Director/APCO and staff to implement a Carl Moyer On-Road Vehicle Work Plan. Implementation of the On-Road Vehicle Work Plan sets forth the structure for the AVAQMD to provide grants for on-road vehicle projects. Eligible projects are of various types which provide surplus emission reductions from on-road mobile sources meeting or exceeding the current emission standards.

BACKGROUND: The purpose of the Carl Moyer Program is to reduce emissions by providing grants for the incremental cost of cleaner heavy-duty vehicles and vehicle such as on-road, off-road, marine, locomotive and various agricultural projects. The On-Road Work Plan will provide incentives to repower, retrofit, or replace older, dirtier vehicles, including equipment, with newer, cleaner technology providing real emission benefits especially for fleet turnover than would have been expected through normal attrition.

REASON FOR RECOMMENDATION: Carl Moyer Program Guidelines require Air Districts to establish an on-road vehicles work plan for the purpose of funding on-road vehicles projects. Additionally, Governing Board authorization is needed for the Executive Director/APCO and staff to negotiate and execute agreements pertaining to the Carl Moyer Program.

REVIEW BY OTHERS: This item was reviewed by Allison E. Burns, Special Counsel to the Governing Board, as to legal form and by Bret Banks, Executive Director/APCO – Antelope Valley Operations on or before June 5, 2017.

FINANCIAL DATA: Carl Moyer Program funds are supplementary to the AVAQMD budget.

PRESENTER: Julie McKeehan, Air Quality Specialist

cc: Jean Bracy
Laquita Cole
Michelle Powell
Julie McKeehan

MINUTES OF THE GOVERNING BOARD
OF THE ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT
LANCASTER, CALIFORNIA

AGENDA ITEM **12**

DATE: June 20, 2017

RECOMMENDATION: Award an amount not to exceed $170,159 in Carl Moyer Program funds to High Desert Dairy for the replacement of one (1) older diesel-powered tractor with newer, cleaner technology; and 2) 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 an amount not to exceed $170,159 in Carl Moyer Program funds to High Desert Dairy for the replacement of one (1) 1989 uncontrolled diesel tractor with a new, cleaner tractor certified to the Final Tier 4/current emission standards.

BACKGROUND: AVAQMD received an application from High Desert Dairy requesting grant funding towards retirement and replacement of older diesel-powered farm equipment. High Desert Dairy proposes voluntary participation in the Carl Moyer Equipment Replacement Program to reduce emissions by retiring one (1) 1989 CASE 7130 to receive up to 80 percent in grant funding to off-set the costs to purchase one (1) new 2016 John Deere Tractor with the cleanest off-road engine technology calculated to produce 4.64 tons of emissions reduction per year for a 7-year project life. Staff has evaluated the project for Carl Moyer eligibility pursuant to the guidelines for the use of Carl Moyer funding. Applicant is eligible to receive the maximum of 80% of the replacement costs for a grant in the amount of $170,159. Early fleet turnover provides emission reductions that help the Valley towards attainment of the national ambient air quality standards.

cc: Jean Bracy
Laquita Cole
Michelle Powell
Julie McKeehan

REASON FOR RECOMMENDATION: Governing Board approval is needed to fund Carl Moyer projects. Additionally, Governing Board authorization is needed for the Executive Director/APCO and staff to negotiate and execute an agreement with the grant recipient.

REVIEW BY OTHERS: This item was reviewed by Allison E. Burns, Special Counsel to the Governing Board, as to legal form and by Bret Banks, Executive Director/APCO – Antelope Valley Operations on or before March 7, 2017.

FINANCIAL DATA: Sufficient funds are available from the District's Year 19 Carl Moyer Program.

PRESENTER: Julie McKeehan, Air Quality Specialist

MINUTES OF THE GOVERNING BOARD
OF THE ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT
LANCASTER, CALIFORNIA

AGENDA ITEM **13**

DATE: June 20, 2017

RECOMMENDATION: 1) Award an amount not to exceed of $84,000 from Mobile Source Emissions Reduction Program funds for the purchase of three (3) Mean Green CXR-60 industrial electric lawn mowers; and 2) 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 allocates an amount not to exceed of $84,000 from Mobile Source Emissions Reduction Program funds for the purchase of three (3) Mean Green CXR-60 industrial electric lawn mowers to be operated by the City of Lancaster, City of Palmdale and the Antelope Valley Fair.

BACKGROUND: The District's Lawn Mower Exchange Program was implemented in 2009 using the District's general funds and Air Quality Improvement Program (AQIP) funds. Program years 2013, 2014 and 2015 saw a decline in participation which seemingly was a result of competing with water conversation incentives to replace lawns with drought resistant landscaping during the drought. District staff believes electric lawn mower technology has progressed enough to support implementation of commercial grade electric lawn mowers. Operation of commercial electric lawn mowers will reduce noise, produce zero emissions, use zero gasoline or diesel fuel and require much less maintenance.

Based on the performance and reliability of these three mowers the District intends to develop a replacement program for large conventional fueled commercial lawn mowers. The commercial electric lawn mower replacement program would target municipalities, schools, golf courses and other facilities with large lawn areas.

cc: Jean Bracy
Laquita Cole
Michelle Powell
Julie McKeehan

REASON FOR RECOMMENDATION: Governing Board approval is needed to allocate District funds.

REVIEW BY OTHERS: This item was reviewed by Allison Burns, Special Counsel to the Governing Board as to legal form and by Bret Banks, Executive Director/APCO – Antelope Valley Operations on or before June 9, 2017.

FINANCIAL DATA: Sufficient funding is available from the District's general funds and AB 923.

PRESENTER: Bret Banks, Executive Director/Air Pollution Control Officer