

MR. FRIEDMAN: Good afternoon. Randal Friedman

10 representing United States Navy.

11           I don't believe we've had the privilege of having  
12 ARB enforcement action against us yet. Okay, I'm told  
13 that we have.

14           But I think one of the things we all need to  
15 recognize -- and it's been pointed out about proliferation  
16 of new regulations that are coming on. And whereas most  
17 of our time has been spent with individual air districts,  
18 down the road we're going to be spending a great deal of  
19 time subject to your regulations.

20           We're certainly in the process now of hundreds of  
21 millions of dollars of expenditures for new diesel  
22 equipment, diesel retrofits throughout California. And  
23 it's a massive undertaking for an agency the size of ours.

24           We also need to recognize that our installations  
25 really are small cities spread throughout California.

1 Every day, we have hundreds of contractors that come onto  
2 the bases to do our work. That is only increasing now  
3 with the stimulus package with a great deal -- almost a  
4 billion dollars just from this last stimulus package --  
5 coming to military installations in California, all that  
6 work being done by contractors.

7           Our concern is -- and I must say that we I think  
8 just initially, largely agree with what we've heard here  
9 today and what we've seen in the proposals -- that in your  
10 enforcement actions -- and I'm certainly not going to in  
11 any way excuse violations. I mean, our goal from  
12 Washington is certainly to be 100 percent in compliance.  
13 And when there is a violation, Congress has waived  
14 sovereign immunity for air laws on military bases. We are  
15 liable for that.

16           But I would like to think like so much of what  
17 you do as an agency in terms of openness and transparency  
18 that that would also apply to your penalty and enforcement  
19 and that you would take into account all the factors that  
20 have been done that have been discussed today, and not a  
21 situation where a paperwork violation results in a  
22 proposal for a half million dollar settlement because we  
23 have a deep pocket or because of some people that have  
24 deep pockets or perceptions of that.

25           So I think -- again, this is not speaking from

1 experience. This is not speaking from past issues. It's  
2 looking forward in the great deal of work that we are  
3 going to be doing with ARB through these diesel  
4 regulations and all the other ones, as well as I think  
5 some concerns for potential liability from contractors who  
6 come on base to do our work.

7           And I know that has been a problem in the past  
8 with other regulatory agencies that have more prescriptive  
9 enforcement policies. I think there is some concern that  
10 as open as this enforcement policy is, that there could be  
11 some issues there down the road with what our contractors  
12 do or do not do.

13           So we would certainly like to work with you. We  
14 certainly strive for 100 percent compliance. But I think  
15 we all understand -- we have thousands of pieces of diesel  
16 equipment in the state. We have armies of contractors  
17 rebuilding a lot of our 60 or 70-year-old bases that are  
18 in desperate need of it. A lot of that, as I said, with  
19 stimulus funding that we receive.

20           And I would like to think that we can work with  
21 you down the road to make sure that whatever enforcement  
22 actions do occur are based on an open and transparent  
23 process that is equal to everyone. And thank you.