



BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

BOARD OF DIRECTORS' REGULAR MEETING

April 20, 2005

A meeting of the Bay Area Air Quality Management District Board of Directors will be held at 9:45 a.m. in the 7th floor Board Room at the Air District headquarters, 939 Ellis Street, San Francisco, California.

Questions About an Agenda Item

The name, telephone number and e-mail of the appropriate staff person to contact for additional information or to resolve concerns is listed for each agenda item.

Meeting Procedures

The public meeting of the Air District Board of Directors begins at 9:45 a.m. The Board of Directors generally will consider items in the order listed on the agenda. However, any item may be considered in any order.

After action on any agenda item not requiring a public hearing, the Board may reconsider or amend the item at any time during the meeting.

BOARD OF DIRECTORS' REGULAR MEETING A G E N D A

WEDNESDAY
APRIL 20, 2005

BOARD ROOM
7TH FLOOR

9:45 A.M.

CALL TO ORDER

Opening Comments
Roll Call
Pledge of Allegiance
Commendation/Proclamation

Marland Townsend, Chairperson
Clerk of the Boards

PUBLIC COMMENT PERIOD

Public Comment on Non-Agenda Items, Pursuant to Government Code Section 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 Board's subject matter jurisdiction. Speakers will be limited to three (3) minutes each.

CONSENT CALENDAR (ITEMS 1 – 7)

Staff/Phone (415) 749-

1. Minutes of March 16, 2005

M. Romaidis/4965
mromaidis@baaqmd.gov
2. Communications
Information only

J. Broadbent/5052
jbroadbent@baaqmd.gov
3. Report of the Advisory Council

B. Zamora/4962
Bzamora@co.sanmateo.ca.us
4. Monthly Activity Report
Report of Division Activities for the month of March, 2005

J. Broadbent/5052
jbroadbent@baaqmd.gov
5. District Personnel on Out-of-State Business Travel

J. Broadbent/5052
jbroadbent@baaqmd.gov
6. Consider Approval of Resolution to Increase the Salary Range for the Vacant Finance Manager Job Classification to Support Recruitment

J. Broadbent/5052
jbroadbent@baaqmd.gov

Consider Approval of an Increased Salary Range for the Finance Manager Job Classification from Range 139 set at \$76,845 to \$93,406 to Range 146 set at \$91,155 to \$110,799 respectively.

7. Set Public Hearing for May 18, 2005 to Consider Approval of Proposed Amendments to District Manual of Procedures, Volume III: Laboratory Methods and approval of a California Environmental Quality Act (CEQA) Notice of Exemption **J. Broadbent/5052**
jbroadbent@baaqmd.gov

The proposed amendments to the Manual of Procedures, Volume II: Laboratory Methods would incorporate advances in analytical equipment, add clarity, improve accuracy, reduce expenses and respond to comments by EPA technical staff.

COMMITTEE REPORTS AND RECOMMENDATIONS

8. Report of the **Public Outreach Committee** Meeting of March 21, 2005

CHAIR: S. YOUNG

J. Broadbent/5052
jbroadbent@baaqmd.gov

9. Report of the **Stationary Source Committee** Meeting of March 28, 2005

CHAIR: M. DeSAULNIER

J. Broadbent/5052
jbroadbent@baaqmd.gov

Action(s): Approve Committee recommendation that a letter be sent to the Siting Committee of the California Energy Commission with the Air District's position on Petroleum Infrastructure Project Permitting.

10. Report of the **Executive Committee** Meeting of March 30, 2005

CHAIR: M. TOWNSEND

J. Broadbent/5052
jbroadbent@baaqmd.gov

Action(s):

- A) Approve Committee recommendation that the Air District join the California Hydrogen Business Council at the Silver Member level.
- B) Approve Committee recommendation that the Board of Directors authorize 1) Approval of a transfer of funds from the Capital Account to the Professional Services Account in the Information Systems Division Budget (Program 705); and 2) Authorize the Executive Officer/APCO to execute a purchase order not to exceed \$140,000 to Doculabs for consulting services to cover design and implementation support for internal pilots of the Production System replacement of IRIS and Databank.

11. Report of the **Legislative Committee** Meeting of April 4, 2005

CHAIR: B. WAGEKNECHT

J. Broadbent/5052
jbroadbent@baaqmd.gov

Action(s): The Committee recommends the Board of Directors adopt positions on 17 bills as indicated in the attached Committee report.

COMMITTEE REPORTS AND RECOMMENDATIONS CONTINUED

12. Report of the **Budget and Finance Committee** Meeting of April 6, 2005

CHAIR: J. MILLER

J. Broadbent/5052

jbroadbent@baaqmd.gov

Action(s): Approve Committee recommendation to increase the FY 2004/05 budget by \$780,000 in program 306 to assist in funding the Spare the Air free morning commute programs this summer.

13. Report of the **Personnel Committee** Meeting of April 7, 2005

CHAIR: H. BROWN

J. Broadbent/5052

jbroadbent@baaqmd.gov

Action(s): The Committee recommends Board of Director approval of Julio Magalhães and Terry Trumbull to fill the Regular Public Member Positions and Peter Chiu and Richard Grundy to fill the Alternate Public Member Positions on the Air District's Hearing Board.

14. Report of the **Joint Policy Committee** Meeting of April 15, 2005

CHAIR: M. TOWNSEND

J. Broadbent/5052

jbroadbent@baaqmd.gov

OTHER BUSINESS

15. Report of the Executive Officer/APCO

16. Chairperson's Report

CLOSED SESSION

17. Conference with Legal Counsel – Anticipated Litigation

Pursuant to Government Code Section 54956.9(b), a need exists to meet in closed session to discuss a potential threat of litigation.

OPEN SESSION

18. Board Members' Comments

Any member of the Board, 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)

19. Time and Place of Next Meeting - 9:45 a.m., Wednesday, May 4, 2005 -939 Ellis Street, San Francisco, CA 94109

20. Adjournment

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CONTACT CLERK OF THE BOARD - 939 ELLIS STREET SF, 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 3 working days prior to the date of the meeting so that arrangements can be made accordingly.

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Townsend and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: April 11, 2005

Re: Board of Directors' Draft Meeting Minutes

RECOMMENDED ACTION:

Approve attached draft minutes of the Board of Directors meeting of March 16, 2005.

DISCUSSION

Attached for your review and approval are the draft minutes of the March 16, 2005 Board of Directors' meetings.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
939 ELLIS STREET – SAN FRANCISCO, CA 94109

Draft Minutes: Board of Directors' Regular Meeting – March 16, 2005

Call To Order

Opening Comments: Chairperson Marland Townsend called the meeting to order at 9:48 a.m.

Roll Call: Present: Marland Townsend, Chair, Roberta Cooper, Chris Daly, Dan Dunnigan, Erin Garner (9:50 a.m.) Scott Haggerty, Jerry Hill, Patrick Kwok, Jake McGoldrick (10:05 a.m.), Nate Miley, Mark Ross, Michael Shimansky, Pam Torliatt (9:50 a.m.), Gayle B. Uilkema, Brad Wagenknecht, Shelia Young.

Absent: Harold Brown, Mark DeSaulnier, Liz Kniss, Julia Miller, John Silva, Tim Smith.

Pledge of Allegiance: Director Hill led the Board in the Pledge of Allegiance.

Commendation/Proclamation: There were none.

Public Comment Period: There were none.

Director Erin Garner arrived at 9:50 a.m.

Consent Calendar (Items 1 – 4)

1. Minutes of February 16, 2005
2. Communications. Correspondence addressed to the Board of Directors
3. Report of the Advisory Council. There was no report.
4. Monthly Activity Report

Report of Division Activities for the month of February 2005.

Board Action: Director Wagenknecht moved approval of the Consent Calendar; seconded by Director Kwok; carried unanimously without objection.

Director Pam Torliatt arrived at 9:51 a.m.

Committee Reports and Recommendations

5. Report of the Legislative Committee Meeting of February 23, 2005

Action(s): The Committee recommended the Board of Directors adopt positions on seven bills as indicated in the Committee report.

Director Wagenknecht presented the report and stated that the Committee met on Wednesday, February 23, 2005.

Staff presented several bills for the Committee’s consideration. The bills, a brief description, and the Committee’s recommendations are listed below:

Bill	Brief Description	Staff Recommendation
SB 44 (Kehoe)	<i>Extends statewide a San Joaquin Valley requirement that local governments incorporate air quality issues into general plans</i>	Support
SB 109 (Ortiz)	<i>Extends sunset for program on minor air violations, and changes current air penalty language to allow civil and criminal penalties for a single violation</i>	Oppose unless amended
SB 153 (Chesbro et alia)	<i>Establishes California Clean Water, Clean Air, Safe Neighborhood Park, and Coastal Protection Act bond measure</i>	Watch
AB 694 (Chan)	<i>Would authorize the BAAQMD to expand TFCA eligibility to private vehicles</i>	Support
SB 225 (Soto)	<i>Provides additional Carl Moyer funding for heavy-duty diesel vehicles</i>	Support
SB 497 (Simitian)	<i>Establishes a Low-Emissions Contractor Incentive Program</i>	Support
AB 1101 (Oropeza)	<i>Establishes notification requirement for the largest sources of diesel emissions with significant public health risks</i>	Support in Concept

Staff noted that the Air District will be co-sponsoring a resolution with the South Coast AQMD encouraging good federal rule-making on new diesel locomotive standards. The legislation is anticipated to be introduced in the next month.

The Committee also had a discussion on indoor air quality and it was noted that the District’s Advisory Council will be discussing the issue this year.

The next Committee meeting is scheduled for 9:30 a.m., Monday, April 4, 2005.

Board Action: Director Wagenknecht moved that the Board approve the recommendations of the Legislative Committee; seconded by Director Haggerty; carried unanimously without objection.

6. Report of the Budget and Finance Committee Meeting of March 2, 2005

Director Daly presented the report and stated that the Committee met on Wednesday, March 2, 2005.

Staff presented the second quarter financial report for fiscal year 2004/2005. The Committee requested that, in future reports, staff provide additional information on the designated reserve accounts and a report on exceptions. Staff was also requested to provide a summary of the unexpended funds from the last fiscal year.

The Committee received an update of the District Cost Recovery Study. Staff reviewed the following:

- The purpose of the study;
- Outputs from the Study;
- Background on District fees;
- The District fee authority;
- Fee revenue categories;
- Types of activities recoverable through fees;
- The program costs that may be recovered; and
- The Cost Recovery Study Timeline.

Staff indicated the final report will be presented at the next Budget and Finance committee meeting. The next meeting of the Committee is scheduled for 9:45 a.m., Wednesday, April 6th if the Regular Board meeting is cancelled that day; otherwise the meeting will be held at 9:45 a.m., Friday, April 8th.

Board Action: Director Daly moved that the Board approve the report of the Budget and Finance Committee; seconded by Director Kwok; carried unanimously without objection.

Presentation

7. 2005 Air District Video Preview

The Board of Directors viewed the Air District's 2005 video.

Jack Broadbent, Executive Officer/APCO stated that this is a video that describes the function and mission of the District.

The video was then shown.

Mr. Broadbent noted that the video (and DVD) would be available soon and would be used during the 50th anniversary events. The video will also be on the District's web site.

Director Jake McGoldrick arrived at 10:05 a.m.

Other Business

8. Report of the Executive Officer/APCO – Mr. Broadbent reported on the following items:
 1. Introduced Henry Hilken, the new Director of Planning and Research.
 2. Stated that work is continuing on the 50th Anniversary symposium, which will be held the week of June 6th. A possible speaker for the symposium is Christine Todd Whitman.
 3. The Board of Supervisors of San Mateo County have requested the District's participation in a diversity survey. The surveys are at each Board member's place.
 4. There are two public workshops on flares at petroleum refineries. The first one is tonight in Martinez and the second one is on March 24th in Richmond.

There was discussion on the 50th Anniversary symposium and Board attendance at the symposium. Mr. Broadbent stated it is anticipated the symposium will be held at the Yerba Buena Center in San Francisco.

9. Chairperson's Report: Chairperson Townsend stated that any Board member interested in attending the Air & Waste Management Association's annual conference should contact him or Mr. Broadbent.

Mr. Townsend thanked Vice-Chair Uilkema for Chairing the last Board meeting in his absence.

Open Session

10. Board Members' Comments – There were none.
11. Time and Place of Next Meeting – Chairperson Townsend announced the cancellation of the April 6, 2005 Board meeting. The next meeting is scheduled for 9:45 a.m., Wednesday, April 20, 2005, 939 Ellis Street, San Francisco, CA 94109.
12. Adjournment – The meeting adjourned at 10:16 a.m.

Mary Romaidis
Clerk of the Boards

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Townsend and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: April 20, 2005

Re: Report of Division Activities for the month of March 2005

ADMINISTRATIVE SERVICES DIVISION – J. McKAY, ACTING DIRECTOR

Preliminary budget data has been entered for the FY 2005/2006 budget. The budgeting process includes strategy around the expense-side impact of increases to PERS funding and medical coverage. On the revenue-side, the challenge is a second year of reduced property tax revenue. Fortunately, this is the last year of the decrease.

The final FYE 2004 audit report will be presented to the Budget & Finance Committee at the May 5, 2005 Meeting.

Status of various capital projects in process:

	<u>Started</u>	<u>% Complete</u>	<u>Completion Date</u>
➤ Phase II Fire Alarm System	11/2003	80%	6/2005
➤ Executive Offices	12/2004	90%	5/2005
➤ Phase IV HVAC Upgrade	Costs to be submitted in 2005/2006 budget proposal		

COMPLIANCE & ENFORCEMENT DIVISION – K. WEE, DIRECTOR

Enforcement Program

Staff continued the case investigation and development for the accusation for a conditional order of abatement against the Tesoro Refinery in Martinez. The refinery had experienced a series of breakdowns from a boiler in recent months that has resulted in coke dust emissions and violations of Air District regulations.

Staff held several meetings at the District offices and one at the refinery to work with Tesoro to develop a permanent solution to their problem. Tesoro is pursuing several different technological solutions to provide redundant equipment to prevent future violations. Staff is also working with Tesoro to develop interim solutions and preventative measures to employ until the new technology can be installed.

Staff continued the audit of the Shore Bulk Gasoline Terminal sites in Richmond, Martinez and Antioch. Staff continues to find several non-compliance issues related to equipment and

administrative requirements. Management staff met with Shore Terminal's Western States Environmental Manager on March 18 to explain the gravity of the non-compliance and penalties associated with the Notices of Violation.

Staff issued Pacific Steel Castings (PSC) in Berkeley a Notice of Violation for causing a public nuisance on March 23. PSC did have numerous odor problems in the 1980's. An unconditional abatement order was issued in 1982 and the company was required to install air pollution abatement equipment to reduce odorous emissions at the plant. As a result, complaints to the Air District dropped off significantly. More recently, however, the number of complaints from neighboring areas has increased. The District will be working with the City of Berkeley and Pacific Steel Casting to examine and characterize the emissions from the plant and identify areas where reductions should be made.

Compliance Assurance Program

On March 22, a kickoff meeting was held to discuss a partnership between New United Motors Plant (NUMMI) in Fremont and the District to develop an Environmental Excellence Program designed to assist NUMMI with continuous compliance with District regulations. Staff continued efforts to ensure diesel truck idling limits at the Port of Oakland are met. Several meetings were held with Idling Truck Work Group members including Truckers, Terminal Operators, West Oakland Indicators Project, Port of Oakland Environmental and Public Affairs staff, International Warehouse Longshoremen's Union and EPA. Staff is scheduling Terminal Appointment System demonstrations next month in the evening at the Port of Oakland for truckers and dispatchers. The demo should help truckers better utilize the appointment systems and decrease their wait times to get into the terminals.

Compliance Assistance Program

Staff attended a meeting of the Women's Environmental Network (WEN) in San Francisco on March 3 to learn communication skills used by environmental and social justice advocates. Translation services were requested over the phone during the month of March by staff in C&E, Legal and PI&O for the following languages: Cantonese, Korean, Mandarin, Arabic and Spanish. Staff began planning for Industry Compliance School for Autobody coating facilities, including coordination with industry organizations, coatings manufacturers and automotive coatings schools. A Compliance Advisory for Gasoline Dispensing Facilities Operators was mailed and posted to the Division webpage on March 25. The advisory repeats the requirements for the April 1, 2005, deadline for modifications of Phase I under the CARB Enhanced Vapor Recovery program. A special advisory was provided to all BAAQMD Board members with possible city/county facilities subject to the CARB deadline.

Training

The Division has completed one quarter of its 2005 training schedule pursuant to the strategic framework which was developed to more efficiently plan and execute required training. The strategic framework requires that each In-Service training series covers the following elements: safety, new/revised rules, policies and procedures and essential certification. Additional topics are added to enhance general knowledge, either within the C&E Division or from other divisions. To date this year, four CARB classes have been presented and one In-Service series have been presented.

Operations

C&E staff met with the Technical Division staff to review the results of the first stubble burn season where MQA (Meteorology and Quality Assurance) staff provided forecasts for stubble burning, similar to marsh and prescribed burning forecasts, with acreage allocations. Statistics were reviewed and recommendations for change were discussed. Broader issues in the Open Burning program will be reviewed before next fall's season, including possible compliance assistance and improved alignment of data gathering with CARB data requests. Staff has completed a new inspection form for the teleform reader system (Scantron) that will be utilized during a pilot program of random inspections at small VOC sources and internal combustion engines. The form will allow efficient data reduction to determine ongoing compliance rates and measure the effectiveness of a random sampling inspection program. The proposed contract to hire a consultant to assist in a Request for Proposal (RFP) to replace the Division Radio was completed.

(See Attachment for Activities by County)

ENGINEERING DIVISION – B. BATEMAN, DIRECTOR

Air Toxics Program

A total of 24 health risk screens were completed for new/modified sources during March. The majority of these risk screens were for diesel engine emergency generators and gas stations. Work began on a health risk assessment for an incident at the Tesoro Refinery in Martinez. Work also continued on a revised proposal for the Air Toxics New Source Review Rule. A workshop for this revised proposal, and the release of a draft EIR, are scheduled for April.

Title V Program

Work continued on further revisions to the Title V permits for the five petroleum refineries in the Bay Area. These revisions are needed to bring these permits up to date with changes in applicable requirements and changes at the refineries, and to correct EPA identified deficiencies. Work began on a pilot project to evaluate a Title V data base management system.

Permit Evaluation Program

A revised proposal was drafted to amend the District's permit rule relating to the provision for extending the term of an Authority to Construct. The revised proposal will be issued for public comment in early April. Permit application submittals remained at very high levels in March, with a total of 270 applications received. Over one-half of these applications were for modifications to vapor recovery systems at gasoline dispensing facilities, which are required under the CARB State Enhanced Vapor Recovery program.

Engineering Special Projects Program

An initial draft of the revised Permit Handbook for the District's website was prepared. Work continued on the first phase of the Diesel Engine ATCM implementation program. This involves the development of a survey and questionnaire on compliance options for facilities

with in-use engines. These compliance assistance materials are to be mailed to affected facilities in April.

Community Air Risk Evaluation (CARE) Program

The final manuscript for a presentation on the CARE program was submitted for the April 19 – 21, 2005 AWMA Symposium on Air Quality Management Methods and Technology. Work is also underway on a variety of tasks including a Scope of Work document, a contract for producing a gridded toxic emissions inventory, a contract for additional hydrocarbon analysis of particulate matter filters, staff training in GIS software, additional software and hardware purchases for GIS functionality, and preparation for the next CARE Program Task Force meeting.

INFORMATION SYSTEMS DIVISION – J. McKAY, DIRECTOR

Toolsets for Permits/Enforcement/Legal

The Executive Committee has recommended the Board approve funds to initiate an RFP to implement plans for in-house Pilot Projects. Likely participants in the pilot include OpenText and other Content Management vendors. An update of the extensive requirement documentation that was previously developed continues. The design methodology for replacement of IRIS and Databank has concluded with clear focus on the importance of Content Management tools. While this may not allow the District to accomplish all of its objectives with a single vendor offering, it will allow the opportunity to substitute purchased modules for custom code.

Infrastructure

User migration is approximately 70% complete. The upgrade is motivated by security needs and equipment obsolescence.

LEGAL DIVISION – B. BUNGER, DISTRICT COUNSEL

The District Counsel's Office received 89 violations reflected in Notices of Violation ("NOVs") for processing.

Mutual Settlement Program staff initiated settlement discussions regarding civil penalties for 93 Violations reflected in NOVs. In addition, Mutual Settlement Program staff sent 28 Final 30 Day Letters regarding civil penalties for 41 Violations reflected in NOVs. Finally, settlement negotiations by Mutual Settlement Program staff resulted in collection of \$38,525 in civil penalties for 58 Violations reflected in NOVs.

Counsel in the District Counsel's Office initiated settlement discussions regarding civil penalties for 20 Violations reflected in NOVs. Settlement negotiations by Counsel in the District Counsel's Office resulted in collection of \$75,000 in civil penalties for 29 Violations.

(See Attachment for Penalties by County)

PLANNING DIVISION – H. HILKEN, DIRECTOR

Grant Programs

On March 9, staff participated in a site visit to the Port of Oakland, along with California Air Resources Board staff, to observe and learn about the Port operations, and to discuss current

and potential heavy-duty projects. Staff obtained formal confirmation from Caltrans of the \$2 million Congestion Mitigation and Air Quality Improvement (CMAQ) funds for the Solid Waste Collection Vehicles Incentive Program, which also has received \$1.5 million in Transportation Fund for Clean Air (TFCA) funds. A total of 666 eligible light-duty vehicles were purchased and scrapped by the three Vehicle Buy Back (VBB) Program contractors.

Rule Development Program

Staff hosted two public workshops on a draft rule to control flaring at petroleum refineries, proposed Regulation 12, Rule 12. The workshops were held in the evening on March 16 in Martinez and on March 24 in Richmond. About 75 people attended the Martinez meeting and over 120 attended the Richmond meeting. Staff presented information about the progress of the refinery flare rule development effort and workshops to the Stationary Source Committee at their meeting on March 28. Staff also met with representatives of the Western States Petroleum Association and CBE to individually discuss their concerns with the draft rule on March 8 and March 10, respectively. Recruitment has been completed for the final two staff rule development positions, Air Quality Engineer and Air Quality Specialist.

Research and Modeling

Staff participated in several conference calls of the Northern California Agencies SIP/Transport Workgroup to discuss the status of 8-hour ozone modeling. Currently two 8-hour ozone episodes are being simulated (July 8-13, 1999 and July 28-August 3, 2000). Staff also participated in several conference calls of the Central California Ozone Study (CCOS). CCOS is in the process of establishing new projects to improve model performance, especially in the San Joaquin Valley. Staff organized a Bay Area Modeling Advisory Committee meeting and presented the District's ozone modeling activities. At the March 30 Executive meeting, staff provided an update of CCOS activities as well as ozone modeling activities of the District.

Air Quality Planning Program

At the March 30 Executive Committee meeting, staff provided an overview of SB 656 requirements to reduce exposure to particulate matter (PM). Staff is analyzing PM monitoring and inventory data evaluating, reviewing ARB's list of potential PM control measures, evaluating existing District regulations and programs, and developing a schedule of additional District PM control measures. Staff expects to hold a public workshop on proposed PM measures in May and propose a schedule for Board consideration in July. Staff continues to develop District climate change programs, to be highlighted at the June symposium. The District is cosponsoring the California Climate Registry annual conference in Berkeley in April, and the Executive Officer is leading a panel discussion. Staff provided an overview of the Ozone Strategy to MTC's Planning and Operations Committee on March 4 and to the Joint Policy Committee on March 25. Staff submitted comments on the Sacramento AQMD's draft triennial report. Staff attended a workshop regarding ARB's draft Air Quality/Land Use Handbook. Staff wrote four comment letters regarding air quality impacts of development projects and plans in the Bay Area: Cupertino General Plan; San Bruno General Plan; Novato Sanitary District Wastewater Plan; and Goble Lane Mixed Use Development (San Jose).

During March, staff continued work on the overall 2005 Spare the Air media and advertising plan. This year's plan will include an aggressive TV presence, more community events, an emphasis on getting e-alert sign-ups, and other media opportunities. The advertising budgets for the Smoking vehicle and Spare the Air media buy will be bundled to increase cost effectiveness. Based on last years successful partnership with BART, the Free Morning Commute / Spare the Air Day promotion is being expanded to include all Bay Area transit operators this year. Coordination with MTC and transit operators is ongoing. Pre-season packets for schools and employers have been developed and will be shipped in April.

Planning continued on the Lawnmower Buyback program. For the last seven years, these programs have been run as a partnership between the Air District and Bay Area County Waste Management agencies. The programs offer the public the opportunity to turn in an old gasoline mower and purchase an electric, mulching mower for a substantial discount. This year upwards of 1200 mowers will be available. Programs are scheduled to take place in Santa Clara, Alameda, and Contra Costa counties during May.

The County of Sonoma and the City of Gilroy adopted the wood smoke ordinance, bringing the Bay Area wide tally to 35 cities and 7 counties thus far.

During March the number of smoking vehicles reported were 1968 total.

TECHNICAL DIVISION – G. KENDALL, DIRECTOR

Air Quality

Except for four Moderate AQI days, March air quality was in the Good AQI category. The first week of March was windy and rainy throughout the Bay Area, followed by 5 days of dry weather and light winds. This stagnant period allowed particulate concentrations to reach Moderate AQI levels on four days. The highest Bay Area PM_{2.5} level in March was 76 AQI, recorded at San Jose on March 9th. After March 12th, frequent periods of rain kept the air quality in the Good AQI category for the remainder of the month. The Bay Area experienced 15 days of rain in March. The District's Santa Rosa meteorological station recorded 5.9 inches of rain.

Air Monitoring

Particulate monitors for PM_{2.5} continued to operate on the enhanced wintertime sampling schedule at all designated stations. Ozone monitors at eight stations continued to be shut down during the low ozone winter period, as authorized under a waiver granted by the EPA. The Air Monitoring Station at a Water District site in Crockett was shut down on March 28th and will remain shut down until seismic upgrades are completed at the facility.

Meteorology

December 2004 air quality data were quality assured and entered into the EPA Air Quality System (AQS) database. Staff continued to make daily air quality and burn forecasts. Staff also made daily acreage allocations in the Suisun Marsh area for the spring Marsh Burn season, which normally runs between February 1 and March 31. Gaylord Container was granted authorization to shut down its Ground Level Monitoring network because the facility surrendered its permits for all H₂S producing sources.

Quality Assurance

The Quality Assurance (QA) group continued its regular, ongoing assessment of the District's air monitoring network by conducting performance audits on 8 monitors at 6 of the District's air monitoring sites. QA staff audited H₂S and SO₂ monitors at the three Valero Refinery and the three Chevron Refinery Ground Level Monitoring stations. At the request of the Compliance and Enforcement Division, QA staff conducted mobile surveillance monitoring for H₂S at the St. Helena Wastewater Treatment Plant; no violations were recorded.

Laboratory

In addition to the ongoing, routine analyses, six impinger samples collected at Pacific Steel Casting Plant #3, in Berkeley, were analyzed for phenolic compounds. The Laboratory completed the analysis of arsenic and cadmium in brass alloy samples obtained from East Bay Brass Foundry. Two Laboratory personnel attended Advanced Asbestos training classes.

Source Test

Ongoing Source Test activities included Continuous Emissions Monitoring (CEM) Field Accuracy Tests, source tests, gasoline cargo tank testing, and evaluations of tests conducted by outside contractors. The ConocoPhillips Refinery's open path monitor monthly report for the month of February was reviewed. The Source Test Section provided ongoing support for the development of the District's Further Studies Measures for refineries.

These facilities have received one or more Notices of Violations Report period: March 1, 2005 – March 31, 2005

Alameda County

Status				Regulation
Date	Site #	Site Name	City	Title
3/17/05	C8687	Warm Spring Gas	Fremont	Gasoline Dispensing Facilities
3/23/05	C8876	Livermore Beacon	Livermore	Permit to Operate
3/23/05	C8281	Springtown Gasoline	Livermore	Gasoline Dispensing Facilities
3/1/05	P0935	Wente Winery Vineyards	Livermore	Open Burning
3/23/05	C9729	Stones Easy Stop	Oakland	Permit to Operate
3/1/05	C8377	Beacon Service Station	San Leandro	Failure to Meet Permit Conditions
3/8/05	Q5875	Royal Motor	San Leandro	Authority to Construct; Permit to Operate
3/18/05	A7192	Sun Chemical Corporation	San Leandro	Asbestos Demolition, Renovation

Contra Costa County

Received				Regulation
Date	Site #	Site Name	City	Title
3/15/05	Q6055	Glen McCauley	Brentwood	Open Burning
3/14/05	Q6013	Joseph Sweet	Clayton	Open Burning
3/24/05	A0581	ST Shore Terminals LLC	Crockett	Major Facility Review (Title V)
3/14/05	A0907	Central Contra Costa Sanitary District	Martinez	Continuous Emission Monitoring and Recordkeeping Procedures; Major Facility Review (Title V)
3/8/05	A0011	Shell Martinez Refinery	Martinez	Continuous Emission Monitoring and Recordkeeping Procedures
3/15/05	B2758	Tesoro Refining and Marketing Company	Martinez	Standards of Performance for New Stationary Sources Asbestos Demolition Renovation; Flare Monitoring at Petroleum Refineries; Continuous Emission

				Monitoring and Recordkeeping Procedures; Major Facility Review (Title V); Particulate Matter and Visible Emissions
3/15/05	B1928	Calpine Pittsburg LLC	Pittsburg	Major Facility Review (Title V)
3/8/05	C5719	Blue Star Gasoline West Contra Costa County	Richmond	Gasoline Dispensing Facilities
3/14/05	A1840	Landfill	Richmond	Authority to Construct
3/15/05	A0016	ConocoPhillips - San Francisco Refinery	Rodeo	Flare Monitoring at Petroleum Refineries; Continuous Emission Monitoring and Recordkeeping Procedures; Failure to Meet Permit Conditions; Storage of Organic Liquids
3/14/05	P1624	American Consulting Remediation and Construction	San Ramon	Authority to Construct

Marin County
NONE

Napa County

Received Date	Site #	Site Name	City	Regulation Title
3/24/05	C7638	Napa Valley Petroleum	Napa	Gasoline Dispensing Facilities
3/24/05	C7638	Napa Valley Petroleum	Napa	Gasoline Dispensing Facilities
3/24/05	A1205	City of St Helena	Saint Helena	Public Nuisance
3/24/05	Q6274	Pierre Bolduc	Saint Helena	Open Burning

San Francisco County

Received Date	Site #	Site Name	City	Regulation Title
3/16/05	Q6067	Arturo Alvarez	San Francisco	Asbestos Demolition, Renovation
3/16/05	A3480	Comet Cleaners Conoco/Phillips --Peter	San Francisco	Perc Dry Cleaning
3/17/05	C9304	Papapietro Custom Cabinet & Counter	San Francisco	Gasoline Dispensing Facilities
3/8/05	B2487	Top	San Francisco	Wood Products Coatings
3/15/05	B6338	Envent Corporation	San Francisco	Storage of Organic Liquids
3/8/05	B3054	Houstons Restaurant	San Francisco	Sulfur Dioxide
3/29/05	Q6360	J&R Associates	San Francisco	Asbestos Demolition, Renovation
3/16/05	Q6075	Mabel Soo	San Francisco	Asbestos Demolition, Renovation
3/16/05	Q3790	Paint Wizard	San Francisco	Authority to Construct
3/16/05	Q6065	Steven Fong	San Francisco	Asbestos Demolition, Renovation
3/16/05	Q5504	Ted Stevenson Hilliard	San Francisco	Asbestos Demolition, Renovation

San Mateo County

Received Date	Site #	Site Name	City	Regulation Title
3/16/05	Q6071	Jump Hauling	Daly City	Asbestos Demolition, Renovation
3/1/05	Q5746	Dan Voreyer	San Bruno	Asbestos Demolition, Renovation
3/8/05	C0269	H & S Petroleum, Inc Perkinelmer Fluid	San Bruno	Failure to Meet Permit Conditions
3/1/05	B4952	Sciences	San Carlos	Failure to Meet Permit Conditions
3/1/05	Q5743	Precision Pacific	San Carlos	Asbestos Demolition, Renovation

Santa Clara County

Received Date	Site #	Site Name	City	Regulation Title
3/3/05	Q5793	ATD Architectural	Gilroy	Motor Vehicle Coating Operations
3/7/05	B6839	Citation Press	Milpitas	Authority to Construct; Permit to Operate

3/1/05	C9694	Almaden Shell-Shell Oil Products	San Jose	Gasoline Dispensing Facilities
3/17/05	C7942	Chevron #96215	San Jose	Gasoline Dispensing Facilities
3/8/05	C9905	DE ANZA/U S GAS Guerrero's Friendship Auto	San Jose	Gasoline Dispensing Facilities
3/3/05	B1698	Body	San Jose	Motor Vehicle Coating Operations
3/16/05	B1611	Hiep Hoa Auto Body Maxim Integrated	San Jose	Motor Vehicle Coating Operations
3/16/05	B1696	Products, Incorporated	San Jose	Failure to Meet Permit Conditions
3/16/05	Q6074	Nguyen Auto Body T & T Auto Service and Gas Station	San Jose	Authority to Construct; Permit to Operate
3/1/05	C9561		San Jose	Gasoline Dispensing Facilities
3/23/05	D0021	West San Carlos Gas Jefferson Smurfit Corporation (US)	San Jose	Gasoline Dispensing Facilities
3/23/05	A0159	Pycon, Inc	Santa Clara	Graphics Arts Printing and Coating Operations
3/16/05	A7941		Santa Clara	Failure to Meet Permit Conditions; General Solvent and Surface Coating Operations
3/23/05	A0646	Siliconix, Incorporated	Santa Clara	Semiconductor Manufacturing Operations
3/16/05	B2060	Y & D Cabinet Shop	Santa Clara	Wood Products Coatings
Solano County				
Received Date	Site #	Site Name	City	Regulation Title
3/24/05	Q5747	Real Rock Industries	American Canyon	Authority to Construct; Permit to Operate
3/1/05	A9634	The Sign Factory	American Canyon	Failure to Meet Permit Conditions
3/1/05	A9634	The Sign Factory	American Canyon	Wood Products Coatings
3/1/05	Q5747	Real Rock Industries	American Canyon	Polyester Resin Operations
3/14/05	B2626	Valero Refining Company - California	Benicia	Parametric Monitoring and Recordkeeping Procedures; Major Facility Review (Title V); Particulate Matter and Visible Emissions; Equipment Leaks; Storage of Organic Liquids
3/18/05	B4511	Gilroy Energy Center, LLC (Wolfskill Energy Ctr)	Fairfield	Failure to Meet Permit Conditions
3/24/05	C8932	Texas Petroleum Service	Fairfield	Gasoline Dispensing Facilities
3/18/05	C0818	Flyers #28	Suisun City	Gasoline Dispensing Facilities
3/29/05	Q2139	UC Haulers	Vacaville	Asbestos Demolition, Renovation
3/24/05	C8365	Pooja Oil, LLC	Vallejo	Gasoline Dispensing Facilities
Sonoma County				
Received Date	Site #	Site Name	City	Regulation Title
3/18/05	Q6137	Deerfield Ranch Winery	Kenwood	Open Burning
3/18/05	Q6146	Andrew Stoeppelwerth	Petaluma	Open Burning
3/17/05	Q6117	Basin Street Properties	Petaluma	Authority to Construct; Permit to Operate
3/29/05	B6899	G C Micro Corp	Petaluma	Authority to Construct; Permit to Operate
3/18/05	Q6143	James Foster	Petaluma	Open Burning
3/29/05	Q6355	Mariners Hardware	Petaluma	Authority to Construct; Permit to Operate
3/24/05	Q6273	Petaluma Auto Works	Petaluma	Solvent Cleaning Operations
3/29/05	Q6363	Codding Construction	Rohnert Park	Asbestos Demolition, Renovation
3/14/05	D0583	Fast Gas & Market	Santa Rosa	Authority to Construct
3/29/05	D1400	Sonoma Jet Center	Santa Rosa	Authority to Construct; Permit to Operate
3/29/05	Q6352	Daniel Oberti	Sebastopol	Open Burning
3/17/05	Q6116	Kim Kabot	Sebastopol	Open Burning
3/29/05	Q6353	Henry Moravec	Sonoma	Open Burning

March 2005 Closed NOVs with Penalties by County**Alameda**

Site Name	Site Occurrence	City	Penalty	# of Violations Closed
ARCO Facility #00414 - SHAZADA KHAN	C9796	Berkeley	\$500	1
Carlos Body Shop	B0045	Oakland	\$750	1
Chevron Station #95795	C0214	Fremont	\$250	1
College of Alameda	A8673	Alameda	\$250	1
Parthian Chevron	C9920	Livermore	\$500	1
Portola Food and Liquor	C9998	Livermore	\$750	1
Quik Stop #67	C0667	Oakland	\$500	1
Rino Pacific	C6875	Oakland	\$500	1
SHORE ACRE GAS	C9120	Oakland	\$500	1
XOMA (US) LLC	B2984	Berkeley	\$400	1

Total Violations Closed: 10

Contra Costa

Site Name	Site Occurrence	City	Penalty	# of Violations Closed
Byron Power Company, c/o Ridgewood Power Mgmt	B0437	Byron	\$5,000	2
Chevron Products Company	A0010	Richmond	\$42,000	15
Equilon Enterprises	C0253	Antioch	\$750	1
Gary Crandell Auto Restoration	A9267	Concord	\$250	1

Gulf Transportation	C8200	Concord	\$650	1
GWF Power Systems,LP (Site 5)	A3246	Pittsburg	\$4,000	1
Johns Manville Corporation	A0119	Pittsburg	\$20,000	8
Rudy's Service Company	P5927	Concord	\$4,000	2
Shell Chemical LP	B2870	Martinez	\$2,000	2

Total Violations Closed: 33

Napa

Site Name	Site Occurrence	City	Penalty	# of Violations Closed
Carlo Di Fede	P9604	Saint Helena	\$400	1
Peju Winery	Q4811	Rutherford	\$850	1
Villa Amarosa	P9272	Calistoga	\$1,000	1
vineyard 7 and 8	Q3848	Saint Helena	\$500	1
Yount Mill Vineyards	J8811	Oakville	\$1,600	1

Total Violations Closed: 5

San Francisco

Site Name	Site Occurrence	City	Penalty	# of Violations Closed
AA Quality Auto Repair	B2661	San Francisco	\$450	1
Botta's Auto Body	B0578	San Francisco	\$750	1
Houstons Restaurant	B3054	San Francisco	\$250	1
McGuire Furniture Company	A5029	San Francisco	\$500	1

Veteran's DeLuxe Cleaners	A2075	San Francisco	\$500	1
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Total Violations Closed: 5

San Mateo

Site Name	Site Occurrence	City	Penalty	# of Violations Closed
Arco	C3248	San Mateo	\$250	1
Chevron USA Products #9-3989	C3206	San Mateo	\$300	1
Greiner's Serv Sta Inc(Chevon SS# 7875)	C7321	South San Francisco	\$450	1
L-3 Communications Randtron Antenna Systems	A2877	Menlo Park	\$650	1
Lomita Cleaners	A0307	Millbrae	\$150	1
Mervyn's LLC	B5863	Daly City	\$750	1
Serramonte Auto Plaza Body Shop	A3201	Colma	\$1,000	2
Wu's Auto Center	A4491	South San Francisco	\$200	1

Total Violations Closed: 9

Santa Clara

Site Name	Site Occurrence	City	Penalty	# of Violations Closed
ARCO Facility #02074 - JM & SONS INC	C7053	San Jose	\$400	1
BP Facility #11231 --Ben Aibuedefe	C9321	Sunnyvale	\$1,000	1
Chevron #9-6377	C3690	Mountain View	\$250	1
Crystal Cleaners	B2600	Santa Clara	\$500	1
Cupertino Village Cleaners	A2343	Cupertino	\$500	1

Honeywell International	A8693	Santa Clara	\$300	1
L & D Service Station	C7261	San Jose	\$1,500	1
M2 Automotive, Inc	B0505	Milpitas	\$750	1
Pacheco's Body Shop	B4234	San Jose	\$750	1
Pure Cleaners	A4225	Mountain View	\$125	1
Santa Clara Auto Care	A7155	Santa Clara	\$750	1
Valero Refining Co SS#7112	D0385	San Jose	\$1,000	1
West San Carlos Gas	D0021	San Jose	\$1,000	1

Total Violations Closed: 13

Solano

Site Name	Site Occurrence	City	Penalty	# of Violations Closed
Cordellia Gun Club	Q3905	Suisun City	\$1,000	2
E-Z Stop Market	C9062	Fairfield	\$1,000	2
Rexam Beverage Can Company	A1665	Fairfield	\$2,000	1

Total Violations Closed: 5

Sonoma

Site Name	Site Occurrence	City	Penalty	# of Violations Closed
Hanna Winery and Vineyard	Q3985	Santa Rosa	\$1,100	1
John Jensen	Q4338	Sebastopol	\$250	1
Mike Flowers	Q4768	Healdsburg	\$500	1
Reis Ranch	Q5388	Penngrove	\$250	1

Robert Dickinson	N5455	Petaluma	\$250	1
Willowbrook Feeds	B0292	Petaluma	\$1,250	1

Total Violations Closed: 6

District Wide

Site Name	Site Occurrence	City	Penalty	# of Violations Closed
Williams Tank Lines/Mike Stewart	A0581	Stockton	\$2,000	1

Total Violations Closed: 1

ACRONYMS AND TERMINOLOGY

ABAG	Association of Bay Area Governments
AC	Authority to Construct issued to build a facility (permit)
AMBIENT AIR	The surrounding local air
AQI	Air Quality Index
ARB	[California] Air Resources Board
ATCM	Airborne Toxic Control Measure
BAAQMD	Bay Area Air Quality Management District
BACT	Best Available Control Technology
BANKING	Applications to deposit or withdraw emission reduction credits
BAR	[California] Bureau of Automotive Repair
BARCT	Best Available Retrofit Control Technology
BIODIESEL	A fuel or additive for diesel engines that is made from soybean oil or recycled vegetable oils and tallow. B100=100% biodiesel; B20=20% biodiesel blended with 80% conventional diesel
BTU	British Thermal Units (measure of heat output)
CAA	[Federal] Clean Air Act
CAL EPA	California Air Resources Board
CCAA	California Clean Air Act [of 1988]
CCCTA	Contra Costa County Transportation Authority
CEQA	California Environmental Quality Act
CFCs	Chlorofluorocarbons
CMA	Congestion Management Agency
CMAQ	Congestion Management Air Quality [Improvement Program]
CMP	Congestion Management Program
CNG	Compressed Natural Gas
CO	Carbon monoxide
EBTR	Employer-based trip reduction

EJ	Environmental Justice
EIR	Environmental Impact Report
EPA	[United States] Environmental Protection Agency
EV	Electric Vehicle
HC	Hydrocarbons
HOV	High-occupancy vehicle lanes (carpool lanes)
hp	Horsepower
I&M	[Motor Vehicle] Inspection & Maintenance ("Smog Check" program)
ILEV	Inherently Low Emission Vehicle
JPB	[Peninsula Corridor] Joint Powers Board
LAVTA	Livermore-Amador Valley Transit Authority ("Wheels")
LEV	Low Emission Vehicle
LNG	Liquefied Natural Gas
MPG	Miles per gallon
MTC	Metropolitan Transportation Commission
NAAQS	National Ambient Air Quality Standards (federal standards)
NO _x	Nitrogen oxides, or oxides of nitrogen
NPOC	Non-Precursor Organic Compounds
NSR	New Source Review
O ₃	Ozone
PM _{2.5}	Particulate matter less than 2.5 microns
PM ₁₀	Particulate matter (dust) less than 10 microns
PM _{>10}	Particulate matter (dust) over 10 microns
POC	Precursor Organic Compounds
pphm	Parts per hundred million
ppm	Parts per million
PUC	Public Utilities Commission
RFG	Reformulated gasoline
ROG	Reactive organic gases (photochemically reactive organic compounds)
RIDES	RIDES for Bay Area Commuters
RTP	Regional Transportation Plan
RVP	Reid vapor pressure (measure of gasoline volatility)
SCAQMD	South Coast [Los Angeles area] Air Quality Management District
SIP	State Implementation Plan (prepared for <i>national</i> air quality standards)
SO ₂	Sulfur Dioxide
TAC	Toxic Air Contaminant
TCM	Transportation Control Measure
TFCA	Transportation Fund for Clean Air [BAAQMD]
TIP	Transportation Improvement Program
TMA	Transportation Management Association
TOS	Traffic Operations System
tpd	tons per day
Ug/m ³	micrograms per cubic meter

ULEV	Ultra low emission vehicle
ULSD	Ultra low sulfur diesel
USC	United States Code
UV	Ultraviolet
VMT	Vehicle miles traveled (usually per <i>day</i> , in a defined area)
VTA	Santa Clara Valley Transportation Authority
ZEV	Zero Emission Vehicle

BAY AREA AIR QUALITY MANGEMENT DISTRICT

Memorandum

To: Chairperson Marland Townsend and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: April 13, 2005

Re: District Personnel on Out-of-State Business Travel

RECOMMENDED ACTION:

Receive and file.

BACKGROUND

It is the District's policy to report all out-of-state travel to the Board of Directors.

DISCUSSION

Michael Rich, Human Resources Officer, attended the National Public Employer Labor Relations Association (NPELRA) conference held in Fort Lauderdale, Florida April 11-15, 2005.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

BAY AREA AIR QUALITY MANGEMENT DISTRICT

Memorandum

To: Chairperson Marland Townsend and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: April 13, 2004

Re: Consider Approving a Resolution to Increase the Salary for the
Vacant Finance Manager Job Classification to Support Recruitment

RECOMMENDATION

Approve a resolution that increases the salary of the Finance Manager job classification in order to support the District's effort to recruit quality candidates to fill the Finance Manager vacancy.

BACKGROUND

The District's Finance Manager retired effective April 7, 2005. Human Resources staff is in the process of recruiting for a new Finance Manager to fill the vacancy. The salary for the Finance Manager is currently set at \$76,845 to \$93,406 per year. However, a salary survey completed in September of 2003 showed that the District's Finance Manager classification was paid at 12.5% below the median of similar jobs at comparable public sector agencies. Of seven agencies surveyed that had a matching position, only San Joaquin APCD had a lower salary for their Finance Manager classification. The mean average annual salary for the other five agencies with a higher salary for their Finance Manager was \$122,575. The other five higher-paying agencies surveyed included four special districts: Metropolitan Transportation Commission, East Bay Municipal Utility District, South Coast Air Quality Management District and East Bay Regional Park District.

DISCUSSION

In order to attract quality candidates to compete for the Finance Manager vacancy the salary needs to be increased so that it is competitive with other, similar opportunities in the region. For this reason, staff is strongly recommending that the salary for the Finance Manager classification be increased to \$91,155 to \$110,799 annually, which is equivalent to the salary for the District's Information Systems Manager, but still considerably less than the highest paid District section managers, who are currently at \$95,713 to \$116,339.

BUDGET CONSIDERATION/FINANCIAL IMPACT

As the previous Finance Manager was paid at the top step for the classification and a newly hired Finance Manager would likely be offered an initial salary at the bottom step of the increased salary range, there may be no immediate fiscal impact and possibly a salary savings of \$2,680 per year, including savings on salary-driven benefits. When the incumbent reaches the top step of the increased salary range the cost will be \$19,612 per year, including salary-driven benefit increases. These calculations do not include cost-of-living adjustments that are granted to all unrepresented employees each fiscal year.

Respectfully Submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Michael Rich
Reviewed by: Jeff McKay

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

RESOLUTION NO.

A resolution of the Bay Area Air Quality Management District Board of Directors increasing the salary of the Finance Manager job classification.

WHEREAS, the District's Finance Manager retired effective April 7, 2005;

WHEREAS, the District needs to attract quality candidates to compete for the Finance Manager vacancy;

WHEREAS, the salary for the Finance Manager job classification is paid well below the median of salaries for positions at comparable agencies as shown by a recent survey;

WHEREAS, increasing the salary for the Finance Manager job classification will greatly improve the likelihood of attracting quality candidates for the Finance Manager vacancy;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Bay Area Air Quality Management District hereby approves increasing the monthly salary for the Finance Manager job classification as follows:

Step A	Step B	Step C	Step D	Step E
\$7,596.25	\$7,976.06	\$8,374.86	\$8,793.60	\$9,233.28

BE IT FURTHER RESOLVED that the monthly salary for the job classification of Finance Manager as reflected above shall be effective immediately upon approval of the Board of Directors of the Bay Area Air Quality Management District.

The foregoing resolution was duly and regularly introduced, passed and adopted at a regular meeting of the Board of Directors of the Bay Area Air Quality Management District on the Motion of Director _____, seconded by Director _____, on the ____ day of _____, 2005 by the following vote of the Board:

AYES:

NOES:

ABSENT:

Marland Townsend
Chairperson of the Board of Directors

ATTEST:

Mark Ross
Secretary of the Board of Directors

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Townsend and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: April 13, 2005

Re: Set Public Hearing on Proposed Amendments to the District's Manual of
Procedures, Volume III: Laboratory Methods and Approval of a CEQA
Notice of Exemption

RECOMMENDED ACTION:

Set public hearing for May 18, 2005 to consider proposed amendments to the District's Manual of Procedures, Volume III: Laboratory Methods and Approval of a CEQA Notice of Exemption.

DISCUSSION

The District's Manual of Procedures includes Enforcement Procedures, Permitting Procedures, Laboratory Methods, Source Test Procedures, Continuous Emissions and Air Monitoring Procedures, and Guidelines for Environmental Processes under the California Environmental Quality Act. The Manual of Procedures are part and parcel of the Districts Rules and Regulations, in that they determine how compliance with the rules is to be achieved. Consequently, amendments to the Manual of Procedures require Board action.

These amendments to Volume III of the Manual of Procedures are being proposed to incorporate advances in analytical equipment, add clarity, improve accuracy, reduce expenses and respond to comments by EPA technical staff.

The Laboratory Methods proposed to be amended are:

- Introduction (proposed changes will allow minor amendments to the procedures with District and manufacturer approval and major changes with EPA approval)
- Method 10A: Determination of Sulfur in Petroleum and Petroleum Products (new method)
- Method 21: Determination of Compliance of Volatile Organic Compounds for Water Reducible Coatings
- Method 22: Determination of Compliance of Volatile Organic Compounds for Solvent Based Coatings, Inks and Other Related Products
- Method 31: Determination of Volatile Organic Compounds in Paint Strippers, Solvent Cleaners and Low Solids Coatings
- Method 33: Determination of Dissolved Critical Volatile Organic Compounds in Wastewater Separators

- Method 41: Determination of Volatile Organic Compounds in Solvent Based Coatings and Related Materials Containing Parachlorobenzotrifluoride
- Method 43: Determination of Volatile Methylsiloxanes in Solvent Based Coatings, Inks, and Related Materials
- Method 45: Determination of Butanes and Pentanes in Polymeric Materials
- Method 46: Determination of the Composite Partial Pressure of Volatile Organic Compounds in Cleaning Products

The District has determined that these amendments to the Manual of Procedures, Volume III, Laboratory Methods, are exempt from provisions of the California Environmental Quality Act (Public Resources Code Section 21000 et seq.) pursuant to State CEQA Guidelines, Sections 15061, subd. (b)(3). Adoption of the proposed amendments will not have any environmental impact. Laboratory methods are detailed means used to enforce standards for which an environmental impact analysis has already been conducted; they do not establish new standards nor amend existing standards. The District intends to file a Notice of Exemption pursuant to State CEQA Guidelines, Section 15062.

The proposed amendments have been noticed, and no comments have been received. A public hearing notice, the proposed amendments, and a staff report are available on the web at <http://www.baaqmd.gov/pln/ruledev/regpublichearings.asp>.

BUDGET CONSIDERATION/FINANCIAL IMPACTS

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer / Air Pollution Control Officer

Prepared by: Daniel Belik
Approved by: Henry Hilken

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Townsend and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: April 13, 2005

Re: Report of the Public Outreach Committee Meeting of March 21, 2005

RECOMMENDED ACTION

Receive and file.

BACKGROUND

The Public Outreach Committee met on Monday, March 21, 2005. The Committee received an update on the 2004-2005 wintertime outreach program. Staff gave a status report on the 2005 lawn mower buy-back program and the Committee provided direction to staff to continue with the original program. The cap for this program is \$100,000.

At the Committee's request, staff reviewed the methods used by the American Lung Association to produce the yearly "Report Card" of air quality throughout the country. Linda Civitello-Joy, Executive Director of the ALA of San Francisco-San Mateo, provided additional information to the Committee on efforts being made to collaborate with the national organization to make changes to the Report to better reflect air quality conditions. The Committee requested staff draft a letter to the national organization, with copies to the local affiliates, regarding the Air District's position on the grading system.

Attached are the staff reports presented to the Committee for your review.

Chairperson Young will give an oral report of the meeting.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Mary Romaidis
Reviewed by: Mary Ann Goodley

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Inter-Office Memorandum

To: Chairperson Young and
Members of the Public Outreach Committee

From: Teresa Lee
Director of Public Information & Outreach

Date: March 8, 2005

Re: Wintertime Outreach – 2004/2005

RECOMMENDED ACTION

Information.

BACKGROUND

Staff will report on the 2004 – 2005 wintertime outreach program.

DISCUSSION

The Air District began its wintertime outreach program in mid-November focusing on curtailing wood burning in fireplaces and woodstoves, and driving less. The campaign ran through February 2005 and included media outreach, advertising, measurement surveys to assess the impact of the program and the continuation of the fireplaces and woodstove change out program in Santa Clara County. Staff is encouraged by the trends in the measurement survey. Highlights of the wintertime program are outlined below.

Measurement

The Air District commissioned a survey of 700 Bay Area residents about wood burning and wood smoke air pollution. The survey was completed by True North Inc. using random digit dialing on evenings in January and February 2005. Preliminary results and recent trends include:

- 64% of respondents had at least one fireplace or wood stove
- 57% of these indicated they would burn wood this winter, 20% had natural gas fireplaces
- 43% of those who have fireplaces indicated they would not use them this winter, up from 39% last year
- 36% of those who said they would burn wood indicated they would burn wood at least once a week throughout the fall and winter
- 66.6% agreed there were negative health effects from breathing wood smoke
- 62% support a policy that would require all new housing to use only gas fireplaces or EPA certified equipment or the equivalent

AGENDA NO. 4

Trends

- Awareness of the negative health effects from breathing wood smoke is increasing from 49% in 2001, to 56% in 2002 and to 66% in 2005
- Support for a model wood smoke ordinance is growing from 47% in 2001, to 54% in 2003 and to 62% in 2005.

Media Outreach

Media outreach began with a press release in mid-November, followed by two additional press releases in late November and December. Media coverage was good and included interviews with KCBS radio, Napa radio station KVON, the Contra Costa Times, KTVU-TV, the Fremont Argus, the Napa Sentinel, the San Jose Mercury News, KFOG, and an “exclusive” broadcast segment with KGO-TV “7 On Your Side”.

More than 30 Bay Area neighborhood newspapers, including ethnic publications, were contacted to print a wood smoke article. Placements were secured in the following:

- Commuter Times, Philippine News, India Post, Sing Tao Daily, El Tecolote , El Observador and Nuevo Mundo.
- Univisión (KDTV) -- Air District Spanish-speaking spokesperson taped a segment on Univisión’s weekly public affairs program, “Encuentro en la Bahía.

Advertising

The advertising campaign began with a “Thank you” to Bay Area residents for taking *Spare the Air* seriously in the summer and continued with a message about the air pollution produced from burning wood. It ended with a call to action, asking residents to not burn wood in traditional fireplaces and to explore the idea of replacing wood burning fireplaces with new gas units.

Paid advertising began with television and radio spots on the three days leading up to Thanksgiving. The remainder of the buy began on December 27th and continued through early February.

Santa Clara County Woodstove/Fireplace Change out Program

The woodstove/fireplace change out program in Santa Clara County continued, with an additional 600 rebates processed as of the end of February. Since the program began in the fall of 2003, 1,300 change outs have been completed.

Specialized outreach in Santa Clara County related to the program included:

- Production of two cycles of water bill inserts (400,000) for the City of San Jose.
- Weekly display ads (eight weeks) in the San Jose Mercury Friday Home section, VietMerc, and Nuevo Mundo. Weekly display ads in all eight papers of the Silicon Valley Community Newspaper chain.
- Bill inserts to 30,000 City of Palo Alto residents.
- Bill inserts and displays placed in 18 city and county locations.
- Press coverage in the Mercury News and various local papers.

AGENDA NO. 4

- TV feature story about a District employee who made the switch to gas.
- Presence at the Santa Clara Home Show.
- In-store brochures at local specialty retail shops.

Other

The Spare the Air web page – www.sparetheair.org – was updated for the winter program. The AirAlert e-mail notification system remained active during the winter with 24,000 subscribers to the system.

Staff and RIDES for Bay Area Commuters also worked with the 2,200 employers in the Spare the Air program. One thousand internal bus cards with a wintertime message were also distributed to several transit carriers including VTA, AC Transit, Santa Rosa City Bus, Wheels, SamTrans, Caltrain and the Vacaville, Napa and Benicia bus lines.

BUDGET CONSIDERATIONS/FINANCIAL IMPACT

Funds were allocated for the *Spare the Air Tonight* activities in the 2004-05 budget. Funding for the wood smoke/fireplace change out program is being provided by Calpine and Santa Clara Power and Light as part of the California Energy Commission's (CEC's) approval to build and operate power plants in Santa Clara County.

Respectfully submitted,

Teresa Lee
Director of Public Information & Outreach

FORWARDED: _____

Reviewed by: _____

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Inter-Office Memorandum

AGENDA NO. 5

To: Chairperson Young and
Members of the Public Outreach Committee

From: Teresa Lee
Director of Public Information & Outreach

Date: March 10, 2005

Re: Spring Lawn Mower Buy-Back Program

RECOMMENDED ACTION

Information.

BACKGROUND

Staff will give a status report on the 2005 lawn mower buy-back program and a new approach to this year's program.

DISCUSSION

For several years, the Air District has coordinated the lawn mower buy-back program in cooperation with local waste management agencies. The public could turn in an old gasoline mower and purchase an electric mower for a \$100 discount. Overall the program has been well received, but the availability of the program has been limited by funding constraints and the varying interest of local waste management partners. In addition, budget constraints this year necessitate rethinking the program to find new ways to continue it at less cost. Recent fund-raising letters sent to waste management agencies failed to generate any additional funding.

Staff is proposing an innovative approach to this year's program to make it more widely available and easier to manage. Staff is negotiating with Home Depot to offer the program for several months beginning in May at all of the 32 Home Depot stores in the nine counties. The proposed rebate would be a straight discount of \$30 off the normal retail price of a corded electric Black & Decker model (two models would be available). To qualify for the rebate, participants would first have to drop off a gasoline lawn mower at a participating scrap yard, receive a receipt, and then proceed to a Home Depot store. The discount dollars will be entirely funded by Black & Decker and Home Depot. Air District resources would be devoted to promotion and advertising, which will include co-op advertising with Home Depot, display ads, inserts, and a public relations kickoff event. The campaign will use the *Spare the Air and Save Money Too!* tagline, and tie-in to the consumer products message of the Spare the Air campaign.

Staff believes that by promoting a straight discount for several months at 32 well known Home Depot stores, we will be able to sell greater quantities of electric mowers, enhance air quality emission benefits and greatly expand the public education message in the marketplace.

If staff is not successful in negotiations with Home Depot, the alternative would be to return to the model used in earlier lawn mower campaigns where events would be held on Saturday mornings at several Home Depot locations. Because of funding constraints this year, there would be fewer events than last year.

BUDGET CONSIDERATIONS/FINANCIAL IMPACT

Funding for this program has been approved by the Board.

Respectfully submitted,

Teresa Lee
Director of Public Information & Outreach

FORWARDED: _____

Reviewed by: Jean Roggenkamp

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Inter-office Memorandum

To: Chairperson Young and
Members of the Public Outreach Committee

From: Teresa Galvin Lee
Director of Public Information and Outreach

Date: March 10, 2005

Re: American Lung Association's "Report Card"

RECOMMENDED ACTION

Receive and file.

BACKGROUND

At the Committee's request, staff will recap the methods used by the American Lung Association (ALA) to produce a yearly "Report Card" of air quality throughout the country.

DISCUSSION

The American Lung Association issues a "State of the Air" report each May which gives letter grades - A, B, C, D, F - to all counties in the United States. The report is based on air quality monitoring data reported by local districts to the US EPA. ALA has developed their own methodology to interpret the data that leads to the letter grades. For many years, ALA gave grades based on ozone data. In the past year, they have added criteria to also give grades for PM2.5. The State of the Air report is issued by the national ALA organization located in Washington D.C. Local affiliates have little or no input into the report.

Concern has been expressed that the grades are not reflective of real world air quality conditions and often assign failing grades to counties that are in attainment with air quality standards according to US EPA criteria. In fact, the criteria used by ALA are different from the EPA criteria in the following significant ways:

1. For purposes of EPA ozone attainment, the fourth highest reading from each official air monitoring station is averaged over three years. The three highest readings for each year that may be due to atypical conditions are excluded. The ALA uses all readings from the stations and does not exclude any readings.
2. For PM2.5 attainment, the 98th percentile reading for each official air monitoring station is averaged over three years. The 98th percentile is that reading for which 97 percent of the readings are lower and 2 percent of the readings are higher. For example, if there are a total of 100 PM2.5 readings in a year, the 98th percentile reading would be the 3rd highest reading. For each year the highest 2 percent of readings which may be due to

unusual conditions not typical of air quality in the region are excluded. The ALA does not exclude any readings.

3. ALA uses data from all monitors within a region, even though some may not be “official” monitors according to criteria used by EPA, and are not included in the analysis to determine attainment or non-attainment of a region. For instance, ALA is using data from a Speciation Trends monitor in San Jose which is used solely to determine the composition of and relative contribution to PM from different sources. The monitoring data is used to assess potential control strategies, but it is not official monitoring equipment. The ALA used the San Jose Speciation Trends data and it contributed to the count of days that caused Santa Clara County to be in the “unhealthful” category.
4. The ALA grading system (A through F) covers a very narrow range, from no days over the standard (A) to an average of 3.3 days over the standard (F). Any station that averages more than three days over the standard per year (according to the ALA methodology) receives an “F” grade, whether there are 3 or 300 days per year. Counties with a marginal numbers of excess days (according to ALA) are given the same F grade as counties with many, many days over standard. For example Alameda and Contra Costa counties received F grades for ozone in 2004, the same grade as counties like Fresno, Houston and Los Angeles.

STAPPA/ALAPCO, a national organization of air quality professionals which includes District staff, disagrees with the methodologies used by the ALA and has had several conference calls with the ALA Technical Advisory Board in Washington D.C. that prepares the report. At this time we do not have an indication that the ALA will modify their methodology to bring it more into line with the EPA’s criteria.

Air District staff met with Linda Civitello-Joy, the Executive Director of the ALA of San Francisco-San Mateo and Karen Fulton, the Executive Director of the ALA of the East Bay, to discuss Air District concerns regarding the report card. Ms. Civitello-Joy has, in turn, contacted the ALA staff in Washington D.C. to voice our concerns and is trying to collaborate with them on changes to the report card that will make it more reflective of air quality conditions. Locally, ALA has invited the Air District to participate with them in a press conference for the past several years held in conjunction with the release of the report card. The press conference gives the Air District the opportunity to explain air quality conditions in the Bay Area, where we stand in relation to federal and state air quality designations and to bring forth our clean air message.

In addition to efforts with local affiliates of ALA, staff will be sending a letter to ALA headquarters in Washington D.C. to voice our concern with the report and the confusion it causes each year when it is released.

Air District staff continues to work cooperatively with the local affiliates of ALA on such projects as the model wood smoke ordinance, Clean Air Champions, press conferences on air quality issues, materials on air pollution and asthma advocacy.

BUDGET CONSIDERATIONS/FINANCIAL IMPACT

None.

Respectfully submitted,

Teresa Galvin Lee
Director of Public Information and Outreach

FORWARDED: _____

Reviewed by: Jean Roggenkamp

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Inter-office Memorandum

To: Chairperson Young and
Members of the Public Outreach Committee

From: Teresa Galvin Lee
Director of Public Information and Outreach

Date: March 9, 2005

Re: Air District's 50th Anniversary

RECOMMENDED ACTION

Receive and file.

BACKGROUND

Staff will update the committee on the progress made in planning the District's 50th anniversary celebration.

DISCUSSION

Planning for the District's 50th anniversary is well underway. Recent activities include:

- Development of the theme "Sparing the Air for a Healthier Future" to brand an advertising campaign around the District's 50th Anniversary. The new District video carries this title and the theme will be used in advertising, media outreach, on District stationary, pins, hand out materials, incentive items and in conjunction with the symposium and Annual Report.
- A symposium is being planned for the week of June 6th. We are awaiting confirmation of a keynote speaker for the luncheon. A location, Yerba Buena Gardens, has been secured. The symposium would be for 300 to 400 key invited guests. Before and after the noon time luncheon, panel discussions will take place. The morning session will focus on the progress that the region has made in cleaning up the air, with the afternoon session "visioning" into the future about the path ahead. Panelists will include academic and technical experts. Discussion will also take place on greenhouse gases and climate change.
- An Annual Report of the District's activities, including statistics and trends, will be available for the anniversary.
- The Air District website is being augmented with a timeline that includes historical pictures and significant air pollution events (such as landmark regulations, clean air progress, etc.) from the past 50 years.

- Media feature stories will focus on the 50th anniversary and advertising will incorporate the theme. We will also seek editorials acknowledging the clean air progress that has been made and support for the Air District's future direction. To assist with media outreach, staff is compiling background (or "B") roll of historical photos and present District activities.

BUDGET CONSIDERATIONS/FINANCIAL IMPACT

Funding of \$50,000 has been allocated for the 50th anniversary. Additional funding will be secured by sponsorships or underwriting.

Respectfully submitted,

Teresa Galvin Lee
Director of Public Information and Outreach

FORWARDED: _____

Reviewed by: Jean Roggenkamp

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Inter-Office Memorandum

To: Chairperson Young and
Members of the Public Outreach Committee

From: Teresa Lee
Director of Public Information & Outreach

Date: March 10, 2005

Re: Referrals from Committee

RECOMMENDED ACTION

Information.

BACKGROUND

Staff response to referrals from the last meeting of the Public Outreach Committee.

DISCUSSION

There were three follow-up items from the last meeting of the Public Outreach Committee. The following is a status report on the items.

1. The Committee requested that the issue of the American Lung Association report card be put on the next agenda for discussion on why some counties are receiving failing grades. Item agendaized for March 21 meeting.
2. The Committee requested staff contact waste management companies about helping to fund the lawn mower buy-back program. Staff sent letters to all the waste management agencies in the Bay Area.
3. Director Torliatt suggested that the issue of clean air practices from contractors and vendors be put on the Committee's agenda. Staff is gathering the best practices from ABAG and can bring them back to the Committee at a future meeting.

Respectfully submitted,

Teresa Lee
Director of Public Information & Outreach

FORWARDED: _____

Reviewed by: Jean Roggenkamp

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Townsend and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: April 12, 2005

Re: Report of the Stationary Source Committee Meeting of March 28, 2005

RECOMMENDED ACTION

Approve the Committee recommendation that the Board of Directors send a letter to the Siting Committee of the California Energy Commission (CEC) expressing concerns regarding some of the options being considered relative to permitting of petroleum infrastructure projects.

BACKGROUND

The Stationary Source Committee met on Monday, March 28, 2005. Steve Hill, Air Quality Engineering Manager, provided a summary of the workshops that the CEC has held to evaluate constraints on the State's petroleum refining, importing, storage, and pipeline systems, and to determine the extent to which improvements in permitting would facilitate infrastructure expansion and increase the State's supply of transportation fuels. The focus of the workshops has been on delays in permitting related to the California Environmental Quality Act (CEQA). Mr. Hill reviewed several proposals that have been suggested to address this problem, including using the State's power plant permitting process as a model, or the creation of a State Officer with the power and authority to intervene in local permitting proceedings.

Mr. Hill indicated that staff believes that it is critical that the District retain full authority regarding air permitting for petroleum infrastructure projects. Staff has drafted a comment letter to the CEC from the Board of Directors indicating the District's concerns in this regard. Staff also intends on remaining actively involved in the CEC workshops and hearings on this issue, and will closely monitor any related legislation that may develop.

Alex Ezersky, Principal Air Quality Specialist, then reported on the progress of rule development for control of petroleum refinery flares. Mr. Ezersky reported on the workshops held March 16 in Martinez and March 25 in Richmond, and presented an overview of the rule, including a discussion of proposed standards, the elements of a flare management plan, requirements for reporting flaring, updating plans, causal determination of flaring events, and monitoring of water seals. The report concluded with a characterization of significant issues and a description of the process leading to a public hearing.

Attached are the staff reports presented to the Committee for your review.

Chairperson DeSaulnier will give an oral report of the meeting.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Brian Bateman
Dan Belik

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Inter-Office Memorandum

To: Chairperson DeSaulnier and Members
of the Stationary Source Committee

From: Steve Hill, Manager of Permit Evaluation

Date: March 25, 2005

Re: Review of California Energy Commission (CEC) Workshops on
Petroleum Infrastructure Project Permitting and Consider Recommending
A Letter to the CEC Siting Committee

RECOMMENDED ACTION:

Recommend that the Board of Directors send a letter to the Siting Committee of the California Energy Commission (CEC) expressing concerns regarding some of the options discussed relative to permitting of petroleum infrastructure projects.

BACKGROUND:

The price for transportation fuels in California is higher than the national average, and this trend is likely to continue. The CEC and the California Air Resources Board are pursuing long-term efforts to reduce petroleum demand and develop alternative fuels. These efforts are outlined in the joint agency report entitled *Reducing California's Petroleum Dependence* (August 2003). In the near-term, however, demand for petroleum fuels is expected to increase, and infrastructure constraints that have led to supply disruptions and higher prices will continue unless strategic improvements are made to the State's fuel supply infrastructure.

One of the perceived obstacles to infrastructure improvements is the perceived delay in permitting for infrastructure projects.

CEC WORKSHOPS:

The CEC's Siting Committee has been holding public workshops pursuant to an Order Instituting Informational (OII) Proceeding, to examine the State's petroleum infrastructure. The purpose of the OII Proceeding is to evaluate constraints on the state's petroleum refining, importing, storage, and pipeline systems, and determine the extent to which improvements in permitting would facilitate infrastructure expansion and increase the state's supply of transportation fuels.

Although the focus of the workshops has been on delays in permitting related to the California Environmental Quality Act (CEQA), the Bay Area AQMD and South Coast AQMD have been active participants in the workshops and related CEC hearings. The air districts have been concerned about several proposals that have been discussed in past workshops and/or proposed (but not adopted) in draft legislation:

1. Consolidated permitting for petroleum infrastructure projects

Using the power plant permitting process as a model, it has been suggested that permitting for petroleum infrastructure projects might be consolidated under CEC authority. This proposal would require legislation. The key features of such a program are:

- CEC process replaces CEQA
- Permit process subject to a fixed, aggressive timeline
- Opportunities for public comment, but decisions are made by CEC, not local agencies
- Permit appeal is to California Supreme Court;
- Air districts continue to issue air permits, but coordinates with CEC

At workshops, some commissioners have expressed concern about the ability of local lead agencies such as Cities and Counties to review complex permits at petroleum refineries. Commenters have offered examples of long delays, poor analysis, and successful challenge of agency decisions to illustrate a lack of local ability. They suggest that a state agency has more resources and more expertise to address the issues raised by such projects.

2. Creation of a State Officer

Furthermore, some commissioners have expressed concerns that the State's policy interests are not adequately represented in local proceedings. Fuel supply is a statewide concern, and some say it should be managed at the state level.

Consolidated permitting is one possible solution. Another possible solution is the creation of a State Officer with the power and authority to intervene in local permitting proceedings. Intervention could be limited to offering testimony as a member of the public. It could also be as extensive as an override of local authority.

This proposal would also require legislation.

PROPOSED DISTRICT ACTIONS:

District staff will continue to be very active participants in the CEC workshops and hearings.

District staff will also monitor legislation, and will bring any related legislation to the attention of the Board.

District staff recommends that the Board communicate to the CEC that the air districts must retain full authority regarding air permitting for petroleum infrastructure projects.

Respectfully submitted,

Steve Hill,
Manager, Permit Evaluation

FORWARDED: _____

Reviewed by: _____

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Inter-Office Memorandum

To: Chairperson DeSaulnier and Members
Of the Stationary Source Committee

From: Gary Kendall,
Acting Director of Planning & Research

Date: March 18, 2005

Re: Refinery Flare Control Rule Development Update

RECOMMENDED ACTION:

Receive and file.

BACKGROUND

On March 16, 2005 and March 24, 2005 staff conducted Public Workshops to present the proposed Regulation 12, Rule 12: Flares at Petroleum Refineries. The presentation included a welcome by Jack Broadbent, Executive Officer; an introduction by Dan Belik, Rule Development Manger; background material and a description of the proposed Regulation by Alex Ezersky, Principal Air Quality Specialist. Staff will present an update on the development of the Refinery Flare Control Rule, including:

- Workshop Highlights,
- Proposed Rule Language, and
- Next Steps.

Respectfully submitted,

Gary Kendall
Acting Director of Planning & Research

FORWARDED: _____

Prepared by: Alex Ezersky

Reviewed by: _____

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Townsend and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: April 12, 2005

Re: Report of the Executive Committee Meeting of March 30, 2005

RECOMMENDED ACTION

- A) Approve the Committee recommendation that the Air District join the California Hydrogen Business Council at the Silver Member level.
- B) Approve the Committee recommendation that the Board of Directors authorize 1) a transfer of funds from the Capital Account to the Professional Services Account in the Information Systems Division Budget (Program 705) in the amount of \$140,000; and 2) a purchase order not to exceed \$140,000 to Doculabs for consulting services to cover design and implementation support for internal pilots of the Production System replacement of IRIS and Databank.

BACKGROUND

The Executive Committee met Wednesday, March 30, 2005. The Committee received a report from the Advisory Council Chairperson, Brian Zamora, and a Quarterly Report of the Hearing Board.

Staff presented updates and recommendations on the following:

- Ozone Modeling and the Central California Ozone Study;
- PM planning requirements as mandated by SB 656 (Sher, 2003);
- Information on the California Hydrogen Business Council and recommended that the Air District join the Council; and
- Ongoing work performed by the Information Systems Division on the Production System Replacement.

Attached are the staff reports presented to the Committee for your review.

Chairperson Townsend will give an oral report of the meeting.

BUDGET CONSIDERATION/FINANCIAL IMPACT

Funding for the initial year's membership dues for the California Hydrogen Business Council will come from Program 104 in the amount of \$1,000.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Mary Romaidis
Reviewed by: Mary Ann Goodley

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
 Memorandum

TO: Chairperson Marland Townsend and Members of the Executive Committee
FROM: Chairperson Thomas M. Dailey, M.D., and Members of the Hearing Board
DATE: March 23, 2005
RE: Hearing Board Quarterly Report – JANUARY 2005 – MARCH 2005

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/Livermore	EAST AVENUE SERVICES (Variance – Docket No. 3490) – Variance from regulation limiting emissions of organic compounds from gasoline dispensing facilities (APCO not opposed.)	8-7-301.2	Granted	4/1/05 to 9/30/05	===
Contra Costa/Martinez	EQUILON ENTERPRISES LLC, d.b.a. SHELL OIL PRODUCTS US (Appeal – Docket No. 3450) – Appeal of the Specified Conditions of the Major Facility Review Permit issued on December 1, 2003	Title V	Withdrawn. All of the issues of the Appeal were addressed and resolved in Permit issued on 12/16/04.	===	===
Contra Costa/Martinez	TESORO REFINING & MARKETING (Variance - Docket No. 3485) – Variance from regulation requiring implementation of the operating permit requirements of Title V of the federal Clean Air Act, as amended in 1990; from regulation limiting the quantity of particulate matter in the atmosphere through the establishment of limitations on emission rates, concentration, visible emissions and opacity; and from regulation limiting emissions of nitrogen oxides and carbon monoxide from boilers, steam generators, and process heaters in petroleum refineries (APCO opposed.)	2-6-307; 6-301, 302, 310 & 310.3; 9-10-301	First hearing was on 2/3/05. Further hearing scheduled for 5/5/05.	===	(Ringelmann No. 1) (Opacity) (Particulate Matter) (VOC) (NOx) and (CO)

<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/Rodeo	CONOCOPHILLIPS COMPANY (Variance – Docket No. 3483) – <i>Variance from regulation limiting emissions of nitrogen oxides and carbon monoxide from boilers, steam generators, and process heaters in petroleum refineries</i>	9-10-301 & Title V	Withdrawn. No actionable excess of refinery-wide NOx limit and no violation of 9-10-301.	===	===
Marin/Novato	REDWOOD LANDFILL, INC. (Variance – Docket No. 3484) – <i>Variance from regulation limiting emissions of non-methane organic compounds and methane from the waste decomposition process at solid waste disposal sites (APCO opposed.) – Interim Variance hearing</i>	8-34-301.1, 303 & 305	Denied	===	(NMOC) (VOC/POC)
Marin/Novato	REDWOOD LANDFILL, INC. (Variance – Docket No. 3484) – <i>Variance from regulation limiting emissions of non-methane organic compounds and methane from the waste decomposition process at solid waste disposal sites (APCO not opposed to granting variance relief from 8-34-301.3 for period 3/16/05 to 7/11/05; APCO opposed to granting variance relief from 8-34-301.1, 303 & 305 for period 1/13/05 to 3/15/05.) – Full Variance hearing</i>	8-34-301.1, 301.3, 303 & 305; 2-2-112	Granted Variance from 3/16/05 to 7/11/05 from 8-34-301.3. Denied Variance from 1/13/05 to 3/15/05 from 8-34-301.1, 303 & 305. 2-2-112 withdrawn at hearing.	3/16/05 to 7/11/05	(NOx)
San Mateo/Menlo Park	TYCO ELECTRONICS (Emergency Variance – Docket No. 3482) – <i>Variance from regulation requiring compliance with permit conditions</i>	2-1-307	Withdrawn. Not necessary to use diesel fuel or any other non-permitted fuel source during gas line repair.	===	===
Santa Clara/San Jose	VALERO STATION # 3803 (Variance – Docket No. 3489) – <i>Variance from regulation limiting emissions of organic compounds from gasoline dispensing facilities (APCO opposed.)</i>	8-7-301.2	Denied	===	===
Santa Clara/Santa Clara	SILICON VALLEY POWER-PICO POWER PLANT CITY OF SANTA CLARA, CA. (Variance – Docket No. 3481) – <i>Variance from regulation requiring compliance with permit conditions; and from regulation to provide for the review of new and modified sources and provide mechanisms, including the use of BACT, TBACT and emissions offsets, by which authorities to construct such sources may be granted (APCO not opposed.) – Full Variance Hearing</i>	2-1-307 2-2-419	Granted. Total testing period time will be 60 hrs/turbine for two turbines (total of 120 hrs) during the variance period.	12/1/04 to 2/28/05	3,360 # (NOx)

NOTE: During the first quarter of 2005, the Hearing Board dealt with 6 Dockets on 4 hearing days. A total of \$4,055.89 was collected as excess emission fees during this quarter.

Respectfully submitted,

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

Prepared by: Neel Advani, Deputy Clerk of the Boards

FORWARDED: _____
NA:na (3/23/05HBEXQURT)

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Townsend and Members of the Executive Committee

From: Brian Zamora, Chairperson, Advisory Council

Date: March 17, 2005

Re: Report of the Advisory Council: January 12, 2005 – March 17, 2005

RECOMMENDED ACTIONS:

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) Technical Committee Meeting – February 7, 2005. The Committee received and discussed presentations from staff on the Community Air Risk Evaluation (CARE) program, as well as on greenhouse gas emissions in the Bay Area. *(Draft minutes included in the March 30, 2005 Board of Directors Executive Committee Meeting Agenda packet.)*
- b) Air Quality Planning Committee Meeting – February 9, 2005. The Committee received and discussed a presentation from Dr. Timothy Lipman, University of California at Berkeley, on the current status of hydrogen production and fuel cell technologies and recent California and United States government initiatives. *(Draft minutes included in the March 30, 2005 Board of Directors Executive Committee Meeting Agenda packet.)*
- c) Public Health Committee Meeting – February 15, 2005. The Committee received and discussed a presentation on indoor air quality from a federal perspective, given by Barbara Spark of U.S. EPA Region IX. *(Draft minutes included in the March 30, 2005 Board of Directors Executive Committee Meeting Agenda packet.)*
- d) Executive Committee Meeting – March 9, 2005. The Committee discussed the Standing Committee work plans and Advisory Council budget for 2005. It also received a presentation from District Counsel on conflict-of-interest as it relates to the Advisory Council. *(Draft minutes included in the March 30, 2005 Board of Directors Executive Committee Meeting Agenda packet.)*

- e) Regular Meeting – March 9, 2005. The Council received and discussed a presentation on federal air quality programs given by Dr. Deborah Jordan, Air Division Director, U.S. Environmental Protection Agency Region IX. It also received and discussed a report from the District’s Executive Officer on pending and planned District programs. The reports of each Advisory Council Standing Committee were submitted by the respective Committee Chairs. (*Draft minutes included in the March 30, 2005 Board of Directors Executive Committee Meeting Agenda packet.*)

Respectfully submitted,

Brian Zamora
Advisory Council Chairperson

Prepared by: James N. Corazza

FORWARDED BY: _____

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Bay Area Air Quality Management District
939 Ellis Street
San Francisco, California 94109

DRAFT MINUTES

Advisory Council Technical Committee Meeting
9:30 a.m., Monday, February 7, 2005

- 1. Call to Order – Roll Call.** Chairperson Hayes called the meeting to order at 9:40 a.m. Present: Stan Hayes, Chairperson, Sam Altshuler, P.E., Diane Bailey, John Holtzclaw, Ph.D., Norman A. Lopera, Jr. Technical Committee Members Absent: Bob Bornstein, Ph.D., Louise Bedsworth, Ph.D.,
- 2. Public Comment Period.** There were no public comments.
- 3. Approval of Minutes of Joint Air Quality Planning and Technical Committee Meeting of December 16, 2004.** Mr. Lopera moved approval of the minutes; seconded by Dr. Holtzclaw; carried with Mr. Altshuler abstaining.
- 4. Discussion of the District’s Community Air Risk Evaluation (CARE) Program.** Janet Stromberg, CARE Program Manager, stated that the CARE program goals include evaluation of health risk from toxic air contaminants, public outreach and the planning and implementation of risk reduction strategies. Program objectives include public outreach, development of emission inventory and emission density maps, technical and analytical quality assurance, a detailed pilot cumulative risk assessment from stationary sources in a neighborhood, the identification of risk reduction opportunities and the implementation of a risk reduction plan. Public outreach and input will be sought from the District’s Advisory Council, the CARE Advisory Committee, and the public at community meetings and workshops on regulatory proposals. The District’s website will be revised with information derived from the CARE program, and regulatory proposals will very likely follow, with the District possibly seeking regulatory authority where necessary.

The District’s work will commence with developing an emission inventory. Subsequent emission density maps will focus on area and point sources, on-road motor vehicles, criteria pollutants and toxic air contaminants. The emission inventory work on area sources is largely complete. Geographical Information System (GIS) maps will house all the emission inventory data, and the software has been purchased and installed on several District workstations for this purpose.

Staff is analyzing particulate matters (PM) on filters with the aim of distinguishing old from new carbon. Analytical equipment for the laboratory has been purchased for this purpose. At the end of January a draft report was completed. Emission models will observe individual profiles of emission species and correlate them with sources, to ensure reliability of emission density maps.

The District will use data from emission density maps, modeling analysis and census data on the demographic characteristics of neighborhoods to choose a neighborhood in which to conduct a detailed cumulative risk analysis. District records will also be audited for accuracy. The area selected for analysis will be analyzed for terrain features and population profiles. Risk reduction opportunities will then be identified and a risk reduction plan developed for implementation.

Letters of invitation have been sent to prospective members to form a CARE Advisory Committee. Prospective members are being sought from academic backgrounds, community organizations and advocacy groups, regulated industries, and medical and public health backgrounds. This Advisory Committee will first meet on February 17, 2005 and thereafter on a bi-monthly basis.

In reply to questions, Ms. Stromberg stated that the pilot neighborhood to be studied on a cumulative risk basis will be chosen based on identification of where the toxic impacts are the highest. Overview maps of the entire Bay Area will be combined with data from mobile point and area sources in order to identify the high impact areas. Staff will also assess the population groups who are suffering the greatest impacts. If successful, the program may lead to the study of other neighborhoods. Jack Colbourn, District Policy Advisor, indicated that as the project matures staff will return to the Technical Committee for advice on selecting the neighborhood to be studied. He suggested that a joint meeting be held with the CARE Advisory Committee at a future point.

Chairperson Hayes noted that as estimates are that as much as 70% of air toxics risk derives from diesel engine emissions, the emission inventory for diesel is particularly noteworthy. Monitoring is therefore especially important and the means by which measurements of elemental carbon are used to derive diesel particulate levels are critical to assess. The Technical Committee can provide its advice on this methodology. Ms. Stromberg noted that preliminary results show considerable new carbon in the portion of elemental carbon on the PM filters, which is somewhat surprising. The key findings in the preliminary draft report include:

- a. most anthropogenic PM₁₀ or PM_{2.5} derives from wood and fossil fuels. New carbon is not derived from fossil fuels.
- b. geological dust is a small contributor to PM₁₀ and negligible to PM_{2.5}
- c. tire and brake wear contributes little to PM concentrations
- d. peak PM concentrations occur in winter
- e. ammonium nitrate is a contributor to PM
- f. carbonaceous PM accounts for half of PM₁₀ and PM_{2.5}; ammonium sulfate is a major contributor to annual PM but small to peak PM.

Henry Hilken, Environmental Planning Manager, stated that in parallel with the work on the CARE program, the District is involved in PM planning as a response to legislation passed last year. Regulatory proposals will be brought to the District's Board of Directors this summer.

5. Discussion of District's Role in Climate Change Issues.

Joe Steinberger, Principal Environmental Planner, stated that last year the District entered into a contract with Sonoma County. It is comprised of two phases. The first concerns conducting an inventory of greenhouse gas (GHG) emissions inventory. The second focuses on programs that concern criteria pollutants and how these interface with GHG emissions. This project should be completed by the year's end.

The District is involved in an energy grant to the Bayview Hunters Point area for energy efficiency measures to reduce local GHG emissions. The project will employ residents to engage in energy efficiency projects regarding replacement of lights and thermostats.

The District has also incorporated GHG issues into ozone strategy, through several measures. One promotes energy conservation through adoption by local governments of model ordinances. Transportation Control Measures (TCMs) that reduce vehicle trips and encourage use of alternative modes of transportation also reduce GHG emissions. Also, the District has put together a website addressing global climate change and GHG emissions, which addresses the history of climate change and identifies measures the District has implemented. Working with the International Council for Local Environmental Initiatives (ICLEI), the District is discussing development of a GHG emissions inventory for the Bay Area, and the entry of data into the "Clean Air and Climate Protection Software" that ICLEI has developed. This will supplant local government agencies having to conduct their own emission inventories, although they can still identify their own mitigation measures. The California Climate Registry will sponsor a conference on GHGs later this year, in which the District will participate. Santa Clara County has requested that the District partner with it in developing a climate change resolution. The District has also reviewed Marin County's general plan for climate change measures. Mr. Colbourn noted that the District will roll out a GHG emission program this June in anticipation of the District's celebration of its 50th Anniversary. The District will also participate in World Environment Day in the City this June.

Mr. Steinberger stated that the District has developed a draft list of 24 areas in which to reduce GHGs. These include development of a GHG emissions inventory, further development of the District's website to include GHG issues, adoption of a District resolution on GHGs, consideration of GHGs in eligibility criteria for mobile source programs, further investigation of the link between criteria pollutant and GHG emission reductions, and cooperation with regional agency partners to address climate change. The Committee requested to receive the staff list and offer comments on priorities and implementation. Mr. Colbourn suggested the Committee add to it and provide technical advice. Mr. Hilken added that staff is also looking for ways to outreach to cities and counties through smart growth programs, modification of air quality elements in general plans and of local plan guidance on energy efficiency, and adoption of model ordinances for energy conservation. Staff is looking to see what incentive opportunities are also available through grants and funding programs sponsored by the Metropolitan Transportation Commission (MTC). Ms. Bailey suggested that staff consider adding GHGs to the District's permit program, and also focus on such renewable fuels efforts as San Francisco's bio-diesel program which may collect restaurant grease.

On the matter of legal authority, Mr. Steinberger noted that the California Air Resources Board adopted a mobile source emission regulation for GHGs, which was successfully challenged in court based on EPA's determination that CO₂ is not an air pollutant. However, there may be some level of authority available to the District under the California Clean Air Act (CCAA). Chairperson Hayes noted that New Jersey has declared CO₂ a pollutant and is attempting to regulate under that finding, although controversy has ensued. Mr. Altshuler stated that the opportunity to include GHG emission reduction credit for the mobile source programs is timely and should be pursued. Emissions of lubrication oil in engines, as well as the sequestration of carbon, ought also to be considered.

Messrs. Colbourn and Hilken stated that staff is working on next fiscal year's budget and may request additional staff for working on GHG emissions issues. In the interim, the Committee can review the list of GHG measures and offer advice on priority, implementation and technical aspects.

Mr. Lapera apprised the Committee on the status of the program to remove 1,500 acres of eucalyptus trees in the East Bay Regional Park District, and how this will reduce biogenic emissions of isoprene, which is the major ozone precursor emitted by eucalyptus trees. Eucalyptus trees are not indigenous to the area, and the park environment will be returned to its native Oak Bay Laurel woodlands. Biogenic emissions of isoprene will be reduced along with fire hazard. This provides a unique opportunity for cooperation between the Air District, the park district and environmental groups. The extent to which this fuels management program has the potential to reduce emissions of GHGs requires further assessment. Ms. Bailey observed that isoprene is less an air pollution problem than wildfires. Mr. Hilken noted that staff supports municipal tree planting projects to reduce urban islands, and sends letters to cities and counties encouraging them to plant trees after review of the tree emission profiles.

The Committee requested staff to transmit the list of 24 GHG emission reduction measures for Committee review and prioritization. It agreed that it is important to track the extent to which these may dovetail with the District's CARE program and efforts to meet both the ozone and PM standards. If there is a need for funding separate programs to reduce CO₂ emissions, that is also important to review. Dr. Holtzclaw urged coordination with the Air Quality Planning Committee where possible, including the possibility of holding a joint meeting. Chairperson Hayes stated that some information gathering would be useful at the outset to assess what the GHG emissions inventory looks like in the Bay Area, and to get a sense of the primary sources of such emissions.

The Committee agreed to request a speaker from the Climate Action Network to address the Committee on the matter of Bay Area GHG emissions. Related issues concern the linkage with criteria pollutants, the reduction of combustion which generates the most CO₂, along with energy efficiency issues. Mr. Lapera suggested there is a need to schedule the remaining meeting agendas in accordance with the staff's schedule and the Committee's goal of developing by the end of this year a recommendation for staff consideration. At the next Advisory Council Regular meeting in March, there will be an opportunity to further review the Committee's schedule on this topic.

In addition to the information gathered from the presentation on GHG emissions and the discussion of the District's 24 GHG emission reduction topics, the Committee requested that District staff make a presentation at its next meeting on diesel emissions within the context of the District's CARE program. The Committee agreed that its work on the topic of cleaning up diesel engines should be limited to the context of the CARE plan. The primary areas of focus should be source apportionment and monitoring methods for diesel which distinguish new from old carbon and use the former as a tracer for diesel emissions.

6. **Committee Member Comments/Other Business.** Dr. Holtzclaw stated that he will discuss rapid transit issues at a forthcoming SPUR meeting to be held at 322 Sutter Street.
7. **Time and Place of Next Meeting.** 9:30 a.m., Wednesday, April 13, 2005 -- Joint Meeting with the Air Quality Planning Committee -- 939 Ellis Street, San Francisco, CA 94109.
8. **Adjournment.** 11:45 a.m.

James N. Corazza
Deputy Clerk of the Boards

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Bay Area Air Quality Management District
939 Ellis Street
San Francisco, California 94109

DRAFT MINUTES

Air Quality Planning Committee Meeting
9:30 a.m., Wednesday, February 9, 2005

1. **Call to Order – Roll Call.** 9:40 a.m. Present: John Holtzclaw, Ph.D., Chairperson; Irvin Dawid, Emily Drennen, Fred Glueck. Absent: Kraig Kurucz, Kevin Shanahan.
2. **Public Comment Period.** There were no public comments.
3. **Approval of Minutes of joint Air Quality Planning & Technical Committee Meeting of December 16, 2004.** Mr. Dawid stated that “Joint Policy Committee” instead of “Regional Agency Coordinating Committee” should be listed under “Committee Member Comments on the last page. Mr. Glueck moved approval of the minutes as corrected; seconded by Chairperson Holtzclaw; carried unanimously.
4. **The Current Status of Hydrogen Production and Fuel Cell Technologies and Recent California and U.S. Government Initiatives.** Dr. Tim Lipman, U.C. Berkeley, stated that fuel cell technology has progressed over the last decade, but there remain some obstacles in terms of hydrogen production and distribution. He opined that at this time what may be needed is a broad, clean energy strategy of which the hydrogen fuel cell technology is an increasing part. Also, given the state’s legislative concern over greenhouse gas (GHG) emissions with the Pavley bill, it is important to assess the fuel economy of fuel cell vehicles (FCVs) and hybrids of various types.

Dr. Lipman reviewed the various fuel cell types, noting that the ion exchange membrane cell is intended for vehicle use, entails low temperature transfer and uses platinum as the catalyst material. Phosphoric acid cells have to date proven to be the most useful for stationary source applications, with such other technologies as molten carbonate and solid oxide becoming increasingly feasible for stationary application. At high temperature nickel can be used as the catalyst and is cheaper.

Displaying a diagram of how a fuel cell works, Dr. Lipman explained that hydrogen enters the cell and makes contact with the catalyst, splits into two protons and electrons, and as the protons go through the membrane, the electrons travel around the external circuit to meet oxygen and the protons to form water, generating electricity. Fuel cells can be stacked, and these assemblies can produce a high voltage system of many cells. The power density of fuel cells has increased dramatically in the last decade: in 1994 a cell generated 200 watts per liter and recently General Motors generated 2 kilowatts per liter from a fuel cell.

Displaying a series of photographs of early and mid-1990s Daimler Prototype FCVs, Dr. Lipman identified where the fuel cells were installed. He noted that considerable efficiencies have been obtained in the vehicle design of the Daimler/Chrysler Nocar 4 FCV, which represents the “next generation” of FCVs. The Air District will receive two of these vehicles in the near future. While the vehicle is production ready, there are cost issues, and concerns over the unavailability of hydrogen fueling stations in the state at this point.

FCVs presently cost \$3,000 - \$4,000 per kilowatt, compared with \$40-\$50 per kilowatt for gasoline fueled vehicles. However, FCVs are not mass produced at this time. Under some mass production scenarios, the cost of an FCV would be \$200 per kilowatt. This is strictly in terms of the capital cost of the fuel cell system. When durability is factored in, it should be noted that platinum is fairly fragile and susceptible to being poisoned by sulfur or physically damaged from vibration and wear and tear. Fuel cells tend to last upwards of a couple of thousand hours, but in order to be competitive with gasoline engines performance of up to 4,000 hours would be needed.

With regard to hydrogen production infrastructure, centralized strategies such as coal, nuclear and biomass entail low production costs but high transportation costs. It may be possible to sequester the CO₂ emissions although this technology is not fully proven. Distributed hydrogen production, using natural gas or electricity as a source and electrolysis for production entail higher production costs but much less distribution and transportation costs. Oil refineries with hydrocrackers generate a considerable amount of hydrogen, which could support mobile refueling station options.

Dr. Lipman displayed a map of the USA showing the potential for hydrogen production from various types of power, including renewable energy, biomass, solar and wind. He also described options for hydrogen production and distribution within the context of on-site production at larger centralized plants and subsequent distribution. He displayed the latest models for mobile hydrogen refueling technology, with a trailer fueled at a central hydrogen facility and towed to a fueling area. This is reasonably economical if the trailer operates within 100 miles of a hydrogen facility. The Governor has spoken of developing an infrastructure of a hydrogen station every 20 miles.

Cost and emission estimates vary with different means of hydrogen production and whether they are near- or long-term. He noted that in general where there are lower production costs there are higher transportation costs. With regard to renewable energy in wind and solar power, costs are high, but over the future these are projected to decrease. The National Academy of Scientists commissioned a study of centralized, medium production scale and distributed options, taking into account production, distribution and dispensing costs, CO₂ sequestration and a carbon tax. Centralized production was the least expensive, with medium production scale ranking next costly, and the distributed option in some ways being comparable with the centralized approach.

FCVs do not emit GHGs, but some hydrogen production processes do. Therefore, the entire fuel cycle is at issue. Using natural gas to generate hydrogen, a 20-40% reduction in GHGs can be achieved. Using an electrolyzer increases GHG emissions due to the use of coal. With GHGs it is not important where emissions occur, but with regard to air pollutants it is important to know the location of where the emissions occur, particularly if there are hot spots within a region. The type of hydrogen production will determine the type of pollutants emitted upstream in the fuel cycle, and the District requires clear advice on the implications of a given production technology.

Dr. Lipman displayed a map of the location of 15 hydrogen stations in California, noting that there are six more planned for construction. He also displayed a diagram of a distributed hydrogen system using natural gas for hydrogen production and identifying the process for transfer to a reformer, compression, storage and dispensing to a vehicle. In reply to questions he noted that home refueling using natural gas supplied to a residence is under consideration, and that some advocate simply using compressed natural gas for natural gas vehicles in such cases. There are also economies of scale to be considered, because the installation of reformers in homes, in order to be economical, would have to be mass produced in order to drive the cost down.

The challenge that faces the hydrogen fuel cell technology today is akin to the “chicken or the egg” syndrome. Energy stations could combine reformer and production technology in a stationary place to produce power, and an offshoot would be the production of hydrogen to refuel vehicles. However, the infrastructure overall (production, delivery, trucks, gas trucks, pipelines) will not be developed unless there are vehicles purchased, and people won’t purchase vehicles unless there is infrastructure to support them. Small energy production stations are a possible solution, and could support business and agency fleets to begin with, and expand into key corridors. Such facilities could be made available to the public and the process could begin in that manner. To date, there have been only a few minor accidents associated with the hydrogen production technology.

There are some major government initiatives under way regarding hydrogen, with the US Department of Energy’s FreedomCar program beginning in 2003. In April of last year, the allocation of \$350 million was announced regarding a hydrogen storage program, learning demonstrations, fuel cell research and hydrogen education. California Governor Schwarzenegger has issued an Executive Order designating 21 Interstate Highways as the California Hydrogen Highway network, with projected infrastructure development by 2010 with production of hydrogen from renewable energy sources. The blueprint for this plan is due to be issued very shortly. It will identify a rapid transition to a hydrogen economy in the state, institute negotiations with automobile manufacturers to ensure the availability of cars on the market, the development of safety standards, emergency response procedures, incentives for vehicle purchase and advocacy of renewable energy sources for producing hydrogen. The website is www.hydrogenhighway.ca.gov.

In summary, Dr. Lipman stated that while FCVs are coming on strong there are still technical and economic challenges. Hydrogen production can be approached from a variety of ways with varying environmental impacts and economic implications. There is considerable governmental activity at the state and federal level, but budgets across the board are tight. Overall, a broad clean energy strategy is appropriate at the present time, with clean sources of electrical power and other clean fuels that provide a basis for transition to hydrogen power. Public expectations as to the availability and implementation of FCV technology must be responsibly managed.

In response to questions from Committee members, Dr. Lipman replied:

- From an air quality perspective, clean fuel vehicles can be distinguished from clean vehicles in that the latter can be achieved running on conventional fuels. In such instances, durability over time becomes a key factor in comparing the two approaches to vehicular motive power.
- Platinum fuel cells could be poisoned over time in an urban area where there is enough CO₂ in the air and potentially in the fuel stream to poison the membrane.
- Durability issues in comparison with electric battery powered vehicles require further operational experience in order to provide a good baseline of data. If battery powered vehicles had batteries that lasted the life of the vehicle they would be economically attractive.
- Platinum is recyclable as a fuel cell component. The cost has reduced dramatically in the last decade.
- The target date of 2010 for the hydrogen highway is rather early; it appears more realistic to see this as a stepping stone of sorts.
- There are opportunities for an international partnership on the hydrogen fuel cell technology, particularly given that many automobile companies are global in scope.

- The use of natural gas as a hydrogen production source does not entail a shortage as estimates are that there are one million cubic feet of natural gas on the planet for every person.
- Distributed power generation through use of a power plant in a building would eliminate the need for a back-up diesel generator and provide for production of hydrogen as well

Michael Murphy, Advanced Projects Advisor, stated that with regard to incentives in the hydrogen highway blueprint, it is noteworthy that air districts have been major underwriters of clean fuels projects. The blueprinters will look at the District as a major funding source. Perhaps the Council could opine on where to place incentive funds under mobile source programs to a hydrogen fuel cell program, particularly in the overall context of the District's support of other clean vehicle and clean fuels programs.

The Committee thanked Dr. Lipman for his presentation. Chairperson Holtzclaw indicated that the next Committee meeting will be held jointly with the Technical Committee to discuss the CARE program and GHG emission issues. After further discussion, the Committee agreed to hold an interim meeting in March to receive a presentation on the state's hydrogen highway blueprint.

- 5. Committee Member Comments/Other Business.** Ms. Drennen apprised the Committee that tomorrow the Board of Directors Mobile Source Committee will discuss revising the criteria governing the Transportation Fund for Clean Air and adopting criteria for the extra two dollars that will be allocated for the Carl Moyer Program. Mr. Dawid stated that in December of 1995 the late Air Pollution Control Officer of the district, Milton Feldstein, wrote an outstanding letter to the Marin Independent Journal entitled "Smog Tax is the Answer". It concerns providing incentives for and implementing programs regarding the use of clean fuel and vehicle technologies.
- 6. Time and Place of Next Meeting.** 9:30 a.m., Tuesday, March 8, 2005, 939 Ellis Street, San Francisco, California 94109.
- 7. Adjournment.** 11:45 a.m.

James N. Corazza
Deputy Clerk of the Boards

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Bay Area Air Quality Management District
939 Ellis Street
San Francisco, California 94109

DRAFT MINUTES

Advisory Council Public Health Committee Meeting
1:30 p.m., Tuesday, February 15, 2005

1. **Call to Order – Roll Call.** Chairperson Torreano called the meeting to order at 1:33 p.m. Present: Victor Torreano, Chair, Cassandra Adams, Elinor Blake, Jeffrey Bramlett. Absent: Linda Weiner.
2. **Public Comment Period.** There were no public comments.
3. **Approval of Minutes of October 25, 2005.** Mr. Bramlett moved approval of the minutes; seconded by Chairperson Torreano; carried unanimously.
4. **Indoor Air Quality: An EPA Perspective.** Barbara Spark, Indoor Air Program Coordinator, U.S. EPA Region IX, stated she would address EPA's programmatic on indoor air quality (IAQ) its perspective on regulatory jurisdiction, collaboration with agencies on the state and local level, and its development of incentive programs. Also, EPA suggestions as to what role the District might play in IAQ management will be addressed. While EPA neither regulates IAQ nor comments on the IAQ regulatory work of other agencies, it does collaborate with other agencies and non-governmental organizations in emphasizing voluntary changes to behavior related to IAQ.

The State Department of Health Services has estimated that people spend 90% of their time indoors, where the air exchange is less effective than outdoors. The Total Exposure Method Assessment Study which occurred in the mid-1990's estimated that indoor concentrations can be two to five times higher than outdoor concentrations. Faculty at U.C. Berkeley estimate that a molecule released indoors is 1,000 times more likely to enter the lungs than one released outdoors.

Sources of air pollution include outside air (smog, traffic, pollen), construction and cleaning (adhesives, solvents, paints, insulation, ceiling tile), furnishings (carpets, upholstery, pressed-wood), office equipment (copiers, computer screens), combustions (stoves, tobacco, fireplaces), ventilation systems (dirty filters, moldy coils), and occupants (personal care products, pet dander, dry cleaned clothes). Indoor air toxics can also be found in concentrations two to five times higher than outdoor concentrations, and at times at even higher concentrations.

The US EPA Indoor Environments Division (IED) works to improve indoor air quality and its authority comes from Title IV of the Superfund Amendments and Reauthorization Act (SARA) of 1986, the indoor radon abatement Act of 1988, the Safe Drinking Water Act Amendments and various Assistance Agreements issued under Section 103 of the Clean Air Act. Under SARA, the EPA is not allowed to regulate and may only conduct research, development and related reporting, disseminate information and coordinate activities specified in the statute. EPA's program strategy is to take existing knowledge and turn it into practical guidance. This program has grown in the past decade and emphasizes guidance, training and public information and working with public and private sector partners to educate, train and promote exposure/risk reduction practices.

There are many variables in the study of IAQ, including study of the sources of pollutants, pollutant types, solutions, health effects, exposures, populations and other complicating factors. The health risks from IAQ include eye and respiratory irritation, allergies, asthma, chronic sinusitis, increased rates of infectious diseases such as influenza and colds, neurological impairment such as headaches, memory, motor function, and increased cancer risks. Symptoms from indoor air pollution range from perception of bothersome odors, temporary mild discomfort, severe illness and permanent injury. Typical phrases describing indoor air pollution include “Building-Related Illness,” “Sick Building Syndrome” and “Multiple Chemical Sensitivity.”

EPA priority programs concern indoor radon, childhood exposure to environmental tobacco smoke, indoor asthma triggers, and indoor air quality in schools. In its IAQ programs, EPA collaborates with other agencies, such as the State Department of Health Services (DHS) and the California Air Resources Board (CARB). EPA has developed “Healthy Buildings, Healthy People: A Vision for the 21st Century” with an extensive network of stakeholders for cross-agency input. The EPA also participates on the Interagency Committee on Indoor Air Quality (CIAQ) with several co-chairs from the Consumer Product Safety Commission, Department of Energy, National Institute for Occupational Safety and Health, and the Occupational Safety and Health Administration. Members include representatives from the Departments of Agriculture, Defense, Commerce, Justice, State, Transportation, Interior and Housing & Urban Development.

EPA Region IX implements its core IAQ programs at the regional level through working with leading governmental, health and educational organizations, as well as with individual schools and people. EPA’s “Orientation to IAQ” program started in 1992 provides IAQ training for public officials. In 1995, EPA began providing training on mold in indoor environments at conferences that were attended by many public health and government officials. EPA’s “Tools for Schools” is another core program with many partners and involves considerable hands-on experience and the continuing development of new IAQ management tools. EPA also participates and consults on programs and policy on occupational health, with which the California Asthma Strategy is also involved. It also works with the California Endowment on Asthma/Environments Panel, the California Interagency Working Group, and provides grants to asthma study groups.

California regulation and authority provides for air exposure standards in several areas. Ambient air quality standards derive from CARB, while workplace standards and regulations are issued by the California Occupational Safety & Health Administration (Cal-OSHA). EPA Region IX partners for IAQ programs in schools with a variety of state agencies, the American Lung Association, and school district and administrator associations.

EPA research on IAQ is conducted through “Program needs for Indoor Environments Research” (PNIER) which covers such topics as pollutants, sources and health effects, human performance, IAQ measure and indices, building design and operation, homeland security and product technology and verification. EPA’s Building Assessment, Survey and Evaluation Study (BASE) has evaluated about 100 buildings in its in order to characterize indoor environments.

The Building Air Quality Alliance provided incentives in the form of recognizing buildings with good IAQ practices. However, support for this program for a variety of reasons was withdrawn. The Indoor Air Quality Education and Assessment Guidance (I-BEAM) provides education for commercial facilities on IAQ, and is intended for building managers. It provides them with tools to assess the air quality within the building and ways to make necessary corrections.

The EPA also assists building managers on mold remediation in schools and commercial buildings and has published guidance on this matter. The guidance document was published on the Internet before issued in hard copy: within two weeks there were 50,000 hits, and in two months 153,000.

The Asthma Strategic Overview includes a national awareness campaign and continues to promote World Asthma Day. The Overview also includes an in-home education program that manages existing grants and a health-care/managed-care program that works with key organizations to integrate environmental controls into clinical practice and standards of care. A School/Daycare program emphasizes education and supports established programs, and its results are tracked.

The EPA collaborated with the Institute of Medicine (IOM) in its report “Clearing the Air: Asthma and Indoor Exposures.” EPA’s “Tools for Schools Kit” identifies ways to improve IAQ at little or no cost through flexibly applied, voluntary means that are based on common sense and require little training. The program urges that everyone in the school community understand that indoor air is important to health, and have a basic understanding of the causes of indoor air pollution.

EPA’s Tools for Schools IAQ team members include teachers, administrative staff, health officers, facilities operators, school boards and students and parents. Program implementation begins with establishing an IAQ team and assigning an IAQ coordinator, conduct a walk through of the school, develop an IAQ checklist, and create an IAQ management identifying major priorities and repairs. The Tools for Schools program is needed now more than ever, despite the budget constraints at the state. Schools are poorly staffed for maintenance, custodial, repairs and teachers and staffs.

Additional resources include an IAQ Information Clearinghouse hotline at 1-800-438-4318 as well as the EPA’s own website at www.epa.gov/iaq.

With regard to the role of District in IAQ, collaborative and complementary opportunities exist in:

- collaborating with /helping fund activities of regional asthma organizations working on asthma and IAQ—such as the Regional Asthma Management and Prevention Initiative.
- providing grants to organizations providing effective in-home asthma trigger education.
- supporting school districts implementing IAQ management plans or IAQ Tools for Schools, and partnering with US EPA on these and other local projects.
- further collaborative and complementary opportunities are to be found in the fields of research, education and outreach on the indoor impacts from candles, incense, scented cleaning products, wood smoke; indoor interactions between ozone and volatile organic compounds from scented cleaning products, education and outreach on indoor ozone generators and air cleaners.

The Council’s recent recommendation to the Board of Directors Executive Committee that an IAQ workshop be held in the Bay Area is a step in the right direction. This would provide follow-up to CARB’s May 2001 Symposium “Indoor Air Quality: Risk Reduction in the 21st Century.” The Council’s other recent recommendation that the District hire a graduate student to investigate the ambient/indoor air quality nexus would greatly benefit from receiving student selection input from Dr. Waldman of the State Department of Health Services, Peggy Jenkins of CARB, and U.C. Berkeley faculty members William Nazaroff , Ira Tager and Katherine Hammond.

In reply to Council member questions, Ms. Spark replied as follows:

- District contribution to indoor air pollution research in selected areas, such as scented indoor and personal care products and their potential interrelationship with asthma, would be useful. The question concerns exposures at low levels and what impacts these may have on health. A key component in this work includes education. However, manufacturers are not required to publish what is on their products, and it is unclear to what extent such information would be meaningful to people who read the labels. There are also some trade-secret elements involved with scented products that prevent their ingredients from being revealed on a product label.
- EPA is currently working on a source ranking database for indoor sources.
- The agenda of an IAQ workshop should be crafted in such a way as to steer the discussion into identifying the status quo and what role the District can play. It should not be allowed to become a forum merely for special interest groups. Suggestions as to the District's IAQ role would likely emerge from a well-directed discussion.

Mr. Colbourn noted that the District has asked the Council to preliminarily investigate IAQ, even though this field is not within the District's regulatory purview. Asthma experts are members of an advisory committee to a program that will assess neighborhoods with the greatest exposure to toxic air contaminants. The District does not presently intend to make IAQ a regulatory program.

Chairperson Torreano called for public comment, and Dr. Jed Waldman, State Department of Health Services, stated a workshop can help focus on the large yet simple ideas and insights as to what is unambiguously the case in terms of IAQ at this time. Many resources are applied to ambient air and yet people spend 90% of their time indoors. Citizens should be educated to improve and maintain residential good air quality. Purported indoor "air purifiers" release ozone into the home. Some residents are not careful on the storage of various chemicals. There is a link for the District here, in terms of exposure to harmful indoor air contaminants. It should be noted that the District is the most influential Bay Area agency when it comes to air quality issues.

Ms. Blake expressed interest in hearing from CARB on the matter of the indoor air purifiers that emit ozone, especially since CARB strongly advocates reduction in ambient ozone concentrations. She inquired if there are similar substances that have the similar indoor/outdoor dynamic that might be dealt with. She suggested that the Council consider whether the District could play a greater educational role in dynamics such as this in referencing substances in the home or office, building materials and ventilations. Mr. Colbourn replied that at the District's public meetings, offering a brochure on IAQ might be useful. Ms. Blake stated IAQ must not be overemphasized to the point that personal responsibility exceeds the need for the District to fulfill its regulatory charges.

- 5. Committee Member Comments/Other Business.** Chairperson Torreano noted that the State Building Trades Council will hold a conference on smoke in the workplace on March 1 in Martinez. Mr. Colbourn distributed a District brochure on wood smoke, air quality and asthma.
- 6. Time and Place of Next Meeting.** 1:30 p.m., Monday, April 18, 2005, 939 Ellis Street, San Francisco, CA 94109.
- 7. Adjournment.** 3:00 p.m.

James N. Corazza
Deputy Clerk of the Boards

Bay Area Air Quality Management District
939 Ellis Street
San Francisco, California 94109

DRAFT MINUTES

Advisory Council Executive Committee Meeting
9:00 a.m., Wednesday, March 9, 2005

1. **Call to Order – Roll Call.** 9:10 a.m. Present: Brian Zamora, Chairperson, Fred Glueck, Stan Hayes, John Holtzclaw, Ph.D., Kraig Kurucz, Victor Torreano. Absent: Elinor Blake.
2. **Public Comment Period.** There were none.
3. **Approval of Minutes of November 10, 2004.** Mr. Kurucz moved approval of the minutes as submitted; seconded by Mr. Glueck; carried, with Mr. Hayes abstaining.
4. **Update of Advisory Council By-Laws.** The following edits were proposed by Committee members to the By-Laws in addition to those identified in the packet. Chairperson Zamora directed that they be incorporated via track changes and presented in the next agenda packet:
 - (a) re-order the months on page one to begin with January, rather than with September.
 - (b) under Article V on page two, replace “At each biennium, when the Advisory Council is reappointed pursuant to Health and Safety Code Section 40263,” with “Annually” and in the clause immediately following replace “next preceding” with “of that year”.
 - (c) in line two of Article VIII, on page two, insert “such” before “committee”
 - (d) in line one of Article XIII, on page three, insert “law establishing the Advisory Council of the” before “Bay”.
5. **Review of Advisory Council Budget.** Chairperson Zamora reviewed the FY 2005-06 Advisory Council budget and noted that the primary allocation is for the participation of six Council members in the Air & Waste Management Association Annual Exhibition & Meeting. If Council members have suggestions on alternative allocations they should inform the Chair.
6. **Discussion of Conflict-of-Interest.** Chairperson Zamora noted that at the January 2005 Retreat discussion was held regarding establishing a Code of Conduct for Advisory Council members. He indicated he had invited District Counsel Brian Bunger to today’s meeting to provide comment on legal aspects of “conflict of interest” as a starting point in this discussion.

Mr. Bunger stated that in California there are a number of laws that govern the activities of state, county and local agencies, and special districts. The Fair Political Practices Commission (FPPC) regulates financial disclosure for candidates, elected officials, appointees and government employees and requires an annual filing of a “Form 700” conflict-of-interest statement for disclosure of real estate holdings, business investments, spousal income, financial and campaign gifts and commissions from speeches. However, the District’s Advisory Council does not fall into the category of government officials or bodies required to make such disclosures.

At the state level, specific criteria govern who is required to make such disclosures. The FPPC has approved for special districts three criteria governing the disclosure requirement. Disclosure is required of members of the commission or board that make a final governmental decision (such as promulgating a regulation or issuing a permit), or that can compel or veto a governmental decision. Disclosure is also required of a board or commission that makes substantive recommendations that over an extended period of time have been regularly approved without significant amendment by another government agency or official. While the Advisory Council does make recommendations to the Board and staff, its recommendations have been variously presented and received and, therefore, it does not fit into the foregoing criteria. Consequently, Advisory Council members are not required to fill out Form 700 disclosure forms.

Mr. Glueck opined that Council members need protocols or guidance on responding to e-mails from members of the public even though they are not designated as spokespersons for the Council. Chairperson Zamora replied that the law on conflict-of-interest will be today's focus, with the Committee branching out into other aspects of Code of Conduct as the year progresses. Mr. Hayes added that the very thing that exempts the Council members from having to fill out Form 700's suggests guidelines for member conduct. Mr. Bunger agreed, noting that the law nevertheless goes only so far and requires disclosure only of those invested with authority to make a decision that has a financial impact, and the Advisory Council is not thus imbued. The Council is nevertheless entirely free, however, to adopt guidelines for the conduct of its own members that it deems appropriate, and these may derive from conflict-of-interest principles.

Mr. Torreano noted that Council members' e-mail addresses are posted on the District website. Mr. Bunger suggested that it might be preferable to list general e-mail address for the Council, rather than members' e-mail addresses. Chairperson Zamora stated that the Code of Conduct guidelines should indicate how members should refer public inquiries. Dr. Holtzclaw suggested that an appropriate caveat be placed on the Council's page on the District's website indicating that the Council is advisory to the staff and has no authority to speak on behalf of the District.

- 7. Workplan Review with Committee Chairs.** Chairperson Zamora stated that the Executive Committee will not review each Standing Committee report at each meeting, but instead will strategize and coordinate. Technical Committee Chair Hayes and Air Quality Planning Committee (AQPC) Chair Holtzclaw indicated that the joint meeting of their Committees scheduled for April 13 would be postponed. However, the Technical Committee will meet on that day to further review the Community Air Risk Evaluation (CARE) program and greenhouse gas emissions. The AQPC will meet on April 4 to receive a presentation from California Environmental Protection Agency staff on the Governor's Hydrogen Highway Blueprint.
- 8. Committee Member Comments/Other Business.** There were none.
- 9. Time and Place of Next Meeting.** 9:00 a.m., Wednesday, May 11, 2005, 939 Ellis Street, San Francisco, CA 94109.
- 10. Adjournment.** 9:51 a.m.

James N. Corazza
Deputy Clerk of the Boards

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

939 ELLIS STREET - SAN FRANCISCO, CALIFORNIA 94109

Draft Minutes: Advisory Council Regular Meeting – March 9, 2005

CALL TO ORDER:

Opening Comments: Chairperson Zamora called the meeting to order at 10:00 a.m.

Roll Call: Present: Brian Zamora, Chair, Cassandra Adams, Sam Altshuler, P.E., Diane Bailey, Louise Bedsworth, Ph.D., Jeffrey Bramlett, Harold M. Brazil, Irvin Dawid, Emily Drennen, Fred Glueck, William Hanna, Stan Hayes, John Holtzclaw, Ph.D., Kraig Kurucz, Ph.D., Norman A. Laperera, Jr., Victor Torreano, Linda Weiner.

Absent: Bob Bornstein, Ph.D., Elinor Blake, Kevin Shanahan.

PUBLIC COMMENT PERIOD: There were no public comments.

CONSENT CALENDAR:

1. **Approval of Minutes of January 12, 2005.** Dr. Holtzclaw moved approval of the minutes as submitted; seconded by Mr. Laperera; carried unanimously.

COMMITTEE REPORTS: Chairperson Zamora took Item No. 5 out of order.

5. **Report of the Technical Committee Meeting of February 7, 2005.** Mr. Hayes reported that the Committee discussed the District's Community Air Risk Evaluation (CARE) program, which will develop a toxics emission inventory for the Bay Area and select a pilot neighborhood to assess cumulative exposure in neighborhoods. An Advisory Committee to the CARE program has been formed and has just recently met for the first time. The Committee also received and discussed a presentation from District staff on climate change. The April 13th joint meeting with the Air Quality Planning Committee has been postponed; however, the Technical Committee will meet on April 13th.

PRESENTATION:

2. **EPA Region IX Air Programs.** Deborah Jordan, Air Division Director for US Environmental Protection Agency (EPA) Region IX, stated that the EPA is overseeing the transition from the 1-hour to an 8-hour ozone standard that was adopted in 1997 but, due to litigation, is only now being implemented. EPA will revoke the 1-hour standard in June 2005. Although there are areas in the eastern states with numerous ozone exceedances under the 8-hour standard, modeling efforts to date indicate that some of the eastern states are expected to come into attainment of the 8-hour standard in the next eight to ten years. California has the greatest number of such exceedances under the 8-hour standard, most of which are in the South Coast and San Joaquin Valley. The Bay Area has been classified by the EPA as being in "marginal" non-attainment status.

In terms of particulate matter, a fine particle (PM_{2.5}) standard has been added to the PM₁₀ standard, and EPA issued non-attainment designations for the country in December 2004. While some of the eastern states are not in attainment of the federal PM_{2.5} standard, the primary non-attainment areas in California are the South Coast, San Diego and San Joaquin Valley areas.

EPA is also required to frequently review the science for measuring criteria pollutants and their health effects. As a result of recent research, EPA may begin the process of making further modifications to particulate matter standards and promulgate a "coarse particle" standard for PM_{2.5}-PM₁₀, in order to increase health protection for sensitive populations, particularly older people and children.

EPA is working to reduce emissions of diesel exhaust as it has serious health impacts, and has formed a West Coast Diesel Emission Reduction Collaborative ("Collaborative") with over 500 participants, among which are included the Department of Energy, Department of Transportation, Department of Agriculture, state and local leaders in the Western United States, Canada and Mexico. The goal of the Collaborative is to reduce diesel emissions up and down the West Coast. Public-private partnerships are being created to reduce diesel emissions from marine vessels and ports, trucking, locomotives and rail operations, construction and agriculture. The Collaborative will meet in Seattle in the near future.

Reducing air toxics in urban areas is another major priority, and EPA has initiated a pilot program in West Oakland to characterize port-related traffic in West Oakland neighborhoods. The pilot program contains 13 points regarding environmental clean-up. The first phase concerns the community diesel truck traffic and the second phase concerns identification and implementation of solutions. A diverse group of stakeholders are participating in this program and will work in a one-year time frame to develop toxic reduction options and start to implement them. The "Community Action for a Renewed Environment" (CARE) program will commence with a community-centered, multi-media approach to reducing risks from toxics the goal of which is to create self-sustaining community-based partnerships that will continue to improve local environments after EPA's funding ends and involvement with the program concludes. The Request for Proposals will be issued soon and involve approximately ten grants nationally.

Indoor air quality (IAQ) is another area to which EPA resources are devoted and its program work focuses on indoor radon, air quality in schools, environmental management of indoor asthma triggers and childhood exposure to secondhand tobacco smoke. Voluntary approaches are especially emphasized and include public information and outreach, education, training and technical support, cooperative assistance agreements with organizations, partnerships and scientific and technical studies and analyses. EPA's "Tools for Schools" has proven to be particularly successful, and collaboration with the Regional Asthma Management and Prevention Initiative, Department of Health Services and California Air Resources Board has also proven helpful.

EPA is working to reform the New Source Review (NSR) program and has conducted two rounds of reform to date. Round 1 concerned new applicability tests (plant wide applicability limits, clean units) and the State Implementation Plans for these are due in January 2006. As litigation is pending on this round, there is some uncertainty in moving forward on this. Round 2 concerned issues of routine maintenance, repair and replacement, but this reform was stayed by court order in December 2003. Efforts are presently underway at EPA to develop a bifurcated approach to NSR which separates federal from state and local requirements. Yet another review of NSR may follow which concerns Emission Reduction Credits (ERCs). EPA participated in a recent California Air Pollution Control Officer conferences on ERC availability, and is committed to working with air districts on this matter.

EPA's climate change initiatives emphasize slowing the growth of greenhouse gas emissions and involve cooperation with the Department of Energy, as well as interfacing with voluntary program efforts on both the national and international level. EPA is endeavoring to promote energy efficiency, clean renewable energy and distributed generation, and other clean energy sources, through a federal-state voluntary program entitled "Clean Energy Environmental State Partnership Program." To date, ten states including California have joined through signing a Memorandum of Understanding.

In December of last year, the EPA received five petitions from non-governmental organizations on refinery Title V permits issued by the District. Under a Consent Decree from a previous litigation, EPA must respond to these petitions by March 15, 2005. The responses will be in the form of Orders signed by the EPA Administrator. EPA has worked together with the District to address many of these issues, which are rather complicated from either or both a legal and technical perspective.

In discussion and reply to Council member questions, Ms. Jordan observed:

- The formation of PM_{2.5} is complex: it can be primarily emitted and secondarily formed.
- The only location in the country where the 24-hour standard for PM is exceeded is in California, and this is primarily in the San Joaquin Valley and South Coast.
- EPA is committed to reducing emissions from locomotives, but even with a tightening of the standards the engine turnover time is such that the benefits may not be seen for a long time. However, EPA has just given a grant for retrofitting diesel locomotives on Amtrak trains.
- The EPA staff at Ann Arbor could respond on the question of the use of synthetic motor oil, in terms of its benefits in reducing PM_{2.5} and CO₂ emissions, and improving fuel efficiency.
- EPA's involvement in Smart Growth initiatives is a result of having received requests for technical assistance in that field and to recognize the good efforts that have been made so far. Further involvement in this field is limited by budgetary constraints that are facing the agency in 2006.
- EPA collaborates with the Department of Defense to the extent and whenever possible.

AIR DISTRICT OVERVIEW:

3. Report of Executive Officer/APCO. Mr. Broadbent stated that:

- a. The District is presently developing the budget for FY 2005/06 and will make its initial submittal to the Board Budget & Finance Committee in April. The state legislation that deducted 10% of the District's property tax revenues continues through this fiscal year.
- b. The Cost Recovery Study (CRS) has been completed and will help the District ascertain whether its revenue stream will cover its costs. Recommendations will be forthcoming in two weeks. Advisory Council members Glueck and Holtzclaw have participated in the CRS.
- c. The District is currently working with EPA on some pending Title V permitting issues.
- d. Two workshops have been scheduled on a proposed refinery flare control rule.
- e. The Advisory Committee to the District's CARE program met for the first time in February.
- f. The District's air quality management planning process is in abeyance pending EPA's decision on the 1-hour and 8-hour ozone standards.

- g. The summertime Spare the Air program, which last year featured free BART on commute day mornings, will be expanded to include all transit authorities in the Bay Area and may be entitled "Spare the Fare." The program was funded last year with \$2 million in Congestion Management Air Quality funds and this fund will be doubled this year. In reply to Council member questions on this topic, Mr. Broadbent stated that the impact of the free BART on Spare the Air days last year was assessed at the West Oakland BART station through a variety of ridership counting techniques, and estimates are that a 7-8% ridership increase occurred (40,000 additional riders). Council member concerns regarding improving parking security at BART stations will be shared with the Metropolitan Transportation Commission (MTC). The extent to which survey information can include the impact on casual carpoolers is also of interest. Featuring testimonials from actual participants in the free transit on Spare the Air days will also be considered.

COMMITTEE REPORTS

- 4. Report of the Joint Air Quality Planning & Technical Committee Meeting of December 16, 2004.** Chairperson Brazil stated that the Committees met jointly to discuss previous presentations and that the issues are summarized in the minutes.
- 6. Report of the Air Quality Planning Committee Meeting of February 9, 2005.** Dr. Holtzclaw reported that the Committee will address climate change and diesel clean-up issues with the Technical Committee, and is presently focusing on the hydrogen highway blueprint. In February, Dr. Timothy Lipman of U.C. Berkeley gave a presentation on the latter issue, and at the next meeting on April 4th the Committee will receive a presentation from a member of the Governor's staff on the blueprint.
- 7. Report of the Public Health Committee Meeting of February 15, 2005.** Mr. Torreano reported that the Committee is investigating IAQ, and received a presentation from EPA Region IX Indoor Air Quality coordinator Barbara Spark. At the next meeting, the Committee will receive a presentation from California Air Resources Board staff member Peggy Jenkins on IAQ efforts at the state level, as well as the state's perspective on issues of regulatory jurisdiction. The Committee will begin developing recommendations based on these and previous presentations on IAQ.
- 8. Report of Executive Committee Meeting of March 9, 2005.** Chairperson Zamora reported that the Committee met earlier this morning and:
 - conducted its first review of the Council's By-Laws. Further changes were made and these will be presented at the next Executive Committee meeting for review.
 - reviewed the Council's budget for next fiscal year. The principal portion of the Council's budget is to reserve places for attendance at the Annual Air & Waste Management Exhibition & Meeting. At this writing, Council members Adams, Brazil, Drennen and Holtzclaw have expressed interest in attending, with members Altshuler and Kurucz considering attending.
 - reviewed issues of "conflict-of-interest" via a presentation from District Counsel Brian Bunger, who outlined the legal requirements for government officials and employees for filing "Form 700" Conflict-of-Interest forms with the Fair Political Practices Commission. The Council will develop a Code of Conduct for its members and the first step is to understand conflict of interest guidelines and requirements. District Counsel indicated that since Advisory Council members do not make final decisions that fiscally impact the District, they are not required to file a Form 700.

OTHER BUSINESS:

9. Report of Advisory Council Chair. Chairperson Zamora reported that he attended the February 4, 2005 meeting of the Board Executive Committee and presented the Council's work plan for 2005.

10. Council Member Comments/Other Business. The following comments were made:

- Mr. Dawid reported that a District environmental planner will make a presentation on the high cost of free parking at the April 6 meeting of the Redwood City Forum on City Design.
- Mr. Torreano announced that the State Building Trades Council will next meet to discuss compliance at construction sites.
- Mr. Lopera inquired if the District has a set of guidelines for Spare the Air Days for municipalities and county government as the East Bay Regional Park District would be interested in reviewing and incorporating them into its own practices. Deputy APCO Jean Roggenkamp indicated that the District would provide these guidelines to Mr. Lopera.

11. Time and Place of Next Meeting. 10:00 a.m., Wednesday, May 11, 2005, 939 Ellis Street, San Francisco, CA 94109.

12. Adjournment. The meeting was adjourned at 11:23 p.m.

James N. Corazza
Deputy Clerk of the Boards

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Inter-Office Memorandum

To: Chairperson Townsend and Members
of the Executive Committee

From: Gary Kendall,
Acting Director of Planning & Research

Date: March 23, 2005

Re: Ozone Modeling and Central California Ozone Study Update

RECOMMENDED ACTION:

Receive and file.

BACKGROUND

The Central California Ozone Study (CCOS) was initiated to provide data and analyses for the planning process for the national ozone standards. The Air District has been participating in CCOS since 1999. CCOS consists of a comprehensive air monitoring program, data analysis, emissions inventory development and photochemical modeling. Major CCOS participants include the Bay Area Air Quality Management District, Sacramento Metropolitan Air Quality Management District, San Joaquin Valley Air Pollution Control District, California Air Resources Board, Environmental Protection Agency, California Energy Commission, and industry.

Air District modeling efforts were initially focused on the 1-hour standard because of the Bay Area's non-attainment status. However, EPA is now transitioning from the 1-hour to the 8-hour standard. Because of the Bay Area's marginal 8-hour ozone non-attainment status, the District is not required to perform modeling for 8-hour ozone planning purposes. However, District staff continue to perform ozone modeling and collaborate with ARB and northern California air districts on central California ozone modeling, planning and transport assessment for the 8-hour standard.

DISCUSSION

Staff will present an update on ozone modeling, including:

- Ozone modeling requirements
- Characteristics of modeled ozone episodes
- Status of CCOS ozone modeling and model performance
- District's participation in the overall program
- Next Steps

Respectfully submitted,

Gary Kendall
Acting Director of Planning & Research

FORWARDED BY: _____

Prepared by: Saffet Tanrikulu

Reviewed by: _____

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Inter-Office Memorandum

To: Chairperson Townsend and
Members of the Executive Committee

From: Gary Kendall,
Acting Director of Planning & Research

Date: March 17, 2005

Re: Status Report on Particulate Matter Planning

RECOMMENDED ACTION:

Receive and file.

BACKGROUND

SB 656 (Sher, 2003) requires ARB and local air districts to take steps to reduce exposure to fine particulate matter (PM₁₀ and PM_{2.5}). Pursuant to SB 656, ARB developed and adopted a list of the most readily available, feasible, and cost effective control measures implemented by ARB and local districts to reduce PM. The list includes regulations and programs existing in California as of January 1, 2004 to reduce PM emissions and PM precursor emissions from stationary, area and mobile sources. The District is required to review the ARB list and adopt an implementation schedule for measures appropriate for the Bay Area by July 31, 2005.

Staff is reviewing the PM emission inventory and technical analyses of PM monitoring data to determine the most significant source categories in the Bay Area. Staff is also reviewing the ARB list of candidate control measures. Based on these analyses, staff will develop a draft implementation schedule for public review and, subsequently, for Board consideration.

DISCUSSION

Staff will present a status report on the PM planning requirements, including:

- Summary of SB 656 PM requirements for ARB and the District;
- Overview of ARB's list of potential PM control measures;
- Summary of staff work to date on technical analyses of PM sources and evaluations of candidate control measures; and
- Next steps, including schedule for public review of draft implementation schedule, public workshop, and Board hearing.

Respectfully submitted,

Gary Kendall
Acting Director of Planning & Research

FORWARDED BY: _____

Prepared by: Henry Hilken

Reviewed by: _____

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Townsend and Members
of the Executive Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: March 23, 2005

Re: Membership in the California Hydrogen Business Council

RECOMMENDED ACTION

Consider recommending that the Board of Directors approve of the Air District joining the California Hydrogen Business Council at the Silver Member level.

DISCUSSION

The Bay Area continues, along with the rest of California, to see increased interest in hydrogen and fuel cells as viable clean alternatives to petroleum and other non-renewable fuels for the production of electricity and for transportation. However, there are extensive unknowns related to hydrogen production and its ancillary environmental impacts, fuel cell costs and efficiencies, as well as safety issues that need to be better understood.

To ensure that the Air District is current on the latest advances in hydrogen fuel and fuel cell technology, staff has begun participation with the California Stationary Fuel Cell Collaborative (the Collaborative) and the development of the Hydrogen Highway Blueprint. There have been initial discussions by the Executive Committee and the Board of Directors regarding membership in the California Fuel Cell Partnership (the Partnership). Another organization that has become a prominent entity in the development of a hydrogen-based economy is the California Hydrogen Business Council. Many of the current members of the Business Council are also part of the Collaborative and the Partnership. However, the Business Council differs in focusing on bringing technologies to market, while the Collaborative and the Partnership are public/private research entities.

The Business Council is a non-profit organization that actively supports hydrogen's growing commercial use, new applications, and the transition of the state's energy infrastructure. Business Council members include:

- fuel cell manufacturers and suppliers;
- manufacturers and distributors of hydrogen generation, compression and storage technologies;
- manufacturers and suppliers of hydrogen internal combustion engines; and
- municipal and state agencies

The Business Council has three membership levels – Platinum, Gold and Silver. The annual membership dues are \$10,000, \$5000 and \$1,000. Membership benefits include discounted registration fees and various opportunities for recognition and self-promotion. A detailed breakdown on benefits for each membership level is provided in Attachment A. Additional information on the Business Council is available at <http://www.californiahydrogen.org>.

There are currently 26 Silver member organizations; there are no current Platinum or Gold members. The Business Council meets quarterly to share the latest business initiatives and status of ongoing stationary and vehicular fuel cell and hydrogen projects. The most recent meeting was held at the American Honda facility in Torrance, California and was attended by 150 individuals. The next meeting will be held on May 20, 2005 at the CalEPA offices in Sacramento, California.

Membership in the California Hydrogen Business Council represents a low-cost venue for ensuring the Air District is current on the latest developments regarding hydrogen and fuel cells. The quarterly meetings will represent useful forums for developing viable demonstrations of emerging technologies and broader deployment of proven emission reduction solutions. Air District staff will continue to participate in the California Stationary Fuel Cell Collaborative and continue discussions regarding potential membership in the California Fuel Cell Partnership.

BUDGET CONSIDERATION/FINANCIAL IMPACTS

Funding for the initial year's membership dues for the California Hydrogen Business Council will come from Program 104 in the amount of \$1,000.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Michael Murphy
Reviewed by: Jean Roggenkamp

Attachment A
California Hydrogen Business Council
Membership Benefits

Platinum Member

- \$10,000/year;
- 20 people at member registration rate at each California Hydrogen Business Council (CHBC) meeting;
- Banner display and brochure distribution at all CHBC meetings;
- Large banner ad placement on web site;
- Monthly newsletter featuring agency as a Platinum Member with large banner;
- Membership directory featuring agency as a Platinum Member with large banner;
- Post press releases to CHBC web site;
- Exclusive sponsor, product display, and speaker at one meeting per year.

Gold Member

- \$5,000/year;
- 10 people at member registration rate at each CHBC meeting;
- Banner display and brochure distribution at all CHBC meetings;
- CHBC annual small banner ad placement on web site;
- Monthly newsletter featuring agency as a Gold Member with small banner;
- Membership directory featuring agency as a Gold Member with ad;
- Post press releases to CHBC website.

Silver Member

- \$1,000/year;
- 5 people at member registration rate at each CHBC meeting;
- Brochure distribution at all CHBC meetings;
- CHBC annual web site link;
- Monthly newsletter includes periodic articles about agency;
- Membership directory listing agency as a Silver Member

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Inter-Office Memorandum

To: Chairperson Townsend and Members
of the Executive Committee

From: Jeff McKay,
Director of Information Services

Date: March 18, 2005

Re: Information Systems Division Update and Consideration of
Recommendation to Authorize Transfer of Funds and Execution of
Purchase Order

RECOMMENDED ACTION

Consider recommending that the Board of Directors authorize 1.) a transfer of funds from the Capital Account to the Professional Services Account in the Information Systems Division Budget (Program 705) in the amount of \$140,000; and 2.) a purchase order not to exceed \$140,000 to Doculabs for consulting services to cover design and implementation support for internal pilots of the Production System replacement of IRIS and Databank.

BACKGROUND

The Air District uses unique software applications, DataBank and IRIS, to carry out business processes. Examples of these processes include Planning, Permitting, Inspection and Emission Inventory.

The Air District first implemented the DataBank application in 1977. This application pre-dates database technology, and stores information in flat files. In 2001 the District implemented the IRIS application, partially relieving Databank of some function. The migration to modern technology must continue for the District to fulfill its mission.

DISCUSSION

Substantial review of available platforms has resulted in independent confirmation of Enterprise Content Management (ECM) as an appropriate platform type for the majority of the District's Production System. There are many vendors providing ECM software products and the process of vendor selection is most appropriate as part of a pilot process that also initiates first steps of implementation.

This purchase order allows the vendor selection and pilot definition process, as well as supervision of the in-house pilots. This purchase order does not include any costs incurred with the ECM vendors.

BUDGET CONSIDERATION/FINANCIAL IMPACT

This will be funded from the approved 2004/2005 budget for Information Systems Program 705 in accordance with the transfer requested above.

Respectfully submitted,

Jeff McKay, Director
Information Services Division

FORWARDED: _____

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Townsend and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: April 12, 2005

Re: Report of the Legislative Committee Meeting of April 4, 2005

RECOMMENDED ACTIONS

The Committee recommends the Board of Directors adopt positions on 17 bills as indicated in the table below.

DISCUSSION

The Legislative Committee met on April 4, 2005, and discussed a number of bills. Descriptions of the bills and the Committee's recommendations are given in the table below.

Bill	Brief Description	Committee Recommendation
AB 383 (Montanez)	Changes eligibility for smog check financial assistance	Support if amended
AB 679 (Calderon)	Spot bill evolving into an attack on clean diesel fuel specifications	Oppose in concept
AB 838 (Saldana)	Establishes tax credit for hybrid vehicles	Support and seek amendments
AB 898 (Maze)	Weakens training requirements for smog check technicians	Oppose
AB 1220 (Jones)	Strengthens portable equipment registration program	Support
AB 1223 (Leno)	Allows manufacturers to sell clean vehicles directly to the public	Watch
AB 1407 (Oropeza)	Imposes air quality fee on off-road diesel fuel, and funds off-road incentive-based clean-up projects	Support in concept
AB 1430 (Goldberg)	Disallows use of emission reduction credits in low-income and minority areas	Seek Amendments
AB 1697 (Pavley)	Evolving bill to prevent new daycare facilities near air pollution sources, with substantial unfunded work for district staff	Seek Amendments

SB 523 (Torlakson)	Extends an existing bike funding program which is slated for significant cuts	Support
SB 698 (Poochigian)	Funds clean-up of pre-1977 schoolbuses	Support if amended
SB 761 (Lowenthal)	Imposes new requirements on air districts enforcing truck idling program at ports	Seek amendments
SB 762 (Lowenthal)	Establishes Oakland Area Intermodal Port Congestion and Environmental Quality Commission	Seek amendments
SB 771 (Simitian)	Bans ship incineration within three miles of shore	Support
SB 870 (Escutia)	Establishes mandatory minimum air penalties and directs funding to communities adjacent to violators	Oppose unless amended
SB 975 (Ashburn)	Exempts biodiesel users from ARB fleet rules	Oppose
SB 976 (Ashburn)	Exempts military from California new source review requirements	Oppose

Committee Chairperson Brad Wagenknecht will give an oral report of the meeting.

BUDGET CONSIDERATION/FINANCIAL IMPACTS

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Mary Romaidis
Reviewed by: Mary Ann Goodley

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Inter Office Memorandum

To: Chairperson Brad Wagenknecht and
Members of the Legislative Committee

From: Thomas Addison
Advanced Projects Advisor

Date: March 28, 2005

Re: Consideration of New Bills and Corresponding Agency Positions

RECOMMENDED ACTION

Recommend that the Board adopt positions on recently-introduced bills.

DISCUSSION

The number of air quality bills introduced this year is unusually high. Their subject areas, as well as the intentions of their authors, vary widely. While many of these bills are still lacking detail, bills that will advance are rapidly being fleshed out for their first committee hearings, which are mostly in April. The table below lists staff recommendations on seventeen bills for the Committee’s consideration.

Additional bills of potential significance to the District are listed in the attached “BAAQMD Bill Discussion List”. If time allows, staff will also briefly discuss some of these bills, as well as answer any questions from the Committee.

Bill	Brief Description	Staff Recommendation
AB 383 (Montanez)	Changes eligibility for smog check financial assistance	Support if amended
AB 679 (Calderon)	Spot bill evolving into an attack on clean diesel fuel specifications	Oppose in concept
AB 838 (Saldana)	Establishes tax credit for hybrid vehicles	Support and seek amendments
AB 898 (Maze)	Weakens training requirements for smog check technicians	Oppose in concept
AB 1220 (Jones)	Strengthens portable equipment registration program	Support
AB 1223 (Leno)	Allows manufacturers to sell clean vehicles directly to the public	Support in concept
AB 1407 (Oropeza)	Imposes air quality fee on off-road diesel fuel, and funds off-road incentive-based clean-up projects	Support in concept
AB 1430 (Goldberg)	Disallows use of emission reduction credits in low-income and minority areas	Oppose unless amended
AB 1697 (Pavley)	Evolving bill to prevent new daycare facilities near air pollution sources, with substantial unfunded work for district staff	Oppose unless amended

AGENDA : 4

SB 523 (Torlakson)	Extends an existing bike funding program which is slated for significant cuts	Support
SB 698 (Poochigian)	Funds clean-up of pre-1977 schoolbuses	Support if amended
SB 761 (Lowenthal)	Imposes new requirements on air districts enforcing truck idling program at ports	Seek amendments
SB 762 (Lowenthal)	Establishes Oakland Area Intermodal Port Congestion and Environmental Quality Commission	Seek amendments
SB 771 (Simitian)	Bans ship incineration within three miles of shore	Support
SB 870 (Escutia)	Establishes mandatory minimum air penalties and directs funding to communities adjacent to violators	Oppose unless amended
SB 975 (Ashburn)	Exempts biodiesel users from ARB fleet rules	Oppose
SB 976 (Ashburn)	Exempts military from California new source review requirements	Oppose

ANALYSIS

SB 383 is authored by Cindy Montanez (D-San Fernando). It is sponsored by the Planning and Conservation League, and changes who is eligible to receive financial assistance in the Smog Check program. Currently, all motorists directed to test-only stations who fail their inspection are eligible for up to \$500 of state-paid emissions repairs, regardless of their income level. Furthermore, any motorist failing smog whose income is at-or-below 185% of the federal poverty level (\$36,000 for a family of four) is also eligible for \$500 of repair assistance. This bill would change this threshold to a more generous 225%. It would also limit assistance to those directed to test-only stations to households with incomes below 250% of the federal poverty level. The impacts of the bill on air quality are essentially neutral.

However, staff believe the bill could have significant air quality benefit if amended to partially incorporate an improvement to the Smog Check program suggested by the Inspection and Maintenance Program Review Committee. This body, advised by the Air Resources Board (ARB) and the Bureau of Automotive Repair (BAR), has recommended to the Legislature that smog checks should be annual for both high-mileage and older vehicles. (Inspections are currently biennial.) While this would have significant emissions benefits, it is also not politically realistic. Staff instead suggest a voluntary program where older and high-mileage vehicles are tested in their “off” year, and failing vehicles have their repairs paid for by the state. This would have significant emissions benefits, and would help the owners of these vehicles. Such a program could be tested on a pilot basis, and if successful could be expanded statewide. Staff are thus recommending a “support if amended” position.

AB 679 is authored by Ron Calderon (D-Montebello) and is sponsored by the California Trucking Association. While the measure is not yet fleshed out, it will address diesel fuel sold in California (California diesel). The content of this fuel is set by the ARB, and is designed to reduce emissions. One component of the fuel is its low sulfur content, but it also has other benefits including a low aromatic content. Diesel fuel sold in the 49 other states meets standards set by the U.S. EPA, and in 2006 this “federal diesel” will match California’s sulfur content ceiling of 15 parts per million. However, ARB maintains that federal diesel will still produce more in-use emissions than California diesel. This assertion has been challenged by the California Trucking Association, who would prefer

AGENDA : 4

to be able to use less expensive federal diesel. Staff are recommending an “oppose in concept” position if this bill evolves to weaken existing fuel standards in California and increase emissions.

AB 838 is being authored by Lori Saldana (D-San Diego). It is intended to increase the purchase of hybrid vehicles in California by effectively eliminating the vehicle license fee paid annually by hybrid owners. This would last through 2012, and would translate to roughly a \$300 savings in the first year, with progressive declines as the vehicles’ values decline with age.

Staff are recommending a “support and seek amendments” position on the measure. One amendment would be to include even greater incentives for plug-in hybrids, to encourage manufacturers to bring these cleaner cars to market. (Plug-in hybrids have larger battery packs than today’s production vehicles, allowing them some range while being driven on the battery only. Their increased costs are modest, but their emissions reductions are dramatic.) An additional amendment would be to offer a savings to consumers who purchase clean, alternative fuel vehicles operating on natural gas or other choices. Demand for hybrids today is robust, with waiting lists for many models. On the other hand, natural gas vehicles offer substantial emissions benefits, but they are less popular and would benefit from such an incentive.

AB 898 is authored by Bill Maze (R-Visalia), and is sponsored by a Jiffy-Lube franchisee in the Central Valley. In its current version, the bill would require BAR to make Smog Check test-only technician training requirements similar to those in other states. However, the sponsor has a wider goal. He wants to amend state law to allow his 22 repair shops (which are not currently smog check stations) to become test-only stations. Because Jiffy-Lube facilities do a variety of vehicle repairs that can improve smog performance, they are not allowed to be test-only stations. Such a change would weaken California’s Inspection and Maintenance program statewide, and increase vehicle emissions. Thus staff are recommending an “oppose in concept” position.

AB 1220 is authored by Dave Jones (D-Sacramento), and sponsored by the California Air Pollution Control Officers Association (CAPCOA). It deals with the control program for portable equipment, or non-stationary diesel engines used primarily in industrial applications. Under current law, ARB establishes the parameters of the program including fees, controls, and the registration process, but enforcement is assigned to local air districts. This bill would allow districts to require owners of the equipment to notify the district when moving equipment from one district to another, and to install use-meters on the engines. (The amount of engine use correlates directly with emissions, but without such meters districts have no way of ensuring that the self-reported hours of use are accurate.) The bill would also require the fees assessed on the engine owners to cover the actual costs of district enforcement of the program. Staff are recommending a “support” position.

AB 1223 is authored by Mark Leno (D-San Francisco). It is designed to increase sales of clean vehicles in California by allowing consumers to purchase directly from the manufacturers. The author believes that doing so will reduce prices for clean vehicles. Thus more Californians will purchase them, and air quality will benefit. Staff are recommending a “support in concept” position.

AB 1407 is authored by Jenny Oropeza (D- Long Beach), and sponsored by the Clean Power Campaign. It is titled the Off-Road Environmental Health and Air Quality Funding Act of 2005, and involves off-road diesel fuel sold in California. This fuel, commonly dyed to prevent its use in on-road vehicles, is not subject to California’s excise tax of 18 cents per gallon. Off-road engines are primarily found in agricultural, construction, port, and railyard equipment. Generally, they have not been subject to emission standards as stringent as their on-road counterparts, and their emissions are substantial.

This bill would impose a fee of an unspecified amount on off-road fuel. The proceeds would fund Moyer program engine replacement and retrofit only for off-road engines. Increasing Moyer funding is part of the District’s 2005 legislative agenda, and thus staff are recommending a “support in concept” position.

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AB 1430 is authored by Jackie Goldberg (D-Los Angeles), and sponsored by California Communities Against Toxics. The sponsor believes that industrial sources of air pollution are planning to escape regulatory requirements on their stationary sources by funding mobile source emission control programs, and that local air districts plan to support this action. Furthermore, they believe that all pollution trading and offset programs are a failure, and have concentrated pollution in low-income and minority communities. Additionally, they maintain that such programs have virtually eliminated public participation in the environmental decision-making process.

Both federal and state air law governing stationary sources depend fundamentally on the trading concept embodied in emission reduction credits (ERCs)—the concept that this bill attacks. In essence, new or expanding stationary sources in non-attainment regions must both use stringent controls at their facility and more than offset their increased emissions by securing reductions elsewhere. As currently drafted, AB 1430 would disallow stationary sources located in low-income and minority communities (regardless of air quality therein) from expanding, and prevent new sources from locating in such areas. The district is committed to policymaking and practices that are fair and equitable to all residents regardless of factors such as race, socioeconomic status, or location. This bill unfortunately would work against this goal, and would dramatically change air law to “solve” a hypothetical stationary-for-mobile emissions trading problem not present in our region. Staff are thus recommending an “oppose unless amended” position.

AB 1697 is authored by Fran Pavley (D-Agoura Hills), and sponsored by the Natural Resources Defense Council. It is modeled after legislation enacted several years ago that limits new schools from locating close to freeways in an attempt to limit schoolchildren’s exposure to air toxics from cars and trucks. The bill is still evolving, but essentially it would prevent new daycare facilities from locating within 1000 feet of a freeway, state highway, or industrial site. However, the sponsor is contemplating an amendment that would establish an exemption process to allow siting within this perimeter. The local air district would be required to conduct a detailed analysis on a case-by-case basis, and then make a determination if the daycare center should be allowed to be exempted from the general requirement.

While staff support the author’s goal of reducing children’s exposure to air toxics, this bill would create both a substantial and time-consuming new unfunded mandate for district personnel. Thus, staff are recommending an “oppose unless amended” position. The suggested amendments are to not allow case-by-case exemptions to whatever perimeter is ultimately selected, and greater specificity about the emissions sources covered by the bill.

SB 523 is authored by Tom Torlakson (D-Antioch), and sponsored by the California Bicycle Coalition. The state’s Bicycle Transportation Account currently receives \$7.2 million in funding for bike projects, but this amount will be reduced by roughly a third in 2006. The bill would retain this funding at the current level. The district has long supported alternatives to driving alone, and increased cycling cuts automobile emissions. Thus staff are recommending a “support” position.

SB 698 is authored by Charles Poochigian (R-Fresno), and sponsored by the California School Transportation Coalition. While substantive amendments are still pending, the bill intends to use left-over funds in a state education account to fund replacement of old schoolbuses by the California Energy Commission. The initial target is the pre-1977 schoolbuses still on the road. The district has long supported efforts to clean schoolbuses, since this reduces children’s exposure to diesel particulate. In fact, the district has been particularly aggressive about providing our own local funding through the Transportation Fund for Clean Air to remove these older schoolbuses in the Bay Area. Other regions, in particular the San Joaquin Valley, have spent far less (both proportionally and in total dollars) at cleaning their schoolbuses to date. SB 698 would direct its funds to the oldest buses, regardless of location. Thus as drafted, the bill would in effect penalize both the children of the Bay Area and the school districts that previously invested their own scarce resources into providing matching funds for cleaner buses. It would reward regions that have been slow to begin work on this

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issue. Staff are recommending a “support if amended” position, and suggesting that the funds be distributed by the air districts, and allocated between districts on a population-weighted basis.

SB 761 is one in a series of five bills authored by Alan Lowenthal (D-Long Beach) involving California’s ports. It amends the truck idling program at ports established two years ago. District staff are currently charged with enforcing this program, which limits truck idling times to 30 minutes and holds marine terminals responsible for waits exceeding this cap. This program has taken substantial resources to implement, and has been a virtually unfunded mandate. This bill would impose substantial additional new requirements on district staff, since it would increase the idling time cap to 60 minutes, but now count time trucks are within the terminal towards that cap. As drafted, the bill is problematic. However, staff are recommending the committee direct the district to seek amendments to the bill to make the program more workable and either yield greater emission benefits for time invested or scale back the mandated district involvement. Staff will update the committee at its next meeting of the progress of these efforts.

SB 762 is also authored by Senator Lowenthal, and would establish both a Joint Powers Authority (JPA) and a commission at the Ports of Oakland, Long Beach, and Los Angeles. In northern California, the County of Alameda, City of Oakland, and the district would comprise the JPA, which is formed to oversee the Oakland Intermodal Port Congestion and Environmental Quality Commission. This body shall contain, in addition to members of the JPA member agencies, multiple seats representing labor, truckers, the terminals, community groups, transportation agencies, and others. It is charged with establishing a host of rules and regulations governing which trucking companies will be allowed to conduct business at the ports, rules for allowing other truckers to pick up cargo loads, and a host of other primarily economic with some environmental issues. Staff are again recommending the committee direct the district to seek amendments to the bill to make the program more workable and directly focused on air quality or scale back the district’s participation. Staff will update the committee at its next meeting of the progress of these efforts.

SB 771 is authored by Joseph Simitian (D-Palo Alto), and is sponsored by the Bluewater Network. It would ban incineration on marine vessels within three miles of the California coast. Two years ago, the district supported an identical bill specific to cruise ship incineration that is now law. Incineration releases a variety of air toxics, and staff recommend a “support” position on this year’s measure.

SB 870 is authored by Martha Escutia (D-Whittier), and co-sponsored by California Communities against Toxics and the Environmental Working Group. It contains a lengthy findings and declarations section that essentially says local air district enforcement of air laws is weak, and flawed in a variety of ways. While the bill has yet to be fleshed out, it will essentially stipulate mandatory minimum penalties for air violations, and direct that a portion of fines fund asthma prevention programs and apparently enhanced enforcement through community-based groups or programs. While the sponsors’ intention is to use mandatory minimum penalties to increase penalties and improve compliance, staff feel strongly that if successful, this would actually weaken our enforcement program. Currently the overwhelming majority of cases are resolved through the mutual settlement process. Mandatory minimums would require the district to resolve all notices-of-violation through litigation instead, a process so resource-intensive as to be unworkable. Furthermore, penalties are by statute and in practice a critical part of the district’s budget. Taking resources away from the district will worsen, not improve, enforcement. Staff are recommending an “oppose unless amended” position.

SB 975 is authored by Roy Ashburn (R-Bakersfield), and is informally sponsored by the Department of Defense. It stipulates that public agency and utility fleets using biodiesel are exempt from requirements to cut fleet emissions until the engines used are certified by the ARB for use with biodiesel. ARB’s pioneering diesel risk reduction program is based on mandated clean-up of public agency and other fleets. Essentially, these require an 85% reduction in emissions of toxic diesel particulate. Biodiesel, even when used as B-100 (where the fuel is not blended with any conventional diesel) gets at best roughly one-third of the needed reductions. Many military vehicles are using

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biodiesel in much lower concentrations to comply with federal fuel diversity legislation. This provides even lower air quality benefits, which do not come close to providing the risk reduction needed, and required, in ARB's fleet rules. SB 975 would in essence provide an unlimited loophole that any fleet could use to avoid complying with the needed statewide risk reduction program. Staff are recommending an "oppose" position.

SB 976 is also authored by Senator Ashburn, and is directly designed to benefit military bases. It stipulates that California's New Source Review law does not apply to stationary sources on military bases that are being replaced, provided the replacement source has emissions 10% lower than the replaced source. In some situations, California law would require significantly greater reductions. Staff feel that military bases contributing to California's air quality problems should not receive special exemptions from air quality laws, and recommend an "oppose" position.

BUDGET CONSIDERATION/FINANCIAL IMPACT

No direct impact.

Respectfully submitted,

Thomas Addison
Advanced Projects Advisor

FORWARDED: _____

Reviewed by: Jean Roggenkamp

BAAQMD BILL DISCUSSION LIST – APRIL 2005

March 22, 2005

* Light type indicates a position is being recommended by Staff to the Legislative Committee. If a date appears after the recommendation, the Committee has taken action and approved Staff's recommendation. Bold type indicates an official position of the agency, and the date the Board of Directors adopted that position.

** Bill has been significantly amended since the District took its position.

BILL NO.	AUTHOR	SUBJECT	BAAQMD POSITION*	PRIORITY	STATUS	LAST VERSION	OTHER AGENCY POSITIONS
AB 32	Pavley	Requires CA Climate Action Registry to harmonize reporting	Watch	Low	Asm. Approps.	12/6/04	
AB 184	Cogdill	Spot bill to cut gross polluter emissions	Watch	Low	Introduced	1/24/05	
AB 315	Hancock	Requires regulations for new schools that would address indoor air quality and other environmental issues	Watch	Low	Asm. Approps.	2/10/05	
AB 383	Montanez	Directs smog check financial assistance to only those meeting income criteria, and increases that income level	Support if amended	Low	Asm. Trans. 4/4/05	3/17/05	
AB 578	Horton	Allows increase in cars sent to test-only smog stations only after public review	Watch	Low	Asm. Trans	2/16/05	
AB 679	Calderon	Spot bill to allow use of non-CARB diesel fuel in CA	Oppose in concept	Medium	Asm. Trans.	2/28/05	
AB 694	Chan	Allows TFCA funding for private sector clean vehicle projects	Support (sponsor) 3/16/05	High	Asm. Trans. 4/4/05	2/17/05	
AB 721	Nunez	Provides loans to small-business chrome platers	Watch	Low	Asm. Env. Safety and Toxics	2/17/05	
AB 728	Negrete-McLeod	Extends net metering program for biogas electricity generators	Watch	Low	Asm. Utilities 4/18/05	2/17/05	

AB 810	Parra	Allows tax credit for small refineries generating ultra-low sulfur fuel	Watch	Low	Asm. Rev.& Tax 4/18/05	2/18/05	
AB 825	Levine	Establishes California-Mexico air quality committee on cross-border pollution	Watch	Low	Asm. Nat. Res. 4/18/05	2/18/05	
AB 838	Saldana	Establishes tax credit for hybrids	Support and seek amdmts	Low	Asm. Rev.& Tax 4/18/05	2/18/05	
AB 841	Arambula	Addresses PM monitoring on west side of Central Valley	Watch	Low	Introduced	2/18/05	
AB 888	De La Torre	Allows SCAQMD to mandate rail yard equipment cleanup	Watch	Medium	Introduced	2/18/05	
AB 898	Maze	Addresses smog check technician training	Oppose in concept	Low	Asm. Trans.	2/18/05	
AB 936	Wyland	Establishes Governor's Council on Transportation Fuels Policy	Watch	Medium	Asm. Nat. Res.	2/18/05	
AB 942	Cogdill	Spot bill on agricultural burning	Watch	Low	Asm. Nat. Res.	2/18/05	
AB 1007	Pavley	Requires ARB to develop plan for increasing alternative fuel use	Support	Low	Introduced	2/22/05	
AB 1020	Hancock	Requires incorporation of smart growth into regional transportation models	Watch	Low	Introduced	2/22/05	
AB 1101	Oropeza	Extends existing toxic hotspot program to largest diesel magnet sources	Support in Concept 3/16/05	Medium	Introduced	2/22/05	
AB 1208	Yee	Will allow increased vehicle registration fee surcharge in San Francisco for traffic mitigation	Watch	Medium	Introduced	2/22/05	
AB 1220	Jones	Ensures districts' costs to enforce portable equipment registration program are covered, and improves program	Support	Medium	Asm. Nat. Res. 4/18/05	2/22/05	
AB 1221	Jones	Increases size of ARB Board by adding Sacramento representative	Watch	Low	Asm. Nat. Res. 4/18/05	2/22/05	
AB 1222	Jones	Establishes ARB-run remote sensing program for locomotives	Watch	Medium	Introduced	2/22/05	
AB 1223	Leno	Allows car companies to sell clean vehicles directly to the public	Support in concept	Low	Asm. Trans.	2/22/05	

AB 1229	Nation	Puts greenhouse gas emission labels on new cars	Watch	Low	Asm. Trans.	2/22/05	
AB 1231	J. Horton	Will restrict air district hearing board authorities	Watch	Medium	Asm. Nat. Res. 4/18/05	2/22/05	
AB 1234	Salinas	Addresses compensation and ethics for special districts	Watch	Low	Asm. Loc. Gvt. 4/6/05	2/22/05	
AB 1269	Pavley	Clean Air, Clean Water, Coastal Protection, and Parks Act of 2007	Watch	Medium	Asm. Nat. Res.	2/22/05	
AB 1292	Evans	Addresses indoor air quality in schools	Watch	Low	Asm. Education	2/22/05	
AB 1357	Ruskin	Becoming a bill to lower public agency clean vehicle acquisition costs through combined purchases	Watch	Low	Asm. Bus. & Professions	2/22/05	
AB 1362	Levine	Specifies that 20% of CA electricity shall be renewable by 2010	Watch	Low	Asm. Utilities 4/18/05	2/22/05	
AB 1365	Ruskin	Includes greenhouse gas reduction goals in state planning priorities	Watch	Low	Introduced	2/22/05	
AB 1407	Oropeza	Impose an air quality fee of unspecified amount on off-road diesel fuel and use proceeds to cut off-road emissions	Support in concept	Medium	Introduced	2/22/05	
AB 1430	Goldberg	Disallows ERC use in low-income and minority communities	Oppose unless amended	Medium	Introduced	2/22/05	
AB 1530	La Malfa	Prohibits public agencies from joining organizations that fund ballot measures or candidates	Watch	Low	Introduced	2/22/05	
AB 1585	Blakeslee	Specifies that 20% of CA electricity shall be renewable by 2010	Watch	Low	Asm. Utilities 4/18/05	2/22/05	
AB 1623	Klehs	Imposes a \$4 annual vehicle registration fee surcharge in Alameda (and likely other Bay Area counties) for traffic mitigation	Watch	Medium	Introduced	2/22/05	
AB 1660	Pavley	Establishes the California Energy Efficient Vehicle Group Purchase program for public agencies	Watch	Low	Introduced	2/22/05	

AB 1697	Pavley	Prevents new daycare facilities near air pollution sources	Seek amendments	Medium	Introduced	2/22/05	
AJR 5	Oropeza	Urges 1.5 mpg annual federal CAFE increase	Watch	Low	Asm. Trans. 4/4/05	2/22/05	
ACR 23	Garcia	Urges Caltrans to develop truck routes to minimize congestion and emissions	Watch	Low	Asm. Trans. 4/4/05	2/22/05	
SB 44	Kehoe	Requires air quality issues to be incorporated into local general plans	Support 3/16/05	Medium	Sen. Approps.	2/23/05	
SB 45	Alarcon	Limits ability of marine terminals to charge per diem or demurrage fees	Watch	Low	Sen. Trans.	1/5/05	
SB 107	Simitian	Specifies that 20% of CA electricity shall be renewable by 2010	Watch	Low	Sen. Energy & Utilities 4/5/05	1/20/05	
SB 109	Ortiz	Extends minor violations sunset and allows dual civil/criminal air prosecution	Oppose unless Amended 3/16/05	High	Sen. Env. Quality 4/4/05	1/20/05	
SB 153	Chesbro	CA Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Act of 2006	Watch 3/16/05	Medium	Sen. Natural Resources	2/8/05	
SB 225	Soto	Evolving bill to increase Moyer funding	Support 3/16/05	High	Sen. Env. Quality 4/4/05	2/15/05	
SB 250	Campbell	Facilitates transition to hydrogen fuels	Watch	Low	Sen. Env. Quality 4/11/05	2/15/05	
SB 309	Torlakson	Spot bill on fuel supply and reliability	Watch	Medium	Sen. Rules	2/16/05	
SB 393	Ortiz	Puts substantial new oversight and requirements on special districts	Watch	Medium	Sen. Loc. Govt. 4/6/05	2/17/05	
SB 431	Battin	Establishes requirements on utilities and generators around renewables and repowering electric generators	Watch	Low	Sen. Energy & Utilities	2/17/05	
SB 459	Romero	Allows SCAQMD to impose locomotive emission mitigation fee	Watch	Low	Sen. Env. Quality 4/4/05	2/18/05	
SB 467	Lowenthal	Requires ARB to revise Moyer guidelines for forklifts/non-road engines	Watch	Low	Sen. Env. Quality 4/4/05	2/18/05	
SB 475	Runner	Spot bill on air pollution inventory	Watch	Low	Sen. Rules	2/18/05	

SB 497	Simitian	Establishes Low-Emission Contractor Incentive Program	Support 3/16/05	Low	Sen. Env. Quality 4/4/05	2/18/05	
SB 521	Torlakson	Affects transit village development districts	Watch	Low	Sen. Loc. Govt. 4/6/05	2/18/05	
SB 523	Torlakson	Extends bike funding program	Support	Low	Sen. Trans. & Housing 4/5/05	2/18/05	
SB 669	Battin	Spot bill to encourage cogeneration	Watch	Low	Sen. Rules	2/22/05	
SB 680	Simitian	Imposes a \$5 annual vehicle registration fee surcharge in Santa Clara County for traffic mitigation	Watch	Medium	Sen. Trans. & Housing 4/5/05	2/22/05	
SB 698	Poochigian	Funds clean-up of pre-'77 schoolbuses	Support if amended	Medium	Sen. Rules	2/22/05	
SB 757	Kehoe	Petroleum Demand Reduction Act	Watch	Medium	Sen. Energy & Utilities 4/5/05	2/22/05	
SB 760	Lowenthal	Imposes a fee on containers at Ports of Long Beach and Los Angeles with part of the proceeds going to air projects.	Watch	Medium	Sen. Trans. & Housing 4/5/05	2/22/05	
SB 761	Lowenthal	Changes port truck idling program	Seek amendments	Medium	Sen. Trans. & Housing 4/5/05	2/22/05	
SB 762	Lowenthal	Establishes Oakland Area Intermodal Port Congestion and Environmental Quality Commission	Seek amendments	Medium	Sen. Trans. & Housing 4/5/05	2/22/05	
SB 763	Lowenthal	Priority berthing at Long Beach/Los Angeles ports for low sulfur vessels	Watch	Low	Sen. Trans. & Housing 4/5/05	2/22/05	
SB 764	Lowenthal	Holds Long Beach/Los Angeles port emissions to 2001 baseline	Watch	Medium	Sen. Trans. & Housing 4/5/05	2/22/05	
SB 771	Simitian	Bans ship incineration within 3 miles of shore	Support	Low	Sen. Env. Quality 4/4/05	2/22/05	
SB 829	Murray	Spot bill on air quality plans	Watch	Low	Sen. Rules	2/22/05	
SB 841	Hollingsworth	Spot bill on controlled burning	Watch	Low	Sen. Rules	2/22/05	
SB 863	Florez	Establishes CA Clean Air Bond Act with \$5.15 billion for mostly agricultural emission reduction	Watch	Low	Sen. Env. Quality 4/11/05	2/22/05	

SB 870	Escutia	Establishes mandatory minimum penalties for air violations and directs penalties to adjacent communities	Oppose unless amended	High	Sen. Rules	2/22/05	
SB 975	Ashburn	Exempts biodiesel users from ARB fleet rules	Oppose	Low	Sen. Env. Quality 4/18/05	2/22/05	
SB 976	Ashburn	Exempts military from California new source review requirements	Oppose	Low	Sen. Env. Quality 4/18/05	2/22/05	
SB 984	McClintock	Requires CEC study and inventory of zero-emission powerplants	Watch	Low	Sen. Utilities & Commerce	2/22/05	
SB 999	Machado	Adds 3 appointees to San Joaquin Air District Board	Watch	Low	Sen. Env. Quality 4/11/05	2/22/05	
SB 1027	Perata	Spot bill on ports	Watch	Low	Sen. Rules	2/22/05	
SB 1048	Machado	Changes criteria for distributed generation less than 40 MW	Watch	Low	Sen. Utilities & Commerce	2/22/05	
SB 1056	Florez	Spot bill on air permits	Watch	Low	Sen. Env. Quality 4/18/05	2/22/05	

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Townsend and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: April 12, 2005

Re: Report of the Budget & Finance Committee Meeting of April 6, 2005

RECOMMENDED ACTION

Approve Committee recommendation to increase the FY 2004/05 budget by \$780,000 in program 306 to assist in funding the Spare the Air free morning commute programs this summer.

BACKGROUND

The Budget & Finance Committee met on April 6, 2005. The Chairperson of the Committee will give an oral report of the meeting.

DISCUSSION

The Committee passed a recommendation that the Board of Directors increase by \$780,000 the District's fiscal year (FY) 2004/2005 budget for the Public Information and Outreach Division's Program 306, Professional Services account. This action has no impact on the balance of the budget because the \$780,000 in TFCA funds were originally allocated to the Free BART project in the summer of 2004, and were not used due to the limited number of Spare the Air weekdays last summer

Nanette Lee Miller, CPA, of Stonefield Josephson, Inc. presented *Bay Area Air Quality Management District Cost Recovery Study*. The Study compares the costs of regulatory program activities to the associated revenues received from fees.

Staff provided responses to the recommendations made by the District's consultants on the Cost Recovery Study that has recently been finalized. Staff agreed with 12 short term recommendations, and agreed with eight of ten long term recommendations with partial agreement and further study needed on the remaining two.

Staff provided an informational review of the Field Communication System and a process initiated to create an RFP to replace or upgrade the system.

Staff provided a brief overview of the pending Systems and Controls Audit scheduled to begin April 25.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Jeff McKay

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Interoffice Memorandum

AGENDA 4

To: Chairperson Miller and Members
of the Budget and Finance Committee

From: Teresa Lee
Director of Public Information and Outreach

Date: March 30, 2005

Re: Consider Request to Increase Fiscal Year 2004/2005 Budget

RECOMMENDED ACTION

Recommend that the Board of Directors approve staff's recommendation to increase by \$780,000 the District's fiscal year (FY) 2004/2005 budget for the Public Information and Outreach Division's Program 306, Professional Services account.

DISCUSSION

In order to reduce ground-level ozone precursors and promote the use of public transit this summer, the District has embarked on a partnership with the Metropolitan Transportation Commission (MTC) to fund the 2005 Spare the Air/Free Morning Commute project. Part of this project includes the implementation of a "Drill Day" to kick off the Spare the Air season and to allow both the public and transit operators to become familiar and comfortable with the project. Drill Day will be implemented on a pre-selected day at the end of May 2005, in which public transit in the Bay Area will be free during a weekday morning commute period to 9 AM.

Staff requests that the District's FY 2004/2005 budget for Program 306 be augmented for this activity. Transportation Fund for Clean Air (TFCA) funding of \$780,000 is available to be reprogrammed for this purpose from unspent allocations to a similar project, implemented in the summer of 2004 with BART. This amount will be used to fund marketing and outreach efforts, and transit fare box reimbursements for the Drill Day and the 2005 Spare the Air/Free Morning Commute project. In the past, staff has recommended mid-year budget adjustments when necessary.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None. The \$780,000 in TFCA funds were originally allocated to the Free BART project in the summer of 2004. The funds were not used due to the limited number of Spare the Air weekdays last summer, and the funding agreement with BART is no longer in effect. Consequently, the funds are available for the 2005 Spare the Air/Free Morning Commute project, including BART and other transit operators.

Respectfully submitted,

Teresa Lee
Director of Public Information and Outreach

FORWARDED _____

BAY AREA AIR QUALITY MANGEMENT DISTRICT
Inter Office Memorandum

To: Chairperson Miller and Members
of the Budget and Finance Committee

From: Brian Bateman
Director of Engineering

Date: March 30, 2005

Re: Cost Recovery Study

RECOMMENDED ACTION:

Accept and file enclosed report entitled *Bay Area Air Quality Management District Cost Recovery Study*, Stonefield Josephson, Inc., March 30, 2005.

BACKGROUND

The accounting firm Stonefield Josephson, Inc. has recently finalized a Cost Recovery Study for the District. The Study compares the costs of regulatory program activities to the associated revenues received from fees. The Study was completed with input from a Steering Committee consisting of a variety of interested stakeholders, and Staff would like to recognize the Committee members for their valuable contributions.

An overview of the study will be provided by Nanette Lee Miller, CPA, of Stonefield Josephson, Inc. at the Budget and Finance Committee meeting on April 6, 2005

Respectfully submitted,

Brian Bateman
Director of Engineering

FORWARDED _____

Reviewed by: Peter Hess

Enclosure

BAY AREA AIR QUALITY MANGEMENT DISTRICT

Inter Office Memorandum

To: Chairperson Miller and Members
of the Budget and Finance Committee

From: Brian Bateman
Director of Engineering

Date: March 30, 2005

Re: Staff Responses to Consultant's Recommendations from
Cost Recovery Study

RECOMMENDED ACTION:

Receive Staff's responses to the recommendations made by the District's consultants on the Cost Recovery Study that has recently been finalized.

BACKGROUND

The accounting firm Stonefield Josephson, Inc. (SJ) has recently finalized a Cost Recovery Study for the District. In their report, SJ provides a number of short-term and long-term recommendations to the District. District staff responses to these recommendations follow.

Short Term Recommendations

Short Term Recommendation #1

If the District and Board of Directors should elect to narrow the gap between permit fees and costs, the District should consider increasing fees by more than the COLA to increase revenue.

Staff agrees with this recommendation, and believes that the gap between fee revenue and associated regulatory program activity costs should be reduced over a period of time. County revenue that would otherwise be used to fill the gap should be used to fund other important air quality programs for which fees cannot be collected and for which other funding sources are unavailable.

Staff believes that the most appropriate way to reduce the cost recovery gap is to raise fees by more than the COLA, except for those fee schedules that have been identified as not having a revenue shortfall. Additional changes to the District's fee regulation will also be proposed to more appropriately recover the District's costs associated with specific activities. Staff will propose amendments to the fee regulation in conjunction with the annual budget preparation process after: (1) re-evaluating fee revenue and regulatory program activity costs to determine

the status of revenue shortfalls, and (2) identifying the costs of non-fee related activities including other beneficial air quality programs that cannot be funded by fee revenue.

Short Term Recommendation #2

The District should consider evaluating the maximum and minimum thresholds and limits contained in permit fees to address revenue shortfalls as well as equity issues.

Staff agrees with this recommendation. Many of the District's fee schedules are based on the size or activity level of the source, but with a minimum and maximum fee specified. Fee revenue can be increased not only by increasing the fee rate (i.e., fee per unit of size or activity), but also by increasing the minimum and/or maximum fees. The SJ Cost Recovery Study, however, evaluated cost recovery at the level of individual fee schedules, and not at the level of individual sources within a fee schedule that are subject to minimum or maximum fees. Completion of a detailed source-level cost recovery analysis would be very time consuming, but may be appropriate for a future study. In the short-term, staff intends on evaluating minimum and maximum fees by making comparisons of District fees, for the types of sources subject to these fees, with the associated fees charged at the South Coast AQMD. The South Coast AQMD was chosen for this comparison because it is located in a large metropolitan area with a cost of living similar to the Bay Area, and because it has stationary source regulatory programs that are similar to those at this District. The results of these comparisons will be considered when determining whether the minimum or maximum fees within a given fee schedule should be increased.

Short Term Recommendation #3

The District should improve its method of accounting for time spent on Title V activities, particularly in Divisions other than the Engineering Division.

Staff agrees with this recommendation, and has recently added additional billing codes for use in tracking Title V activities. The District's Title V fees are intended to recover the additional costs the District incurs due to implementation and enforcement of the Title V program. Staff will develop more detailed guidance, and conduct additional training, regarding the specific activities that are appropriately coded as being Title V. Proper use of time codes will be verified based on increased management oversight in this area. It is expected that these improvements can be in place by the beginning of the upcoming fiscal year.

Short Term Recommendation #4

The District should explore possible cost savings on activities outsourced.

Staff agrees with this recommendation. The District's Administrative Code already has competitive bidding provisions that are intended to reduce costs for outsourced professional services above threshold amounts. For smaller outsourced activities, District staff "shop around" to make sure that costs are reasonable. The District has recently completed an evaluation of potential cost savings related to the use of alternative contractors for the specific activity that was

the basis for SJ's recommendation (i.e., the distribution of public notices required under HSC 42301.6, which is the "Waters Bill" notifications required for certain new/modified sources located near schools). The results of this analysis indicate that the contractor that is being used by the District for distribution of Waters Bill notifications is cost competitive. Staff intends to periodically re-examine this issue to make sure that the fees for this activity remain reasonable.

Short Term Recommendation #5

The District should consider a "split" in time allocated for AB 2588 emission inventory activities.

Staff agrees with this recommendation, and has made the changes necessary to properly allocate the actual costs associated with updating AB 2588 toxics emission inventories. As SJ indicates, there are inherent difficulties in differentiating staff time spent in updating toxics emissions inventories from staff time spent on updating criteria pollutant inventories (e.g., review of updated material throughputs is an activity that affects both toxics and criteria pollutant inventories). For this reason, the District does not use time sheet data to make these allocations. Rather, allocations are based on assignment of a fixed percentage (i.e., a "split") of the total costs for emissions inventory updating for stationary sources. These adjustments are made for projecting AB 2588 costs in the District's budget for upcoming fiscal years, and also when actual program costs are determined on an historical basis using time sheet data.

Short Term Recommendation #6

The District should develop an "exceptions or edits" program for managers to use in tracking costs or staff time on the time sheets.

Staff agrees with this recommendation. Staff believes that time sheet data can be improved with more detailed guidance, additional training, and increased management oversight. Currently, program managers are provided with monthly summary reports of time sheet data at the level of individual employees. Staff will evaluate whether these reports would be improved by the addition of "exception" reporting used to identify unusual variations in time sheet data. It is expected that a series of improvements directed at improving time sheet data quality could be in place by the beginning of the upcoming fiscal year.

Short Term Recommendation #7

The District should develop a cost allocation formula for assessing outside agencies when cost recovery is allowed.

The District agrees with this recommendation. The costs of some of the services that the District provides can be recovered on a "time-and-materials" basis. For example, costs can be recovered for providing certain requested public records, such as conducting computer data queries. Current billing procedures, however, may not be based on a fully burdened cost formula (i.e., one which includes both direct and indirect costs). Staff will re-evaluate the methodology used to determine costs for services provided on the basis of time-and-materials.

Short Term Recommendation #8

The District should adequately track the time spent on grant-related activities

Staff agrees with this recommendation. The specific grant activities that are the basis for SJ's recommendation are those covered by state subvention. The District currently does not have a specific billing code for the state subvention grant. Staff will create a new billing code for this grant, and will develop guidance for its use. This will improve the granularity under which grant-related activities can be tracked.

Short Term Recommendation #9

The District should amend the time keeping system to allow staff to save billing codes used in the recent past, rather than having to scroll through each time and make a selection.

Staff agrees with this recommendation. Many individuals perform the same activities from one time period to the next with little variation. The current electronic time keeping system requires individuals to select the appropriate program and billing codes from a list each instance that a time sheet is completed. The process could be made quicker and easier if an individual's frequently used program/billing code combinations were pre-selected on the time sheet. Staff will evaluate whether the time keeping system can be modified to allow for this enhancement.

Short Term Recommendation #10

The District, on an annual basis, should review program billing codes to be sure all revenue sources have proper codes to utilize on the time sheet.

Staff agrees with this recommendation. The District creates new billing codes on an ongoing basis as new revenue sources become available. For example, a new billing code was created when the District received revenue as a result of a State settlement from energy companies -- this revenue was used to fund several activities including a program that provided grants to gasoline dispensing facilities to accelerate the change out of older, more highly emitting, nozzles.

Staff will add a process for an annual review and update of all program and billing codes, along with associated guidance regarding their use. The initial review will include consideration of the new specific billing codes recommended by SJ in their Cost Recovery Study. The creation of more specific codes will increase the granularity under which activities can be tracked.

Short Term Recommendation #11

The District should offer annual training to affirm the importance of time keeping and accurate data capture.

Staff agrees with this recommendation, and will create an annual training program for filling out time sheets. In addition, guidance documents, which explain how to properly code various activities, will be updated on an annual basis.

Short Term Recommendation #12

The District should tighten its accounting controls to increase the detail under which fee revenue can be tracked. Furthermore, the Administrative Division should provide additional monthly reports and documented processes to enhance operations and communications between the Administrative Services Division and the District's operational divisions.

Staff agrees with this recommendation. Detailed records regarding the nature of fee payments are currently stored in the District's production system (IRIS/DataBank). The IRIS/DataBank production system is being replaced through a multi-year conversion process, which is well underway.

A new financial system (JDE) has also been put in place at the District within the last year, and a number of accounting system improvements were made along with this conversion. A study to evaluate accounting practices and how they might more fully utilize this system has recently been initiated. The increased detail in revenue tracking that SJ refers to will be considered as a part of this study. Opportunities to improve the availability of financial information to the operational divisions will also be explored.

Long Term Recommendations

Long Term Recommendation #1

The District should develop and implement an installment plan payment option for small business.

Staff will need to further consider this recommendation, which would likely require amendments to District regulations. Occasionally, the District has agreed to allow a small business or government agency with an appropriate hardship to pay required fees over a period of time. Staff will consider whether a formal installment plan payment option should be developed.

Long Term Recommendation #2

The District should consider establishing a fee for requested extensions of an Authority to Construct.

Staff agrees with this recommendation. There is currently no fee required for the extension of the term of an Authority to Construct. This activity requires both clerical and professional resources, and an appropriate fee will be proposed for adoption.

Long Term Recommendation #3

The District should consider establishing a fee for changing conditions for Authorities to Construct while they are on extension.

Staff agrees with this recommendation in part. It is true that there is no specific fee for the review of permit conditions in an Authority to Construct that may need to be updated based on changes in regulatory requirements. Staff believes that a new fee to extend the term of an Authority to Construct (see Long Term Recommendation #2 above) should cover this permit condition review. District Regulation 3-306 already provides a fee for changing a permit condition in an Authority to Construct made at the request of the applicant.

Long Term Recommendation #4

The District should consider establishing a fee for making a Potential to Emit determination for a facility.

Staff agrees with this recommendation. There is currently no fee required for the District to make a Potential to Emit (PTE) determination. The work involved in making a PTE determination is largely done by a permit engineer, and can be quite involved. The engineer must review the PTE for all sources of emissions at the facility to determine if Title V thresholds are exceeded. Staff will propose for adoption an appropriate fee for a PTE determination.

Long Term Recommendation #5

The District should estimate the time and effort needed to incorporate AB 2588 fees into the permits for diesel back up generators, and use this estimate as a factor in establishing a fee to recover these costs.

Staff agrees with this recommendation. Diesel particulate matter is currently not used to determine a facility's AB 2588 fees under Regulation 3, Schedule N. The District is currently working to establish diesel particulate matter emissions inventories for thousands of backup generators and other diesel engines. These data collection efforts are expected to be completed at the end of the current fiscal year. For reasons of equity, the District plans on waiting until these inventories are completed before they are used to assess AB 2588 fees.

Staff will include estimates of the time and effort needed to address diesel engines under the Air Toxics Hot Spots Program when determining the overall program costs used in the fee allocation formula under Schedule N. This most likely will occur at the beginning of the next cycle of AB 2588 billings on September 1, 2005.

Long Term Recommendation #6

The District should re-examine its definition for small business, and make adjustments accordingly to reflect revenue as well as equity issues.

Staff agrees with this recommendation. The District's existing Small Business definition given in Regulation 3-209 (i.e., a business with no more than 10 employees and gross annual income of no more than \$500,000) was last amended about five years ago. Staff believes that providing a discount to small businesses for certain application fees is appropriate public policy, and will propose amendments that will update this definition based on considerations of inflation.

Long Term Recommendation #7

The District should improve upon the information it has on the size of facilities receiving permits (small or large). This will help in addressing the max/min permit fee issue, as well as equity.

Staff agrees in part with this recommendation, and will evaluate the specific type of information that should be collected and updated to categorize the “size of facilities”. For example, this type of information may be needed to determine whether a facility qualifies for a Small Business discount.

The District already has detailed information regarding the size and emissions of individual permitted sources at facilities and the fees that are assessed for each source. The problem in using this information in a cost recovery study has to do with the lack of size-specific program activity data. For example, current time accounting procedures use a single code for boilers rather than multiple codes for different sizes of boilers. On the one hand, increasing the granularity of activity codes to account for the size of sources would make this type of source-level cost recovery analysis possible. On the other hand, doing so would require significant staff resources for a purely administrative purpose.

Staff believes that there may be more efficient and effective ways of analyzing cost recovery issues with regard to different sizes of sources or facilities. One approach might be to complete a “bottom-up” analysis based on surveys of staff time spent on specific activities for different sizes of sources within a category (for example, to determine how long does it take a staff member to complete an inspection for boilers in different size ranges). Staff will consider this and other potential approaches that might be available to improve cost recovery information for different sizes of sources.

Long Term Recommendation #8

The District should make changes to permit policies and fees as they are discovered.

Staff agrees with this recommendation. Permit workload may vary significantly depending on a number of factors that are difficult or impossible to anticipate. Recent examples include increases in the number of permit applications submitted due to the energy crisis (e.g., central power plants, distributed generation plants, and backup generators), and due to changes in State requirements for vapor recovery systems at gas stations made by CARB by Executive Order. Staff will evaluate on an annual basis whether factors that change workload should result in changes in permit policies and fees.

Long Term Recommendation #9

The District should consider increasing certain fees assessed for those facilities involved in Hearing Board proceedings.

Staff agrees with this recommendation, and will consider increasing fees associated with Hearing Board proceedings. It is clear that the existing fee schedule for the Hearing Board is inadequate

to fully recover the costs of these activities. Staff will review Hearing Board fees, including all of the specific fee adjustments recommended by SJ, with the goal of narrowing the gap between revenue and costs, while still maintaining fees that do not result in undue economic hardship for affected parties.

Long Term Recommendation #10

The District should develop a program to estimate where revenue shortfalls may occur.

Staff agrees with this recommendation. The District already has the ability to analyze the effect of increasing permit fees by source type on overall fee revenue. These types of computer programs, if they have not already been developed, can be developed rapidly by District staff to evaluate various fee scenarios. The District will adapt the methodology used by SJ to determine the costs of regulatory program activities so that activity costs can be compared with revenue. This type of analysis can be completed on an annual basis to evaluate the affect of potential fee changes on closing the revenue shortfall.

Respectfully submitted,

Brian Bateman
Director of Engineering

FORWARDED _____

Reviewed by: Peter Hess

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Office Memorandum

To: Chairperson Miller and
Members of the Budget and Finance Committee

From: Kelly Wee
Director of Compliance and Enforcement

Date: April 6, 2005

Re: Field Communication System

RECOMMENDED ACTION:

Informational Report. Receive and file.

BACKGROUND

The Compliance and Enforcement Division employs a field communication system that has multiple components, including a two-way radio system, Nextel telephones, Blackberry wireless PDAs and Wi-Fi data transmission via laptop computers at field offices and other public locations.

The central, and most capital-intensive, element of the communication system is the conventional two-way radio system which consists of multiple car receivers and multi-site transmitters spaced throughout the nine counties of the District. This radio allows the Division to keep abreast of field inspector locations; communicate to them time-sensitive air pollution complaints, accidental release or incident activity, plant and source information; and to receive timely compliance, Notice of Violation (NOV) and complaint status information. The radio system is integral to day-to-day air pollution functions of field inspectors in a similar fashion to how police and fire departments use two-way radios to transmit and receive information on crimes or fires.

The initial installation of the radio system was sometime in the 1970's. At present it needs replacement because its transmitting and reception equipment is becoming obsolete and replacement parts are becoming unavailable. Additionally, there are increasing instances of transmission and reception problems. These interruptions cause decreased productivity and some safety concerns.

DISCUSSION

Recognizing the limited life of this system and need to replace equipment, several years ago the District established a designated reserve for a radio system replacement. As of June 30, 2004, the District had a designated reserve for a radio communications replacement project of four million dollars. In order to ascertain the best system with a range of features and capabilities to replace or upgrade the radio component of the field communication system, the Compliance and Enforcement Division has retained the

services of a telecommunications consultant. This consultant will help staff formulate a Request for Proposal (RFP) to replace or upgrade the radio system according to the Division's business needs. This RFP will professionally define the current communication system, desired capabilities and assist in selection of a vendor who will ultimately provide a replacement or upgrade.

BUDGET CONSIDERATION / FINANCIAL IMPACT:

This item is being present to the Budget and Finance Committee as advance notice of a planned capital expenditure, from the designated reserve, for the upcoming FY05-06 budget.

Respectfully submitted,

Kelly Wee
Director of Compliance and Enforcement

FORWARDED _____

Prepared by: Douglas Tolar
Reviewed by: Peter Hess

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Inter-Office Memorandum

AGENDA 8

To: Chairperson Townsend and Members of the Executive Committee
From: Jeff McKay, Interim Director of Administrative Services
Date: April 6, 2005
Re: Status Report on Internal Systems and Controls Audit

RECOMMENDED ACTION:

Receive and file.

BACKGROUND

On January 12, 2004 the Board authorized the District to take advantage of an opportunity to obtain independent input on its internal processes and controls.

DISCUSSION

The District has awarded a contract to Gilbert Associates. The work will initiate in late April. A review of the pending work will be presented to the Committee.

BUDGET CONSIDERATION/FINANCIAL IMPACT

On January 12, 2004 the Board authorized a transfer of \$200,000 from the General Reserve for this purpose and an adjustment to the Districts' approved FY 2004-05 budget accordingly.

Respectfully submitted,

Jeff McKay, Director
Information Services Division

FORWARDED: _____

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Townsend and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: April 12, 2005

Re: Report of the Personnel Committee Meeting of April 7, 2005

RECOMMENDED ACTION:

The Committee recommends the reappointment of Julio Magalhães and Terry Trumbull as the regular members for the Public Member categories and the reappointment of Peter Chiu and Richard Grundy as the alternate members for the Public Member categories to the District Hearing Board. Each appointment is for a 3-year term of office ending April 2, 2008.

BACKGROUND:

Pursuant to Section 40800 of the California Health and Safety Code the District is required to maintain a Hearing Board consisting of five members. Further, section 40801 requires that two of the Hearing Board members be public members. Section 40800 allows the District to appoint one alternate for each member of the Hearing Board with the same qualifications specified in Section 40801.

DISCUSSION:

The Personnel Committee met April 7, 2005 to conduct interviews of candidates to fill the regular and alternate Public Member positions. Based on the Committee's review of each candidate's background and responses to interview questions, the Personnel Committee is recommending to the full Board of Directors that Julio Magalhães and Terry Trumbull be selected for the regular positions and that Peter Chiu and Richard Grundy be selected for the alternate positions. The recommended selections are from a pool of 7 candidates for the regular and alternate positions.

Chairperson Brown will give an oral report of the meeting.

BUDGET CONSIDERATION/FINANCIAL IMPACTS:

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Mary Romaidis
Reviewed by: Mary Ann Goodley

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Inter-office Memorandum

To: Chairperson Brown and
Members of the Personnel Committee

From: Michael Rich
Human Resources Officer

Date: March 29, 2005

Re: Conduct Interviews of Candidates to Fill the Regular and Alternate Public
Member Positions on the District Hearing Board

RECOMMENDED ACTION:

The Personnel Committee will interview and consider candidates to fill the two regular and two alternate Public Member positions on the District Hearing Board. The Committee will then make a recommendation on candidate selections for consideration by the Board of Directors.

BACKGROUND:

Pursuant to Section 40800 of the California Health and Safety Code the District is required to maintain a Hearing Board consisting of five members. Further, section 40801 requires that two of the Hearing Board members be public members. Section 40800 also allows the District to appoint one alternate for each member of the Hearing Board with the same qualifications specified in Section 40801.

DISCUSSION

The Hearing Board currently has 4 vacancies: two regular Public Member positions and two alternate Public Member positions. There are 8 candidates for these positions, including all four incumbents (both regular members and both alternates). All candidates will be interviewed on April 7, 2005. The interviews scheduled for April 7, 2005 will begin at 9:40 am. The length of each interview will be approximately fifteen minutes.

Respectfully submitted,

Michael K. Rich
Human Resources Officer

FORWARDED: _____

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Townsend and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: April 13, 2005

Re: Report of the Joint Policy Committee Meeting of April 15, 2005

RECOMMENDED ACTION

Receive and file.

DISCUSSION

The Joint Policy Committee will meet on Friday, April 15, 2005.

Chairperson Townsend will give an oral report of the meeting.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Mary Romaidis