

8. **CONSIDERATION OF BOARD OF DIRECTORS' POLICY ON CALIFORNIA AIR RESOURCES BOARD APPOINTMENTS**

J. Broadbent/5052

jbroadbent@baaqmd.gov

The Committee will consider a Board of Directors' policy relative to appointments to the California Air Resources Board.

9. **UPDATE ON THE INDIRECT SOURCE RULE**

H. Hilken/4642

hhilken@baaqmd.gov

The Committee will receive an update on the Indirect Source Rule.

10. **COMMITTEE MEMBER COMMENTS/OTHER BUSINESS**

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

11. **TIME AND PLACE OF NEXT MEETING: AT THE CALL OF THE CHAIR**

12. **ADJOURNMENT**

CONTACT EXECUTIVE OFFICE- 939 ELLIS STREET SAN FRANCISCO, CA 94109

(415) 749-5013

FAX: (415) 928-8560

BAAQMD homepage:

www.baaqmd.gov

- To submit written comments on an agenda item in advance of the meeting.
- To request, in advance of the meeting, to be placed on the list to testify on an agenda item.
- To request special accommodations for those persons with disabilities notification to the Clerk's Office should be given at least three working days prior to the date of the meeting so that arrangements can be made accordingly.
- Any writing relating to an open session item on this Agenda that is distributed to all, or a majority of all, members of the body to which this Agenda relates shall be made available at the District's offices at 939 Ellis Street, San Francisco, CA 94109, at the time such writing is made available to all, or a majority of all, members of that body. Such writing(s) may also be posted on the District's website (www.baaqmd.gov) at that time.

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
939 ELLIS STREET, SAN FRANCISCO, CALIFORNIA 94109
(415) 771-6000

EXECUTIVE OFFICE:
MONTHLY CALENDAR OF DISTRICT MEETINGS

JULY 2009

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Advisory Council Regular Meeting	Wednesday	8	9:00 a.m.	Board Room
Board of Directors Climate Protection Committee (Meets 2nd Thursday each Month) - CANCELLED / TO BE RESCHEDULED	Thursday	9	9:30 a.m.	4th Floor Conf. Room
Board of Directors Stationary Source Committee (Meets 3 rd Monday Quarterly)	Monday	13	9:30 a.m.	Board Room
Board of Directors Regular Meeting (Meets 1 st & 3 rd Wednesday of each Month) - CANCELLED	Wednesday	15	9:45 a.m.	Board Room
Board of Directors Ad Hoc Cme. on Port Emissions (At the Call of the Chair)	Thursday	16	9:30 a.m.	4 th Floor Conf. Room
Joint Policy Committee	Friday	17	10:00 a.m.	MTC Auditorium 101 8 th Street Oakland, CA 94607
Board of Directors Mobile Source Committee – (Meets 4 th Thursday of each Month) - CANCELLED	Thursday	23	9:30 a.m.	4 th Floor Conf. Room
Board of Directors Executive Committee - (At the Call of the Chair)	Wednesday	29	9:30 a.m.	4 th Floor Conf. Room

AUGUST 2009

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Regular Meeting (Meets 1 st & 3 rd Wednesday of each Month)	Wednesday	5	9:45 a.m.	Board Room
Board of Directors Climate Protection Committee (Meets 2nd Thursday each Month) - CANCELLED	Thursday	13	9:30 a.m.	4 th Floor Conf. Room
Board of Directors Regular Meeting (Meets 1 st & 3 rd Wednesday of each Month) - CANCELLED	Wednesday	19	9:45 a.m.	Board Room
Board of Directors Mobile Source Committee – (Meets 4 th Thursday of each Month) - CANCELLED	Thursday	27	9:30 a.m.	4 th Floor Conf. Room

SEPTEMBER 2009

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Regular Meeting <i>(Meets 1st & 3rd Wednesday of each Month)</i>	Wednesday	2	9:45 a.m.	Board Room
Advisory Council Regular Meeting	Wednesday	9	9:00 a.m.	Board Room
Board of Directors Climate Protection Committee <i>(Meets 2nd Thursday each Month)</i>	Thursday	10	9:30 a.m.	4th Floor Conf. Room
Board of Directors Regular Meeting <i>(Meets 1st & 3rd Wednesday of each Month)</i>	Wednesday	16	9:45 a.m.	Board Room
Joint Policy Committee	Friday	18	10:00 a.m.	MTC Auditorium 101 8 th Street Oakland, CA 94607
Board of Directors Mobile Source Committee <i>– (Meets 4th Thursday of each Month)</i>	Thursday	24	9:30 a.m.	4 th Floor Conf. Room

HL – 7/6/09 (9:00 a.m.)
P/Library/Forms/Calendar/Calendar/Moncal

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Torliatt and Members
of the Executive Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: July 6, 2009

Re: Executive Committee Draft Meeting Minutes

RECOMMENDED ACTION

Approve attached draft minutes of the Executive Committee meeting of June 29, 2009

DISCUSSION

Attached for your review and approval are the draft minutes of the June 29, 2009 Executive Committee meeting.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Bay Area Air Quality Management District
939 Ellis Street
San Francisco, California 94109
(415) 749-5000

DRAFT MINUTES

Summary of Board of Directors
Executive Committee Meeting
9:30 a.m., Monday, June 29, 2009

- Call to Order - Roll Call:** Chairperson Pamela Torliatt called the meeting to order at 9:32 a.m.
- Present:** Pamela Torliatt, Chairperson; Brad Wagenknecht, Vice Chairperson; Chris Daly, John Gioia, Scott Haggerty, Yoriko Kishimoto and Mark Ross
- Absent:** Secretary Tom Bates; Gayle B. Uilkema
- Public Comment Period:** None
- Approval of Minutes:** Director Kishimoto made a motion to approve the May 18, 2009 minutes; seconded by Director Haggerty; carried unanimously without objection (Torliatt abstained).

Joint Policy Committee Update - Presented by Ted Droettboom

Overview:

Ted Droettboom reported that the Joint Policy Committee (JPC) approved six climate change priorities for the 2009/2010 fiscal year, as follows:

1. Sustainable Community Strategy pursuant to SB 375;
2. Indirect Source Rule;
3. Parking policies relating to climate change;
4. Implementation of electric and alternative fuel vehicles. He noted the Air District has submitted a grant under the Federal Stimulus Program to facilitate fleet purchases and infrastructure;
5. Solar Installation Energy Finance Program, which is being led by ABAG and intended to be an extension of the program implemented in Berkeley;
6. Adaptation, principally around sea level rise, which is being led by BCDC and ABAG, looking at development implications of a linear rise and certain 16-inch sea level rise by 2050.

Mr. Droettboom discussed future predictions of sea level rises and storm surges which could greatly increase flooding. He reported that the JPC proposes an informal organizational entity-- Climate Bay Area (CBA), which recognizes there are hundreds of various climate initiatives across the Bay area.

CBA is intended to be led by regional agencies in partnership with business organizations and to be a network hub to share information for collaborative work. He cited that the initial idea was developed jointly by JPC staff and the Bay Area Council Economic Institute and indicated that a broadly-based consultant committee has also been proposed to the JPC which brings together environmental and business group representatives from all 9 counties, with direction principally coming from the regional agencies.

Sustainable Community Strategy:

- The Sustainable Community Strategy is expected to extend over the next three years;
- A Strategy should be prepared no later than 2011 in order to be effective as a guide for the next Regional Transportation Plan (RTP);
- The Strategy is defined as an integrated land use and transportation plan which, when integrated with the transportation network and measures and policies, serves to reduce CO₂ from automobile and light trucks across the region;
- The Strategy is required by law to be incorporated into the RTP and as a component, must be realistically attainable under the life of the RTP;
- The Strategy cannot be a top down regional agency but developed as a genuine partnership between regional agencies and local governments, which will be difficult in the current fiscal climate.

Committee/Staff Discussion and Comments:

Haggerty: Believes the development of Treasure Island is a good candidate for sea walls. Mr. Droettboom reported that as part of BCDC's presentation on its Bay Area Adaptation Plan, the JPC will look specifically at such cases, as well as the Redwood City Salt Works. Treasure Island has a mitigation plan in place for how they will respond to sea level rise involving development of raising of the park land which separates the development of high rise buildings from the shore.

Kishimoto: Questioned and confirmed that the Mobile Source Committee will discuss the electric vehicle infrastructure project; the Executive Committee and Board of Directors will discuss the ISR; Mr. Broadbent will provide status updates at future Committee meetings.

Kishimoto: Emphasized the need for the Bay Area to be coordinated on one database.

Gioia: Questioned the mechanism which ensures participation of stakeholders and environmental justice advocates in JPC discussions. Mr. Droettboom noted that displacement and environmental issues will be addressed through the advisory committee of the Climate Bay Area, as well as through the Sustainable Community Strategy.

Ross: Referred to local government layoffs and reductions and suggested strategies which do not require reinvention or added personnel. Mr. Droettboom agreed this would be one of the most difficult challenges moving forward, and he briefly discussed ownership from those participating and developing the Strategy.

Torliatt: Asked that the Climate Bay Area be more clearly defined, identify how people are appointed and whether it is objective or policy based, and asked that the JPC revisit the policy of requiring a percentage of housing to be affordable.

Committee Action: None; for information only.

Air District CEQA Guidelines Update – Staff Presentation by Planning Manager David Vintze

Mr. Vintze explained that staff provided a presentation in March on the CEQA Guidelines update. He indicated that two major components of the update include the thresholds of

significance and the guidelines themselves, which have analytical methodologies and mitigation strategies within the recommendations.

Mr. Vintze provided the following overview:

Objectives of CEQA Guidelines:

- Slow the growth in emissions from land use and transportation
- Support transit-oriented development, smart growth and infill development
- Complement goals of other District programs
- Provide needed assistance to local governments in meeting CEQA requirements

District Participation/Lead on Statewide CEQA & Land Use Issues:

- CAPCOA CEQA & Climate Change White Paper
 - Cited in articles, journals, environmental documents and court case
 - Over 8,000 downloads
- CAPCOA and ARB on GHG CEQA Thresholds
 - Air districts still working together
 - ARB not moving forward on thresholds
- CAPCOA General Plan Guidance for Climate Change
 - CAPCOA released document on June 15, 2009
- CAPCOA developing GHG mitigation effectiveness analysis

Scope of Guidelines Update:

- Comprehensive review of significance thresholds, analytical methods, and mitigation strategies, as guidelines have not been updated since 1999;
- Key areas to focus on:
 - Adequacy of existing thresholds for criteria pollutants, TACs, plans and odors
 - Develop new thresholds for greenhouse gases and construction equipment exhaust emissions
 - Provide new analytical methodologies and approaches for plan-level analysis
 - Identify new mitigation strategies and efficacy of all mitigation measures

Thresholds of Significance:

- Greenhouse gases, which is based on AB 32 in the Scoping Plan
- Toxic air contaminants
- Criteria pollutants
- General plans and specific plans

Chairperson Torliatt asked how planners determine threshold levels based on project types and sizes. Mr. Vintze stated that staff is reviewing development of a tiered approach to a GHG threshold that says all projects that are subject to CEQA have a short list of mitigation strategies or performance measures, as well as a numeric threshold for larger projects, where certain projects are deemed significant, i.e., a 65-unit subdivision. He noted screening tables will be developed and considered by the Board which will outline specific sizes of residential, retail, commercial which would be above the threshold. Staff is determining whether they will put mitigation strategies up front to determine whether projects are mitigable or not. There is also statewide discussion on a performance measures approach using a percentage and prescribed list of mitigation measures.

Mr. Vintze stated staff is proposing two toxic air contaminant thresholds; one for inside and one for outside CARE communities. Within CARE communities, new sources would be subject to

Stationary Source permitting requirements. Any project must implement Toxic Best Available Control Technologies (TBACT) or Toxic Best Practices (TBP) which he briefly described.

Director Daly suggested floating a bill for regulation of toxic air contaminant thresholds, and Mr. Broadbent noted that guidelines are advisory to the CEQA process and would provide guidance to cities and counties as they make land use decisions.

Director Haggerty referred to Pacific Steel Casting (PSC) and questioned risk thresholds for existing sources. Mr. Broadbent noted that at the July 13th Stationary Source Committee, staff will recommend lowering the threshold for new sources and will look at how to best proceed regarding thresholds for existing sources. Vice Chairperson Wagenknecht confirmed that the current risk threshold for existing sources was 100/one million.

Mr. Vintze continued his presentation, and briefly discussed the following thresholds:

Greenhouse Gas Thresholds:

- Database of Bay Area CEQA projects
- Projection of new development projects
- Gap analysis to determine reductions
- Considers AB32 Scoping Plan measures
- Threshold level to capture “fair share”

Toxic Air Contaminant Thresholds:

- Thresholds for new sources
 - CARE Communities
 - All projects implement TBACT (toxic best air control practices)
 - Over 5/million cancer risk: Significant Impact
 - All other areas
 - Over 1/million cancer risk: TBACT/TBP
 - Over 10/million cancer risk: Significant Impact
- Thresholds for new residential and other sensitive receptors
 - CARE Communities
 - All projects: TBACT/TBP
 - Over 10/million cancer risk from any source: Significant Impact
 - All other areas
 - Over 1/million install TBACT/TBP
 - Over 10/million cancer risk from any source: Significant Impact

Criteria Pollutant Thresholds:

- Link thresholds to District permitting regulations
 - New Source Review emission rate used for nonattainment pollutants
 - ROG, NOx, PM2.5 – 10 tons/yr, 54 lbs/day
 - PM10 – 15 tons/yr, 82 lbs/day
 - Prevention of Significant Deterioration emission rate used for attainment pollutants
 - CO – 100 tons/yr, 547 lbs/day
 - SO2 – 40 tons/yr, 219 lbs/day

Plan Level Thresholds:

- Consistency with Air Quality Plan and transportation control measures
- Consistency with AB32 & SB375 for greenhouse gases
- Buffer zones for toxic air contaminants and odors

- Per capita or per household emissions threshold

Analytical Methodologies:

- Provide guidance on how to evaluate impacts of projects and plans
- Update with latest emission factors and models
- Provide guidance on modeling assumptions appropriate for Bay Area
- Include new greenhouse gas assessment tools
 - Working with statewide group to upgrade land use model with additional GHG assessment protocols

Mitigation Measures:

- Update existing mitigation strategies and add new strategies from around the state
- Include ongoing work of CAPCOA committees and other districts for greenhouse gases and air toxics
- Review and revise mitigation effectiveness estimates

Update and Workshop Schedule:

July: Release revised Thresholds Report & draft Guidelines update

August: Workshop series on Thresholds Report & draft Guidelines

September: BAAQMD Board Hearing

Chairperson Torliatt confirmed with Mr. Bunger that from a legal standpoint, Legal Counsel has worked with District planning staff on the CEQA guidelines to ensure they have substantial evidence to whatever threshold the District adopts.

Committee Action: None; for information only.

Update on Preparation of Bay Area 2009 Clean Air Plan – Staff Presentation by Dave Burch, Principal Planner

Mr. Burch stated that the State Clean Air Act requires the District to update the 2005 Ozone Strategy which includes continued progress toward attaining standards, reducing transport to neighboring air basins and including all feasible control measures.

Purpose of the Clean Air Plan:

- Improve air quality
- Protect public health
- Protect our climate

Mr. Burch said staff will also coordinate the Clean Air Plan (CAP) with transportation and land use plans and will voluntarily develop a Multi-Pollutant Plan, which will reduce particulate matter, air toxics and greenhouse gases, in addition to reducing ozone.

Progress to Date:

- Defined objectives for CAP
- Compiled and reviewed database of potential control measures
- Performed extensive public outreach
- Defining draft control strategy & measures; and
- Developed Multi-pollutant evaluation method

Benefits of Multi-Pollutant Planning:

- Demonstrate leadership

- Better integrate efforts to reduce criteria pollutants, air toxics, and greenhouse gases
- Optimize co-benefits/minimize trade-offs as we define control measures
- Identify control measures that would produce the greatest health and climate protection benefit

Multi-Pollutant Evaluation (MPEM):

Use MPEM to help analyze control measures:

- Capture benefits across all pollutants
- Quantify cost benefits of health and climate protection
- Evaluate trade-offs

Other potential uses of MPEM:

- Help inform policy decisions and prioritize which pollutants to focus on
- Evaluate climate protection measures in terms of their impact on criteria air pollutants
- Estimate benefit of reduction in air pollution burden in Bay Area: past, present, future

Stages of Methodology

For ozone, PM, toxics:

- #1 Emission
- #2 Emissions → Concentrations
- #3 Concentrations → Exposure
- #4 Exposure → Health effects
- #5 Health effects → Economic Valuation

For GHGs:

- #1 Emissions → Economic Valuation

Chairperson Torliatt questioned why there would be a different methodology for GHGs and asked why they refer to the economical value given recognized health impacts. Mr. Burch indicated that GHGs are global scale pollutants and have a wide range of effects; staff attempts to capture the cost to society like sea level rise, species eradication and migrations and is looking at how a local reduction of GHGs would potentially have a local health effect. Staff relies on existing studies that have attempted to quantify the social costs of global warming, and as science develops, staff may go back and apply various steps.

Mr. Hilken said social costs include health impacts from higher temperatures; the District performs modeling for local exposures for ozone and particulate matter and translates it to health effects. He agreed that the focus is not all economical but truly about health effects and preventing the effects of climate; however, staff needs some common metric to be able to express the benefits and dollars and this is the simplest way to do this. He agreed that it can be better described and refined as new information becomes available.

Mr. Burch discussed an example of benefits from 1% reduction in Bay Area pollutants:

- Diesel PM_{2.4} at \$20,000,000
- Woodsmoke PM_{2.5} at \$40,000,000
- Greenhouse Gases at \$30,000,000
- Ozone at \$15,000,000
- Other Carbonaceous PM_{2.5} at \$42,000,000
- Toxics (except diesel at \$250,000)

Mr. Burch then presented the Draft Bay Area 2009 Clean Air Plan framework, which included its vision, performance objectives, control strategy, toolkit and special topics, including:

The Clean Air Plan (CAP) will include the following:

Stationary Source Measures:

- Industrial & commercial sources (coating & solvents)
- Energy production (natural gas production)
- Combustion processes (coke calcining, cement plants)

Mobile Source Measures:

- Promote clean vehicles & fuels
- Retrofit or replace
- Accelerate retirement of high-emitters

Transportation Control Measures:

- Group TCMs into 5 categories:
 - Improve transit services
 - Improve system efficiency
 - Encourage sustainable travel behavior
 - Support focused growth
 - Implement pricing strategies

Land Use / Local Impacts:

- Clean Air Communities Initiative
- Indirect Source Regulation
- New CEQA guidelines; enhanced CEQA review
- Land use guidelines to reduce population exposure
- Enhanced AQ monitoring
- Enhanced enforcement of ARB diesel rules
- Target grants to impacted communities

Energy & Climate Measures:

- Urban heat island mitigation
 - cool roofs / green roofs
 - cool paving
 - tree-planting
 - ventilation
- Energy efficiency & conservation
- Alternative energy

Multi-Pollutant planning presents issues and challenges:

- Plan wears two hats: ozone & multi-pollutant
- Where to draw the line?
- Managing expectations
- Finding emission reductions to match CAP goals

Mr. Burch noted there is broad support for the multi-pollutant concept, planning is the wave of the future and the Clean Air Plan (CAP) will be a major step forward.

Next Steps:

- Issue draft control strategy: by end of July
 - public workshop(s)
- Issue by end of September:
 - draft CAP

- draft CEQA doc
- draft Socio-Economic Analysis
- public workshops
- Adoption of CAP by Board: December 2009

Committee/Staff Discussion and Comments:

Kishimoto: Questioned whether parking analysis and road pricing will be part of the control measures and asked what kind of assumptions will be made. Mr. Burch explained that staff is addressing parking and road pricing through the Transportation Control Measure Element in the plan and is working with MTC to determine if there are other value added items to move things forward incrementally. He recognized the importance of land use and pricing in addressing air quality along with associated challenges and constraints.

Torliatt: Expressed the need for careful coordination with MTC, and asked that the District focus and ensure that funds are spent on improving air quality. Mr. Broadbent discussed implications of specific commitments and policy issues the District is still working through with MTC. He announced that the Clean Air Plan will be brought to the September JPC meeting where other agency perspectives will be heard.

Kishimoto: Suggested that the Clean Air Plan be rolled into a Bay Area Climate Plan and perceived the message to be a plan which communities can buy into and easily work with. Mr. Broadbent indicated that the Sustainable Community Strategy will be brought through the JPC to respective agencies in 2011. There is discussion surrounding methodologies for purposes of determining the target and the Clean Air Plan is designated more as a blueprint to achieve State and federal air quality standards.

Committee Action: None; for information only.

Overview of Strategic Facilities Visioning Process – Chairperson Torliatt requested discussion on the item be continued to the next meeting in July.

Continued Discussion to Amend the Air District's Administrative Code Regarding Board of Directors Officers' Term of Office – Chairperson Torliatt requested discussion on the item be continued to the next meeting in July.

Consideration of Letter of Support for Appointment to the California Air Resources Board
– *Staff Presentation by Executive Officer/APCO Jack Broadbent*

Committee/Staff Discussion and Comments:

Torliatt: Reported receiving a request from Director Yeager indicating that a letter of support from the Board for his appointment to the California Air Resources Board was not necessary. She suggested the Executive Committee formulate a process in the future to address a process for Boardmember interest and how letters of support are handled.

Ross: Supported that the letter be forwarded and believed it would send a message of support.

Haggerty: Spoke of past occurrences involving Boardmember interest for appointments and agreed with the need to develop a policy regarding Boardmember interest and letters of support.

Gioia: Discussed how other air districts have addressed the matter, noting that those persons interested will typically apply. He said there is negotiation between the State Senate leaders, other groups, and the Governor and he suggested the

District not set a precedent in taking positions on recommending or supporting appointments. Mr. Broadbent discussed varying positions amongst Air District Boards, stating there was no firm pattern or policy regarding the support of appointments.

Committee Action: The Committee directed staff to agendaize discussion at the next Executive Committee meeting to address a process or policy relating to Boardmember interest, letters of support, and appointments to the California Air Resources Board.

Overview of Air District Select Milestones/Activity – 2008/2009 – Staff Presentation by Executive Officer/APCO Jack Broadbent

Chairperson Torliatt recommended Mr. Broadbent present an overview of Air District Select Milestones/Activity for 2008/2009 at the Board of Directors meeting on July 1, 2009.

Mr. Broadbent provided a brief update on weekend *Spare the Air* exceedances, specifically for levels in Livermore (82), San Martin (78) and Los Gatos (77).

Director Haggerty voiced concern about communities like Livermore which put the District into non-compliance yet are not identified as communities of concern. Directors held brief discussion about the importance of air quality in all communities, factors of income and age, and methodologies used for communities with higher levels of ozone and those with higher diesel particulate matter.

Chairperson Torliatt suggested looking at ozone issues versus CARE Program issues, and questioned weather patterns. Mr. Broadbent said communities of concern are used to reference communities that have a high concentration of emissions; income and age are also considered.

Committee Member Comments/Other Business: Director Haggerty spoke of concerns of significant diesel particulate matter along I-580.

Executive Officer/APCO Jack Broadbent introduced Jennifer Chicconi, Manager, Executive Operations. He reported Mary Ann Goodley would serve to head up the District's efforts in relocating its facilities and operations.

CLOSED SESSION

Public Employee Performance Evaluations of the Executive Officer/APCO and District Counsel (Government Code Section 54957 And 54957.6).

The Committee adjourned to Closed Session at 10:55 a.m.

OPEN SESSION

The Committee reconvened in Open Session at 11:05 a.m. Chairperson Torliatt stated that no reportable action had been taken in Closed Session.

Time and Place of Next Meeting: At the call of the Chair.

Adjournment: The meeting was adjourned at 11:06 a.m.

Lisa Harper
Clerk of the Boards

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
 Memorandum

TO: Chairperson Pamela Torliatt and Members of the Executive Committee

FROM: Chairperson Thomas M. Dailey, M.D., and Members of the Hearing Board

DATE: July 6, 2009

RE: Hearing Board Quarterly Report – APRIL, 2009 – JUNE, 2009

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/Oakland	SCHNITZER STEEL PRODUCTS (OAKLAND) – Regular Variance – Docket No. 3567 – Application for Variance from regulation requiring compliance with permit conditions and Volatile Organic Compounds Emissions. (APCO not opposed)	2-1-307	Withdrawn	5/18/09 – 10/14/09	===
Contra Costa/Rodeo	CONOCOPHILLIPS COMPANY (RODEO) – Short Term Variance – Docket No. 3568 – Application for Short Term Variance from regulation to provide an orderly procedure for the review of new sources of air pollution; and from regulation requiring compliance with permit conditions and from conditions of the Major Facility Review Permit. (APCO not opposed).	2-1-307 2-6-307 (Major Facility Review Permit)	Withdrawn	6/29/09 – 7/3/09	===

Santa Clara/San Jose	APCO vs. HIEP VO, individually and d/b/a MCKEE BEACON SERVICE - Site No. C9809 (SAN JOSE) - Accusation – Docket No. 3535 – Accusation and Request for Order for Abatement from regulation requiring to provide an orderly procedure for the review of new sources of air pollution and of the modification and operation of existing sources, and of associated air pollution control devices, through the issuance of authorities to construct and permits to operate – Matter Closed at request of APCO and approval by Hearing Board.	2-1-302	Matter Closed; pending Small Claims Court action	===	===
Solano/Benicia	VALERO REFINING COMPANY (BENICIA) – Appeal – Docket No. 3531 – Appeal of Valero Refining Company from the Issuance of a Further Revised Major Facility Review Permit for Facility No. B2626 (Valero Benicia Refinery). Further Status Report	(Major Facility Review Permit)	Further status report due by May 1, 2010	===	===

NOTE: During the second quarter of 2009, the Hearing Board processed and filed a total of two (2) applications: one (1) Short-Term Variance and one (1) Regular Variance. Both applications were scheduled for hearing on June 25, 2009 but both were withdrawn and the hearings not held. The Hearing Board received a further status report on an Appeal which was continued to May 1, 2010 and received and approved a request from the APCO to close a Docket (Accusation). A total of \$3,224.42 was collected as Hearing Board fees (applications and public noticing) during the second quarter of 2009.

EXCESS EMISSION DETAILS

<u>COMPANY NAME</u>	<u>DOCKET NO.</u>	<u>TOTAL EMISSIONS</u>	<u>TYPES OF EMISSIONS</u>	<u>PER UNIT COST</u>	<u>TOTAL AMT COLLECTED</u>
					\$ 0
				TOTAL COLLECTED:	<u>\$ 0</u>

Respectfully submitted,

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

Prepared by: Lisa Harper
Reviewed by: Jennifer Chicconi

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Pamela Torliatt and Members
of the Executive Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: July 19, 2009

Re: Production System Project Update

RECOMMENDED ACTION:

Receive and File.

DISCUSSION

Staff will present the current status for this multi-year project, and a brief description of the next milestones. In December of 2006 staff presented the plan for implementation of the new production system. At that time, staff indicated that execution of the plan would be accompanied by detailed reports on the status of actual costs as compared to projected costs, and by detailed reports on the status of actual accomplishments. The last update was presented in March of this year.

BUDGET CONSIDERATION/FINANCIAL IMPACT:

No impact.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: John Chiladakis
Reviewed by: Jeffrey McKay

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Pamela Torliatt and Members
of the Executive Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: July 16, 2009

Re: Overview of Strategic Facility Planning Process

RECOMMENDED ACTION:

Receive and file.

BACKGROUND

The Budget and Finance Committee at its April 29, 2009 meeting received a presentation on assigning Capital Facility Planning responsibilities to the Committee. The Committee at its April 29th meeting discussed a Request for Proposal that was initiated in 2008 with a scope of work to analyze existing and future space needs, cost, and various options. Staff agreed to return to the Committee to provide a presentation on vendor selection of the Request for Proposal for Strategic Facility Planning.

The assigning of Capital Facility planning responsibilities to the Budget and Finance Committee was approved by the Board of Directors' at its May 6, 2009 meeting.

A majority of the members of the Budget and Finance Committee are on the Executive Committee. It is not anticipated that the Budget and Finance Committee will meet until after the State budget has been approved.

DISCUSSION

Staff's initial Request for Proposal for a Strategic Facilities Planning process has been revised. The revised RFP has been scaled back and will include a Phase I: Visioning process and Phase II: Data Gathering.

Staff has selected Hellmuth, Obata + Kassabaum, Inc. (HOK) Advanced Strategies in a competitive bid process in an amount not to exceed \$35,000.

Staff will provide a presentation on the scope of work to be conducted by HOK Advanced Strategies and receive direction from the Committee.

BUDGET/FINANCIAL IMPACT:

Funding for consulting services for this project is included in Program 702 of the approved FY 2008/2009 Air District budget.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Mary Ann Goodley

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Pamela Torliatt and Members
of the Executive Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: July 22, 2009

Re: Update on Air District Foundation

RECOMMENDED ACTION:

None, for information only.

BACKGROUND

The Board's Executive Committee directed staff at its May 18, 2009 meeting to research options for how the Air District's Bay Area Clean Air Foundation would fund climate protection activities in the Bay Area. At its May 20, 2009 meeting, the Air District Board approved the Executive Officer/APCO, the CFO and former members of the Board of Directors to serve as Interim Officers and Directors to the Foundation.

DISCUSSION

Staff will present options to the Executive Committee on how the Foundation might be structured and what kinds of activities it could fund.

BUDGET CONSIDERATION / FINANCIAL IMPACT:

Under evaluation, staff will report on fiscal impact at a future meeting.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Abby Young
Reviewed by: Henry Hilken

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Pamela Torliatt and Members
of the Executive Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: July 20, 2009

Re: Board of Directors' Policy on California Air Resources Board Appointments

RECOMMENDED ACTION:

Consider adopting a policy outlining the process for endorsing a Board member to be appointed to the California Air Resources Board.

BACKGROUND

By California statute, one member of the California Air Resources Board is to be appointed from the Board of Directors of the Bay Area Air Quality Management District. The Governor makes the appointment. The Senate Rules Committee considers confirmation of the appointment within one year.

Board member Ken Yeager has been appointed by the Governor to the CARB Board. The Senate Rules Committee will be considering confirmation of the appointment soon. The issue of Board of Directors support for appointments to the CARB Board was discussed at the Executive Committee meeting on June 29, 2009. At that Committee meeting, the Committee directed staff to include discussion of a process regarding support for CARB appointments on the next Executive Committee agenda.

DISCUSSION

Currently, no policy exists regarding support for a member of the Bay Area Air Quality Management District Board of Directors to be appointed to the California Air Resources Board. If such a policy were to be adopted by the Board of Directors, it could include the following elements:

Applicability

The policy would be applicable when the Bay Area Air Quality Management District seat on the CARB Board becomes vacant. The policy could be applicable to:

- Governor's appointment only
- Governor's appointment as well as the Senate Rules Committee confirmation.

Call for Interested Board members

The Chair of the Board of Directors could issue a call for Board members to express their interest in being appointed to the CARB Board. Interested Board members would:

- Express their interest within a designated timeframe.
- Provide key information relevant to his/her appointment to the CARB Board.

Committee consideration and recommendation to the Board of Directors

The Chair of the Board of Directors could direct the Executive Committee to:

- Consider the information provided by interested Board members and
- Decide whether to make a recommendation to the Board of Directors for support of one of the candidates.

Format for endorsement

If the Board of Directors decides to support one of the candidates, such support could take the form of:

- Letter to the Governor expressing support for the appointment
- If the candidate is appointed to the CARB Board by the Governor, a letter could also be sent to the Senate Rules Committee expressing support for the confirmation of the appointment

If a different candidate is appointed to the CARB Board by the Governor, the Executive Committee could consider recommending that the Board of Directors send a letter of support to the Senate Rules Committee for the appointed candidate.

Staff can bring draft policy language to the next Executive Committee meeting based on the discussion of the Committee on July 29, 2009.

BUDGET/FINANCIAL IMPACT:

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Jennifer Chicconi
Reviewed by: Jean Roggenkamp

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Pamela Torliatt and Members
of the Executive Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: July 21, 2009

Re: Indirect Source Review Rule Update

RECOMMENDED ACTION:

None. For information only.

BACKGROUND

Air District staff were directed at the Board retreat in January 2009 to commence work on an Indirect Source Review (ISR) rule. Since that time, staff has created a stakeholder work group to provide input on this rule development effort. The work group is comprised of representatives from cities and counties, regional agencies, government agencies, environmental, business and community organizations, and other interested parties. The District hosted the first stakeholder group meeting on May 28th where participants provided valuable insight on various broad issues associated with the rule. The next meeting of the stakeholder group is tentatively planned for September 2009.

DISCUSSION

Staff is developing an Indirect Source Review Rule concept paper. Staff will provide an update to the Executive Committee on the outcomes of the stakeholder meeting, preliminary concepts for the ISR, and a draft timeline for development of the ISR.

BUDGET CONSIDERATION / FINANCIAL IMPACT:

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Sigalle Michael
Reviewed by: Henry Hilken