September 21, 2012
10-11:30 a.m.

1. Welcome and Self-Introductions

2. Update: Bay Delta Conservation Plan

Steve Arakawa, Manager of the Bay-Delta Initiatives Program, Metropolitan Water District of Southern California

Arakawa will provide an update of the proposed Bay-Delta Conservation Plan, which will secure a reliable supply of water for the State of California through environmental and water supply improvements in the Sacramento-San Joaquin River Delta. The Chamber-supported Plan includes environmental restoration of the Delta and an improved water delivery system.

3. Briefing: County Water Quality Funding Initiative

Hector J. Bordas, P.E., Area Engineer, Los Angeles County Flood Control District

Bordas will provide an overview of a March 13, 2013 countywide mail-in ballot measure proposed by the L.A. County Board of Supervisors that will help L.A. County meet federal and state mandated water quality requirements. The Clean Water, Clean Beaches Measure would assess a new, annual parcel-related fee on properties based on zoning, land use, size and produced runoff.

4. Update: Air Quality Management District’s 2012 Air Quality Management Plan

Tom McHenry, Partner, Gibson, Dunn & Crutcher LLP (Council Chair)

The South Coast Air Quality Management District (AQMD) has released a Draft Environmental Impact Report and Socioeconomic Analysis of its 2012 AQMP—a regional and multi-agency effort that incorporates the latest scientific and technological information and planning assumptions, including the 2012 Regional Transportation Plan/Sustainable Communities Strategy and updated emission inventory methodologies for various source categories.


Next Meeting:
Friday, November 16, 10-11:30 am
Stephen Arakawa
Manager of the Bay-Delta Initiatives Program
Metropolitan Water District of Southern California

Stephen Arakawa, manager of the Bay-Delta Initiatives Program at the Metropolitan Water District of Southern California, has a background of 30 years working in the water field as a civil engineer.

At Metropolitan he is responsible for the plans and activities to secure a reliable supply from the state water project through environmental and water supply improvements in the Sacramento-San Joaquin River Delta. A key initiative within the program is completion of a Bay-Delta Conservation Plan which entails the environmental review, permitting and preliminary design for both environmental restoration of the Delta and an improved water delivery system in the Delta.

Prior to that he served as group manager of the Water Resource Management Group for over 10 years where he was responsible for managing the district's planning activities and policy guideline development related to Metropolitan's water supply plans and integrated resources plans; the development and implementation of Metropolitan's resources programs for conservation, local resources projects, and groundwater recovery and conjunctive use programs; and the management and negotiations of resource contracts related to the State Water Project, Colorado River deliveries and water transfers and purchases.

Before coming to Metropolitan in 1987, Arakawa worked for the California Department of Water Resources (DWR) in Sacramento for seven years. For DWR he conducted studies regarding the San Francisco Bay-Delta estuary. He is a registered engineer in California. He is a graduate of Loyola Marymount University in Los Angeles with a degree in civil engineering.
Hector J. Bordas P.E.
Area Engineer
Los Angeles County Flood Control District

- Responsible for the education and outreach program of the Clean Water Clean Beaches water quality funding measure.

- Responsible for the operation and maintenance of Flood Control District infrastructure including 62 major flood protection pump plants, thousands of miles of underground storm drains, hundreds of miles of open channels, over 30,000 catch basins, sea water barrier systems, and storm water recharge facilities.

- Bachelor of Science degree in Biology, University of Southern California

- Bachelor of Science degree in Civil Engineering, California State University, Long Beach
July 3, 2012

The Honorable Ken Salazar
Secretary, Department of Interior
1849 C Street, N.W.
Washington, D.C. 20240

The Honorable John Laird
Secretary, Natural Resources Agency
1416 Ninth Street, Suite 1311
Sacramento, CA 95814

Dear Secretary Salazar and Secretary Laird,

Now is the time to move the Bay Delta Conservation Plan (BDCP) forward. The BDCP provides an opportunity to achieve the co-equal goals established by the Legislature of water supply reliability and Delta restoration. The wide array of civic and business organizations across the state that are represented by this letter are in support of action to achieve a comprehensive water solution for California – one that will help us address the long term needs of our residents, strengthen our economic future, and protect our state from catastrophe.

The risk of inaction is unacceptable. An earthquake could cut off a key water supply to 25 million people in the state and more than 3 million acres of prime farmland, hurting families, businesses, communities and our economy. An updated Delta conveyance system is the only way to avoid this threat of severe shortages for communities that would have a devastating impact on California’s economy.

Restoring a reliable water supply is key to the long-term economic stability of Silicon Valley, the San Joaquin Valley and Southern California. Four of the nation’s top five agricultural production counties are reliant on water conveyed from Northern California storage facilities. The public water agencies that serve these communities and economies are ready to make the conveyance investments necessary to restore a reliable water system.

Additionally, moving forward with construction on water conveyance infrastructure will create more than 129,000 jobs in areas that have been hit hardest by the great recession, including Sacramento, Contra Costa and San Joaquin Counties.

The Bay Delta Conservation Plan represents the most comprehensive effort in California’s history to address the long-standing water system/ecosystem crisis in the Delta. A quarter billion dollars in water ratepayer funds will be expended in order to advance the planning process to the action stage. We recognize that any comprehensive effort cannot fully satisfy all the disparate stakeholder groups. But
the inability to make the decisions necessary to take historic action in the Delta is in no region’s long-term interest. We urge you to continue to work collaboratively to promptly propose a set of Delta actions, complete the environmental review process and make final actions next year. This is the time to act.

Sincerely,

Gary Toebben
President & CEO
Los Angeles Area Chamber of Commerce

Carl Guardino
President and CEO
Silicon Valley Leadership Group

Jim Wunderman
President & CEO
Bay Area Council

Bill Allen
President & CEO
Los Angeles County Economic Development Corporation

Randy Gordon
President & CEO
Long Beach Area Chamber of Commerce

Cynthia Murray
President & CEO
North Bay Leadership Council

Lucy Dunn
President & CEO
Orange County Business Council

Mark Cafferty
President & CEO
San Diego Regional Economic Development Corporation

Cynthia Kurtz
President & CEO
San Gabriel Valley Economic Partnership

Matthew Mahood
President & CEO
San Jose Silicon Valley Chamber of Commerce
August 31, 2012

Dr. William A. Burke, Chairman
Members of the SCAQMD Governing Board
South Coast Air Quality Management District
21865 Copley Dr.,
Diamond Bar, CA 91765

RE: 2012 Air Quality Management Plan

Dear Chairman Burke and Governing Board Members:

The Southern California Business Coalition (Coalition) appreciates the opportunity to provide comments on the Draft 2012 Air Quality Management Plan (AQMP). The Coalition is comprised of leaders from some of Southern California’s largest regional business entities and associations. The final 2012 Air Quality Management Plan, and the rule making that will eventually stem from it, will directly affect many of these businesses’ interests. The Coalition’s highest priority is to work with SCAQMD to develop a well-balanced strategy that addresses federal requirements through an economically feasible compliance program. To that end, we offer the following comments:

1. Delays and Changes Have Hampered our Ability to Respond Effectively

The District released the initial version of the draft proposed AQMP control measures on June 12. However, the descriptions of those control measures in the CEQA Initial Study, released on June 28, conflicted with the actual measures themselves. To further confuse the process, the Draft AQMP released on or about July 17 had revisions to some of the proposed control measures that had been included in the Initial Study. Most recently, the Notice of Preparation and Initial Study were released again for recirculation on August 1 with a comment deadline of August 31. Finally, although the District held five public meetings in July to discuss the Draft AQMP, the Draft AQMP was not released until after the fourth meeting, which regretfully prevented meaningful public comment.

The District has strongly recommended that comments on the Draft AQMP be submitted by August 31. Unfortunately, the regulated community has had limited time to review the AQMP, and we still have not seen the entire document. Appendix V, the Modeling and Attainment Demonstrations, was only released on August 10. At the time this letter was developed, the separate Socio-Economic Analysis and Draft Program EIR were still pending. These documents are integral to our full and comprehensive understanding of the impacts of the Plan and the various proposed control measures. We cannot adequately analyze or comment on the AQMP without them.
In contrast to the previous AQMP adopted in 2007, documents were initially released for review October 6, 2006. The document was not formally adopted until September 7, 2007—a full eleven months. This year’s process has been rushed into a much tighter time frame.

Nevertheless, based on the amount of information available to us at this time, we are providing these initial comments. Moving forward, we respectfully ask that the AQMD release all future documents in a timely manner and then allow sufficient time for a comprehensive review by the regulated community.

2. Proposed Alternatives to the Project as Currently Defined

The legal requirement for the current AQMP is to demonstrate attainment of the federal 24-hour standard for PM-2.5 by 2014, whereas an ozone attainment Plan is not required until 2015, three years from now.

If the current Plan were focused solely on PM-2.5 attainment, attainment of both the 24-hour and the annual PM-2.5 standards could be achieved by 2014, at a level of cost and effort that is not likely to be objectionable. However, by contrast, the proposed “early action” ozone strategy is reasonably expected to require significantly greater effort. For example, the District has estimated that the annual cost will exceed $115 million per year. This is the sum of the annual costs for only the six mobile source control measures, which are the only sources for which annual costs have been estimated. The annual cost of the fifteen stationary source measures has not been determined and is not included.

We respectfully request that the Board consider adopting an alternative project as the Air Quality Management Plan. The alternative project would be comprised of only the proposed short term PM-2.5 attainment measures since that is all that is required. That is, the 182(e)(5) stationary source and mobile source measures are not required now.

This alternative project will allow the Governing Board to consider all the options provided to it for a 2015 Ozone Plan, and will ensure much needed flexibility and additional time in developing those options. While it is appropriate to be discussing the next wave of ozone controls at this time, we recommend that the District Board fully utilize the three years provided by federal regulations to craft a well-integrated, economically defensible ozone attainment plan. This alternative project strategy avoids putting the fragile regional economic recovery at risk.

Further, the Coalition has specific comments on control measure CMB-01, NOx RECLAIM, now included in the Draft AQMP as Phases I and II. Although Phase I is included as a short term PM-2.5 control measure, we understand that the proposed NOx reduction of between two and three tons per day has virtually no beneficial impact on the PM-2.5 attainment demonstration. We further understand that the District has not yet taken credit for NOx reductions associated with the Residential Wood Burning and Open Burning control measures, BCM-01 and -02, which we understand to be several times greater than the proposed Phase I RECLAIM NOx reductions. Residential Wood Burning and Open Burning NOx reductions should be substituted for the proposed NOx RECLAIM Phase 1 measure in the PM 2.5 control strategy.
In summary:

- We strongly believe that the District would be better served by a PM 2.5-only AQMP at this time.
- We recommend that the Draft EIR present and analyze a project alternative that represents a PM 2.5-only control strategy.
- We recommend that the District take credit for the significant NOx reductions associated with BCM-01 and -02, and that these credits substitute for CMB-01 Phase I, which should be deleted from the Plan.
- Finally, we recommend that the ozone attainment strategy be developed as one entire integrated package for the 2015 AQMP.

As the process moves forward, we look forward to our continued partnership with SCAQMD. Please know that the business community remains committed to helping develop a balanced, workable 2012 AQMP that provides for both environmental and economic success.

We welcome further discussion of these comments; please contact Tracy Rafter, CEO of BizFed (Tracy.rafter@bizfed.org) or Matt Petteruto, Vice President of Economic Development for the Orange County Business Council (mpetteruto@ocbc.org).

Sincerely,

Southern California Business Coalition - AQMP Stakeholders Working Group

Comprised of members of the following associations:

Tracy Rafter
BizFed, Los Angeles County Business Federation

Matt Petteruto
Orange County Business Council

Gary Toebben
Los Angeles Area Chamber of Commerce

Jay McKeeman
CA Service Station & Auto Repair Association

Steven Schuyler
BIA of Southern California, Inc.

Sandy Cajas
Regional Hispanic Chamber of Commerce
Eric Sauer
California Trucking Association

John Kelsall
Greater Lakewood Chamber of Commerce

Paul C. Granillo
Inland Empire Economic Partnership

Clayton Miller
Construction Industry Air Quality Coalition

Gary W. Hambly
CalCIMA

Peter Herzog
NAIOP SoCal Chapter

Terri K. Crain
Santa Clarita Valley Chamber of Commerce

Carol Schatz
Central City Association

Randy Gordon
Long Beach Area Chamber of Commerce

Stuart Waldman
Valley Industry & Commerce Association

Bill LaMarr
California Small Business Alliance

T.L. Garrett
Pacific Merchant Shipping Association

Rob Evans
NAIOP Inland Empire Chapter

Don Sachs
Industry Manufacturers Council

Ron Wood
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