

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

Board of Directors Regular Meeting
Wednesday, April 2, 2014

APPROVED MINUTES

CALL TO ORDER: Chairperson Nate Miley called the meeting to order at 10:05 a.m.

1. OPENING COMMENTS: None.

2. ROLL CALL:

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

Absent: Secretary Eric Mar; and Directors Mary Piepho, Tim Sbranti (resigned) and Shirlee Zane.

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

3. PUBLIC COMMENT ON NON-AGENDA MATTERS:

There were no requests for public comment.

CONSENT CALENDAR (ITEMS 4 – 6)

- 4. Minutes of the Board of Directors (Board) Regular Meeting of March 19, 2014;**
- 5. Board Communications Received from March 19, 2014 through April 1, 2014; and**
- 6. Authorization to Approve Changes to Website Projects.**

Board Comments: None.

Public Comments: There were no requests for public comment.

Board Action:

Director Hudson made a motion to approve Consent Calendar Items 4 through 6, inclusive; Director Wagenknecht seconded; and the motion carried by the following vote of the Board:

AYES: Adams, Avalos, Barrett, Bates, Chavez, Gioia, Groom, Haggerty, Hudson, Kalra, Kim, Klatt, Kniss, Miley, Pepper, Ross, Spering and Wagenknecht.

NOES: None.

ABSTAIN: None.

ABSENT: Mar, Piepho, Sbranti and Zane.

CLOSED SESSION

The Board adjourned to Closed Session at 10:08 a.m.

7. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION (Government Code Section 54956.9(d)(2)) (Agenda Item # 11 taken out of order)

Pursuant to Government Code Section 54956.9(d)(2), the Board met in closed session to discuss with legal counsel the significant exposure to litigation in one potential case.

8. CONFERENCE WITH REAL PROPERTY NEGOTIATOR (Government Code Section 54956.8) (Agenda Item # 12 taken out of order)

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/Air Pollution Control Officer (APCO)
Jeffrey McKay, Deputy APCO (DAPCO)
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 10:22 a.m. with no reportable action.

COMMITTEE REPORTS AND RECOMMENDATIONS

9. Report of the Climate Protection Committee (CPC) Meeting of March 20, 2014 (Agenda Item # 7)

Committee Chairperson Avalos

Director Avalos introduced the topic and Jean Roggenkamp, DAPCO, who introduced the topic further and Henry Hilken, Director of Planning, Rules and Research, who gave the staff presentation *10-Point Climate Action Work Program* (Work Program) through slide 9, *Revisions to Work Program*, including background, summaries of and revisions to the Work Program, outreach meetings, stakeholders, and outreach results. Mr. Broadbent gave the staff presentation at slide 10, *Estimated Resource Needs*. Mr. Hilken concluded the staff presentation, including next steps and recommendation.

Board Comments:

The Board and staff discussed the Work Program, including the level of local government attendance at public workshops; estimated resource needs; proposed fee increases in support; Air District regulatory authority relative to greenhouse gases (GHG); the history of GHG fees in the Bay Area; when and as what agenda item the Board will consider approval of the four staff positions requested in support; the importance of the work completed, continued public outreach and of deliverables as a result; whether the work will integrate with related work or create more for local government staffs; the importance of focusing on Bay Area targets and of including reforestation, carbon sequestration, and black carbon reductions; the climate science foundation for the established targets; the lack of a national policy on this and related topics, unlike other countries of the world; and the importance of working towards scientifically established, not politics-driven, targets.

Director Pepper asked that directors be notified of future workshops held in their home counties.

Director Avalos gave the Chair Report as follows:

The CPC met on Thursday, March 20, 2014, and approved the minutes of December 9, 2013.

The CPC received the staff presentation *10-Point Climate Action Work Program*, including background, summaries of outreach and its results, revisions to the Work Program, estimated Air District resource needs, next steps and recommendations. Based on this discussion, the CPC recommends that the Board adopt the Work Program, dated March 13, 2014, as attached to the staff report and amended as follows:

- Page 1, opening paragraph: insert “2014 and” immediately before “2015”;
- Page 1, #2. Update GHG Inventory and Forecasting: replace “2035” with “a mid-term year” and replace “2014 Clean Air Plan” with “2015 Clean Air Plan”; and
- Page 2, #6. Initiate Rule Development, bullet 1: Replace with “Integrate GHG emissions reduction into the Air District’s permitting program to facilitate GHG reductions consistent with California’s cap and trade program and other federal and state provisions.”

The final proposed Work Program, reflecting the CPC’s recommended revisions, is included as Attachment 1 to this report in the Board agenda packet.

The CPC then received an informational staff presentation, *California Cap and Trade Program Revenue Allocation Overview*, including background; reviews of the State's investment plan, impacted communities, proposed State budget, impacts on Bay Area; as well as challenges and next steps.

The CPC also received the staff presentation *Assembly Bill (AB) 32 Scoping Plan Update*, which provided an overview of the Air Resources Board's current efforts to update the AB 32 Scoping Plan and how this update may inform Air District climate protection activities.

The next meeting of the CPC is Thursday, May 15, 2014, at 9:30 a.m.

Board Action:

Director Avalos made a motion, seconded by Director Adams, to approve the recommendations of the CPC.

Public Comments:

Jeff Dorian, 350 Bay Area, addressed the Board in support of the adoption of the Work Program.

Patti Weisselberg, Families for Clean Air (FCA), addressed the Board in support of the adoption of the Work Program.

Aaron Reaven, 350 Bay Area, addressed the Board in support of the adoption of the Work Program.

Jed Holtzman, 350 Bay Area, addressed the Board in support of the adoption of the Work Program.

Jess Dervin-Ackerman, Sierra Club, addressed the Board in support of the adoption of the Work Program.

Board Action (continued):

The motion carried by the following vote of the Board:

AYES: Adams, Avalos, Barrett, Bates, Chavez, Gioia, Groom, Haggerty, Hudson, Kalra, Kim, Klatt, Kniss, Miley, Pepper, Ross, Spering and Wagenknecht.

NOES: None.

ABSTAIN: None.

ABSENT: Mar, Piepho, Sbranti and Zane.

10. Report of the Personnel Committee (PC) Meeting of March 24, 2014 (Agenda Item # 8)
Committee Chairperson Wagenknecht

The PC met on Monday, March 24, 2014, and approved the minutes of January 13, 2014.

The PC received the staff presentation *Strategic Staffing Plan Update*, including a background on current staffing levels, strategic staffing principles, staffing considerations, vacancies being filled in fiscal year ending (FYE) 2015, climate program staffing, staffing levels in FYE 2015, and next steps. The PC then received the Advisory Council (Council) Interview summary material for the vacant agriculture category seat, conducted interviews of applicants, and recommends Board approval of the appointment of Frank Imhof to the Air District's Council for a term expiring December 31, 2014. The PC also recommends Board approval of incumbent reappointments of Hearing Board (HB) Members Terry A. Trumbull and Julio A. Magalhães to the regular public member positions and HB Alternate Members Michael F. McGowan and Barbara Toole O'Neil to the alternate public member positions for three-year terms.

The PC then heard and denied an appeal of the Executive Officer/APCO decision on a complaint of alleged violation of the Air District's Equal Employment Opportunity Policy by a finding that the allegations in the complaint lacked merit.

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

Board Action:

Director Wagenknecht made a motion to approve the recommendations of the PC.

Mr. Broadbent gave the staff presentation, *Strategic Staffing Plan Update*, including a background on current staffing levels, strategic staffing principles, staffing considerations, vacancies being filled in FYE 2015, climate program staffing, staffing levels in FYE 2015, and next steps.

Board Action (continued):

Director Hudson seconded the motion to approve the recommendations of the PC.

Board Comments:

The Board and staff discussed the proposed staffing levels in FYE 2015 as compared to historic levels and how service levels have been maintained with a significantly reduced staff; the importance of maintaining the pace of permit processing; hiring and Air District goal setting that reflects the public being served; public feedback regarding Air District processes and responsiveness; and the importance of maintaining a timely enforcement cycle.

Public Comments: There were no requests for public comment.

Board Action (continued):

The motion carried by the following vote of the Board:

AYES: Adams, Avalos, Barrett, Bates, Chavez, Gioia, Groom, Haggerty, Hudson, Kalra, Kim, Klatt, Kniss, Miley, Pepper, Ross, Spering and Wagenknecht.

NOES: None.

ABSTAIN: None.

ABSENT: Mar, Piepho, Sbranti and Zane.

11. Report of the Budget and Finance Committee (BFC) Meeting of March 26, 2014 (Agenda Item # 9)

Committee Chairperson Groom

The BFC met on Wednesday, March 26, 2014, and approved the minutes of January 22, 2014.

The BFC received and discussed the staff presentation *Proposed Amendments to Regulation 3: Fees*, including an overview of revenue sources in the FYE 2013 Budget, an explanation of current cost recovery policy, trends in cost cutting, proposed changes to fee schedules, GHG fees, impacts on small businesses, a fee comparison with South Coast Air Quality Management District, public comments and the rule development schedule.

The BFC then received and discussed the staff presentation *Proposed Budget for FYE 2015*. The BFC reviewed revenue projections for FYE 2014; overviews of the proposed budget, general fund revenue sources, and general fund expenditures for FYE 2015; a status report on fees; trends in cost cutting from FYE 2010 through 2015; unfunded liabilities; personnel costs; strategic staffing plans; a comparison of retirement contributions and salaries; and a review of Air District reserve funds and designations. The proposed budget is balanced, without the use of reserves, includes the filling of nineteen vacant staff positions, and increases the Other Post-Employment Benefits contribution for the agency to \$3 million.

The next meeting of the BFC is Wednesday, April 23, 2014, at 9:30 a.m.

Board Comments: None.

Public Comments: There were no requests for public comment.

Board Action: None; receive and file.

PRESENTATION

12. Overview of the 2013/2014 Wood Smoke Reduction Program (Agenda Item # 10)

Mr. Broadbent introduced the topic and Eric Stevenson, Director of Technical Services, who gave the staff presentation *Overview of the 2013-2014 Winter Spare the Air Season* through slide 10, *Air Monitoring Network*, including fine particulate matter reduction benefits and seasons; meteorology and progress; highest air quality readings from November 2013 through February 2014; regional particulate matter movement and contributions; local lessons; and air monitoring network.

The Board and staff discussed, at slide 5, *Highest Air Quality Readings – November 2013 through February 2014*, the geographic distribution of exceedences.

Director Haggerty requested a map of the areas in exceedence.

Mr. Stevenson continued the presentation and introduced Wayne Kino, Director of Compliance and Enforcement, who gave the staff presentation through slide 13, *Enforcement Practices*, including wood smoke enforcement statistics as well as enforcement highlights and practices.

Mr. Kino introduced Lisa Fasano, Communications Officer, who gave the staff presentation through slide 18, *Results*, including outreach messaging, regional outreach, media coverage, and social media.

Mr. Stevenson concluded the staff presentation, including lessons learned and statewide issues.

Board Comments:

The Board and staff discussed the need to elevate this discussion to the national level, particularly in light of the promotion of wood-fueled fires on the East Coast in the aftermath of their particularly cold winter; whether staff has discussed with PG&E the viability of an extension of natural gas service to the San Geronimo Valley in Marin County; the commendable progress made relative to a difficult subject matter; the need for a more concerted public outreach effort, particularly during the off season; the state of technology enabling cleaner wood burning; the acceptable use of wood pellet-burning stoves; the need to develop additional solutions for those that are financially hard hit during long cold spells when Spare the Air Alerts are called; the ambient air quality in Beijing and Shanghai in comparison; the commendable connection being made between cigarette and wood smoke in outreach materials; the advantages and disadvantages of electric heating; the overall effectiveness of the campaign; the need for dialogue with PG&E about enhancing other sustainability-minded programs; the importance of polling the public on Air District outreach efforts and reporting the results to the Board; Air District enforcement practices; the details of how door-to-door outreach is conducted; whether options exist for physically covering unused fireplaces and an Air District program to incentivize their installation.

Director Bates requested a copy of the “missed you” slip that is left at residences that do not answer the door during door-to-door outreach.

Public Comments:

Tracey Gant, FCA, submitted a video for playback, addressed the Board to provide introductory remarks relative to the same, and then played the video in support of the Air District Wood Smoke Reduction Program.

Director Ross asked that a copy of the video be provided to all of the Board members via email.

Board Comments (continued):

The Board and staff discussed the existence of similar programs in other regions throughout the country.

Board Action: None; receive and file.

13. PUBLIC COMMENT ON NON-AGENDA MATTERS (Agenda Item # 11):

There were no requests for public comment.

14. BOARD MEMBERS' COMMENTS (Agenda Item # 12):

The Board and staff discussed Director Sbranti's continued presence on the Board.

OTHER BUSINESS

15. Report of the Executive Officer/APCO: None.

16. Chairperson's Report:

Chairperson Miley reported out those directors who have expressed an interest in attending the 2014 Annual Air & Waste Management Conference in Long Beach, California, and notified them that staff will be in touch regarding arrangements.

17. Time and Place of Next Meeting:

Wednesday, April 16, 2014, Bay Area Air Quality Management District Headquarters, 939 Ellis Street, San Francisco, California 94109 at 9:45 a.m.

18. Adjournment: The Board meeting adjourned at 12:19 p.m.

15/ Sean Gallagher
Sean Gallagher
Clerk of the Boards