

BOARD MEETING DATE: January 5, 2018

AGENDA NO. 2

PROPOSAL: Recognize Revenue and Appropriate Funds, Approve Positions, Amend Contracts, Issue Solicitations and Purchase Orders for AB 617 Implementation and Transfer and Appropriate Funds and Approve Positions for AB 134 Implementation

SYNOPSIS: Under AB 617, recently adopted by the state legislature, CARB is developing the Community Air Protection Program to reduce exposure in neighborhoods most impacted by air pollution. SCAQMD is expected to receive \$10,700,000 for this effort and as a result the agency's workload will substantially increase in the areas of accelerated BARCT rulemaking, emissions monitoring, community emission reduction plans, and state-wide emission reporting consistency. This action is to recognize up to \$10,700,000 in the General Fund and appropriate \$5,644,888 into the FY 2017-18 Budget, approve 36.5 positions, amend contracts, and issue solicitations and purchase orders for AB 617 implementation. In November 2017, the Board recognized increased funding from AB 134 for the Carl Moyer program. This action is to also transfer and appropriate \$561,792 from the Carl Moyer Program Fund (32) into the General Fund FY 2017-18 budget and approve 10.5 positions for the implementation of AB 134.

COMMITTEE: Administrative, December 8, 2017; Recommended for Approval

RECOMMENDED ACTIONS:

1. Recognize revenue up to \$10,700,000 upon receipt from CARB and appropriate \$5,644,888 into the FY 2017-18 Budget for AB 617 expenditures as set forth in Tables 1-5;
2. Authorize the Executive Officer to issue solicitations and purchase orders in accordance with SCAQMD Procurement Policy and Procedure for items listed in Tables 3 and 5;
3. Authorize the Executive Officer to amend the following contracts for AB 617 implementation from Science and Technology Advancement's FY 2017-18 Budget, Services and Supplies Major Object, Professional and Special Services account:
 - a. Aerodyne Research, Inc. for an amount not to exceed \$240,000
 - b. Desert Research Institute for an amount not to exceed \$160,000;

4. Approve the addition of 36.5 positions for AB 617 implementation as listed in Table 1;
5. Account for any unspent AB 617 revenue received from CARB as Restricted General Fund Balance; and
6. Approve the addition of 10.5 positions as listed in Table 6 and transfer and appropriate funds in an amount not to exceed \$561,792 as listed in Table 7 for AB 134 implementation from the Carl Moyer Program Fund (32) to the General Fund FY 2017-18 Budget.

Wayne Natri
Executive Officer

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Background

Two legislative changes this year will result in significant increases in the responsibilities and workload for SCAQMD. AB 617 requires major effort in the following areas: accelerated BARCT rule making, emissions monitoring, community emission reduction plans, and state-wide emission reporting consistency. The intent of the bill, which was a companion bill to the extension of the state greenhouse gas cap and trade program, is to improve air quality in disadvantaged communities with high cumulative exposures, through monitoring and emission reduction plans. For stationary sources that are in the state greenhouse gas cap and trade program, the bill requires BARCT controls (and a statewide clearing house) and improved consistency and accessibility of emissions data (greenhouse gases, criteria and toxic pollutants. AB 109 provided funding for implementing AB 617, and SCAQMD will receive \$10.7 million this year as our portion of the state funding. The legislature provided funding for the first year, but expectations are that this will be extended for future years. Additional resources (staffing, contracts, equipment and related services and supplies) are needed to fulfill these requirements.

AB 617 specifies CARB as being responsible for the community identification for monitoring and emission reduction plans. Staff is working very closely with CARB and CAPCOA on each aspect of the program. AB 617 requires that CARB develop a monitoring plan for the state, and then select, based on the plan, the highest priority locations for community air monitoring systems. By July 1, 2019, air districts must put monitoring systems in place, and have a mechanism to send data to the CARB website. Additional communities will be added every year. AB 617 also requires community emissions reduction programs based on monitoring and other data. Within one year, air districts must adopt a community emissions reduction program. In addition to these significant, resource intensive program elements, AB 617 requires expedited BARCT for sources in the state greenhouse gas program, which accelerates many of the SCAQMD rulemaking activities to transition RECLAIM to a command and control

regulatory structure. Under AB 617, BARCT must be implemented by December 31, 2023. Another area that will require close coordination and work with CARB and other air districts is the bill's mandate to improve the consistency of state-wide emission reporting. Staff anticipates that this will involve changes to the Annual Emissions Reporting program, which may include emission calculation changes, and is very likely to require changes to the program for data collection and transmission to CARB.

AB 134 adds approximately \$107.5 million this year for SCAQMD to add to the Carl Moyer program, and allows up to 6.25 percent of the money (~\$6.7 million) to be spent on administration. Additional staff resources are needed to handle the increased workload that will be associated with this program.

Proposal

Staff is seeking Board approval to recognize funds from CARB, authorize the addition of 36.5 staff positions listed in Table 1, procure capital equipment listed in Table 3 (some sole source), amend two contracts listed in Table 4, and procure related services and supplies listed in Table 5 to support work required under AB 617. In addition, Board approval is also recommended for adding 10.5 staff positions for implementing additional work under the Carl Moyer program (AB 134), as listed in Table 6.

Staff will bring any contract execution requests resulting from Requests for Proposals, such as those related to BARCT and CEQA analyses, to the Board. These two referenced contracts are anticipated to be \$500,000 each, for a total of \$1.0 million (see Table 5). Existing staff resources are not adequate to handle all the rules and related CEQA analysis that must be adopted or amended for implementation by January 1, 2023.

Sole Source Justifications

Pre-concentrator for H₂S Instrument

Section VIII.B.2 of the Procurement Policy identifies provisions under which sole source awards may be justified. This request for a sole source purchase is made under provision VIII B.2.c.(2): The project involves the use of proprietary technology. This request is for a sole source purchase of a Markes hydrogen sulfide (H₂S) pre-concentrator to be added to an existing SCAQMD Markes sulfur instrument. Software and communications between the two pieces of equipment are proprietary.

Photoacoustic Extinctionmeter (PAX)for Black Carbon Measurements

Section VIII.B.2 of the Procurement Policy identifies provisions under which sole source awards may be justified. This request for a sole source purchase is made under provision VIII B.2.c.(1): The Photoacoustic Extinctionmeter is available from only one source. Droplet Measurement Technologies is the only manufacturer of PAX instruments in the United States and whose products have a long history of scientific evaluation and testing.

LI-COR Methane Monitor

Section VIII.B.2 of the Procurement Policy identifies provisions under which sole source awards may be justified. This request for a sole source purchase is made under provision VIII B.2.c.(1): The LI-COR 7700 is available from only one distributor (LI-COR, Inc.) and no other manufacturer or distributor sells an open-path instrument capable of measuring methane concentrations as low as single parts per billion (ppb) at rates as fast as 40 times per second, and that is ideal for mobile survey applications.

Laboratory Instruments Services

Section VIII.B.2 of the Procurement Policy identifies provisions under which sole source awards may be justified. This request for a sole source purchase is made under provision B.2.c.(1): The unique experience and capabilities of the proposed contractor or contractor team. This request is to issue sole source purchase orders for repair and service of laboratory instrumentation with PANanalytical, Full Spectrum Analytics, Inc., and Unity Lab Services.

Benefits to SCAQMD

The additional staffing, contracts, equipment, and related services and supplies will allow SCAQMD to fulfill the legislative directives of AB 617 and AB 134, which will result in benefits to environmental justice communities, and to all of the people in the Basin.

Resource Impacts

Funding from CARB's Community Air Protection Program under AB 617 will provide sufficient resources to implement SCAQMD's AB 617 program. Funding from AB 134 will provide sufficient resources for implementation of the expanded Carl Moyer program. Budget to continue SCAQMD's AB 617 program and the implementation of the Carl Moyer program expansion in future years will be included as part of the annual budget process.

Attachments

Table 1. FY 2017-18 Proposed Staffing Additions for AB 617

Table 2. FY 2017-18 Funding Appropriation for Proposed Staffing Additions for AB 617

Table 3. FY 2017-18 Proposed Capital Outlay Expenditures for AB 617

Table 4. FY 2017-18 Proposed Contracts to be Amended for AB 617

Table 5. FY 2017-18 Proposed Other Services and Supplies Expenditures for AB 617

Table 6. FY 2017-18 Proposed Staffing Additions for AB 134

Table 7. FY 2017-18 Funding Appropriation for Proposed Staffing Additions for AB 134

Table 1

FY 2017-18 Proposed Staffing Additions for AB 617

Position Title	Quantity	Org Unit
Air Quality Instrument Specialist II	1	STA
Air Quality Specialist	15	10 PRDAS, 5 STA
Atmospheric Measurement Manager	1	STA
Human Resources Analyst	1	Admin/HR
Office Assistant	0.5	Legal
Payroll Technician*	1	Admin/FIN
Planning & Rules Manager	1	PRDAS
Program Supervisor	4	2 PRDAS, 2 STA
Secretary	2	1 PRDAS, 1 STA
Senior Public Information Specialist	2	LPAM
Senior Air Quality Chemist	2	STA
Human Resources Technician	1	Admin/HR
Systems Development Supervisor	1	Admin/IM
Systems Developer	4	Admin/IM
Total	36.5	

*The Payroll Technician will be partially funded by AB 617; there are sufficient salary savings in the General Fund to cover the remainder of the Payroll Technician salary and benefits.

Table 2

FY 2017-18 Funding Appropriation for Proposed Staffing Additions for AB 617

Org Unit	Estimated Amount
Admin/FIN	\$ 46,971
Admin/HR	\$ 145,982
Admin/IM	454,549
Legal	20,629
LPAM	151,995
PRDAS	1,129,312
STA	970,450
Total	\$2,919,888

Note: The amount of \$2,919,888 covers the period January–June 2018; an additional \$5,000 per employee will be budgeted to cover computers, phones and/or cell phones if applicable, and cubicle space configurations, as needed (see Table 5).

Table 3

FY 2017-18 Proposed Capital Outlay Expenditures for AB 617

Description	Org Unit	Account	Quantity	Estimated Amount	Contracting Method
Pre-concentrator for H ₂ S Instrument	STA	77000	1	\$ 30,000	Sole-Source
Measurement and Sensor Validation Platform:	STA	77000			
Trailer			1	70,000	Bid
GC-MS System			1	200,000	Bid
Reference PM Monitor			1	30,000	Bid
Tow Vehicle			1	75,000	Bid
Mobile Survey Platform:	STA	77000			
Vehicle			1	90,000	Bid
Fast Response PM Monitor			1	30,000	Bid
Fast Response Ozone Monitor			1	25,000	Bid
Fast Response NO ₂ /NO Monitor			1	25,000	Bid
Photoacoustic Extinctionmeter for Black Carbon Measurements			1	65,000	Sole Source
Particle Sizer			1	50,000	Bid
LI-COR Methane Monitor			1	50,000	Sole Source
Van	STA	77000	1	100,000	Bid
Dilutor for H ₂ S Instrument	STA	77000	1	25,000	Bid
			Total	\$ 865,000	

Note: Equipment components may be appropriated in the Services and Supplies Major Object as warranted based on vendor quotes.

Table 4

FY 2017-18 Proposed Contracts to be Amended for AB 617

Contractor	Description	Org Unit	Account	Estimated Amount
Aerodyne Research, Inc.	Metals Survey Contract	STA	67450	\$240,000
Desert Research Institute	Metals Survey Contract	STA	67450	160,000
			Total	\$400,000

Table 5

FY 2017-18 Proposed Other Services and Supplies Expenditures for AB 617

Description	Org Unit	Account	Estimated Amount	Contracting Method
BARCT Analysis	PRDAS	67450	\$ 500,000	Bid
CEQA Analysis	PRDAS	67450	500,000	Bid
Laboratory Instruments Service Agreements	STA	67450	150,000	Sole Source (PO)
Laboratory Reconfiguration	STA	67450	100,000	Bid
Supplies and Consumables	STA	68300	25,000	Bid
Office Supplies-new staff	Admin/FIN	68100	5,000	Bid
Office Supplies-new staff	Admin/HR	68100	10,000	Bid
Office Supplies-new staff	Admin/IM	68100	25,000	Bid
Office Supplies-new staff	Legal	68100	\$5,000	Bid
Office Supplies-new staff	LPAM	68100	\$10,000	Bid
Office Supplies-new staff	PRDAS	68100	\$70,000	Bid
Office Supplies-new staff	STA	68100	\$60,000	Bid
			Total	\$1,460,000

Table 6

FY 2017-18 Proposed Staffing Additions for AB 134

Position Title	Quantity	Division
Air Quality Inspector II	1	STA
Air Quality Specialist	2	STA
Contracts Assistant	3	2 STA, 1 Admin/FIN
Fiscal Assistant	1	Admin/FIN
Office Assistant	1.5	1 STA, 0.5 Legal
Paralegal	1	Legal
Senior Deputy District Counsel	1	Legal
Total	10.5	

Table 7

FY 2017-18 Funding Appropriation for Proposed Staffing Additions for AB 134

Org Unit	Estimated Amount
Admin/FIN	\$ 88,598
Legal	195,657
STA	277,537
Total	\$561,792

Note: The amount of \$561,792 covers the period January–June 2018