



BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

**BOARD OF DIRECTORS
EXECUTIVE COMMITTEE MEETING**

COMMITTEE MEMBERS

**SCOTT HAGGERTY – CHAIRPERSON
GAYLE UILKEMA – SECRETARY
JERRY HILL
MARK ROSS
PAMELA TORLIATT**

**MARLAND TOWNSEND – VICE
CHAIRPERSON
MARK DeSAULNIER
JULIA MILLER
TIM SMITH**

**WEDNESDAY
JULY 30, 2003
9:30 A.M.**

**7th FLOOR
BOARD ROOM**

AGENDA

- 1. CALL TO ORDER – ROLL CALL**
- 2. PUBLIC COMMENT PERIOD** *(Public Comment on Non-Agenda Items Pursuant to Government Code § 54954.3) Members of the public are afforded the opportunity to speak on any agenda item. All agendas for regular meetings are posted at District headquarters, 939 Ellis Street, San Francisco, CA, at least 72 hours in advance of a regular meeting. At the beginning of the regular meeting agenda, an opportunity is also provided for the public to speak on any subject within the Committee's subject matter jurisdiction. Speakers will be limited to three (3) minutes each.*
- 3. APPROVAL OF MINUTES OF OCTOBER 30, 2002 AND APRIL 30, 2003**
- 4. QUARTERLY REPORT OF THE HEARING BOARD** **T. Dailey/4965**
- 5. REPORT OF THE ADVISORY COUNCIL** **W. Hanna/4965**
- 6. STATUS REPORTS ON OZONE ATTAINMENT PLANNING** **P. Hess/4971**
phess@baaqmd.gov
 - (a) U.S. EPA Action on 2001 Ozone Attainment Plan*
 - (b) 2003/2004 Ozone Planning*
 - (c) Federal 8- hour ozone standard designation process.*
- 7. CONSIDER RECOMMENDING APPROVAL OF A RESOLUTION REGARDING AIR DISTRICT'S POSITION ON NEW SOURCE REVIEW** **W. Norton/5052**
exec@baaqmd.gov

The Committee will consider recommending that the Board of Directors approve a resolution on New Source Review, which is an integral part of the Air District's programs to reduce stationary source emissions.
- 8. SETTLEMENT OF NOTICES OF VIOLATION** **B. Bunger/4979**
bbunger@baaqmd.gov

Staff will present an overview of the District's process for settlement of Notice of Violations.
- 9. CLOSED SESSION –CONFERENCE WITH DISTRICT'S EXECUTIVE RECRUITMENT AD HOC COMMITTEE**

Pursuant to Government Code § 54957 a need exists to meet in closed session to consider the appointment of a new Executive Officer/APCO.

10. COMMITTEE MEMBER COMMENTS/OTHER BUSINESS

Any member of the Committee, or its staff, on his or her own initiative or in response to questions posed by the public, may ask a question for clarification, make a brief announcement or report on his or her own activities, provide a reference to staff regarding factual information, request staff to report back at a subsequent meeting concerning any matter or take action to direct staff to place a matter of business on a future agenda. (Gov't Code § 54954.2).

11. TIME AND PLACE OF NEXT MEETING: 9:30 a.m., OCTOBER 29, 2003, 939 ELLIS STREET, SAN FRANCISCO, CA

12. ADJOURNMENT

**CONTACT CLERK OF THE BOARDS - 939 ELLIS STREET
SAN FRANCISCO, CA 94109**

**(415) 749-4965
FAX: (415) 928-8560
BAAQMD homepage:
www.baaqmd.gov**

- To submit written comments on an agenda item in advance of the meeting.
- To request, in advance of the meeting, to be placed on the list to testify on an agenda item.
- To request special accommodations for those persons with disabilities notification to the Clerk's Office should be given at least three working days prior to the date of the meeting so that arrangements can be made accordingly.

**Bay Area Air Quality Management District
939 ELLIS STREET
SAN FRANCISCO, CALIFORNIA 94109
(415) 771-6000**

DRAFT MINUTES

Summary of Board of Directors
Executive Committee Meeting
9:30 A.M., Wednesday, April 30, 2003

1. **Call to Order - Roll Call:** Vice-Chairperson Marland Townsend called the meeting to order at 9:34 a.m.

Present: Scott Haggerty, Chair (9:37 a.m.), Mark DeSaulnier (9:35 a.m.), Jerry Hill, Julia Miller, Mark Ross (9:47 a.m.), Pamela Torliatt (9:42 a.m.), Marland Townsend, Gayle Uilkema.

Absent: Tim Smith.
2. **Public Comment Period:** There were no public comments.
3. **Approval of Minutes of January 29, 2003:** Director Hill moved approval of the minutes; seconded by Director Miller; carried unanimously by acclamation.
4. **Quarterly Report of the Hearing Board:** Hearing Board Chair Thomas Dailey, M.D., presented the Hearing Board Quarterly Report – January 2003 – March 2003. Dr. Dailey reported that the Hearing Board has revised its Emergency Variance form and will be reviewing the Emergency Variance procedures in the near future.

Committee Action: None. This report provided for information only.

5. **Report of the Advisory Council:**

(a) Report of Council Meetings

Advisory Council Chair William Hanna presented the Report of the Advisory Council: January 9, – April 14, 2003, which summarized the activities of the Council and its Standing Committees.

(b) Action items adopted by the Advisory Council for consideration by the Board of Directors.

Mr. Hanna presented the recommendations to the Committee. Mr. Hanna stated that the Council recommends the Air District not allocate the requested \$25,000 to the Sonoma County Climate Protection Campaign, but provide staff assistance instead. In addition, the Council is urging the Sonoma County Climate Protection Campaign to coordinate with the State Climate Protection Registry. Director DeSaulnier presented the idea of drafting a model ordinance.

Mr. Hanna also reviewed the discussions the Council had on the reduction of particulate matter and recommendations on improvements to the Enhanced Inspection and Maintenance Program.

Committee Action: Director Townsend moved approval of the Advisory Council's recommendations on Agenda Items 5B1, 5B2 and 5B3; seconded by Director Miller; carried unanimously without objection.

(c) Request appointment of three Advisory Council Members and re-assignment of one Advisory Council member category.

Stan Hayes, Chairperson, Advisory Council Applicant Selection Working Group, presented the recommendations for the appointment of three Advisory Council members as follows: Louise Wells Bedsworth to the Public-at-Large category; Pamela Chang to the Architect category; and Victor Torreano to the Organized Labor category. The two-year terms for each would end December 31, 2004.

Mr. Hayes also reported on the re-assignment of Advisory Council member Sam Altshuler, P.E. from the Public-at-Large category to the Registered Professional Engineer category and requested approval of the re-assignment. Mr. Hayes provided a brief overview of the diversity on the Advisory Council with respect to gender, minorities and geographic location. Director Miller requested that letters, signed by Chairperson Haggerty, be sent to the three members of the Council that were resigning.

Committee Action: Director Miller moved the appointment of the three new Advisory Council members and the re-assignment of one Council member as reported by Mr. Hayes; seconded by Director Townsend.

There was discussion on Ms. Bedsworth's technical background and Mr. Hayes indicated she does not serve in an advocacy position. The motion then carried unanimously without objection.

6. Status Report on Ozone Planning:

(a) Status of U.S. EPA Action on 2001 Ozone Plan

Jean Roggenkamp, Planning and Transportation Manager, presented the report and stated that the Environmental Protection Agency (EPA) has not yet taken any action on the 2001 Ozone Plan, but it is expected to do so in the near future. Ms. Roggenkamp reported that sanctions are now in effect because, although the District has fixed the deficiencies in the 1999 Ozone Attainment Plan, EPA has not approved them. If they are not approved by October 22, 2003, additional sanctions will be imposed. If these sanctions are imposed, federal transportation funding will be withheld. The Reasonable Further Progress Report was given to EPA and it is also on the District's web site. There was discussion on the TRANSDEF case and the ruling made by the Judge on the additional 26 tons of emission reductions. This matter will be discussed at the Regular Board meeting on May 7th during the Closed Session and staff will make a recommendation at that time. Director Uilkema suggested a fact sheet be developed so that all of the Board members had the same information.

Committee Action: Director Townsend moved the Committee accept the report; seconded by Director Uilkema; carried unanimously without objection.

(b) Status report on 2003-04 Ozone Planning

Ms. Roggenkamp presented a status report on the 2003-04 Ozone planning and stated that the District wants to achieve the National Standard by 2006. Ms. Roggenkamp noted that it is also time to update the District's State Clean Air Plan (CAP). ENVIRON Corp. has been hired to conduct the modeling for the Bay Area using the information from the Central California Ozone Study (CCOS). Three episodes of high ozone have been selected for analysis. The Modeling Advisory Committee (MAC) has been meeting and it includes representatives from the Air District, the Metropolitan Transportation Commission (MTC), EPA, the Air Resources Board (ARB), downwind air districts, industry, environmental groups, community groups, and transportation groups.

Ms. Roggenkamp reviewed the public involvement process and noted that work is being done on other forms of outreach. The Ozone Working Group (OWG) held its first meeting in March and will continue to meet about every other month throughout the planning process. District staff is also working with the Resource Teams to hold meetings about the ozone planning effort in communities around the region. Director DeSaulnier suggested staff put together an information sheet on the 2004 Federal Ozone Plan that listed what the District did in the past and what it is doing now and recommended the county health departments be invited to the ozone working group and public outreach meetings.

Committee Action: Director Townsend moved the Committee accept the report; seconded by Director Torliatt; carried unanimously without objection.

7. **Committee Member Comments:** There were none.
8. **Time and Place of Next Meeting:** 9:30 a.m., Wednesday, July 30, 2003, 939 Ellis Street, San Francisco, CA 94109.
9. **Adjournment.** The meeting was adjourned at 10:36 a.m.

Mary Romaidis
Clerk of the Boards

BOARD EXECUTIVE COMMITTEE

Follow-up Items for Staff

April 30, 2003

1. Director Miller requested that letters, signed by Chairperson Haggerty, be sent to the three members of the Advisory Council that were resigning.
Two letters were sent on May 7th and one on May 15th.
2. Director Uilkema suggested a fact sheet be developed so that all of the Board members had the same information on the CEQA Plan (TRANSDEF/CBE) case and the ruling made by the Judge with respect to the additional 26 tons of required emission reductions.
3. Director DeSaulnier suggested staff might want to put together an information sheet on the 2004 Federal Ozone Plan that listed what the District did in the past and what it is doing now, namely in regard to public outreach.
4. Director DeSaulnier recommended the county health departments be invited to the ozone working group and public outreach meetings on the 2004 Ozone Plan.

Bay Area Air Quality Management District
939 ELLIS STREET
SAN FRANCISCO, CALIFORNIA 94109
(415) 771-6000

DRAFT MINUTES

Summary of Board of Directors
Executive Committee Meeting
9:30 A.M., Wednesday, October 30, 2002

1. Call to Order - Roll Call: 9:30 a.m.

Present: Randy Attaway, Chair, Scott Haggerty, Julia Miller, Dena Mossar, Tim Smith, Marland Townsend, Gayle Uilkema, Brad Wagenknecht.

Absent: Mark DeSaulnier.

Also Present: Pam Torliatt (9:46 a.m.).

2. Public Comment Period: There were no public comments.

3. Approval of Minutes of July 31, 2002: Director Mossar moved approval of the minutes; seconded by Director Townsend; carried unanimously by acclamation.

4. Quarterly Report of the Hearing Board: Hearing Board Chair Thomas Dailey, M.D., presented the *Hearing Board Quarterly Report – July 2002 – September 2002*. Dr. Dailey recognized Director Miller for her participation in the First Annual Asthma Walk for the American Lung Association of Santa Clara/San Benito County. Dr. Dailey highlighted the Hearing Board Rule amendment process, the Hearing Board's orientation/tour of the District and his attendance at the National Association of Hearing Officials conference in Alaska.

Committee Action: None; the Committee received and filed the report.

5. Report of the Advisory Council:

(a-h) Report of Council Meetings

Advisory Council Chair Robert Sawyer presented the *Report of the Advisory Council: July 11 – October 21, 2002*, which summarized the activities of the Council and its Standing Committees. Dr. Sawyer reviewed several issues before the Advisory Council, such as coordination with the Board and staff, new initiatives, and membership vacancies.

(i) Recommendation of the Advisory Council Ad Hoc Selection Committee to Appoint New Members

Stan Hayes, Chairperson, Advisory Council Applicant Selection Working Group, presented the recommendations on appointments to the Advisory Council as follows:

Mass Public Transportation	-	Harold Brazil
Conservation	-	Irvin Dawid and John Holtzclaw
Public Health	-	Linda Weiner

Committee Action: Director Miller moved to accept the recommendations of the Advisory Council Applicant Selection Working Group on appointments to the Advisory Council; seconded by Director Townsend; carried unanimously by acclamation.

6. Draft Final Report of the University of Riverside Study on the Air Quality Impacts of an Enhanced Smog Check Program in the Bay Area

Peter Hess, Deputy APCO, provided a status update and reviewed the exposure assessment and exposure results. Mr. Hess stated that Air District staff would be working with the Air Resources Board on ozone transport mitigation and additional reductions. The Modeling Advisory Committee will also be discussing these issues.

Committee Action: None; the Committee received and filed the report.

7. Consideration of Air Pollution Control Officer Designation – *The Committee considered appointment of Air Pollution Control Officer.*

Bill Norton, Chief Executive Officer, presented Ellen Garvey’s letter of October 24, 2002 in which Ms. Garvey has indicated she is not seeking renewal of her employment contract. Chairperson Attaway, as well as other Committee members, thanked Ms. Garvey for her work at the Air District and expressed their appreciation for her years of service with the District.

Committee Action: Chairperson Attaway moved that Mr. Norton, in addition to being CEO, be appointed as the Air Pollution Control Officer, with modifications to his contract if necessary; seconded by Director Townsend; carried unanimously by acclamation.

8. Consideration of Amendments to the Administrative Code Division I, Section 2.1: Officers of the Board – *The Committee considered recommending to the Board of Directors that it amend the District’s Administrative Code Division I, Section 2.1: Officers of the Board, to change the current two year term of office for Board Officers to a one year term.*

The Committee discussed the pros and cons of having a one-year term versus a two-year term as an Officer of the Board. During discussion it was noted that the Metropolitan Transportation Commission (MTC) and the Association of Bay Area Governments (ABAG) both have two-year terms for their officers. The Committee determined that the terms of office for the in-coming Board Officers would remain a two-year term (2003 and 2004). In mid-2003 the issue will be revisited to determine if, in the future, the terms for Board Officers would be one or two years.

Committee Action: Director Miller moved that the term of office for Board Officers remain a two-year term, but that the issue of changing the term of office back to one year will be revisited in mid-2003 (to start with the 2005 term); seconded by Director Townsend; carried unanimously by acclamation.

9. **Consideration of Amendments to Administrative Code Division I, Sections 6.2(c) and 6.6: Division III, Sections 1, 2.3, 4.2, 6.4(a) Related to the Personnel Committee** – *The Committee considered recommending to the Board of Directors that it amend the District’s Administrative Code Division I, Section 6.2(c) and 6.6; Division II, Section 3.2; and Division III, Sections 1, 2, 3, 4.2, 6.4(a) related to the Personnel Committee.*

During discussion, the Committee determined the responsibilities of the Personnel Committee be reassigned to the Executive Committee of the Board and, where appropriate, to the Executive Officer. There was also discussion on forming a Stationary Source Committee at some future date.

Committee Action: Director Mossar moved approval of the recommendations regarding the Personnel Committee; seconded by Director Uilkema; carried unanimously by acclamation.

10. **Attendance of Board Members at Board and Committee Meetings** – *The Committee discussed ways to improve Board member attendance at meetings, including Legislative Committee meetings.*

The Committee discussed several issues including lack of quorums, arrangement of the agendas with action items on first, and the possibility of having an attendance policy whereby the appointing agency is notified if a Board or Committee member misses a certain number of meetings.

Committee Action: The Committee recommendation is to move the Legislative Committee meeting dates to dates separate from other Committee or regular meetings of the Board.

11. **Discussion Regarding Changing the Name of the District** – *The Public Outreach Committee requested that the Executive Committee review the issue of changing the name of the District.*

Teresa Lee, Director of Public Information, provided background on the establishment of the name of the agency. The Committee discussed the feasibility of changing the name of the District and the consensus was that the District’s name should not be changed. The Committee requested staff pursue a name identity campaign, including having a cross-reference listing in telephone books.

Committee Action: None, this report provided for information only.

12. **Committee Member Comments:** Director Mossar discussed her concerns about the Resource Team for East Palo Alto and the possibility of the District being embroiled in regional Politics. Director Miller reported she and Chairperson Attaway attended the Santa Clara County Resource Team meeting held the week of October 21st.

D R A F T (Draft Minutes of October 30, 2002 Executive Committee Meeting)

- 13. Time and Place of Next Meeting:** 9:30 a.m., Wednesday, January 29, 2003, 939 Ellis Street, San Francisco, CA 94109.
- 14. Adjournment.** The meeting was adjourned at 11:32 a.m.

Mary Romaidis
Clerk of the Boards

mr

BOARD EXECUTIVE COMMITTEE

Follow-up Items for Staff

October 30, 2002

1. Staff to pursue a name identity campaign, including having a cross-reference listing in telephone books.

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
 Memorandum

TO: Chairperson Scott Haggerty and Members of the Executive Committee
FROM: Chairperson Thomas M. Dailey, M.D. and Members of the Hearing Board
DATE: July 23, 2003
RE: Hearing Board Quarterly Report – APRIL 2003 – JUNE 2003

RECOMMENDED ACTION:

This report is provided for information only.

DISCUSSION:

<u>COUNTY/CITY</u>	<u>PARTY/PROCEEDING</u>	<u>REGULATION(S)</u>	<u>STATUS</u>	<u>PERIOD OF VARIANCE</u>	<u>ESTIMATED EXCESS EMISSIONS</u>
Alameda/Newark	PECHINEY PLASTIC PACKAGING, INC. (Appeal - Docket No. 3430) – Appeal from specific Terms and Conditions imposed in the Revised MFR Permit for Facility # A0273 – Pro Forma Hearing	Appeal Title V	Continued to 7/31/03	===	===
Alameda/Oakland	ALASKA GAS AND FOOD (Variance - Docket No. 3427) – Variance from regulation limiting emissions from gasoline dispensing facilities (APCO not opposed subject to certain conditions.)	8-7-302.2	Denied (SB)*	===	(VOC)
Contra Costa/Martinez	TESORO REFINING AND MARKETING COMPANY (Emergency Variance – Docket No. 3432) Emergency Variance from regulation requiring compliance with permit conditions and regulation limiting emissions of nitrogen oxides and carbon monoxide from boilers, steam generators, and process heaters in petroleum refineries (APCO opposed.)	2-1-307 9-10-301 & 304	Denied	===	4,700 # (NOx)
Contra Costa/Pittsburg	DELTA ENERGY CENTER (Variance – Docket No. 3426) - Variance from regulation requiring compliance with permit conditions (APCO not opposed.)	2-1-307	Granted	4/28/03 to 7/26/03	2.4 # (NOx) 7,096 # (CO) 32.0 # (POC)

<u>COUNTY/CITY</u>	<u>PARTY/PROCEEDING</u>	<u>REGULATION(S)</u>	<u>STATUS</u>	<u>PERIOD OF VARIANCE</u>	<u>ESTIMATED EXCESS EMISSIONS</u>
Contra Costa/Richmond	CHEVRON PRODUCTS COMPANY (Variance – Docket No. 3418) <i>Variance from regulation requiring compliance with permit conditions (APCO opposed.)</i>	2-1-307	Withdrawn. Resolved matter with District	===	None
Contra Costa/Richmond	CHEVRON PRODUCTS COMPANY (Variance - Docket No. 3423) – <i>Variance from regulation requiring compliance with permit conditions; regulation limiting emissions from stationary gas turbines and regulation limiting visible emissions (APCO not opposed.).</i>	2-1-307 9-9-301.3 6-301 Health & Safety Code Section 41701	Granted	Train 2000: single, consecutive 14-day period between 4/3/03 and 4/30/03 Train 1000: single, consecutive 14-day period between 4/15/03 and 5/15/03	Train 2000: 5,040 # (NOx) Train 1000: 1,780 # (NOx) Train 2000: 40 # (VOC) Train 1000: 80 # (VOC)
Contra Costa/Richmond	STEELSCAPE, INC. (Variance – Docket No. 3428) <i>Variance from regulation requiring compliance with permit conditions (APCO not opposed.)</i>	2-1-307	Granted	4/30/03 to 9/22/03	5,540 # (VOC)
Marin/San Rafael	KEATON'S MORTUARY (Appeal – Docket No. 3429) – <i>Appeal of Clean Air on Fifth Avenue, Theresa Dutton, Max Kniesche, Marin Academy, Dr. Robert J. Rosenberg, D.D.S., D.S.c.D., John and Armida Scopazzi, Brad Sears and Chris Yamate from the Authority to Construct Application No. 006416 issued to Keaton's Mortuary – Pro Forma Hearing.</i>	Appeal	Continued to 9/11/03	===	(TAC)
San Francisco	PACIFIC GAS AND ELECTRIC COMPANY (Appeal – Docket No. 3364) <i>Appeal of Communities for a Better Environment, Southeast Alliance for Environmental Justice, Bayview Hunters Point Community Advocates, and Literacy for Environmental Justice from the Grant of Interchangeable Emission Reduction Credit Certificates Based on Application Numbers 22441 and 22504 to Pacific Gas and Electric Company – Hearing to obtain a date by which the District commits to canceling the relevant IERC certificates.</i>	IERC Appeal	Withdrawn. Matter settled	===	(NOx)
Santa Clara/Milpitas	HEADWAY TECHNOLOGIES, INC. (Appeal – Docket No. 3368) - <i>Appeal from Denial of Application to Change Permit Condition, as requested in Application 3270.</i>	Appeal	Withdrawn/Dismissed. Matter settled	===	None

<u>COUNTY/CITY</u>	<u>PARTY/PROCEEDING</u>	<u>REGULATION(S)</u>	<u>STATUS</u>	<u>PERIOD OF VARIANCE</u>	<u>ESTIMATED EXCESS EMISSIONS</u>
Santa Clara/Santa Clara	JEFFERSON SMURFIT CORPORATION (U.S.) (Variance – Docket No. 3422) – Variance from regulation limiting emissions from stationary gas turbines; regulation requiring compliance with permit conditions and regulation to implement operating permit requirements of Title V of the Federal Clean Air Act	9-9-205 & 301 2-1-307 2-6-307	Withdrawn/Dismissed. No violation occurred during inspection and maintenance efforts	===	(NOx)

*SB = Small Business

NOTE: During the second quarter of 2003, the Hearing Board dealt with 7 Dockets on 6 hearing days. A total of \$35,580.36 was collected as excess emission fees.

Respectfully submitted,

Thomas M. Dailey, M.D.
Chair, Hearing Board

Prepared by: Neel Advani, Deputy Clerk of the Boards

FORWARDED: _____

NA:na (7/23/03) (HBEXQURT)

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Haggerty and Members of the Executive Committee

From: William Hanna, Chairperson, Advisory Council

Date: July 18, 2003

Re: Report of Advisory Council: April 15 – July 10, 2003

RECOMMENDED ACTION:

Receive and file.

DISCUSSION:

Presented below are summaries of the key issues discussed at meetings of the Advisory Council and its Standing Committees during the above reporting period.

- a) Executive Committee Meeting – May 14, 2003. The Committee reviewed Committee work plans and issues for future Council consideration. *(Minutes included in the June 18, 2003 Board of Directors Regular Meeting Agenda Packet.)*
- b) Regular Meeting – May 14, 2003. The Council received a staff update on the 2004 Ozone Plan. Council member Robert F. Sawyer, P.E., PhD, presented a farewell presentation entitled “Looking Back and Ahead: Personal Perspectives on Air Quality Regulation.” *(Minutes included in the June 18, 2003 Board of Directors Regular Meeting Agenda Packet.)*
- c) Public Health Committee Meeting – May 19, 2003. The Committee met at the Senior Center in Rodeo to receive input from community members on the utility of data from the optical open path monitors at the ConocoPhillips Refinery. *(Minutes included in the July 2, 2003 Board of Directors Regular Meeting Agenda Packet.)*
- d) Air Quality Planning Committee Meeting – May 27, 2003. The Committee received and discussed a staff presentation on pending legislation. *(Minutes included in the July 2, 2003 Board of Directors Regular Meeting Agenda Packet.)*
- e) Technical Committee Meeting – May 29, 2003. The Committee received and discussed an extensive presentation from Barry Friedman, The Washington Group International, Denver, Colorado, on refinery flaring systems and flare combustion efficiency. *(Minutes included in the July 16, 2003 Board of Directors Regular Meeting Agenda Packet.)*
- f) Joint Public Health Committee and Technical Meeting – June 30, 2003. The Committees received a presentation flare plume evaluation and mapping from Ted McKelvey, Project Coordinator of Terra Air Services, Inc., Texas and Robert Spellicy, President & CEO of IMACC, Inc., Texas. *(Minutes to be included in a future Board of Directors Regular Meeting Agenda Packet.)*

- g) Executive Committee Meeting – July 9, 2003. The Committee discussed the Committee work plans and items of upcoming importance. *(Minutes to be included in a future Board of Directors Regular Meeting Agenda Packet.)*
- h) Regular Meeting – July 9, 2003. The Council received and discussed the reports of its Standing Committees as well as the reports of the six Advisory Council members who attended the Air & Waste Management Annual Exhibition & Meeting in San Diego in June of 2003. *(Minutes to be included in a future Board of Directors Regular Meeting Agenda Packet.)*

Respectfully submitted,

Elinor Blake
Advisory Council Vice-Chairperson

Prepared by: James N. Corazza

FORWARDED BY: _____

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Inter Office Memorandum

To: Chairperson Haggerty and
Members of the Executive Committee

From: Peter Hess
Deputy Air Pollution Control Officer

Date: July 23, 2003

Re: U. S. EPA Action on 2001 Ozone Attainment Plan: Proposed Approval

RECOMMENDED ACTION:

Receive and file.

BACKGROUND

The San Francisco Bay Area has been formally designated as a nonattainment area for the national 1-hour ozone standard, and the U.S. Environmental Protection Agency (EPA) has set specific planning requirements and schedules for the region. As co-lead planning agencies, the Bay Area Air Quality Management District, Metropolitan Transportation Commission, and Association of Bay Area Governments adopted the San Francisco Bay Area 2001 Ozone Attainment Plan on October 24, 2001 and submitted it to the California Air Resources Board (ARB). ARB approved the 2001 Ozone Plan on November 1, 2001 and submitted it to EPA on November 30, 2001. The 2001 Ozone Plan corrects deficiencies identified by EPA in the Bay Area 1999 Ozone Attainment Plan and demonstrates attainment of the national 1-hour ozone standard in the Bay Area by 2006.

Under the federal Clean Air Act, EPA has up to 18 months to take action on a plan submittal. The 18-month timeline for EPA action on the Bay Area 2001 Ozone Attainment Plan expired on May 30, 2003. EPA recently received a Notice of Intent to Sue from Earthjustice for failure to take action on the Bay Area 2001 Ozone Plan.

DISCUSSION

On July 9, 2003 EPA Region IX announced proposed approval of the Bay Area 2001 Ozone Attainment Plan. EPA is proposing to approve all of the plan elements including:

- Emission inventory
- Reasonably available control measure (RACM) demonstration
- Control measure commitments
- Attainment assessment
- Motor vehicle emission budgets
- Further study measure commitments (evaluate and implement if feasible)
- Commitment to submit mid-course review by December 15, 2003
- Commitment to adopt a revised attainment demonstration by March 2004

- Commitment to submit revised attainment demonstration to EPA by April 2004
- Commitment to adopt additional measures as necessary to attain the standard by 2006

A 30-day comment period on the proposal began upon publication of the proposed action in the Federal Register on July 16, 2003.

EPA also issued an interim final determination that the 2001 Ozone Plan corrects the deficiencies in the 1999 Ozone Plan. The earlier finding of deficiencies had triggered timelines for imposition of two sanctions, the first of which (2 to 1 offsets for major stationary sources) went into effect in April 2003. The interim final determination stays the offset sanction and defers the imposition of the second sanction (transportation funding). EPA is providing a 30-day comment period on the interim final determination upon publication in the Federal Register (July 16, 2003). If comments are submitted that change EPA's assessment of the 2001 Plan, then EPA will re-impose the sanctions. If the comments submitted do not change EPA's assessment and EPA issues final approval of the 2001 Plan, then the sanctions will be terminated.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Peter Hess
Deputy Air Pollution Control Officer

Reviewed by: Thomas Perardi
Prepared by: Jean Roggenkamp

FORWARDED: _____

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Inter Office Memorandum

To: Chairperson Haggerty and
Members of the Executive Committee

From: Peter Hess
Deputy Air Pollution Control Officer

Date: July 23, 2003

Re: Status Report on 2003-04 Ozone Planning

RECOMMENDED ACTION:

Receive and file.

BACKGROUND

The 2001 Ozone Attainment Plan, adopted by the regional agencies on October 24, 2001, includes two future planning commitments: (1) a commitment to conduct a mid-course review by December 2003 of our progress toward attaining the national 1-hour ozone standard and (2) a commitment to provide a revised ozone strategy to EPA by April 2004.

In addition, the California Clean Air Act requires that we update our Clean Air Plan (CAP) for attaining the State 1-hour ozone standard every three years. The Board of Directors adopted the most recent CAP update in December 2000, so the Clean Air Plan should be updated this year.

This is a status report on the current ozone planning process, focusing on ozone modeling, control measure review, environmental review, and public involvement.

DISCUSSION

Ozone Modeling. ENVIRON and District staff are developing the emission inventory model, meteorological model, and photochemical model as components of a state-of-the-art ozone modeling system. Key elements of this modeling effort are emissions data and meteorological data gathered during the summer of 2000 as part of the Central California Ozone Study (CCOS). This was a comprehensive research program involving many public agencies and contractors with a budget over \$10 million.

Several obstacles have been encountered, however, in our attempts to use the data. These are primarily delays in receiving complete CCOS emissions and meteorological data from the California Air Resources Board. ENVIRON and District staff are working intensely with ARB to identify and resolve the data problems. We had planned to complete several modeling runs by this time, and derive preliminary emission reduction targets. But, due to the modeling input delays, emission reduction targets are not yet available. We hope to develop emission reduction targets by the end of September 2003.

Dave Souten, Managing Principal, ENVIRON, will present an overview of the ozone modeling process at the July 30, 2003 Executive Committee meeting.

Control Measure Review. District staff have compiled an extensive list of suggested control measures. In addition to suggestions from the public and downwind air districts, planning staff are reviewing District staff ideas, District Advisory Council suggestions, previous Bay Area air quality plans, as well as control measures and adopted rules in other California air districts. District staff are reviewing the stationary, area, and mobile source control measure suggestions. MTC staff are reviewing the transportation control measure suggestions. The list of suggested measures currently includes about 300 stationary, area and mobile source measures. District staff are reviewing each suggested measure using criteria based on state and federal clean air laws, regulations, and guidance. These criteria include:

- Technological feasibility of proposed controls
- Total likely emission reductions from proposed controls
- Whether the emission reductions are real, quantifiable, permanent, enforceable, and surplus
- Whether the reductions are volatile organic compounds (VOC) or nitrogen oxides (NOx) or both
- Cost-effectiveness in dollars per ton of emissions reduced
- Rate (and timing) of emission reduction
- Potential adverse environmental impacts
- Socioeconomic impacts
- Public acceptability

Staff will evaluate each suggested measure according to the criteria and characterize whether the measure (1) is a potential control measure, (2) does not pass the evaluation criteria, or (3) requires further study. The viable measures will then be selected for inclusion in the control strategy for the draft Clean Air Plan for the California standard and/or the draft Ozone Attainment Strategy for the national standard.

Environmental Review. The District has hired Environmental Audit, Inc. to conduct environmental impact analysis and prepare environmental documents under the California Environmental Quality Act (CEQA). The contract will cover environmental review for control measures included in the ozone plans and for near-term District rule development. Environmental Audit will begin conducting environmental review of several refinery measures that are currently in rule development (e.g. low-emission refinery valves and marine tank vessel loading) and will evaluate potential control measures as they are identified.

Public Involvement. The planning process provides multiple avenues for public involvement, including the Modeling Advisory Committee, the Ozone Working Group, community scoping meetings, community workshops and public hearings.

The Modeling Advisory Committee reviews the work of the modeling consultants and District staff on a regular basis. The MAC includes representatives from BAAQMD,

MTC, EPA, ARB, downwind air districts, industry, environmental groups, community groups, and transportation groups.

The Ozone Working Group works with staff of the BAAQMD, MTC, and ABAG throughout the planning process. All interested parties are encouraged to participate. Meeting notices are sent to an extensive list of city and county staff, elected officials, business/industrial groups, environmental and transportation organizations, social equity groups, state and national agencies, members of the public, and others. The agendas, meeting notes, handouts, and other notices are posted on the Air District website at www.baaqmd.gov/planning/2004sip/2004sip.htm.

To date, the Ozone Working Group has discussed the overall planning requirements and process, the public involvement process, and suggestions for control measures. The next meeting of the Ozone Working Group is scheduled for August 5, 2003 from 9:30 – 11:30 am at MetroCenter, Oakland. The focus of the meeting will be (1) an overview of the ozone modeling process and (2) review of the initial screening of suggested control measures according to the criteria listed above.

Six community scoping meetings will be held in September 2003. These meetings will provide an opportunity for residents to meet with staff of the Air District, MTC, and ABAG to discuss the ozone planning process and provide suggestions for control measures prior to the development of draft plans. The scoping meetings were specifically requested by the Environmental Justice Air Quality Coalition and will be held in Crockett/Rodeo, Richmond, West Oakland, East San Jose, South East San Francisco, and East Palo Alto. The meetings will be held during evening hours. The Board of Directors will be informed of the date, time and location of these scoping meetings.

After the draft plans have been prepared, staff will also conduct community workshops to discuss the draft plans with interested persons. The community workshops will be held at several locations around the region, including Livermore, the North Bay, South Bay, Concord, and West Contra Costa County. County health officials will be invited to attend the community scoping meetings and the community workshops. The planning process will culminate with a public hearing before the Board of Directors.

In addition to public meetings, the District's website provides access to information about the planning process. Staff also encourage interested persons to contact us with questions, comments or other input. The public involvement process for this round of ozone planning is substantially more extensive than for previous ozone planning processes. The Modeling Advisory Committee, Ozone Working Group, and community scoping meetings are all above and beyond the public involvement opportunities provided during the ozone planning process for the 2001 Ozone Attainment Plan.

In summary, the planning process is proceeding along multiple paths simultaneously. As noted above, the modeling input delays have meant a delay in setting new emission reduction targets. However, because the other elements of the planning process are already underway (control measure evaluations, CEQA review, and public involvement process) we currently do not expect the delay in the emission reduction targets to delay

AGENDA NO 6b

the overall process. Our goals are to complete the mid-course review by December 2003, and present the Clean Air Plan and Ozone Attainment Strategy to the Board of Directors for adoption in March 2004. The Ozone Attainment Strategy would then be considered by ARB and submitted to EPA in April 2004.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Peter Hess
Deputy Air Pollution Control Officer

Reviewed by: Thomas Perardi
Prepared by: Jean Roggenkamp

FORWARDED: _____

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Inter Office Memorandum

To: Chairperson Haggerty and
Members of the Executive Committee

From: Peter Hess
Deputy Air Pollution Control Officer

Date: July 23, 2003

Re: Federal 8-hour Ozone Standard Designation Process

RECOMMENDED ACTION:

Receive and file.

BACKGROUND

The U. S. Environmental Protection Agency (EPA) promulgated a national ambient air quality standard for ozone (8-hour average) on July 18, 1997. The standard was challenged and litigated for years, but the courts eventually upheld EPA's promulgation. Implementation of the new standard can now proceed. The first steps are 1) new federal regulations and guidance for implementation, and 2) formal designations of attainment and non-attainment areas for the new standard.

DISCUSSION

On July 15, 2003, the California Air Resources Board (ARB) sent a letter to EPA regarding the state's recommendations for areas in California to be designated as either attainment or non-attainment for the national 8-hour ozone standard. ARB's recommendations are based on monitoring data from 2000, 2001, and 2002. ARB's recommended designation for the Bay Area is attainment. The letter also outlines ARB's commitment to address intrastate transport. ARB plans to provide updated recommendations to EPA based on monitoring results of the 2003 ozone season and EPA's final implementation policy.

EPA will consider State recommendations and will make final designations by April 15, 2004. In making the final designations, EPA may consider monitoring data from 2003. Because we do not yet know how the summer ozone record will evolve in 2003, it is too early to determine whether the Bay Area's final designation will be attainment or non-attainment. District staff believe that attainment designations should be based on the actual air monitoring record, and that intrastate transport mitigation is properly addressed through State procedures. However, some neighboring air districts, concerned with pollution transport, prefer that EPA designate the Bay Area as a nonattainment area. They have expressed concern about the possibility that the Bay Area could be designated as an attainment area.

Representatives of the ARB, EPA, Bay Area Air Quality Management District, San Joaquin Valley Air Pollution Control District, Sacramento Metropolitan Air Quality Management District, and Yolo-Solano Air Pollution Control District met on June 27, 2003 to discuss 8-hour ozone designations and pollution transport issues. Bay Area participants included Supervisor Haggerty, Supervisor DeSaulnier, Councilperson Townsend, Bill Norton, Peter Hess, and Tom Addison. This was an important step forward in improving communication among the agencies and monitoring the interagency evaluation and implementation of transport mitigation responsibilities. Another interagency meeting has been scheduled for September 5, 2003.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Peter Hess
Deputy Air Pollution Control Officer

Reviewed by: Thomas Perardi
Prepared by: Jean Roggenkamp

FORWARDED: _____

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

AGENDA NO. 7

To: Chairperson Haggerty and
Members of the Executive Committee

From: William C. Norton
Executive Officer/APCO

Date: July 30, 2003

Re: Consider Recommending Approval of a Resolution Affirming the Air
District's Commitment to New Source Review

RECOMMENDED ACTION:

Recommend to the Board of Directors that it approve the attached resolution.

DISCUSSION

The Committee will consider recommending that the Board of Directors approve a resolution affirming the Air District's Commitment to New Source Review, which is an integral part of the Air District's programs to reduce stationary source emissions.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

William C. Norton
Executive Officer/APCO

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Inter-Office Memorandum

AGENDA NO. 8

To: Chairperson Haggerty and
Members of the Executive Committee

From: Brian C. Bungler
District Counsel

Date: July 30, 2003

Re: Settlement of Notices of Violation

RECOMMENDED ACTION:

Receive and file.

BACKGROUND

Staff will present an overview of the District's process for settlement of Notice of Violations

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BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Brian C. Bungler
District Counsel

FORWARDED: _____