

Bay Area Air Quality Management District
939 Ellis Street
San Francisco, CA 94109

Board of Directors Regular Meeting
Wednesday, June 15, 2011
9:45 a.m.

APPROVED MINUTES

CALL TO ORDER: Chairperson Tom Bates called the Regular Meeting to order at 9:48 a.m.

Pledge of Allegiance: Chairperson Bates led the Pledge of Allegiance.

The roll was called after the presentations were made. Items at the beginning of the agenda were taken out of order.

PROCLAMATION/AWARDS

Chairperson Bates presented a proclamation to Director of Compliance and Enforcement, Kelly Wee, on the occasion of his retirement after 29 years of employment at the Air District.

Jack Broadbent, Executive Officer/APCO, made comments and thanked Mr. Wee for his dedicated service and leadership at the Air District.

Mr. Wee addressed the Board of Directors and commented about his career and his appreciation for the Air District Board, managers and staff. He noted that the Air District has made much progress in clean air goals to protect public health. He appreciated the talented staff and great leadership team and enjoyed his time at the Air District.

Mr. Broadbent announced that employee service awards would be given at this time to three employees.

Director Spring recognized Michelle Traverse, from the Technical Services Division, for her 35 years of service.

Director Groom recognized Colin Chun, from the Compliance and Enforcement Division, for his 30 years of service.

Director Groom recognized Janie Morris, from the Administrative Services Division, for her 30 years of service. Ms. Morris was in attendance and made comments expressing her gratitude for her time at the Air District.

ROLL CALL

Present: Chairperson Tom Bates; Secretary Ash Kalra; and Directors Carole Groom, Scott Haggerty, Nate Miley, Johanna Partin, Mark Ross, James Spring, Gayle B. Uilkema, Ken Yeager and Brad Wagenknecht. Directors John Avalos, Eric Mar and Liz Kniss arrived after the roll call was taken.

Absent: Vice Chair John Gioia; and Directors Harold Brown, Susan Garner, Susan Gorin, Jennifer Hosterman, David Hudson, Carol Klatt and Shirlee Zane.

PUBLIC COMMENT ON NON-AGENDA MATTERS:

Chairperson Bates opened the public comment period and the following speakers appeared before the Board of Directors:

William Saltz, an Air District employee, presented a petition to the Board from Air District employees who request the Air District maintain offices in San Francisco.

Peter Kirby addressed the Board regarding his concern about “chem-trails” from jet airplanes and handed out an informational sheet on the topic.

CONSENT CALENDAR (Items 1-4)

1. Minutes of the Board of Directors Budget Hearing Meeting of May 18, 2011 and Board of Directors Regular Meeting of June 1, 2011
2. Board Communications Received from June 1, 2011 through June 14, 2011
3. Resolution to Authorize a Contract with Caltrans for a Regional Bicycle Share Pilot Project
4. Adoption of Proposed Amendments to the Air District’s Administrative Code Division II – Fiscal Policies and Procedures – Section 4 Purchasing Procedures: 4.3 Contract Limitations

Board Action: Director Haggerty made a motion to approve Consent Calendar Items 1 through 4; Director Wagenknecht seconded the motion; which carried unanimously without objection.

COMMITTEE REPORTS AND RECOMMENDATIONS

5. **Report of the Mobile Source Committee Meeting of June 2, 2011**
Chair: Scott Haggerty

Director Scott Haggerty reported the Mobile Source Committee met on Thursday, June 2, 2011 and approved the minutes of May 2, 2011.

The Committee received a presentation of audit # 12, submitted by Gilbert Associates, for the Transportation Fund for Clean Air Regional Fund projects. Staff discussed specific findings

and corrective action with the Committee. Staff requested that remaining funds from the modernization of the Transportation Fund for Clean Air Regional Fund files be used to modernize the County Program Manager Fund files. The Committee recommends Board of Directors approval to expand the existing agreement with Armanino, McKenna LLP to include modernization of the Transportation Fund for Clean Air County Program Manager Fund files.

The Committee received results from the selection process choosing an auditor for the next audit of Transportation Fund for Clean Air Regional and County Program Manager Funds. Gilbert Associates, Inc. was the firm selected from three applicants. The Committee recommends Board of Directors approval to select Gilbert Associates, Inc. to conduct the Transportation Fund for Clean Air Audit #13, and to authorize the Executive Officer to execute a contract for audit services in an amount not to exceed \$228,600, and further moved that staff give more consideration to green businesses during the selection process in the future.

The Committee received information regarding the difficulty experienced by the San Francisco Municipal Transportation Authority in meeting the deadline to return signed funding agreements for three bicycle projects to the Air District. The Committee recommends Board of Directors approval to waive the requirement of policy #9 of the Bicycle Facility Program for fiscal year ending 2010 that project sponsors sign and return funding agreements within 120 days for these three projects.

The Committee received an update on the Lower Emission School Bus Program. This program will provide \$8 million for replacement and retrofitting of school buses in this fiscal year. Due to the fact that this program is significantly oversubscribed, staff is requesting that \$4.2 million in unspent Mobile Source Incentive Funds be allocated to fund 30 additional bus replacements. Committee members raised concerns regarding the use of program funds to replace or retrofit older buses purchased out of the region by private bus companies. The Committee recommended Board of Directors approval to allocate \$4.2 million in Mobile Source Incentive Funds and to refer concerns raised at the meeting to the Legislative Committee.

The next meeting of the Mobile Source Committee is on Thursday, June 30, 2011 at 9:30 a.m.

Board Action: Director Haggerty made a motion to approve the report and recommendations of the Mobile Source Committee; Director Wagenknecht seconded the motion; which carried unanimously without objection.

6. Report of the Public Outreach Committee Meeting of June 6, 2011

Chair: Mark Ross

Director Ross reported the Public Outreach Committee met on Monday, June 6, 2011 and approved the minutes of April 4, 2011.

The Committee received a presentation on the 2009-2010 Community Grant Program. An overview was provided of six highly successful projects in the categories of *Respiratory Health, Outreach and Education, and Emissions Reductions*. Under the *Respiratory Health* category, projects by the American Lung Association and Axis Community Health included asthma self-management education, health screenings, and case management services. Under the *Outreach*

and Education category, projects by the Chabot Space and Science Center and CreaTV included an interactive exhibition, production of an educational video, a Teacher's Guide and DVD, and televised video and website links. Under the *Emissions Reduction* category, Earth Team and Greenaction projects focused on diesel particulate and asthma education, and truck idling education.

The Committee received a presentation on the Spare the Air Resource Teams. The teams include members from local civic groups, agencies, businesses and environmental organizations working collaboratively to implement projects that promote cleaner air. Projects focus on commute solutions, driving alternatives, home energy savings, and green business.

The Committee then considered an amendment to a current contract to add a new Contra Costa County Resource Team. The Committee recommended the Board of Directors approve an amendment to the Spare the Air Resource Team contract with Community Focus to increase the contract amount by \$25,000.

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 and recommendations of the Public Outreach Committee; Director Wagenknecht seconded the motion; which carried unanimously without objection.

PUBLIC HEARINGS

7. Proposed Fee Amendments for Non-Permitted Sources for Fiscal Year Ending (FYE) 2012

Brian Bateman, Director of Engineering, presented the staff report. At the May 4, 2011 Board of Directors meeting, the Board approved fee amendments for permitted sources. Mr. Bateman explained that fees are amended as part of annual budget preparation, and discussed specific fee increases for each of the non-permitted source fee schedules.

- Schedule L (Asbestos Demolition, Renovation, and Manufacturing) has a proposed increase of 12%.
- Schedule S (Asbestos Airborne Toxic Control Measure (ATCM) for Construction, Grading, Quarrying, and Surface Mining Operations) has a proposed increase of 14%.
- Schedule R (Equipment Registration Fees) has a proposed fee increase of 2%, representing a cost of living increase. A new fee of \$129 was added for registered diesel engines that elect to comply under an Alternative Compliance Plan (ACP).
- Schedule Q (Excavation of Contaminated Soil and Removal of Underground Storage Tanks) has a proposed fee increase of 2%, representing a cost of living increase. Most operations in this category currently qualify for a fee exemption because other agencies have programs equivalent to the Air District's program.

Mr. Bateman discussed the impact of the fee increases and gave examples to show the dollar amounts of the fees including the increases. Mr. Bateman stated projects requiring air monitoring have higher fees and the overall increase in fee revenue will be approximately

\$200,000. Mr. Bateman noted there were no specific comments submitted by the public in regard to the fee increases, there were some general comments about not increasing fees.

Public Comments: None.

Board of Directors Comments: Directors discussed the need for outreach to ensure non-permitted sources are aware of their responsibility to comply, and the concern that higher fees may discourage compliance. Staff responded affirming the need for outreach and stating the construction industry is aware of the requirement to get permit approval prior to starting work.

Board Action: Chairperson Bates moved to adopt the proposed amendments to Air District Regulation 3: Fees, for Fee Schedules L, Q, R and S, which apply to non-permitted sources; and to approve the filing of a Notice of Exemption from the California Environmental Quality Act (CEQA) for amendments to Regulation 3: Fees, for Fee Schedules L, Q, R and S. The motion was seconded by Director Wagenknecht and carried unanimously without objection.

8. Public Hearing to Consider Adoption of the Air District's Proposed Budget for Fiscal Year Ending (FYE) 2012.

Jeff McKay, Deputy Air Pollution Control Officer, presented the staff report for the final public hearing on the FYE 2012 budget. He reviewed the cost cutting measures taken by the Air District, and explained the budget was designed to have a pro-active, balanced, multi-faceted, and multi-year approach. He discussed the consequences of trimming the budget and the use of reserves.

Board of Directors Comments: Directors expressed concern about reductions in outreach programs and technical assistance to local government. Other comments included appreciation for staff's work on the budget, acknowledgment of the good relationship between management and employees; and expectation for the Air District to replenish reserves as resources become available.

Board Action: Secretary Kalra moved to approve the Budget for the Fiscal Year Ending June 30, 2012 and various budget related actions (Transfer Funds from Unencumbered Balance of Appropriations to the General Reserve, Fund Contingency Reserve, Fund The General Reserve from Year to Year, Authorize Modification to Name and Purpose of certain Designated Reserve Funds, Authorize Disposal of Surplus Government Property, Approve Salary Ranges for District Employees, Approve Proposed District Budget for FYE 2012). The motion was seconded by Director Wagenknecht and carried unanimously without objection.

MEMORANDUM OF UNDERSTANDING

9. Proposed Amendments to the Current Memorandum of Understanding (MOU) between the Bay Area Air Quality Management District (Air District) and Bay Area Air Quality Management District Employees' Association (EA); and Adopt California Public Employee's Retirement System (CalPERS) Resolutions

Chair Bates announced Item #9 and asked Employee Association President, Steven Chin, to comment. Mr. Chin reported that the Air District Employees' Association voted in favor of approval of the proposed contract amendments and thanked the management for negotiating.

Mr. Broadbent, gave a presentation outlining the specific changes to the Memorandum of Understanding between the Air District and the employees, and recommended Board of Directors approval.

Board of Directors Comments: Directors remarked on the amicable relationship of employees and management, and the benefits of having certainty about upcoming changes.

Board Action: Director Wagenknecht moved to approve the proposed amendments to the current MOU between the Bay Area Air Quality Management District and the Bay Area Air Quality Management District Employees' Association; and to adopt resolutions to adjust employer paid member contributions (EPMC) for the confidential and represented employee groups; to adjust the EPMC and the reporting of its value for the management group; and to continue tax deferral of member contributions for the management, confidential and represented employee groups. The motion was seconded by Director Haggerty and carried unanimously without objection.

PUBLIC COMMENT ON NON-AGENDA MATTER

No comments from the public were given at this time.

BOARD MEMBERS' COMMENTS

Director Partin reported that she attended the C40 Sao Paulo Summit in Brazil. She added that 57 cities were represented and New York Mayor Michael Bloomberg is the chair.

OTHER BUSINESS

10. Report of the Executive Officer/APCO

Mr. Broadbent handed out the Air District's 2011 Annual Report to the Board and thanked Deputy Air Pollution Control Officer, Jean Roggenkamp, and Director of Communications and Outreach, Lisa Fasano, for their work on the report. He reported real estate negotiations are continuing and a briefing will be given to the Executive Committee on July 6, 2011. Mr. Broadbent noted that he would be attending the 2011 Air and Waste Management Associations (AWMA) Conference from June 21-24, in Orlando, Florida, and will report back to the Board. He concluded by thanking Director of Administrative Services, Jack Colbourn, for his involvement in the labor negotiations.

11. Chairperson's Report

Chair Bates reported that the Board meetings on July 6 and 20, 2011 have been cancelled. There will be an Executive Committee meeting on July 6, 2011. He asked that Board Members keep their calendars open for a special meeting scheduled for July 27, 2011.

12. **Time and Place of Next Meeting**

The next meeting is scheduled for 9:45 a.m. on Wednesday, July 27, 2011 at 939 Ellis Street, San Francisco, CA 94109. *(This meeting was later rescheduled for July 18, 2011)*

13. **Adjournment**

Chairperson Bates adjourned the meeting at 10:51 a.m.

151 Kris Perez Krow

Kris Perez Krow
Clerk of the Boards