

# Antelope Valley Air Quality Management District

2551 W Avenue H  
Lancaster, CA 93536  
www.avaqmd.ca.gov

## Governing Board Regular Meeting

### Agenda

#### MEETING LOCATION

Antelope Valley Transit Authority  
District Office  
42210 6th Street West  
Lancaster, CA 93534  
661.723.8070

**TUESDAY, SEPTEMBER 19, 2023  
10:00 A.M.**

#### BOARD MEMBERS

Marvin Crist, Chair, City of Lancaster  
Austin Bishop, Vice Chair, City of Palmdale  
Ron Hawkins, Los Angeles County  
Howard Harris, Los Angeles County  
Ken Mann, City of Lancaster  
Andrea Alarcón, City of Palmdale  
Newton Chelette, Public Member

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

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

ALL SCHEDULED ITEMS WILL BE HEARD AT THE ANTELOPE VALLEY TRANSIT AUTHORITY (AVTA) DISTRICT OFFICE, 42210 6TH STREET WEST, LANCASTER, CA 93534 AND THE TELECONFERENCE LOCATION(S), IF APPLICABLE. PLEASE NOTE THAT THE BOARD MAY ADDRESS ITEMS IN THE AGENDA IN A DIFFERENT ORDER THAN THE ORDER IN WHICH THE ITEM HAS BEEN POSTED.

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.

PUBLIC COMMENTS ON AGENDIZED ITEMS MAY BE SUBMITTED VIA EMAIL TO PUBLICCOMMENT@AVAQMD.CA.GOV AT LEAST TWO HOURS PRIOR TO THE START OF THE MEETING.

**CALL TO ORDER 10:00 A.M.**

Pledge of Allegiance.

Roll Call

Special Announcements/Presentation:

- A. Presentation of the 2022/2023 William J. “Pete” Knight AIRE Award, Presenter: Barbara Lods, Executive Director/APCO.
- B. Antelope Valley College Presentation.

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

PUBLIC COMMENT

**CLOSED SESSION**

- 1. CONFERENCE WITH LEGAL COUNSEL – PENDING LITIGATION Antelope Valley Air Quality Management District v. United States Environmental Protection Agency, et al. 9th Cir. Case No. 23-1614.

**CONSENT CALENDAR**

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

- 2. [Approve Minutes from Regular Governing Board Meeting of August 15, 2023. Find that the California Environmental Quality Act does not apply to this item.](#)
- 3. [Monthly Grant Funding Summary. Receive and file. Find that the California Environmental Quality Act does not apply to this item.](#)
- 4. [Monthly Activity Report. Receive and file. Find that the California Environmental Quality Act does not apply to this item.](#)
- 5. [Approve payments to City of Lancaster in the amount of \\$287,374.21 for FY23 Quarter 4 expenditures. Find that the California Environmental Quality Act does not apply to this item.](#)
- 6. [This Preliminary Financial Report is provided to the Governing Board for information concerning the fiscal status of the District at July 31, 2023.](#)
- 7. [Conduct public hearing to consider the amendment of District Rule 1700 — Prevention of Significant Deterioration \(PSD\): a. Open public hearing; b. Receive staff report; c. Receive public testimony; d. Close public hearing; e. Make a determination that the California Environmental Quality Act \(CEQA\) Categorical Exemption applies; f. Waive reading of Resolution; g. Adopt Resolution making appropriate findings, certifying the Notice of Exemption, amending Rule 1700 and directing staff actions.](#)

## **ITEMS FOR DISCUSSION**

### DEFERRED ITEMS

### NEW BUSINESS

8. 1) Award an amount not to exceed \$323,424 in Carl Moyer Program funds to A-G Sod Farms for the replacement of older diesel tractors with new, cleaner technology; 2) Authorize the Executive Director/APCO the option to change the funding source if warranted or if other applicable funding sources become available; 3) Authorize the Executive Director/APCO and staff to negotiate target time frames and technical project details and execute an agreement, approved as to legal form by the Office of District Counsel; and 4) Find that this item is not a project pursuant to the California Environmental Quality Act.
9. 1) Award an amount not to exceed \$78,255 in Carl Moyer Program funds to Bookman Ranch for the replacement of an older diesel tractor with new, cleaner technology; 2) Authorize the Executive Director/APCO the option to change the funding source if warranted or if other applicable funding sources become available; 3) Authorize the Executive Director/APCO and staff to negotiate target time frames and technical project details and execute an agreement, approved as to legal form by the Office of District Counsel; and 4) Find that this item is not a project pursuant to the California Environmental Quality Act.
10. 1) Award an amount not to exceed \$85,721 of Carl Moyer Program funds to Gene Wheeler Farms for the replacement of an older diesel forklift with newer, cleaner technology; 2) Authorize the Executive Director/APCO the option to change the funding source if warranted or if other applicable sources become available; and 3) Authorize the Executive Director/APCO and staff to negotiate target time frames and technical project details and execute agreements, approved as to legal form by the Office of District Counsel, and 4) Find that this item is not a project pursuant to the California Environmental Quality Act.
11. 1) Award an amount not to exceed \$110,768 in Carl Moyer Program funds to Hemme Hay and Feed for the replacement of an older diesel forklift with newer, cleaner technology; 2) Authorize the Executive Director/APCO the option to change the funding source if warranted or if other applicable sources become available; and 3) Authorize the Executive Director/APCO and staff to negotiate target time frames and technical project details and execute agreements, approved as to legal form by the Office of District Counsel, 4) Find that this item is not a project pursuant to the California Environmental Quality Act.
12. Reports: Governing Board Counsel, Executive Director/APCO, Staff.
13. Board Member Reports and Suggestions for Future Agenda Items.
14. Adjourn to Regular Governing Board Meeting of Tuesday, October 17, 2023.

***In compliance with the Americans with Disabilities Act, if special assistance is needed to participate in the Board Meeting, please contact the Executive Director during regular business hours at 661.723.8070 x23. Notification received 48 hours prior to the meeting will enable the District to make reasonable accommodations. All***

**accommodation requests will be processed swiftly and resolving any doubt in favor of accessibility.**

I hereby certify, under penalty of perjury, that this agenda has been posted 72 hours prior to the stated meeting in a place accessible to the public. Copies of this agenda and any or all additional materials relating thereto are available at [www.avaqmd.ca.gov](http://www.avaqmd.ca.gov) or by contacting Adrianna Castaneda at 661.723.8070 ext. 21 or by email at [acastaneda@avaqmd.ca.gov](mailto:acastaneda@avaqmd.ca.gov).

Mailed & Posted on: Thursday, September 14, 2023

[Adrianna Castañeda](#)

Adrianna Castaneda

The following page(s) contain the backup material for Agenda Item: [Approve Minutes from Regular Governing Board Meeting of August 15, 2023. Find that the California Environmental Quality Act does not apply to this item.](#)  
Please scroll down to view the backup material.

**ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT  
GOVERNING BOARD MEETING  
TUESDAY, AUGUST 15, 2023  
ANTELOPE VALLEY TRANSIT AUTHORITY DISTRICT OFFICE  
LANCASTER, CA**

**Draft Minutes**

Board Members Present:

Marvin Crist, *Chair*, City of Lancaster  
Austin Bishop, *Vice Chair*, City of Palmdale  
Ken Mann, City of Lancaster  
Andrea Alarcón, City of Palmdale  
Ron Hawkins, Los Angeles County  
Howard Harris, Los Angeles County

Board Members Absent:

Newton Chelette, Public Member

**CALL TO ORDER**

Chair **CRIST** called the meeting to order at 10:00 a.m. Chair **CRIST** asked Board Member **ALARCÓN** to lead the Pledge of Allegiance. Chair **CRIST** called for roll call, roll call was taken.

**PUBLIC COMMENT**

❖ Chair **CRIST** called for **PUBLIC COMMENT**. At this time, no public comment was made in person, or electronically, moved onto **CONSENT CALENDAR**.

**CLOSED SESSION**

**Agenda Item #1- CONFERENCE WITH LEGAL COUNSEL – PENDING LITIGATION Antelope Valley Air Quality Management District v. United States Environmental Protection Agency, et al. 9th Cir. Case No. 23-1614.**

The Governing board entered the Closed session at 10:20 am and concluded at 10:40 am with no report.

**CONSENT CALENDAR** – The following consent items were acted upon by the Board at one time without discussion. Upon motion by Board Member **BISHOP**, seconded by Board Member **MANN**, and carried by the following roll call vote, with six **AYES** votes by Board Members, **MARVIN CRIST, ANDREA ALARCON, AUSTIN BISHOP, RON HAWKINS, HOWARD HARRIS, and KEN MANN, with Board Member NEWTON CHELETTE absent**, on the Consent Calendar, as follows:

**Agenda Item #2 – Approve Minutes from Regular Governing Board Meeting of July 18, 2023. Find that the California Environmental Quality Act does not apply to this item.**

Approved Minutes from Regular Governing Board Meeting July 18, 2023.

**Agenda Item #3 – Monthly Grant Funding Summary. Receive and file.**

Presenter: Barbara Lods, Executive Director/APCO.

**Received and Filed** Monthly Grant Funding Summary.

**Agenda Item #4 – Monthly Activity Report. Receive and file.**

Presenter: Barbara Lods, Executive Director/APCO.

**Received and Filed** Monthly Activity Report.

**Agenda Item #5– Receive and file the Financial Report. This Preliminary Financial Report is provided to the Governing Board for information concerning the fiscal status of the District at June 30, 2023.**

Presenter: Barbara Lods, Executive Director/APCO.

**Received and filed** the Financial Report. This Preliminary Financial Report is provided to the Governing Board for information concerning the fiscal status of the District at June 30, 2023.

**Agenda Item #6– 1) Authorize \$50,000 of Mobile Emission Reductions Program (AB 2766) funds to the Alternative Fuel Vehicle Program; 2) Authorize the Executive Director/APCO and staff to execute the Alternative Fuel Vehicle Program as outlined in the Work Plan; 3) Authorize the Executive Director 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 and 4) Find that this item is not a project pursuant to the California Environmental Quality Act.**

Presenter: Julie McKeehan, Grants Analyst.

1) **Authorized** \$50,000 of Mobile Emission Reductions Program (AB 2766) funds to the Alternative Fuel Vehicle Program; 2) **Authorized** the Executive Director/APCO and staff to execute the Alternative Fuel Vehicle Program as outlined in the Work Plan; 3) **Authorized** the Executive Director 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 and 4) Find that this item is not a project pursuant to the California Environmental Quality Act.

**ITEMS FOR DISCUSSION**

**DEFERRED ITEMS**

None.

**NEW BUSINESS**

**Agenda Item #7– 1) Award an amount not to exceed \$476,551 of Carl Moyer Program funds to Allied Potato for the replacement of an older diesel tractor with new, cleaner technology; 2) Authorize the Executive Director/APCO the option to change the funding source if warranted or if other applicable funding sources become available; 3) Authorize the Executive Director 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; and 4) Find that this item is not a project pursuant to the California Environmental Quality Act .**

Presenter: Julie McKeehan, Grants Analyst.

Chair **CRIST** opened the public hearing. Julie McKeehan, presented background information and answered questions from the Board. Chair **CRIST** called for public comment, no public comment was made in person, or electronically, being none, Chair **CRIST** closed the public hearing. The award was amended to \$255,172 due to updated price quote recently submitted. Upon motion by Board Member **ALARCON**, seconded by Board Member **HAWKINS**, and carried by the following roll call vote, with six AYES votes by Board Members, **MARVIN CRIST, AUSTIN BISHOP, RON HAWKINS, HOWARD HARRIS and KEN MANN**, with board member **NEWTON CHELETTE** absent, the Board, 1) **Award** an amount not to exceed \$255,172 of



Carl Moyer Program funds to Allied Potato for the replacement of an older diesel tractor with new, cleaner technology; 2) **Authorized** the Executive Director/APCO the option to change the funding source if warranted or if other applicable funding sources become available; 3) **Authorized** the Executive Director 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; and 4) Find that this item is not a project pursuant to the California Environmental Quality Act.

**Agenda Item #8– 1) Award an amount not to exceed \$171,591 of Mobile Source Emission Reductions Program (AB 2766) funds to Antelope Valley Fair Association (AV Fair) for the replacement of older diesel vehicles and equipment for new, clean engine technologies; 2) Authorize the Executive Director/APCO the option to change the funding source if warranted or if other applicable funding sources become available; 3) Authorize the Executive Director 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; and 4) Find that the California Environmental Quality Act (CEQA) does not apply to this item.**

Presenter: Julie McKeehan, Grants Analyst.

Chair **CRIST** opened the public hearing. Julie McKeehan, presented background information and answered questions from the Board. Chair **CRIST** called for public comment, no public comment was made in person, or electronically, being none, Chair **CRIST** closed the public hearing. Board Member **AUSTIN BISHOP** recused himself from this item due to conflicts of interest and left the room prior to the vote. Upon motion by Board Member **MANN**, seconded by Board Member **HARRIS**, and carried by the following roll call vote, with five AYES votes by Board Members, **MARVIN CRIST, ANDREA ALARCON, RON HAWKINS, HOWARD HARRIS and KEN MANN**, with board member **NEWTON CHELETTE** absent and Board Member **AUSTIN BISHOP** recused, the Board, 1) **Awarded** an amount not to exceed \$171,591 of Mobile Source Emission Reductions Program (AB 2766) funds to Antelope Valley Fair Association (AV Fair) for the replacement of older diesel vehicles and equipment for new, clean engine technologies; 2) **Authorized** the Executive Director/APCO the option to change the funding source if warranted or if other applicable funding sources become available; 3) **Authorized** the Executive Director 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; and 4) Find that the California Environmental Quality Act (CEQA) does not apply to this item.

**Agenda Item #9– 1) Award an amount not to exceed \$30,202 of Mobile Source Emission Reductions Program (AB 923) funds to Antelope Valley Fair Association (AV Fair) for the replacement of an older diesel mower for a replacement equipment with cleaner engine technology; 2) Authorize the Executive Director/APCO the option to change the funding source if warranted or if other applicable funding sources become available; 3) Authorize the Executive Director 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; and 4) Find that the California Environmental Quality Act (CEQA) does not apply to this item.**

Presenter: Julie McKeehan, Grants Analyst.

Chair **CRIST** opened the public hearing. Julie McKeehan, presented background information and answered questions from the Board. Chair **CRIST** called for public comment, no public comment was made in person, or electronically, being none, Chair **CRIST** closed the public hearing. Board Member **AUSTIN BISHOP** recused himself from this item due to conflicts of interest and left the room prior to the vote. Upon motion by Board Member **HARRIS**, seconded by Board Member **ALARCON**, and carried by the following roll call vote, with five AYES votes by Board Members, **MARVIN CRIST, ANDREA ALARCON, RON HAWKINS,**

**HOWARD HARRIS and KEN MANN**, with board member **NEWTON CHELETTE** absent and Board Member **AUSTIN BISHOP** recused, the Board, 1) **Awarded** an amount not to exceed \$30,202 of Mobile Source Emission Reductions Program (AB 923) funds to Antelope Valley Fair Association (AV Fair) for the replacement of an older diesel mower for a replacement equipment with cleaner engine technology; 2) **Authorized** the Executive Director/APCO the option to change the funding source if warranted or if other applicable funding sources become available; 3) **Authorized** the Executive Director 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; and 4) Find that the California Environmental Quality Act (CEQA) does not apply to this item.

**Agenda Item #10– 1) Award an amount not to exceed \$400,000 of Mobile Source Emission Reductions Program (AB 2766) funds to Antelope Valley Transit Authority (AVTA) for the repower of an older diesel Coach; 2) Authorize the Executive Director/APCO the option to change the funding source if warranted or if other applicable funding sources become available; 3) Authorize the Executive Director 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; and 4) Find that the California Environmental Quality Act (CEQA) does not apply to this item.**

Presenter: Julie McKeehan, Grants Analyst.

Chair **CRIST** opened the public hearing. Julie McKeehan, presented background information and answered questions from the Board. Chair **CRIST** called for public comment, no public comment was made in person, or electronically, being none, Chair **CRIST** closed the public hearing. Board Member **AUSTIN BISHOP** recused himself from this item due to conflicts of interest and left the room prior to the vote. Upon motion by Board Member **ALARCON**, seconded by Board Member **HAWKINS**, and carried by the following roll call vote, with five AYES votes by Board Members, **MARVIN CRIST, ANDREA ALARCON, RON HAWKINS, HOWARD HARRIS and KEN MANN**, with board member **NEWTON CHELETTE** absent and Board Member **AUSTIN BISHOP** recused, the Board, 1) **Awarded** an amount not to exceed \$400,000 of Mobile Source Emission Reductions Program (AB 2766) funds to Antelope Valley Transit Authority (AVTA) for the repower of an older diesel Coach; 2) **Authorized** the Executive Director/APCO the option to change the funding source if warranted or if other applicable funding sources become available; 3) **Authorized** the Executive Director 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; and 4) Find that the California Environmental Quality Act (CEQA) does not apply to this item.

**Agenda Item #11– 1) Award an amount not to exceed \$233,506 of Community Air Protection Project (CAPP/AB 134) funds to the City of Palmdale for Electric Vehicle Charging Project at McAdam Park in Palmdale; 2) Authorize the Executive Director/APCO the option to change the funding source if warranted or if other applicable sources become available; and 3) Authorize the Executive Director/APCO and staff to negotiate target time frames and technical project details and execute agreements, approved as to legal form by the Office of District Counsel; and 4) Find that the California Environmental Quality Act (CEQA) does not apply to this item.**

Presenter: Julie McKeehan, Grants Analyst.

Chair **CRIST** opened the public hearing. Julie McKeehan, presented background information and answered questions from the Board. Chair **CRIST** called for public comment, no public comment was made in person, or electronically, being none, Chair **CRIST** closed the public hearing. Upon motion by Board Member **ALARCON**, seconded by Board Member **BISHOP**, and carried by the following roll call vote, with six AYES votes by Board Members, **MARVIN CRIST, AUSTIN BISHOP, ANDREA ALARCON, RON HAWKINS,**

**HOWARD HARRIS and KEN MANN**, with board member **NEWTON CHELETTE** absent, the Board, 1) **Awarded** an amount not to exceed \$233,506 of Community Air Protection Project (CAPP/AB 134) funds to the City of Palmdale for Electric Vehicle Charging Project at McAdam Park in Palmdale; 2) **Authorized** the Executive Director/APCO the option to change the funding source if warranted or if other applicable sources become available; and 3) **Authorized** the Executive Director/APCO and staff to negotiate target time frames and technical project details and execute agreements, approved as to legal form by the Office of District Counsel; and 4) Find that the California Environmental Quality Act (CEQA) does not apply to this item.

**Agenda Item #12– 1) Award an amount not to exceed \$100,000 of Mobile Source Emission Reductions Program (AB 923) funds to the City of Palmdale for a program that will offer residential electric vehicle (EV) charging equipment; 2) Authorize the Executive Director/APCO the option to change the funding source if warranted or if other applicable sources become available; and 3) Authorize the Executive Director/APCO and staff to negotiate target time frames and technical project details and execute agreements, approved as to legal form by the Office of District Counsel; and 4) Find that the California Environmental Quality Act (CEQA) does not apply to this item.**

Presenter: Julie McKeehan, Grants Analyst.

Chair **CRIST** opened the public hearing. Julie McKeehan, presented background information and answered questions from the Board. Chair **CRIST** called for public comment, no public comment was made in person, or electronically, being none, Chair **CRIST** closed the public hearing. Upon motion by Board Member **BISHOP**, seconded by Board Member **ALARCON**, and carried by the following roll call vote, with six AYES votes by Board Members, **MARVIN CRIST, AUSTIN BISHOP, ANDREA ALARCON, RON HAWKINS, HOWARD HARRIS and KEN MANN**, with board member **NEWTON CHELETTE** absent, the Board, 1) **Awarded** an amount not to exceed \$100,000 of Mobile Source Emission Reductions Program (AB 923) funds to the City of Palmdale for a program that will offer residential electric vehicle (EV) charging equipment; 2) **Authorized** the Executive Director/APCO the option to change the funding source if warranted or if other applicable sources become available; and 3) **Authorized** the Executive Director/APCO and staff to negotiate target time frames and technical project details and execute agreements, approved as to legal form by the Office of District Counsel; and 4) Find that the California Environmental Quality Act (CEQA) does not apply to this item.

**Agenda Item #13– 1) Award an amount not to exceed \$50,073 of Mobile Source Emission Reductions Program (AB 923) funds to Trust Palmdale Honda for an EV charging project; 2) Authorize the Executive Director/APCO the option to change the funding source if warranted or if other applicable sources become available; and 3) Authorize the Executive Director/APCO and staff to negotiate target time frames and technical project details and execute agreements, approved as to legal form by the Office of District Counsel; and 4) Find that the California Environmental Quality Act (CEQA) does not apply to this item.**

Presenter: Julie McKeehan, Grants Analyst.

Chair **CRIST** opened the public hearing. Julie McKeehan, presented background information and answered questions from the Board. Chair **CRIST** called for public comment, no public comment was made in person, or electronically, being none, Chair **CRIST** closed the public hearing. Upon motion by Board Member **BISHOP**, seconded by Board Member **HARRIS**, and carried by the following roll call vote, with six AYES votes by Board Members, **MARVIN CRIST, AUSTIN BISHOP, ANDREA ALARCON, RON HAWKINS, HOWARD HARRIS and KEN MANN**, with board member **NEWTON CHELETTE** absent, the Board, 1) **Awarded** an amount not to exceed \$50,073 of Mobile Source Emission Reductions Program (AB 923) funds to Trust Palmdale Honda for an EV charging project; 2) **Authorized** the Executive Director/APCO the option to

change the funding source if warranted or if other applicable sources become available; and 3) **Authorized** the Executive Director/APCO and staff to negotiate target time frames and technical project details and execute agreements, approved as to legal form by the Office of District Counsel; and 4) Find that the California Environmental Quality Act (CEQA) does not apply to this item.

**Agenda Item #14– Reports.**

**Governing Board Counsel –**

- No report.

**Executive Director/APCO –**

- Notified Board Members that there has been a nomination for the Achievement In Reducing Emissions (AIRE) Award for next month’s meeting.
- Increase in local projects, grants and Engineering.

**Staff –**

- No report.

**Agenda Item #15– Board Member Reports and Suggestions for Future Agenda Items.**

- Board Members thanked the staff, Board and the Chairman for helping bring grants to the City of Palmdale.

**Agenda Item #16– Adjourn to Regular Governing Board Meeting of Tuesday, September 19, 2023.**

Being no further business, the meeting adjourned at 10:44 a.m. to the next regularly scheduled Governing Board Meeting of Tuesday, September 19, 2023.

The following page(s) contain the backup material for Agenda Item: [Monthly Grant Funding Summary. Receive and file. Find that the California Environmental Quality Act does not apply to this item.](#)

Please scroll down to view the backup material.

## Item #3 – Grant Funds Project Summary

August 2023

### AB 2766 (\$4 DMV Fee)

#### **\$655,000 Annually by Monthly Distribution**

These fees fund the District’s Mobile Source Emission Reductions (MSER) Grant Program. The funds must be used “to reduce air pollution from motor vehicles and for related planning, monitoring, enforcement, and technical studies necessary for the implementation of the California Clean Air Act of 1988”.

**Funding Limits:** No surplus emission reductions or cost-effectiveness limit requirements.

**Current Balance: \$190,471.00**

### AB 923 (\$2 DMV Fee)

#### **\$614,000 Annually by Monthly Distribution**

These fees fund the District’s Mobile Source Emission Reductions (MSER) Grant Program. The funds must be used to remediate air pollution harms created by motor vehicles.

**Funding Limits:** Carl Moyer eligible projects; unregulated agriculture vehicles and equipment; school bus projects; light-duty vehicle retirement program; and alternative fuel and electric infrastructure projects.

Surplus emission reductions required. Subject to cost-effectiveness limit.

**Current Balance: \$430,625.00**

### Carl Moyer Program

#### **\$1,730,061.00 FY 21/22 Allocation**

Carl Moyer Program (CMP) funds provide incentives to gain early or extra emission reductions by retrofitting, repowering, or replacing older more polluting engines with newer, cleaner engines including zero and near zero emission technologies. CMP funding categories include on-road heavy-duty vehicles, off-road equipment, locomotives, marine vessels, light-duty passenger vehicles, lawn mower replacement and alternative fuel infrastructure projects. Surplus emission reductions required. Subject to cost-effectiveness limit.

**Current Balance: \$582,298.00**

### AB 134 Community Air Protection (CAP) Projects

#### **\$855,673 FY 19/20 Allocation**

The purpose of AB 134 funds is to implement projects under the Carl Moyer Program specifically for projects that meet the goals of AB 617. These funds are focused on replacing older polluting engines operating in disadvantaged and low-income communities with newer, cleaner engines prioritizing zero-emission projects. CMP funding categories include on-road heavy-duty vehicles, off-road equipment, locomotives, marine vessels, light-duty passenger vehicles, lawn mower replacement and alternative fuel infrastructure projects. Surplus emission reductions required. Subject to cost-effectiveness limit.

**Current Balance: \$646,023.00**

The following page(s) contain the backup material for Agenda Item: [Monthly Activity Report. Receive and file. Find that the California Environmental Quality Act does not apply to this item.](#)

Please scroll down to view the backup material.



## **Agenda Item #4**

**Date: September 19, 2023**

**Subject: August 2023 Operations Activity Report**

Permit Inspections - 113

Notices of Violation (NOV) Issued – 2

Vapor Recovery Tests Witnessed – 3

Complaints – 5

Complaint Investigations – 5

Asbestos Notifications – 10

Asbestos Project Inspections - 0

Active Companies - 297

Active Facilities - 544

Active Permits - 1135

Certificate of Occupancy/Building Permit Reviews - 0

CEQA Project Comment Letters - 9

### **State or Local Air Monitoring Stations (SLAMS) Network Air Monitoring Site:**

Lancaster Site (full meteorology, CO, NO<sub>x</sub>, O<sub>3</sub>, PM<sub>10</sub>, PM<sub>2.5</sub>)

*Full meteorology (exterior temperature, wind speed, wind direction, exterior pressure and relative humidity)*

### ***Community Sensors:***

13 **PurpleAir** particulate sensors (Del Sur School, Leona Valley Elementary, Anaverde Hills, Esperanza Elementary School, Joe Walker Middle School, Desert Willow Middle School, Amargosa Creek, Eastside High School, Littlerock High School, Knight High School, Westside School District Offices, (2) Wilsona School District.



AVAQMD CEQA PROJECTS						
BOARD MEETING						
8/15/2023						
Date Rec'd	Location	Project Name	Description	Comment	Date Due	Date Sent
6/28/2023	Palmdale	New Vallarta Grocery Store	Pre-Application 23-036 requesting to construct a new 50,000 square foot grocery store: Vallarta Super Market. This project site is located south of 440 East Palmdale Blvd in the city of Palmdale, CA in the same parking lot (APNs: 3009-006-055, -056, and -027).	Rule 302-Construction Excavation Rule 1403-Asbestos DCP Rule 219-Permitting CARB Equipment EV Charging Grant	7/19/2023	7/13/2023
6/29/2023	Lancaster	Cold Storage Warehouse/Distribution Facility with Office	Notice of Availability/Notice of Intent to Adopt a Mitigated Negative Declaration for Site Plan Review (SPR) No. 23-003 requesting to construct and operate a 581,000 cold storage warehouse and distribution facility. The proposed facility would contain both cold storage and frozen storage areas and up to 40,000 square feet of office space. This project site is located on approximately 32 acres at the southeast corner of William Barnes Avenue and 47th Street West in the city of Lancaster, CA (APN:3105-001-042).	Rule 302-Construction Excavation DCP Rule 219-Permitting CARB Equipment EV Charging Grant	7/27/2023	7/14/2023
7/13/2023	Palmdale	Multi-family Housing Development	Pre-Application 23-037 for the request to develop a multi-family development on an approximately 1-acre vacant property. This project site is located south of East Avenue Q on the east side of 11th Street East in the city of Palmdale, CA (APN: 3015-006-004).	Dust Control Signage & Project Signage Information Form Rule 219-Permitting CARB Equipment EV Charging Grant	8/7/2023	7/14/2023
7/19/2023	Palmdale	Single & Multi-family Dwellings w/ Community Space & Parking	Pre-Application 23-038 requesting to develop 5.55 acres of vacant land with 13 single-family dwellings and attached ADUs, 84 multi-family units with 156 parking stalls, community spaces, and amenities. This project site is located on the south side of Palmdale Blvd and east of 30th Street East in the city of Palmdale, CA (APNs: 3020-004-058, 3020-004-064, 3020-004-060, and 3020-005-020).	Rule 302-Construction Excavation DCP Rule 219-Permitting CARB Equipment EV Charging Grant	8/3/2023	7/31/2023
7/19/2023	Palmdale	Artificial Intelligence Beauty Lounge	Pre-Application 23-040 for the request to develop a 100% smart retail beauty lounge incorporating artificial intelligence functionalities consisting of 18,800 square feet. This project site is located on the southwest corner of Sierra Highway and Avenue P-4 in the city of Palmdale, CA (APN: 3006-004-006).	Dust Control Signage & Project Signage Information Form Rule 219-Permitting CARB Equipment EV Charging Grant	8/3/2023	7/31/2023

AVAQMD CEQA PROJECTS						
BOARD MEETING						
8/15/2023						
Date Rec'd	Location	Project Name	Description	Comment	Date Due	Date Sent
7/19/2023	Palmdale	Outdoor Storage Facility	Pre-Application 23-041 requesting to develop an 80.5-acre vacant parcel with an outdoor storage facility totaling 1,754,681 square feet. This project site is located on the north side of Avenue M and west of 90th Street East in the city of Palmdale, CA (APNs: 3378-029-003 & 3378-029-004).	Rule 302-Construction Excavation DCP Rule 219-Permitting CARB Equipment EV Charging Grant	8/14/2023	7/31/2023
7/24/2023	Lancaster	118 Single-family Residential Lots	Notice of Availability/Notice of Intent to Adopt a Mitigated Negative Declaration for Tentative Tract Map No. 83572 requesting to subdivide approximately 28.9 acres into 118 single-family residential lots in the R-7,000 zone (single-family residential, minimum lot size 7,000 square feet). This project site is located on approximately 28.9 gross acres on the northeast corner of 35th Street East and Lancaster Boulevard in the City of Lancaster, CA (APNs: 3150-021-028 and 3150-021-029).	Rule 302-Construction Excavation DCP Rule 219-Permitting CARB Equipment	8/18/2023	8/1/2023

The following page(s) contain the backup material for Agenda Item: [Approve payments to City of Lancaster in the amount of \\$287,374.21 for FY23 Quarter 4 expenditures. Find that the California Environmental Quality Act does not apply to this item.](#)  
Please scroll down to view the backup material.

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

*AGENDA ITEM # 5*

**DATE:** September 19, 2023

**RECOMMENDATION:** Approve payments to City of Lancaster in the amount of \$287,374.21 for FY23 Quarter 4 expenditures. Find that the California Environmental Quality Act does not apply to this item.

**SUMMARY:** The District contracts for services with City of Lancaster; an invoice for services is presented for payment.

**BACKGROUND:** Key Expenses: Staffing expenses of \$287,374.21.

The AVAQMD contracts with the City of Lancaster for essential executive, administrative, and fiscal services.

**REASON FOR RECOMMENDATION:** The AVAQMD Governing Board must authorize all payments to the City of Lancaster.

**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 September 11, 2023.

**FINANCIAL DATA:** The contract and direct expenditure amounts are part of the approved District budget for FY23. No change in appropriations is anticipated as a result of the approval of this item.

**PRESENTER:** Barbara Lods, Executive Director/APCO

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CITY OF LANCASTER  
 CITY OF LANCASTER SUCCESSOR AGENCY  
 LANCASTER POWER AUTHORITY  
 CALIFORNIA CHOICE ENERGY AUTHORITY  
 44933 N. FERN AVE.  
 LANCASTER, CA 93534-2461  
 (661) 723-6033  
 accountsreceivable@cityoflanasterca.org

## INVOICE

A V AIR QUALITY MNGMNT DISTRCT  
 2551 WEST AVENUE H  
 LANCASTER CA 93536

Invoice No:  
 I230002332

Date:  
 06/30/2023

Customer No:  
 00014464

Invoice Description	Amount Due
FY23 QUARTER 4 PROGRAM STAFF OVERHEAD	261249.28 26124.93
Total Due	287374.21
Please Pay This Amount	287374.21

CITY OF LANCASTER  
 44933 N. FERN AVE.  
 LANCASTER, CA 93534-2461  
 (661) 723-6033

To pay your invoice online, please visit [www.cityoflanasterca.org](http://www.cityoflanasterca.org). To pay a specific invoice only, please select "AR Invoice" and enter your customer number and invoice number. To pay all outstanding invoices on your account, please select "AR Customer" and enter your customer number and any valid invoice number.

The following page(s) contain the backup material for Agenda Item: [This Preliminary Financial Report is provided to the Governing Board for information concerning the fiscal status of the District at July 31, 2023.](#)

Please scroll down to view the backup material.

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

*AGENDA ITEM # 6*

**DATE:** September 19, 2023

**RECOMMENDATION:** Receive and file.

**SUMMARY:** This Preliminary Financial Report is provided to the Governing Board for information concerning the fiscal status of the District at July 31, 2023.

**BACKGROUND:** The Financial Reports for July 2023 provide pre-audit financial and budgetary performance information for the District for the period referenced.

**BALANCE SHEET.** The balance sheet summarizes the District's pre-audit financial position on July 31, 2023.

**STATEMENT OF REVENUES & EXPENDITURES.** A summary of all District revenue and related expenditures incurred in the day to day administration of District Operations.

**STATEMENT OF ACTIVITY.** The target variance for June is 9%.

The *District Wide* report details revenue and expenses for the District's operating account and grant funds. *Contracted Services* reports the expenses made by the City of Lancaster and passed through to the District including salaries. *Report Recap* consolidates both reports.

**BANK REGISTERS.** This report details the Districts bank activity.

**REASON FOR RECOMMENDATION:** Receive and file.

**REVIEW BY OTHERS:** This item was reviewed by Allison Burns, Special Counsel as to legal form and by Barbara Lods, Executive Director/APCO on or about September 11, 2023.

**PRESENTER:** Barbara Lods, Executive Director/APCO.

**Antelope Valley AQMD**  
**Balance Sheet - Governmental Funds**  
**As of July 31, 2023**

## Financial Report

	<u>General Fund</u>	<u>AB2766 Mobile Emissions</u>	<u>AB923 Mobile Emissions</u>	<u>Carl Moyer</u>	<u>Total</u>
<b>Assets</b>					
Current Assets					
Cash	4,733,709.78	1,090,556.81	1,983,859.95	2,248,110.46	10,056,237.00
Cash Held For Other Fund	63,034.52	(14,929.30)	(48,105.22)	0.00	0.00
Receivables	(19,657.47)	0.00	0.00	0.00	(19,657.47)
Pre-Paids	23,194.03	0.00	0.00	0.00	23,194.03
<b>Total Current Assets</b>	<b>4,800,280.86</b>	<b>1,075,627.51</b>	<b>1,935,754.73</b>	<b>2,248,110.46</b>	<b>10,059,773.56</b>
<b>Total Assets</b>	<b>4,800,280.86</b>	<b>1,075,627.51</b>	<b>1,935,754.73</b>	<b>2,248,110.46</b>	<b>10,059,773.56</b>
<b>Liabilities and Net Position</b>					
Current Liabilities					
Payables	1,221.68	31,103.00	0.00	0.00	32,324.68
Due to Others	9.00	0.00	0.00	0.00	9.00
Unearned Revenue	950,227.21	0.00	0.00	2,253,752.13	3,203,979.34
<b>Total Current Liabilities</b>	<b>951,457.89</b>	<b>31,103.00</b>	<b>0.00</b>	<b>2,253,752.13</b>	<b>3,236,313.02</b>
Restricted Fund Balance	0.00	1,020,598.85	1,757,311.23	65,830.33	2,843,740.41
Cash Reserves	1,000,000.00	0.00	0.00	0.00	1,000,000.00
Unassigned Fund Balance	1,549,632.96	0.00	0.00	0.00	1,549,632.96
Pre-Paid	1,378.50	0.00	0.00	0.00	1,378.50
Change in Net Position	78,759.91	(49,667.22)	(94,287.00)	(12,600.00)	(77,794.31)
<b>Total Liabilities &amp; Net Position</b>	<b>3,581,229.26</b>	<b>1,002,034.63</b>	<b>1,663,024.23</b>	<b>2,306,982.46</b>	<b>8,553,270.58</b>



**Antelope Valley AQMD**  
**Statement of Revenues & Expenditures**  
**For the Period Ending July 31, 2023**

Financial Report

	<u>General Fund</u>	<u>AB2766 Mobile Emissions Program</u>	<u>AB923 Mobile Emissions Program</u>	<u>Carl Moyer Program</u>	<u>Total Governmental Funds</u>
<b><u>Revenues</u></b>					
Application and Permit Fees	88,746.18	0.00	0.00	0.00	88,746.18
AB 2766 and Other Program Revenues	35.00	0.00	0.00	51,304.00	51,339.00
Fines	18,662.50	0.00	0.00	0.00	18,662.50
Investment Earnings	7,483.92	0.00	0.00	0.00	7,483.92
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
<b>Total Revenues</b>	<b>114,927.60</b>	<b>0.00</b>	<b>0.00</b>	<b>51,304.00</b>	<b>166,231.60</b>
<b><u>Expenditures</u></b>					
Program Staff	13,076.90	0.00	0.00	0.00	13,076.90
Services and Supplies	10,236.81	49,667.22	94,287.00	63,904.00	218,095.03
Contributions to Other Participants	0.00	0.00	0.00	0.00	0.00
Capital Outlay Improvements and Equipment	12,853.98	0.00	0.00	0.00	12,853.98
<b>Total Expenditures</b>	<b>36,167.69</b>	<b>49,667.22</b>	<b>94,287.00</b>	<b>63,904.00</b>	<b>244,025.91</b>
<b>Excess Revenue Over (Under) Expenditures</b>	<b>78,759.91</b>	<b>(49,667.22)</b>	<b>(94,287.00)</b>	<b>(12,600.00)</b>	<b>(77,794.31)</b>

**Antelope Valley AQMD**  
**Statement of Activity - MTD, MTM and YTD**  
**For 7/31/2023**

00 District Wide

	M-T-D Actual	Y-T-D Actual	Y-T-D Budget	% Budget to Actual
<b>Revenues</b>				
Permitting	94,990.68	94,990.68	1,353,600.00	(0.07)
Programs	51,339.00	51,339.00	3,418,217.00	(0.02)
Application Fees	1,918.00	1,918.00	32,325.00	(0.06)
State Revenue	0.00	0.00	1,604,523.00	0.00
Federal Revenue	0.00	0.00	63,982.00	0.00
Fines & Penalties	10,500.00	10,500.00	10,000.00	(1.05)
Interest Eamed	7,483.92	7,483.92	10,000.00	(0.75)
<b>Total Revenues</b>	<b>166,231.60</b>	<b>166,231.60</b>	<b>6,492,647.00</b>	<b>(0.03)</b>
<b>Expenses</b>				
Office Expenses	933.54	933.54	109,800.00	0.01
Communications	1,954.11	1,954.11	22,000.00	0.09
Vehicles	429.71	429.71	21,000.00	0.02
Program Costs	207,358.22	207,358.22	3,948,962.00	0.05
Travel	0.00	0.00	12,000.00	0.00
Professional Services				
Consulting Fees	0.00	0.00	25,000.00	0.00
Stipends	400.00	400.00	8,400.00	0.05
Maintenance & Repairs	0.00	0.00	2,000.00	0.00
Non-Depreciable Inventory	80.02	80.02	18,500.00	0.00
Dues & Subscriptions	1,280.15	1,280.15	36,100.00	0.04
Legal	2,715.00	2,715.00	53,000.00	0.05
Miscellaneous Expense	503.60	503.60	1,000.00	0.50
Suspense	1,842.34	1,842.34	0.00	0.00
Capital Expenditures	12,853.98	12,853.98	105,000.00	0.12
<b>Total Expenses</b>	<b>230,350.67</b>	<b>230,350.67</b>	<b>4,362,762.00</b>	<b>0.05</b>
<b>Program Staff</b>				
<b>Excess Revenue Over (Under) Expenditures</b>	<b>(64,119.07)</b>	<b>(64,119.07)</b>	<b>2,129,885.00</b>	<b>0.03</b>

## Antelope Valley AQMD

### Statement of Activity - MTD, MTM and YTD

For 7/31/2023

10 Contracted Services

	M-T-D Actual	Y-T-D Actual	Y-T-D Budget	% Budget to Actual
<b><u>Revenues</u></b>				
<b><u>Expenses</u></b>				
Professional Services				
Financial Audit & Actuarial Svcs	598.34	598.34	220,000.00	0.00
<b>Total Expenses</b>	<b>598.34</b>	<b>598.34</b>	<b>220,000.00</b>	<b>0.00</b>
<b><u>Program Staff</u></b>				
Program Staff	13,076.90	13,076.90	1,828,647.00	0.01
<b>Total Program Staff</b>	<b>13,076.90</b>	<b>13,076.90</b>	<b>1,828,647.00</b>	<b>0.01</b>
<b>Excess Revenue Over (Under) Expenditures</b>	<b>(13,675.24)</b>	<b>(13,675.24)</b>	<b>(2,048,647.00)</b>	<b>(0.01)</b>

**Antelope Valley AQMD**  
**Statement of Activity - MTD, MTM and YTD**  
**For 7/31/2023**

Report Recap

	M-T-D Actual	Y-T-D Actual	Y-T-D Budget	% Budget to Actual
<b>Revenues</b>				
Permitting	94,990.68	94,990.68	1,353,600.00	(0.07)
Programs	51,339.00	51,339.00	3,418,217.00	(0.02)
Application Fees	1,918.00	1,918.00	32,325.00	(0.06)
State Revenue	0.00	0.00	1,604,523.00	0.00
Federal Revenue	0.00	0.00	63,982.00	0.00
Fines & Penalties	10,500.00	10,500.00	10,000.00	(1.05)
Interest Earned	7,483.92	7,483.92	10,000.00	(0.75)
<b>Total Revenues</b>	<b>166,231.60</b>	<b>166,231.60</b>	<b>6,492,647.00</b>	<b>(0.03)</b>
<b>Expenses</b>				
Office Expenses	933.54	933.54	109,800.00	0.01
Communications	1,954.11	1,954.11	22,000.00	0.09
Vehicles	429.71	429.71	21,000.00	0.02
Program Costs	207,358.22	207,358.22	3,948,962.00	0.05
Travel	0.00	0.00	12,000.00	0.00
Professional Services				
Financial Audit & Actuarial Svcs	598.34	598.34	220,000.00	0.00
Consulting Fees	0.00	0.00	25,000.00	0.00
Stipends	400.00	400.00	8,400.00	0.05
Maintenance & Repairs	0.00	0.00	2,000.00	0.00
Non-Depreciable Inventory	80.02	80.02	18,500.00	0.00
Dues & Subscriptions	1,280.15	1,280.15	36,100.00	0.04
Legal	2,715.00	2,715.00	53,000.00	0.05
Miscellaneous Expense	503.60	503.60	1,000.00	0.50
Suspense	1,842.34	1,842.34	0.00	0.00
Capital Expenditures	12,853.98	12,853.98	105,000.00	0.12
<b>Total Expenses</b>	<b>230,949.01</b>	<b>230,949.01</b>	<b>4,582,762.00</b>	<b>0.05</b>
<b>Program Staff</b>				
Program Staff	13,076.90	13,076.90	1,828,647.00	0.01
<b>Total Program Staff</b>	<b>13,076.90</b>	<b>13,076.90</b>	<b>1,828,647.00</b>	<b>0.01</b>
<b>Excess Revenue Over (Under) Expenditures</b>	<b>(77,794.31)</b>	<b>(77,794.31)</b>	<b>81,238.00</b>	<b>0.96</b>

**Antelope Valley AQMD**  
**Bank Register from 7/01/2023 to 7/31/2023**  
General Fund P6A LA County

<u>Check/Ref</u>	<u>Date</u>	<u>Name/Description</u>	<u>Check Amount</u>	<u>Deposit Amount</u>	<u>Account Balance</u>
	7/01/2023	Interest Earned	0.00	7,483.92	2,083,473.37
0000001	7/03/2023	DAILY DEPOSIT	0.00	487,986.63	2,571,460.00
	7/11/2023	Service Charge	3.60	0.00	2,571,456.40
0000484	7/14/2023	Daily Deposit	0.00	17,473.05	2,588,929.45
0000485	7/20/2023	DAILY DEPOSIT	0.00	32,831.60	2,621,761.05
0000486	7/27/2023	DAILY DEPOSIT	0.00	19,233.77	2,640,994.82
R24-01	7/27/2023	AB2766 TRANSFER - APRIL 2023	52,506.07	0.00	2,588,488.75
R24-02	7/27/2023	AB923 TRANSFER - APRIL 2023	49,229.36	0.00	2,539,259.39
R24-03	7/27/2023	FARMER PROGRAM 21-22 TRANSFER	412,439.68	0.00	2,126,819.71
<b>Total for Report:</b>			<b>514,178.71</b>	<b>565,008.97</b>	

**Antelope Valley AQMD**  
**Bank Register from 7/01/2023 to 7/31/2023**  
Wells Fargo Operating

<u>Check/Ref</u>	<u>Date</u>	<u>Name/Description</u>	<u>Check Amount</u>	<u>Deposit Amount</u>	<u>Account Balance</u>
0000001	7/03/2023	CREDIT CARD TRANSACTION LOCKHEED	0.00	489.00	1,483,993.63
0000001	7/03/2023	CREDIT CARD TRANSACTION LOCKHEED	0.00	585.00	1,484,578.63
0005291	7/05/2023	[11561] ANDREA ALICIA ALARCON-Attendance Governing Board meeting 06/20/2023	100.00	0.00	1,484,478.63
0005292	7/05/2023	[10006] BANK OF THE WEST-CREDIT CARD 4950 05/15/23-06/14/23	544.35	0.00	1,483,934.28
0005293	7/05/2023	[10518] AUSTIN BISHOP-Attendance Governing Board meeting 06/20/2023	100.00	0.00	1,483,834.28
0005294	7/05/2023	[11520] BRET S. BANKS-CONSULTING SERVICES 06/18/2023-06/30/2023	8,400.00	0.00	1,475,434.28
0005295	7/05/2023	[10405] CANON FINANCIAL SERVICES-COPIER LEASE 06/01/2023- 06/30/2023	329.08	0.00	1,475,105.20
0005296	7/05/2023	[10055] NEWTON CHELETTE-Attendance Governing Board meeting 06/20/2023	100.00	0.00	1,475,005.20
0005297	7/05/2023	[10014] CITY OF LANCASTER-FY23 QUARTER 3	249,058.16	0.00	1,225,947.04
0005298	7/05/2023	[10015] CITY OF PALMDALE-JUNETEENTH SPONSORSHIP	1,500.00	0.00	1,224,447.04
0005299	7/05/2023	[10057] MARVIN CRIST-Attendance Governing Board meeting 06/20/2023	100.00	0.00	1,224,347.04
0005300	7/05/2023	[10019] FEDERAL EXPRESS CORPORATION-Invoices 8-042-17789, 8-136- 97577, 8-165-00145, 9-647-56458, 9-653-37288	422.78	0.00	1,223,924.26
0005301	7/05/2023	[10599] HOWARD HARRIS-Attendance Governing Board meeting 06/20/2023	100.00	0.00	1,223,824.26
0005302	7/05/2023	[11405] IT SOLUTIONS INTEGRATED-MONTHLY IT SERVICES JUNE 2023	885.00	0.00	1,222,939.26
0005303	7/05/2023	[11511] JOEL S CRAIG-AIR MONITORING SERVICES JUNE 2023	2,280.78	0.00	1,220,658.48
0005304	7/05/2023	[11540] LINDE GAS & EQUIPMENT INC.-CYLINDER RENTAL 05/20/2023- 06/20/2023	24.54	0.00	1,220,633.94
0005305	7/05/2023	[11512] SAMUEL OKTAY-ENGINEERING SERVICES JUNE 2023	4,972.00	0.00	1,215,661.94
0005306	7/05/2023	[00069] SOUTHERN CALIFORNIA EDISON-ELECTRICITY SERVICE 05/11/23 -06/11/23	104.03	0.00	1,215,557.91
0005307	7/05/2023	[10483] STREAMLINE-WEB HOSTING 07/01/2023-08/01/2023	249.00	0.00	1,215,308.91
0005308	7/05/2023	[01107] VERIZON WIRELESS-AIR MONITORING SIM CARD	40.01	0.00	1,215,268.90
0005309	7/05/2023	[11259] WEX BANK-FUEL PURCHASES 06/23/2023	598.11	0.00	1,214,670.79
0005310	7/12/2023	[01148] ANTELOPE VALLEY PRESS-LEGAL NOTICE - PERMIT FEES	272.92	0.00	1,214,397.87
0005311	7/12/2023	[10006] BANK OF THE WEST-CREDIT CARD 06/05/2023-07/04/2023	1,105.37	0.00	1,213,292.50
0005312	7/12/2023	[10006] BANK OF THE WEST-CREDIT CARD 1628 06/05/2023-07/04/2023	90.36	0.00	1,213,202.14
0005313	7/12/2023	[11520] BRET S. BANKS-CONSULTING SERVICES JULY 2023	2,500.00	0.00	1,210,702.14
0005314	7/12/2023	[10627] PARACLETE HIGH SCHOOL-CLETE CLASSIC SPONSORSHIP	1,000.00	0.00	1,209,702.14
0005315	7/12/2023	[10455] STRADLING YOCCA CARLSON & RAUTH-Invoices 398123-0000, 398140-0001, 398266-0000, 398285-0001	7,676.80	0.00	1,202,025.34
0005316	7/12/2023	[10045] VERIZON BUSINESS-VOIP 07/01/2023-07/31/2023	360.81	0.00	1,201,664.53
0000001	7/12/2023	CREDIT CARD TRANSACTION eXECUTIVE AUTO BODY	0.00	584.33	1,202,248.86
0000001	7/13/2023	CREDIT CARD TRANSACTION MEC ENVIRONMENTAL	0.00	244.00	1,202,492.86
0000485	7/17/2023	CREDIT CARD TRNSACTION MEC ENVIRONMENTAL	0.00	244.00	1,202,736.86

**Antelope Valley AQMD**  
**Bank Register from 7/01/2023 to 7/31/2023**  
Wells Fargo Operating

<u>Check/Ref</u>	<u>Date</u>	<u>Name/Description</u>	<u>Check Amount</u>	<u>Deposit Amount</u>	<u>Account Balance</u>
0000485	7/21/2023	CREDIT CARD TRANSACTION T-MOBILE WEST - LLC LANCASTER HOMELESS GROUP	0.00	1,123.25	1,203,860.11
0000486	7/24/2023	CREDIT CARD TRANSACTION AMW CONSTRUCTION	0.00	244.00	1,204,104.11
0000486	7/24/2023	CREDIT CARD TRANSACTION T-MOBILE GRAEME FLYNN	0.00	606.00	1,204,710.11
0005317	7/26/2023	[01148] ANTELOPE VALLEY PRESS-ANNUAL SUBSCRIPTION 08/18/2023-08/17/2023	280.15	0.00	1,204,429.96
0005318	7/26/2023	[10006] BANK OF THE WEST-CREDIT CARD 1481	102.26	0.00	1,204,327.70
0005319	7/26/2023	[10405] CANON FINANCIAL SERVICES-COPIER LEASE 07/01/2023-07/31/2023	361.80	0.00	1,203,965.90
0005320	7/26/2023	[10012] CAPCOA-CONFERENCE DUES	85.00	0.00	1,203,880.90
0005321	7/26/2023	[11405] IT SOLUTIONS INTEGRATED-MONTHLY IT SERVICES JULY 2023	1,095.00	0.00	1,202,785.90
0005322	7/26/2023	[10023] LOS ANGELES COUNTY CLERK-Notice of Exemption - AVAQMD Rule 301 - Permit Fees	75.00	0.00	1,202,710.90
0005323	7/26/2023	[10026] MOJAVE DESERT AQMD-FY23 - MAY 2023	4,975.29	0.00	1,197,735.61
0005324	7/26/2023	[10031] NOVACOAST INC-CAPS TRANSITIONING	1,160.00	0.00	1,196,575.61
0005325	7/26/2023	[10071] QUADIENT LEASING-POSTAGE METER LEASE 07/02/2023-08/01/2023	77.96	0.00	1,196,497.65
0005326	7/26/2023	[00069] SOUTHERN CALIFORNIA EDISON-ELECTRICITY SERVICE 06/12/23-07/06/23	106.59	0.00	1,196,391.06
0005327	7/26/2023	[10040] SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY-FY 2023 - 24 PROPERTY/LIABILITY INSURANCE	21,617.00	0.00	1,174,774.06
0005328	7/26/2023	[10549] TELEDYNE API-T400 OZONE ANALYZER FIRMWARE	11,113.98	0.00	1,163,660.08
0005329	7/26/2023	[11259] WEX BANK-FUEL PURCHASES 07/25/2023	429.71	0.00	1,163,230.37
0000487	7/31/2023	EFT TRANSACTION US AIR FORCE PLANT 42	0.00	17,859.04	1,181,089.41
0000491	7/31/2023	CREDIT CARD TRANSACTIONS BURNS VULCAN CALIBER TC RESTORATION	0.00	2,556.33	1,183,645.74
<b>Total for Report:</b>			<b>324,393.84</b>	<b>24,534.95</b>	

**Antelope Valley AQMD**  
**Bank Register from 7/01/2023 to 7/31/2023**  
**WF AB2766**

<u>Check/Ref</u>	<u>Date</u>	<u>Name/Description</u>	<u>Check Amount</u>	<u>Deposit Amount</u>	<u>Account Balance</u>
	7/24/2023	Service Charge	500.00	0.00	1,057,614.96
0022704	7/26/2023	[10100] ANTELOPE VALLEY FAIR ASSOCIATION-AB 2766 GRANT AV FAIR L&GE REPLACEMENT PROJECT	14,564.22	0.00	1,043,050.74
0022705	7/26/2023	[11622] SCOTT JOSEPH BACHRACH-AB 2766 GRANT	500.00	0.00	1,042,550.74
0022706	7/26/2023	[11615] ORION BOLDON-AB 2766 GRANT	500.00	0.00	1,042,050.74
0022707	7/26/2023	[11616] FLOR TRUJILLO GALLEGGO-AB 2766 GRANT	500.00	0.00	1,041,550.74
0022708	7/26/2023	[11620] SHALONDA R MITCHELL-AB 2766 GRANT	500.00	0.00	1,041,050.74
0022709	7/26/2023	[11621] DELEENA M NOBLE-AB 2766 GRANT	500.00	0.00	1,040,550.74
0022710	7/26/2023	[11614] KIMBERLY PAYAN-AB 2766 GRANT	500.00	0.00	1,040,050.74
0022711	7/26/2023	[11619] D'ARTAGNAN SCORZA-AB 2766 GRANT	500.00	0.00	1,039,550.74
0022712	7/26/2023	[11613] ADILENE MADALINE STANFIELD-AB 2766 GRANT	500.00	0.00	1,039,050.74
0022713	7/26/2023	[11617] CHELSEA SWAFFORD-AB 2766 GRANT	500.00	0.00	1,038,550.74
0022714	7/26/2023	[11618] SANTOS AUGUSTIN TZUL TZUL-AB 2766 GRANT	500.00	0.00	1,038,050.74
R24-01	7/27/2023	AB2766 TRANSFER - APRIL 2023	0.00	52,506.07	1,090,556.81
<b>Total for Report:</b>			<b>20,064.22</b>	<b>52,506.07</b>	



**Antelope Valley AQMD**  
**Bank Register from 7/01/2023 to 7/31/2023**  
WF AB923

<u>Check/Ref</u>	<u>Date</u>	<u>Name/Description</u>	<u>Check Amount</u>	<u>Deposit Amount</u>	<u>Account Balance</u>
0001078	7/05/2023	[01177] WILSONA SCHOOL DISTRICT-AB923 GRANT TRACTOR REPLACEMENT	47,073.00	0.00	2,028,917.59
0001079	7/26/2023	[10884] COAST AUTO SALVAGE-AB 923 GRANT VOLUNTARY ACCELERATED VEHICLE RETIREMENT	1,200.00	0.00	2,027,717.59
0001080	7/26/2023	[10884] COAST AUTO SALVAGE-AB 923 GRANT ANNUAL LAWN MOWER EXCHANGE PROGRAM 2023	4,875.00	0.00	2,022,842.59
0001081	7/26/2023	[11607] JAIME MEDINA CORONADO-AB 923 GRANT TRACTOR REPLACEMENT	54,975.00	0.00	1,967,867.59
0001082	7/26/2023	[11608] JEFF PANTANA-AB 923 GRANT TRACTOR REPLACEMENT	33,237.00	0.00	1,934,630.59
R24-02	7/27/2023	AB923 TRANSFER - APRIL 2023	0.00	49,229.36	1,983,859.95
<b>Total for Report:</b>			<b>141,360.00</b>	<b>49,229.36</b>	

**Antelope Valley AQMD**  
**Bank Register from 7/01/2023 to 7/31/2023**  
**WF Carl Moyer**

<u>Check/Ref</u>	<u>Date</u>	<u>Name/Description</u>	<u>Check Amount</u>	<u>Deposit Amount</u>	<u>Account Balance</u>
0011040	7/26/2023	[10100] ANTELOPE VALLEY FAIR ASSOCIATION-CARL MOYER GRANT AV FAIR L&GE REPLACEMENT PROJECT	12,600.00	0.00	2,300,400.85
0011041	7/26/2023	[11570] COPELAND'S CHERRY RANCH-CARL MOYER GRANT TRACTOR REPLACEMENT PROJECT	51,304.00	0.00	2,249,096.85
<b>Total for Report:</b>			<b>63,904.00</b>	<b>0.00</b>	

**Antelope Valley AQMD**  
**Bank Register from 7/01/2023 to 7/31/2023**  
**WF Special Revenue**

<u>Check/Ref</u>	<u>Date</u>	<u>Name/Description</u>	<u>Check Amount</u>	<u>Deposit Amount</u>	<u>Account Balance</u>
R24-03	7/27/2023	FARMER PROGRAM 21-22 TRANSFER	0.00	412,439.68	1,332,351.64
<b>Total for Report:</b>			<b>0.00</b>	<b>412,439.68</b>	

The following page(s) contain the backup material for Agenda Item: [Conduct public hearing to consider the amendment of District Rule 1700 — Prevention of Significant Deterioration \(PSD\): a. Open public hearing; b. Receive staff report; c. Receive public testimony; d. Close public hearing; e. Make a determination that the California Environmental Quality Act \(CEQA\) Categorical Exemption applies; f. Waive reading of Resolution; g. Adopt Resolution making appropriate findings, certifying the Notice of Exemption, amending Rule 1700 and directing staff actions.](#)

Please scroll down to view the backup material.

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

*AGENDA ITEM # 7*

**DATE:** September 19, 2023

**RECOMMENDATION:** Conduct public hearing to consider the amendment of District Rule 1700 — *Prevention of Significant Deterioration (PSD)*: a. Open public hearing; b. Receive staff report; c. Receive public testimony; d. Close public hearing; e. Make a determination that the California Environmental Quality Act (CEQA) Categorical Exemption applies; f. Waive reading of Resolution; g. Adopt Resolution making appropriate findings, certifying the Notice of Exemption, amending Rule 1700 and directing staff actions.

**SUMMARY:** Rule 1700 is proposed for amendment in response to the United States Environmental Protection Agency's (USEPA's) request to correct a deficiency caused by a change in the underlying regulations as adopted by reference in the rule.

**CONFLICT OF INTEREST:** None

**BACKGROUND:** On 07/20/2021 the AVAQMD amended its New Source Review (NSR) program primarily to address certain USEPA concerns. As part of this upgrade Rule 1700 was also amended to make minor changes to ensure that the citations to the AVAQMD NSR Rules were correct.

Rule 1700 in general incorporates the provisions of the Federal PSD program as found in 40 CFR 52.21 by reference. Section (A)(3)(a) specifies that the date of the 40 CFR 52.21 provisions as last amended July 1, 2015 are the applicable version of the rule. Subsequently to the adoption of Rule 1700, USEPA promulgated an error correction rule which amended certain provisions of 40 CFR 52.21 (86 FR 37918, 7/19/2021) with an effective date of August 18, 2021.

On November 8, 2022 USEPA informed the AVAQMD that Rule 1700 was not approvable in its current form as some of the provisions specifically cited in the rule had been amended by the July 19, 2021 action. This issue was not identified prior to Rule 1700 amendment despite extensive consultation and cooperation with the USEPA during the NSR and PSD Rule development process. In response, the AVAQMD provided a commitment letter for the California Air Resources Board (CARB) to submit to USEPA which committed to amending Rule 1700 to update the referenced date to August 19, 2021 (the day after the effective date of the error correction rule). The AVAQMD is now proposing to amend Rule 1700 to correct the incorporation by reference date to the date specifically suggested by USEPA.

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

*AGENDA ITEM # 7*

**PAGE 2**

A Notice of Exemption, Categorical Exemption (Class 8; 14 Cal. Code Reg. §15308) will be prepared by the AVAQMD for the amendment of AVAQMD Rule 1700 – *Prevention of Significant Deterioration (PSD)*

**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 by Allison Burns, Special Counsel to the Governing Board as to legal form and by Barbara Lods, Executive Director on or about September 11, 2023.

**FINANCIAL DATA:** No increase in appropriation is anticipated.

**PRESENTER:** Barbara Lods, Executive Director/APCO

**RESOLUTION NO. 23-04**

**A RESOLUTION OF THE GOVERNING BOARD OF THE ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT MAKING FINDINGS, CERTIFYING THE NOTICE OF EXEMPTION, AMENDING RULE 1700 — PREVENTION OF SIGNIFICANT DETERIORATION (PSD) AND DIRECTING STAFF ACTIONS.**

On September 19, 2023, on motion by Member \_\_\_\_\_, seconded by Member \_\_\_\_\_, 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**, Rule 1700 — *Prevention of Significant Deterioration (PSD)* adopts the majority of the provisions of 40 CFR 52.21 by reference; and

**WHEREAS**, Rule 1700 will allow USEPA to delegate its authority to issue PSD permits to new or modified stationary sources, as applicable, to the AVAQMD, and

**WHEREAS**, Rule 1700 was adopted on 07/20/2021; and

**WHEREAS**, on 7/19/2021 (86 FR 37918) the United States Environmental Protection Agency (USEPA) promulgated changes to 40 CFR 52.21 effective 8/18/2021; and

**WHEREAS**, USEPA informed the AVAQMD on 11/08/2022 that an update to Rule 1700 was necessary to properly incorporate these changes; and

**WHEREAS**, the AVAQMD provided a commitment letter that was submitted to USEPA by the California Air Resources Board (CARB) that committed to updating the adoption by reference date to allow for the use of the newly promulgated changes to 40 CFR 52.21 to be included in Rule 1700; and

**WHEREAS**, the AVAQMD is now proposing to amend Rule 1700 to update the rule; and

**WHEREAS**, the proposed amendments to the Rule are necessary as indicated herein and in the supporting documentation to update the incorporation by reference date of 40 CFR 52.21 to August 19, 2021 so that USEPA may properly delegate its authority to the AVAQMD; and

**RESOLUTION NO. 23-04**

1           **WHEREAS**, the AVAQMD has the authority pursuant to H&S Code §40702 to amend  
2 rules and regulations; and

3           **WHEREAS**, the proposed amendments to Rule 1700 are clear in that the meaning can  
4 be easily understood by the persons impacted by the Rule in that while many of the primary  
5 terms and conditions contained in 40 CFR 52.21 are included by reference the Rule also  
6 includes specific terminology adjustments to avoid confusion by regulated entities; and

7           **WHEREAS**, the amendments to Rule 1700 are in harmony with, and not in conflict  
8 with, or contradictory to existing statutes, court decisions, or state or federal regulations  
9 because the proposed amendment to Rule 1700 merely changes a date to ensure that the proper  
10 version of 40 CFR 52.21 is referenced; and

11           **WHEREAS**, the proposed amendments do not impose the same requirements as any  
12 existing state or federal regulation because this rule enables USEPA to delegate the authority  
13 to issue PSD Permits to applicable new or modified facilities to the AVAQMD; and

14           **WHEREAS**, a public hearing has been properly noticed and conducted, pursuant to  
15 H&S Code §40725, concerning the amendments to Rule 1700; and

16           **WHEREAS**, a Notice of Exemption, a Categorical Exemption (Class 8, 14 CCR  
17 §15308) for the proposed amendments to Rule 1700, completed in compliance with the  
18 California Environmental Quality Act (CEQA), has been presented to the AVAQMD Board;  
19 each member having reviewed, considered and approved the information contained therein  
20 prior to acting on the proposed amendments to Rule 1700, and the AVAQMD Board having  
21 determined that the proposed amendments will not have any potential for resulting in any  
22 adverse impact upon the environment; and

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

25           **NOW, THEREFORE, BE IT RESOLVED**, that the Governing Board of the  
26 AVAQMD finds that the amendments to Rule 1700 — *Prevention of Significant Deterioration*  
27 (*PSD*) are necessary, authorized, clear, consistent, non-duplicative and properly referenced;  
28 and







Draft

# Staff Report

Proposed Amendment to  
**Rule 1700** — *Prevention of Significant Deterioration (PSD)*

For amendment on  
**September 19, 2023**

**Antelope Valley  
Air Quality  
Management District**

2551 W Avenue H  
Lancaster, CA 93536  
661-723-8070

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**STAFF REPORT  
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## List of Acronyms

APCO	Air Pollution Control Officer
BACT	Best Available Control Technology
BARCT	Best Available Retrofit Control Technology
CARB	California Air Resources Board
CCAA	California Clean Air Act
CEMS	Continuous Emissions Monitoring
CEQA	California Environmental Quality Act
CFR	Code of Federal Regulations
CO	Carbon Monoxide
CTG	Control Technique Guidelines
EPA	Environmental Protection Agency (See USEPA)
FCAA	Federal Clean Air Act
FIP	Federal Implementation Plan
FONA	Federal Ozone Nonattainment Area
H&S Code	California Health & Safety Code
IC	Internal Combustion
MDAB	Mojave Desert Air Basin
MDAQMD	Mojave Desert Air Quality Management District
NAAQS	National Ambient Air Quality Standards
NO <sub>x</sub>	Oxides of Nitrogen
PEMS	Parametric or Predictive Emissions Unit
PM	Particulate Matter
RACT	Reasonably Available Control Technology
SCAQMD	South Coast Air Quality Management District
SIP	State Implementation Plan
SO <sub>x</sub>	Oxides of Sulfur
USEPA	U.S. Environmental Protection Agency
VOC	Volatile Organic Compounds

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# STAFF REPORT

## **Rule 1700 – *Prevention of Significant Deterioration (PSD)***

### 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 Quality Management District (AVAQMD) has the authority pursuant to California Health and Safety Code (H&S Code) §40702, to adopt, amend or repeal rules and regulations. Rule 1700 – *Prevention of Significant Deterioration (PSD)* is proposed for amendment in response to the United States Environmental Protection Agency’s (USEPA’s) request to correct a deficiency caused by a change in the underlying regulations as adopted by reference in the rule.

On 07/20/2021 AVAQMD amended its New Source Review (NSR) program primarily to address certain USEPA concerns. As part of this upgrade Rule 1700 was also amended to make minor changes to ensure that the citations to the AVAQMD NSR Rules were correct.

Rule 1700 in general incorporates the provisions of the Federal PSD program as found in 40 CFR 52.21 by reference. Section (A)(3)(a) specifies that the date of the 40 CFR 52.21 provisions as last amended July 1, 2015 are the applicable version of the rule. Subsequently to the adoption of Rule 1700, USEPA promulgated an error correction rule which amended certain provisions of 40 CFR 52.21 (86 FR 37918, 7/19/2021) with an effective date of August 18, 2021.

On November 8, 2022 USEPA informed Mojave Desert Air Quality Management District (MDAQMD) that both MDAQMD Rule 1600 and AVAQMD Rule 1700 was not approvable in its current form as some of the provisions specifically cited in the rule had been amended by the July 19, 2021 action. This issue was not identified prior to Rule 1700 amendment despite extensive consultation and cooperation with the USEPA during the NSR and PSD Rule development process. In response, AVAQMD provided a commitment letter for the California Air Resources Board (CARB) to submit to USEPA which committed to amending Rule 1700 to update the referenced date to August 19, 2021 (the day after the effective date of the error correction rule). AVAQMD is now proposing to amend Rule 1700 to correct the incorporation by reference date to the date specifically suggested by USEPA.



### III. STAFF RECOMMENDATION

Staff recommends that the Governing Board of AVAQMD adopt the proposed amendment of Rule 1700 – *Prevention of Significant Deterioration (PSD)* and approve the appropriate CEQA documentation.

#### IV. LEGAL REQUIREMENTS CHECKLIST

The findings and analysis as indicated below are required for the procedurally amendment of Rule 1700 – *Prevention of Significant Deterioration (PSD)*. Each item is discussed, if applicable, in Section V. Copies of related documents are included in the appropriate appendices.

##### **FINDINGS REQUIRED FOR RULES & REGULATIONS:**

- Necessity
- Authority
- Clarity
- Consistency
- Nonduplication
- Reference
- Public Notice & Comment
- Public Hearing

##### **REQUIREMENTS FOR STATE IMPLEMENTATION PLAN SUBMISSION (SIP):**

- Public Notice & Comment
- Availability of Document
- Notice to Specified Entities (State, Air Districts, USEPA, Other States)
- Public Hearing
- Legal Authority to adopt and implement the document.
- Applicable State laws and regulations were followed.

##### **ELEMENTS OF A FEDERAL SUBMISSION:**

- Elements as set forth in applicable Federal law or regulations.

##### **CALIFORNIA ENVIRONMENTAL QUALITY ACT REQUIREMENTS (CEQA):**

- Ministerial Action
- Exemption
- Negative Declaration
- Environmental Impact Report
- Appropriate findings, if necessary.
- Public Notice & Comment

##### **SUPPLEMENTAL ENVIRONMENTAL ANALYSIS (RULES & REGULATIONS ONLY):**

- Environmental impacts of compliance.
- Mitigation of impacts.
- Alternative methods of compliance.

##### **OTHER:**

- Written analysis of existing air pollution control requirements
- Economic Analysis
- Public Review

## V. DISCUSSION OF LEGAL REQUIREMENTS

### A. REQUIRED ELEMENTS/FINDINGS

This section discusses the State of California statutory requirements that apply to the proposed amendment of Rule 1700. These are actions that need to be performed and/or information that must be provided in order to amend the rule in a procedurally correct manner.

#### 1. State Findings Required for Adoption of Rules & Regulations:

Before adopting, amending, or repealing a rule or regulation, the District Governing Board is required to make findings of necessity, authority, clarity, consistency, non-duplication, and reference based upon relevant information presented at the hearing. The information below is provided to assist the Board in making these findings.

##### a. Necessity:

Rule 1700 was originally adopted to allow AVAQMD to be delegated the authority to issue PSD permits to applicable new or modified Facilities within its jurisdiction. This function has been, and will continue to be until delegation, performed by USEPA. Rule 1700 generally incorporates the provisions of 40 CFR 52.21 by reference, however, this regulation was amended after action was taken on the previous version of the rule. Therefore, it is necessary to amend Rule 1700 to update the incorporation by reference date to August 19, 2021 so that USEPA may properly delegate its authority to AVAQMD.

##### 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 amendment of Rule 1700 is clear in that it is written so that the persons subject to the rule can easily understand the meaning. While the primary terms and conditions contained in 40 CFR 52.21 are included by reference the Rule includes specific terminology adjustments to avoid confusion by regulated entities.

##### d. Consistency:

The proposed amendment of Rule 1700 is in harmony with, and not in conflict with or contradictory to any state law or regulation,

federal law or regulation, or court decisions because the proposed amendment of Rule 1700 merely changes a date to ensure that the proper version of 40 CFR 52.21 is referenced.

e. Nonduplication:

The proposed amendment of Rule 1700 does not impose the same requirements as any existing state or federal law or regulation because this rule enables USEPA to delegate the authority to issue PSD Permits to applicable new or modified facilities to AVAQMD.

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 amendment of Rule 1700 will be published on August 18, 2023 for a public hearing to be held on September 19, 2023. 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 amendment of Rule 1700 and how they were satisfied.

a. Satisfaction of Underlying Federal Requirements:

The amendment to Rule 1700 is subject to all the requirements for a State Implementation Plan (SIP) submittal because Rule 1700 is intended to be a SIP submission as part of AVAQMD’s New Source Review program and as a condition for delegation of USEPA’s authority pursuant to 40 CFR 52.21(u). The criteria for determining completeness of SIP submissions are set forth in 40 CFR Part 51, Appendix V, 2.0.

b. Public Notice and Comment:

Notice for the public hearing for the proposed amendment of Rule 1700 will be published on August 18, 2023. 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 the proposed amendment of Rule 1700 and the accompanying draft Staff Report was made available to the public on or before August 18, 2023.

d. Notice to Specified Entities:

Copies of the proposed amendment of Rule 1700 were sent to all affected agencies. The notice of proposed amendments was sent to CARB and USEPA on or before August 18, 2023.

e. Public Hearing:

A public hearing to consider the proposed amendment of Rule 1700 will be noticed for September 19, 2023.

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.

40 CFR 52.21(u) allows USEPA to delegate the authority to issue PSD Permits to an agency such as AVAQMD. Since Rule 1700 adopts the substantive provisions of the applicable regulation by reference it will replace the currently applicable Federal regulation upon delegation. The proposed amendment by changing the incorporation by reference date merely insures that the proper version of 40 CFR 52.21 is used.

## C. ECONOMIC ANALYSIS

### 1. General

The proposed amendments to Rule 1700 will not have an adverse economic impact on the facilities subject to the proposed rule. Currently PSD permits for applicable new or modified facilities are issued by USEPA. This action will allow USEPA to delegate this function to AVAQMD. Once authority has been delegated applicable new or modified facilities will be able to obtain all federal new source review permits from AVAQMD.

### 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 requirements for Best Available Retrofit Control Technology (BARCT) or “all feasible measures” to control volatile organic compounds (VOC), oxides of nitrogen (NO<sub>x</sub>) or oxides of sulfur (SO<sub>x</sub>). Rule 1700 and its proposed amendment do not impose BARCT or “all feasible measures” so therefore this analysis is not required.

## D. ENVIRONMENTAL ANALYSIS (CEQA)

Through the process described below the appropriate CEQA process for the proposed amendment of Rule 1700 was determined.

1. The proposed amendment of Rule 1700 meets the CEQA definition of “project”. It is not a “ministerial” action.

2. The proposed amendment of Rule 1700 is exempt from CEQA review because it will not create any adverse impacts on the environment. The proposed amendments to Rule 1700 merely update the adoption by reference date for the provision of 40 CFR 52.21. The revisions to 40 CFR 52.21 are primarily clarifications and provide conformity with recent court judgements and are thus at least as environmentally stringent as the version currently adopted by reference in Rule 1700. Therefore, no adverse environmental effects are foreseen from the proposed amendments. Copies of the documents relating to CEQA can be found in Appendix “D”. For an additional analysis of the potential impacts on disadvantaged communities please see Section VI. F. below.

## E. SUPPLEMENTAL ENVIRONMENTAL ANALYSIS

### 1. Potential Environmental Impacts

There are no potential adverse environmental impacts of compliance with the amendment of Rule 1700. These proposed amendments are merely procedural and therefore, there will be no changes in environmental impacts.

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

The current adopted version of Rule 1700 applies to new major facilities or major modifications at existing facilities which emit or have the potential to emit large amounts (usually 100 tpy or year or more) of pollutants for which the area is in attainment. The proposed amendments will not change this applicability.

B. EMISSIONS

The proposed amendments to Rule 1700 does not cause the release of additional air contaminants or create any adverse environmental impacts because the proposed rule merely updates the adoption by reference date for the provisions of 40 CFR 52.21. The revisions to 40 CFR 52.21 are primarily clarifications and provide conformity with recent court judgements and thus provide at least the same amount of emissions control as the version currently adopted by reference in Rule 1700.

C. CONTROL REQUIREMENTS

As Rule 1700 is primarily a procedural rule; any control requirements which would be imposed on a facility as the result of the provisions of the rule would be specific to the particular facility receiving a permit.

D. PROPOSED RULE SUMMARY

This section gives a brief overview of the proposed amendment of Rule 1700.

(A)(3)(a) – The adoption by reference date is changed to August 19, 2021 (the day after the effective date of the amendments to 40 CFR 52.21.

E. FCAA 110(L) (42 U.S.C. §7410(L)) ANALYSIS

Rule 1700 was originally adopted to allow USEPA to delegate authority to issue PSD permits to AVAQMD; it was submitted as a SIP revision but not acted upon by USEPA. Therefore, a 110(l) analysis is not necessary as the prior versions were not included in the SIP. However, it must be noted that the proposed amendments merely update the

adoption by reference date for the provisions of 40 CFR 52.21. The revisions to 40 CFR 52.21 are primarily clarifications and provide conformity with recent court judgements and thus provide at least the same amount of stringency as the version currently adopted by reference in Rule 1700.

## F. ENVIRONMENTAL JUSTICE ANALYSIS

USEPA has recently indicated that submissions should analyze compliance with various Federal non-discrimination laws<sup>1</sup> as well as EPA's own non-discrimination regulations<sup>2</sup> and general principles to ensure that actions do not unduly burden already overburdened populations.<sup>3</sup>

The rule and its proposed amendments apply throughout the jurisdiction of AVAQMD without regional discrimination, or discrimination on any other basis. The proposed rule is as stringent or more stringent than the previous rule, and will therefore not result in discriminatory emission increases. The provisions of the rule as amended will apply to facilities based upon the attainment status of a particular area on a pollutant by pollutant basis.

No group of people will bear a disproportionate share of negative environmental consequences due to the proposed rule amendments – the rule as proposed merely updates the adoption by reference date and does not change any other requirements. Therefore, there will be no negative environmental consequences for any group of people due to the proposed rule amendments.<sup>4</sup>

The proposed rule amendments have been made available to all interested persons through public notice, direct notice, and website postings (including social media). The proposed rule will be discussed and acted upon in a properly noticed public hearing, at which people will have an opportunity to participate in the amendment decision, contribute to the decision, and express concerns with the decision (in person, in writing, and in digital form). Accommodation for non or limited English speakers in both materials and meeting participation is available upon request.

## G. SIP HISTORY AND ANALYSIS

### 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

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1 Specifically, USEPA has identified Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, Section 13 of the Federal Water Pollution Control Act of 1972 and Title IX of the Education Amendments of 1972 as potential laws of concern.

2 40 CFR Parts 5 and 7.

3 Commonly referred to as Environmental Justice provisions.

4 Please note that the proposed use limitation for the 5 engines located at PG&E Hinkley will result in a greater emissions decrease than would be provided by retrofitting those engines (See Discussion in section V.C.2. above).



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.

The AVAQMD initially adopted Rule 1700 on July 20, 2021. The initial adoption was taken at USEPA’s request to allow it to delegate the PSD permitting program to AVAQMD. The 2021 adoption was taken as a part of an overhaul of AVAQMD’s New Source Review program to ensure that the cross references and other provisions were properly integrated with those revisions. The adoption was submitted as a SIP revision but not acted upon by USEPA.

## 2. SIP Analysis

The District is requesting CARB to submit the proposed Rule 1700 as a revision to the SIP for AVAQMD. The District is also requesting that, once included in the SIP, USEPA delegate the PSD authority to AVAQMD as allowed for pursuant to 40 CFR 52.21(u).

**Appendix “A”**  
Rule 1700 – *Prevention of Significant Deterioration (PSD)*

The iterated version is provided so that the changes to an existing rule may be easily found. The manner of differentiating text is as follows:

1. Underlined text identifies new or revised language.
2. ~~Lined out text~~ identifies language which is being deleted.
3. Normal text identifies the current language of the rule which will remain unchanged by the adoption of the proposed amendments.
4. *[Bracketed italicized text]* is explanatory material that is not part of the proposed language. It is removed once the proposed amendments are adopted.

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## Rule 1700

### Prevention of Significant Deterioration (PSD)

#### (A) General

##### (1) Purpose

- (a) The purpose of this Rule is to:
  - (i) Set forth the requirements for preconstruction review of all new Major PSD Facilities and Major PSD Modifications which emit or have the potential to emit a PSD Air Pollutant; and
  - (ii) Incorporate applicable provisions of the Federal Prevention of Significant Deterioration (PSD) Rule as found in 40 CFR 52.21 by reference; and
  - (iii) Ensure that the construction or modification of Facilities subject to this Rule comply with the provisions of 40 CFR 52.21 as incorporated by reference in this Rule.

##### (2) Applicability

- (a) This Rule is applicable to any Facility and the owner/operator of any Facility subject to any requirement pursuant to 40 CFR 52.21 as incorporated by reference in this Rule.
- (b) The provisions of this Rule apply to emissions or potential emissions of PSD Air Pollutants and their precursors as defined in subsection (B) below.
- (c) The provisions of this Rule, specifically 40 CFR 52.21(j)-(r) as incorporated by reference below shall not apply to a Major PSD facility or Major PSD Modification with respect to a particular pollutant if the Major PSD Facility or Major PSD Modification is located in an area designated as nonattainment pursuant to 40 CFR 81.305 for the particular pollutant.

##### (3) Incorporation by Reference

- (a) The requirements and provisions contained in 40 CFR 52.21 in effect on ~~June 15, 2021~~ August 19, 2021 are incorporated herein by reference with the exception of the following: [Reference date changed at request of USEPA]
  - (i) 40 CFR 52.21(a)(1), (b)(55-58), (f), (g), (p)(6-8), (q), (s), (t), (u), (v), (w), (x), (y), (z), and (cc).

- (ii) The phrase “paragraph (q) of this section” in 40 CFR 52.21(p)(1) shall read as follows: the public notice and comment provisions contained in subsection (D)(2)(c) of this Rule.
- (iii) The term “Best Available Control Technology” or “BACT” as defined in 40 CFR 52.21(b)(12) shall read “PSD Best Available Control Technology” or “PSD BACT.”
- (iv) The term “Major Modification” as defined in 40 CFR 52.21(b)(2) shall read “Major PSD Modification.”
- (v) The term “Major Stationary Source” as defined in 40 CFR 52.21(b)(1) shall read “Major PSD Facility.”
- (vi) The term “Regulated NSR Pollutant” as defined in 40 CFR 52.21(b)(50) shall read “PSD Air Pollutant.”
- (vii) The term “Stationary Source” as defined in 40 CFR 52.21(b)(5) shall read “Facility.”

(B) Definitions

For the purpose of this Rule the definitions contained in 40 CFR 52.21(b), excluding (b)(55), (b)(56), (b)(57) and (b)(58), shall apply unless the term is otherwise defined herein.

- (1) Administrator – Either the administrator of USEPA or the Air Pollution Control Officer as follows:
  - (a) For the provisions of 40 CFR 52.21(b)(17), (b)(37), (b)(43), (b)(48)(ii)(c), (b)(50)(i), (b)(51), (l)(2), and (p)(2), the administrator of USEPA;
  - (b) For all other provisions of 40 CFR 52.21 as incorporated by reference in this Rule, the Air Pollution Control Officer.
- (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) Authority to Construct Permit (ATC) - A District permit required pursuant to the provisions of District Rule 201 which must be obtained prior to the building, erecting, installation, alteration or replacement of any Permit Unit. Such permit may act as a temporary PTO pursuant to the provisions of District Rule 202.
- (4) District – The Antelope Valley Air Quality Management District the geographical area of which is described in District Rule 103.
- (5) Major PSD Facility – A Major Stationary Source as defined in 40 CFR 52.21(b)(1) for a PSD Air Pollutant.
- (6) Major PSD Modification – A Major Modification as defined in 40 CFR 52.21(b)(2) for a PSD Air Pollutant.

- (7) Permit To Operate (PTO) - A District permit required pursuant to the provisions of District Rule 203 which must be obtained prior to operation of a Permit Unit. An ATC may function as a temporary PTO pursuant to the provisions of District Rule 202.
- (8) Permit Unit – Any Emissions Unit which is required to have a PTO pursuant to the provisions of District Rule 203.
- (9) PSD Air Pollutant – A Regulated NSR Pollutant as defined in 40 CFR 52.21(b)(50).
- (10) PSD Best Available Control Technology (PSD BACT) – Best Available Control Technology as defined in 40 CFR 52.21(b)(12).
- (11) PSD Document – A document issued by the APCO pursuant to the provisions of this Rule including but not limited to: all analysis relating to the new Major PSD Facility or Facility with Major PSD Modification; notices; any engineering analysis or other necessary analysis; and proposed conditions for any required ATC(s) or PTO(s).

#### (C) Requirements

- (1) An owner/operator of any new Major PSD Facility, a Facility with a Major PSD Modification, or a Major PSD Facility requesting or modifying a Plantwide Applicability Limitation (PAL) shall obtain a Prevention of Significant Deterioration (PSD) permit pursuant to this Rule before beginning actual construction of such Facility or modification.
- (2) Notwithstanding the provisions of any other District Rule or Regulation, the APCO shall require compliance with this Rule prior to issuing a PSD permit as required by Section 165 of the Federal Clean Air Act (42 USC §7475).
- (3) Greenhouse gas emissions shall not be subject to the requirements of subsections (k) or (m) of 40 CFR Part 52.21.
- (4) An owner/operator of a Major PSD Facility seeking to obtain a PAL shall also comply with the provisions of 40 CFR 52.21 (aa)(1-15).

#### (D) Procedure

- (1) General
  - (a) The provisions of District Rule 1302 shall apply unless otherwise specified herein.

- (b) For Electrical Energy Generating Facilities (EEGFs) as defined in District Rule 1301(V) the provisions of this Rule shall apply in addition to the provisions of District Rule 1306.
- (2) Analysis
- (a) After the application has been determined to be complete pursuant to the provisions of District Rule 1302(B)(1)(e) and all applicable notifications required pursuant to District Rule 1302 (B)(2) have been sent the APCO shall:
    - (i) Analyze the information to determine if the application complies with the provisions of 40 CFR 52.21 as incorporated by reference; and
    - (ii) Make a PSD BACT determination pursuant to the provisions of 40 CFR 52.21(j);
  - (b) The APCO shall not perform any analysis unless all applicable fees, including but not limited to Project Evaluation Fees for Complex Sources, as set forth in District Rule 301, have been paid.
  - (c) Such PSD analysis may be conducted concurrently with any analysis required pursuant to District Rules 1302, 1306, and/or 1401.
- (3) Permit Issuance Procedure
- (a) Preliminary Decision
    - (i) After the analysis has been completed the APCO shall issue a preliminary decision as to whether the PSD Document should be approved, conditionally approved or disapproved and whether the ATC(s) or PTO(s) should be issued to the Major PSD Facility or Major PSD Modification.
    - (ii) The preliminary decision shall include an analysis of the approval, conditional approval or disapproval and the draft PSD Document.
    - (iii) The preliminary decision and draft PSD Document may be combined with any engineering analysis or draft NSR Document produced pursuant to the provisions of District Rule 1302.
  - (b) USEPA and Federal Land Manager Review.
    - (i) If USEPA and the Federal Land Manager were notified pursuant to the provisions of District Rule 1302 (B)(2)(a)(iii) then the APCO shall, upon completion of the preliminary decision and concurrently with the publication required pursuant to subsection (D)(2)(c) below, send a copy of the preliminary decision and any

underlying analysis to USEPA and any Federal Land Manager so notified.

- (ii) The provisions of District Rule 1302 (D)(2) shall apply to the review by USEPA and the Federal Land Manager.
- (iii) This review may be combined with any other review required pursuant to District Rule 1302.

(c) Public Review, Comment and Availability of Documents

- (i) Upon completion of the preliminary decision the APCO shall provide for public review and comment in the same manner and using the same procedures as set forth in District Rule 1302(D)(3).
- (ii) Such public notice and comment may be combined with any other public notice and comment required pursuant to District Rule 1302.

(d) Public Hearing

- (i) If any person requests a public hearing pursuant to the provisions of District Rule 1302(D)(3)(b)(i), f., g., or h. the APCO shall hold a public hearing and notify the appropriate agencies and the general public using the procedures set forth in District Rule 1302(D)(3)(a).

(e) Final Action

- (i) Within one (1) year of the notification that the application has been deemed complete pursuant to District Rule 1302(B)(2), or after such longer time as both the applicant and the APCO may agree in writing, the APCO shall take final action to issue, issue with conditions or decline to issue the final PSD Document.
- (ii) The APCO shall produce a final PSD Document after the conclusion of the comment period; the public hearing, if any is held; and upon consideration of comments received.
- (iii) The APCO shall provide written notice of the final action to the applicant and USEPA.
- (iv) If substantive changes have been made to the preliminary decision or PSD Document after the opening of the public comment period, the APCO shall re-publish a notice of the final PSD determination pursuant to the provisions of District Rule 1302(D)(3).
- (v) If substantive changes are made to the preliminary decision or PSD Document which are substantial enough to require changes to the underlying requirements or which result in a less stringent BACT determination, then the APCO shall reissue and renote the preliminary decision and draft PSD document pursuant to the provisions of District Rule 1302(D).



- (vi) The final PSD Document and all supporting documentation shall remain available for public inspection at the offices of the District.
  - (vii) The final PSD Document may be combined with a final NSR Document produced pursuant to District Rule 1302(D)(4).
- (f) Issuance of ATC(s) and or PTO(s)
- (i) In conjunction with the final action on the PSD Document the APCO shall issue ATC(s), or PTO(s), if applicable, for any Permit Units associated with a new Major PSD Facility and/or any Permit Units modified as a part of the Major PSD Modification
  - (ii) The ATC(s) or PTO(s) as issued shall contain all conditions regarding construction, operation and other matters as set forth in the PSD Document.

**Appendix “B”**  
**Public Notice Documents**

1. Draft Proof of Publication – Antelope Valley Press 08/18/2023

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## NOTICE OF HEARING

**NOTICE IS HEREBY GIVEN** that the Governing Board of the Antelope Valley Air Quality Management District (AVAQMD) will conduct a public hearing on September 19, 2023 at 10:00 A.M. to consider the amendment of **Rule 1700 – *Prevention of Significant Deterioration (PSD)***.

**SAID HEARING** will be conducted in the Governing Board Chambers of Antelope Valley Transit Authority located at 42210 6<sup>th</sup> Street West, Lancaster, CA where all interested persons may be present and be heard.

Copies of the rule and the staff report for the proposed amendment of **Rule 1700 – *Prevention of Significant Deterioration (PSD)*** are posted on the AVAQMD website at [www.avaqmd.ca.gov](http://www.avaqmd.ca.gov) and are also available at the AVAQMD Office at 2551 West Avenue H, Lancaster, CA 93536. Written comments may be submitted to Barbara Lods, Executive Director/APCO at the above office address. Written comments should be received no later than September 18, 2023 to be considered. If you have any questions you may contact Barbara Lods at (661) 723-8070 x23 for further information. Traducción esta disponible por solicitud.

Rule 1700 is proposed for amendment in response to the United States Environmental Protection Agency's (USEPA's) request to correct a deficiency caused by a change in the underlying regulations (40 CFR 52.21) as adopted by reference in the rule.

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.

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**Appendix “C”**  
**Public Comments and Responses**

[List of Commenters if any.]

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**Appendix “D”**  
California Environmental Quality Act  
Documentation

1. DRAFT Notice of Exemption – Los Angeles County



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**DRAFT NOTICE OF EXEMPTION**

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

**FROM:** Antelope Valley Air Quality Management District  
2551 W Avenue H  
Lancaster, CA 93536

**PROJECT TITLE:** Amendment of Rule 1700 – *Prevention of Significant Deterioration (PSD)*

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

**PROJECT LOCATION – COUNTY:** Los Angeles County

**DESCRIPTION OF PROJECT:** The AVAQMD is proposing to amend Rule 1700 – *Prevention of Significant Deterioration (PSD)*, in response to USEPA’s request. Since Rule 1700 adopts provisions of 40 CFR 52.21 by reference and this underlying regulation was changed effective August 18, 2021 the adoption by reference date in the rule is proposed to be changed to conform the rule to the most recent regulatory version.

**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 amendment of Rule 1700 is exempt from CEQA review because the amendment will not create any new emissions or adverse impacts on the environment as it merely updates the rule to conform to the most recent underlying regulation. 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:** Barbara Lods **PHONE:** (661) 723-8070

**SIGNATURE:** \_\_\_\_\_ **TITLE:** Executive Director **DATE:** September 19, 2023

**DATE RECEIVED FOR FILING:**

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## Appendix “E” Bibliography

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

40 CFR 52.21  
86 FR 37918, 7/19/2021

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## Rule 1700

### Prevention of Significant Deterioration (PSD)

#### (A) General

##### (1) Purpose

- (a) The purpose of this Rule is to:
  - (i) Set forth the requirements for preconstruction review of all new Major PSD Facilities and Major PSD Modifications which emit or have the potential to emit a PSD Air Pollutant; and
  - (ii) Incorporate applicable provisions of the Federal Prevention of Significant Deterioration (PSD) Rule as found in 40 CFR 52.21 by reference; and
  - (iii) Ensure that the construction or modification of Facilities subject to this Rule comply with the provisions of 40 CFR 52.21 as incorporated by reference in this Rule.

##### (2) Applicability

- (a) This Rule is applicable to any Facility and the owner/operator of any Facility subject to any requirement pursuant to 40 CFR 52.21 as incorporated by reference in this Rule.
- (b) The provisions of this Rule apply to emissions or potential emissions of PSD Air Pollutants and their precursors as defined in subsection (B) below.
- (c) The provisions of this Rule, specifically 40 CFR 52.21(j)-(r) as incorporated by reference below shall not apply to a Major PSD facility or Major PSD Modification with respect to a particular pollutant if the Major PSD Facility or Major PSD Modification is located in an area designated as nonattainment pursuant to 40 CFR 81.305 for the particular pollutant.

##### (3) Incorporation by Reference

- (a) The requirements and provisions contained in 40 CFR 52.21 in effect on August 19, 2021 are incorporated herein by reference with the exception of the following:
  - (i) 40 CFR 52.21(a)(1), (b)(55-58), (f), (g), (p)(6-8), (q), (s), (t), (u), (v), (w), (x), (y), (z), and (cc).
  - (ii) The phrase “paragraph (q) of this section” in 40 CFR 52.21(p)(1) shall read as follows: the public notice and comment provisions contained in subsection (D)(2)(c) of this Rule.

- (iii) The term “Best Available Control Technology” or “BACT” as defined in 40 CFR 52.21(b)(12) shall read “PSD Best Available Control Technology” or “PSD BACT.”
- (iv) The term “Major Modification” as defined in 40 CFR 52.21(b)(2) shall read “Major PSD Modification.”
- (v) The term “Major Stationary Source” as defined in 40 CFR 52.21(b)(1) shall read “Major PSD Facility.”
- (vi) The term “Regulated NSR Pollutant” as defined in 40 CFR 52.21(b)(50) shall read “PSD Air Pollutant.”
- (vii) The term “Stationary Source” as defined in 40 CFR 52.21(b)(5) shall read “Facility.”

(B) Definitions

For the purpose of this Rule the definitions contained in 40 CFR 52.21(b), excluding (b)(55), (b)(56), (b)(57) and (b)(58), shall apply unless the term is otherwise defined herein.

- (1) Administrator – Either the administrator of USEPA or the Air Pollution Control Officer as follows:
  - (a) For the provisions of 40 CFR 52.21(b)(17), (b)(37), (b)(43), (b)(48)(ii)(c), (b)(50)(i), (b)(51), (l)(2), and (p)(2), the administrator of USEPA;
  - (b) For all other provisions of 40 CFR 52.21 as incorporated by reference in this Rule, the Air Pollution Control Officer.
- (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) Authority to Construct Permit (ATC) - A District permit required pursuant to the provisions of District Rule 201 which must be obtained prior to the building, erecting, installation, alteration or replacement of any Permit Unit. Such permit may act as a temporary PTO pursuant to the provisions of District Rule 202.
- (4) District – The Antelope Valley Air Quality Management District the geographical area of which is described in District Rule 103.
- (5) Major PSD Facility – A Major Stationary Source as defined in 40 CFR 52.21(b)(1) for a PSD Air Pollutant.
- (6) Major PSD Modification – A Major Modification as defined in 40 CFR 52.21(b)(2) for a PSD Air Pollutant.
- (7) Permit To Operate (PTO) - A District permit required pursuant to the provisions of District Rule 203 which must be obtained prior to operation of a Permit Unit. An ATC may function as a temporary PTO pursuant to the provisions of District Rule 202.

- (8) Permit Unit – Any Emissions Unit which is required to have a PTO pursuant to the provisions of District Rule 203.
- (9) PSD Air Pollutant – A Regulated NSR Pollutant as defined in 40 CFR 52.21(b)(50).
- (10) PSD Best Available Control Technology (PSD BACT) – Best Available Control Technology as defined in 40 CFR 52.21(b)(12).
- (11) PSD Document – A document issued by the APCO pursuant to the provisions of this Rule including but not limited to: all analysis relating to the new Major PSD Facility or Facility with Major PSD Modification; notices; any engineering analysis or other necessary analysis; and proposed conditions for any required ATC(s) or PTO(s).

### (C) Requirements

- (1) An owner/operator of any new Major PSD Facility, a Facility with a Major PSD Modification, or a Major PSD Facility requesting or modifying a Plantwide Applicability Limitation (PAL) shall obtain a Prevention of Significant Deterioration (PSD) permit pursuant to this Rule before beginning actual construction of such Facility or modification.
- (2) Notwithstanding the provisions of any other District Rule or Regulation, the APCO shall require compliance with this Rule prior to issuing a PSD permit as required by Section 165 of the Federal Clean Air Act (42 USC §7475).
- (3) Greenhouse gas emissions shall not be subject to the requirements of subsections (k) or (m) of 40 CFR Part 52.21.
- (4) An owner/operator of a Major PSD Facility seeking to obtain a PAL shall also comply with the provisions of 40 CFR 52.21 (aa)(1-15).

### (D) Procedure

- (1) General
  - (a) The provisions of District Rule 1302 shall apply unless otherwise specified herein.
  - (b) For Electrical Energy Generating Facilities (EEGFs) as defined in District Rule 1301(V) the provisions of this Rule shall apply in addition to the provisions of District Rule 1306.
- (2) Analysis
  - (a) After the application has been determined to be complete pursuant to the provisions of District Rule 1302(B)(1)(e) and all applicable notifications



required pursuant to District Rule 1302 (B)(2) have been sent the APCO shall:

- (i) Analyze the information to determine if the application complies with the provisions of 40 CFR 52.21 as incorporated by reference; and
  - (ii) Make a PSD BACT determination pursuant to the provisions of 40 CFR 52.21(j);
- (b) The APCO shall not perform any analysis unless all applicable fees, including but not limited to Project Evaluation Fees for Complex Sources, as set forth in District Rule 301, have been paid.
- (c) Such PSD analysis may be conducted concurrently with any analysis required pursuant to District Rules 1302, 1306, and/or 1401.
- (3) Permit Issuance Procedure
- (a) Preliminary Decision
    - (i) After the analysis has been completed the APCO shall issue a preliminary decision as to whether the PSD Document should be approved, conditionally approved or disapproved and whether the ATC(s) or PTO(s) should be issued to the Major PSD Facility or Major PSD Modification.
    - (ii) The preliminary decision shall include an analysis of the approval, conditional approval or disapproval and the draft PSD Document.
    - (iii) The preliminary decision and draft PSD Document may be combined with any engineering analysis or draft NSR Document produced pursuant to the provisions of District Rule 1302.
  - (b) USEPA and Federal Land Manager Review.
    - (i) If USEPA and the Federal Land Manager were notified pursuant to the provisions of District Rule 1302 (B)(2)(a)(iii) then the APCO shall, upon completion of the preliminary decision and concurrently with the publication required pursuant to subsection (D)(2)(c) below, send a copy of the preliminary decision and any underlying analysis to USEPA and any Federal Land Manager so notified.
    - (ii) The provisions of District Rule 1302 (D)(2) shall apply to the review by USEPA and the Federal Land Manager.
    - (iii) This review may be combined with any other review required pursuant to District Rule 1302.

- (c) Public Review, Comment and Availability of Documents
  - (i) Upon completion of the preliminary decision the APCO shall provide for public review and comment in the same manner and using the same procedures as set forth in District Rule 1302(D)(3).
  - (ii) Such public notice and comment may be combined with any other public notice and comment required pursuant to District Rule 1302.
- (d) Public Hearing
  - (i) If any person requests a public hearing pursuant to the provisions of District Rule 1302(D)(3)(b)(i) f., g., or h. the APCO shall hold a public hearing and notify the appropriate agencies and the general public using the procedures set forth in District Rule 1302(D)(3)(a).
- (e) Final Action
  - (i) Within one (1) year of the notification that the application has been deemed complete pursuant to District Rule 1302(B)(2), or after such longer time as both the applicant and the APCO may agree in writing, the APCO shall take final action to issue, issue with conditions or decline to issue the final PSD Document.
  - (ii) The APCO shall produce a final PSD Document after the conclusion of the comment period; the public hearing, if any is held; and upon consideration of comments received.
  - (iii) The APCO shall provide written notice of the final action to the applicant and USEPA.
  - (iv) If substantive changes have been made to the preliminary decision or PSD Document after the opening of the public comment period, the APCO shall re-publish a notice of the final PSD determination pursuant to the provisions of District Rule 1302(D)(3).
  - (v) If substantive changes are made to the preliminary decision or PSD Document which are substantial enough to require changes to the underlying requirements or which result in a less stringent BACT determination, then the APCO shall reissue and renote the preliminary decision and draft PSD document pursuant to the provisions of District Rule 1302(D).
  - (vi) The final PSD Document and all supporting documentation shall remain available for public inspection at the offices of the District.
  - (vii) The final PSD Document may be combined with a final NSR Document produced pursuant to District Rule 1302(D)(4).
- (f) Issuance of ATC(s) and or PTO(s)
  - (i) In conjunction with the final action on the PSD Document the APCO shall issue ATC(s), or PTO(s), if applicable, for any Permit

- Units associated with a new Major PSD Facility and/or any Permit  
Units modified as a part of the Major PSD Modification
- (ii) The ATC(s) or PTO(s) as issued shall contain all conditions regarding construction, operation and other matters as set forth in the PSD Document.

The following page(s) contain the backup material for Agenda Item: 1) Award an amount not to exceed \$323,424 in Carl Moyer Program funds to A-G Sod Farms for the replacement of older diesel tractors with new, cleaner technology; 2) Authorize the Executive Director/APCO the option to change the funding source if warranted or if other applicable funding sources become available; 3) Authorize the Executive Director/APCO and staff to negotiate target time frames and technical project details and execute an agreement, approved as to legal form by the Office of District Counsel; and 4) Find that this item is not a project pursuant to the California Environmental Quality Act.  
Please scroll down to view the backup material.

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

*AGENDA ITEM # 8*

**DATE:** September 19, 2023

**RECOMMENDATION:** 1) Award an amount not to exceed \$323,424 in Carl Moyer Program funds to A-G Sod Farms for the replacement of older diesel tractors with new, cleaner technology; 2) Authorize the Executive Director/APCO the option to change the funding source if warranted or if other applicable funding sources become available; 3) Authorize the Executive Director/APCO and staff to negotiate target time frames and technical project details and execute an agreement, approved as to legal form by the Office of District Counsel; and 4) Find that this item is not a project pursuant to the California Environmental Quality Act.

**SUMMARY:** This item awards an amount not to exceed \$323,424 in Carl Moyer Program funds to A-G Sod Farms for the replacement of older diesel tractors with new, cleaner technology certified to the Final Tier 4/current emission standards.

**BACKGROUND:** AVAQMD received an application from A-G Sod Farms for grant funding to replace six (6) older diesel tractors. Applicant is not subject to any diesel off-road regulation and proposes voluntary participation in the off-road equipment replacement program to reduce emissions by early retirement of older, higher polluting diesel tractors and replacing them with new, cleaner diesel technology that meets the current emission standards. Staff has evaluated the project for eligibility pursuant to the guidelines and finds the proposed project eligible for 80% percent toward the replacement equipment. Retirement of the proposed tractors produces an estimated 12 tons/yr. early emission reductions. Early fleet turnover provides emission reductions that help the Valley towards attainment of the national ambient air quality standards.

**REASON FOR RECOMMENDATION:** Governing Board approval is needed for the use of District funds. 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 Barbara Lods, Executive Director/APCO on or before September 6, 2023.

**FINANCIAL DATA:** Funding is available from the District's Carl Moyer Program funds.

**INTERESTED PARTIES:** A-G Sods Farms

**PRESENTER:** Julie McKeehan, Grants Analyst

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cc: Barbara Lods  
Julie McKeehan

The following page(s) contain the backup material for Agenda Item: 1) Award an amount not to exceed \$78,255 in Carl Moyer Program funds to Bookman Ranch for the replacement of an older diesel tractor with new, cleaner technology; 2) Authorize the Executive Director/APCO the option to change the funding source if warranted or if other applicable funding sources become available; 3) Authorize the Executive Director/APCO and staff to negotiate target time frames and technical project details and execute an agreement, approved as to legal form by the Office of District Counsel; and 4) Find that this item is not a project pursuant to the California Environmental Quality Act.  
Please scroll down to view the backup material.

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

*AGENDA ITEM # 9*

**DATE:** September 19, 2023

**RECOMMENDATION:** 1) Award an amount not to exceed \$78,255 in Carl Moyer Program funds to Bookman Ranch for the replacement of an older diesel tractor with new, cleaner technology; 2) Authorize the Executive Director/APCO the option to change the funding source if warranted or if other applicable funding sources become available; 3) Authorize the Executive Director/APCO and staff to negotiate target time frames and technical project details and execute an agreement, approved as to legal form by the Office of District Counsel; and 4) Find that this item is not a project pursuant to the California Environmental Quality Act.

**SUMMARY:** This item awards an amount not to exceed \$78,255 in Carl Moyer Program funds to Bookman Ranch for the replacement of an older diesel tractor with new, cleaner technology certified to the Final Tier 4/current emission standards.

**BACKGROUND:** AVAQMD received an application from Bookman Ranch for grant funding to replace an older diesel tractor. Applicant is not subject to any diesel off-road equipment regulation and proposes voluntary participation in the off-road equipment replacement program to reduce emissions by early retirement of an older, higher polluting diesel tractor and replacing it with new, cleaner diesel technology that meets the current emission standards. Staff has evaluated the project for eligibility pursuant to the guidelines and finds the proposed project eligible for 80% percent toward the replacement equipment. Retirement of the proposed project produces an estimated 1 ton/yr. early emission reductions. Early fleet turnover provides emission reductions that help the Valley towards attainment of the national ambient air quality standards.

**REASON FOR RECOMMENDATION:** Governing Board approval is needed for the use of District funds. 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 Barbara Lods, Executive Director/APCO on or before September 6, 2023.

**FINANCIAL DATA:** Funding is available from the District's Carl Moyer Program funds.

**INTERESTED PARTIES:** Thomas Bookman

**PRESENTER:** Julie McKeehan, Grants Analyst

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cc: Barbara Lods  
Julie McKeehan

The following page(s) contain the backup material for Agenda Item: [1\) Award an amount not to exceed \\$85,721 of Carl Moyer Program funds to Gene Wheeler Farms for the replacement of an older diesel forklift with newer, cleaner technology;](#) [2\) Authorize the Executive Director/APCO the option to change the funding source if warranted or if other applicable sources become available;](#) and [3\) Authorize the Executive Director/APCO and staff to negotiate target time frames and technical project details and execute agreements, approved as to legal form by the Office of District Counsel, and 4\) Find that this item is not a project pursuant to the California Environmental Quality Act.](#)

Please scroll down to view the backup material.



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

*AGENDA ITEM # 10*

**DATE:** September 19, 2023

**RECOMMENDATION:** 1) Award an amount not to exceed \$85,721 of Carl Moyer Program funds to Gene Wheeler Farms for the replacement of an older diesel forklift with newer, cleaner technology; 2) Authorize the Executive Director/APCO the option to change the funding source if warranted or if other applicable sources become available; and 3) Authorize the Executive Director/APCO and staff to negotiate target time frames and technical project details and execute agreements, approved as to legal form by the Office of District Counsel, and 4) Find that this item is not a project pursuant to the California Environmental Quality Act.

**SUMMARY:** This item awards an amount not to exceed \$85,721 of Carl Moyer Program to Gene Wheeler Farms for the replacement of an older diesel forklift with newer, cleaner technology certified to the Final Tier 4/current emission standards.

**BACKGROUND:** AVAQMD received an application from Gene Wheeler Farms requesting grant funding to assist in the replacement of an older diesel forklift. Applicant is not subject to any diesel off-road equipment regulation and proposes voluntary participation in the Carl Moyer Program to reduce emissions by early retirement of older diesel farm equipment and replacing them with new, cleaner diesel technology that meets the current emission standards. Staff has evaluated the project and finds the proposed project is eligible for the maximum grant award not to exceed \$85,721. Retirement of the proposed equipment produces an estimated 1 ton/yr. early emission reductions. Early fleet turnover provides emission reductions that help the Valley towards attainment of the national ambient air quality standards.

**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 Barbara Lods, Executive Director/APCO on or before September 6, 2023.

**FINANCIAL DATA:** Funding is granted from the District's Carl Moyer Program funds.

**INTERESTED PARTIES:** Antonio Aguilar, Scott Smith

**PRESENTER:** Julie McKeehan, Grants Analyst

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cc: Barbara Lods  
Julie McKeehan

The following page(s) contain the backup material for Agenda Item: 1) Award an amount not to exceed \$110,768 in Carl Moyer Program funds to Hemme Hay and Feed for the replacement of an older diesel forklift with newer, cleaner technology; 2) Authorize the Executive Director/APCO the option to change the funding source if warranted or if other applicable sources become available; and 3) Authorize the Executive Director/APCO and staff to negotiate target time frames and technical project details and execute agreements, approved as to legal form by the Office of District Counsel, 4) Find that this item is not a project pursuant to the California Environmental Quality Act.

Please scroll down to view the backup material.

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

*AGENDA ITEM # 11*

**DATE:** September 19, 2023

**RECOMMENDATION:** 1) Award an amount not to exceed \$110,768 in Carl Moyer Program funds to Hemme Hay and Feed for the replacement of an older diesel forklift with newer, cleaner technology; 2) Authorize the Executive Director/APCO the option to change the funding source if warranted or if other applicable sources become available; and 3) Authorize the Executive Director/APCO and staff to negotiate target time frames and technical project details and execute agreements, approved as to legal form by the Office of District Counsel, 4) Find that this item is not a project pursuant to the California Environmental Quality Act.

**SUMMARY:** This item awards an amount not to exceed \$110,768 of Carl Moyer Program funds to Hemme Hay and Feed for the replacement of (1) older diesel forklift for (1) new diesel forklift with newer, cleaner technology certified to the Tier 4 emission standards.

**BACKGROUND:** AVAQMD received an application from Hemme Hay and Feed requesting grant funding towards retirement and replacement of (1) older diesel forklift for (1) new diesel forklift. Hemme Hay and Feed proposes voluntary participation in the Carl Moyer Program to reduce emissions by early retirement of older diesel agricultural equipment for new, cleaner diesel technology that meets the current Tier 4 emission standards. Staff has evaluated the project and finds the proposed project is eligible for an amount not to exceed \$110,768. Retirement of the proposed equipment produces an estimated 1 ton/yr. early emission reductions. Early fleet turnover with cleaner technologies provides emission reductions that help the Valley towards attainment of the national ambient air quality standards.

**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 Barbara Lods, Executive Director/APCO on or before September 6, 2023.

**FINANCIAL DATA:** Funding is granted from the District's Carl Moyer Program funds.

**INTERESTED PARTIES:** John Hemme Sr., John Hemme Jr.

**PRESENTER:** Julie McKeehan, Grants Analyst

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cc: Barbara Lods  
Julie McKeehan