



BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

BOARD OF DIRECTORS
EXECUTIVE COMMITTEE MEETING

COMMITTEE MEMBERS

BRAD WAGENKNECHT – CHAIR
JOHN GIOIA – SECRETARY
CAROLE GROOM
MARK ROSS
GAYLE B. UILKEMA

TOM BATES – VICE-CHAIR
SUSAN GARNER
SCOTT HAGGERTY
PAMELA TORLIATT

MONDAY
NOVEMBER 22, 2010
9:45 A.M.

4TH FLOOR CONFERENCE ROOM
939 ELLIS STREET
SAN FRANCISCO, CA 94109

AGENDA

1. **CALL TO ORDER – ROLL CALL**
2. **PUBLIC COMMENT PERIOD** *(Public Comment on Non-Agenda Items Pursuant to Government Code § 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 Committee's subject matter jurisdiction. Speakers will be limited to three (3) minutes each.*
3. **APPROVAL OF MINUTES OF OCTOBER 20, 2010**
4. **QUARTERLY REPORT OF THE HEARING BOARD – JULY 2010-SEPTEMBER 2010**
T. Dailey/5073
Tom.Dailey@kpa.org
5. **DISCUSSION ON BOARD POLICY REGARDING REIMBURSEMENT FOR EXPENSES RELATED TO UPCOMING TRAVEL TO INDIA**
J. Broadbent/5052
jbroadbent@baaqmd.gov

The Committee will discuss its policy adopted in January 2007 relating to the amount of reimbursement provided to Board members attending the 2011 People to People Program Delegation in India.
6. **UPDATE ON STRATEGIC FACILITIES PLANNING PROJECT**
J. Broadbent/5052
jbroadbent@baaqmd.gov

The Committee will receive an update on the Strategic Facilities Planning Project and request for authorization to issue an RFP.
7. **UPDATE ON IMPLEMENTATION OF THE DISTRICT'S CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) GUIDELINES**
J. Broadbent/5052
jbroadbent@baaqmd.gov

The Committee will receive an update on the implementation of the District's CEQA Guidelines and thresholds of significance adopted by the Board of Directors at its June 2, 2010 meeting.

CLOSED SESSION

8. POTENTIAL LITIGATION (Government Code Section 54956.9(b))

Pursuant to Government Code Section 54956.9(b), a need exists to meet in closed session to discuss potential litigation regarding one matter.

OPEN SESSION

9. 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).

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

11. ADJOURNMENT

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

**(415) 749-5130
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

NOVEMBER 2010

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Personnel Committee <i>(At the Call of the Chair)</i>	Wednesday	17	9:30 a.m.	4 th Floor Conf. Room
Board of Directors Regular Meeting <i>(Meets 1st & 3rd Wednesday of each Month) - CANCELLED</i>	Wednesday	17	9:45 a.m.	Board Room
Board of Directors Mobile Source Committee <i>(Meets 4th Thursday each Month)</i>	Thursday	18	9:30 a.m.	4 th Floor Conf. Room
Board Executive Committee <i>(At the Call of the Chair)</i>	Monday	22	9:30 a.m.	4 th Floor Conf. Room
Board of Directors Mobile Source Committee <i>(Meets 4th Thursday each Month)</i> - RESCHEDULED TO NOVEMBER 18, 2010 at 9:30 a.m.	Thursday	25	9:30 a.m.	4 th Floor Conf. Room

DECEMBER 2010

<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	1	9:45 a.m.	Board Room
Board of Directors Legislative Committee <i>(At the Call of the Chair)</i>	Monday	6	9:45 a.m.	4 th Floor Conf. Room
Board of Directors Budget & Finance Committee <i>(At the Call of the Chair)</i>	Wednesday	8	9:30 a.m.	4 th Floor Conf. Room
Board of Directors Stationary Source Committee Meeting <i>(At the Call of the Chair)</i>	Monday	13	9:30 a.m.	Board Room
Board of Directors Regular Meeting <i>(Meets 1st & 3rd Wednesday of each Month)</i>	Wednesday	15	9:45 a.m.	Board Room
Joint Policy Committee Special Meeting	Friday	17	10:00 a.m.	MTC Auditorium 101 – 8 th Street Oakland, CA 94607
Board of Directors Mobile Source Committee <i>(Meets 4th Thursday each Month)</i> - RESCHEDULED TO NOVEMBER 18, 2010 at 9:30 a.m.	Thursday	25	9:30 a.m.	4 th Floor Conf. Room

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Brad Wagenknecht and Members
of the Executive Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: November 5, 2010

Re: Executive Committee Draft Meeting Minutes

RECOMMENDED ACTION

Approve attached draft minutes of the Executive Committee meeting of October 20, 2010.

DISCUSSION

Attached for your review and approval are the draft minutes of the October, 2010 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
9:45 a.m., Wednesday, October 20, 2010

Call to Order - Roll Call: Chairperson Brad Wagenknecht called the meeting to order at 9:45 a.m.

Present: Chairperson Brad Wagenknecht; Vice Chairperson Tom Bates; Secretary John Gioia; Committee Members Susan Garner, Mark Ross, Pamela Torliatt and Gayle B. Uilkema

Absent: Committee Members Carole Groom and Scott Haggerty

Public Comment Period: Francisco Da Costa, Director of the Environmental Justice Advocacy, requested the District focus on empirical data of all adverse impacts, reported higher than usual instances of suicide in Bayview Hunters Point which he believes is linked to the environment, and asked that the District report on disbursement of Lennar settlement funds.

Approval of Minutes: **Committee Action:** Director Uilkema made a motion to approve the August 5, 2010 minutes; seconded by Secretary Gioia; unanimously approved without objection.

Update on the Strategic Facilities Planning Project – Phase II Study

Strategic Facilities Planning Manager, Mary Ann Okpalaugo, introduced representatives from CB Richard Ellis (CBRE), reviewed activities completed in the Strategic Facilities Planning Phase II Study, outlined Phase II project objectives, which include:

Conducting analysis of existing facilities:

- Operational Requirements
- Sustainability and environmental objectives
- Financial & market research analysis
- Real Estate Scenarios; and a
- Disposition Strategy for exiting current facilities

Developing a Strategy to achieve facility requirements for the Air District, MTC and ABAG, which:

- Promotes the core values;
- Provides for greater building efficiencies
- Lessens environmental impact; and
- Improves Inter-Agency cooperation and initiatives

Ms. Okpalaugo stated CBRE has completed the scope of work for Phase II which included a Needs Analysis, Scenario Planning and Strategy Development. She noted that ABAG and MTC Boards would be provided with an update on the project in mid-November, 2010. Next steps include presentation of study findings to the Air District Board of Directors.

Raul Campos, Managing Director and Senior Vice President, CBRE, presented study findings, alternatives of consolidating, extensive financial analysis, key issues of renovation costs for continued tenancy, disposition values, key planning drivers and reviewed tables of consolidation criteria for the Oakland and San Francisco markets. Mr. Campos then reviewed transit commute effects reviewed their strategy and next steps.

Key issues include the fact that the building is obsolete at 44 years old and in extensive need of renovation. Average square feet per person is 420 per person compared to 225 square feet per person, which is inefficient. CBRE estimates making repairs would cost about \$300/square foot, which is equivalent to buying a newer facility in move-in condition.

Director Uilkema confirmed with Mr. Campos that the District headquarters building is already five years beyond its useful life; remaining in the building is the most expensive option as the District would likely spend an exponential amount to maintain it. Newer building systems operate much more efficiently, and if the building is purchased, because it is in a non-core area, it most likely would be demolished.

Director Garner questioned square footage per employee and confirmed that an architect would ultimately determine the exact footprint for any new facility. CBRE reviewed existing functions and space for the entire District and arrived at a combined total of 150,000 square feet.

Director Torliatt questioned and confirmed zoning was non-conforming residential, that the Van Ness corridor includes a mix of multi-family and mixed use zoning.

Mr. Campos discussed MTC and ABAG buildings which are in good condition and are full, but their needs may change and become more growth-oriented. Regarding disposition values, the condition of the building and market and said the Air District building is valued at \$4 million which is mostly land value due to its location

Director Ross confirmed that the trigger point used was the 2/3 rule for legal, non-conforming use; there are issues of capital and financing which would be required for renovation, and Mr. Campos indicated that the building has only land value and little building value.

Director Torliatt questioned the possibility for residential units on the site and potential height. Mr. Campos indicated there is not a market to finance a residential project. Buildings could be as tall as 130 feet and if developed, the property would most likely remain dormant until the market returned. He said CBRE reviewed land value, value per unentitled unit, retrofitting the building, and they all penciled out evenly at around \$4 million value.

Director Torliatt questioned the timing for the Cathedral Hill hospital project, and confirmed it was several years away due to issues relating to uncertainty with the community, traffic and the market.

Director Ross questioned whether the District would have an obligation to offer the building to another public agency, and Mr. Broadbent agreed that District Legal Counsel would research this, as there may be some restriction.

Mr. Campos continued his presentation and discussed potential consolidation, which does make good sense. Strategy drivers were compelling as all three agencies have the same mission, accessible to public transit, have good employees use and need for public transit, retail and housing. There is also consolidation of office space for board meetings, training rooms, and consolidation would not disrupt commuting patterns.

He said all three agencies expressed sensitivity to cost drivers. CBRE also looked at the real estate market, rents, building values, debt, opportunities to purchase existing buildings of contiguous availability is limited. There are 7 existing options identified that met criteria in San Francisco, and 2 options in Oakland. He presented a graph for consolidation criteria for both markets, and noted that the information was current as of September 29, 2010, with new options appearing or disappearing.

Mr. Campos presented a transit commute effects chart and discussed results of consolidating all three agencies, the Air District only, MTC only and ABAG only in both downtown San Francisco and in Oakland, with minimal variations in commute times. CBRE looked at the base case to remain in the current building through retrofit or to expand for ABAG and MTC into other buildings. He presented cost comparisons of scenarios. The analysis used information for transit only.

Key findings reveal:

1. Consolidate occupancy
 - a. Supports strategic drivers and promotes interagency synergy
 - b. Benefits from economies of scale
 - c. Carbon footprint reduction of 40% or more

2. San Francisco and Oakland are appropriate locations
 - a. Consider options close to BART (within half mile) and other public transportation
 - b. Consolidations in either San Francisco or Oakland will have little adverse impacted on any of the agencies
 - c. Currently Oakland has two potential options for consolidation other than build-to-suit projects
 - d. San Francisco offers a greater feasibility for successful implementation given the number of alternatives

3. Develop specific options in the Market
 - a. Engage outside support to run a competitive process with existing options
 - b. Team to negotiate a non-binding "letter of intent" with best option
 - c. Provide Board with results for review and approval of next steps

Mr. Campos concluded by outlining the District's current carbon footprint, potential reductions, rental markets, leasing analysis, property valuations, and cost comparison of blended occupancy scenarios. Next steps are to take the study findings to the Boards of each agencies, as recommended by the SFPAHC.

Committee Comments/Questions:

Director Bates suggested CBRE review the Ashby BART station, noting that the City of Berkeley owns its air rights.

Director Uilkema questioned financing and bonding capability and suggested private investment groups also be approached. Alex Somerville, CBRE's First Vice President stated there may be

capacity to do bond financing for the building itself. However, build-out would need to be separate financing and CBRE could research bonding capabilities for the District and ABAG.

Mr. Broadbent noted that of critical determination is whether or not the District consolidates. He said it has been the Board's direction to also look at a stand-alone option. The recommendation is for CBRE representatives to make a presentation to the Board on December 1, 2010, and in November, MTC and ABAG Boards will meet and discuss issues relating to consolidation. Chairperson Wagenknecht supported continuing pursuit of a stand-alone option for the District and said financing could also soon be clearer.

Director Torliatt referred to the cost comparison scenario and questioned and confirmed with CBRE that they take into account operating costs such as utilities and maintenance operational costs of the building.

Director Ross reiterated his desire for Legal Counsel to determine whether the District must first offer its building to other public agencies if it is placed on the market.

Director Garner questioned the potential timeframe for a new District headquarters, and Mr. Campos said relocation could be accomplished by 2012, but a lot depends on the option chosen.

Public Comments: None

Committee Action: None; for information only.

7. CEQA Guidelines Implementation Update:

Henry Hilken, Director of Planning and Research, gave an update on the implementation of the District's California Environmental Quality Act (CEQA) guidelines, reviewed District work with local governments and stakeholders in responding to inquiries, providing data and technical assistance, and agency staff are familiar with the guidelines and using them, while contacting staff for assistance when necessary.

Mr. Hilken discussed regional agency collaboration with ABAG and MTC and noted that staff has convened an Air Quality PDA workgroup to identify concerns and provide assistance in streamlining the CEQA process. Staff has issued numerous technical tools, and described a new CAPCOA greenhouse gas mitigation measure quantification tool, and a suite of documents that help consultants and staff, which are helpful but not mandated to be used.

Mr. Hilken discussed Community Risk Reduction Plans and pilot projects underway in San Jose and San Francisco, staff is working with agencies to prepare local emission inventories, have presented and reviewed CRRP Guidelines with the CARE Task Force, and he discussed the development of Community Development Guidelines which further refine mitigations in CRRPs, streamline mitigation measures, standardize setbacks and mitigation measures from various sources/receptors, and establish standard setbacks in CARE communities.

Mr. Hilken said staff has received a lot of comments from affordable housing advocates who are concerned that sites do not pass initial screening; thresholds could be misused and make it harder to develop infill and affordable housing. He briefly reviewed the comments and responses of District staff.

Next steps include:

- Continuing work with cities, counties and regional agency staff;
- Continuing work with affordable housing advocates and other stakeholders;
- Updating screening tables and technical resources as new information becomes available;
- Continuing to make progress with CRRP development; and
- Developing Community Development Guidelines

Committee Comments/Questions:

Director Ross questioned whether or not projects are qualifying under the thresholds. Mr. Hilken cited the positive outcome of developing relationships with local planning departments, and stated that where EIR's were done, in no case has air quality been the only issue.

Public Comment:

Evan Reeves, Center for Creative Land Recycling (CCLR), submitted a letter into the record regarding Toxic Air Contaminant Screening Method, asked that screening models be removed from the website and the deadline be extended, citing thresholds create problems for affordable housing projects.

Stephanie Shakofsky, CCLR, submitted and read a portion of a letter into the record regarding concerns with the effective date for the risk and hazard thresholds for receptor projects relating to calculation of major sources, use of a worst case dispersion model, and non-inclusion of new regulations that limit the TAC levels above stationary and mobile sources in screening models.

Deni Adaniya, Resources for Community Development (RCD), said RCD is an infill developer in Berkeley and most, if not all new projects, are within two blocks of major thoroughfares, transit corridors and/or rail. They are concerned many would not pass and would trigger an EIR, that regulations would be a significant factor in new site selection, and encouraged the District to defer the effective date of January 1, 2011.

Evelyn Stivers, Nonprofit Housing Association, submitted a letter into the record, and voiced concerns that new thresholds conflict with Housing Element sites and Priority Development Area (PDA) regional plans, and questioned the ability for projects to meet the threshold. She asked that the table be removed from the District's website until it was made clearer and more refined.

Francisco Da Costa, Environmental Justice Advocacy (EJA), said what is needed is more empirical data, accountability and transparency, and he asked that the website be updated for consistency and that housing development not occur along freeways.

Directors confirmed with staff the existence of 355 inactive housing element sites in various jurisdictions where affordable housing could potentially be located, discussed the review of screening levels and traffic volumes in preparing the checklist, and acknowledged that the Board's June 2, 2010 action was to make thresholds effective immediately, except for the risk and hazard thresholds for new receptors, which would take effect January 1, 2011, with the idea that CRRPs are underway. Directors acknowledged that the District is a health-based organization, that some affordable housing is being developed in zone districts other than residential, and recognized that some are developed with a mix of both market rate and affordable housing.

Mr. Broadbent supported comments from Directors about the District being a health-based organization and said staff believes that in the long-term, infill development is the way to

approach meeting thresholds. He supported continuation of the dialogue, thinking it would take another 4 to 5 months, and supported the development guidelines and tools in place.

Director Garner agreed, stated the progress made to date in San Francisco and San Jose, and confirmed that the District will work with affordable housing representatives regarding concerns regarding risk and hazard thresholds for receptor projects.

Director Ross supports additional time for further developing guidelines and extending the deadline of January 1, 2011. Infill is a good strategy whether it is affordable, moderate or market rate, acknowledges concerns of affordable housing advocates, but all levels must be considered.

Director Torliatt cited the importance of policy and vision and briefly discussed Petaluma's success in affordable housing development.

Vice Chair Bates understands there are ways to create affordable projects, and recognized that no exceptions should be made for unhealthy development.

Mr. Broadbent stated staff would return to the Board of Directors for consideration of extending thresholds for receptor projects.

5. Update on Webcasting from the Board Room

Mr. Broadbent gave a brief staff report, stating staff is recommending the Committee recommend authorization to issue an RFP for bids to install webcasting equipment in the District Board Room, the results of which would return to the Executive Committee.

Committee Action: Director Garner made a motion to authorize issuance of an RFP for bids to install webcasting equipment in the District Board Room; Secretary Gioia seconded the motion; unanimously approved without objection.

6. Update on Video Conferencing from the Fourth Floor Conference Room

Mr. Broadbent discussed the recommendation to allow video conferencing for Committee meetings for items not requiring action and/or when information items are of short duration. This will allow for greater efficiencies in Committee member time and reductions in emissions. He confirmed the meeting would be completely interactive with available access from the two locations in Santa Clara and Sonoma.

Directors clarified that, depending upon agenda items, attendance would be required at either the District Headquarters, Santa Rosa Junior College in Santa Rosa or the County of Santa Clara Building in San Jose. Directors would be notified 72 hours ahead of the meeting as to whether or not meetings were informational and could be conducted via remote location or required attendance at District Headquarters. And, the agenda would identify all three locations.

Committee Action: Director Garner made a motion to recommend approval of a video conferencing protocol that will allow remote interactions via both audio and video communication for Committee meetings in the Fourth Floor Conference Room that do not include action items; Director Uilkema seconded the motion; unanimously approved without objection.

8. Workplan and Preparation for Board Retreat

The Committee received Air District accomplishments and major initiatives (draft) for the upcoming year, as an informational item, which included the following:

Major Initiatives 2010:

- Contract with Employees Association (EA)
- Proposed Changes to Fees
- Update to CEQA Guidelines
- 2010/2011 budget
- Clean Air Plan
- Refinery NOx Rule
- Production System – Live
- Metal Melting Rule
- Summer/Winter Spare the Air Season Reviews
- Green Port Initiative
- CAPCOA Climate Change Forum

Major Initiatives 2011 (draft):

- Refinery NOx Rule (Amendment)
- Metal Melting Rule
- Community Risk Reduction Plans
- Community Development Guidelines
- Cement Kilns
- General PM Rule
- Indirect Source Rule
- Vacuum Trucks
- Public Engagement Plan
- Facility Relocation
- Contract with Employee Association (EA)
- Production System – Live
- GHG Fee
- Bay Area business Assistance Program

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

Adjournment: The meeting was adjourned at 11:35 a.m.

Lisa Harper
Clerk of the Boards

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
 Memorandum

TO: Chairperson Brad Wagenknecht and Members
 of the Executive Committee

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

DATE: November 9, 2010

RE: Hearing Board Quarterly Report – July 2010 – September 2010

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>
Sonoma/Kenwood	<u>Docket No. 3577</u> - APCO vs. ALI KAZEMINI, DAVOOD MOLLAI, and FERDOUS MOLLAI a.k.a. FERDOUS MOLLAI MEHRJERDI, each individually and <i>d/b/a</i> KENWOOD GAS; ALI KAZEMINI, as Trustee of the ALI KAZEMINI AND FERDOUS MOLLAI TRUST; FERDOUS MOLLAI a.k.a. FERDOUS MOLLAI MEHRJERDI as Trustee of the ALI KAZEMINI AND FERDOUS MOLLAI TRUST; KENWOOD GAS, Site No. C8355 (KENWOOD) - <i>Accusation and Request for Order for Abatement; emissions of organic compounds from gasoline dispensing facilities.</i>	8-7-302	Hearing Board grants continuance to July 22, 2010; Hearing held & Conditional Order for Abatement approved	===	===

<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>
Solano/Vallejo	Docket No. 3581 - APCO vs. 80 MAGAZINE CORP., a California corporation, and d/b/a MAGAZINE GAS a/k/a BPG FUEL & MART – MAGAZINE a/k/a VALLEJO CONVENIENCE CENTER; BPG PACIFIC, LLC, a California limited liability corporation, and d/b/a MAGAZINE GAS a/k/a BPG FUEL & MART – MAGAZINE a/k/a VALLEJO CONVENIENCE CENTER; SAEED GHAFORI, individually, a/k/a PAUL GHAFORI, and d/b/a MAGAZINE GAS a/k/a BPG FUEL & MART – MAGAZINE a/k/a VALLEJO CONVENIENCE CENTER; Manouchehr Shahab, individually, and d/b/a MAGAZINE GAS a/k/a BPG FUEL & MART – MAGAZINE a/k/a VALLEJO CONVENIENCE CENTER (Site No. D1182) (VALLEJO) - <i>Accusation and Request for Order for Abatement; emissions of organic compounds from gasoline dispensing facilities</i>	8-7-302	Hearing Held July 29, 2010; Conditional Order for Abatement	===	===
Contra Costa/Danville	Docket No. 3582 - APCO vs. S P G GROUP, INC., a California corporation, and d/b/a TOSCO FACILITY #11142 a/k/a DIABLO GAS AND MART; SAEED GHAFORI, individually, a/k/a PAUL GHAFORI, and d/b/a TOSCO FACILITY #11142 a/k/a DIABLO GAS AND MART (Facility No. 11142) (DANVILLE) – <i>Accusation and Request for Order for Abatement; emissions of organic compounds from gasoline dispensing facilities</i>	8-7-302	Hearing Held August 12, 2010; Conditional Order for Abatement	===	===
Solano/Benicia	Docket No. 3583 - CHEMICAL COATING SUPPLY, INC. (BENICIA) <i>Product Variance from Regulation 8, Rule 32, Section 302, 303, 304, 307, insofar as it requires limiting emissions of volatile organic compounds from the application of coatings to, and surface preparation of, any wood products, including furniture, cabinets and custom architectural millwork for commercial operations.</i>	8-32-302, 303, 304, 307	Withdrawn/Order for Dismissal Filed (Hearing Scheduled for August 5, 2010)	7/22/2010 To 7/22/2012	===
Alameda/Hayward	Docket No. 3584 - APCO vs. SERVITUDE PARTNERS; ROHIT PATEL, individually; a GASOLINE DISPENSING FACILITY LOCATED AT 26115 HESPERIAN BOULEVARD, HAYWARD, ALAMEDA COUNTY, CALIFORNIA, a/k/a HESPERIAN 76, A & M, A & M Gas, and/or A & M Gas Station, Site No. C7564 (HAYWARD) – <i>Accusation and Request for Conditional Order for Abatement; emissions of organic compounds from gasoline dispensing facilities.</i>	8-7-302	Hearing Scheduled for August 5, 2010 - APCO Withdrawn Accusation; Hearing Canceled	===	===

<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>
Contra Costa/ Brentwood	Docket No. 3585 - PRECISION CABINETS & TRIM (BRENTWOOD) - Product Variance – <i>Product Variance from Regulation 8, Rule 32, Section 303, insofar as it requires limiting emissions of volatile organic compounds from the application of coatings to, and surface preparation of, any wood products, including furniture, cabinets and custom architectural millwork for commercial operations (APCO not opposed).</i>	8-32-303	Hearing Held August 19, 2010; Granted Variance	7/1/2010 To 4/1/2011	===
Contra Costa/Walnut Creek	Docket No. 3586 - APCO vs. DEVINDER DHILLON individually, and d/b/a IDEAL MILES PLUS; IDEAL MILES PLUS GASOLINE, INC., individually, and d/b/a IDEAL MILES PLUS; IDEAL MILES PLUS, Site No. C 9838 (WALNUT CREEK) – <i>Accusation and Request for Conditional Order for Abatement; emissions of organic compounds from gasoline dispensing facilities.</i>	8-7-302	Hearing Held August 19, 2010; Stipulated Conditional Order for Abatement	===	===
San Mateo/Redwood City	Docket No. 3587 - APCO vs. Zareh Samurkashian; Grand Martco, Inc.; a Gasoline Dispensing Facility located at 602 El Camino Real, Redwood City, CA 94063, a/k/a Grand Martco, El Camino Martco and/or Redwood City Martco (Site No. C9024) (REDWOOD CITY) – <i>Accusation and Request for Conditional Order for Abatement; emissions of organic compounds from gasoline dispensing facilities.</i>	8-7-302	Hearing Held August 12, 2010 Stipulated Conditional Order for Abatement	===	===
Contra Costa/Antioch	Docket No. 3588 - APCO vs. JOE LIANG, individually, and d/b/a GREEN PETRO COMPANY and d/b/a GAS OF AMERICA; DEREK TOMINAGA, individually, and d/b/a M D GREEN PETRO GAS AMERICA, d/b/a GREEN PETRO COMPANY and d/b/a GAS OF AMERICA; MICHAEL ZHAO, a/k/a MIN J. ZHAO, individually, and d/b/a M D GREEN PETRO GAS AMERICA, d/b/a GREEN PETRO COMPANY, and d/b/a GAS OF AMERICA (Site No. C9590) (ANTIOCH) – <i>Accusation and Request for Conditional Order for Abatement; emissions of organic compounds from gasoline dispensing facilities.</i>	8-7-302	Hearing Held August 19, 2010; Stipulated Conditional Order for Abatement	===	===
Contra Costa/Antioch	Docket No. 3589 - ROBERT SARVEY - Appeal on the Marsh Landing Generating Station (Facility No. B9169) (ANTIOCH) – <i>Appeal from certain PSD Permit conditions and issuance of Final Determination of Compliance – Hearing on: 1) Request for Waiver of Fees; 2) Request for Application for Permission to Intervene as Real Party in Interest; and 3) Pro Forma Hearing.</i>	Appeal	Hearings Held September 16, 2010; Appeal Withdrawn at Hearing	===	===

<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>
Contra Costa/Antioch	Docket No. 3590 – APCO vs. MOHAMMED SHARIF, individually, and <i>d/b/a</i> FUEL N GO, FUEL & GO, GAS FOR LESS, and/or US GASOLINE; a GASOLINE DISPENSING FACILITY LOCATED AT 924 WEST 10 TH STREET, ANTIOCH, CONTRA COSTA COUNTY, CALIFORNIA, <i>a/k/a</i> FUEL N GO, FUEL & GO, GAS FOR LESS, and/or US GASOLINE,(Site No. C9518) – (ANTIOCH) – <i>Accusation and Request for Order for Conditional Abatement; emissions of organic compounds from gasoline dispensing facilities.</i>	8-7-302	Hearing Scheduled 9/16/10; withdrawn by APCO; EVR equipment installed	===	===
San Mateo/Burlingame	Docket No. 3591 – APCO vs. ROBERT LUGLIANI, individually, and <i>d/b/a</i> OLDE ENGLISH GARAGE; a Gasoline Dispensing Facility located at 988 Howard Avenue, Burlingame, California, <i>a/k/a</i> OLDE ENGLISH GARAGE; (Site No. C2785) – (BURLINGAME) – <i>Accusation and Request for Conditional Order for Abatement; emissions of organic compounds from gasoline dispensing facilities.</i>	8-7-302	Hearing Held 9/16/10; Conditional Order for Abatement	===	===
San Mateo/Redwood City	Docket No. 3592- APCO vs. INTERNATIONAL MARINE FUELS GROUP, INC., a California corporation, and <i>d/b/a</i> PACIFIC COMMERCIAL FUELING SYSTEMS, INC. and <i>d/b/a</i> SAN FRANCISCO PETROLEUM; NICK WEBER, individually; a GASOLINE DISPENSING FACILITY, located at 410 Blomquist Street, Redwood City, CA; <i>a/k/a</i> PACIFIC COMMERCIAL FUELING, INC.; (Site No. C8716) – (REDWOOD CITY) – <i>Accusation and Request for Conditional Order for Abatement; emissions of organic compounds from gasoline dispensing facilities.</i>	8-7-302	Hearing Held 9/16/10; Conditional Order for Abatement	===	===
Alameda/Alameda	Docket No. 3593- APCO vs. PARMINDER GILLON, individually, and <i>d/b/a</i> GRAFCO STATION; SIMVIR, INC., individually, and <i>d/b/a</i> GRAFCO STATION; and GRAFCO STATION; from facility located at 1309 Portola Avenue (Site No. C8260) – (ALAMEDA); <i>Accusation and Request for Conditional Order for Abatement; emissions of organic compounds from gasoline dispensing facilities.</i>	8-7-302	Hearing Held 9/16/10; Conditional Order for Abatement	===	===

NOTE: During the third quarter of 2010, the Hearing Board and Clerk scheduled for hearing and processed thirteen (13) Accusations and Requests for Order for Conditional Abatement; one (1) Product Variance application; one (1) Regular Variance application; and one (1) Appeal. The Accusations were brought against gas station owners who have not complied with the April 30, 2010 ARB deadline for EVR compliance.

HEARINGS HELD: The Hearing Board scheduled thirteen (13) hearings, but held eleven (11) hearings due to: The withdrawal of two Accusations (3584 and 3590) filed by the APCO (Respondents complied with installation of EVR equipment); and one (1) request for withdrawal by the applicant for a Product Variance application.

HEARING BOARD ORDERS: The Hearing Board reviewed and approved three (3) Stipulated Conditional Orders for Abatement (Dockets 3586, 3587, and 3588); approved six (6) Conditional Orders for Abatement (3580, 3581, 3582, 3591, 3592 and 3593); one (1) Order Granting Variance application (3585); and two Orders for Dismissal (3583-Product Variance and 3589-Appeal),

HEARING BOARD RULES: The Hearing Board also held a Hearing Board Rules Update Workshop to receive final written and verbal comments on August 12, 2010 at 9:00 a.m. The Hearing Board Rules Subcommittee Member Colline and the Hearing Board Clerk met on September 28, 2010 to review updates. The Subcommittee and Hearing Board Clerk are scheduled to meet and finalize updates to the Hearing Board Rules in the next quarter.

FEES COLLECTED: The Hearing Board collected \$2236.65 during the third quarter of 2010.

HEARING BOARD CHAIR REPORT: Chairperson Thomas M. Dailey, M.D., presented the Hearing Board's second Quarter Report at the Executive Committee's July 29, 2010 meeting.

OUTSTANDING ORDERS: The Hearing Board received a status update from the District Counsel of all outstanding Abatement Orders at the Hearing Board's August 12, 2010 meeting.

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,

/s/ Thomas M. Dailey, M.D.

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

Prepared by: Lisa Harper
Reviewed by: Jennifer C. Cooper

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Brad Wagenknecht and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: November 15, 2010

Re: Discussion on Board Policy Regarding Reimbursement for Expenses Related to
Upcoming Travel to India

RECOMMENDED ACTION:

Recommend Board of Directors approve compensation of half of the cost per Board Member but not more than \$10,000 in total, for Board Members attending the Air and Waste Management's People to People Program 2011 delegation to India.

DISCUSSION

On February 6 through 11, 2011, the Air & Waste Management Association is coordinating an international exchange trip to India with the People to People Ambassador Program. Some of the topics include:

- NOx and SOx control,
- Particulate matter control,
- Mercury and air toxics including dioxins and furans,
- Utility and industrial boilers, hazardous, medical and municipal waste incineration, and
- Global climate change

The Committee will discuss the amount of compensation provided to Board members attending the 2011 People to People Program Delegation to India.

BUDGET CONSIDERATION/FINANCIAL IMPACT:

Compensation cost is included in the Program 121 of the approved FY 2010/2011 budget.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Vanessa Johnson
Reviewed by: Jennifer C. Cooper

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Brad Wagenknecht and Members
of the Executive Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: November 15, 2010

Re: Status Report on Strategic Facilities Planning Project and Request to Issue RFP

RECOMMENDED ACTION:

The Executive Committee will consider recommending that the Board of Directors approve proceeding with a Request for Proposal for a “Stand Alone” option for transactional and financial advisory services surrounding a potential relocation.

DISCUSSION

The Strategic Facilities Planning Ad Hoc Committee at its October 1, 2010, meeting directed staff to present the Phase II Study Findings from CB Richard Ellis to each of the three (3) agencies governing Board for further discussion and approval of next steps. MTC and ABAG Commissioners will receive the Study Findings at Commission meetings scheduled for November 17 and 18, respectively. The Air District’s Board of Directors will receive the Study Findings at its December 1, 2010 meeting.

The Study Findings focus on a Joint Facility Strategy with the Metropolitan Transportation Commission and the Association of Bay Area Governments. However, should the Joint Facility Strategy not become a viable option based on discussions/decisions made at the MTC and ABAG Commission meetings, Phase II of the study also includes a scenario for an Air District stand alone option. The Executive Committee will receive a report on the background of the project and will review a preliminary report by CB Richard Ellis including the stand alone option for the Air District.

BUDGET CONSIDERATION/FINANCIAL IMPACT:

Commercial Brokerage fees for Transactional services will be through commercial real estate brokerage commissions paid by third party associations (building owners or agents) upon successful completion of the transaction. Anticipated fees for the Financial Advisor/Bond Counsel and an Architect is included in the Program 702 of the approved FY 2010/2011 budget.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Mary Ann Okpalaugo
Approved by: Jack Colbourn

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Brad Wagenknecht and Members
of the Executive Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: November 11, 2010

Re: Update on the Implementation of the District's California Environmental Quality Act
(CEQA) Guidelines

RECOMMENDED ACTION:

Information only.

BACKGROUND

On June 2, 2010, the Bay Area Air Quality Management District's Board of Directors unanimously adopted the proposed CEQA thresholds of significance. The thresholds of significance are included in the Air District's updated CEQA Guidelines (June 2010). All of the adopted CEQA thresholds of significance – *except for the risk and hazards thresholds for new receptors* – are effective June 2, 2010. The risk and hazards thresholds for new receptors are effective January 1, 2011. On June 2, the District's Board of Directors also directed staff to report to the Board periodically on the implementation progress of the CEQA Guidelines and thresholds.

DISCUSSION

Since adoption of the CEQA thresholds, District staff has continued to meet extensively with local government officials and staff, consultants, and stakeholder groups. Staff has met with staff from many local jurisdictions to discuss specific CEQA projects; has responded to numerous phone and email inquiries from local government staff and consultants; and has presented the CEQA Guidelines and thresholds to numerous stakeholder groups. It is clear that local lead agencies are familiar with the CEQA Guidelines, are using them in environmental review processes, and understand they may call upon District staff for assistance. Staff has also heard certain concerns on the CEQA Guidelines. Staff's efforts to address concerns, provide assistance to lead agencies, and develop technical tools is summarized below.

Staff is tracking the use of the CEQA Guidelines and thresholds in environmental review documents. Staff has reviewed CEQA documents for proposed land use developments and submitted comment letters to lead agencies. The CEQA comment letters generally address a project's air quality analysis methods and recommendations for additional mitigation measures.

The District's comment letters often also compliment lead agencies that propose projects and plans that are greenhouse gas (GHG) efficient or otherwise air quality protective and adequately apply the District's CEQA thresholds in their air quality analysis.

Staff has continued working with the District's regional agency partners in implementing the CEQA Guidelines and thresholds. Specifically, staff initiated a staff working group with ABAG and MTC to address potential CEQA concerns in Priority Development Areas. The working group provides an opportunity for regional agency staff to share tools and resources, identify air quality concerns, and to support the development of plan level approaches to addressing GHG and community risk and hazards in Priority Development Areas.

Staff is developing a number of additional tools and resources to assist lead agencies in applying the CEQA Guidelines and thresholds. Recent and upcoming tools and resources that address GHG emissions include: the release of the CAPCOA GHG Mitigation Quantification Report, development of a spreadsheet calculator to estimate vehicle trip reductions from transportation demand measures, and creation of an online training video for the District's recommended models. Regarding tools for applying the risk and hazard CEQA thresholds, staff is updating the roadway screening tables, and is preparing railroad screening tables, a construction risk calculator, a refined inventory of stationary sources in impacted communities, and a risk and hazards mitigation measure quantification spreadsheet. Staff updated the Community Risk Reduction Plan Guidance document and has discussed the document with the CARE Task Force.

Progress is underway with the development of CRRPs in San Jose and San Francisco. Staff is collaborating with staff from San Jose and San Francisco to prepare local emission inventories, conduct local modeling, and examine future development areas. In addition, staff is initiating the CRRP process in West Contra Costa County. Staff is also working with consultants to develop detailed, local emissions inventories; this data will provide a critical foundation for evaluating and mitigating potential impacts. Staff is also introducing the idea of preparing Community Development Guidelines to assist jurisdictions in achieving local risk and hazard reductions. The Community Development Guidelines would provide recommended buffer zones and standardized mitigation measures for proposed land use developments located near roadway and stationary sources, and would take into account emission reduction activities, such as implementation of CARB rules for various sources of diesel emissions.

Some stakeholders have raised concerns regarding the Guidelines, specifically that the Guidelines could be misused to impede infill development or affordable housing. Staff agrees this should be avoided. Staff addressed this in detail during development of the Guidelines and in reports to the Board of Directors. Staff continues to work with stakeholders to identify and implement additional steps to avoid such unintended consequences.

Staff will provide the Committee with an update on the implementation of the CEQA Guidelines.

BUDGET CONSIDERATION/FINANCIAL IMPACT:

Informational item only.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Henry Hilken