

Bay Area Air Quality Management District
939 ELLIS STREET
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(415) 771-6000

APPROVED MINUTES

Summary of Board of Directors
Executive Committee Meeting
9:30 a.m., Friday, May 20, 2005

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

Present: Marland Townsend, Chairperson, Scott Haggerty, Jerry Hill, Julia Miller, Mark Ross, Gayle B. Uilkema, Shelia Young.

Absent: Mark DeSaulnier, Brad Wagenknecht.

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

3. **Approval of Minutes of March 30, 2005:** Director Miller moved approval of the minutes; seconded by Director Uilkema; carried unanimously without objection.

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

- a) *Overview of Advisory Council Activities.*
- b) *Recommendation regarding Climate Change Program.*

Brian Zamora, Chairperson of the Advisory Council, presented the Report of the Advisory Council and provided an overview of the work of the Council. Mr. Zamora noted that at its last meeting, the Council unanimously passed a resolution encouraging the Air District to address climate change.

Stan Hayes, Chairperson of the Advisory Council Technical Committee, gave a presentation on the background and recent developments of global climate change.

In response to a question from Director Haggerty, Jack Broadbent, Executive Officer/APCO, stated that in the 2005/2006 budget there is approximately \$225,000 for the Climate Protection Program and that about \$60,000 of the money is for services and supplies. Mr. Broadbent stated that the program would help discussion on how the Air District, as an agency, recognizes the problem. The District would then work with local cities and counties to implement measures, such as developing model ordinances, by cities and counties that would seek to further reduce CO₂ and NO_x emissions for ozone reduction. The proposed resolution would be a start to include climate change as part of the District's lexicon.

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

5. **Establishment of Climate Protection Program:** *The Committee considered recommending that the Board of Directors adopt a resolution to establish a climate protection program.*

Ina Shelz, Principal Environmental Planner, presented the report on climate protection and climate change and how these issues relate to the District's core mission to reduce criteria and toxic air pollutants. The report included information on the science of climate change, evidence of climate change, the principal greenhouse gases (GHGs) contributing to global warming, the benefits of reducing GHGs and criteria pollutants, current climate protection activities, and potential Air District climate protection activities. Ms. Shelz stated that staff recommends that the Board of Directors adopt a resolution establishing a Climate Protection Program at the Air District.

Committee Action: Director Young moved that the Committee recommend that the Board adopt the staff's recommendation; seconded by Director Haggerty; carried unanimously without objection.

6. **Update on the Joint Policy Committee:** *Ted Droettboom, Regional Planning Program Director of the Joint Policy Committee provided an update on the activities of the Joint Policy Committee.*

Mr. Droettboom updated the Committee on the activities of the Joint Policy Committee (JPC). The next meeting of the JPC is scheduled for June 17th.

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

7. **Status Report on Internal Systems and Controls Audit:** *Staff presented a status report on the audit.*

Jeff McKay, Interim Director of Administrative Services, provided background information on the internal systems and controls audit and reviewed the work that has been completed. Mr. McKay reviewed the status of the items that need to be completed. The work on the audit was initiated on April 25, 2005.

There was a discussion on the side letter received from the auditors and Mr. Broadbent stated that part of the status updates will include the District's response to the side letter. Brian Bunker, Counsel, clarified that this is the first side letter the District has received.

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

8. **Budgetary Discussion and Direction from the Committee:** *Staff discussed cost recovery, reserve designations and capital planning.*

Mr. Broadbent stated that the District is going through its budget cycle now and that the first Public Hearing on the budget will be at the June 1st Board meeting. Two main issues this year are cost recovery and the fund balance. The District will develop a plan or policy to address the appropriate levels of cost recovery.

Mr. McKay reviewed the reserve designations and noted that the District has ten designated reserves and one undesignated. The plan is to consolidate fund designations and use a five-year capital plan to describe targeted expenditures and dates, which is a more appropriate way to account for the fund balances and it allows for forecasting for fund balances. There was discussion on reallocation of some of the reserve funds.

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

9. **Information Systems Division Update:** *Staff presented an update on the ongoing work on the Production System Replacement.*

Jeff McKay, Director of Information Services, provided an update on the ongoing work on the Production System replacement. The current focus is on product selection and finding what product is most appropriate for the District.

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

10. **Committee Member Comments:** Director Miller stated that it is important to get a Budget and Finance Committee meeting scheduled and recommended a possible meeting date of Thursday, June 16th.

Chairperson Townsend discussed decorum at meetings.

11. **Time and Place of Next Meeting:** At the Call of the Chair.

12. **Adjournment.** The meeting was adjourned at 11:17 a.m.

/s/ Mary Romaidis

Mary Romaidis
Clerk of the Boards