

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

Approved Minutes: Board of Directors' Regular Meeting – July 19, 2006

Call To Order

Opening Comments: Chair Gayle B. Uilkema called the meeting to order at 9:50 a.m.

Pledge of Allegiance: The Board of Directors recited the Pledge of Allegiance.

Roll Call: Present: Gayle B. Uilkema, Chair, Harold Brown, Chris Daly (10:02 a.m.), Dan Dunnigan, Erin Garner (10:09 a.m.), Scott Haggerty, Jerry Hill (10:02 a.m.), Carol Klatt, Patrick Kwok, Janet Lockhart, Jake McGoldrick, Mark Ross, Michael Shimansky, John Silva, Tim Smith, Pamela Torliatt (9:56 a.m.), Brad Wagenknecht.

Absent: Mark DeSaulnier, Yoriko Kishimoto, Liz Kniss, Nate Miley.

Swearing in of New Board Member: The following Board member was sworn in: Mayor Tom Bates of the City of Berkeley, representing Alameda County.

Public Comment Period: There were none.

Commendations/Proclamations: *The Board of Directors recognized employees who have completed milestone levels of twenty-five (25) years of service with the Air District during this past first half of the year with a plaque.* The Board of Directors recognized and presented a plaque to Janie Morris for her 25 years of service. Collin Chun was not present to receive his plaque.

Director Pamela Torliatt arrived at 9:56 a.m.

Consent Calendar (Items 1 – 6)

1. Minutes of June 7, 2006
2. Communications. Correspondence addressed to the Board of Directors. For information only.
3. Monthly Activity Report – *Report of Division Activities for the months of May and June 2006.*
4. District Personnel on Out-of-State Business Travel

In accordance with Section 5.4 (b) of the District's Administrative Code, Fiscal Policies and Procedures Section, the Board was notified that an attached memoranda lists District personnel who traveled on out-of-state business.

5. Quarterly Report of Air Resources Board Representative Honorable Mark DeSaulnier
6. Quarterly Report of the Clerk of the Boards

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

Committee Reports/Recommendations

7. Report of the Stationary Source Committee Meeting of July 13, 2006

Director Silva presented the report and stated that the Committee met on Thursday, July 13, 2006.

Staff presented a report on the Air District's Incident Response Program for accidental releases. The overview included information on the District's role; its response and investigation; the support and expertise the District provides to first responders, and examples of incident reports that are posted to the District website.

The Committee received reports on proposed amendments to Regulation 8, Rule 5: Storage of Organic Liquids, and Regulation 9, Rule 9: Nitrogen Oxides from Stationary Gas Turbines. It is anticipated that the public hearings to consider the amendments to the rules will be scheduled by the end of the year.

An update on the development of a regulation to control emissions from commercial charbroilers was presented to the Committee. Information was presented on an emission inventory; regulatory concepts for both chain-driven charbroilers and under-fired broilers; and a timeline for a draft rule. It is projected that a public hearing for adoption of the rule would be held in the 4th quarter of 2006.

The next meeting of the Committee is scheduled for Monday, September 25, 2006.

Board Action: Director Silva moved that the Board of Directors approve the report of the Stationary Source Committee; seconded by Director Kwok; carried unanimously without objection.

8. Report of the Mobile Source Committee Meeting of July 17, 2006

Director Smith presented the report and stated that the Committee met on Monday, July 17, 2006.

A report on the Transportation Fund for Clean Air (TFCA) County Program Manager expenditure plans for fiscal year (FY) 2006/2007 was presented to the Committee. The Committee recommends that the Board of Directors approve:

- A) the proposed fiscal year 2006/2007 TFCA County Program Manager expenditure plans as listed in Table 1 of the staff report; and

- B) the exchange of \$1,843,344 and \$811,895 of the FY 2006/2007 TFCA County Program Manager funds of the Alameda and Santa Clara County Program Managers, respectively, with Congestion Mitigation and Air Quality (CMAQ) funds to help fund the Air District's Vehicle Buy Back program.

The Committee received a report and a recommendation on TFCA funding to augment the successful Spare the Air/Free Fare program. The addition of TFCA Program Manager funds to the Vehicle Buy Back program budget means less TFCA Regional Funds are needed to meet the Vehicle Buy Back program objectives. The Committee recommends Board of Directors approval to transfer \$800,000 in TFCA Regional Funds from the Vehicle Buy Back Program (Program 612) to the Spare the Air Program (Program 306) to add up to three more weekdays to the 2006 Spare the Air/Free Fare program.

The Committee received a report and a recommendation on the selection of a firm to conduct a fiscal audit of the TFCA County Program Manager Fund projects. Staff reviewed the criteria for evaluation of the proposals. The Committee recommends Board of Directors approval of:

- A) the selection of Macias, Gini & company as the contractor to conduct the fiscal audit; and
- B) authorizing the Executive Officer to execute a contract with the selected auditor in the amount of \$77,320 for the provision of fiscal audit services.

Staff provided a summary of the Vehicle Buy Back Program annual report for FY 2005/2006. The Committee received and filed the 2005/2006 annual report. The next meeting of the Committee will be at the Call of the Chair.

Directors Jerry Hill and Chris Daly arrived at 10:02 a.m.

Board Action: Director Smith moved that the Board of Directors approve the recommendations and the report of the Mobile Source Committee; seconded by Director Silva.

Director McGoldrick offered an amendment to the motion that TFCA Project No. 06SF03 regarding a demonstration project on plug-in hybrid vehicles be referred back to the Mobile Source Committee for further review. Director Daly seconded the amendment and Directors Smith and Silva accepted the motion.

Jean Roggenkamp, Deputy APCO, noted that staff recommended one year of funding for this project, with the original request being three years of funding.

Director Erin Garner arrived at 10:09 a.m.

The amended motion then carried unanimously as follows: all of the recommendations of the Mobile Source Committee are approved, except for Transportation Fund for Clean Air Project 06SF03 on Table 1 of the staff report, which has been referred back to the Mobile Source Committee for further discussion and review.

Final Action

9. Considered Approval of State Implementation Plan (SIP) Revision to Bay Area Transportation Conformity and Interagency Consultation Procedures

The Board considered approval of a proposed SIP revision to the Bay Area Transportation Air Quality Conformity Protocol and Interagency Consultation Procedures that reflect recent changes to federal transportation conformity regulations.

Henry Hilken, Director of Planning and Research, presented the report and reviewed the following:

- The SIP, which is California's plan to attain and maintain national air quality standards. The Bay Area elements include the 2001 Ozone Attainment Plan, certain Air District rules and the transportation conformity procedures.
- Transportation conformity ensures that transportation plans, programs and projects are consistent with air quality goals. The transportation conformity procedures were first adopted in the Bay Area in 1994 and were revised in 1995 and 1997.
- The national transportation bill – Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) was signed in August 2005. SAFETEA-LU revises transportation conformity provisions.

Mr. Hilken presented an overview of the proposed conformity and interagency consultation procedures and reviewed the public process. Mr. Hilken noted that each co-lead agency must adopt a SIP amendment. The Metropolitan Transportation Commission (MTC) Planning Committee approved the SIP amendments on July 14th and the Association of Bay Area Governments (ABAG) will consider the amendments on July 20th. Once the Air District approves the amendments, they will be submitted to the Air Resources Board (ARB) and the Environmental Protection Agency (EPA). Staff recommends that the Board of Directors approve the proposed revisions to the transportation conformity and interagency consultation procedures in the Bay Area SIP.

There were no public speakers on this agenda item.

Board Action: Director Brown moved that the Board of Directors approve the staff recommendations; seconded by Director Hill; carried unanimously with the following Board members voting:

AYES: Bates, Brown, Daly, Dunnigan, Garner, Haggerty, Hill, Klatt, Kwok, Lockhart, McGoldrick, Ross, Shimansky, Silva, Smith, Torliatt, Wagenknecht, Uilkema.

NOES: None.

ABSENT: DeSaulnier, Kishimoto, Kniss, Miley.

Adopted Resolution No. 2006-13: A Resolution of the Board of Directors of the Bay Area Air Quality Management District Approving a Revision to the Bay Area State Implementation Plan Element for Transportation Conformity and Interagency Consultation Procedures

Public Hearings

10. Public Hearing to Consider Adoption of District Regulation 2, Rule 10: Large Confined Animal Facilities, and Amendments to District Regulation 1, and Regulation 2, Rule 1, Related to Agricultural Sources of Air Pollution

The proposed adoption of a rule for Large Confined Animal Facilities and associated rule amendments are needed to comply with the requirements of SB 700 regarding agricultural sources of air pollution.

Brian Bateman, Director of Engineering, presented the report and reviewed background information on the regulation of agricultural sources. Mr. Bateman also reviewed the sources of air pollution used in the production of crops, or the raising of animals; and the types of stationary sources found at agricultural facilities. The Bay Area agricultural industry is concentrated in Marin, Sonoma and Napa counties.

Mr. Bateman reviewed the SB 700 requirements for the Bay Area and noted that the existing Bay Area agricultural facilities do not appear to be large enough to be affected by SB 700 requirements. Future rule development projects may affect Bay Area agricultural facilities. A summary of the rule development process was provided to the Board.

Staff recommends that the Board of Directors A) adopt the proposed amendments to Regulation 1, General Provisions and Definitions; Regulation 2, Rule 1, General Requirements; adopt new Regulation 2, Rule 10: Large Confined Animal Facilities; and B) approve the filing of a California Environmental Quality Act (CEQA) Notice of Exemption.

There was discussion on the different standard set for Southern California and Mr. Bateman stated that areas with more severe air quality have a different standard. Jack Broadbent, Executive Officer/APCO also noted that this rule will allow the Air District to require permits from these agricultural sources.

Chair Uilkema opened the Public Hearing at 10:39 a.m. There being no public speakers, the Public Hearing was closed at 10:40 a.m.

Board Action: Director Wagenknecht moved Board of Directors approval of the staff recommendations; seconded by Director Haggerty; carried unanimously with the following Board members voting:

AYES: Bates, Brown, Daly, Dunnigan, Garner, Haggerty, Hill, Klatt, Kwok, Lockhart, McGoldrick, Ross, Shimansky, Silva, Smith, Torliatt, Wagenknecht, Uilkema.

NOES: None.

ABSENT: DeSaulnier, Kishimoto, Kniss, Miley.

Adopted Resolution No. 2006-14: A Resolution of the Board of Directors of the Bay Area Air Quality Management District

Amending:

District Regulation 1: General Provisions and Definitions;
District Regulation 2: Permits, Rule 1: General Requirements;
Adopting:
New District Regulation 2: Permits, Rule 10: Large Confined Animal Facilities;
and
Approve filing of a Notice of Exemption

Other Business

11. Report of the Executive Officer/APCO – Mr. Broadbent reviewed the following:
 - A) The Spare the Air campaign is at its halfway point and noted it has been a smoggy summer so far.
 - B) There have been 7 days where the national 8-hour ozone standard has been exceeded; 10 days of exceedances of the California 8-hour ozone standard; and 9 days that the California 1-hour ozone standard was exceeded.
 - C) There have been 4 Spare the Air days to date and, as a result of the free fares, ridership on transit is up.
 - D) Surveys conducted regarding Spare the Air days have been positive. Some people have been critical of the free transit, but, overall, the program has been successful.

12. Chairperson’s Report – Chair Uilkema reported on the following items:
 - A) Director Bates has been assigned to the Mobile Source and Stationary Source Committees. There are still vacancies on the Budget and Finance Committee and the Legislative Committee.
 - B) Attended a Clean Air Workshop and Air District staff members Joe Steinberger and Juan Ortellado did an excellent job providing information to the participants.
 - C) There is still a vacancy on the Hearing Board for the alternate Attorney member position.
 - D) All of the Committees are doing well and working hard.

13. Board Members’ Comments – Chair Uilkema noted that she was scheduled to attend the Air & Waste Management Association Conference in June, but due to inclement weather, her flight was canceled and she was unable to attend the conference.

Directors Mark Ross and Brad Wagenknecht reported on their attendance at the June 2006, Air & Waste Management Association Conference in New Orleans. Both Directors attended a number of technical sessions and Director Ross was on one plenary panel.

14. Time and Place of Next Meeting – 9:45 a.m., Wednesday, August 2, 2006 – 939 Ellis Street, San Francisco, CA 94109

15. Adjournment – The meeting adjourned at 11:02 a.m.

/s/ Mary Romaidis

Mary Romaidis

Clerk of the Boards