NOTICE OF EXEMPTION FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

To: Governor's Office of Land Use and Climate Innovation – State Clearinghouse 1400 Tenth St, Suite 222 Sacramento, CA 95814-5502	**From:** South Coast Air Quality Management District (South Coast AQMD) 21865 Copley Drive Diamond Bar, CA 91765

Project Title: Cost Recovery Provision in the Proposed Addendum to the Cooperative Agreement Between the South Coast AQMD and the Ports of Long Beach and Los Angeles

Project Location: The entities subject to the cost recovery provision in the Proposed Addendum to the Cooperative Agreement are the Ports of Long Beach and Los Angeles which are both located within Los Angeles County and within the South Coast AQMD's jurisdiction, which includes the four-county South Coast Air Basin (all of Orange County and the non-desert portions of Los Angeles, Riverside, and San Bernardino counties), and the Riverside County portion of the Salton Sea Air Basin and the non-Palo Verde, Riverside County portion of the Mojave Desert Air Basin.

Description of Nature, Purpose, and Beneficiaries of Project: The proposed Addendum to the Cooperative Agreement between South Coast AQMD and the Ports of Long Beach and Los Angeles (Addendum to the Cooperative Agreement) contains a cost recovery provision which requires each Port to allocate $20 million (totaling $40 million) to South Coast AQMD for regional off-port zero-emission truck charging and fueling infrastructure projects that will support off-port operations of zero-emission drayage trucks registered in the Ports Drayage Truck Registry. South Coast AQMD will be responsible for managing and distributing funds, as well as monitoring and reporting on the implementation of selected projects. The cost recovery provision also requires South Coast AQMD and each Port to enter into a memorandum of understanding (MOU) that includes the following elements: recitals, project selection requirements, process for uncommitted funds, reporting requirements, public process, and MOU term. South Coast AQMD will recover reasonable fund administration and project management costs through an administrative fee that will not exceed 10 percent of total project cost. The cost recovery provision in the proposed Addendum to the Cooperative Agreement enables South Coast AQMD to meet operating expenses while executing the requirements and terms of the MOUs reached with each Port.

Public Agency Approving Project:	**Agency Carrying Out Project:**
South Coast Air Quality Management District	South Coast Air Quality Management District

Exempt Status:
CEQA Guidelines Section 15273 – Rates, Tolls, Fares, and Charges

Reasons why project is exempt: South Coast AQMD, as Lead Agency, has reviewed the proposed project pursuant to: 1) CEQA Guidelines Section 15002(k) – General Concepts, the three-step process for deciding which document to prepare for a project subject to CEQA; and 2) CEQA Guidelines Section 15061 – Review for Exemption, procedures for determining if a project is exempt from CEQA. The cost recovery provision in the proposed Addendum to the Cooperative Agreement is statutorily exempt from CEQA requirements pursuant to CEQA Guidelines Section 15273 – Rates, Tolls, Fares, and Charges, because it requires each Port to allocate funding to South Coast AQMD for the purpose of fund administration, project management costs and meeting operating expenses associated with executing the requirements and terms of the proposed Addendum to the Cooperative Agreement.

Date of Project Approval: South Coast AQMD Governing Board Public Hearing: August 7, 2026		
CEQA Contact Person: Farzaneh Khalaj, Ph.D.	**Phone Number:** (909) 396-3022	**Email:** fkhalaj@aqmd.gov
Cooperative Agreement Contact Person: Melissa Gamoning	**Phone Number:** (909) 396-3115	**Email:** mgamoning@aqmd.gov

Date Received for Filing: _____ **Signature:** *August 7, 2026*

Kevin Ni
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Planning, Rule Development, and Implementation