

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

Board of Directors Regular Meeting  
June 16, 2010

**APPROVED MINUTES**

**CALL TO ORDER:** Vice Chairperson Tom Bates called the meeting to order at 9:50 a.m. without an initial quorum.

Roll Call: Vice Chairperson Tom Bates and Directors Harold Brown, Chris Daly, Carole Groom, Scott Haggerty, David Hudson, Jennifer Hosterman, Liz Kniss, Ash Kalra, Carol Klatt, Eric Mar, Nate Miley, Mark Ross, Pamela Torliatt, and Gayle B. Uilkema

Absent: Chairperson Brad Wagenknecht; Secretary John Gioia, and Directors Dan Dunnigan, Susan Garner, James Spering, Ken Yeager and Shirlee Zane

**PLEDGE OF ALLEGIANCE:** Director Haggerty led the Pledge of Allegiance.

**Public Comments:** The following individuals provided public comments regarding air monitoring:

Drew Christopher Joy, POWER  
Daniel Landry, Bayview Hunters Point  
Nyese Joshula, Bayview Hunters Point  
Daniel Solberg, Stop Lennar Action Movement (SLAM)

**Board Member Comments:**

Vice Chairperson Bates recognized establishment of a quorum with the arrival of Directors Mar, Haggerty and Miley.

Directors requested response and clarification from staff regarding comments made by public speakers.

Mr. Broadbent explained that HV8 is part of a network of monitors installed by the City of San Francisco and only operates on a random basis. When the monitor is not operating the equipment is removed. There have been reports that some monitors were vandalized and stolen. He confirmed that there has been no unusual or elevated levels of dust recorded and said the District continues to conduct daily tests in Bayview Hunters Point.

Regarding authority to monitor dust, the District reviews Lennar's Monitoring Plan and determines whether additional steps are warranted. Mr. Broadbent suggested a briefing at the upcoming Stationary Source Committee meeting. In addition, as different activities are taking place at different parcels, necessary changes are made and inspections conducted to ensure procedures are being followed.

Vice Chairperson Bates suggested the Board adhere to its standard protocol of receiving public comments and as appropriate, refer matters to staff and/or Committees for follow-up. Directors concurred.

### **PROCLAMATION(S)/AWARDS**

The Board of Directors recognized employees who have completed milestones of twenty-five (25) and thirty (30) years of service with the Air District during the first half of the calendar year:

25 Years:

Liberty Mahinay; Bob Nishimura, Jean Roggenkamp, and Joseph Slamovich

30 Years:

Robert “Bob” Bartley, Dick Duker, and William “Bill” Hammel

Vice Chairperson Bates expressed appreciation to Bruce Kern, Executive Director, East Bay Economic Development Alliance, for his years of service to the Bay Area. Mr. Broadbent and Vice Chairperson Bates presented Mr. Kern with a Proclamation recognizing his service, and Mr. Kern expressed appreciation to the Board and District staff.

### **CONSENT CALENDAR (Items 1-3):**

- 1. Minutes of June 2, 2010 Special Meeting and May 5, 2010 Budget Hearing;**
- 2. Communications;**
- 3. Consideration of Authorization of the Executive Officer/APCO to Enter into a Contract for Disaster Recovery Services and Internet Bandwidth**

**Board Action:** Director Brown made a motion to approve Consent Calendar Items 1 through 3; Director Kniss seconded the motion; unanimously approved without objection.

### **COMMITTEE REPORTS AND RECOMMENDATIONS**

- 4. Report of the Public Outreach Committee Meeting of June 9, 2010**  
Chair: M. Ross

The Public Outreach Committee met on Wednesday, June 9, 2010 and approved the minutes of March 29, 2010.

The Committee received an update on the Great Race for Clean Air, a program that encourages employees to use commute alternatives to reduce solo driving. Registration for this event began on May 1 and will end on July 15, 2010. Board Members are encouraged to participate by informing their local businesses to sign up for this event.

The Committee received an update on the 2010 Spare the Air Every Day Campaign. The campaign will target young adults between the ages of 17 – 35. In addition, a new database will be developed for Spare the Air alerts, via Text to Win sign-ups. In addition, posters will be displayed at various restaurants, television stations, as well as YouTube. Finally, the Committee requested staff monitor the responses of the campaign and provide the Committee with an update on feedback they receive at its next meeting.

The Committee received an update on community outreach events. These events include County Fairs within the Air District jurisdiction, sponsorship and community events such as the Pittsburg Green Footprint Festival, the Truckers & Families Free Health Fair and Sunday Streets.

The next meeting of the Public Outreach Committee will be scheduled at the Call of the Chair.

**Board Action:** Director Ross made a motion to approve the report of the Public Outreach Committee; Director Brown seconded the motion; unanimously approved without objection.

Director Brown asked that information on the Great Race be forwarded to the Board of Directors.

## **PRESENTATION**

### **5. Advisory Council Report and Recommendations from the March 10, 2010 Advisory Council Meeting on California's 2050 Greenhouse Gas (GHG) Emission Reduction Target – Industrial Sector**

Vice Chair Bates introduced Advisory Council Chairperson, Jeffrey Bramlett. Chairperson Bramlett provided introductory remarks and discussed the Advisory Council's efforts to develop the Final Report which includes recommendations to meet California's 2050 GHG emissions reduction target in the industrial sector.

Advisory Council Chairperson Bramlett introduced Advisory Council Member Kraig Kurucz, who served as lead author of the Final Report and briefly reviewed the success of the Council's meeting format and Advisory Council challenges.

Mr. Kurucz gave a PowerPoint presentation and reviewed the following guest speaker presentations:

- Dr. Eric Masanet, Principal Scientific Engineering Associate in the Energy Analysis Department at Lawrence Berkeley National Laboratory (LBNL), who spoke on GHG Emission Reduction Strategies for Industrial Use.
- Greg Knapp, Director of Environmental Safety and Health West Region, Lehigh Hanson, who spoke on GHG Emission Reduction Strategies for the Cement Industry.
- Joe Sparano, Executive Advisor to the Chairman of the Board of the Western States Petroleum Association (WSPA), who spoke on GHG Emission Reduction Strategies for oil/gas production and refining.

Mr. Kurucz recapped discussions of the Advisory Council to date:

- Discussion meetings April 14 and May 12, 2010
- Energy Efficiency
- There are no silver bullets
  - large number of small measures needed to reduce GHG emission
  - start with most cost effective first
  - develop new and innovative technological solutions
  - implement them fully and early
  - change individual behavior
  - Reduce GHG emissions in each sector of the economy

Mr. Kurucz presented recommendations developed by the Advisory Council Work Group:

- Grant Funding - Explore avenues to expand scope for greatest reductions in GHGs
- Grants that will also reduce other emissions, such as air toxics and criteria pollutants
- Focus grants on those types of equipment common to many sub sectors that use the largest amounts of natural gas
- Set forward-looking standards based on energy efficiency Research and Development (R&D) at agencies such as the Department of Energy (DOE) and the California Energy Commission (CEC)
  - Work with other agencies to ensure the continuation of incentive programs for investment in new more efficient equipment
- Encourage and track R&D on low carbon intensity alternative fuels for industrial processes and motor vehicles by the California Air Resources Board (CARB), DOE, and other agencies
- Incorporate fuels consideration into the permitting process and/or District policies
- Ensure that District fees fully cover its costs as the scope of the GHG regulatory program increases.
- Continue integrated approach to multi-pollutant planning and rule development
  - Large emitters of GHGs may also be large emitters of air toxics and criteria pollutants

The Advisory Council identified emerging issues as:

- Fugitive emissions of high global warming potential
- The impact of carbon pricing on low income communities
- Availability of small business funding support: Small businesses have been selected to receive grants, contracts, loans, loan guarantees, and tax credits
- Development of new biofuel production techniques: Some technologies can produce bio fuel from algae and plant material, and power plant exhaust
- Job growth from innovative technology: Efforts to build more fuel-efficient vehicles have the potential to provide jobs if the government adopts supportive policies
- Role of industry to reduce GHGs: Companies in the Bay Area are manufacturing solar panels, electric cars, and cleaner diesel generators that will help meet the 2050 goals and to continue to clean our air. Industry will also be asked to manufacture and provide additional energy saving, energy storage, and more efficient devices in the future
- Evolving sense of future technology possibilities: More capabilities in the future to develop even more energy efficiency innovations

Chairperson Wagenknecht and Board Members thanked Chairperson Bramlett and Mr. Kurucz for the presentation of the Final Report.

**6. Recommendation that the Board of Directors Reserve Up to \$5 Million in Mobile Source Incentive Funds in Support of Shore-Power Projects at Bay Area Ports**

Director of Strategic Incentives, Damian Breen, gave a background on the request to reserve \$5 million in MSIF Funding for shore-power projects at Bay Area Ports, including I-Bond Program Years 1, 2 and 3 funding, ARB's proposed I-Bond allocation of \$59.5 million for on-road trucks, shore power and locomotives projects, and discussed the Air District's request for funding at \$88 million.

Mr. Breen reiterated that 85% of Bay Area air toxic health risk comes from diesel particulate emissions from on-road trucks and the ARB is considering a regulatory “rollback” for two years. He described sources of emissions from ocean-going vessels as significant, discussed emissions reductions by electrifying ship berths, and project costs of approximately \$90 million.

Staff’s proposal is to balance shore-side power and on-road truck funding needs over the next fiscal year, as follows:

- \$25 million shore-power (I-Bond/\$20 million; MSIF/\$5 million)
- \$27.5 million on-road trucks (I-Bond Program Year 1 & 2/\$24 million; Carl Moyer/MSIF/\$3.5 million)

Mr. Breen noted that staff recommends reserving up to \$5 million in Mobile Source Incentive Funds (MSIF) in support of shore-power projects at Bay Area ports; and authorize the Executive Officer/APCO to execute all the necessary solicitations, contracts and agreements to expend these funds on shore-power projects at Bay Area ports.

Mr. Broadbent acknowledged that the matter would normally be considered by the Mobile Source Committee with a recommendation to the Board, but due to timing issues and CARB cutting back on funding, the need arose to move forward quickly on the request. He briefly discussed the request, potential uses, the application process and future consideration by the Board, noting that there has been on-going dialogue between the Air District and the Port of Oakland.

Public Comment:

Omar Benjamin, Port of Oakland, thanked the District for its leadership and flexibility in developing and implementing the Air Quality Plan. He discussed disproportionate allocations based upon population which puts the Port in a less desirable situation and noted that a meeting is scheduled with Chair Nichols on June 24, 2010. He asked for support from the District and others with the hope that the CARB will make a public investment in the Port of Oakland which will help to further improve the public health and the economy.

Directors voiced their appreciation of staff’s recommendation, discussed frustration over the inequity of funds and overall funding formula. Mr. Broadbent further discussed air quality issues, revenue sources, legislative efforts, and the District’s request to proportionally reduce amounts of cuts.

**Board Action:** Director Miley made a motion to reserve up to \$5 million in Mobile Source Incentive Funds (MSIF) in support of shore-power projects at Bay Area ports; and authorize the Executive Officer/APCO to execute all the necessary solicitations, contracts and agreements to expend these funds on shore-power projects at Bay Area ports; Director Uilkema seconded the motion; carried unanimously without objection.

**PUBLIC HEARING(S)**

**7. Final Public Hearing to Consider Adoption of Proposed Fee Amendments to Air District Regional 3: Fees, and Approval of a Notice of Exemption from CEQA**

Vice Chairperson Bates approved waiving the staff report, noted that the public hearing had remained open, and asked for public comment. There were no public speakers, and the public hearing was closed.

**Board Action:** Director Kniss made a motion to adopt proposed amendments to Regulation 3: Fees, with an effective date of July 1, 2010; and approve filing of CEQA notice of exemption; Director Uilkema seconded the motion; unanimously approved without objection.

*Adopted Resolution No. 2010-07; a Resolution of the Board of Directors of the Bay Area Air Quality Management District Amending Regulation 3 – Fees*

*Ayes: Bates, Brown, Daly, Groom, Haggerty, Hosterman, Hudson, Kalra, Klatt, Kniss, Mar, Miley, Ross, Torliatt, Uilkema*

*Noes: None*

*Absent: Dunnigan, Garner, Gioia, Sperring, Yeager, Zane, Wagenknecht*

**8. Final Public Hearing and Consideration of Adoption of the Proposed Air District Budget for Fiscal Year Ending 2011**

Vice Chairperson Bates approved waiving the staff report, noted that the public hearing had remained open, and asked for public comment. There were no public speakers, and the public hearing was closed.

**Board Action:** Director Uilkema made a motion to adopt the Proposed Air District Budget for Fiscal Year Ending 2011; Director Kniss seconded the motion; unanimously approved without objection.

*Adopted Resolution No. 2010-08; a Resolution of the Board of Directors of the Bay Area Air Quality Management District adopting the Air District Budget for Fiscal Year Ending 2011*

*Ayes: Bates, Brown, Daly, Groom, Haggerty, Hosterman, Hudson, Kalra, Klatt, Kniss, Mar, Miley, Ross, Torliatt, Uilkema*

*Noes: None*

*Absent: Dunnigan, Garner, Gioia, Sperring, Yeager, Zane, Wagenknecht*

**CLOSED SESSION**

The Board of Directors adjourned to Closed Session at 11:24 a.m.

**9. EXISTING LITIGATION (Government Code Section 54956.9(a))**

*Pursuant to Government Code Section 54956.9(a), a need exists to meet in Closed Session with Legal Counsel to consider the following case(s):*

- A) Andrea Gordon v. Bay Area AQMD, United States District Court, N.D. Cal., Case No. CV 08-8630 BZ
- B) United States and Communities for a Better Environment v. Pacific Gas and Electric Company, et al, United States District Court, N.D., Cal., Case No. C-09-4503 SI
- C) Duraflame, Inc v. Bay Area AQMD, California Court of Appeal, First Appellate District, Civil Case No. A128062.

**OPEN SESSION**

The Board of Directors reconvened the Regular Board Meeting at 11:33 a.m. District Counsel Brian Bunger reported that there was no reportable action taken.

**OTHER BUSINESS**

**10. Report of the Executive Officer/APCO:**

Mr. Broadbent gave the following report:

- The District was recognized and presented with an award by the Prescott-Joseph Center for Community Enhancement, Inc. He explained that the District works with the organization in sponsoring and supporting a Breathmobile in the West Oakland community. It is hoped that similar efforts are duplicated in Bayview Hunters Point and elsewhere.
- Mr. Broadbent introduced new employee, Sonam Shah, Executive Secretary, in the Executive Office.

**11. Chairperson's Report:** Vice Chairperson Bates announced that he would be recommending to Chairperson Wagenknecht cancellation of the July 7, 2010 and July 21, 2010 Board of Directors meetings.

**12. Time and Place of Next Meeting:** Regular Meeting - Wednesday, July 7, 2010, 9:45 a.m., Board Room, 939 Ellis Street, San Francisco, CA 94109

**13. Adjournment:** The Board of Directors meeting adjourned at 11:40 a.m.

*/s/ Lisa Harper*

Lisa Harper  
Clerk of the Boards