

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

Board of Directors Regular Meeting
Wednesday, February 19, 2014

APPROVED MINUTES

CALL TO ORDER: Chairperson Nate Miley called the meeting to order at 9:50 a.m.

ROLL CALL:

Present: Chairperson Nate Miley; Vice-Chairperson Carole Groom; Secretary Eric Mar; and Directors Susan Adams, John Avalos, Teresa Barrett, Tom Bates, Cindy Chavez, Scott Haggerty, David Hudson, Ash Kalra, Roger Kim (on behalf of Edwin Lee), Carol L. Klatt, Liz Kniss, Jan Pepper, Mary Piepho, Mark Ross, Brad Wagenknecht and Shirlee Zane.

Absent: Directors John Gioia, Tim Sbranti (resigned) and Jim Spering.

PLEDGE OF ALLEGIANCE: Chairperson Miley led the Pledge of Allegiance.

OPENING COMMENTS: None.

PUBLIC COMMENT ON NON-AGENDA MATTERS: None.

CONSENT CALENDAR (ITEMS 1 – 10)

1. **Minutes of the Board of Directors (Board) Special Meeting/Retreat of January 15, 2014;**
2. **Board Communications Received from January 15, 2014 through February 18, 2014;**
3. **Air District Personnel on Out-of-State Business Travel;**
4. **Quarterly Report of California Air Resources Board (ARB) Representative – Honorable John Gioia;**
5. **Quarterly Report of Executive Office and Division Activities;**
6. **Notice of Violations Issued and Settlements in Excess of \$10,000 in January 2014;**
7. **Set a Public Hearing for March 19, 2014 to Consider Proposed Regulation 14, Rule 1: Bay Area Commuter Benefits Program; and Approval of a California Environmental Quality Act Negative Declaration;**
8. **Notice of Proposed Amendments to the Air District's Administrative Code, Operating Policies and Procedures for the Board Division I: Section 8, Hearing Board, Section 8.6, Limits on Term of Office;**
9. **Consideration to Authorize Purchase Order in Excess of \$70,000 for Development of an Engineering Permit Training Program; and**
10. **Consideration of Establishing a New Job Classification of Communications Officer.**

Board Comments: None.

Public Comments: None.

Board Action:

Director Wagenknecht made a motion to approve Consent Calendar Items 1 through 10, inclusive; Director Ross seconded; and the motion carried by the following vote of the Board:

AYES: Adams, Avalos, Barrett, Bates, Chavez, Groom, Haggerty, Hudson, Kim, Klatt, Kniss, Mar, Miley, Pepper, Piepho, Ross, Wagenknecht and Zane.

NOES: None.

ABSTAIN: None.

ABSENT: Gioia, Kalra, Sbranti and Spring.

COMMITTEE REPORTS AND RECOMMENDATIONS

11. Report of the Budget and Finance Committee (BFC) Meeting of January 22, 2014 Committee Chairperson Groom

The BFC met on Wednesday, January 22, 2014, and approved the minutes of August 5, 2013.

The BFC received the auditor presentation regarding the Air District Financial Audit Report for Fiscal Year Ending (FYE) 2013. The BFC first reviewed the Financial Audit Report of the Air District's Financial Statements for FYE 2013, an unqualified report with no reportable conditions, then the Financial Audit Report of the OMB Circular A-133, also an unqualified report with no reportable conditions.

The BFC then received and discussed the staff presentation *Second Quarter Financial Report – FYE 2014*, including overviews of general fund revenues, expenses and fund balances; a year-to-year comparison and summaries of purchasing reporting requirements; and cumulative vendor payments in excess of \$70,000.

The BFC also received and discussed the staff presentation *Air District Financial Overview*, including a review of the status of the prior fiscal year, a mid-year summary of FYE 2014, and a review of the budget topics and highlights for the upcoming FYE 2015 budget process.

The next meeting of the BFC is Wednesday, March 26, 2014, at 9:30 a.m.

Board Comments: None.

Public Comments: None.

Board Action: None; receive and file.

12. Report of the Mobile Source Committee (MSC) Meeting of January 23, 2014
Committee Chairperson Haggerty

The MSC met on Thursday, January 23, 2014, and approved the minutes of October 24, 2013 and December 5, 2013.

The MSC reviewed Projects with Proposed Grant Awards Over \$100,000 and recommends the Board:

1. Approve a total of five projects for the replacement of twenty off-road diesel-powered tractors, two off-road diesel-powered loaders, and three diesel-powered airport ground support baggage tows, all of which are in Sonoma County except the three airport ground support baggage tows in Santa Clara County; and
2. Authorize the Executive Officer/Air Pollution Control Officer (APCO) to enter into agreements for the recommended Carl Moyer Program (CMP) projects.

The MSC then reviewed a request for Participation in Year 16 of the CMP and recommends the Board:

1. Adopt a resolution authorizing the Executive Officer/Air Pollution Control Officer (APCO) to execute all necessary agreements with the ARB relating to the Air District's receipt of CMP funds for fiscal year 2013-2014 (Program Year 16); and
2. Allocate \$5 million in Mobile Source Incentive Funding to provide the required match funding and additional monies for projects eligible for funding under the CMP.

The MSC then reviewed and discussed the staff presentation *Overview of Transportation Fund for Clean Air Policies*, including background information, Transportation Fund for Clean Air funding allocations from 1992 through 2013, summaries of key policies, a review of project useful life and cost-effectiveness, summaries of emissions standards for heavy-duty diesel vehicles and the effect of changing cost-effectiveness standards on projects.

The next meeting of the MSC is on Thursday, February 27, 2014, at 9:30 a.m.

Board Comments:

The Board and staff discussed the violation rates in Sonoma County, enhanced Air District outreach to the Sonoma County agricultural community, and treating Bay Area airports like ports in terms of engaging emissions reductions.

Public Comments: None.

Board Action:

Director Haggerty made a motion to approve the recommendations of the MSC; Director Piepho seconded; and the motion carried by the following vote of the Board:

AYES: Adams, Avalos, Barrett, Bates, Chavez, Groom, Haggerty, Hudson, Kim, Klatt, Kniss, Mar, Miley, Pepper, Piepho, Ross, Wagenknecht and Zane.

NOES: None.

ABSTAIN: None.

ABSENT: Gioia, Kalra, Sbranti and Spring.

PRESENTATION

13. Overview of Air District's Rules and Regulations

Jack Broadbent, Executive Officer/APCO, introduced Brian Bunger, District Counsel, who gave the staff presentation *Overview of Air District Regulations and Rules*, including background, sources of regulations and rules, other applicable requirements, organization, and a review of the rules.

NOTED PRESENT: Director Kalra was noted present at 10:05 a.m.

Board Comments:

The Board and staff discussed the applicability of the Regulation 2, Rule 10, Large Confined Animal Facilities within the Bay Area; the applicable rules governing asbestos; solid waste organic compounds; how numerous rules are applied to one subject facility; how the rules have been applied to large-scale gas dispensing facilities; how the rules are applied, if at all, to outdoor operations for marijuana-growing and similar odorous substances; and the applicability of public nuisance laws to residential wood smoke.

Director Zane asked staff to provide her with information on all of the violations issued by the Air District in Sonoma County relative to landfill or compost facilities for the last five years.

Director Pepper asked for more information on how numerous rules are applied to one subject facility.

Public Comments: None.

Board Action: None; receive and file.

CLOSED SESSION

The Board adjourned to Closed Session at 10:56 a.m.

14. 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 case:

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; California Supreme Court, Case No. S214378.

15. CONFERENCE WITH REAL PROPERTY NEGOTIATOR (Government Code Section 54956.8)

Pursuant to Government Code Section 54956.8, the Board met in closed session 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 APCO Tom Christian, Cassidy Turley Ric Russell, Cassidy Turley
Negotiating Parties:	Columbia Pacific Real Estate Fund I, L.P.
Under Negotiation:	Price and Terms

OPEN SESSION

The Board resumed Open Session at 11:26 a.m. with no reportable action.

PUBLIC COMMENT ON NON-AGENDA MATTERS: None.

BOARD MEMBERS' COMMENTS: None.

OTHER BUSINESS

16. Report of the Executive Officer/APCO:

Mr. Broadbent presented a summary of the Winter Fine Particulate Matter Season and gave a brief overview of some of the items the Board will see in the coming months.

Director Zane asked about the advisability of doing a study or assessment of the violations, particularly in the outer regions of the Bay Area, and a discussion about contracting with local law enforcement agencies to assist with the enforcement of Air District regulations.

17. Chairperson's Report:

Chairperson Miley congratulated Director Kniss on her re-appointment to the Board; announced the 2014 AltCar Expo on Friday, March 14 and Saturday, March 15, as sponsored by the Air District among others; announced the formation of an Ad Hoc Building Move Oversight Committee of the

Board to provide input and oversight for the upcoming Air District headquarters move to 375 Beale Street and constituted by Chair Miley, Vice-Chair Groom, Secretary Mar, and Directors Haggerty, Kalra and Spring,; and the cancellation of the Board meeting on March 5, 2014.

18. Time and Place of Next Meeting:

Wednesday, March 19, 2014, Bay Area Air Quality Management District Headquarters, 939 Ellis Street, San Francisco, California 94109 at 9:45 a.m.

19. Adjournment: The Board meeting adjourned at 11:32 a.m.

/s/ Sean Gallagher

Sean Gallagher
Clerk of the Boards