



BAY AREA  
AIR QUALITY  
MANAGEMENT  
DISTRICT

## BOARD OF DIRECTORS' REGULAR MEETING

June 6, 2007

A meeting of the Bay Area Air Quality Management District Board of Directors will be held at 9:45 a.m. in the 7<sup>th</sup> 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  
JUNE 6, 2007

BOARD ROOM  
7TH FLOOR

IMMEDIATELY FOLLOWING  
9:45 A.M. REGULAR MEETING

## CALL TO ORDER

Opening Comments  
Roll Call

Chairperson, Mark Ross  
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.*

## PUBLIC HEARINGS

1. Final Public Hearing on the Proposed Air District Budget Fiscal Year 2007/2008

J. Broadbent/5052  
[jbroadbent@baaqmd.gov](mailto:jbroadbent@baaqmd.gov)

*Pursuant to California Health and Safety Code Section 40131, the Board of Directors will conduct the final public hearings on the proposed Air District Budget for FY 2007/2008.*

## OTHER BUSINESS

2. 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)

3. Time and Place of Next Meeting – 9:45 a.m., Wednesday, June 20, 2007, 939 Ellis Street, San Francisco, CA 94109
4. Adjournment

**CONTACT CLERK OF THE BOARD - 939 ELLIS STREET SF, CA 94109**

**(415) 749-4965**

**FAX: (415) 928-8560**

**BAAQMD homepage:**

**[www.baaqmd.gov](http://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 Executive 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 Mark Ross and Members  
of the Board of Directors

From: Jack P. Broadbent  
Executive Officer/APCO

Date: May 30, 2007

Re: Final Public Hearing and Adoption of the Proposed District Budget  
for Fiscal Year 2007/2008

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RECOMMENDED ACTION:

Adopt proposed District Budget for Fiscal Year 2007/2008 and the attached resolution reflecting actions of the Board in adopting the proposed budget.

DISCUSSION:

The District Budget for FY 2007/2008 represents input from staff, Board members, and the public over the past several months. The Budget and Finance Committee reviewed the Budget at its March 26, 2007 and April 25, 2007 meetings. The Committee discussed and accepted the budget, and forwarded the proposed Budget to the Board of Directors with the recommendation for approval of the Proposed Budget for Fiscal Year 2007/2008 upon completion of public hearings. The first public hearing was conducted at the Board of Directors' meeting on May 16, 2007.

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: Jeff McKay

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

**Resolution No. 2007-\_\_\_**

**A Resolution to Approve the Budget for the Fiscal Year Ending June 30, 2008  
(FY 2007-2008) and Various Budget Related Actions**

WHEREAS, the Board of Directors has the statutory authority and direction to set the District's financial budget pursuant to Health & Safety Code Sections 40130-40131 and 40270-40276;

WHEREAS, by Resolution No. 2006-12, the Board of Directors adopted the District budget for Fiscal Year (FY) 2006-2007 on June 7, 2006, pursuant to the above-mentioned statutory authority;

WHEREAS, the Board of Directors, in connection with that action, approved the following budget related actions:

- A. Transfer Funds from Unencumbered Balance of Appropriations to the General Reserve
- B. Fund Contingency Reserve
- C. Fund The General Reserve from Year to Year
- D. Authorize Modification to Name and Purpose of certain Designated Reserve Funds
- E. Authorize Disposal of Surplus Government Property
- F. Salary Ranges for District Employees
- G. Approve Proposed District Budget for FY 2006-2007;

WHEREAS, District staff has determined through its annual budget review and analysis that similar actions are necessary in connection with the adoption of a budget for FY 2007-2008 and that all of these actions be incorporated into a single resolution;

WHEREAS, the Budget & Finance Committee of the Board of Directors reviewed the proposed FY 2007-2008 District Budget at public meetings held on March 26, 2007, and April 25, 2007, and recommended that the Board of Directors approve as submitted.

WHEREAS, an initial public hearing was duly noticed and held on May 16, 2007, at a Meeting of the Board of Directors held pursuant to Health & Safety Code Section 40131, for the purpose of reviewing the District's proposed FY 2007-2008 Budget and of providing the public with an opportunity to comment upon the proposed District budget;

WHEREAS, at the May 16, 2007, Regular Meeting of the Board of Directors the Proposed FY 2007-2008 District Budget was set for further hearing and proposed adoption of the FY 2007-2008 District Budget at the Regular Meeting of the Board of Directors to be held on June 6, 2007;

WHEREAS, in connection with the public hearing and consideration of the Proposed FY 2007-2008 District Budget on June 6, 2007, the Board of Directors decided to take the following actions related to the FY 2006-2007 District Budget:

**A. TRANSFER FUNDS FROM UNENCUMBERED BALANCE OF APPROPRIATIONS TO THE GENERAL RESERVE**

WHEREAS, the Proposed District Budget provides sufficient funds for the operation of the District for FY 2007-2008;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors hereby directs District staff, that in the event there is an unencumbered balance of appropriations from FY 2006-2007, to transfer such excess balance to the General Reserve.

**B. FUND THE GENERAL RESERVE FROM YEAR TO YEAR**

WHEREAS, the Board of Directors on June 12, 1958, created a General Reserve in the District's budget and transferred certain funds into it;

WHEREAS, the District has operated for much of its existence with a General Reserve in its fiscal year budget;

WHEREAS, the District retained the consulting firm of KPMG LLP in 1998-99 to conduct a permit fee cost recovery study of the District;

WHEREAS, KPMG determined through their study of District finances that the General Reserve was inadequately funded and therefore recommended that the General Reserve be funded to a level consistent with generally accepted governmental practices;

WHEREAS, District staff concurred with this finding and recommendation from KPMG LLP;

WHEREAS, the Board of Directors concurs with the recommendation of KPMG LLP, District staff and its Budget & Finance Committee that maintaining a healthy and properly funded General Reserve in the District's budget is a prudent and financially sound decision;

NOW THEREFORE, BE IT FURTHER RESOLVED that the General Reserve be continued for FY 2007-2008, and thereafter until discontinued by resolution of the Board of Directors.

**C. AUTHORIZE DISPOSAL OF SURPLUS GOVERNMENT PROPERTY**

WHEREAS, the District Budget for FY 2007-2008 provides for the replacement of certain equipment and other property that has either become obsolete and surplus or will become obsolete and surplus;

WHEREAS, District staff has determined that certain equipment or other property will no longer be economically feasible to maintain or repair, and that some equipment will become obsolete and not useful for District purposes;

WHEREAS, from time to time during the course of the coming fiscal year it may be advantageous to the District to sell or dispose of such equipment or other property;

WHEREAS, the Board of Directors desires to authorize the Executive Officer/APCO, or his or her designee, to sell or dispose of such surplus or obsolete equipment or other property pursuant the requirements and guidelines of Government Code Sections 25363 and 25504.

NOW, THEREFORE, BE IT FURTHER RESOLVED, that the Board of Directors hereby authorizes the Executive Officer/APCO, or his or her designee, to sell or dispose of surplus or obsolete equipment or other property during FY 2007-2008.

#### **D. SALARY RANGES FOR DISTRICT EMPLOYEES**

WHEREAS, the Board of Directors of the Bay Area Air Quality Management District established Salary Ranges and Classifications on June 10, 1962, pursuant to Resolution No. 270 and has from time to time amended those Salary Ranges and Classifications;

WHEREAS, management employees and confidential employees are not represented by a recognized employee organization;

WHEREAS, the approved District Budget for FY 2006-2007 includes funds for Board of Director discretionary use in adjusting salaries and fringe benefits for District employees;

WHEREAS, on May 15, 2002, by Resolution No. 2002-05, the Board of Directors approved a Memorandum of Understanding (the "MOU") with the employees represented by the recognized employee organization Bay Area Air Quality Management District Employees Association ("EA") which MOU had been previously ratified by the EA;

WHEREAS, the MOU provides, among other things, for certain adjustments to the salary and fringe benefits for EA members for FY 2007-2008 including a cost of living adjustment ("COLA");

WHEREAS, on October 16, 2002, by Resolution No. 2002-17, the Board of Directors approved certain adjustments to salary and fringe benefits for non-Board of Director

appointed management and confidential employees who are not represented by a recognized employee organization;

WHEREAS, by Resolution No. 2003-04, on June 18, 2003, the Board of Directors approved adjustments to the salaries for non-Board of Director appointed management and confidential employees to reflect the same COLA as provided for in the MOU; and

WHEREAS, salaries adjusted in accordance with the provisions of the MOU for Represented Classes and salaries for non-Board of Director appointed Management and Confidential employees in accordance with Resolution Nos. 2002-17, 2003-04, 2005-02, and 2006-12, the proposed FY 2006-2007 budget, and with contracts with Board appointed management employees are reflected in the salary schedules attached hereto.

NOW, THEREFORE, BE IT FURTHER RESOLVED, that the Board of Directors approves the revised salary schedules attached hereto which, consistent with the MOU and Resolution Nos. 2002-17, 2003-04, 2005-02, and 2006-12, the proposed FY2007-2008 budget, and with contracts with Board appointed management employees provide salary increases effective July 1, 2007.

**E. APPROVE PROPOSED DISTRICT BUDGET FOR FY 2007-2008**

WHEREAS, on May 16, 2007, and June 6, 2007, public proceedings have been held in a manner and form required by Health & Safety Code Section 40131 for the adoption of the FY 2007-2008 Budget of the Bay Area Air Quality Management District;

WHEREAS, the Board of Directors has considered the Proposed Budget for the fiscal year ending June 30, 2008, as well as the report on this proposed budget from the Budget & Finance Committee of the Board of Directors which considered the Proposed FY 2007-2008 District Budget at their meetings of March 26, 2007, and April 25, 2007;

WHEREAS, at the May 16, 2007, Regular Meeting of the Board of Directors, in its report to the Board of Directors, the Budget & Finance Committee of the Board of Directors forwarded the Proposed FY 2007-2008 District Budget to the Board of Directors; and

NOW, THEREFORE, BE IT FURTHER RESOLVED that the Proposed District Budget for FY 2007-2008 in the total consolidated amount of Sixty-Seven Million, Five Hundred Thirty Six Thousand Seven Hundred Thirty Four Dollars, (\$67,536,734.00), specifying by appropriation classification – personnel, services and supplies, and capital outlay – be and hereby is adopted by the Board of Directors of the Bay Area Air Quality Management District to become effective as of July 1, 2007.

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 \_\_\_\_\_ 2007 by the following vote of the Board:

AYES:

NOES:

ABSENT:

\_\_\_\_\_  
MARK ROSS  
Chairperson of the Board of Directors

ATTEST:

\_\_\_\_\_  
PAMELA TORLIATT  
Secretary of the Board of Directors