

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

APPROVED MINUTES

Summary of Board of Directors
Executive Committee Meeting
Monday, February 25, 2013

1. Call to Order – Roll Call

Chairperson Ash Kalra called the meeting to order at 9:32 a.m.

Present: Chairperson Ash Kalra; Vice Chairperson Nate Miley; Secretary Carole Groom; and Directors Tom Bates, John Gioia, Scott Haggerty, Mary Piepho, Mark Ross and Brad Wagenknecht.

Absent: None.

Also Present: None.

2. Public Comment Period: None.

3. Approval of the Minutes of December 17, 2012

Committee Comments: None.

Public Comments: None.

Committee Action: Director Ross made a motion to approve the Minutes of December 17, 2012; Director Gioia seconded; and the motion carried unanimously.

4. Hearing Board Quarterly Report – October through December 2012

Hearing Board Vice-Chairperson Christian Colline, P.E., presented the quarterly report of the Air District Hearing Board for October through December of 2012.

NOTED PRESENT: Directors Bates and Piepho were noted present at 9:34 a.m.

Committee Comments: None.

Public Comments: None.

Committee Action: None; informational only.

5. Consideration of Remote Participation Protocol for Committee Meetings

Jack Broadbent, Executive Officer/Air Pollution Control Officer (APCO), introduced Ana Sandoval, Manager of Executive Operations/Policy Analyst, who gave the staff presentation Remote Participation Protocol for Committee Meetings, including current protocol, a proposal for consideration and next steps.

NOTED PRESENT: Directors Haggerty and Miley were noted present at 9:38 a.m.

Director Gioia asked, regarding slide 5, Committees Eligible for New Protocol, whether the Stationary Source Committee would be included, which question was answered by Ms. Sandoval and Brian Bunger, District Counsel.

Ms. Sandoval concluded the presentation.

Committee Comments:

Director Haggerty suggested that the location of the Committee Chairperson should be part of the discussion and adopted protocol. The Committee discussed the same.

Director Haggerty said Alameda County is ready to participate as a remote location. Chairperson Kalra said the system will be expanded after the launch allows staff to identify and address any issues that may arise.

Director Wagenknecht said Napa County is also ready to participate as a remote location. Chairperson Kalra suggested that all counties within the Air District's jurisdiction will eventually be included.

Director Ross asked why meetings in the seventh floor board room could not be included, which question was answered by Ms. Sandoval. Director Ross and Mr. Bunger discussed the options available and the infrastructure considerations.

Chairperson Kalra expressed his preference that remote locations be in public buildings and Mr. Bunger stated that the Brown Act required it.

Director Gioia said the effort on this protocol is for the benefit of the public, and the Board. The Directors agreed with Chairperson Kalra that remote locations should be public sites and asked whether Board meetings would eventually be included.

Director Bates suggested the Committee members all seem to be in agreement with the initial concept and that expanding the opportunity to all counties is a positive move once Brown Act considerations, costing and other questions have been addressed during the testing phase.

Chairperson Kalra agreed with Director Bates and said including Board meetings may be an option after the Air District relocates to its new facility.

Directors Wagenknecht and Ross asked about the mechanics of remote participation, which questions were answered by Ms. Sandoval.

Chairperson Kalra said much of the logistics will depend upon the sites and those variations are one of the key considerations in choosing to expand the system in stages.

Director Gioia suggested that public outreach regarding these appearance opportunities is necessary and that all meetings should eventually be accessible via remote locations in all counties and Chairperson Kalra agreed.

Director Piepho asked why phone-conferencing and video-conferencing were being treated differently under the protocol. Chairperson Kalra responded that is the case for the launch phase. Staff clarified the direction to them at the present time and the problematic history related to phone-conferencing.

Director Ross urged for a broadening of technology deemed acceptable under the protocol in order to increase accessibility.

Public Comments: None.

Committee Action:

Director Bates made a motion, seconded by Director Piepho, to recommend the Board of Directors:

1. Allow remote participation by committee members for all committee meetings held in the Air District Headquarters 4th floor Conference Room at 939 Ellis Street in San Francisco, with the exception of Executive Committee and Personnel Committee meetings;
2. The Committee Chair, Vice-Chair or member who will facilitate the meeting must participate in person;
3. Any remote participation for committee meetings will occur only via video-conferencing at identified and secured locations; and
4. Video-conferencing locations will be made available for committee meetings upon direction of the Executive Officer/Air Pollution Control Officer (APCO) or by request by one or more members of the committee; provided the location(s) is/are available and all legal noticing requirements can be met.

The motion carried unanimously.

6. Update on Joint Regional Agency Co-Location at 390 Main Street

Jeff McKay, Deputy APCO, gave the staff presentation 390 Main 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 principles and next steps.

The Committee discussed slide 8, Floor 2 – Lab, the parking accommodations available to the Board directors and the floor plan for floor 1.

Mr. McKay continued the presentation.

Director Piepho asked, regarding slide 12, Shared Under Condominium Agreement, about the percentage of shared space in the building, which questions were answered by Mr. McKay.

Mr. McKay continued the presentation.

Director Gioia asked, regarding slide 13, Disposition of 939 Ellis, what a potential buyer's use for the building may be and the amount of and method for determining the current value, which questions were answered by Mr. McKay.

Director Ross said staff may want to invest the time and effort to address entitlement issues in order to increase the value of the property, which suggestion was discussed by the Committee and staff. Director Bates asked about the current entitlements, which questions were answered by Mr. Bunger.

Mr. McKay said that a marketing plan will be presented at a future committee meeting that will address many of the topics being discussed. Director Piepho asked that the broker attend said meeting.

Mr. McKay continued the presentation.

Chairperson Kalra asked, regarding slide 16, Building Purchase 390 Main Street February 2013 Assumptions, whether a reserve is necessary, which question was answered by Mr. McKay.

Director Haggerty inquired about the condominium agreement and total square footage, which questions were answered by Messrs. McKay and Bunger.

Chairperson Kalra noted the efficiencies of space that will be gained by the move.

Director Ross noted the significant difference in loadable space and asked about the cost of renting the private space and the details of the common area maintenance for the same, which questions were answered by Messrs. Broadbent and Bunger.

Director Piepho asked about the proportionality of voting rights under the condominium agreement, which questions were answered by Messrs. Bunger and Broadbent.

Chairperson Kalra noted that a direct comparison of annual costs for each building does not give an accurate sense as maintenance at 939 Ellis Street has long been deferred, where possible, in anticipation of the move. Director Bates said it is important to provide the public with more information in this regard and Chairperson Kalra agreed.

Director Bates asked about possible scenarios should 939 Ellis not sell before the scheduled move date, which questions were answered by Mr. McKay.

Mr. McKay continued the presentation.

Director Bates asked, regarding slide 19, BAAQMD 390 Main Financing Principles, if the Air District will end up paying more should interest rates return to their pre-recession levels, which question was answered by Messrs. Bunger and Broadbent.

Mr. McKay continued the presentation.

Director Bates asked, regarding slide 20, Debt Service with Interest Rate Caps in Immediate Effect, for information on the interest rates in the worst-case scenario, which questions were answered by Mr. McKay.

Committee Comments:

Director Ross asked about fixed-rate loan options, which questions were answered by Mr. Bunger. Director Ross suggested the entitlement process may provide additional money to apply to debt service.

Director Miley asked when the initial \$1.2 million dollar payment is made, under what scenarios staff envision the Air District would not move into 390 Main Street, and for information regarding the timing and expense of the move, which questions were answered by Mr. Bunger.

Director Bates asked if 390 Main Street will provide any room for agency expansion, which question was answered by Messrs. Broadbent, McKay and Bunger.

Public Comments: None.

Committee Action:

Director Bates made a motion, seconded by Director Wagenknecht, to recommend, with the concurrence of the Budget and Finance Committee, that the Board of Directors authorize the Executive Officer/APCO to complete necessary documents to finance the purchase of the Air District portion of 390 Main Street, San Francisco, CA under the terms of the Principles of Financing presented to the committee.

The motion carried unanimously.

7. **Committee Member Comments/Other Business:** None.
8. **Time and Place of Next Committee Meeting:** Monday, March 18, 2013, Bay Area Air Quality Management District Office, 939 Ellis Street, San Francisco, CA 94109 at 9:30 a.m.
9. **Adjournment:** The meeting adjourned at 10: 50 a.m.

151 Sean Gallagher

Sean Gallagher
Clerk of the Boards