



BAY AREA  
AIR QUALITY  
MANAGEMENT  
DISTRICT

## SPECIAL MEETING OF THE BOARD OF DIRECTORS September 9, 2013

A special meeting of the Bay Area Air Quality Management District Board of Directors will be held at 10:00 a.m. in the 7<sup>th</sup> Floor Board Room at the Air District Headquarters, 939 Ellis Street, San Francisco, California.

### Questions About an Agenda Item

The name, telephone number and e-mail of the appropriate staff Person to contact for additional information or to resolve concerns is listed for each agenda item.

### Meeting Procedures

The public meeting of the Air District Board of Directors begins at 10:00 a.m. The Board of Directors generally will consider items in the order listed on the agenda. However, any item may be considered in any order.

After action on any agenda item not requiring a public hearing, the Board may reconsider or amend the item at any time during the meeting.

This meeting will be webcast. To see the webcast, please visit <http://www.baaqmd.gov/The-Air-District/Board-of-Directors/Agendas-and-Minutes.aspx> at the time of the meeting.

## Public Comment Procedures

Persons wishing to make public comment must fill out a Public Comment Card indicating their name and the number of the agenda item on which they wish to speak, or that they intend to address the Board on matters not on the Agenda for the meeting.

**Public Comment on Non-Agenda Matters, Pursuant to Government Code Section 54954.3** For the first round of public comment on non-agenda matters at the beginning of the agenda, ten persons selected by a drawing by the Clerk of the Boards from among the Public Comment Cards indicating they wish to speak on matters not on the agenda for the meeting will have three minutes each to address the Board on matters not on the agenda. For this first round of public comments on non-agenda matters, all Public Comment Cards must be submitted in person to the Clerk of the Boards at the location of the meeting and prior to commencement of the meeting. The remainder of the speakers wishing to address the Board on non-agenda matters will be heard at the end of the agenda, and each will be allowed three minutes to address the Board at that time.

Members of the Board may engage only in very brief dialogue regarding non-agenda matters, and may refer issues raised to District staff for handling. In addition, the Chairperson may refer issues raised to appropriate Board Committees to be placed on a future agenda for discussion.

**Public Comment on Agenda Items** After the initial public comment on non-agenda matters, the public may comment on each item on the agenda as the item is taken up. Public Comment Cards for items on the agenda must be submitted in person to the Clerk of the Boards at the location of the meeting and prior to the Board taking up the particular item. Where an item was moved from the Consent Calendar to an Action item, no speaker who has already spoken on that item will be entitled to speak to that item again.

Up to ten (10) speakers may speak for three minutes on each item on the Agenda. If there are more than ten persons interested in speaking on an item on the agenda, the Chairperson or other Board Member presiding at the meeting may limit the public comment for all speakers to fewer than three minutes per speaker, or make other rules to ensure that all speakers have an equal opportunity to be heard. Speakers are permitted to yield their time to one other speaker; however no one speaker shall have more than six minutes. The Chairperson or other Board Member presiding at the meeting may, with the consent of persons representing both sides of an issue, allocate a block of time (not to exceed six minutes) to each side to present their issue.

# SPECIAL MEETING OF THE BOARD OF DIRECTORS AGENDA

**MONDAY  
SEPTEMBER 9, 2013  
10:00 A.M.**

**BOARD ROOM  
7TH FLOOR**

## **CALL TO ORDER**

Opening Comments  
Roll Call  
Pledge of Allegiance

Chairperson, Ash Kalra  
Clerk of the Boards

## **PUBLIC COMMENT ON NON-AGENDA MATTERS**

### **Public Comment on Non-Agenda Items, Pursuant to Government Code Section 54954.3**

*For the first round of public comment on non-agenda matters at the beginning of the agenda, ten persons selected by a drawing by the Clerk of the Boards from among the Public Comment Cards indicating they wish to speak on matters not on the agenda for the meeting will have three minutes each to address the Board on matters not on the agenda. For this first round of public comments on non-agenda matters, all Public Comment Cards must be submitted in person to the Clerk of the Board at the location of the meeting and prior to commencement of the meeting.*

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

*The Board of Directors will recognize the public service and retirement of Barbara Coler for 4 years of dedicated Air District service to air pollution control.*

## **CONSENT CALENDAR (ITEMS 1 – 5)**

Staff/Phone (415) 749-

1. Minutes of the Board of Directors Meeting of August 7, 2013

Clerk of the Boards

2. Board Communications Received from August 7, 2013 through September 6, 2013

J. Broadbent/5052

[jbroadbent@baaqmd.gov](mailto:jbroadbent@baaqmd.gov)

*A copy of communications directed to the Board of Directors received by the Air District from August 7, 2013 through September 6, 2013, if any, will be at each Board Member's place.*

3. Air District Personnel on Out-of-State Business Travel

J. Broadbent/5052

[jbroadbent@baaqmd.gov](mailto:jbroadbent@baaqmd.gov)

*In accordance with Division II, Section 5.4 (b) of the Air District's Administrative Code, Fiscal Policies and Procedures Section, the Board is hereby notified that the attached memorandum lists Air District personnel who have traveled on out-of-state business in the preceding month.*

4. Notice of Violations Issued and Settlements in Excess of \$10,000 in July 2013

**B. Bunger/4797**  
[bbunger@baaqmd.gov](mailto:bbunger@baaqmd.gov)

In accordance with Resolution No. 2012-08, the Board of Directors will receive a list of all Notices of Violation issued and all settlements for amounts in excess of \$10,000 during the month of July 2013.

5. Set a Public Hearing for October 16, 2013 to Consider Adoption of Proposed Amendments to Regulation 9, Rule 10: Nitrogen Oxides and Carbon Monoxide from Boilers, Steam Generators and Process Heaters in Petroleum Refineries and Approval of a California Environmental Quality Act (CEQA) Negative Declaration

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

*At the October 16, 2013 meeting, the Board of Directors will consider adoption of proposed amendments to Regulation 9, Rule 10: Nitrogen Oxides and Carbon Monoxide from Boilers, Steam Generators and Process Heaters in Petroleum Refineries and approval of a California Environmental Quality Act (CEQA) Negative Declaration.*

## **PRESENTATION**

6. Update on the Regional Bicycle Share Pilot Project

**J. Roggenkamp/4646**  
[jroggenkamp@baaqmd.gov](mailto:jroggenkamp@baaqmd.gov)

*Staff will provide an update on the recently launched pilot project, Bay Area Bike Share.*

## **CLOSED SESSION**

7. **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):*

**California Building Industry Association v. Bay Area AQMD**, Alameda County Superior Court, Case No. RG-10548693; California Court of Appeal, First Appellate District, Case No. A135335.

8. **CONFERENCE WITH REAL PROPERTY NEGOTIATOR – (*Government Code Section 54956.8*)** *The Board of Directors will meet in closed session pursuant to Government Code Section 54956.8 to confer with real property negotiators to discuss the disposition and leaseback of real property as follows:*

Property: 939 Ellis Street, San Francisco, CA

Air District Negotiators: Jack P. Broadbent, Executive Officer/APCO  
Jeffrey McKay, Deputy Air Pollution Control Officer  
Tom Christian, Cassidy Turley  
Ric Russell, Cassidy Turley

Negotiating Parties: Heights Properties, LLP

Under Negotiation: Price and Terms

### **OPEN SESSION**

### **PUBLIC COMMENT ON NON-AGENDA MATTERS**

#### **Public Comment on Non-Agenda Items, Pursuant to Government Code Section 54954.3**

*Speakers who did not have the opportunity to address the Board in the first round of comments on non-agenda matters will be allowed three minutes each to address the Board on non-agenda matters.*

### **BOARD MEMBERS' COMMENTS**

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

### **OTHER BUSINESS**

9. Report of the Executive Officer/APCO
10. Chairperson's Report
11. Time and Place of Next Meeting is Wednesday, September 18, 2013, 939 Ellis Street, San Francisco, California 94109 at 9:45 a.m.
12. Adjournment

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

**(415) 749-5073  
FAX: (415) 928-8560  
BAAQMD homepage:  
[www.baaqmd.gov](http://www.baaqmd.gov)**

- To submit written comments on an agenda item in advance of the meeting.
- To request, in advance of the meeting, to be placed on the list to testify on an agenda item.
- To request special accommodations for those persons with disabilities. Notification to the Executive Office should be given at least 3 working days prior to the date of the meeting so that arrangements can be made accordingly.

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 Air District's headquarters 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.

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
**939 ELLIS STREET, SAN FRANCISCO, CALIFORNIA 94109**  
**FOR QUESTIONS PLEASE CALL (415) 749-5016 or (415) 749-4941**

**EXECUTIVE OFFICE:**  
**MONTHLY CALENDAR OF AIR DISTRICT MEETINGS**

**SEPTEMBER 2013**

<b><u>TYPE OF MEETING</u></b>	<b><u>DAY</u></b>	<b><u>DATE</u></b>	<b><u>TIME</u></b>	<b><u>ROOM</u></b>
<b>Board of Directors Regular Meeting</b> <i>(Meets on the 1<sup>st</sup> &amp; 3<sup>rd</sup> Wednesday of each Month)</i> - CANCELLED	Wednesday	4	9:45 a.m.	Board Room
<b>Board of Directors Public Outreach Committee</b> <i>(At the Call of the Chair)</i> - CANCELLED	Monday	9	9:30 a.m.	4 <sup>th</sup> Floor Conf. Room
<b>Board of Directors Executive Committee</b> <i>(Meets on the 3<sup>rd</sup> Monday of each Month)</i> - CANCELLED	Monday	9	9:30 a.m.	4 <sup>th</sup> Floor Conf. Room
<b>Board of Directors Budget &amp; Finance Committee</b> <i>(Meets on the 4<sup>th</sup> Wednesday of each Month)</i> CANCELLED	Monday	9	11:00 a.m.	4 <sup>th</sup> Floor Conf. Room  <u>And via videoconference at</u> Santa Rosa Junior College Doyle Library, Room 4243 1501 Mendocino Avenue Santa Rosa, CA
<b>Special Board of Directors Meeting</b> <i>(Meets on the 1<sup>st</sup> &amp; 3<sup>rd</sup> Wednesday of each Month)</i>	Monday	9	10:00 a.m.	Board Room
<b>Advisory Council Regular Meeting</b> <i>(Meets on the 2<sup>nd</sup> Wednesday of each Month)</i>	Wednesday	11	9:00 a.m.	Board Room
<b>Board of Directors Climate Protection Committee</b> <i>(Meets 3<sup>rd</sup> Thursday of every other month)</i> - CANCELLED	Thursday	12	9:30 a.m.	4 <sup>th</sup> Floor Conf. Room
<b>Board of Directors Executive Committee</b> <i>(Meets on the 3<sup>rd</sup> Monday of each Month)</i> - CANCELLED AND RESCHEDULED TO MONDAY, SEPTEMBER 9, 2013 AT 9:30 A.M.	Monday	16	9:30 a.m.	4 <sup>th</sup> Floor Conf. Room
<b>Board of Directors Stationary Source Committee</b> <i>(Meets on the 3<sup>rd</sup> Monday of each Month)</i>	Monday	16	10:30 a.m.	Board Room
<b>Board of Directors Regular Meeting</b> <i>(Meets on the 1<sup>st</sup> &amp; 3<sup>rd</sup> Wednesday of each Month)</i>	Wednesday	18	9:45 a.m.	Board Room
<b>Board of Directors Public Outreach Committee</b> <i>(At the Call of the Chair)</i> - CANCELLED	Thursday	19	9:30 a.m.	4 <sup>th</sup> Floor Conf. Room

## SEPTEMBER 2013

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
<b>Board of Directors Climate Protection Committee</b> ( <i>Meets on the 3<sup>rd</sup> Thursday every other month</i> ) <b>CANCELLED &amp; RESCHEDULED TO THURSDAY, SEPTEMBER 12, 2013 AT 9:30 A.M.</b>	Thursday	19	9:30 a.m.	4 <sup>th</sup> Floor Conf. Room
<b>Board of Directors Budget &amp; Finance Committee</b> ( <i>Meets on the 4<sup>th</sup> Wednesday of each Month</i> ) – <b>CANCELLED AND RESCHEDULED TO MONDAY, SEPTEMBER 9, 2013 AT 11:00 A.M.</b>	Wednesday	25	9:30 a.m.	4 <sup>th</sup> Floor Conf. Room  <b><u>And via videoconference at</u></b> <b>Santa Rosa Junior College</b> <b>Doyle Library, Room 4243</b> <b>1501 Mendocino Avenue</b> <b>Santa Rosa, CA</b>

<b>Board of Directors Mobile Source Committee</b> ( <i>Meets on the 4<sup>th</sup> Thursday of each Month</i> )	Thursday	26	9:30 a.m.	4 <sup>th</sup> Floor Conf. Room
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## OCTOBER 2013

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
<b>Board of Directors Regular Meeting</b> ( <i>Meets on the 1<sup>st</sup> &amp; 3<sup>rd</sup> Wednesday of each Month</i> )	Wednesday	2	9:45 a.m.	Board Room
<b>Advisory Council Regular Meeting</b> ( <i>Meets on the 2<sup>nd</sup> Wednesday of each Month</i> )	Wednesday	9	9:00 a.m.	Board Room
<b>Board of Directors Regular Meeting</b> ( <i>Meets on the 1<sup>st</sup> &amp; 3<sup>rd</sup> Wednesday of each Month</i> )	Wednesday	16	9:45 a.m.	Board Room
<b>Board of Directors Executive Committee</b> ( <i>Meets on the 3<sup>rd</sup> Monday of each Month</i> )	Monday	21	9:30 a.m.	4 <sup>th</sup> Floor Conf. Room
<b>Board of Directors Stationary Source Committee</b> ( <i>Meets on the 3<sup>rd</sup> Monday of each Month</i> )	Monday	21	10:30 a.m.	Board Room
<b>Board of Directors Budget &amp; Finance Committee</b> ( <i>Meets on the 4<sup>th</sup> Wednesday of each Month</i> )	Wednesday	23	9:30 a.m.	4 <sup>th</sup> Floor Conf. Room  <b><u>And via videoconference at</u></b> <b>Santa Rosa Junior College</b> <b>Doyle Library, Room 4243</b> <b>1501 Mendocino Avenue</b> <b>Santa Rosa, CA</b>
<b>Board of Directors Mobile Source Committee</b> ( <i>Meets on the 4<sup>th</sup> Thursday of each Month</i> )	Thursday	24	9:30 a.m.	Board Room
<b>Board of Directors Public Outreach Committee</b> ( <i>At the Call of the Chair</i> )	Thursday	31	9:30 a.m.	4 <sup>th</sup> Floor Conf. Room



## NOVEMBER 2013

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
<b>Board of Directors Regular Meeting</b> <i>(Meets on the 1<sup>st</sup> &amp; 3<sup>rd</sup> Wednesday of each Month)</i>	Wednesday	6	9:45 a.m.	Board Room
<b>Advisory Council Regular Meeting</b> <i>(Meets on the 2<sup>nd</sup> Wednesday of each Month)</i>	Wednesday	13	9:00 a.m.	Board Room
<b>Board of Directors Executive Committee</b> <i>(Meets on the 3<sup>rd</sup> Monday of each Month)</i>	Monday	18	9:30 a.m.	4 <sup>th</sup> Floor Conf. Room
<b>Board of Directors Stationary Source Committee</b> <i>(Meets on the 3<sup>rd</sup> Monday of each Month)</i>	Monday	18	10:30 a.m.	Board Room
<b>Board of Directors Regular Meeting</b> <i>(Meets on the 1<sup>st</sup> &amp; 3<sup>rd</sup> Wednesday of each Month)</i>	Wednesday	20	9:45 a.m.	Board Room
<b>Board of Directors Climate Protection Committee</b> <i>(Meets 3<sup>rd</sup> Thursday of every other month)</i>	Thursday	21	9:30 a.m.	4 <sup>th</sup> Floor Conf. Room
<b>Board of Directors Budget &amp; Finance Committee</b> <i>(Meets on the 4<sup>th</sup> Wednesday of each Month)</i>	Wednesday	27	9:30 a.m.	4 <sup>th</sup> Floor Conf. Room
				<u>And via videoconference at</u> Santa Rosa Junior College Doyle Library, Room 4243 1501 Mendocino Avenue Santa Rosa, CA
<b>Board of Directors Mobile Source Committee</b> <i>(Meets on the 4<sup>th</sup> Thursday of each Month)</i>	Thursday	28	9:30 a.m.	Board Room

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

Memorandum

To: Chairperson Ash Kalra and Members  
of the Board of Directors

From: Jack P. Broadbent  
Executive Officer/Air Pollution Control Officer

Date: September 3, 2013

Re: Minutes of the Board of Directors Regular Meeting of August 7, 2013

RECOMMENDED ACTION

Approve the attached draft minutes of the Board of Directors Regular Meeting of August 7, 2013.

DISCUSSION

Attached for your review and approval are the draft minutes of the Board of Directors Regular Meeting of August 7, 2013.

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: Sean Gallagher  
Reviewed by: Rex Sanders

Attachments

Bay Area Air Quality Management District  
939 Ellis Street  
San Francisco, CA 94109  
(415) 749-5073

Board of Directors Regular Meeting  
Wednesday, August 7, 2013

## **DRAFT MINUTES**

**CALL TO ORDER:** Chairperson Ash Kalra called the meeting to order at 9:49 a.m.

### **OPENING COMMENTS:**

Chairperson Kalra made opening comments regarding the scope of the agenda and to request that speakers respect the need to collectively manage time.

### **ROLL CALL**

Present: Chairperson Ash Kalra; Vice-Chairperson Nate Miley; Secretary Carole Groom; and Directors John Avalos, Teresa Barrett, Tom Bates, John Gioia, Scott Haggerty, Carol Klatt, Liz Kniss, Eric Mar, Jan Pepper, Mary Piepho, Mark Ross, Jim Spering, Brad Wagenknecht and Shirlee Zane.

Absent: Directors Susan Adams, David Hudson, Edwin Lee, Tim Sbranti and Ken Yeager.

**PLEDGE OF ALLEGIANCE:** Chairperson Kalra led the Pledge of Allegiance.

### **PUBLIC COMMENT ON NON-AGENDA MATTERS:**

Kathy Kerridge, Good Neighbor Steering Committee, addressed the Board regarding concerns relative to the environmental impacts of a recent permit application by the refinery in Benicia.

### **CONSENT CALENDAR (ITEMS 1 – 9)**

1. **Minutes of the Board of Directors Regular Meeting of June 19, 2013;**
2. **Board Communications Received from June 19, 2013, through August 6, 2013;**
3. **Quarterly Report of California Air Resources Board (ARB) Representative – Honorable John Gioia;**
4. **Quarterly Report of Executive Office and Division Activities;**
5. **Air District Personnel on Out-of-State Business Travel;**
6. **Notice of Violations Issued and Settlements in Excess of \$10,000 in June 2013;**
7. **Approval of Contract for California Environmental Quality Act (CEQA) Analyses and Documentation for Air Quality Plans and Rules;**
8. **Approval of Contract for Air Quality Monitoring Study; and**
9. **Authorize Purchase Order in Excess of \$70,000 Pursuant to Administrative Code Division II Fiscal Policies and Procedures, Section 4.3 Contract Limitations, for Continued Operation of the BioWatch Monitoring Network.**

Board Comments: None.

Public Comments: None.

Board Action: Director Wagenknecht made a motion to approve Consent Calendar Items 1, 2, 3, 4, 5, 6, 7, 8 and 9; Director Piepho seconded; and the motion carried unanimously.

## **COMMITTEE REPORTS AND RECOMMENDATIONS**

### **10. Report of the Personnel Committee (PC) Meeting of June 20, 2013**

Committee Chairperson Wagenknecht

The PC met on Thursday, June 20, 2013, and postponed approval of the minutes for lack of a quorum.

The PC received the Hearing Board Interview summary material for the public category alternate seat, conducted interviews of applicants, and recommends Board of Directors' approval of the appointment to the Air District's Hearing Board of Barbara Toole O'Neil to the public category alternate seat, effective immediately.

The next meeting of the PC was scheduled for Wednesday, July 24, 2013, at 9:30 a.m.

NOTED PRESENT: Director Kniss was noted present at 9:55 a.m.

Public Comments: None.

Board Comments: None.

Board Action:

Director Wagenknecht made a motion to approve the report and recommendation of the PC; Director Piepho seconded; and the motion carried unanimously.

### **11. Report of the Climate Protection Committee (CPC) Meeting of July 18, 2013**

Committee Chairperson Avalos

The CPC met on Thursday, July 18, 2013, and approved the minutes of October 31, 2011, April 16, 2012, and May 9, 2013.

The CPC received a staff presentation on the Keystone XL Pipeline project. The CPC discussed the project, and with the support of the majority of the CPC members present, the CPC Chair directed staff to prepare a resolution opposing the Keystone XL Pipeline project for consideration by the Board of Directors. At the end of this committee report, staff gave the presentation on the Keystone XL Pipeline project to help inform the Board's discussion.

The CPC then received the staff presentation Climate Protection Grant Program Update, including a review of the grant program's objectives and the types of projects funded, highlights of certain projects, a summary of the results, and lessons learned.

The CPC also received the staff presentation Assembly Bill (AB) 32 Scoping Plan Update, including background on AB 32 and the scoping plan, the State's strategy for achieving AB 32 greenhouse gas (GHG) goals, the goals of the 2013 Scoping Plan Update, a description of an upcoming Bay Area workshop on the Scoping Plan Update, and the Air District's involvement.

The next meeting of the CPC is at the call of the Chair.

Jean Roggenkamp, Deputy Air Pollution Control Officer (DAPCO), introduced Michael Murphy, Advanced Projects Advisor of Planning, Rules & Research, who gave the staff presentation Keystone XL Pipeline, including project background, a summary of the nature of oil sands, possible GHG impacts, and an overview of Bay Area refineries and potential local emissions.

Director Zane asked, regarding slide 7, Local Emissions, whether the information provided is based upon Canadian imports comprising 1% of current capacity and if one could reasonably conclude there will be a noticeable change should that percentage increase, which questions were answered by Mr. Murphy.

Mr. Murphy concluded the staff presentation.

Public Comments:

Taylor Hawke, 350 Bay Area, addressed the Board in support of a resolution opposing the Keystone XL Pipeline project.

Robert Gould, M.D., Physicians for Social Responsibility, addressed the Board in support of a resolution opposing the Keystone XL Pipeline project.

Floyd Earl Smith, 350 Bay Area, addressed the Board in support of a resolution opposing the Keystone XL Pipeline project.

Jed Holtzman, 350 Bay Area, addressed the Board in support of a resolution opposing the Keystone XL Pipeline project.

Aaron Reaven addressed the Board in support of a resolution opposing the Keystone XL Pipeline project and to suggest further action by the Board in opposition to similar industry practices.

NOTED PRESENT: Director Mar was noted present at 10:25 a.m.

Bill Pinkham, 350 Bay Area and Richmond Progressive Alliance, addressed the Board in support of a resolution opposing the Keystone XL Pipeline project.

Guy Bjerke, Western States Petroleum Association, addressed the Board in opposition to a resolution opposing the Keystone XL Pipeline project.

Joanne Orenge, 350 Bay Area Action Committee, addressed the Board in support of a resolution opposing the Keystone XL Pipeline project.

David McFarlane, 350 Bay Area, addressed the Board in support of a resolution opposing the Keystone XL Pipeline project.

Board Action:

Director Avalos made a motion to approve the report of the CPC; Director Mar seconded; and the motion carried unanimously.

Board Comments:

Chairperson Kalra made introductory comments regarding the Board discussion of this topic and expressed his support for the resolution.

Director Avalos thanked Air District staff for their work and the public for its involvement, made introductory comments regarding the resolution, the state of the global climate and the ever increasing importance of its protection, and expressed his support for the resolution.

Board Action:

Director Avalos made a motion to adopt the Resolution Urging the President of the United States of America to Reject the Application of TransCanada Corporation to Construct the Keystone XL Pipeline; and Director Mar seconded.

Board Comments:

Director Zane said agenda item 16, Work Plan for Action Items Related to Accidental Releases from Industrial Facilities, is Air District work and the current subject probably is not. Director Zane asked if letters had been sent to the ARB or Environmental Protection Agency (EPA), which question was answered by Jack Broadbent, Executive Officer/Air Pollution Control Officer (APCO). Director Zane asked why the Board is spending time on this topic and suggested letters be sent to the agencies mentioned.

Board Action (continued):

Director Avalos made a motion to amend the pending motion to adopt the Resolution Urging the President of the United States of America to Reject the Application of TransCanada Corporation to Construct the Keystone XL Pipeline to include direction to staff to prepare and send letters to the ARB and EPA urging their participation in the discussion; and Director Mar seconded.

Board Comments (continued):

Director Wagenknecht expressed his gratitude for the information presented and his concern about the Air District reaching beyond its purview and said he will not be supporting the resolution.

Director Miley asked about the Air District's authority relative to the subject and what the resolution will serve to do, which questions were answered by Mr. Broadbent. Director Miley said the briefing was inadequate and asked whether the existing pipeline capacity had reached its maximum, whether

President Obama has the final decision, and who is on record as supporting and opposing the project, which questions were answered by Messrs. Broadbent and Murphy and Ms. Roggenkamp.

Director Haggerty asked about the likely destination for tar sands extracted material, which question was answered by Mr. Murphy. Director Haggerty said, regarding slide 4, Getting Oil Sands to Market, there is no obvious implication for California in the proposal and asked why the project being denied is a concern, which question was answered by Damien Breen, Director of Strategic Incentives. Director Haggerty asked if it is correct that another pipeline through California is being planned, which question was answered by Mr. Murphy. Director Haggerty said Canadian west coast ports are thriving and asked why a pipeline is not being constructed there, why Bay Area refinery production is expected to increase with the approval of the project, whether an environmental impact report (EIR) exists and whether it has been reviewed by staff, whether the proposed expansion will do more environmental harm than good, and whether the material will be refined at or shipped from the Gulf Coast, which questions were answered by Messrs. Murphy and Broadbent and Ms. Roggenkamp.

Director Ross asked, regarding slide 5, GHGs, whether California crude is included in “Domestic Crude Oil,” which question was answered by Mr. Murphy. Director Ross asked about the difference between the environmental impact of tar sands and California crude and whether refineries are installing hydrogen plants to better situate them for accommodating these dirtier crudes, which questions were answered by Mr. Murphy and Ms. Roggenkamp. Director Ross said California crude is some of the dirtiest in the world so it is difficult to point fingers at other dirty operations, noted his personal experience working with dirty crude as well as efforts to remediate the damage done through its extraction and processing, and said he has worked to impose GHG limits on Bay Area residents for the good of the global community so he is comfortable with essentially asking the same of the global community for its own sake in this instance. Director Ross asked for an amended motion to revise the proposed resolution, page 2, third paragraph from the bottom, last sentence, to include “high” before “sulfur” and language at the end of the sentence referencing the “notoriously heavy California crude oil.”

#### Board Action (continued):

Director Avalos made a motion to amend the pending motion to adopt the Resolution Urging the President of the United States of America to Reject the Application of TransCanada Corporation to Construct the Keystone XL Pipeline to include the language requested by Director Ross, as set forth above; and Director Mar seconded.

#### Board Comments (continued):

Director Bates said he was long ago moved to do everything in his power, personally and professionally, to mitigate the damage done to the climate, that it is the obligation of the Air District to take a leadership role, and one must only look at the numbers presented today to see that a shift in behavior, no matter how difficult, must occur, and that the resolution must be approved by the Board.

Director Kniss thanked the public for their involvement, said she is troubled by the lack of precedent for the Air District to address national issues and suggested staff craft a procedural outline for how to handle similar situations in the future, commended Director Miley’s comments, and said it difficult to vote against the resolution and will vote to support it but the lack of information available in preparation for today’s meeting is troubling.

Director Spering said he will not support the resolution, noting his responsibility to lower the cost of fuel for the Bay Area population, the expansion of poverty by actions such as these, the limited mobility of so many people, the dependency on transportation for nearly all goods, decreased U.S. reliance on oil from other foreign countries as a result of the expanded pipeline, the climate cooling concern held by the U.S. and Canada in the not so distant past, the immeasurable fraction that the proposed project will contribute to global emissions, the lack of agreement by the National Academy of Science with any of the statements in the proposed resolution, the Bay Area regulating of refineries to keep the air clean regardless of the source of materials, the inappropriate bringing of this resolution that is time-consuming and divisive, and the alternative, much preferred, approach of a letter campaign should the Board be so inclined, and finally stated his taking issue with some of the information provided by staff.

Director Gioia expressed his respect for the varying opinions stated, said it was time well spent hearing from informed individuals about climate change and air quality, both of which are within the Air District's purview, recalled the Air District's first-in-the-nation fee for GHG emissions, expressed his support for the resolution, and suggested a simpler version of the resolution be considered in the future should it not be approved today because constituents from all walks of life are looking to the Air District to take a leadership position.

Director Pepper expressed her support for the resolution, noted her thirty years of professional experience in the field and the understanding of the issues that comes with that, said the environmental impacts of the proposed pipeline are vast and the proposal is entirely driven by economics, suggested the next step for the Air District should be to monitor or restrict the use of this crude in the Bay Area, and said the Air District can help by sending a clear message to the President of the United States.

Director Piepho said she feels similar to Director Miley and this is an important political, not policy, issue that is not properly the Board's to address at this time, noted the lack of information presented regarding the economic impact and the focus of the presentation on the proposed pipeline as opposed to GHGs and the climate, and asked if the Air District submitted comments on the EIR, which question was answered by Mr. Broadbent.

Director Barrett said she is the newest member of the Board, whose role she sees as one of leadership, suggested it is human nature to dodge threats but this issue must be addressed as any work by the Air District will be mooted by the environmental impacts should the proposed pipeline be approved, and said the Air District must act by taking a stand in opposition.

Director Mar thanked the CPC and Director Avalos, urged the Air District to take a stronger position to preserve the environment for future generations, shared his optimism about the ground swell response and of the President's proper decision, and suggested the simple, non-binding resolution is the least the Air District can do, particularly in light of the recent arrests in Richmond over the weekend and other similar public actions.

Director Haggerty asked for procedure clarification regarding abstentions, which questions were answered by Mr. Bunger, and said Director Spering's comments resonated in light of the lack of information available today.



Director Avalos thanked everyone, said it is a political issue but an important, difficult and global one, and noted the real discourse developing in this country and in the Bay Area and the need for leadership as a component for educating the public.

Chairperson Kalra thanked all who participated and called for a roll call vote.

Board Action (continued):

The motion carried by the following vote of the Board:

- AYES: Directors Avalos, Barrett, Bates, Gioia, Groom, Kniss, Mar, Pepper, Ross and Zane; and Chairperson Kalra
- NOES: Directors Klatt, Piepho, Spring and Wagenknecht
- ABSTAIN: Directors Haggerty and Miley
- ABSENT: Directors Adams, Hudson, Lee, Sbranti and Yeager

**12. Report of the PC Meeting of July 29, 2013**  
Committee Chairperson Wagenknecht

The PC met on Monday, July 29, 2013, and approved the minutes of May 6, 2013, and June 20, 2013.

The PC received the Advisory Council Interview summary material for the regional parks district category seat, conducted interviews of applicants, and recommends Board of Directors' approval of the appointment to the Air District's Advisory Council of Ana Alvarez to the regional parks district category seat, effective immediately, to complete a term ending December 31, 2013.

The next meeting of the PC is at the call of the Chair.

Public Comments: None.

Board Comments: None.

Board Action:

Director Wagenknecht made a motion to approve the report and recommendation of the PC; Director Haggerty seconded; and the motion carried unanimously.

**13. Report of the Budget and Finance Committee (BFC) Meeting of August 5, 2013**  
Committee Chairperson Groom

The BFC met on Monday, August 5, 2013, and approved the minutes of April 24, 2013.

The BFC received the staff presentation unaudited Fourth Quarter Financial Report – Fiscal Year Ending (FYE) 2013, including overviews of general fund revenues and expenses and fund balances. There were no vendor payments in excess of \$70,000 without Board of Directors review.

The BFC received and discussed the staff presentation 375 Beale Street Acquisition Status and Financing, including overviews of the site location, floor plans and shared space, components for disposition of 939 Ellis, comparisons of the annual costs for each building, a detailed review of the financing team, principles and documents, and finally the next steps. The BFC recommends the Board of Directors authorize the Executive Officer/APCO to sign necessary documents to finance the purchase of the Bay Area Air Quality Management District portion of 375 Beale Street, San Francisco.

The next meeting of the BFC is Monday, September 9, 2013, at 11:00 a.m.

Public Comments: None.

Board Comments: None.

Board Action:

Director Groom made a motion to approve the report and recommendation of the BFC; Director Wagenknecht seconded; and the motion carried unanimously.

**14. Report of the Executive Committee (EC) Meeting of August 5, 2013**  
Chairperson Kalra

The EC met on Monday, August 5, 2013, and approved the minutes of June 17, 2013.

The EC received from Terry Trumbull, Esq., Chairperson of the Hearing Board, the Quarterly Report of the Hearing Board for April through June 2013, including summaries of the cases and fees collected.

The EC received and discussed the staff presentation 375 Beale Street Acquisition Status and Financing, including overviews of the site location, floor plans and shared space, components for disposition of 939 Ellis, comparisons of the annual costs for each building, a detailed review of the financing team, principles and documents, and finally the next steps. The EC recommends the Board of Directors authorize the Executive Officer/APCO to sign necessary documents to finance the purchase of the Bay Area Air Quality Management District portion of 375 Beale Street, San Francisco.

The EC then received the staff presentation regarding the Bay Area Commuter Benefits Program (Program), which is being developed by the Air District and the Metropolitan Transportation Commission (MTC) in response to Senate Bill 1339 enacted in fall 2012. The Program would require employers with 50 or more full-time employees in the Bay Area to provide commuter benefits to their employees. The presentation described the purpose of the Program; potential Program requirements; the four commuter benefit options that employers could choose among; how the Program would be structured; the anticipated positive environmental and economic outcomes for Bay Area employers, employees, and residents; the roles and responsibilities of Air District and MTC staff in developing and implementing the Program; and next steps in the Program development process.

The next meeting of the EC is Monday, September 9, 2013, at 9:30 a.m.

Public Comments: None.

Board Comments: None.

Board Action:

Chairperson Kalra made a motion to approve the report and recommendation of the EC; Director Piepho seconded; and the motion carried unanimously.

## **PRESENTATIONS**

### **15. Approval of Financing for Joint Regional Agency Co-location at 375 Beale Street**

Jeff McKay, DAPCO, gave the staff presentation 375 Beale Street Acquisition Status and Financing, including overviews of the site location, floor plans and shared space, components for disposition of 939 Ellis, comparisons of the annual costs for each building, a detailed review of the financing team, principles and documents, and finally the next steps.

Board Comments:

Director Piepho asked if the address change from 390 Main Street to 375 Beale Street was for the entire building or only the Air District portion, which question was answered by Mr. McKay.

Public Comments: None.

Board Action:

Director Piepho made a motion, seconded by Director Spring, to authorize the Executive Officer/APCO to sign necessary documents to finance the purchase of the Bay Area Air Quality Management District portion of 375 Beale Street, San Francisco; and the motion carried unanimously.

### **16. Work Plan for Action Items Related to Accidental Releases from Industrial Facilities**

Mr. Broadbent introduced the topic, Update on Work Plan for Action Items Related to Accidental Releases from Industrial Facilities, including seven key actions relating to investigation, procedures, air quality monitoring, rule development, community outreach, resources and legislation. Ms. Roggenkamp gave the initial staff presentation, focusing on progress on air monitoring, rule development, and legislation. Ms. Roggenkamp then introduced Mr. Bunger, who gave the conclusion of the staff presentation, focusing on recent action by the Contra Costa County District Attorney.

Board Comments:

Director Zane asked, regarding slide 6, Federal/State Agency Actions, whether the Air District issued a press release in follow up to the claim that the Chevron Richmond refinery incident of August 2012 had no air quality impact, which question was answered by Messrs. Broadbent and Bunger.

Chairperson Kalra asked if the recent conviction regarding Chevron was under the provisions of the Health and Safety Code, which question was answered by Mr. Bunger.

Mr. Broadbent noted that the Air District took the strongest stance possible in response to this incident and staff is pleased with the outcome.

Director Bates asked the fate of the monies in payment of the fine imposed upon Chevron, which question was answered by Mr. Bunger. Director Bates asked staff to create and distribute a detailed list of to whom the fine monies are distributed.

Director Zane said staff needs to issue a press release countering those by Chevron that claim they received a clean bill of health from the Air District. Chairperson Kalra said a statement in support of the conviction of Chevron makes sense.

Director Ross asked about the outcome of the various violation claims made against Chevron, which question was answered by Messrs. Bunger and Broadbent.

Director Gioia suggested staff work with Mark Peterson, District Attorney, Contra Costa County, to prepare a detail of the distribution of funds received in payment of the Chevron fine, the authority of the various involved agencies, the facts of the matter, and other information deemed pertinent. Director Gioia also suggested staff issue a press release stating that the result of this action is in lieu of Air District action, which suggestion Mr. Bunger provided clarification upon. Director Gioia noted the cooperative efforts of the City of Richmond and Contra Costa County to amend their respective industrial safety resolutions in light of the report of the Chemical Safety Board. Director Gioia asked about the date of the California State Assembly Committee on Natural Resources hearing, which question was answered by Ms. Roggenkamp.

Chairperson Kalra said a one-page summary of the information requested by Directors Bates and Gioia is adequate.

Director Wagenknecht noted this emotional event was only one year ago, the Work Plan is a good one and the results thus far are equally good.

Public Comments:

Ms. Kerridge addressed the Board to commend community efforts and the establishment of fence-line monitoring and to urge for public access to the results of the monitoring efforts.

Board Comments (continued):

Director Ross restated the importance of this matter and joined in the request for the detail requested by Directors Bates and Gioia.

Chairperson Kalra thanked staff.

Mr. Broadbent said the matter is ongoing, today's presentation was only intended as an update, there is a continued question regarding the adequacy and effectiveness of community monitoring and thanked the Board for their fruitful efforts related to this matter.

Board Action: None; informational only.

## **17. Status Report on 939 Ellis Street Disposition**

Mr. McKay gave the staff presentation Status Report on 939 Ellis Street Disposition, including considerations relative to 939 Ellis tenancy after sale, confidentiality, and timeline for disposition.

Public Comments: None.

Board Comments:

Director Bates asked if the short disposition timeline is typical, which question was answered by Messrs. Broadbent and McKay.

Director Spering commended the timing of both the disposition and acquisition.

Board Action: None; informational only.

## **CLOSED SESSION**

The Board adjourned to Closed Session at 12:15 p.m.

## **18. EXISTING LITIGATION (Government Code Section 54956.9(a))**

Pursuant to Government Code Section 54956.9(a), the Board met in closed session to discuss with legal counsel the following cases:

- A) **Lehigh Southwest Cement Company v. Bay Area AQMD**, Santa Clara County Superior Court, Case No. 112CV236602.
- B) **California Building Industry Association v. Bay Area AQMD**, Alameda County Superior Court, Case No. RG-10548693; California Court of Appeal, First Appellate District, Case No. A135335.

## **OPEN SESSION**

The Board resumed Open Session at 12:26 p.m. with no reportable action.

**PUBLIC COMMENT ON NON-AGENDA MATTERS:** None.

## **BOARD MEMBERS' COMMENTS:**

Directors Piepho, Wagenknecht and Ross reported on their experiences at the Air & Waste Management Association (AWMA) Annual Conference. Director Piepho suggested that future AWMA plans include informal side panels comprised of Air District staff and Board attendees, wherein staff can help decipher for Board members some of the more technical material.

Director Zane reported on her experience at the National Association of Counties conference.

**OTHER BUSINESS**

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

Mr. Broadbent presented a summary of the Summer Ozone Season.

**20. Chairperson's Report:**

Chairperson Kalra reported on his experience at the AWMA Annual Conference and announced the cancellation of the Board of Directors Regular Meeting on September 4, 2013.

**21. Time and Place of Next Meeting:** Wednesday, September 18, 2013, Bay Area Air Quality Management District Headquarters, 939 Ellis Street, San Francisco, California 94109 at 9:45 a.m.

**22. Adjournment:** The Board meeting adjourned at 12:34 p.m.

Sean Gallagher  
Clerk of the Boards

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

Memorandum

To: Chairperson Ash Kalra and Members  
of the Board of Directors

From: Jack P. Broadbent  
Executive Officer/APCO

Date: September 3, 2013

Re: Board Communications Received from August 7, 2013 through September 6, 2013

RECOMMENDED ACTION

None; receive and file.

DISCUSSION

Copies of communications directed to the Board of Directors received by the Air District from August 7, 2013 through September 6, 2013, if any, will be at each Board Member's place at the September 9, 2013 Special Board meeting.

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: Vanessa Johnson  
Reviewed by: Rex Sanders

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

Memorandum

To: Chairperson Ash Kalra and Members  
of the Board of Directors

From: Jack P. Broadbent  
Executive Officer/APCO

Date: August 28, 2013

Re: Air District Personnel on Out-of-State Business Travel

RECOMMENDED ACTION:

None; receive and file.

BACKGROUND

In accordance with Section 5.4 (b) of the District's Administrative Code, Fiscal Policies and Procedures Section, the Board is hereby notified that the following Air District personnel have traveled on out-of-state business:

The report covers the out-of-state business travel for the period July 1, 2013 through August 31, 2013. Out-of-state travel is reported in the month following travel completion.

DISCUSSION

Saffet Tanrikulu, Research & Modeling Manager, attended Advanced Meteorological Modeling Training at NCAR in Boulder, CO July 23, 2013 – July 26, 2013

Su-Tzai Soong, Senior Atmospheric Modeler, attended Advanced Meteorological Modeling Training at NCAR in Boulder, CO July 23, 2013 – July 26, 2013

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: Marina Smotkin  
Reviewed by: Jack M. Colbourn



**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

Memorandum

To: Chairperson Ash Kalra and Members  
of the Board of Directors

From: Jack P. Broadbent  
Executive Officer/APCO

Date: September 4, 2013

Re: Notices of Violation Issued and Settlements in Excess of \$10,000 July 2013

RECOMMENDED ACTION:

None; receive and file.

DISCUSSION

In accordance with Resolution No. 2012-08, attached to this Memorandum is a listing of all Notices of Violation issued, and all settlements for amounts in excess of \$10,000 during the calendar month prior to this report.

BUDGET CONSIDERATION/FINANCIAL IMPACT:

The amounts of civil penalties collected are included in the Air District's general fund budget.

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: Brian C. Bungler

Attachments

**NOTICES OF VIOLATION ISSUED**

The following Notice(s) of Violation were issued in July 2013:

<b>Alameda</b>						
<b>Site Name</b>	<b>Site #</b>	<b>City</b>	<b>NOV #</b>	<b>Issuance Date</b>	<b>Regulation</b>	<b>Comments</b>
Bridgelux	E0080	Livermore	A52056A	7/16/13	2-1-307	Throughput exceedance per Condition #24755

<b>Contra Costa</b>						
<b>Site Name</b>	<b>Site #</b>	<b>City</b>	<b>NOV #</b>	<b>Issuance Date</b>	<b>Regulation</b>	<b>Comments</b>
Chevron Products Company	A0010	Richmond	A52249A	7/19/13	8-18-301	separator #2a blower casing leaks >100ppm
Chevron Products Company	A0010	Richmond	A52447A	7/9/13	8-8-312	forebay covers not vapor tight during periods of non-active maintenance/inspection
Chevron Products Company	A0010	Richmond	A52448A	7/9/13	8/8/2000	8-8-402.1 recovered oil drain not identified, tagged nor inspected
Chevron Products Company	A0010	Richmond	A52448B	7/9/13	8/8/2000	8-8-402.4 recovered oil drain not identified, tagged nor inspected
Chevron Products Company	A0010	Richmond	A52449A	7/9/13	8-8-303	gauging hatch on NE corner of separate not vapor tight
John Muir Health - Concord Campus	A1753	Concord	A53082A	7/24/13	2-1-307	Exceeded throughput limits. Application submittal pending.
Plains Products Terminals LLC	A0745	Richmond	A52959A	7/18/13	8-5-320.3	8-5-320.3.2 visible gap around roof support column
Prime Tank Lines	V9912	Richmond	A53105A	7/2/13	8-33-305	CT#117023, failure to meet year round decay rate

Tesoro Refining & Marketing Company LLC	B2758	Martinez	A53127A	7/10/13	8-28-401	(06E24) PRD lift late reporting
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<b>Napa</b>						
Site Name	Site #	City	NOV #	Issuance Date	Regulation	Comments
Advanced Pressure Technology (AP Tech)	E2022	Napa	A52980A	7/17/13	2-1-301	unpermitted sources in operation
Advanced Pressure Technology (AP Tech)	E2022	Napa	A52980B	7/17/13	2-1-302	unpermitted sources in operation

<b>San Francisco</b>						
Site Name	Site #	City	NOV #	Issuance Date	Regulation	Comments
Macy's , Inc	E1575	San Francisco	A51735A	7/29/13	2-1-302	Failure to pay permit fee. Application #24866 is cancelled.

<b>Solano</b>						
Site Name	Site #	City	NOV #	Issuance Date	Regulation	Comments
David's Spirit	W0161	Fairfield	A52599A	7/1/13	8-7-302.3	NPS#111271 5/8 nozzles tagged out of order
Valero Refining Company - California	B2626	Benicia	A52726A	7/25/13	8-18-307	mixer leaking >3 drips/minute
Valero Refining Company - California	B2626	Benicia	A52827A	7/18/13	8-18-401	8-18-401.2 components not inspected quarterly
Valero Refining Company - California	B2626	Benicia	A52827B	7/18/13	8-18-402	8-18-402.1 misclassified & undocumented components discovered during 1Q2013 fugitives evaluation

Valero Refining Company - California	B2626	Benicia	A52827C	7/18/13	10	40CFR60.482-6 1stQtr2013 fugitive deviation included discovery of open ended lines
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<b>District Wide</b>						
<b>Site Name</b>	<b>Site #</b>	<b>City</b>	<b>NOV #</b>	<b>Issuance Date</b>	<b>Regulation</b>	<b>Comments</b>
EelRiverFuels, LowerLakeBulk Plant	W0167	Lower Lake	A53106A	7/17/13	8-33-305	CT#22209, failure to meet year round decay rate

**SETTLEMENTS FOR \$10,000 OR MORE REACHED**

There were 4 settlements for \$10,000 or more completed in July 2013.

- 1) On July 3, 2013, the District reached a settlement with Plains Products Terminals, LLC – Richmond Facility for \$15,750, regarding the allegations contained in the following 3 Notices of Violation:

<b>NOV #</b>	<b>Issuance Date</b>	<b>Occurrence Date</b>	<b>Regulation</b>	<b>Comments from Enforcement</b>
A52163A	6/29/12	5/25/12	8-33-309	8-33-309.5 per source test 12180 results
A52163B	6/29/12	5/25/12	8-33-309	8-33-309.8 incomplete weekly inspection records
A52168A	10/2/12	10/2/12	8-5-320.3	8-5-320.3.2 visible gaps on source 3, 5, & 23 floating roof openings
A52172A	1/15/13	10/20/12	8-33-309	8-33-309.12 backpressure exceedance of >18" H2O column not reported in 24hrs

- 2) On July 3, 2013, the District reached settlement with Los Medanos Energy Center, LLC for \$55,000, regarding the allegations contained in the following 1 Notice of Violation:

<b>NOV #</b>	<b>Issuance Date</b>	<b>Occurrence Date</b>	<b>Regulation</b>	<b>Comments from Enforcement</b>
A52265A	8/1/12	6/15/12	2-6-307	ICE operated under non-permissible conditions

- 3) On July 16, 2013, the District reached settlement with Cardinal Cogen, Inc. for \$30,000, regarding the allegations contained in the following 2 Notices of Violation:

<b>NOV #</b>	<b>Issuance Date</b>	<b>Occurrence Date</b>	<b>Regulation</b>	<b>Comments from Enforcement</b>
A51063A	5/16/12	10/8/07	CCR	Title 17, CCR section 93115.7b(1) failure to meet diesel PM standard

A51064A	10/31/12	8/11/11	1-522.7	33 late reported deviations, 2 days > 17.5ppm
A51064B	10/31/12	8/11/11	2-6-307	33 late reported deviations, 2 days > 17.5ppm

4) On July 23, 2013, the District reached settlement with Chevron Products Company for \$190,000 regarding the allegations contained in the following 19 Notices of Violation:

<b>NOV #</b>	<b>Issuance Date</b>	<b>Occurrence Date</b>	<b>Regulation</b>	<b>Comments from Enforcement</b>
A51214A	8/30/10	1/15/10	8-2-301	Deviation #2405 Avgas spill >15lbs/day and >300ppm total carbon
A51217A	1/18/11	12/1/06	8-18-402.1	Deviation #2570 Deleted components in LDAR program / inventory
A51217B	1/18/11	12/1/06	8-18-401	8-18-401.2:Quarterly inspections not conducted on components deleted from LDAR inventory
A51219A	2/28/11	2/24/11	2-6-307	Non-compliance w/ permit
A51219B	2/28/11	2/24/11	2-6-307	2-6-404.3 Significant permit revision
A51220A	5/19/11	10/1/10	8-18-401	8-18-401.2 Dev#2807 missed LDAR quarterly inspections per Reg. 8-18
A51282A	12/21/10	9/19/02	8-18-401	8-18-401.2 No quarterly inspections on valves at FCC unit
A51285A	1/18/11	4/27/10	2-6-307	PC#23735, violation of 40CFR subpart J (60.104(a)(1))
A51290A	5/31/11	12/9/10	2-6-307	PC#21232,Part6 for episode #'s 05X57 & 05X59
A51291A	6/9/11	12/21/10	9-1-301	Episode #'s 05X70 & 05X71, SO2 & H2S GLM excesses
A51291B	6/9/11	12/21/10	9-2-301	Episode #'s 05X70 & 05X71, SO2 & H2S GLM excesses
A51292A	6/9/11	12/21/10	9-2-301	Episode #05X73 (H2S excess) & late reporting
A51292B	6/9/11	12/21/10	1-542	Episode #05X73 (H2S excess) & late reporting
A51293A	6/9/11	12/21/10	9-1-301	Episode #05Y19 (SO2 excess) & late reporting

A51293B	6/9/11	12/21/10	1-542	Episode #05Y19 (SO2 excess) & late reporting
A51295A	8/23/11	7/25/11	8-8-303	2 hatches on effluent basin not vapor tight
A51295B	8/23/11	7/25/11	2-6-307	Late reporting of Title V deviation #3007
A51296A	2/16/12	12/2/11	2-6-307	Failure to submit Title V Dev. report for NTC#38485
A52232A	1/11/12	8/8/11	1-523.1	deviation #2994 late reporting of inoperative monitor
A52235A	2/16/12	10/5/11	12-11-502.3	Deviation #3035 missed flare samples at RLOP and D&R
A52236A	4/5/12	12/30/11	10	Deviation #3120 flaring due to operator error 40CFR60subpartJ (60.104(a)(1)), PC #23735
A52237A	4/5/12	5/3/11	10	Deviation #2903 flaring due to operator error 40CFR60subpartJ (60.104(a)(1)), PC #23735
A52240A	6/12/12	2/27/12	10	Deviation #3186 Flaring due to operator error 40CFR60.104(a)(1)subpartJ PC#23735
A52241A	6/12/12	3/4/12	10	Deviation #3187 40CFR60subpartJ, 60.104(a)(1) PC#23735
A52242A	6/12/12	3/7/12	10	Deviation #3188 40CFR60subpartJ, 60.104(a)(1) & PC#23735

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
Memorandum

To: Chairperson Kalra and Members  
of the Board of Directors

From: Jack P. Broadbent  
Executive Officer/APCO

Date: September 5, 2013

Re: Set Public Hearing for October 16, 2013 to Consider Proposed Amendments  
to Regulation 9, Rule 10: Nitrogen Oxides and Carbon Monoxide from  
Boilers, Steam Generators and Process Heaters in Petroleum Refineries; and  
Approval of a CEQA Negative Declaration

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RECOMMENDED ACTION

Set a Public Hearing for October 16, 2013 to consider adoption of proposed amendments to Regulation 9: Inorganic Gaseous Pollutants, Rule 10: Nitrogen Oxides and Carbon Monoxide from Boilers, Steam Generators and Process Heaters in Petroleum Refineries; and approval of a California Environmental Quality Act (CEQA) Negative Declaration.

BACKGROUND

Regulation 9, Rule 10 sets emission limits for nitrogen oxides (NO<sub>x</sub>) and carbon monoxide (CO) from boilers, steam generators and process heaters in petroleum refineries to reduce ozone forming emissions to the atmosphere, and reduce exposure to CO, a criteria air contaminant. The rule applies a refinery-wide, daily average NO<sub>x</sub> limit of 0.033 pounds of NO<sub>x</sub> per million BTU of heat input for most heaters. Regulation 9-10 was last amended on December 15, 2010. At the public hearing, staff was directed to work with refineries to consider an alternative standard to the daily average NO<sub>x</sub> limit so that refineries could more easily replace or modernize heaters subject to the standard. The proposed amendments are the result of that work.

DISCUSSION

The proposed amendments: 1) establish a new, voluntary alternative NO<sub>x</sub> mass-based emission limit for heaters currently subject to the daily average NO<sub>x</sub> limit of 0.033 pounds of NO<sub>x</sub> per million BTU of heat input; 2) increase continuous emissions monitoring systems (CEMS) coverage on the same heaters; and 3) establish a new reporting requirement for refinery operators to provide data on burners in each heater. The purpose of the amendments is to: 1) provide operational flexibility to refinery operators and encourage energy efficiency improvements, and thus, lower greenhouse gas emissions while ensuring that NO<sub>x</sub> emissions reductions achieved under the current rule continue; 2) improve the enforceability of the rule; and 3) gather information from which future NO<sub>x</sub> emissions reductions from these heaters can be considered.

## RULE DEVELOPMENT PROCESS

The proposed amendments to Regulation 9, Rule 10 were developed through a process that began prior to the 2010 amendments to the rule. Staff gave a presentation to the Stationary Source Committee on the rule development process on March 19, 2012 and conducted a public workshop on draft amendments on December 4, 2012 in Martinez, CA to solicit comment. Based on comments, staff prepared an amended regulatory draft and released it for further comment on May 29, 2013. Staff continued to meet and communicate with representatives from each refinery and with the Western States Petroleum Association to consider comments and clarify provisions of the proposed rule.

Pursuant to the California Environmental Quality Act (Public Resources Code § 21000 et seq.), an initial study for the proposed amendments has been conducted, concluding that the proposed rule would not have significant adverse environmental impacts. Notice is hereby given that the Air District intends to adopt a negative declaration for the rule pursuant to Public Resources Code section 21080(c) and CEQA Guidelines section 15070 et seq.

A public hearing notice; copies of the proposed amendments to Regulation 9, Rule 10: Nitrogen Oxides and Carbon Monoxide from Boilers, Steam Generators and Process Heaters in Petroleum Refineries; the CEQA initial study and Negative Declaration; a socioeconomic analysis; and a staff report will be posted on the Air District's website at [http://www.baaqmd.gov/pln/ruledev/regulatory\\_public\\_hearings.htm](http://www.baaqmd.gov/pln/ruledev/regulatory_public_hearings.htm). Copies are also available by request.

## BUDGET CONSIDERATIONS/FINANCIAL IMPACTS

None. Air District staff already permits and inspects the affected facilities, and fees necessary to administer the alternative NOx standard are already included in Regulation 3: Fees.

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: Julian Elliot  
Reviewed by: Henry Hilken



**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

Memorandum

To: Chairperson Ash Kalra and Members  
of the Board of Directors

From: Jack P. Broadbent  
Executive Officer/APCO

Date: September 4, 2013

Re: Update on Bay Area Bike Share

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

In the Bay Area, the transportation sector accounts for more than 50% of criteria pollutants, and more than 40% of greenhouse gas emissions. Significant emissions reductions from the on-road transportation sector are key to helping the Bay Area attain State and Federal ambient air quality standards. Bicycle share services in other cities have demonstrated the potential for reducing vehicle miles driven by both residents and visitors, thus improving regional air quality.

DISCUSSION

Bay Area Bike Share is the first public bike share service in California and the first regional, multi-city bike share program in the country. The service launched on August 29, 2013, with a fleet size of approximately 700 bicycles and 70 kiosk stations available for use in the cities of San Jose, Mountain View, Palo Alto, Redwood City and San Francisco.

Bay Area Bike Share is a pilot project and the results from the pilot will be used to assess opportunities for expanding the program within the pilot communities as well as in additional Bay Area communities. The Air District is the lead administrator and is conducting the pilot in partnership with the City and County of San Francisco, the San Mateo County Transit District, the City of Redwood City, the County of San Mateo, and the Santa Clara Valley Transportation Authority.

As part of this report, Air District staff will present an overview of Bay Area Bike Share milestones accomplished to date and next steps.

BUDGET CONSIDERATION / FINANCIAL IMPACT:

None. The Air District distributes program monies as “pass-through” funds on a reimbursement basis.

Administrative costs for project staffing are provided by the Air District’s Transportation Fund for Clean Air.

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: Karen Schkolnick  
Reviewed by: Jean Roggenkamp